

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): **August 6, 2021**

LIBERTY MEDIA CORPORATION

(Exact name of registrant as specified in its charter)

| | | |
|--|---|--|
| Delaware (State or other jurisdiction of incorporation or organization) | 001-35707 (Commission File Number) | 37-1699499 (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))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|----------------|---|
| Series A Liberty SiriusXM Common Stock | LSXMA | The Nasdaq Stock Market LLC |
| Series B Liberty SiriusXM Common Stock | LSXMB | The Nasdaq Stock Market LLC |
| Series C Liberty SiriusXM Common Stock | LSXMK | The Nasdaq Stock Market LLC |
| Series A Liberty Braves Common Stock | BATRA | The Nasdaq Stock Market LLC |
| Series C Liberty Braves Common Stock | BATRK | The Nasdaq Stock Market LLC |
| Series A Liberty Formula One Common Stock | FWONA | The Nasdaq Stock Market LLC |
| Series C Liberty Formula One Common Stock | FWONK | The Nasdaq Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On August 6, 2021, Liberty Media Corporation (the “Company”) issued a press release (the “Earnings Release”) setting forth information, including financial information, which is intended to supplement the financial statements and related Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, filed with the Securities and Exchange Commission (the “SEC”) on August 6, 2021.

This Item 2.02 and the Earnings Release attached hereto as Exhibit 99.1, insofar as they disclose historical information regarding the Company's results of operations or financial condition for the quarter ended June 30, 2021, are being furnished to the SEC.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Earnings Release, dated August 6, 2021. |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

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: August 6, 2021

LIBERTY MEDIA CORPORATION

By: /s/ Wade Haufschild

Name: Wade Haufschild

Title: Senior Vice President



LIBERTY MEDIA CORPORATION REPORTS SECOND QUARTER 2021 FINANCIAL RESULTS

Englewood, Colorado, August 6, 2021- Liberty Media Corporation ("Liberty Media" or "Liberty") (NASDAQ: LSXMA, LSXMB, LSXMK, FWONA, FWONK, BATRA, BATRK) today reported second quarter 2021 results. Headlines include⁽¹⁾:

- Attributed to Liberty SiriusXM Group
 - SiriusXM reported strong second quarter 2021 financial results
 - Second quarter revenue of \$2.16 billion; an increase of 15% from prior year period
 - Second quarter net income of \$433 million; diluted EPS of \$0.10
 - Record quarterly adjusted EBITDA⁽²⁾ of \$700 million, up 14% from prior year period
 - SiriusXM self-pay net subscriber additions of 355,000, an increase of 34% year-over-year
 - SiriusXM increased 2021 subscriber and financial guidance on July 27^h
 - Liberty Media's ownership of SiriusXM stood at 78.1% as of July 23^d
 - From May 1st through July 31st, Liberty repurchased 3.2 million LSXMA/K shares at an average price per share of \$44.27 for total cash consideration of \$141 million
- Attributed to Formula One Group
 - Announced Crypto.com as Global Partner and inaugural partner of the F1 Sprint series and expanded BWT partnership to become Official Water Technology Partner
 - Secured 3-year broadcast agreement in Netherlands with NENT Group beginning 2022
 - Successfully hosted inaugural F1 Sprint ahead of Silverstone Grand Prix
 - Repurchased \$176 million principal amount of 2.25% AT&T exchangeable debentures in individually negotiated private purchases ahead of October 2021 put / call date funded primarily with sale of 5.3 million AT&T shares
- Attributed to Braves Group

- Braves lead MLB in total attendance and average attendance per game

“SiriusXM executed well, produced outstanding results and recently increased their 2021 guidance. They continue to repurchase stock and Liberty’s ownership is now over 78%,” said Greg Maffei, Liberty Media President and CEO. “Formula 1 is delivering across the board – on the track, for our fans, teams, partners and investors, and has done an impressive job steering through the 2021 calendar. The Braves are competitive on the field and lead MLB in total attendance, with over 1.5 million fans returning to Truist Park so far this season.”

Discussion of Results

Unless otherwise noted, the following discussion compares financial information for the three months ended June 30, 2021 to the same period in 2020.

