SARs and stock options with tandem SARs (collectively, "Awards") to purchase shares of Liberty Capital and Liberty Interactive Series A and Series B common stock. The Liberty Incentive Plan provides for Awards to be made in respect of a maximum of 48 million shares of common stock of Liberty. Liberty issues new shares upon exercise of equity awards.

On December 17, 2002, shareholders of the Company approved the Liberty Media Corporation 2002 Nonemployee Director Incentive Plan, as amended from time to time (the "NDIP"). Under the NDIP, the Liberty Board of Directors (the "Liberty Board") has the full power and authority to grant eligible nonemployee directors stock options, SARs, stock options with tandem SARs, and restricted stock.

Liberty—Grants

Awards granted pursuant to the Liberty Incentive Plan and the NDIP during 2004 through the Restructuring in 2006 are provided in the table below. The exercise prices in the table represent the exercise price on the date of grant and have not been adjusted for the effects of the LMI Spin Off, the DHC Spin Off or the Restructuring, as applicable.

Grant year	Grant group	Grant type	Number of awards granted	Weighted average exercise price	Vesting period	Term	Weighted average grant date fair value
Series A Awards							
2004	Employees	SARs	4,011,450	$ 8.45	5 years	10 years	$4.36
2004	Non-employee directors	SARs	66,000	$11.00	1 year	10 years	$5.84
2005	Employees	Options	9,076,750	$ 8.26	4 years	7 years	$2.34
2005	Non-employee directors	SARs	55,000	$10.36	1 year	10 years	$4.50
2006	Employees	Options	2,473,275	$ 8.24	4 years	7 years	$2.28
2006	Non-employee directors	Options	150,000	$ 8.70	1 year	10 years	$2.74
Series B Awards							
2005	Employees	Options	1,800,000	$ 9.21	3 years	10 years	$4.67

Subsequent to the Restructuring, Liberty granted 10,018,000 options to purchase Liberty Interactive Series A stock to officers and employees of certain of its subsidiaries. Such options had an estimated weighted average grant-date fair value of $4.94 per share.

The estimated fair values of the options noted above are based on the Black-Scholes model. The key assumptions used in the model for purposes of these calculations generally include the following: (a) a discount rate equal to the Treasury rate for bonds with the same expected term as the Award; (b) a 21% volatility factor; (c) the expected term of the Award; (d) the closing price of the respective common stock on the date of grant; and (e) an expected dividend rate of zero.

Liberty—Outstanding Awards

The following tables present the number and weighted average exercise price ("WAEP") of certain options, SARs and options with tandem SARs to purchase Liberty common stock granted to certain officers, employees and directors of the Company.

	Liberty Series A common stock	WAEP	Liberty Series B common stock	WAEP
	(numbers of options in thousands)			
Outstanding at January 1, 2006	51,729	$ 9.23	29,965	$10.92
Granted	2,623	$ 8.28	—	
Exercised	(6,659)	$ 0.73	—	
Forfeited	(117)	$18.69	—	
Converted to Liberty Capital and Liberty Interactive	(47,576)	$10.34	(29,965)	$10.92
Outstanding at December 31, 2006	—		—	

	Liberty Capital				Liberty Interactive			
	Series A common stock	WAEP	Series B common stock	WAEP	Series A common stock	WAEP	Series B common stock	WAEP
	(numbers of options in thousands)							
Outstanding at January 1, 2006	—		—		—		—	
Converted from Liberty Series A and Series B	2,378	$ 94.62	1,498	$101.37	11,889	$21.48	7,491	$23.41
Granted	—		—		10,018	$18.04	—	
Exercised	(39)	$ 57.40	—		(187)	$13.06	—	
Forfeited	(21)	$268.28	—		(217)	$34.32	—	
Outstanding at December 31, 2006	2,318	$ 93.24	1,498	$101.37	21,503	$19.71	7,491	$23.41
Exercisable at December 31, 2006	1,620	$100.33	1,438	$102.03	8,393	$22.59	7,191	$23.56

The following table provides additional information about outstanding options to purchase Liberty common stock at December 31, 2006.

	No. of outstanding options (000's)	WAEP of outstanding options	Weighted average remaining life	Aggregate intrinsic value (000's)	No. of exercisable options (000's)	WAEP of exercisable options	Aggregate intrinsic value (000's)
Capital Series A	2,318	$ 93.24	5.0 years	$25,671	1,620	$100.33	$10,883
Capital Series B	1,498	$101.37	4.4 years	$ 1,171	1,438	$102.03	$ 390
Interactive Series A	21,503	$ 19.71	5.7 years	$60,413	8,393	$ 22.59	$11,942
Interactive Series B	7,491	$ 23.41	4.4 years	$ 950	7,191	$ 23.56	$ 317

Liberty—Exercises

The aggregate intrinsic value of all options exercised during the years ended December 31, 2006, 2005 and 2004 was $52 million, $109 million and $16 million, respectively.

Liberty—Restricted Stock

The following table presents the number and weighted average grant-date fair value ("WAFV") of unvested restricted shares of Liberty common stock held by certain officers and employees of the Company as of December 31, 2006 (numbers of shares in thousands).

	Number of shares	WAFV
Liberty Capital Series A	175	$90.17
Liberty Interactive Series A	747	$22.55

The aggregate fair value of all restricted shares of Liberty common stock that vested during the years ended December 31, 2006, 2005 and 2004 was $30 million, $35 million and less than $1 million, respectively.

