



**Item 2.02. Results of Operations and Financial Condition.**

On February 26, 2021, 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 Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission (the “SEC”) on February 26, 2021.

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 year ended December 31, 2020, are being furnished to the SEC.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 26, 2021

LIBERTY MEDIA CORPORATION

By: /s/ Wade Haufschild

Name: Wade Haufschild

Title: Senior Vice President



- Average TV viewers per race was 87.4 million
- Social media followers increased 36% to 35 million; fastest growth in social engagement compared to all other major sports with a 99% increase
- Liberty Media Acquisition Corporation (“LMAC”) completed its IPO on January 26<sup>th</sup> for gross proceeds of \$575 million
  - Sponsor’s 20% interest in LMAC attributed to Formula One Group

Attributed to Braves Group

- Braves received numerous performance accolades in 2020, including Freddie Freeman as National League MVP
- Battery development generated a solid \$5 million of operating income and \$18 million of net operating income (“NOI”)<sup>2</sup> in 2020
  - 97% of Battery tenants currently open

“We want to thank our employees and management teams who did a tremendous job navigating and operating in an extremely challenging 2020. SiriusXM posted very strong annual results and returned over \$1.8 billion in e ~

reorganization or similar business combination with one or more businesses. Each Unit consists of one share of Series A common stock of LMAC and one-fifth of one redeemable warrant of LMAC. Each whole warrant entitles the holder thereof to purchase one share of LMAC's Series A common stock for \$11.50 per share, subject to adjustment, following the later of 30 days after the completion of LMAC's initial business combination and 12 months from the closing of the IPO. The Units were sold at a price of \$10.00 per Unit, generating gross proceeds to LMAC of \$575 million. Concurrently with the IPO, LMAC completed the private sale of 10 million warrants to its sponsor, Liberty Media Acquisition Sponsor LLC (the "Sponsor"), a wholly-owned subsidiary of Liberty Media.

LMAC intends to search for a target in the media, digital media, music, entertainment, communications, telecommunications and technology industries. Liberty Media, through the Sponsor, owns 20% of LMAC's issued and outstanding common stock and the Sponsor has committed to acquire \$250 million of forward purchase units (each consisting of one share of LMAC's Series B common stock and one-fifth of one warrant to purchase one share of LMAC's Series A common stock) pursuant to a forward purchase agreement that will close substantially concurrently with the consummation of LMAC's initial business combination. Liberty Media's ownership interest in LMAC will consist primarily of Series B common stock following the consummation of LMAC's initial business combination, and is initially being attributed to the Formula One Group tracking stock.

#### Discussion of Results

Unless otherwise noted, the following discussion compares financial information for the three months or year ended December 31, 2020 to the same period in 2019.

**LIBERTY SIRIUSXM GROUP** – The following table provides the financial results attributed to Liberty SiriusXM Group for the fourth quarter and full year 2020. Approximately \$7 million and \$41 million of corporate level selling, general and administrative expense (including stock-based compensation expense) was allocated to the Liberty SiriusXM Group in the fourth quarter and full year 2020, respectively.



administrative expense (including stock-based compensation expense) was allocated to the Formula One Group in the fourth quarter and full year 2020, respectively.

“I am thrilled to join the Formula 1 organization and continue to build on the strong foundation set by Chase Carey and the team,” said Stefano Domenicali, Formula 1 President and CEO. “We are planning a record-setting 23 race calendar in 2021 and continue to work with governments, promoters and local organizations as we navigate COVID-19 protocols and regulations. We’ve been excited to see drivers, celebrities and fans engage as we once again hosted the F1 Esports Virtual Grand Prix in 2021 and we look forward to the start of the season in Bahrain on March 28<sup>th</sup>.”

