

Part I – Financial Information

[Item 1. Financial Statements](#)

LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Condensed Consolidated Balance Sheets (unaudited)	I-3
LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Condensed Consolidated Statements of Operations (unaudited)	I-5
LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Condensed Consolidated Statements of Comprehensive Earnings (Loss) (unaudited)	I-7
LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Condensed Consolidated Statements of Cash Flows (unaudited)	I-8
LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Condensed Consolidated Statement of Equity (unaudited)	I-9
LIBERTY MEDIA CORPORATION AND SUBSIDIARIES Notes to Condensed Consolidated Financial Statements (unaudited)	I-10

Item 2. Management's Discussion and Analysis of Financial Condition and Results of a-3	A
--	-------------------

Stockholders' equity:

Preferred stock, \$.01 par value. Authorized 50,000,000 shares; no shares issued	—	—
Series A Liberty SiriusXM common stock, \$.01 par value. Authorized 2,000,000,000 shares; issued and outstanding 102,784,629 shares at June 30, 2018 and 102,701,972 shares at December 31, 2017 (note 3)	1	1
Series A Liberty Braves common stock, \$.01 par value. Authorized 200,000,000 shares; issued and outstanding 10,243,448 shares at June 30, 2018 and 10,243,259 shares at December 31, 2017 (note 3)	—	—
Series A Liberty Formula One common stock, \$.01 par value. Authorized 50,000,000 shares	—	—

Revenue:					
Subscriber revenue	\$	1,139	1,111	2,256	2,189
Formula 1 revenue		585	616	699	712
Other revenue		475	413	384	761
Total revenue		2,199	2,140	3,716	3,535
Operating costs and expenses, including stock-based compensation (note 5):					
Cost of subscriber services (exclusive of depreciation shown separately below):					
Revenue share and royalties		404	293	714	570
Programming and content		105	96	206	192
Customer service and billing		95	95	180	192
Other		33	30	62	57
Cost of Formula 1 revenue		414	414	495	482
Subscriber acquisition costs		119	126	242	253
Other operating expense		121	153	192	194
Selling, general and administrative		303	288	568	527
Depreciation and amortization		231	223	447	387
		1,823	1,718	3,115	2,854
Operating income (loss)		376	422	601	681
Other income (expense):					
Interest expense		(153)	(149)	(303)	(289)
Share of earnings (losses) of affiliates, net (note 9)		22	16	14	12

The Reorganization Agreements provide for, among other things, provisions governing the relationships between Liberty and each of Qurate Retail, Starz and Liberty Broadband, respectively, including certain cross-indemnities. Pursuant to the Services Agreements, Liberty provides Qurate Retail, TripCo, Liberty Broadband, CommerceHub (prior to termination), Expedia Holdings and GCI Liberty with general and administrative services including legal, tax, accounting, treasury and investor relations support. Qurate Retail, TripCo, Liberty Broadband, CommerceHub (prior to termination), Expedia Holdings and GCI Liberty reimburse Liberty for direct, out-of-pocket expenses incurred by Liberty in providing these services and, in the case of Qurate Retail, Qurate Retail's allocable portion of costs associated with any shared services or personnel based on an estimated percentage of time spent providing services to Qurate Retail, while TripCo, Liberty Broadband, CommerceHub (prior to termination), Expedia Holdings and GCI Liberty pay an annual fee for the provision of these services. Under the Facilities Sharing Agreements, Liberty shares office space and related amenities at its corporate headquarters with Qurate Retail, TripCo, Liberty Broadband, Expedia Holdings and GCI Liberty. Under these various agreements approximately \$5 million and \$7 million of these allocated expenses were reimbursed to Liberty during the three months ended June 30, 2018 and 2017, respectively, and \$13 million and \$11 million were reimbursed during the six months ended June 30, 2018 and 2017, respectively.

The Tax Cuts and Jobs Act (the "Tax Act") was enacted in December 2017. The Tax Act significantly changed U.S. tax law by, among other things, reducing the corporate tax rate from 35% to 21%, implementing a territorial tax system and imposing a one-time transition tax on deemed repatriated earnings of foreign subsidiaries. In the prior year, we recognized the provisional tax impacts related to the one-time transition tax and the revaluation of deferred tax balances and included these estimates in our consolidated financial statements (f

balance related to contracts that extended beyond one year. These contracts primarily include prepaid data trials which are typically provided for three to five years as well as for self-pay customers who prepay for their audio subscriptions for up to three years in advance. These amounts will be recognized on a straight-line basis as SIRIUS XM's services are provided.