QVC Awards

QVC had a qualified and nonqualified combination stock option/stock appreciation rights plan (collectively, the "Tandem Plan") for employees, officers, directors and other persons designated by the Stock Option Committee of QVC's board of directors. Under the Tandem Plan, the option price was generally equal to the fair market value, as determined by an independent appraisal, of a share of the underlying common stock of QVC at the date of the grant. If the eligible participant elected the SAR feature of the Tandem Plan, the participant received 75% of the excess of the fair market value of a share of QVC common stock over the exercise price of the option to which it was attached at the exercise date. QVC applied fixed plan accounting in accordance with APB Opinion No. 25. Under the Tandem Plan, option/SAR terms were ten years from the date of grant, with options/SARs generally becoming exercisable over four years from the date of grant. During the years ended December 31, 2006, 2005 and 2004, QVC received cash proceeds from the exercise of options aggregating $48 million, $46 million and $39 million, respectively. In 2005 and 2004, QVC also repurchased shares of common stock issued upon exercise of stock options in prior years. Cash payments aggregated $71 million and $168 million, respectively, for these repurchases.

On August 14, 2006, QVC terminated the Tandem Plan and offered to exchange Liberty Interactive Share Units, as defined below, for all outstanding unvested QVC Awards as of September 30, 2006 (the "Exchange Offer"). At the time of the Exchange Offer, there were 150,234 outstanding options to purchase QVC common stock. Of those outstanding options, 70,168 were vested and exercisable and 80,066 were unvested. Each holder of unvested QVC options who accepted the Exchange Offer received Liberty Interactive Share Units in an amount equal to the in-the-money value of the exchanged QVC options divided by the closing market price of Liberty Interactive Series A common stock on the trading day preceding commencement of the Exchange Offer. Liberty Interactive Share Units vest on the same vesting schedule as the unvested QVC Awards and represent the right to receive a cash payment equal to the value of Liberty Interactive common stock on the vesting date. All unvested QVC Awards were exchanged for approximately 2,348,000 Liberty Interactive Share Units. Liberty accounted for the Exchange Offer as a settlement of the outstanding unvested QVC Awards. The difference between the fair value of the Liberty Interactive Share Units and the fair value of unvested QVC Awards has been reflected as a reduction to stock-based compensation in the accompanying consolidated statement of operations.

Also on August 14, 2006, a subsidiary of Liberty offered to purchase for cash all outstanding shares of QVC common stock owned by officers and employees of QVC and all vested QVC Awards (the "Tender Offer"). Officers and employees of QVC owned 54,973 shares or 1.09% of QVC common stock at the time of the Tender Offer. The Exchange Offer and the Tender Offer both expired on September 30, 2006. All vested QVC Awards and 49,575 outstanding shares of QVC common stock were tendered as of September 30, 2006 resulting in cash payments aggregating approximately $258 million. The remaining 5,398 shares of QVC common stock were redeemed subsequent to September 30, 2006 for additional aggregate cash payments of approximately $17 million. Liberty accounted for the cash paid for outstanding shares of QVC common stock as the acquisition of a minority interest. The difference between the cash paid and the carrying value of the minority interest was allocated to intangible assets using a purchase accounting model. The cash paid for vested options was less than the carrying value of the related liability. Such difference has been reflected as a reduction to stock-based compensation in the accompanying consolidated statement of operations. The aggregate credit to stock-based compensation for the Exchange Offer and the Tender Offer was $24 million. Subsequent to the completion of the foregoing transactions, Liberty owns 100% of the equity of QVC.

Starz Entertainment

Starz Entertainment has outstanding Phantom Stock Appreciation Rights ("PSARS") held by its former chief executive officer. Such PSARs are fully vested and expire on October 17, 2011, and Starz Entertainment has accrued $130 million as of December 31, 2006 related to the PSARs. Such amount is payable in cash, Liberty common stock or a combination thereof. In December 2005, Starz Entertainment terminated a second PSAR plan for certain of its other executive officers and made cash payments aggregating $7 million upon termination.

Other

Certain of the Company's other subsidiaries have stock based compensation plans under which employees and non-employees are granted options or similar stock based awards. Awards made under these plans vest and become exercisable over various terms. The awards and compensation recorded, if any, under these plans is not significant to Liberty.

(14) Employee Benefit Plans

Liberty is the sponsor of the Liberty Media 401(k) Savings Plan (the "Liberty 401(k) Plan"), which provides its employees and the employees of certain of its subsidiaries an opportunity for ownership in the Company and creates a retirement fund. The Liberty 401(k) Plan provides for employees to make contributions to a trust for investment in Liberty common stock, as well as several mutual funds. The Company and its subsidiaries make matching contributions to the Liberty 401(k) Plan based on a percentage of the amount contributed by employees. In addition, certain of the Company's subsidiaries have similar employee benefit plans. Employer cash contributions to all plans aggregated $30 million, $22 million and $22 million for the years ended December 31, 2006, 2005 and 2004, respectively.

(15) Other Comprehensive Earnings (Loss)

Accumulated other comprehensive earnings (loss) included in Liberty's consolidated balance sheets and consolidated statements of stockholders' equity reflect the aggregate of foreign currency translation adjustments and unrealized holding gains and losses on AFS securities.

The change in the components of accumulated other comprehensive earnings (loss), net of taxes, is summarized as follows:

	Foreign currency translation adjustments	Unrealized holding gains (losses) on securities	Accumulated other comprehensive earnings (loss), net of taxes
	(amounts in millions)		
Balance at January 1, 2004	$(286)	3,519	3,233
Other comprehensive earnings	20	1,004	1,024
Contribution to LMI	—	(51)	(51)
Other activity	9	(9)	—
Balance at December 31, 2004	(257)	4,463	4,206
Other comprehensive earnings (loss)	307	(1,101)	(794)
Balance at December 31, 2005	50	3,362	3,412
Other comprehensive earnings	111	2,420	2,531
Balance at December 31, 2006	$ 161	5,782	5,943

Included in Liberty's accumulated other comprehensive earnings (loss) at December 31, 2004 was $123 million, net of income taxes, of foreign currency translation losses related to Cablevisión, S.A. ("Cablevisión"), a former equity method investment of Liberty, and $186 million, net of income taxes, of foreign currency translation losses related to Telewest Global, Inc. ("Telewest"), another former equity method investment of Liberty. In the first quarter of 2005, Liberty disposed of its interests in Cablevisión and Telewest. Accordingly, Liberty recognized in its statement of operations $488 million of foreign currency translation losses (before income tax benefits) related to Cablevisión and Telewest that were previously included in accumulated other comprehensive earnings (loss).