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2019	2020	2019	2020
	amounts in millions		amounts in millions	
<b>Formula One Group</b>				
Formula 1	\$ 523	\$ 485	\$ 2,022	\$ 1,145
Total Formula One Group	\$ 523	\$ 485	\$ 2,022	\$ 1,145
Formula 1	\$ (6)	\$ (23)	\$ 17	\$ (386)
Corporate and other	(17)	(18)	(52)	(58)
Total Formula One Group	\$ (23)	\$ (41)	\$ (35)	\$ (444)
Formula 1	\$ 110	\$ 90	\$ 482	\$ 56
Corporate and other	(13)	(12)	(36)	(38)
Total Formula One Group	\$ 97	\$ 78	\$ 446	\$ 18



The following table provides the operating results of Formula 1 ("F1").

F1 Operating Results

	Three months ended December 31,			Twelve months ended December 31,		
	2019	2020	% Change	2019	2020	% Change
	(unaudited)			(unaudited)		
	amounts in USD millions			amounts in USD millions		
Primary Formula 1 revenue						

races to which contracted sponsorship inventory specifically related and the limited activities at the races, including hospitality.

Primary F1 revenue declined in the full year. Race promotion revenue decreased as fans were prohibited from attending all but three races, which led to one-time changes in the contractual terms of the originally scheduled races that remained on the 2020 calendar and limited revenue generated from the replacement races that were added. Broadcast revenue decreased as the altered schedule triggered lower fees pursuant to the contractual terms of certain broadcast agreements, as well as other one-time contract negotiations that took place in 2020. Advertising & sponsorship revenue declined as F1 was prevented from delivering all elements of a typical sponsorship offering due to the cancellation of certain events to which contracted sponsorship inventory related and the limited activities available at the races, including hospitality. This led to a number of one-time changes in sponsorship fees for 2020, and in some cases the deferral of revenue related to undelivered sponsorship contract rights into future years.

Other F1 revenue decreased in the fourth quarter due to the non-operation of the Paddock Club at all events but one race, and even then with strictly limited capacity, and lower freight revenue driven by fewer flyaway races, partially offset by increased revenue from the F2 and F3 support series as there were two additional races in the current period compared to the prior year. For the full year, other F1 revenue decreased due to less races held, the non-operation of the Paddock Club and lower freight revenue, partially offset by increases in licensing and digital media income driven primarily by growth in F1 TV subscriptions.

Operating loss grew and adjusted OIBDA decreased in the fourth quarter and full year 2020. Team payments increased in the fourth quarter due to the pro rata recognition of prize fund payments across the race season, and team payments decreased in the full year driven by the contraction in F1 revenue and the associated impact on the calculation of variable elements of team payments. Team payments in 2020 included one-time fees paid to teams upon signing the 2021 Concorde Agreement.

Other cost of F1 revenue is largely variable in nature and mostly relates to revenue opportunities. These costs decreased in the fourth quarter and full year due to lower hospitality and lower freight costs from fewer, logistically cheaper races. Selling, general and administrative expense decreased in the fourth quarter and full year primarily due to lower personnel and other expenses and reduced discretionary marketing expense.

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The following table provides the operating results of Braves Holdings, LLC ("Braves").

Braves Operating Results

	Three months ended December 31,			Twelve months ended December 31,		
	2019	2020	% Change	2019	2020	% Change
amounts in millions						
Baseball revenue	\$ 23	\$ 23	— %	\$ 438	\$ 142	(68)%
Development revenue	11	12	9 %	38	36	(5)%
Total revenue	\$ 34	\$ 35	3 %	\$ 476	\$ 178	(63)%
Operating expenses (excluding stock-based compensation included below):						
Other operating expenses	(39)	(27)	31 %	(344)	(170)	51 %
Selling, general and administrative expenses	(18)	(12)	33 %	(78)	(57)	27 %
Adjusted OIBDA	\$ (23)	\$ (4)	83 %	\$ 54	\$ (49)	NM
Stock-based compensation	(4)	(14)	(250)%	(15)	(3)	80 %
Depreciation and Amortization	(17)	(15)	12 %	(71)	(69)	3 %
Operating income (loss)	\$ (44)	\$ (33)	25 %	\$ (32)	\$ (121)	(278)%
Regular season home games in period	—	—		81	30	
Postseason home games in period	3	7		3	4	

