UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **November 9, 2007**

LIBERTY MEDIA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**000-51990**	**84-1288730**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

12300 Liberty Blvd.
Englewood, Colorado 80112
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(720) 875-5400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results Of Operations and Financial Condition

On November 9, 2007, Liberty Media Corporation (the "Company") issued a press release (the "Press Release") setting forth information, including financial information regarding certain of its privately held assets, which supplements 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 September 30, 2007, which was filed with the Securities and Exchange Commission (the "SEC") on November 9, 2007. The information included in the Press Release is not meant to serve as a release of financial results of the Company.

This Form 8-K and the Press 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 September 30, 2007, are being furnished to the SEC under Item 2.02 of Form 8-K.

Item 8.01. Other Events

Also, on November 9, 2007, the Company held a third quarter earnings call (the "Earnings Call") and made available on its website a slide show presentation (the "Slide Show") for reference during the Earnings Call. In each of the Press Release, the Earnings Call and the Slide Show, the Company discussed its intention to effect a proposed reclassification of its Liberty Capital tracking stock, pursuant to which its existing Liberty Capital tracking stock would be reclassified into a reclassified Liberty Capital tracking stock and a new Liberty Entertainment tracking stock. The Press Release, the transcript from the Earnings Call and the Slide Show are all archived on or accessible from the Company's website.

The portions of the Press Release, the portions of the transcript from the Earnings Call and the portions of the Slide Show that relate to the discussion of the proposed reclassification are being filed herewith as Exhibit 99.2 to this Form 8-K in compliance with Rule 425 of the Securities Act of 1933, as amended and are hereby incorporated in this Item 8.01.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Name
99.1	Press Release dated November 9, 2007
99.2	Excerpts of communications relating to proposed reclassification

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: November 9, 2007

LIBERTY MEDIA CORPORATION

By: /s/ Mark E. Burton
Name: Mark E. Burton
Title: Vice President

EXHIBIT INDEX

Exhibit No.	Name
99.1	Press Release dated November 9, 2007
99.2	Excerpts of communications relating to proposed reclassification

LIBERTY MEDIA REPORTS THIRD QUARTER FINANCIAL RESULTS

Liberty Shareholders Approve Plan to Issue Two New Tracking Stocks

Board of Directors Increases Liberty Interactive Share Repurchase Authorization by $1 Billion

Englewood, Colorado, November 9, 2007 — Liberty Media Corporation ("Liberty") reported third quarter results for both its Liberty Interactive Group and Liberty Capital Group.

As previously announced, on October 23, 2007, Liberty shareholders approved the proposed reclassification of Liberty Capital common stock into two new tracking stocks, Liberty Capital and Liberty Entertainment. The issuance of the two new tracking stocks is subject to the completion of the previously announced exchange of Liberty's stock in News Corporation for stock in a newly formed corporate subsidiary of News Corporation that will hold News Corp's 40% stake in DirecTV holdings, three regional sports networks, and cash.

Also, as previously announced, Liberty's board of directors authorized the repurchase of up to an additional $1 billion of Liberty Interactive common stock. This authorization increases to $3 billion the total amount authorized to be repurchased since the Liberty Interactive shares began trading in May 2006. Including this increase, Liberty currently has approximately $1 billion remaining under its Liberty Interactive stock repurchase authorization.

"We are pleased our shareholders approved the new tracking stocks and look forward to issuing the new equities upon completion of the News deal. This is another step in our ongoing effort to better focus Liberty's assets and create a stronger operating company orientation," stated Liberty President and CEO Greg Maffei. "At Liberty Interactive, while we are not satisfied with QVC's financial performance in this challenging retail environment, we remain confident in management's ability to improve the results and return QVC to a stronger growth trajectory," added Maffei.

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1. Please see page 9 of this press release for the definition of operating cash flow and a discussion of management's use of this performance measure. Schedule 1 to this press release provides a reconciliation of Liberty's consolidated segment operating cash flow for its operating segments to consolidated earnings from continuing operations before income taxes and minority interests. Schedule 2 to this press release provides a reconciliation of the operating cash flow for each privately held entity presented herein to that entity's operating income for the same period, as determined under GAAP.

LIBERTY INTERACTIVE GROUP — Liberty Interactive Group's revenue increased 4% and operating cash flow decreased 1% for the third quarter of 2007. Liberty Interactive Group's results are comprised of QVC, Inc. ("QVC"), Provide Commerce, Inc., BUYSEASONS, Inc., and Backcountry.com, Inc. which was acquired in June 2007.

QVC

QVC's consolidated revenue increased 2% to $1.69 billion and operating cash flow decreased 1% to $364 million.

