

Item 2.02. Results of Operations and Financial Condition.

On August 9, 2017, Liberty Media Corporation (the “Company”) issued a press release (the “Earnings Release”) setting forth information, including financial information, which is intended to supplement the financial statements and related Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 filed with the Securities and Exchange Commission (the “SEC”) on August 9, 2017.

On the Company’s scheduled call to discuss the results of the quarter ended June 30, 2017, the Company noted that the number of Atlanta Braves home games played during the quarter ended June 30, 2016 was 44, as opposed to 40 which was provided in the Earnings Release. The Earnings Release attached hereto as Exhibit 99.1 and posted on the Company’s website reflects this correction.

This Item 2.02 and the Earnings Release attached hereto as Exhibit 99.1, insofar as they disclose historical information regarding the Company’s results of operations or financial condition for the quarter ended June 30, 2017, are being furnished to the SEC.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 9, 2017.

EXHIBIT INDEX

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99.1	Press Release dated August 9, 2017.



LIBERTY MEDIA CORPORATION REPORTS SECOND QUARTER 2017 FINANCIAL RESULTS

Englewood, Colorado, August 9, 2017 - Liberty Media Corporation ("Liberty Media" or "Liberty") (NASDAQ: LSXMA, LSXMB, LSXMK, BATRA, BATRK, FWONA, FWONK) today reported second quarter 2017 results. Highlights include :

- Attributed to Liberty SiriusXM Group
 - SiriusXM reported strong second quarter 2017 results
 - Net self-pay subscribers grew 466,000; total subscribers exceeded 32 million
 - Second quarter revenue climbed 9% to \$1.3 billion
 - Quarterly net income rose 16% to \$202 million
 - Adjusted EBITDA grew 12% to a quarterly record of \$522 million
 - Quarterly operating cash flow rose 12% to \$483 million; free cash flow grew 6% to \$417 million
 - SiriusXM increased full-year guidance for self-pay net additions, revenue and adjusted EBITDA
 - SiriusXM announced agreement for \$480 million investment in Pandora, representing 19% interest or approximately 16% on as converted basis
 - Closed \$440 million recapitalization of SiriusXM Canada
 - Liberty Media's ownership of SiriusXM stood at 68.5% as of July 25
- Attributed to Formula One Group
 - Closed primary equity offering and used net proceeds of \$388 million to partially repay Formula 1 ("F1") second lien term loan
 - Subsequent to quarter-end game on 5.11.17, the company reported a net income of \$10.9 million

include the results of SiriusXM, as reported by SiriusXM, without regard to the purchase accounting adjustments applied by us for purposes of our financial statements. Liberty Media believes the presentation of financial results as reported by SiriusXM is useful to investors as the comparability of those results is best understood in the context of SiriusXM's historical financial presentation. For a reconciliation of revenue, adjusted OIBDA (as defined by Liberty Media) and operating income for SiriusXM's stand-alone operating results as reported by SiriusXM to those results as reported by Liberty Media, see Liberty Media's Form 10-Q for the quarter ended June 30, 2017.

The businesses and assets attributed to Liberty SiriusXM Group consist primarily of Liberty Media's interest in SiriusXM.

FORMULA ONE GROUP – The following table provides the financial results attributed to the Formula One Group for the second quarter of 2017. In the second quarter, the Formula One Group incurred approximately \$9 million of corporate level selling, general and administrative expense (including stock-based compensation expense).

“We just passed the halfway point in the 2017 season, and attendance, viewership and engagement on digital platforms have increased,” said Chase Carey, Formula 1 Chairman and CEO. “We are in the process of developing our three to five year strategic plan while focusing on key priorities like improving and building fan engagement that will positively impact the business and build the foundation for long-term results.”

	2Q16	2Q17
	amounts in millions	
Formula One Group		
Formula 1	\$ NA	\$ 616
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accounting adjustments, as if the acquisition of F1 occurred on January 1, 2016. The purchase price allocation related to the F1 business combination and pro forma adjustments are preliminary and have been made available solely for the purpose of providing comparative pro forma condensed consolidated financial information. The financial information below is presented for illustrative purposes only and does not purport to represent what the results of operations of F1 would actually have been had the business combination occurred on January 1, 2016, or to project the results of operations of Liberty for any future periods.