Due to the outbreak of COVID-19, MLB postponed the start of the 2020 season until late July. The regular season included 60 games (30 home and 30 away) beginning July 24<sup>th</sup> and ending September 27<sup>th</sup>. Accordingly, the majority of Braves revenue in 2020 was recognized during the third quarter with the first three months of the year.

Operating loss and adjusted OIBDA loss improved in the fourth quarter due to lower team costs and postseason operating expense as games were not held at Truist Park, as well as reduced marketing spend and winter player development expense. For the full year, operating loss increased and adjusted OIBDA declined. Lower revenue was partially offset by other factors.

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 consolidated balance sheet and statement of operations to be included in its Form 10-K for the year ended December 31, 2020.

Fair Value of Corporate Public Holdings

<i>(amounts in millions)</i>	9/30/2020	12/31/2020
<b>Liberty SiriusXM Group</b>		
Live Nation Investment <sup>(a)</sup>	\$ 3,752	\$ 5,118
iHeart <sup>(b)</sup>	57	91
Total Liberty SiriusXM Group <sup>(c)</sup>	\$ 3,809	\$ 5,209
<b>Formula One Group</b>		
Public Holdings <sup>(d)</sup>	-	181
Total Formula One Group	\$ 177	\$ 181
Braves Group	N/A	N/A
<b>Total Liberty Media</b>	<b>\$ 4,986</b>	<b>\$ 5,390</b>

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The Live Nation call spread was issued in connection with the reattribution between Liberty SiriusXM Group and Formula One Group in April 2020. Formula One Group bought from Liberty SiriusXM Group a European call option on 34.8 million Live Nation shares with a strike price of \$36.72 (the "Reattribution Price"). Simultaneously, Formula One Group sold to Liberty SiriusXM Group a European call option on 34.8 million Live Nation shares with a strike price of \$47.74, a 30% premium to the Reattribution Price. The call spread matures on April 22, 2021 and is included within Other Current Assets and Other Current Liabilities on Liberty Media's unaudited attributed condensed consolidated balance sheet.

	Attributed as of December 31, 2020					
	Liberty SiriusXM Group		Braves Group		Formula One Group	
	Notional Shares	Value	Notional Shares	Value	Notional Shares	Value
<i>(amounts in millions)</i>						
Braves Group intergroup interests	2.3	\$ 57	(9.1)	\$ (226)	6.8	\$ 169





Total cash, liquid investments and restricted cash attributed to Liberty SiriusXM Group increased \$860 million during the fourth quarter as additional borrowing at Liberty SiriusXM and SiriusXM and cash from operations at SiriusXM more than offset return of capital. Included in the cash, liquid investments and restricted cash balance attributed to Liberty SiriusXM Group at December 31, 2020 is \$83 million at SiriusXM. Although SiriusXM is a consolidated subsidiary, it is a separate public company with a significant non-controlling interest, therefore Liberty Media does not have ready access to SiriusXM's cash balance.

Total debt attributed to Liberty SiriusXM Group increased \$1.6 billion during the fourth quarter due to borrowing under SiriusXM's revolving credit facility and additional debt raised at Liberty SiriusXM Group. On November 12, 2020, Liberty Media closed a private offering of \$920 million of 0.50% exchangeable senior debentures due 2050 including the exercise of the greenshoe. The number of shares of Live Nation common stock attributable to a debenture represents an initial exchange price of \$90.10 per share. A total of approximately 10.2 million shares of Live Nation common stock are attributable to the debentures. Net proceeds are expected to be used for general corporate purposes, which may include the future repayment of indebtedness, including Liberty's 2.25% Exchangeable Senior Debentures due 2048, and the settlement of the call spread between the Formula One Group and the Liberty SiriusXM Group related to 34.8 million shares of Liberty's Live Nation common stock. Additionally, the Live Nation margin loan was amended in November 2020, reducing the borrowing capacity to \$200 million, increasing the interest rate to LIBOR plus 2.0%, decreasing the undrawn commitment fee to 0.5% per annum and extending the maturity date to December 9, 2022. The shares of Live Nation common stock underlying the margin loan was reduced from 53.7 million to 9.0 million following the amendment.