"We are disappointed with the soft sales results in the U.S., driven in part by a sluggish retail environment and difficult year over year comparisons," stated QVC CEO Mike George. "However, we chose not to adopt a heavily promotional focus in the quarter and were able to maintain stable margin rates despite the slower sales growth. Our German and Japanese operations also experienced weak sales results, as they focused on broadening their assortments and addressing the heightened competitive and regulatory challenges they face." George added, "On a more positive note, the UK business experienced solid gains in revenue and OCF growth. Finally, during the third quarter we successfully launched our new brand and logo and began testing our redesigned website to strong reviews. We are excited about these endeavors and believe they will have a positive long-term effect on the business."

QVC's U.S. revenue increased 2% to $1.17 billion and operating cash flow increased 2% to $278 million. The domestic revenue increase was mainly attributable to increased sales in the apparel area. U.S. revenue was adversely affected by lower gold jewelry and home product sales. The total number of units shipped increased 1% to 28.0 million and the average selling price increased 1% from $45.48 to $45.89. QVC.com sales as a percentage of domestic sales grew from 19% in the third quarter of 2006 to 21% in the third quarter of 2007. The U.S. operating cash flow margin remained consistent period to period at 24%.

QVC's international revenue increased 2% to $512 million due to favorable foreign currency exchange rates in the UK and Germany. International revenue was negatively affected by lower average selling prices in each of the international markets and as noted above, challenges in both the German and Japanese markets. Excluding the effect of exchange rates, international revenue decreased 3%. International operating cash flow decreased from $93 million to $86 million, or 8%. International cash flow margins decreased from 19% to 17% primarily due to a lower gross margin and a higher operating cost percentage. The lower gross margin mainly reflects higher product distribution costs including costs associated with the opening of a new warehouse in Japan. The higher operating cost percentage primarily reflects modest increases in commission, customer service and SG&A expenses. Excluding the effect of exchange rates, QVC's international operating cash flow decreased 10%.

QVC Germany and QVC Japan, as expected, continued to experience challenges. The German business was affected by productivity challenges across all categories. This contributed to a modest decline in the average sales price and a reduction in units shipped that resulted in an 11% local currency revenue decline. Germany also experienced a lower gross margin and a higher operating cost percentage. The lower gross margin percentage was due to a lower initial product margin and higher product distribution costs. QVC Japan experienced a 3% local currency revenue decline as a lower average sales price was partially offset by unit increases. The Japanese business continues to face a heightened regulatory focus on health and beauty product presentations which has had a direct impact on net revenue growth. QVC management in Japan continued to shift product away from the health and beauty category to the apparel and accessories, home and jewelry categories and experienced productivity gains in each of these categories to which it shifted product. On a more positive note, we continued to experience improved results in the UK which generated a 9% local currency revenue increase and even larger gains in operating cash flow.

QVC's outstanding bank debt was $3.90 billion at September 30, 2007.

Share Repurchases

During the third quarter, Liberty repurchased 14.9 million shares of Series A Liberty Interactive common stock at an average cost per share of $19.43 for total cash consideration of $289 million. Year to date through October 31, 2007, Liberty has repurchased 46.4 million shares at an average cost per share of $22.03 for total cash consideration of $1.021 billion. Since the creation of the Liberty Interactive tracking stock in May 2006, Liberty has repurchased 97.9 million shares at an average cost per share of $20.15 for total cash consideration of $1.975 billion. These repurchases represent approximately 14.0% of the shares outstanding at the time of creation of the Liberty Interactive tracking stock. Currently, Liberty has $1 billion remaining under its Liberty Interactive stock repurchase authorization.

The businesses and assets attributed to Liberty Interactive Group are engaged in, or are ownership interests in companies that are engaged in, sales of goods and services primarily through television programming and the Internet, and currently include its subsidiaries QVC, Provide Commerce, BUYSEASONS and Backcountry.com and its 24% interest in IAC/InterActiveCorp, 25% interest in Expedia and 20% interest in GSI Commerce. Liberty has identified QVC, Inc., a consolidated, wholly-owned subsidiary, as the principal operating segment of Liberty Interactive Group.

LIBERTY
CAPITAL

LIBERTY CAPITAL GROUP — During the third quarter, Starz Entertainment experienced continued subscriber growth and reduced programming costs. These factors contributed to Starz Entertainment achieving 96% operating cash flow growth for the quarter.

Starz Entertainment, LLC

Starz Entertainment, LLC ("Starz Entertainment") revenue increased 11% to $282 million and operating cash flow increased 96% to $88 million.