Significant portions of the transaction prices for Formula 1 and Braves Holdings are related to undelivered performance obligations that are under contractual arrangements that extend beyond one year. The Company anticipates recognizing revenue from the delivery of such performance obligations of approximately \$1,090 million for the remainder of 2018, \$1,863 million in 2019, \$1,537 million in 2020, \$4,081 million in 2021 through 2026, and \$403 million thereafter, primarily recognized through 2035. We have not included any amounts in the undelivered performance obligations amounts for Formula 1 and Braves Holdings for those performance obligations that relate to a contract with an original expected duration of one year or less.

Below is a summary of the impacts of the new revenue standard on SIRIUS XM, Formula 1 and Braves Holdings.

SIRIUS XM

The following table disaggregates SIRIUS XM's revenue by source:

Subscriber	\$	1,139	2,256
Advertising and sponsorship		47	89
Equipment		37	72
Music Royalty and Other		209	390
Total SIRIUS XM revenue	\$	1,432	2,807

The new revenue standard primarily impacts how SIRIUS XM accounts for revenue share payments as well as other immaterial impacts.

SIRIUS XM previously recorded revenue share related to paid-trials as Revenue share and royalties expense. Under the new guidance, SIRIUS XM has recorded these revenue share payments as a reduction to revenue as the payments do not transfer a distinct good or service to SIRIUS XM. Prior to the adoption, a portion of deferred revenue was for the revenue share related to paid trials. Under the new revenue standard, SIRIUS XM reclassified the revenue share related to paid-trials existing as of the date of adoption from current portion of deferred revenue to accounts payable and accrued liabilities. For new paid-trials, the net amount of the paid trial will be recorded as deferred revenue and the portion of revenue share will be recorded to accounts payable and accrued liabilities.

Activation fees were previously recognized over the expected subscriber life using the straight-line method. Under the new guidance, the activation fees have been recognized over a one month period from activation as the activation fees are non-refundable and they do not convey a material right. Loyalty payments to major automakers ("OEMs") were previously expensed when incurred as subscriber acquisition costs. Under the new guidance, these costs have been capitalized in other current assets as costs to obtain a contract and these costs will be amortized to subscriber acquisition costs over an average self-pay subscriber life of that OEM. These changes do not have a material impact to the condensed consolidated financial statements.

The following is a description of principal activities from which SIRIUS XM generates its revenue - including from subscribers, advertising, and sales of equipment.

	<hr/>
	<hr/>
	<hr/>
	<hr/>



stock, respectively. Such RSUs had a GDFV of \$23.34 per share and \$31.99 per share, respectively, at the time they were granted. The performance-based RSUs cliff vest in one year, subject to satisfaction of certain performance objectives. Performance objectives, which are subjective, are considered in determining the timing and amount of the compensation expense recognized. As the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The value of the grant is remeasured at each reporting period.

The Company did not grant any options to purchase Series A or Series B of Liberty SiriusXM, Liberty Braves or Liberty Formula One common stock during the six months ended June 30, 2018.

Liberty calculates the GDFV for all of its equity classified awards and the subsequent remeasurement of its liability classified and certain performance-based awards using the Black-Scholes Model. Liberty estimates the expected term of the Awards based on historical exercise and forfeiture data. The volatility used in the calculation for Awards is based on the historical volatility of Liberty common stock and the implied volatility of publicly traded Liberty options. Liberty uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject Awards.

The following tables present the number and weighted average exercise price ("WAEP") of Awards to purchase Liberty common stock granted to certain officers, employees and directors of the Company and certain Awards of employees of Lions Gate Entertainment Corp. (formerly employees of Starz).