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**LIBERTY MEDIA CORPORATION**  
**BALANCE SHEET INFORMATION**  
December 31, 2020 (unaudited)

	Attributed			Inter-Group Eliminations	Consolidated Liberty
	Liberty SiriusXM Group	Braves Group	Formula One Group		
	amounts in millions				
<i>Assets</i>					
Current assets:					
Cash and cash equivalents	\$ 996	151	1,684	—	2,831
Trade and other receivables, net	672	30	121	—	823
Other current assets	225	63	459	(371)	376
Total current assets	1,893	244	2,264	(371)	4,030
Intergroup interests	257	—	169	(426)	—
Investments in affiliates, accounted for using the equity method	886	94	38	—	1,018
Property and equipment, at cost	2,842	977	198	—	4,017
Accumulated depreciation	(1,526)	(178)	(74)	—	(1,778)
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**LIBERTY MEDIA CORPORATION**  
**STATEMENT OF CASH FLOWS INFORMATION**  
**Twelve months ended December 31, 2019 (unaudited)**

	Attributed			Consolidated Liberty
	Liberty SiriusXM Group	Braves Group	Formula One Group	
	amounts in millions			
Cash flows from operating activities:				
Net earnings (loss)	\$ 735	(77)	(311)	347
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	537	71	450	1,061
Stock-based compensation	267	17	28	312
Share of (earnings) loss of affiliates, net	24	(18)	(12)	(12)
Unrealized (gains) losses on intergroup interests, net	—	42	(42)	—
Realized and unrealized (gains) losses on financial instruments	x 2			

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	4Q19	4Q20	* 2019	2020
<b>Liberty SiriusXM Group</b>				
Revenue	\$ 2,062	\$ 2,189	\$ 7,794	\$ 8,040
Operating income	\$ 370	\$ (527)	\$ 1,544	\$ 749
Depreciation and amortization	141	141	537	573
Stock compensation expense	63	61	246	234
Impairment of intangible assets	—	976	—	976
Litigation settlement	—	—	25	(16)
Acquisition and restructuring	1	4	84	28
Adjusted OIBDA	<u>\$ 575</u>	<u>\$ 655</u>	<u>\$ 2,436</u>	<u>\$ 2,544</u>
<b>Formula One Group</b>				
Revenue	\$ 523	\$ 485	\$ 2,022	\$ 1,145
Operating income (loss)	\$ (23)	\$ (41)	\$ (35)	\$ (444)
Depreciation and amortization	113	115	453	441
Stock compensation expense	7	4	28	21
Adjusted OIBDA	<u>\$ 97</u>	<u>\$ 78</u>	<u>\$ ) 446</u>	<u>\$ 18</u>
<b>Braves Group</b>				
Revenue	\$ 34	\$ 35	\$ 476	\$ 178
Operating income (loss)	\$ (45)	\$ (35)	\$ (39)	\$ (128)
Depreciation and amortization	17	15	71	69
71				

## 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 expense (income) as well as certain other charges discussed below. Adjusted EBITDA is a Non-GAAP financial measure that excludes or adjusts for (if applicable): (i) certain adjustments as a result of the purchase price accounting for the XM merger and the Pandora acquisition, (ii) predecessor net income adjusted for certain expenses, including depreciation and amortization, other income (loss), and share-b<sup>o</sup>t for