The increase in revenue was the result of a $5 million increase due to a higher effective rate for Starz Entertainment's services and a $6 million increase resulting from growth in the average number of subscription units. Starz' average subscription units increased 7% during the quarter while Encore average subscription units increased 9%. Also, during the third quarter, Starz Entertainment entered into a new affiliation agreement with DirecTV which is retroactive to January 1, 2007, and extends through the end of 2007. The previous affiliation agreement with DirecTV expired June 30, 2006. Since expiration of the previous agreement, Starz Entertainment had recognized revenue from DirecTV based on cash payments from DirecTV. The new affiliation agreement provides for rates that are higher than those paid by DirecTV since June 30, 2006. Accordingly, in the third quarter of 2007, Starz Entertainment recognized revenue related to prior periods based on the new affiliation agreement.

The aforementioned increase in the effective rate was partially offset by two factors. Starz' affiliation agreements with two affiliates have expired and one of these affiliates continues to pay Starz at revised rates even though the contract has expired. Starz is booking revenue based on this affiliate's revised payments while they negotiate new contract terms. In addition, the sale of Adelphia Communication's systems to Comcast and Time Warner in 2006 has had a negative impact on the effective rate for Starz' services as the former Adelphia subscription units have been moved to the Comcast and Time Warner affiliation agreements which generally provide for lower effective rates.

Starz Entertainment's operating expenses declined 7% for the quarter. The decrease was primarily due to a 5% reduction in programming costs from $173 million in the third quarter of 2006 to $164 million in the same period in 2007. The decrease in programming costs was mainly due to a lower effective rate for the movie titles exhibited in 2007 partially offset by increased costs due to a higher percentage of first-run movie exhibitions relative to the number of library product exhibitions. Also contributing to the decrease in

operating expenses was the reversal of an accrual in the amount of $7 million for music copyright fees in the third quarter of 2007 as a result of a settlement with a music copyright authority. Partially offsetting these decreases was a slight increase in SG&A expenses for the quarter due to higher sales and marketing expenses resulting from the timing of national marketing campaigns. Starz Entertainment currently expects its full year 2007 sales and marketing expenses to exceed those of 2006 due to expected increases in affiliate and consumer marketing costs.

"Starz Entertainment continued its momentum and, largely due to reduced programming costs, the business has experienced 59% year-to-date OCF growth," Starz Entertainment CEO Bob Clasen stated. "We are excited about our progress at Starz Media which is establishing itself as a quickly-developing, live action television production company. In the third quarter, Starz Media saw the start of production of four made-for-television movies and several TV series for various programming companies." Clasen added, "Overture will release its first production, *Mad Money*, over Martin Luther King weekend in 2008. In addition, principal photography has been completed for Overture's highly anticipated 2008 release *Righteous Kill*, starring Robert DeNiro and Al Pacino."

Share Repurchases

There were no share repurchases of Liberty Capital stock during the third quarter of 2007. Currently, Liberty has $1 billion remaining under its Liberty Capital stock repurchase authorization.

The businesses and assets attributed to Liberty Capital Group are all of Liberty Media's businesses and assets other than those attributed to Liberty Interactive Group and include its subsidiaries Starz Entertainment, LLC, Starz Media, LLC, FUN Technologies, Inc., Atlanta National League Baseball Club, Inc. (the owner of the Atlanta Braves), Leisure Arts, Inc., TruePosition, Inc. and WFRV and WJMN Television Station, Inc., its equity affiliates GSN LLC and WildBlue Communications, Inc. and its interests in News Corporation, Time Warner, Inc. and Sprint Nextel Corporation. Liberty has identified Starz Entertainment, LLC, a consolidated, wholly owned subsidiary, as the principal operating segment of Liberty Capital Group.

NOTES

Liberty Media Corporation operates and owns interests in a broad range of video and on-line commerce, media, communications and entertainment businesses. Those interests are attributed to two tracking stock groups: Liberty Interactive Group and Liberty Capital Group.

As a supplement to Liberty's consolidated statements of operations included in its 10-Q, the following is a presentation of financial information on a stand-alone basis for QVC and Starz Entertainment which have been identified as the principal operating segments of Liberty Interactive and Liberty Capital, respectively.

Unless otherwise noted, the foregoing discussion compares financial information for the three months ended September 30, 2007 to the same period in 2006. Please see page 9 of this press release for the definition of operating cash flow and a discussion of management's use of this performance measure. Schedule 1 to this press release provides a reconciliation of Liberty's consolidated segment operating cash flow for its operating segments to consolidated earnings from continuing operations before income taxes and minority interests. Schedule 2 to this press release provides a reconciliation of the operating cash flow for each privately held entity presented herein to that entity's operating income for the same period, as determined under GAAP. Certain prior period amounts have been reclassified for comparability with the 2006 presentation. Liberty completed the sale of its controlling interests in OpenTV and On Command during 2007, and as such, the financial results of these companies have been excluded from all periods presented.