LIBERTY MEDIA CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
December 31, 2006, 2005 and 2004

The components of other comprehensive earnings (loss) are reflected in Liberty's consolidated statements of comprehensive earnings (loss) net of taxes. The following table summarizes the tax effects related to each component of other comprehensive earnings (loss).

	Before-tax amount	Tax (expense) benefit	Net-of-tax amount
	(amounts in millions)		
Year ended December 31, 2006:			
Foreign currency translation adjustments	$ 179	(68)	111
Unrealized holding gains on securities arising during period	4,202	(1,597)	2,605
Reclassification adjustment for holding gains realized in net loss	(298)	113	(185)
Other comprehensive earnings	$ 4,083	(1,552)	2,531
Year ended December 31, 2005:			
Foreign currency translation adjustments	$ (8)	3	(5)
Reclassification adjustment for currency losses realized in net earnings	503	(191)	312
Unrealized holding losses on securities arising during period	(1,808)	687	(1,121)
Reclassification adjustment for holding gains realized in net earnings	350	(133)	217
Reclass unrealized gain on AFS security	(318)	121	(197)
Other comprehensive loss	$(1,281)	487	(794)
Year ended December 31, 2004:			
Foreign currency translation adjustments	$ 33	(13)	20
Unrealized holding losses on securities arising during period	2,443	(953)	1,490
Reclassification adjustment for holding gains realized in net earnings	(797)	311	(486)
Other comprehensive earnings	$ 1,679	(655)	1,024

(16) Transactions with Related Parties

Starz Entertainment pays Revolution Studios ("Revolution"), an equity affiliate, fees for the rights to exhibit films produced by Revolution. Payments aggregated $69 million, $84 million and $99 million in 2006, 2005 and 2004, respectively.

(17) Commitments and Contingencies

Film Rights

Starz Entertainment, a wholly-owned subsidiary of Liberty, provides premium video programming distributed by cable operators, direct-to-home satellite providers and other distributors throughout the United States. Starz Entertainment has entered into agreements with a number of motion picture producers which obligate Starz Entertainment to pay fees ("Programming Fees") for the rights to exhibit certain films that are released by these producers. The unpaid balance of Programming Fees for films that were available for exhibition by Starz Entertainment at December 31, 2006 is reflected as a liability in the accompanying consolidated balance sheet. The balance due as of December 31, 2006 is payable as follows: $110 million in 2007; $9 million in 2008; and $8 million thereafter.

Starz Entertainment has also contracted to pay Programming Fees for films that have been released theatrically, but are not available for exhibition by Starz Entertainment until some future date.

These amounts have not been accrued at December 31, 2006. Starz Entertainment's estimate of amounts payable under these agreements is as follows: $538 million in 2007; $148 million in 2008; $93 million in 2009; $87 million in 2010; $31 million in 2011 and $67 million thereafter.

In addition, Starz Entertainment is also obligated to pay Programming Fees for all qualifying films that are released theatrically in the United States by studios owned by The Walt Disney Company ("Disney") through 2009, all qualifying films that are released theatrically in the United States by studios owned by Sony Pictures Entertainment ("Sony") through 2010 and all qualifying films produced for theatrical release in the United States by Revolution through 2006. Films are generally available to Starz Entertainment for exhibition 10-12 months after their theatrical release. The Programming Fees to be paid by Starz Entertainment are based on the quantity and the domestic theatrical exhibition receipts of qualifying films. As these films have not yet been released in theatres, Starz Entertainment is unable to estimate the amounts to be paid under these output agreements. However, such amounts are expected to be significant.

In addition to the foregoing contractual film obligations, each of Disney and Sony has the right to extend its contract for an additional three years. If Sony elects to extend its contract, Starz Entertainment has agreed to pay Sony a total of $190 million in four annual installments of $47.5 million beginning in 2011. This option expires December 31, 2007. If made, Starz Entertainment's payments to Sony would be amortized ratably as programming expense over the extension period beginning in 2011. An extension of this agreement would also result in the payment by Starz Entertainment of Programming Fees for qualifying films released by Sony during the extension period. If Disney elects to extend its contract, Starz Entertainment is not obligated to pay any amounts in excess of its Programming Fees for qualifying films released by Disney during the extension period. The Disney option expires December 31, 2007.

Guarantees

Liberty guarantees Starz Entertainment's obligations under certain of its studio output agreements. At December 31, 2006, Liberty's guarantees for obligations for films released by such date aggregated $695 million. While the guarantee amount for films not yet released is not determinable, such amount is expected to be significant. As noted above, Starz Entertainment has recognized the liability for a portion of its obligations under the output agreements. As this represents a commitment of Starz Entertainment, a consolidated subsidiary of Liberty, Liberty has not recorded a separate liability for its guarantee of these obligations.

In connection with agreements for the sale of certain assets, Liberty typically retains liabilities that relate to events occurring prior to its sale, such as tax, environmental, litigation and employment matters. Liberty generally indemnifies the purchaser in the event that a third party asserts a claim against the purchaser that relates to a liability retained by Liberty. These types of indemnification guarantees typically extend for a number of years. Liberty is unable to estimate the maximum potential liability for these types of indemnification guarantees as the sale agreements typically do not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, Liberty has not made any significant indemnification payments under such agreements and no amount has been accrued in the accompanying consolidated financial statements with respect to these indemnification guarantees.