LIBERTY SIRIUSXM GROUP – The following table provides the financial results attributed to Liberty SiriusXM Group for the second quarter of 2021. In the second quarter, approximately \$6 million of corporate level selling, general and administrative expense (including stock-based compensation expense) was allocated to the Liberty SiriusXM Group.

| | 2Q20 | 2Q21 | % Change |
|--------------------------------|----------|----------|----------|
| amounts in millions | | | |
| Liberty SiriusXM Group | | | |
| Revenue | | | |
| SiriusXM | \$ 1,874 | \$ 2,159 | 15 % |
| Total Liberty SiriusXM Group | \$ 1,874 | \$ 2,159 | 15 % |
| Operating Income (Loss) | | | |
| SiriusXM | 398 | 640 | 61 % |
| Corporate and other | (15) | (6) | 60 % |
| Total Liberty SiriusXM Group | \$ 383 | \$ 634 | 66 % |
| Adjusted OIBDA | | | |
| SiriusXM | 615 | 699 | 14 % |
| Corporate and other | (12) | (2) | 83 % |
| Total Liberty SiriusXM Group | \$ 603 | \$ 697 | 16 % |

SiriusXM is a separate publicly traded company and additional information about SiriusXM can be obtained through its website and filings with the Securities and Exchange Commission. SiriusXM reported its stand-alone second quarter results on July 27, 2021. For additional detail on SiriusXM’s financial results for the second quarter, please see SiriusXM’s earnings release posted to its Investor Relations website. For presentation purposes on page one of this release, we include the results of SiriusXM, as reported by SiriusXM, without regard to the purchase accounting adjustments applied by us for purposes of our financial statements. Liberty Media believes the presentation of financial results as reported by SiriusXM is useful to investors as the comparability of those results is best understood in the context of SiriusXM’s historical financial presentation.

The businesses and assets attributed to Liberty SiriusXM Group consist primarily of Liberty Media’s interests in SiriusXM, which includes its subsidiary Pandora, and Live Nation.

FORMULA ONE GROUP – The following table provides the financial results attributed to the Formula One Group for the second quarter of 2021. In the second quarter, the Formula One Group incurred approximately \$4 million of corporate level selling, general and administrative expense (including stock-based compensation expense).

“Formula 1 is having an incredible season and the drama on the track is resonating with fans worldwide. The battle for the Championship is intense and very close, evoking memories of some of the sport’s greatest rivalries of the past,” said Stefano Domenicali, Formula 1 President and CEO. “We are seeing increasing numbers of fans tune in at home, and it is great to see the fans retuning to the races, with a sellout crowd at Silverstone of 356,000 across the weekend marking one of the largest fan events in the world since COVID. We were very pleased with the first Sprint event and look forward to the next one in Monza, and we continue to prove, despite the challenges presented by the pandemic, that we can adapt and find solutions for the remainder of the season.”

| | 2Q20 | 2Q21 |
|--------------------------|---------------------|---------|
| | amounts in millions | |
| Formula One Group | | |
| Revenue | | |
| Formula 1 | \$ 24 | \$ 501 |
| Total Formula One Group | \$ 24 | \$ 501 |
| Operating Loss | | |
| Formula 1 | \$ (122) | \$ (36) |
| Corporate and other | (14) | (7) |
| Total Formula One Group | \$ (136) | \$ (43) |
| Adjusted OIBDA | | |
| Formula 1 | \$ (16) | \$ 66 |
| Corporate and other | (10) | (3) |
| Total Formula One Group | \$ (26) | \$ 63 |

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

F1 Operating Results

| | <u>2Q20</u> | <u>2Q21</u> | <u>% Change</u> |
|---|---------------------|-------------|-----------------|
| | amounts in millions | | |
| Primary Formula 1 revenue | \$ 15 | \$ 464 | 2,993 % |
| Other Formula 1 revenue | 9 | 37 | 311 % |
| Total Formula 1 revenue | \$ 24 | \$ 501 | 1,988 % |
| Operating expenses (excluding stock-based compensation included below): | | | |
| Team payments | — | (308) | NM |
| Other cost of Formula 1 revenue | (16) | (90) | (463)% |
| Cost of Formula 1 revenue | \$ (16) | \$ (398) | (2,388)% |
| Selling, general and administrative expenses | (24) | (37) | (54)% |
| Adjusted OIBDA (loss) | \$ (16) | \$ 66 | NM |
| Stock-based compensation | (4) | (5) | (25)% |
| Depreciation and Amortization | (102) | (97) | 5 % |
| Operating loss | \$ (122) | \$ (36) | 70 % |
| Number of races in period | — | 7 | |

Primary F1 revenue represents the majority of F1’s revenue and is derived from (i) race promotion revenue, (ii) media rights fees (formerly referred to as broadcasting fees) and (iii) sponsorship fees.