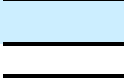
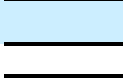
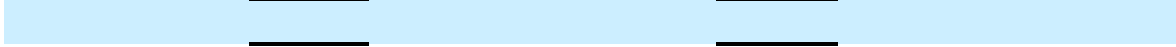
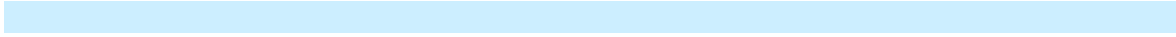
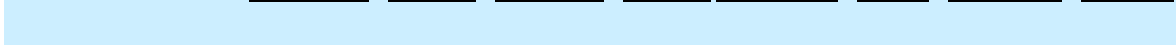
Liberty SiriusXM

Outstanding at January 1, 2018	1,626	\$ 19.78			11,328	\$ 27.66		
Granted	—	\$ —			633	\$ 42.50		
Exercised	(188)	\$ 19.75			(443)	\$ 19.87		
Forfeited/Cancelled	—	\$ —			(1)	\$ 39.09		
Outstanding at June 30, 2018	<u>1,438</u>	\$ 19.79	1.5 years	\$ 36	<u>11,517</u>	\$ 28.77	3.8 years	\$ 191
Exercisable at June 30, 2018	<u>1,431</u>	\$ 19.76	1.5 years	\$ 36	<u>5,714</u>	\$ 26.54	3.3 years	\$ 108

Liberty Braves

Outstanding at January 1, 2018	179	\$ 11.43			1,231	\$ 16.27		
Granted	—	\$ —			46	\$ 23.34		
Exercised	(1)	\$ 13.69			(4)	\$ 12.49		
Forfeited/Cancelled	—	\$ —			—	\$ —		
Outstanding at June 30, 2018	<u>178</u>	\$ 11.42	1.5 years	\$ 3	<u>1,273</u>	\$ 16.54	3.7 years	\$ 12
Exercisable at June 30, 2018	<u>178</u>	\$ 11.41	1.5 years	\$ 3	<u>707</u>	\$ 15.84	3.3 years	\$ 7

Liberty Formula One



the diluted earnings per share WASO as if the shares had been issued and outstanding during the period. An adjustment is also made to the numerator in the diluted earnings per share calculation for the unrealized gain or loss incurred from marking the intergroup interest to fair value during the period as follows:

Basic earnings (loss) attributable to Liberty Braves stockholders	\$	(2)	(2)	(54)	(51)
Unrealized (gain) loss on the intergroup interest		28	3	33	31
Diluted earnings (loss) attributable to Liberty Braves stockholders	\$	26	1	(21)	(20)

Series A, Series B and Series C Liberty Formula One Common Stock

The basic and diluted EPS calculations are based on the following weighted average outstanding shares of common stock.

Basic WASO	231	207	231	190
Potentially dilutive shares	1	7	1	7
Diluted WASO	232	214	232	197

- (a) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported.

[Redacted text block]

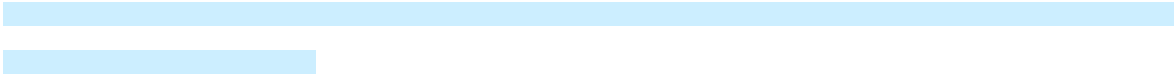
[Redacted text block]

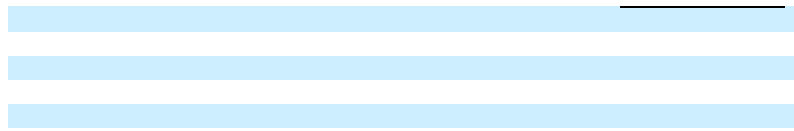


stock and mature on January 30, 2023 (the "1% Cash Convertible Notes due 2023"). The initial conversion rate for the notes will be 27.1091 shares of Series C Liberty Formula One common stock per \$1,000 principal amount of notes, equivalent to an initial conversion price of approximately \$36.89 per share of Series C Liberty Formula One common stock. The conversion of the 1% Cash Convertible Notes due 2023 will be settled solely in cash, and not through the delivery of any securities. As discussed in note 4, Liberty used a portion of the net proceeds of the 1% Cash Convertible Notes due 2023 to increase the cash consideration payable to the selling shareholders of Formula 1 by approximately \$400 million.