Operating Leases

Liberty leases business offices, has entered into satellite transponder lease agreements and uses certain equipment under lease arrangements. Rental expense under such arrangements amounted to $32 million, $33 million and $39 million for the years ended December 31, 2006, 2005 and 2004, respectively.

A summary of future minimum lease payments under noncancelable operating leases as of December 31, 2006 follows (amounts in millions):

Years ending December 31:	
2007	$28
2008	$24
2009	$21
2010	$16
2011	$13
Thereafter	$31

It is expected that in the normal course of business, leases that expire generally will be renewed or replaced by leases on other properties; thus, it is anticipated that future lease commitments will not be less than the amount shown for 2006.

Litigation

Liberty has contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. Although it is reasonably possible Liberty may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

Other

During the period from March 9, 1999 to August 10, 2001, Liberty was included in the consolidated federal income tax return of AT&T and was a party to a tax sharing agreement with AT&T (the "AT&T Tax Sharing Agreement"). While Liberty was a subsidiary of AT&T, Liberty recorded its stand-alone tax provision on a separate return basis. Under the AT&T Tax Sharing Agreement, Liberty received a cash payment from AT&T in periods when Liberty generated taxable losses and such taxable losses were utilized by AT&T to reduce its consolidated income tax liability. To the extent such losses were not utilized by AT&T, such amounts were available to reduce federal taxable income generated by Liberty in future periods, similar to a net operating loss carryforward, and were accounted for as a deferred federal income tax benefit. Subsequent to Liberty's split off from AT&T, if adjustments are made to amounts previously paid under the AT&T Tax Sharing Agreement, such adjustments are reflected as adjustments to additional paid-in capital. During the period from March 10, 1999 to December 31, 2002, Liberty received cash payments from AT&T aggregating $670 million as payment for Liberty's taxable losses that AT&T utilized to reduce its income tax liability.

Also, pursuant to the AT&T Tax Sharing Agreement and in connection with Liberty's split off from AT&T, AT&T was required to pay Liberty an amount equal to 35% of the amount of the net operating losses reflected in TCI's final federal income tax return ("TCI NOLs") that had not been used as an offset to Liberty's obligations under the AT&T Tax Sharing Agreement and that had been, or were reasonably expected to be, utilized by AT&T. In connection with the split off, Liberty received an $803 million payment for TCI's NOLs and recorded such payment as an increase to additional paid-in capital. Liberty was not paid for certain of TCI's NOLs ("SRLY NOLs") due to limitations and uncertainty regarding AT&T's ability to use them to offset taxable income in the future. In the event AT&T was ultimately able to use any of the SRLY NOLs, they would be required to pay Liberty 35% of the amount of the SRLY NOLs used. In the fourth quarter of 2004 and in connection with the completion of an IRS audit of TCI's tax return for 1994, it was determined that Liberty was required to recognize additional taxable income related to the recapitalization of one of its investments resulting in a tax liability of approximately $30 million. As a result of the tax assessment, Liberty also received a corresponding amount of additional tax basis in the investment. However, Liberty was able to cause AT&T to use a portion of the SRLY NOLs to offset this taxable income, the benefit of which resulted in the elimination of the $30 million tax liability and an increase to additional paid-in capital.

In the fourth quarter of 2004, AT&T requested a refund from Liberty of $70 million, plus accrued interest, relating to losses that it generated in 2002 and 2003 and was able to carry back to offset taxable income previously offset by Liberty's losses. AT&T has asserted that Liberty's losses caused AT&T to pay $70 million in alternative minimum tax ("AMT") that it would not have been otherwise required to pay had Liberty's losses not been included in its return. In 2004, Liberty estimated that it may ultimately pay AT&T up to $30 million of the requested $70 million because Liberty believed AT&T received an AMT credit of $40 million against income taxes resulting from the AMT previously paid. Accordingly, Liberty accrued a $30 million liability with an offsetting reduction of additional paid-in capital. The net effect of the completion of the IRS tax audit noted above (including the benefit derived from AT&T for the utilization of the SRLY NOLs) and Liberty's accrual of amounts due to AT&T was an increase to deferred tax assets and an increase to other liabilities.

In the fourth quarter of 2005, AT&T requested an additional $21 million relating to additional losses it generated and was able to carry back to offset taxable income previously offset by Liberty's losses. In addition, the information provided to Liberty in connection with AT&T's request showed that AT&T had not yet claimed a credit for AMT previously paid. Accordingly, in the fourth quarter of 2005, Liberty increased its accrual by approximately $40 million (with a corresponding reduction of additional paid-in capital) representing its estimate of the amount it may ultimately pay (excluding accrued interest, if any) to AT&T as a result of this request. Although Liberty has not reduced its accrual for any future refunds, Liberty believes it is entitled to a refund when AT&T is able to realize a benefit in the form of a credit for the AMT previously paid.

In March 2006, AT&T requested an additional $21 million relating to additional losses and IRS audit adjustments that it claims it is able to use to offset taxable income previously offset by Liberty's losses. Liberty has reviewed this claim and believes that its accrual as of December 31, 2005 is adequate. Accordingly, no additional accrual was made for AT&T's March 2006 request.

Although for accounting purposes Liberty has accrued a portion of the amounts claimed by AT&T to be owed by Liberty under the AT&T Tax Sharing Agreement, Liberty believes there are valid defenses or set-off or similar rights in its favor that may cause the total amount that it owes AT&T to be less than the amounts accrued; and under certain interpretations of the AT&T Tax Sharing Agreement, Liberty may be entitled to further reimbursements from AT&T.