Fair Value of Public Holdings and Derivatives

(amounts in millions and include the value of derivatives)	**September 30, 2006**	**June 30, 2007**	**September 30, 2007**
InterActiveCorp	$ 1,991	2,396	2,054
Expedia (1)	1,085	2,027	2,207
Other Public Holdings	137	210	246
Total Attributed Liberty Interactive Group	**$ 3,213**	**4,633**	**4,507**
News Corporation	10,138	11,067	11,404
Non Strategic Public Holdings	6,836	5,744	5,464
Total Attributed Liberty Capital Group	**$ 16,974**	**16,811**	**16,868**

(1) Represents fair value of Liberty's investment in Expedia. In accordance with GAAP, Liberty accounts for this investment using the equity method of accounting and includes this investment in its consolidated balance sheet at its historical carrying value.

Cash and Debt

The following presentation is provided to separately identify cash and liquid investments and debt information.

(amounts in millions)	**June 30, 2007**	**September 30, 2007**
Cash and Cash Related Investments:		
Total Attributed Liberty Interactive Group Cash (GAAP)	806	718
Total Attributed Liberty Capital Group Cash (GAAP)	2,388	2,371
Total Liberty Consolidated Cash (GAAP)	3,194	3,089
Short-Term Marketable Securities (1)	—	—
Long-Term Marketable Securities (2)	318	342
Total Attributed Liberty Capital Group Liquid Investments	318	342
Total Attributed Liberty Interactive Group Cash and Liquid Investments	806	718
Total Attributed Liberty Capital Group Cash and Liquid Investments	2,706	2,713
Total Liberty Consolidated Cash and Liquid Investments (3)	**3,512**	**3,431**
Debt:		
Senior Notes and Debentures (4)	3,107	3,107
QVC Bank Credit Facility	3,675	3,900
Other	74	75
Less: Unamortized Discount	(15)	(15)
Total Attributed Liberty Interactive Group Debt (GAAP)	**6,841**	**7,067**
Senior Exchangeable Debentures (5)	4,483	4,481
Bank Credit Facility	750	750
Other	103	96
Total Attributed Liberty Capital Group Debt	**5,336**	**5,327**
Less: Fair Market Value Adjustment (5)	(312)	(580)
Total Attributed Liberty Capital Group Debt (GAAP)	**5,024**	**4,747**

Total Consolidated Liberty Debt (GAAP)	**11,865**	**11,814**

(1) Short-term marketable debt securities which are included in other current assets in Liberty's consolidated balance sheet.
(2) Long-term marketable debt securities which are included in investments in available-for-sale securities and other cost investments in Liberty's consolidated balance sheet.
(3) Does not include $735 million of restricted cash that is reflected in other long-term assets in Liberty's condensed consolidated balance sheet. Please see discussion related to Investment Fund in the footnotes to Liberty's condensed consolidated financial statements included in its most recently filed Form 10Q.
(4) Face amount of Senior Notes and Debentures with no reduction for the unamortized discount.
(5) Effective January 1, 2007, Liberty adopted Statement of Financial Accounting Standards No. 155, *Accounting for Hybrid Financial Instrument* ("Statement 155"). Pursuant to the provisions of Statement 155, Liberty now accounts for its senior exchangeable debentures at fair value rather than bifurcating such instruments into a debt instrument and a derivative instrument as was previously required.

Total Attributed Liberty Interactive Group Cash and Liquid Investments decreased $88 million compared to June 30, 2007 due to borrowings on the QVC bank credit facility and cash flow from QVC operations offset by the purchase of Liberty Interactive Series A common stock and interest payments. Total Attributed Liberty Interactive Group Debt increased $226 million from June 30, 2007, due to borrowings on the QVC bank credit facility.

Total Attributed Liberty Capital Group Cash and Liquid Investments remained flat compared to June 30, 2007 due to tax sharing payments from Liberty Interactive Group offset by interest payments. Total Attributed Liberty Capital Group Debt remained flat compared to June 30, 2007.

Important Notice: Liberty Media Corporation ("Liberty") (Nasdaq: LINTA, LINTB, LCAPA, LCAPB) President and CEO, Gregory B. Maffei will discuss Liberty's earnings release in a conference call which will begin at 11:00am (ET) on November 9, 2007. The call can be accessed by dialing (877) 795-3635 or (719) 325-4766 at least 10 minutes prior to the start time. Replays of the conference call can be accessed from 1:00 p.m. (ET) on November 9, 2007 through 5:00 p.m. (ET) November 22, 2007, by dialing (719) 457-0820 or (888) 203-1112 plus the pass code 8021834#. The call will also be broadcast live across the Internet and archived on our website. To access the webcast go to http://www.libertymedia.com/investor_relations/default.htm. Links to this press release will also be available on the Liberty Media web site.