On March 6, 2018, Liberty closed a private offering of approximately \$400 million aggregate principal amount of its 2.125% exchangeable senior debentures due 2048 (the "2.125% Exchangeable Senior Debentures due 2048"). Upon an exchange of debentures, Liberty, at its option, may deliver SIRIUS XM common stock, cash or a combination of SIRIUS XM common stock and cash. The number of shares of SIRIUS XM common stock attributable to a debenture represents an initial exchange price of approximately \$8.02 per share. A total of approximately 49.9 million shares of SIRIUS XM common stock are attributable to the debentures. Interest is payable quarterly on March 31, June 30, September 30 and December 31 of each year, commencing June 30, 2018. The debentures may be redeemed by Liberty, in whole or in part, on or after April 7, 2023. Holders of the debentures also have the right to require Liberty to purchase their debentures on April 7, 2023. The redemption and purchase price will generally equal 100% of the adjusted principal amount of the debentures plus accrued interest. The net proceeds of the debentures, less the associated cash proceeds, were attributed to the Liberty Sirius XM Group. Liberty has elected to account for the debentures using the fair value option. Accordingly, changes in the fair value of these instruments are recognized in







subsidiaries that represent 10% or more of its consolidated annual revenue, annual Adjusted OIBDA (as defined below) or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of the Company's annual pre-tax earnings.

The Company evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue and Adjusted OIBDA. In addition, the Company reviews nonfinancial measures such as subscriber growth, churn and penetration.

The Company defines Adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses excluding all stock-based compensation, separately reported litigation settlements and restructuring charges paid by the Company or its



<hr/>			
<hr/>			
Liberty SiriusXM Group			
SIRIUS XM	\$ 27,899	642	174
Corporate and other	615	—	—
Total Liberty SiriusXM Group	<u>28,514</u>	<u>642</u>	<u>174</u>
Braves Group			
Corporate and other	1,939	97	14
Total Braves Group	<u>1,939</u>	<u>97</u>	<u>14</u>
Formula One Group			
Formula 1	9,327	—	1
Corporate and other	2,262	920	2
Total Formula One Group	<u>11,589</u>	<u>920</u>	<u>3</u>
Elimination (1)	(235)	—	—
Consolidated Liberty	<u>\$ 41,807</u>	<u>1,657</u>	<u>—</u>

<hr/>			
<hr/>			
<hr/>			
<hr/>			
<hr/>			
<hr/>			
<hr/>			
<hr/>			

<hr/>			
-------	--	--	--



[Table of Contents](#)

The term "Liberty SiriusXM Group" does not represent a separate legal entity, rather it represents those businesses, assets and liabilities that have been attributed to that group. As of June 30, 2018, the Liberty SiriusXM Group is primarily comprised of Liberty's subsidiary, SIRIUS XM, corporate cash, Liberty's 2.125% Exchangeable Senior Debentures due 2048 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty. As of June 30, 2018, the Liberty SiriusXM Group has cash and cash equivalents of approximately \$174 million, which includes approximately \$64 million of subsidiary cash.

SIRIUS XM is the only operating subsidiary attributed to the Liberty SiriusXM Group. In the event SIRIUS XM were to become insolvent or file for bankruptcy, Liberty's management would evaluate the circumstances at such time and take appropriate steps in the best interest of all of its stockholders, which may not be in the best interest of a particular group or groups when considered ethically.

eseson inierty



SIRIUS XM's operating results were as follows:

111

Subscriber revenue	\$	1,139	1,111	2,256	2,189
Other revenue		293	237	551	453
Total revenue		1,432	1,348	2,807	2,642
Operating expenses (excluding depreciation and amortization)					

11

including ongoing audits, under SIRIUS XM's statutory license for sound recordings for the period January 1, 2007 through December 31, 2017. This expense is included in the Revenue share and royalties line item in the accompanying c7 ying ng ng R



[Table of Contents](#)

Selling, general and administrative expense includes costs of marketing, advertising, media and production, including promotional events and sponsorships; cooperative marketing; personnel costs; facilities costs, finance, legal, human resources and information technology costs. For the three and six months ended June 30, 2018, selling, general and administrative expense increased 11% and 9%, respectively, as compared to the corresponding periods in the prior year. The r(p



Formula 1's operating results as included in Liberty's consolidated operating results for the three and six months ended June 30, 2018 and pro forma operating results for the three and six months ended June 30, 2017 were as follows:

Primary Formula 1 revenue	\$ 491	527	576	606
Other Formula 1 revenue	94	89	123	107
Total Formula 1 revenue	585	616	699	713
Operating expenses (excluding stock-based compensation included below):				
Cost of Formula 1 revenue	(413)	(415)	(494)	(484)
Selling, general and administrative expenses	(38)	(32)	(68)	(52)
Adjusted OIBDA	134	169	137	177
Stock-based compensation	(5)	(9)	(8)	(14)
Depreciation and amortization	(115)	(115)	(224)	(223)
Operating income (loss)	\$ 14	45	(95)	(60)

Primary Formula 1 revenue represents the majority of Formula 1's revenue and is derived from the following streams:

- race promotion fees earned from granting the rights to host, stage and promote each Event on the World Championship calendar;
- broadcasting fees earned from licensing the right to broadcast Events on television and other platforms, including the internet; and
- advertising and sponsorship fees earned from the sale of World Championship and Event-related advertising and sponsorship rights.