(18) Information About Liberty's Operating Segments

Liberty is a holding company, which through its ownership of interests in subsidiaries and other companies, is primarily engaged in the video and on-line commerce, media, communications and entertainment industries. Upon completion of the Restructuring and the issuance of its tracking stocks, Liberty attributed its businesses to one of two groups: the Interactive Group and the Capital Group. Each of the businesses in the tracking stock groups is separately managed. Liberty identifies its reportable segments as (A) those consolidated subsidiaries that represent 10% or more of its consolidated revenue, earnings before income taxes or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of Liberty's pre-tax earnings. The segment presentation for prior periods has been conformed to the current period segment presentation.

Liberty evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue, operating cash flow, gross margin, average sales price per unit, number of units shipped and revenue or sales per customer equivalent. In addition, Liberty reviews non-financial measures such as subscriber growth and penetration, as appropriate.

Liberty defines operating cash flow as revenue less cost of sales, operating expenses, and selling, general and administrative expenses (excluding stock-based compensation). Liberty believes this is an important indicator of the operational strength and performance of its businesses, including each business's 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. This measure of performance excludes depreciation and amortization, stock-based compensation, litigation settlements and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP. Accordingly, operating cash flow should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. Liberty generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

For the year ended December 31, 2006, Liberty has identified the following consolidated subsidiaries as its reportable segments:

- QVC—consolidated subsidiary included in the Interactive Group that markets and sells a wide variety of consumer products in the United States and several foreign countries, primarily by means of televised shopping programs on the QVC networks and via the Internet through its domestic and international websites.
- Starz Entertainment—consolidated subsidiary included in the Capital Group that provides premium programming distributed by cable operators, direct-to-home satellite providers, other distributors and via the Internet throughout the United States.

Liberty's reportable segments are strategic business units that offer different products and services. They are managed separately because each segment requires different technologies, distribution channels and marketing strategies. The accounting policies of the segments that are also consolidated subsidiaries are the same as those described in the summary of significant policies.

Performance Measures

	Years ended December 31,					
	2006		2005		2004	
	Revenue	Operating cash flow	Revenue	Operating cash flow	Revenue	Operating cash flow
	(amounts in millions)					
Interactive Group						
QVC	$7,074	1,656	6,501	1,422	5,687	1,230
Corporate and other	252	24	—	(5)	—	(6)
	7,326	1,680	6,501	1,417	5,687	1,224
Capital Group						
Starz Entertainment	1,033	186	1,004	171	963	239
Corporate and other	254	(83)	141	(47)	93	(72)
	1,287	103	1,145	124	1,056	167
Consolidated Liberty	$8,613	1,783	7,646	1,541	6,743	1,391

Balance Sheet Information

	December 31,			
	2006		2005	
	Total assets	Investments in affiliates	Total assets	Investments in affiliates
	(amounts in millions)			
Interactive Group				
QVC	$19,100	104	15,615	2
Corporate and other	5,661	1,254	4,585	1,227
Intragroup elimination	(4,941)	—	(1,849)	—
	19,820	1,358	18,351	1,229
Capital Group				
Starz Entertainment	2,825	—	2,966	45
Corporate and other	24,512	484	20,268	634
Assets of discontinued operations	512	—	516	—
	27,849	484	23,750	679
Intergroup eliminations	(31)	—	(136)	—
Consolidated Liberty	$47,638	1,842	41,965	1,908

The following table provides a reconciliation of segment operating cash flow to earnings (loss) from continuing operations before income taxes and minority interest:

	Years ended December 31,		
	2006	2005	2004
	(amounts in millions)		
Consolidated segment operating cash flow	$1,783	1,541	1,391
Stock-based compensation	(67)	(52)	(98)
Litigation settlement	—	—	42
Depreciation and amortization	(582)	(545)	(547)
Impairment of long-lived assets	(113)	—	—
Interest expense	(680)	(626)	(619)
Realized and unrealized gains (losses) on derivative instruments, net	(279)	257	(1,284)
Gains (losses) on dispositions, net	607	(361)	1,411
Nontemporary declines in fair value of investments	(4)	(449)	(129)
Other, net	323	117	119
Earnings (loss) from continuing operations before income taxes and minority interest	$ 988	(118)	286

Revenue by Geographic Area

Revenue by geographic area based on the location of customers is as follows:

	Years ended December 31,		
	2006	2005	2004
	(amounts in millions)		
United States	$6,504	5,784	5,194
Germany	848	781	643
Other foreign countries	1,261	1,081	906
Consolidated Liberty	$8,613	7,646	6,743

Long-lived Assets by Geographic Area

	December 31,	
	2006	2005
	(amounts in millions)	
United States	$ 678	586
Germany	119	204
Other foreign countries	349	156
Consolidated Liberty	$1,146	946

(19) Quarterly Financial Information (Unaudited)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	(amounts in millions, except per share amounts)			
2006:				
Revenue	$1,901	2,025	2,016	2,671
Operating income	$ 224	257	236	304
Earnings from continuing operations	$ 69	482	63	95
Net earnings (loss):				
Series A and Series B common stock	$ (26)	120	—	—
Capital Group common stock	$ —	269	(51)	42
Interactive Group common stock	$ —	89	114	283
Basic and diluted earnings (loss) from continuing operations per common share:				
Series A and Series B common stock	$ .02	.04	—	—
Liberty Capital common stock	$ —	1.94	(.36)	(1.34)
Liberty Interactive common stock	$ —	.13	.17	.43
Basic and diluted net earnings (loss) per common share:				
Series A and Series B common stock	$ (.01)	.04	—	—
Liberty Capital common stock	$ —	1.92	(.36)	.30
Liberty Interactive common stock	$ —	.13	.17	.43
2005:				
Revenue	$1,742	1,760	1,772	2,372
Operating income	$ 215	197	189	343
Earnings (loss) from continuing operations	$ 245	(123)	(86)	(79)
Net earnings (loss)	$ 254	(107)	(94)	(86)
Basic and diluted earnings (loss) from continuing operations per common shares	$ .09	(.05)	(.03)	(.03)
Basic and diluted net earnings (loss) per common share	$ .09	(.04)	(.03)	(.03)

PART III.