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including the statements regarding the anticipated reclassification of Liberty Capital common stock, which is conditioned on the prior closing of Liberty's exchange transaction with News Corporation, the long-term prospects of QVC and anticipated lower programming costs for Starz Entertainment in 2007. These forward looking statements are based on management's current expectations and assumptions, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results, performance or achievements of the operating businesses of Liberty included herein could differ materially from those expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, among others: the risks and factors described in the publicly filed documents of Liberty, including the most recently filed Form 10-Q and 10-K of Liberty; general economic and business conditions and industry trends including in the advertising and retail markets; the continued strength of the industries in which such businesses operate; continued consolidation of the broadband distribution and movie studio industries; uncertainties inherent in proposed business strategies and development plans; changes in distribution and viewing of television programming, including the expanded deployment of personal video recorders and IP television and their impact on television advertising revenue and home shopping networks; disruption in the production of theatrical films or television programs due to strike by unions representing writers, directors or actors; increased digital television penetration and the impact on channel positioning of our networks; rapid technological changes; future financial performance, including availability, terms and deployment of capital; availability of qualified personnel; the development and provision of programming for new television and telecommunications technologies; changes in, or the failure or the inability to comply with, government regulation, including, without limitation, regulations of the Federal Communications Commission, and adverse outcomes from regulatory proceedings; adverse outcomes in pending litigation; changes in the nature of key strategic relationships with partners and joint ventures; competitor responses to such operating businesses' products and services, and the overall market acceptance of such products and services, including acceptance of the pricing of such products and services; and threatened terrorist attacks and ongoing military action, including armed conflict in the Middle East and other parts of the world. These forward-looking statements speak only as of the date of this press release. Liberty 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's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Additional Information
Nothing in this release 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 Liberty's 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, because it contains important information about the transaction. A copy of the registration statement and the proxy statement/prospectus are available free of charge at the SEC's website (http://www.sec.gov).

Contact: John Orr (720) 875-5622

SUPPLEMENTAL INFORMATION
As a supplement to Liberty's consolidated statements of operations, the following is a presentation of quarterly financial information and operating metrics on a stand-alone basis for the two largest privately held businesses (QVC and Starz Entertainment) owned by or in which Liberty held an interest at September 30, 2007.

Please see below for the definition of operating cash flow (OCF) and Schedule 2 at the end of this document for reconciliations for the applicable periods in 2006 and 2007 of operating cash flow to operating income, as determined under GAAP, for each identified entity.

QUARTERLY SUMMARY

(amounts in millions)	**3Q06**	**4Q06**	**1Q07**	**2Q07**	**3Q07**
Liberty Interactive Group					
QVC (100%)					
Revenue — Domestic	1,151	1,604	1,174	1,184	1,174
Revenue — International	502	632	510	509	512

Revenue — Total	1,653	2,236	1,684	1,693	1,686
OCF — Domestic	273	417	278	292	278
OCF — International	93	140	96	91	86
OCF — Total	366	557	374	383	364
Operating Income	257	419	243	244	231
Gross Margin — Domestic	37.0%	36.3%	36.8%	37.6%	36.6%
Gross Margin — International	37.2%	39.0%	37.6%	37.5%	36.7%
Homes Reached — Domestic	90.3	90.7	91.2	90.9	92.7
Homes Reached — International	75.0	75.6	77.4	78.6	79.1
Liberty Capital Group					
STARZ ENTERTAINMENT (100%)					
Revenue	253	257	265	254	282
OCF	45	50	73	55	88
Operating Income	40	46	60	42	78
Subscription Units — Starz	14.9	15.5	15.8	16.1	16.0
Subscription Units — Encore	26.6	27.3	28.2	28.4	30.3

NON-GAAP FINANCIAL MEASURES

This press release includes a presentation of operating cash flow, which is a non-GAAP financial measure, for each of the privately held entities of Liberty included herein 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 attached schedules for a reconciliation of consolidated segment operating cash flow to consolidated earnings from continuing operations before income taxes and minority interest (Schedule 1) and a reconciliation, for QVC and Starz Entertainment, of each identified entity's operating cash flow to its operating income calculated in accordance with GAAP (Schedule 2).

SCHEDULE 1

The following table provides a reconciliation of consolidated segment operating cash flow to earnings from continuing operations before income taxes and minority interest for the three months ended September 30, 2006 and 2007, respectively.