Beginning January 1, 2021, F1 began reclassifying certain components previously reported in Other F1 revenue into Primary F1 revenue to better align with the way it currently evaluates the business. In addition, broadcasting revenue was renamed media rights revenue. The more significant components that were reclassified into Primary F1 revenue include fees for F1 TV subscriptions, fees for licensing commercial rights for Formula 2 and Formula 3 races, fees for the origination and support of program footage, fees for broadcast rights for Formula 2 and Formula 3 races and fees for advertising rights on Formula 1’s digital platforms. Following the reclassification, Other F1 revenue is primarily comprised of freight and hospitality revenue. \$3 million of Other F1 revenue was reclassified as Primary F1 revenue for the three months ended June 30, 2020 to conform to the current period presentation. The impact of the revenue reclassification for the years ended December 31, 2019 and 2020 can be found in Schedule 3 of this press release.

There were seven races held in the second quarter of 2021, compared to no races held in the second quarter of 2020 due to the COVID-19 pandemic. Fan attendance continues to be assessed by relevant government authorities on a race-by-race basis. A very limited number of fans were in attendance and there was no Paddock Club hospitality at races in the second quarter. While final decisions are pending for most upcoming events, fan capacity increased beginning in the third quarter and the Paddock Club hospitality resumed operations beginning with the Austrian Grand Prix on July 4th.

Primary F1 revenue increased in the second quarter with growth in race promotion, media rights and sponsorship fees. This was due to the recognition of race specific and season-based income with seven races held in the second quarter of 2021 compared to no races in the prior year period. Media rights fees also benefited from growth in F1 TV subscription revenue.

Other F1 revenue increased in the second quarter due to certain event-related activities associated with the seven races held in the current period compared to no races held in the prior year period, including higher freight, media and technical services, travel and Formula 2 and Formula 3 income. Licensing revenue also increased due to new contracts.

Operating loss decreased and adjusted OIBDA⁽²⁾ increased in the second quarter. Cost of F1 revenue increased primarily due to the recognition of team payments in the second quarter, as such payments are recognized pro rata with the race calendar and no races were held in the prior year period. Other cost of F1 revenue is largely variable in nature and mostly relates to revenue opportunities. These costs increased in the second quarter due to seven races taking place, which drove higher technical, travel, freight and logistics, Formula 2 and Formula 3 and other related costs. The proportionate recognition of a full year of FIA fees also contributed to the increase in other cost of Formula 1 revenue during the second quarter. Selling, general and administrative expense increased due to higher personnel cost as no bonus was accrued in the prior year period, as well as increased marketing expense.

The Liberty SiriusXM Group holds an approximate 2.2% intergroup interest (5.3 million notional shares) in the Formula One Group as of July 31, 2021. These shares are not included in the outstanding share count of Formula One Group in Liberty Media's most recent Form 10-Q. Assuming the issuance of the shares underlying this intergroup interest, the Formula One Group outstanding share count as of July 31, 2021 would have been 237 million.

The businesses and assets attributed to the Formula One Group consist of Liberty Media's subsidiary F1, its interest in Liberty Media Acquisition Corporation, other minority investments and an inter-group interest in the Braves Group.

BRAVES GROUP - The following table provides the financial results attributed to the Braves Group for the second quarter of 2021. In the second quarter, approximately \$1 million of corporate level selling, general and administrative expense (including stock-based compensation expense) was allocated to the Braves Group.

| | 2Q20 | 2Q21 |
|--------------------------------|---------------------|--------|
| | amounts in millions | |
| Braves Group | | |
| Revenue | | |
| Corporate and other | \$ 11 | \$ 216 |
| Operating Income (Loss) | | |
| Corporate and other | \$ (33) | \$ 31 |
| Adjusted OIBDA | | |
| Corporate and other | \$ (28) | \$ 53 |

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

| | 2Q20 | 2Q21 | % Change |
|---|---------------------|--------|----------|
| | amounts in millions | | |
| Baseball revenue | \$ 5 | \$ 204 | 3,980 % |
| Development revenue | 6 | 12 | 100 % |
| Total revenue | 11 | 216 | 1,864 % |
| Operating expenses (excluding stock-based compensation included below): | | | |
| Other operating expenses | (24) | (142) | (492)% |
| Selling, general and administrative expenses | (13) | (20) | (54)% |
| Adjusted OIBDA (loss) | \$ (26) | \$ 54 | NM |
| Stock-based compensation | 16 | (2) | NM |
| Depreciation and Amortization | (20) | (20) | — % |
| Operating income (loss) | \$ (30) | \$ 32 | NM |
| Number of home games in period | — | 42 | |
| Baseball revenue per home game | \$ N/A | \$ 4.9 | |