The following required information is incorporated by reference to our definitive proxy statement for our 2007 Annual Meeting of Shareholders presently scheduled to be held in the second quarter of 2007:

Item 10. Directors, Executive Officers and Corporate Governance

Item 11. Executive Compensation

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Item 13. Certain Relationships and Related Transactions, and Director Independence

Item 14. Principal Accounting Fees and Services

We will file our definitive proxy statement for our 2007 Annual Meeting of shareholders with the Securities and Exchange Commission on or before April 30, 2007.

PART IV.

Item 15. Exhibits and Financial Statement Schedules.

(a) (1) *Financial Statements*

(a) (2) *Financial Statement Schedules*

(i) All schedules have been omitted because they are not applicable, not material or the required information is set forth in the financial statements or notes thereto.

(a) (3) *Exhibits*

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

3—Articles of Incorporation and Bylaws:

3.1 Restated Certificate of Incorporation of Liberty Media Corporation ("Liberty"), dated May 9, 2006 (incorporated by reference to Exhibit 1 to the Registration Statement on Form 8-A of Liberty (File No. 000-51990) as filed on May 9, 2006 (the "Form 8-A")).

3.2 Bylaws of Liberty, as adopted May 9, 2006 (incorporated by reference to Exhibit 2 of the Form 8-A).

4—Instruments Defining the Rights of Securities Holders, including Indentures:

4.1 Specimen certificate for shares of the Registrant's Liberty Interactive Series A common stock, par value $.01 per share (incorporated by reference to Exhibit 4.1 to Liberty's Current Report on Form 8-K (File No. 000-51990), filed on May 9, 2006 (the "May 2006 8-K")).

4.2 Specimen certificate for shares of the Registrant's Liberty Interactive Series B common stock, par value $.01 per share (incorporated by reference to Exhibit 4.2 to the May 2006 8-K).

4.3 Specimen certificate for shares of the Registrant's Liberty Capital Series A common stock, par value $.01 per share (incorporated by reference to Exhibit 4.3 to the May 2006 8-K).

4.4 Specimen certificate for shares of the Registrant's Liberty Capital Series B common stock, par value $.01 per share (incorporated by reference to Exhibit 4.4 to the May 2006 8-K).

10—Material Contracts:

10.1 Inter-Group Agreement dated as of March 9, 1999, between AT&T Corp. and Liberty Media LLC ("Old Liberty"), Liberty Media Group LLC and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.2 to the Registration Statement on Form S-4 of Old Liberty (File No. 333-86491) as filed on September 3, 1999, the "Old Liberty S-4 Registration Statement").

10.2 Ninth Supplement to Inter-Group Agreement dated as of June 14, 2001, between and among AT&T Corp., on the one hand, and Old Liberty, Liberty Media Group LLC, AGI LLC, Liberty SP, Inc., LMC Interactive, Inc. and Liberty AGI, Inc., on the other hand (incorporated by reference to Exhibit 10.25 to the Registration Statement on Form S-1 of Old Liberty (File No. 333-66034) as filed on July 27, 2001).

10.3 Intercompany Agreement dated as of March 9, 1999, between Old Liberty and AT&T Corp. (incorporated by reference to Exhibit 10.3 to the Old Liberty S-4 Registration Statement).

10.4 Tax Sharing Agreement dated as of March 9, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.4 to the Old Liberty S-4 Registration Statement).

10.5 First Amendment to Tax Sharing Agreement dated as of May 28, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.5 to the Old Liberty S-4 Registration Statement).

10.6 Second Amendment to Tax Sharing Agreement dated as of September 24, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.6 to the Registration Statement on Form S-1 of Old Liberty (File No. 333-93917) as filed on December 30, 1999 (the "Old Liberty S-1 Registration Statement")).

10.7 Third Amendment to Tax Sharing Agreement dated as of October 20, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.7 to the Old Liberty S-1 Registration Statement).

10.8 Fourth Amendment to Tax Sharing Agreement dated as of October 28, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.8 to the Old Liberty S-1 Registration Statement).

10.9 Fifth Amendment to Tax Sharing Agreement dated as of December 6, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.9 to the Old Liberty S-1 Registration Statement).

10.10 Sixth Amendment to Tax Sharing Agreement dated as of December 10, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty

Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.10 to the Old Liberty S-1 Registration Statement).

10.11 Seventh Amendment to Tax Sharing Agreement dated as of December 30, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.11 to the Old Liberty S-1 Registration Statement).

10.12 Eighth Amendment to Tax Sharing Agreement dated as of July 25, 2000, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.12 to the Registration Statement on Form S-1 of Old Liberty (File No. 333-55998) as filed on February 21, 2001).

10.13 Instrument dated January 14, 2000, adding The Associated Group, Inc. as a party to the Tax Sharing Agreement dated as of March 9, 1999, as amended, among The Associated Group, Inc., AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.12 to the Old Liberty S-1 Registration Statement).

10.14 Restated and Amended Employment Agreement dated November 1, 1992, between Tele-Communications, Inc. and John C. Malone (assumed by Old Liberty as of March 9, 1999), and the amendment thereto dated June 30, 1999 and effective as of March 9, 1999, between Old Liberty and John C. Malone (collectively, the "Malone Employment Agreement") (incorporated by reference to Exhibit 10.6 to the Old Liberty S-4 Registration Statement).

10.15 Second Amendment to Malone Employment Agreement effective January 1, 2003 (incorporated by reference to Exhibit 10.15 to Old Liberty's Annual Report on Form 10-K for the year ended December 31, 2003 (File No. 001-16615) as filed on March 15, 2004 (the "Old Liberty 2003 10-K")).