(amounts in millions)	**3Q06**	**3Q07**
Liberty Interactive Group	$ 365	363
Liberty Capital Group	13	70
Consolidated segment operating cash flow	**$ 378**	**433**
Consolidated segment operating cash flow	$ 378	433
Stock compensation	5	(17)
Depreciation and amortization	(147)	(176)
Impairment of long-lived assets	—	(41)
Interest expense	(177)	(173)
Realized and unrealized gains (losses) on financial instruments, net	(73)	400
Gains on disposition of assets, net	25	2
Other, net	70	108
Earnings from continuing operations before income taxes and minority interest	**$ 81**	**536**

SCHEDULE 2

The following table provides reconciliation, for QVC and Starz Entertainment, of operating cash flow to operating income calculated in accordance with GAAP for the three months ended September 30, 2006, December 31, 2006, March 31, 2007, June 30, 2007 and September 30, 2007, respectively.

(amounts in millions)	**3Q06**	**4Q06**	**1Q07**	**2Q07**	**3Q07**
Liberty Interactive Group					
QVC (100%)					
Operating Cash Flow	366	557	374	383	364
Depreciation and Amortization	(119)	(119)	(120)	(134)	(129)
Stock Compensation Expense	10	(19)	(11)	(5)	(4)
Operating Income	**257**	**419**	**243**	**244**	**231**
Liberty Capital Group					
STARZ ENTERTAINMENT (100%)					
Operating Cash Flow	45	50	73	55	88
Depreciation and Amortization	(5)	(7)	(6)	(6)	(3)
Stock Compensation Expense	—	3	(7)	(7)	(7)
Operating Income	**40**	**46**	**60**	**42**	**78**

Exhibit 99.2

Filed by Liberty Media Corporation Pursuant to Rule 425
Under the Securities Act of 1933
Subject Company: Liberty Media Corporation
Exchange Act File No. 000-51990

Excerpts from the Press Release

As previously announced, on October 23, 2007, Liberty shareholders approved the proposed reclassification of Liberty Capital common stock into two new tracking stocks, Liberty Capital and Liberty Entertainment. The issuance of the two new tracking stocks is subject to the completion of the previously announced exchange of Liberty's stock in News Corporation for stock in a newly formed corporate subsidiary of News Corporation that will hold News Corp's 40% stake in DirecTV holdings, three regional sports networks, and cash.

"We are pleased our shareholders approved the new tracking stocks and look forward to issuing the new equities upon completion of the News deal. This is another step in our ongoing effort to better focus Liberty's assets and create a stronger operating company orientation," stated Liberty President and CEO Greg Maffei.

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including the statements regarding the anticipated reclassification of Liberty Capital common stock, which is conditioned on the prior closing of Liberty's exchange transaction with News Corporation . . .

<u>Additional Information</u>

Nothing in this release 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 Liberty's 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, because it contains important information about the transaction. A copy of the registration statement and the proxy statement/prospectus are available free of charge at the SEC's website (http://www.sec.gov).

* * *

Excerpts from the Slide Show

Forward Looking Statements

<u>Additional Information</u>

Nothing contained 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 an 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, because it contains important information about the transaction. A copy of the registration statement and the proxy statement/prospectus are available free of charge at the SEC's website (http://www.sec.gov).

Third Quarter Highlights

- Received shareholder approval to issue two new tracking stocks
  - Liberty Entertainment group & Liberty Capital group
  - Contingent upon completion of NWS exchange

Liberty Capital

- Received shareholder approval to issue two new tracking stocks
  - Liberty Entertainment group & Liberty Capital group
  - To be issued upon completion of NWS exchange
- Progressing toward completion of News Corp exchange

Third Quarter Summary

- Liberty Capital
  - Received approval for issuance two new trackers
  - Continuing efforts to close NWS exchange

* * *

Excerpts from the Earnings Call

“Company Representative: Nothing contained 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 tracking stocks in the proposed reclassification will only be made pursuant to Liberty’s effective registration statement. Liberty stock holders and other investors are urged to read the registration statement including the proxy statement/prospectus contained therein filed by Liberty and the SEC because it contains important information about the transaction. A copy of the registration statement and the proxy statement prospectus are available free for charge at the SEC’s website, www.SEC.gov.”