The 2018 World Championship calendar consists of 21 Events compared to 20 Events in 2017. Seven Events took place during each of the three month periods ended June 30, 2018 and 2017 and eight Events took place during each of the six month periods ended June 30, 2018 and 2017.

Primary Formula 1 revenue decreased \$36 million and \$30 million during the three and six months ended June 30, 2018, respectively, as compared to pro forma Primary Formula 1 revenue in the corresponding periods in the prior year. Race promotion fees and advertising and sponsorship fees decreased during the three and six months ended June 30, 2018, as compared to the corresponding periods in the prior year due to differing Events on the Championship calendar, with one additional European Event taking place in 2018 compared to one additional flyaway event taking place in 2017. Broadcasting revenue decreased during the three and six months ended June 30, 2018, as compared to pro forma broadcasting revenue in the corresponding periods in the prior year due to the impact of lower proportionate recognition of season-based income during the current period, partially offset by the favorable impact of foreign currency exchange rates used to translate Great Britain Pound and Euro- denominated contracts into U.S. Dollars. 7/21 (33.3%) of broadcasting revenue was recognized during the three months ended June 30, 2018, compared to 7/20

Other Formula 1 revenue is generated from the operation of the Paddock Club at most Events, freight and related logistical and travel services, support races at Events (either from the direct operation of the Formula 2 and GP3 series which are owned by Formula 1 or from the licensing of other third party series or individual race events), various TV production and post-production activities, digital media services and other ancillary operations.

The \$5 million and \$16 million increases in Other Formula 1 revenue during the three and six months ended June 30, 2018, respectively, as compared to pro forma Other Formula 1 revenue in the corresponding periods in the prior year were primarily attributable to the sale of the new Formula 2 chassis, engine and other components to the series' competing teams at the start of, and during, the first season of the three year vehicle cycle which commenced in 2018.

Cost of Formula 1 revenue

Team payments	\$	(307)	(330)	(352)	(377)
Other costs of Formula 1 revenue		(106)	(85)	(142)	(107)
Cost of Formula 1 revenue	\$	(413)	(415)	(494)	(484)

Cost of Formula 1 revenue decreased approximately \$2 million and increased \$10 million during the three and six months ended June 30, 2018, respectively, as compared to pro forma Cost of Formula 1 revenue in the corresponding periods in the prior year. Cost of Formula 1 revenue consists primarily of team payments.

Team payments decreased by \$23 million and \$25 million during the three and six months ended June 30, 2018, respectively, as compared to the corresponding periods in the prior year. The decreases in team payments during 2018 were attributable to the pro rata recognition of estimated fixed and variable Prize Fund elements.

Other costs of Formula 1 revenue include hospitality costs, which are principally related to catering and other aspects of the production and delivery of the Paddock Club, and circuit rights' fees payable under various agreements with race promoters to acquire certain commercial rights at Events, including the right to sell advertising, hospitality and support race opportunities. Other costs include annual Federation Internationale de l'Automobile regulatory fees, advertising and sponsorship commissions and those incurred in the provision and sale of freight, travel and logistical services, Formula 2 and GP3 cars, parts and maintenance services, television production and post-production services, advertising production services and digital and social media activities. These costs are largely variable in nature and relate directly to revenue opportunities. The increases in other costs for the three and six months ended June 30, 2018 as compared to pro forma other costs in the corresponding periods in the prior year are primarily due to the costs associated with the sale of the new Formula 2 chassis and components to the competing Formula 2 teams during the first season of the latest three year Formula 2 cycle and costs associated with increased fan engagement activities, freight, technical activities and digital media.