10.16 Liberty Media Corporation 2000 Incentive Plan (As Amended and Restated Effective February 22, 2007) (the "2000 Incentive Plan").*

10.17 Liberty Media Corporation 2007 Incentive Plan (the "2007 Incentive Plan").*

10.18 Form of Non-Qualified Stock Option Agreement under the 2000 Incentive Plan and the 2007 Incentive Plan [for certain designated award recipients] (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q of Old Liberty for the quarter ended March 31, 2006 (File No. 001-16615) as filed on May 8, 2006 (the "Old Liberty 10-Q")).

10.19 Form of Non-Qualified Stock Option Agreement under the 2000 Incentive Plan and the 2007 Incentive Plan [for all other award recipients] (incorporated by reference to Exhibit 10.3 of the Old Liberty 10-Q).

10.20 Form of Restricted Stock Award Agreement under the 2000 Incentive Plan and the 2007 Incentive Plan [for certain designated award recipients] (incorporated by reference to Exhibit 10.4 to the Old Liberty 10-Q).

10.21 Form of Stock Appreciation Rights Agreement under the 2000 Incentive Plan and the 2007 Incentive Plan (incorporated by reference to Exhibit 10.18 to the Annual Report on Form 10-K of Old Liberty for the year ended December 31, 2004 (File No. 001-16615) as filed on March 15, 2005 (the "Old Liberty 2005 10-K")).

10.22 Liberty Media Corporation 2002 Nonemployee Director Incentive Plan (As Amended and Restated Effective May 9, 2006) (the "Director Plan") (incorporated by reference to Exhibit 10.2 to the May 2006 8-K).

10.23 Form of Stock Appreciation Rights Agreement under the Director Plan (incorporated by reference to Exhibit 10.21 to the Old Liberty 2005 10-K).

10.24 Liberty Media Corporation 2006 Deferred Compensation Plan (incorporated by reference to Exhibit 99.1 to Liberty's Current Report on Form 8-K (File No. 000-51990) as filed on January 5, 2007).

10.25 Letter Agreement, dated as of May 8, 2003, between Robert R. Bennett and Old Liberty regarding Mr. Bennett's personal use of Liberty's aircraft (incorporated by reference to Exhibit 10.19 to the Old Liberty 2003 10-K).

10.26 Time Sharing Agreement regarding personal use of Liberty's aircraft, dated as of March 29, 2005, between Robert R. Bennett and Old Liberty (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of Old Liberty for the period ended March 31, 2005 (File No. 001-16615) as filed on May 9, 2005 (the "Liberty First Quarter 2005 10-Q").

10.27 Letter Agreement regarding personal use of Liberty's aircraft, dated as of May 4, 2005, between Robert R. Bennett and Old Liberty (incorporated by reference to Exhibit 10.2 to the Liberty First Quarter 2005 10-Q).

10.28 Employment Agreement, dated as of December 28, 2005, between Old Liberty and Mr. Bennett (incorporated by reference to Exhibit 99.1 to Old Liberty's Current Report on Form 8-K (File No. 001-16615) as filed on December 30, 2005 (the "Old Liberty December 2005 8-K")).

10.29 Amended and Restated Deferred Compensation Agreement, dated as of December 28, 2005, between Old Liberty and Mr. Bennett (incorporated by reference to Exhibit 99.2 to the Old Liberty December 2005 8-K).

10.30 Amended and Restated Deferred Compensation Agreement, dated as of December 28, 2005, between Mr. Bennett and Old Liberty (incorporated by reference to Exhibit 99.3 to the Old Liberty December 2005 8-K).

10.31 Deferred Compensation Agreement, dated as of July 1, 2005, between Mr. Bennett and Old Liberty (incorporated by reference to Exhibit 99.4 to the Old Liberty December 2005 8-K).

10.32 Call Agreement, dated as of February 9, 1998 (the "Call Agreement"), between Liberty (as successor of Old Liberty which was the assignee of Tele-Communications, Inc.) and the Malone Group (incorporated by reference to Exhibit 7(n) to Mr. Malone's Amendment No. 8 to Schedule 13D filed in respect of Tele-Communications, Inc. on February 19, 1998 (File No. 005-44063)).

10.33 Letter, dated as of March 5, 1999, from Tele-Communications, Inc. and Old Liberty addressed to Mr. Malone and Leslie Malone relating to the Call Agreement (incorporated by reference to Exhibit 7(f) to Mr. Malone's Schedule 13D filed in respect of AT&T on March 30, 1999 (File No. 005-32542)).

10.34 $3,500,000,000 Credit Agreement, dated as of March 3, 2006, among QVC, Inc., as Borrower; the Lenders party hereto; JP Morgan Chase Bank, N.A., as Administrative Agent; and Wachovia Capital Markets, LLC, as Syndication Agent (the "March 2006 Credit Agreement") (incorporated by reference to Exhibit 10.1 to the Old Liberty 10-Q).

10.35 Amendment dated October 4, 2006 to the March 2006 Credit Agreement (incorporated by reference to Exhibit 99.2 to Liberty's Current Report on Form 8-K (File No. 000-51990) as filed on October 10, 2006 (the "October 2006 8-K")).

10.36 $1,750,000,000 Credit Agreement, dated as of October 4, 2006 among QVC, Wachovia Bank, N.A., as Administrative Agent, Bank of America N.A. and J.P. Morgan Securities Inc., as Syndication Agents, and the lenders party thereto from time to time (incorporated by reference to Exhibit 99.1 to the October 2006 8-K).