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“**Company Representative**: First speaker on the call is going to be our controller at Liberty, Chris Shean, who will discuss Liberty results and Liberty Capital results and also the liquidity picture of the attributed tracking stocks. . . . First I will highlight a couple of the other developments at the corporate level, and some of you may remember on October 23 our shareholders improved the issuance of two new tracking stocks, the first of these Liberty Entertainment has assets that include our expected 40% stake in DirecTV, three regional sports networks, those being in the Northwest, Rocky Mountain, and Pittsburgh, and Starz Entertainment, Fun Technologies, our 53% of Fun Technologies, 50% interest in GSN, formally the Game Show Network and approximately 33% interest in Wild Blue satellite company. In addition, the Liberty Entertainment tracker will have about 551 of attributed exchangeable debt and about a billion 87 million of cash, so thinking about that new Liberty Entertainment attributed equity, I want to first highlight how pleased we are with the performance at the DirecTV. They had a very strong quarter, gross ads up, churn down, net ads you be, ARPU up. Clearly the move to high-def and DVRs is requiring capital, but it is paying off with high quality subs. We expect as does the direct management team that hardware costs are going to continue to fall, reducing the cost of upgrades, and that they are working and will be successful to reduce the costs of frock [sic] loads and installs. The regional sports networks we are also going to be receiving in the expected News Corp deal are also performing well, good ratings at the [indiscernible] performance and Rockies performance. I think most importantly we’re looking forward to closing that deal and moving towards the next phase of Liberty Entertainment. Liberty Capital will have the remaining — the new Liberty Capital will have the remaining attributed assets, business and liabilities that were previously attributed to Liberty Capital other than those that I just mention that are being attributed to Liberty Entertainment. These new trackers are expected to be issued immediately after the completion of our exchange with News Corp. Just to highlight again the purpose of these trackers, first to reduce complexity, particularly at Liberty Entertainment, to allow investors to further focus capital in the equity they find most attractive, to create a currency, particularly at Liberty Entertainment for enhanced financial flexibility, and to further [indiscernible] our remaining non-core assets at the new Liberty Capital.”

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“**Company Representative**: As Greg mentioned earlier, late last month we received shareholder approval upon completion of the News Corp. exchange to reclassify our Liberty Capital tracking stock into two separate series of tracking stocks, one called Liberty Entertainment, the other Liberty Capital. We believe this will produce reduced complexity, greater focus of assets, stronger currencies for financial flexibility and increased concentration of our remaining non-core assets.”

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“**Company Representative**: We continue to hold large cash reserves attributed to LCAPA and on issuance of the new tracking stocks will continue to evaluate share repurchases as a means of enhancing shareholder value as our liquidity position warrants. As I mentioned a moment ago we continue to work on the completion of the News Corp. exchange and hope to close that transaction during the fourth quarter. We’re also evaluating numerous other transactions and will report on those as they arise.”

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“**Company Representative**: At Liberty Capital we had strong operating performance at Starz and most of the other affiliates, we talked about the approval received for the issuance of our new trackers, and we’re working to close the News exchange agreement. . . . Looking ahead, I think as you know we’re first going to move to close that News deal. We’re going to look to issue those trackers and continue to think about ways to optimized our nonstrategic assets over at Liberty Capital and put together synergistic operating businesses at Liberty Interactive and Liberty Entertainment and create as much financial flexibility as possible to think about consolidating various assets and above all focus on trying to grow shareholder value.”

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“**Caller**: Two quick questions. If I can just go back to the stated objectives with the new trackers at Liberty Capital. I am still [indiscernible] this 551 exchangeable over at Liberty Entertainment. Seems like there is a risk that it reduces the amount of whole discount reduced by sort of muddying up the story a bit. My question is, is that designed to give you the flexibility to convert to an asset-backed security at some point in the future? In other words, is that why you put that there at all. . . Thanks.

Company Representative: Well, Jason, I will take a cut at the first one and then let Mike handle the second. Obviously we hope not to muddy the water and given the amount of cash we sent over with the exchangeable, I don’t think that is an issue. There were some I would say relatively tax motivated reasons we thought it would be better to leave the exchangeable or put it in the new tracker. I would actually say it is probably the reverse of what you’re suggesting in terms of a hard spin because while one doesn’t know exactly how a hard spin would work if one did a hard spin, that 551 exchangeable is an obligation of the parent which really is old Liberty Capital and would likely either need to be transferred or attributed back or paid off depending on whatever set of circumstances you can imagine, so Liberty Entertainment is unlikely if it ever were hard spun to ever end up with that debt per se. . . .Hopefully we’ll be able to walk through and explain in clarity the balance sheet of Liberty Entertainment, which is very under leveraged theoretically, looks like given it’s got net cash to almost 600 million, $550 million, hopefully we’ll be able to walk through and explain that.”