Pro Forma F1 Operating Results

	<u>2Q16</u>	<u>2Q17</u>	<u>% Change</u>
	amounts in millions		
Primary Formula 1 revenue	\$ 516	\$ 527	2 %
Other Formula 1 revenue	84	89	6 %
Total Formula 1 revenue	\$ 600	\$ 616	3 %
Operating expenses (excluding stock-based compensation included below):			
Team payments	(329)	(330)	(0)%
Other cost of Formula 1 revenue	(79)	(85)	(8)%
Cost of Formula 1 revenue	\$ (408)	\$ (415)	(2)%
Selling, general and administrative expenses	(24)	(32)	(33)%
Adjusted OIBDA	168	169	
Stock-based compensation	—	(9)	— %
Depreciation and Amortization	(78)	(115)	(47)%
Operating income	\$ 90	\$ 45	(50)%
Number of races in period	<u>7</u>	<u>7</u>	

(1) Pro-forma adjusted OIBDA for the second quarter includes a \$5 million adjustment related to transaction costs not captured in the first quarter; excluding this adjustment, F1's pro-forma adjusted OIBDA in the second quarter was \$164 million.

Primary F1 revenue represents the majority of F1's revenue and is derived from (i) race promotion fees, (ii) broadcasting fees and (iii) advertising and sponsorship fees. Broadcast revenue increased due to higher contractual rates and the impact of slightly higher proportionate recognition of season-based income during the quarter (7/20 races in the second quarter of 2017 compared to 7/21 races in the second quarter of 2016), which more than offset the adverse impact of weaker prevailing foreign currency exchange rates used to translate a small number of Pound and Euro-denominated contracts into US dollars. Advertising and sponsorship revenue increased due to new sponsors and due to the impact of slightly higher proportionate recognition of season-based income. Other Formula 1 revenue increased modestly during the second quarter primarily due to higher TV production revenue. These increases were partially offset by lower race promotion fees due to one contract amendment, which was partly offset by the impact of other contractual increases.

Operating income decreased primarily due to increased amortization related to intangible assets acquired in the F1 acquisition. ion rerin hhhættem hhC

The increase in Braves revenue in the quarter was primarily attributable to an increase in ballpark operations revenue driven by the Braves move to their new ballpark, SunTrust Park, and improved on-field performance. Ticket sales, concessions, corporate sales, suites and premium seat fees all increased during the second quarter. Operating loss increased compared to the prior year primarily as a result of increased depreciation and amortization expense due to an increase in property and equipment to support the development of the Braves mixed-use facility that surrounds SunTrust Park. Adjusted OIBDA increased primarily due to the increase in ballpark operations revenue as discussed above, partially offset by increased costs associated with baseball and ballpark operations.

The Formula One Group holds an approximate 15.5% intergroup interest in the Braves Group as of July 31, 2017. Assuming the issuance of the shares underlying the intergroup interest held by the Formula One Group, the Braves Group outstanding share count as of July 31, 2017 would have been 58.6 million.

The businesses and assets attributed to the Braves Group consist primarily of Liberty Media's subsidiary Braves, which indirectly owns the Atlanta Braves major league baseball team, five minor league baseball clubs and certain assets and liabilities associated with its ballpark and mixed-use development project.

Share Repurchases

There were no repurchases of Series A or Series C Liberty SiriusXM common stock, Series A or Series C Liberty Braves common stock or Series A or Series C Liberty Formula One common stock from May 1, 2017 through July 31, 2017. The total remaining repurchase authorization for Liberty Media is approximately \$3 billion and can be applied to repurchases of Series A and Series C shares of any of

NOTES

The following financial information with respect to Liberty Media's equity affiliates and available for sale securities is intended to supplement Liberty Media's condensed consolidated balance sheet and statement of operations to be included in its Form 10-Q for the period ended June 30, 2017.