10.37 Form of Indemnification Agreement between Liberty and its executive officers/directors.*

10.38 Share Exchange Agreement, dated as of December 22, 2006, by and between News Corporation and Liberty (the "News Agreement").*

10.39 Tax Matters Agreement, dated as of December 22, 2006, by and between News Corporation and Liberty (which is Exhibit A-1 to the News Agreement).*

21 Subsidiaries of Liberty Media Corporation.*

23 Consent of KPMG LLP.*

31.1 Rule 13a-14(a)/15d—14(a) Certification.*

31.2 Rule 13a-14(a)/15d—14(a) Certification.*

31.3 Rule 13a-14(a)/15d—14(a) Certification.*

32 Section 1350 Certification.*

99.1 Unaudited Attributed Financial Information for Tracking Stock Groups.*

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* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

By: /s/ GREGORY B. MAFFEI

Gregory B. Maffei
Chief Executive Officer and President

DATED: MARCH 1, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/s/ JOHN C. MALONE John C. Malone	Chairman of the Board and Director	March 1, 2007
/s/ GREGORY B. MAFFEI Gregory B. Maffei	Director, Chief Executive Officer and President	March 1, 2007
/s/ ROBERT R. BENNETT Robert R. Bennett	Director	March 1, 2007
/s/ DONNE F. FISHER Donne F. Fisher	Director	March 1, 2007
/s/ PAUL A. GOULD Paul A. Gould	Director	March 1, 2007
/s/ DAVID E. RAPLEY David E. Rapley	Director	March 1, 2007
/s/ M. LAVOY ROBISON M. LaVoy Robison	Director	March 1, 2007
/s/ LARRY E. ROMRELL Larry E. Romrell	Director	March 1, 2007
/s/ DAVID J.A. FLOWERS David J.A. Flowers	Senior Vice President and Treasurer (Principal Financial Officer)	March 1, 2007
/s/ CHRISTOPHER W. SHEAN Christopher W. Shean	Senior Vice President and Controller (Principal Accounting Officer)	March 1, 2007

EXHIBIT INDEX

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

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3.2 Bylaws of Liberty, as adopted May 9, 2006 (incorporated by reference to Exhibit 2 of the Form 8-A).

4—Instruments Defining the Rights of Securities Holders, including Indentures:

4.1 Specimen certificate for shares of the Registrant's Liberty Interactive Series A common stock, par value $.01 per share (incorporated by reference to Exhibit 4.1 to Liberty's Current Report on Form 8-K (File No. 000-51990), filed on May 9, 2006 (the "May 2006 8-K")).

4.2 Specimen certificate for shares of the Registrant's Liberty Interactive Series B common stock, par value $.01 per share (incorporated by reference to Exhibit 4.2 to the May 2006 8-K).

4.3 Specimen certificate for shares of the Registrant's Liberty Capital Series A common stock, par value $.01 per share (incorporated by reference to Exhibit 4.3 to the May 2006 8-K).

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10.2 Ninth Supplement to Inter-Group Agreement dated as of June 14, 2001, between and among AT&T Corp., on the one hand, and Old Liberty, Liberty Media Group LLC, AGI LLC, Liberty SP, Inc., LMC Interactive, Inc. and Liberty AGI, Inc., on the other hand (incorporated by reference to Exhibit 10.25 to the Registration Statement on Form S-1 of Old Liberty (File No. 333-66034) as filed on July 27, 2001).

10.3 Intercompany Agreement dated as of March 9, 1999, between Old Liberty and AT&T Corp. (incorporated by reference to Exhibit 10.3 to the Old Liberty S-4 Registration Statement).

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10.5 First Amendment to Tax Sharing Agreement dated as of May 28, 1999, by and among AT&T Corp., Old Liberty, Tele-Communications, Inc., Liberty Ventures Group LLC, Liberty Media Group LLC, TCI Starz, Inc., TCI CT Holdings, Inc. and each Covered Entity listed on the signature pages thereof (incorporated by reference to Exhibit 10.5 to the Old Liberty S-4 Registration Statement).

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10.14 Restated and Amended Employment Agreement dated November 1, 1992, between Tele-Communications, Inc. and John C. Malone (assumed by Old Liberty as of March 9, 1999), and the amendment thereto dated June 30, 1999 and effective as of March 9, 1999, between Old Liberty and John C. Malone (collectively, the "Malone Employment Agreement") (incorporated by reference to Exhibit 10.6 to the Old Liberty S-4 Registration Statement).

10.15 Second Amendment to Malone Employment Agreement effective January 1, 2003 (incorporated by reference to Exhibit 10.15 to Old Liberty's Annual Report on Form 10-K for the year ended December 31, 2003 (File No. 001-16615) as filed on March 15, 2004 (the "Old Liberty 2003 10-K")).

10.16 Liberty Media Corporation 2000 Incentive Plan (As Amended and Restated Effective February 22, 2007) (the "2000 Incentive Plan").*

10.17 Liberty Media Corporation 2007 Incentive Plan (the "2007 Incentive Plan").*

10.18 Form of Non-Qualified Stock Option Agreement under the 2000 Incentive Plan and the 2007 Incentive Plan [for certain designated award recipients] (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q of Old Liberty for the quarter ended March 31, 2006 (File No. 001-16615) as filed on May 8, 2006 (the "Old Liberty 10-Q")).

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10.39 Tax Matters Agreement, dated as of December 22, 2006, by and between News Corporation and Liberty (which is Exhibit A-I to the News Agreement).*

21—Subsidiaries of Liberty Media Corporation.*

23—Consent of KPMG LLP.*

31.1 Rule 13a-14(a)/15d—14(a) Certification.*

31.2 Rule 13a-14(a)/15d—14(a) Certification.*

31.3 Rule 13a-14(a)/15d—14(a) Certification.*

32 Section 1350 Certification.*

99.1 Unaudited Attributed Financial Information for Tracking Stock Groups.*

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* Filed herewith.

EXHIBIT 31.1

CERTIFICATION

I, Gregory B. Maffei, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty Media Corporation;

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements and other financial information included in this annual 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 annual 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 such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

   d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2007

/s/ GREGORY B. MAFFEI

Gregory B. Maffei
Chief Executive Officer and President