Selling, general and administrative expenses include personnel costs, legal, professional and other advisory fees, bad debt expense, rental expense, information technology costs, non-Event-related travel costs, insurance premiums, maintenance and utility costs and other general office administration costs. Selling, general and administrative expenses increased \$6 million and \$16 million during the three and six months ended June 30, 2018, respectively, as compared to pro forma selling, general and administrative expenses in the corresponding periods in the prior year. The increases in selling, general and administrative expense during 2018 were primarily driven by higher marketing and i aned Jpd Jp \$ ddudrinagem pd Ft (e

Stock-basedL

disclosur

(a) Exhibits

Listed below are the exhibits which are filed as a part of this Quarterly Report (according to the number assigned to them in Item 601 of Regulation S-K):

-
- 10.1 [Amendment No. 3, dated as of June 29, 2018, to the Credit Agreement, dated as of December 5, 2012, among Sirius XM Radio Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the other agents and lenders parties thereto \(incorporated by reference to Exhibit 10.1 to Sirius XM Holdings Inc.'s Current Report on Form 8-K filed on July 3, 2018 \(File No. 001-34295\)\)](#).
 - 31.1 [Rule 13a-14\(a\)/15d-14\(a\) Certification*](#)
 - 31.2 [Rule 13a-14\(a\)/15d-14\(a\) Certification*](#)
 - 32 [Section 1350 Certification**](#)
 - 99.1 [Unaudited Attributed Financial Information for Tracking Stock Groups*](#)
 - 101.INS XBRL Instance Document*
 - 101.SCH XBRL Taxonomy Extension Schema Document*
 - 101.CAL XBRL Taxonomy Calculation Linkbase Document*
 - 101.LAB XBRL Taxonomy Label Linkbase Document*
 - 101.PRE XBRL Taxonomy Presentation Linkbase Document*
 - 101.DEF XBRL Taxonomy Definition Document*

* Filed herewith

** Furnished herewith

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

LIBERTY MEDIA CORPORATION

Date: August 8, 2018

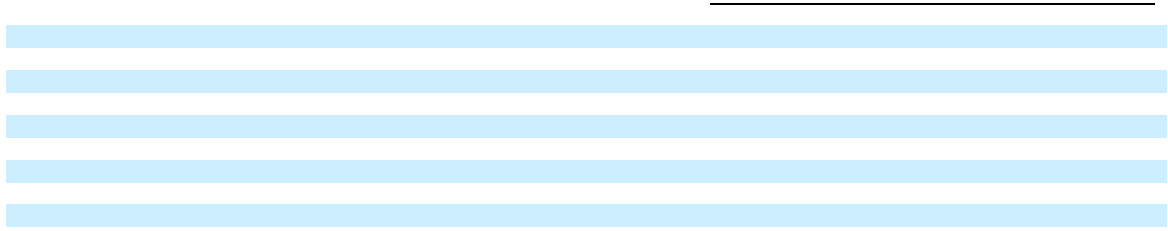
By: /s/ GREGORY B. MAFFEI
Gregory B. Maffei
President and Chief Executive Officer

Date: August 8, 2018

By: /s/ MARK D. CARLETON
Mark D. Carleton
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

I, Gregory B. Maffei, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Media Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a) designed, implemented, and maintained disclosure controls and procedures that meet the requirements of Exchange Act Rules 13a-15(e) and 15d-15(e) for the registrant;
 - b) designed, implemented, and maintained internal control over financial reporting that meets the requirements of Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant;



Summary Balance Sheet Data:

Cash and cash equivalents	\$	198	282
Investments in debt and equity securities	\$	318	526
Investments in affiliates, accounted for using the equity method	\$	920	933
Intangible assets not subject to amortization	\$	3,956	3,956
Intangible assets subject to amortization, net	\$	4,953	5,171
Total assets	\$	11,589	11,802
Long-term debt, including current portion	\$	5,353	5,796
Attributed net assets	\$	5,648	5,669

Summary Statement of Operations Data:

Revenue	\$	585	616	699	712
Cost of Formula 1 revenue	\$	414	414	495	482
Selling, general and administrative expense (1)	\$	(49)	(57)	(89)	(93)
Operating income (loss)	\$	6	33	(112)	(47)
Interest expense	\$	(47)	(62)	(94)	(118)
Share of earnings (losses) of affiliates, net	\$	20	20	8	10
Realized and unrealized gains (losses) on financial instruments, net	\$	(4)	(49)	91	(61)
Income tax (expense) benefit	\$	(1)	27	59	53
Earnings (loss) attributable to Liberty stockholders	\$	9	(27)	(8)	(123)

(1) Includes stock-based compensation of \$6 million and \$10 million for the three months ended June 30, 2018 and 2017, respectively, and \$12 million and \$18 million for the six months ended June 30, 2018 and 2017, respectively.