There were 42 home games played in the second quarter of 2021 compared to no home games played in the comparable prior year period as the 2020 regular season was delayed until July of that year. The 2021 regular season began with fans in attendance at 33% capacity for the first home game beginning April 9th, which increased to 50% capacity beginning April 23rd and further expanded to 100% capacity beginning May 7th.

Baseball revenue is comprised of (i) ballpark operations (ticket sales, concessions, corporate sales, retail, suites, premium seat fees and postseason), (ii) local broadcast rights and (iii) national broadcast rights, licensing and other shared MLB revenue streams. Development revenue is derived from the Battery Atlanta mixed-use facilities and primarily includes rental income.

Baseball revenue increased in the second quarter driven by the home games played in the current year and the recognition of revenue related to all primary sources of revenue, compared to no home games played in the comparable prior year

period. Development revenue increased during the second quarter due to a reduction in deferred payment arrangements as well as increases in rental income from various new lease commencements.

Operating income and adjusted OIBDA increased in the second quarter. Revenue growth more than offset increased operating costs as player salaries and facility and game day expenses returned to more normalized levels in the current year. Selling, general and administrative expense increased primarily due to higher marketing expense.

The Formula One Group holds an approximate 11.1% intergroup interest (6.8 million notional shares) and the Liberty SiriusXM Group holds an approximate 3.7% intergroup interest (2.3 million notional shares) in the Braves Group as of July 31, 2021. These shares are not included in the outstanding share count of the Braves Group in Liberty Media's most recent Form 10-Q. Assuming the issuance of the shares underlying these intergroup interests, the Braves Group outstanding share count as of July 31, 2021 would have been 61 million.

The businesses and assets attributed to the Braves Group consist primarily of Liberty Media's subsidiary the Braves, which indirectly owns the Atlanta Braves Major League Baseball Club, three Professional Development League clubs, FCL Braves and certain assets and liabilities associated with the Braves' ballpark and mixed-use development project.

Share Repurchases

From May 1, 2021 through July 31, 2021, Liberty SiriusXM Group repurchased approximately 2.3 million Series C Liberty SiriusXM shares (Nasdaq: LSXMK) at an average cost per share of \$44.98 for total cash consideration of \$103 million and repurchased approximately 887 thousand Series A Liberty SiriusXM shares (Nasdaq: LSXMA) at an average cost per share of \$42.45 for total cash consideration of \$38 million.

The total remaining repurchase authorization for Liberty Media as of August 1, 2021 is \$766 million and can be applied to repurchases of Series A and Series C shares of any of the Liberty Media Corporation tracking stocks.

FOOTNOTES

- 1) Liberty Media's President and CEO, Greg Maffei, will discuss these headlines and other matters on Liberty Media's earnings conference call that will begin at 10:00 a.m. (E.D.T.) on August 6, 2021. For information regarding how to access the call, please see "Important Notice" later in this document.
- 2) For definitions of Adjusted OIBDA (as defined by Liberty Media) and adjusted EBITDA (as defined by SiriusXM) and applicable reconciliations see the accompanying schedules.

NOTES

The following financial information with respect to Liberty Media's equity affiliates and available for sale securities is intended to supplement Liberty Media's condensed consolidated balance sheet and statement of operations to be included in its Form 10-Q for the period ended June 30, 2021.

Fair Value of Corporate Public Holdings

| <i>(amounts in millions)</i> | 3/31/2021 | 6/30/2021 |
|---|-----------------|-----------------|
| Liberty SiriusXM Group | | |
| Live Nation Investment ^(a) | \$ 5,895 | \$ 6,100 |
| iHeart ^(b) | 127 | 188 |
| Public Holdings ^(d) | — | 50 |
| Total Liberty SiriusXM Group^(c) | \$ 6,022 | \$ 6,338 |
| Formula One Group | | |
| Public Holdings ^(d) | 239 | 175 |
| Total Formula One Group | \$ 239 | \$ 175 |
| Braves Group | NA | NA |
| Total Liberty Media | \$ 6,261 | \$ 6,513 |