Fair Value of Corporate Public Holdings

<i>(amounts in millions)</i>	3/31/2017		6/30/2017	
Liberty SiriusXM Group	\$	N/A	\$	N/A
Formula One Group				
Live Nation Equity Method Investment	\$	2,115		2,427
Other Public Holdings		518		681
Total Formula One Group	\$	2,633	\$	3,108
Braves Group		N/A		N/A
Total Liberty Media	\$	2,633	\$	3,108

(1) Represen

As of July 31, 2017, there are approximately 230.7 million shares of Liberty Formula One common stock, pro-forma for the approximately 15.7 million shares of FWONK issuable upon exchange of the Exchangeable Notes issued to the F1 selling shareholders in connection with the F1 acquisition, based on the maximum number of shares issuable.

Subsequent to quarter end, on August 3, 2017, Liberty closed a \$200 million add-on to F1's \$3.1 billion first lien term loan. The add-on is on the same terms as the existing first lien term loan and has a rate of 3.25%, which will reduce to 3.00% after September 2, 2017 if certain recently secured upgraded credit ratings are retained. F1 ~~is~~ ^{is} ~~at~~ ^{at} 3.00%

This press release 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, the future financial performance of FI's business, the new ballpark for the Atlanta Braves and completion of the associated mixed-use development, expansion of the Formula 1 brand, the continuation of our stock repurchase plan 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 conditions, changes in regulatory matters affecting our businesses, the unfavorable outcome of pending or future litigation, the failure to realize benefits of acquisitions, rapid technological and industry change, failure of third parties to perform, changes in consumer protection laws and their enforcement, continued access to capital on terms acceptable to Liberty Media and changes in law and market conditions conducive to stock repurchases. These forward-looking statements speak only as of the date of this press release, and Liberty Media expressly disclaims any

[Redacted content]

NON-GAAP FINANCIAL MEASURES

SCHEDULE 1

This press release includes a presentation of adjusted OIBDA, which is a non-GAAP financial measure, for the Liberty SiriusXM Group, the Braves Group and the Formula One Group, together with reconciliations to operating income, as determined under GAAP. Liberty Media defines adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses, excluding all stock based compensation, and excludes from that definition depreciation and amortization, restructuring and impairment charges and separately reported legal settlements that are included in the measurement of operating income pursuant to GAAP.

Liberty Media believes adjusted OIBDA is an important indicator of the operational strength and performance of its businesses, including each business' 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 Media 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 Media's management considers in assessing the results of operations and performance of its assets.

The following table provides a reconciliation of adjusted OIBDA for Liberty Media to operating income calculated in accordance with GAAP for the three months ended June 30, 2016 and June 30, 2017, respectively.

SCHEDULE 2

This press release also includes a presentation of adjusted EBITDA, which is a non-GAAP financial measure used by SiriusXM, together with a reconciliation to SiriusXM's stand-alone net income, as determined under GAAP. SiriusXM defines adjusted EBITDA as follows: EBITDA is defined as net income before interest expense, income tax expense and depreciation and amortization. SiriusXM adjusts EBITDA to exclude the impact of other income as well as certain other charges discussed below. Adjusted EBITDA is one of the primary Non-GAAP financial measures SiriusXM uses to (i) evaluate the performance of its on-going core operating results period over period, (ii) base its internal budgets and (iii) compensate management. Adjusted EBITDA is a Non-GAAP financial measure that excludes (if applicable): (i) certain adjustments as a result of the purchase price accounting for the merger of Sirius and XM, (ii) share-based payment expense and (iii) other significant operating expense (income) that do not relate to the on-going performance of the business. SiriusXM believes adjusted EBITDA is a useful measure of the underlying trend of its operating performance, which provides useful information about the business apart from the costs associated with its capital structure and purchase price accounting. SiriusXM believes investors find this Non-GAAP financial measure useful when analyzing past operating performance with current performance and comparing operating performance to the performance of other communications, entertainment and media companies. SiriusXM believes investors use adjusted EBITDA to estimate current enterprise value and to make investment decisions. Because of large capital investments in SiriusXM's satellite radio system, its results of operations reflect significant charges for depreciation expense. SiriusXM believes the exclusion of share-based payment expense is useful as it is not directly related to the operational conditions of the business. SiriusXM also believes the exclusion of the legal settlements and reserves related to the historical use of sound recordings and loss on disposal of assets, to the extent they occur during the period, is useful as they are significant expenses not incurred as part of normal operations for the period.