— — — — —

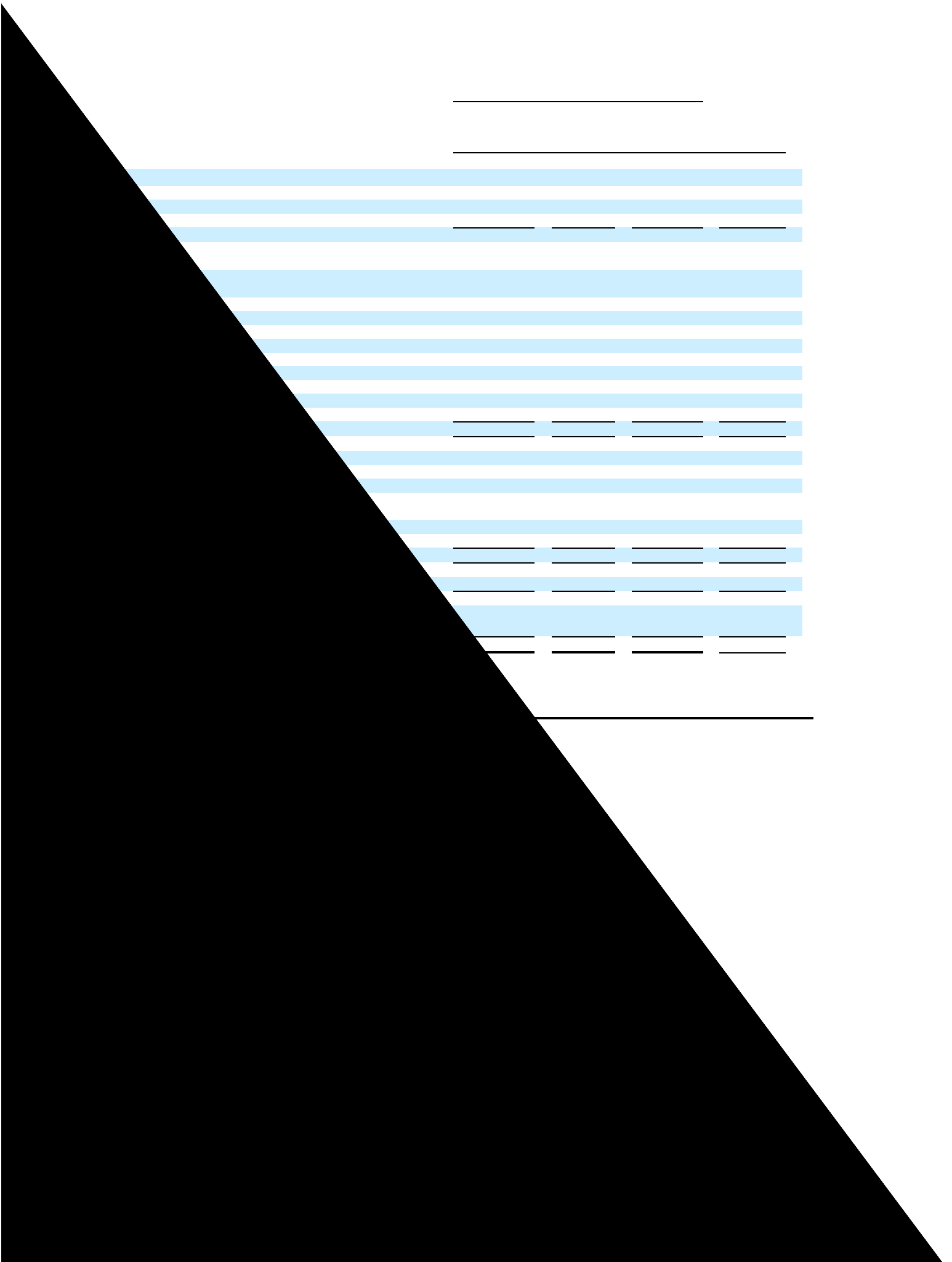
—

■

[Redacted text block]

[Redacted text block]

[Redacted text block]





The intergroup interest will remain outstanzu