- a) Represents the fair value of the equity investment in Live Nation. In accordance with GAAP, Liberty Media accounts for its investment in the equity of Live Nation using the equity method of accounting and includes it in its condensed consolidated balance sheet at \$60 million and \$0 as of March 31, 2021 and June 30, 2021, respectively. Fair value as of March 31, 2021 includes all shares of Live Nation owned with no adjustment to fair value for the 34.8 million notional shares underlying a call spread held at the Formula One Group, which was valued at approximately \$384 million as of March 31, 2021 and was settled in April 2021.
- b) Includes fair value of iHeart shares, which are included in other long-term assets.
- c) Excludes Braves Group and Formula One Group intergroup interests.
- d) Represents the carrying value of other public holdings that are accounted for at fair value. Excludes Braves Group intergroup interest.

Fair Value of Intergroup Assets and Liabilities

The intergroup interests represent quasi-equity interests which are not represented by outstanding shares of common stock; rather, the Formula One Group and Liberty SiriusXM Group have attributed interests in the Braves Group, which are generally stated in terms of a number of shares of Liberty Braves common stock, and the Liberty SiriusXM Group also has an attributed interest in the Formula One Group, which is generally stated in terms of a number of shares of Liberty Formula One common stock. Each reporting period, the notional shares representing the intergroup interests are marked to fair value. The changes in fair value are recorded in the unrealized gain (loss) on the intergroup interest line item in the unaudited attributed condensed consolidated statements of operations. The intergroup interests will remain outstanding until the redemption of the outstanding interests, at the discretion of Liberty Media's Board of Directors, through transfer of securities, cash and/or other assets from the Braves Group or Formula One Group, respectively, to the respective tracking stock group.

Attributed
as of June 30, 2021

| | Liberty SiriusXM Group | | Braves Group | | Formula One Group | |
|---------------------------------------|------------------------|--------|-----------------|----------|-------------------|----------|
| | Notional Shares | Value | Notional Shares | Value | Notional Shares | Value |
| <i>(amounts in millions)</i> | | | | | | |
| Braves Group intergroup interests | 2.3 | \$ 64 | (9.1) | \$ (253) | 6.8 | \$ 189 |
| Formula One Group intergroup interest | 5.3 | \$ 225 | | | (5.3) | \$ (225) |

Cash and Debt

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

| <i>(amounts in millions)</i> | 3/31/2021 | 6/30/2021 |
|---|------------------|------------------|
| Cash, Cash Equivalents and Restricted Cash Attributable to: | | |
| Liberty SiriusXM Group ^{(a)(b)} | \$ 1,038 | \$ 1,550 |
| Formula One Group ^(c) | 1,783 | 2,225 |
| Braves Group ^(b) | 218 | 231 |
| Total Consolidated Cash, Cash Equivalents and Restricted Cash (GAAP) | \$ 3,039 | \$ 4,006 |
| Debt: | | |
| SiriusXM senior notes ^(d) | \$ 7,750 | \$ 9,750 |
| Pandora convertible senior notes | 193 | 193 |
| 1.375% cash convertible notes due 2023 ^(e) | 1,000 | 1,000 |
| 2.125% SiriusXM exchangeable senior debentures due 2048 ^(e) | 400 | 400 |
| 2.25% Live Nation exchangeable senior debentures due 2048 ^(e) | 385 | 385 |
| 2.75% SiriusXM exchangeable senior debentures due 2049 ^(e) | 604 | 604 |
| 0.5% Live Nation exchangeable senior debentures due 2050 ^(e) | 920 | 920 |
| SiriusXM margin loan | 875 | 875 |
| Live Nation margin loan | — | — |
| Other subsidiary debt ^(f) | 1,023 | — |
| Total Attributed Liberty SiriusXM Group Debt | \$ 13,150 | \$ 14,127 |
| Unamortized discount, fair market value adjustment and deferred loan costs | 533 | 543 |
| Total Attributed Liberty SiriusXM Group Debt (GAAP) | \$ 13,683 | \$ 14,670 |
| 1% cash convertible notes due 2023 ^(e) | 450 | 450 |
| 2.25% AT&T exchangeable senior debentures due 2046 ^(e) | 201 | 25 |
| Formula 1 term loan and revolving credit facility | 2,902 | 2,902 |
| Other corporate level debt | 73 | 71 |
| Total Attributed Formula One Group Debt | \$ 3,626 | \$ 3,448 |
| Fair market value adjustment and deferred loan costs | 127 | 164 |
| Total Attributed Formula One Group Debt (GAAP) | \$ 3,753 | \$ 3,612 |
| Atlanta Braves debt | 676 | 694 |
| Total Attributed Braves Group Debt | \$ 676 | \$ 694 |
| Deferred loan costs | (4) | (3) |
| Total Attributed Braves Group Debt (GAAP) | \$ 672 | \$ 691 |
| Total Liberty Media Corporation Debt (GAAP) | \$ 18,108 | \$ 18,973 |