“**Company Representative**. There was the free cash flow generation of Starz but relative to the scale of what Q does and relative to the scale of Liberty Capital, it is not the same, so that’s the logic and mentality for it, and frankly until we know where we end up, post the subsequent trackers, the new trackers, we’re going to probably watch and see how those trade, and we’re going to watch and see the free cash flow generation capability that Direct has and what our access to that capital is and how we utilize that before we make any dramatic moves. As far as the progress of satellite versus cable, I think we’re very gratified on several levels. We believed when we were looking at becoming shareholders in DirecTV that the market probably had overreacted to the power of the bundle that mentioned clearly the bundle has positives but much of what it could do and how it would hurt DirecTV was already being absorbed, and DirecTV had ways to go directly to customers and create bundles with telco that would provide an effective means of getting to customers, and offsetting that we saw and we endorsed what management was doing with its focus on HD, its focus ongoing to the best customers in the marketplace and video oriented in the DVR segment as well and focused on the TV experience and content, and I think we’re gratified that they’ve executed very well on that plan, they continue to show upside, and they appear to have run rules — satellite appears to have run room in the marketplace. We believe that competing on that differentiated experience better video, more choice in video, more choice in consent, a great TV experience, all of those are very attractive, and they’re going to give us run room here. Will it be forever? Who knows? I think satellite has several more quarters of good growth relative to the cable choices, and we’re grad fight that it is working that way. John, do you want to add anything?”

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“**Company Representative**: Just looking at the quarterly results the cable guys are still eating into the telcos in data and telephony. The video side seems to be favoring satellite at the moment primarily driven by more choice in high definition which is clearly an edge at the moment in virtually all markets of DirecTV over any of its competitors, and I think Direct has done an excellent job of differentiating its [indiscernible] in sports so not only do they have high-def sports, but they have taken essentially the high-end or high road in differentiated sports, so whether it is the investment in Sunday ticket or what they do on NASCAR in terms of multiple channels when the raises are on. They’ve done an excellent job of exploiting differentiated content at high definition, and given the public’s rather accelerating takeup of high definition now on large screen, it is pretty clear. I have used the analogy the other day. I have a treadmill, and my wife bought me a large screen TV that is three feet away from the treadmill, and DirecTV which we have at home is currently offering most of their high-def channels back to back with their standard definition channels, so by clicking back and forth you can see the football game at high-def versus standard deaf, and it is dramatic to the point where if I could only watch it standard deaf, I probably would be very unhappy and go seek an alternate supplier, and I think that that is starting to impact the high-end of the marketplace in favor of DirecTV, and as Greg says, it is hard to project how long it will take cable to be able to come up with something equivalent, but I don't believe that switched digital which is essentially the technological solution that the cable industry is hanging their hat on will be adequate to close the gap and certainly not adequate on an ad hoc basis. These opportunities to differentiate high-def power will persist for an extended period of time in at least part of the country and satellite will be able to exploit that and particularly DirecTV, so obviously we're thrilled with the current results, and we think that they press a pretty strong potential in the exploitation of video. I wouldn't cry for the cable guys. They're doing extremely well one higher margin of products they're eating at the telcos with."

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"**Company Representative**: And going forward, I guess back one second we had a period where it was perceived cable had a big advantage because of the bundle and they do. As John notes they're generating lots of RGUs and even a slowed rate versus the telcos but generated a lot of RGUs and taken share. During that time people were quite negative about DirecTV, many people, and we saw and frankly followed what the management team did there. We're not going to claim credit, but we saw what we were doing and endorsers of it in terms of their bet on the video capabilities and the video experience, and we see that paying off. As John notes, how long that will go on, it is the game of innovation and the key is to find

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niches where you can be the leader and be providing a differentiated experience, and we think Direct has lots of room to do that. For now in HD, and I think down the road in content and the TV experience, what they have planned could be very interesting and powerful. The last thing I would note is the opportunity created by having an international business but one offset that we appreciate and I think if the Direct team management team is smarter, we can help is way to say think about exploiting the fact we have a national business. The guys we're hurting the most are the ones in the buyer from the strongest telco product and where the telcos have been strong and particularly where they have files, that is a tough product to compete against particularly given the amount of marketing and dollars being invested by the telcos, and we're lucky to have a balance business that can absorb, A, those weren't the areas where we were strongest, DirecTV, and, B, we have the ability to grow in other markets."

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"**Company Representative**: I would add to what Greg is saying. When you have a national business, your services are ubiquitously available, it gives you enormous opportunities in content that frankly TCI and cable never had because of the vulcanization of the cable footprint, so that is a very important ingredient long-term that favors a satellite footprint over a cable footprint i.e., the ability to make a decision on content and have that content available ubiquitously across the whole country. A cable operator, even one as big as Brian still limited to a footprint that may be 30, 35% of the country, and then only if all of his facilities are equally as capable of adding an incremental service. DirecTV has room to add an incremental service, it automatically is incrementally available on a national scale. This is a huge advantage for satellite over cable, and believe me, when I've been on the other side of the equation I used to worry about that a great deal."