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- a) Includes \$67 million and \$1.1 billion of cash, liquid investments and restricted cash held at SiriusXM as of March 31, 2021 and June 30, 2021, respectively.
 - b) Includes restricted cash held in reserves pursuant to the terms of various financial obligations.
 - c) Includes \$429 million and \$537 million of cash and liquid investments held at Formula 1 as of March 31, 2021 and June 30, 2021, respectively.
 - d) Outstanding principal amount of Senior Notes with no reduction for the net unamortized discount.
 - e) Face amount of the cash convertible notes and exchangeable debentures with no fair market value adjustment.
 - f) Includes SiriusXM revolving credit facility.

Liberty Media, SiriusXM, Formula 1 and Braves Holdings are in compliance with their debt covenants as of June 30, 2021.

Total cash, liquid investments and restricted cash attributed to Liberty SiriusXM Group increased \$512 million in the second quarter. Cash from operations at SiriusXM and net borrowings more than offset capital expenditures, return of capital at both SiriusXM and Liberty SiriusXM and approximately \$384 million paid to the Formula One Group to settle the Live Nation call spread issued in connection with the reattribution between Liberty SiriusXM Group and Formula One Group in April 2021.

Included in the cash, liquid investments and restricted cash balance attributed to Liberty SiriusXM Group at June 30, 2021 is \$1.1 billion held at SiriusXM. Although SiriusXM is a consolidated subsidiary, it is a separate public company with a significant non-controlling interest, therefore Liberty Media does not have unfettered access to SiriusXM's cash balances. Liberty SiriusXM Group received \$46 million of dividends from SiriusXM during the quarter.

Total debt attributed to Liberty SiriusXM Group increased \$977 million during the quarter driven by net borrowings at SiriusXM. In June 2021, SiriusXM issued \$2.0 billion principal amount of 4.0% senior notes due 2028. A portion of the net proceeds were used to repay borrowings outstanding under its credit facility, and SiriusXM used the remaining proceeds to fund the redemption of its 3.875% senior notes due 2022 after quarter-end. On August 2, 2021, SiriusXM priced an offering of \$1.0 billion aggregate principal amount of 3.125% senior notes due 2026 and \$1.5 billion aggregate principal amount of 3.875% senior notes due 2031. SiriusXM intends to use the net proceeds, together with cash on hand and borrowings under its credit facility, to redeem all of its 5.375% senior notes due 2026 and all of its 4.625% senior notes due 2024.

Total cash and liquid investments attributed to the Formula One Group increased \$442 million during the quarter primarily due to proceeds received in the settlement of the Live Nation call spread and cash from operations at F1. Total debt at

Formula One Group decreased \$178 million in the quarter due to private repurchases of certain of Liberty Media's 2.25% AT&T exchangeable senior debentures (the "AT&T exchangeable debentures"). The AT&T exchangeable debentures are subject to an optional put / call date on October 5, 2021. In a series of individually negotiated private purchases in April and May 2021, Liberty Media repurchased \$176 million principal amount of the AT&T exchangeable debentures funded primarily with the sale of 5.3 million shares of AT&T as well as cash on hand. As of June 30, 2021, there is approximately \$25 million principal amount of AT&T exchangeable debentures outstanding and Liberty Media owns approximately 800 thousand shares of AT&T.

Total cash, liquid investments and restricted cash attributed to the Braves Group increased \$13 million during the quarter driven by cash from operations and additional borrowing, partially offset by capital expenditures related to the mixed-use development. Total debt attributed to the Braves Group increased \$18 million in the quarter driven by increased borrowing to fund the mixed-use development and drawdowns on the team revolver. During the second quarter, the Braves refinanced their ballpark term loan with a \$46 million revolving credit facility. The credit facility is fully funded as of June 30, 2021. The second phase of the Battery Atlanta mixed-use development is currently on-time and on-budget. It is expected to cost approximately \$200 million, of which the Braves and affiliated entities have already funded approximately \$55 million in equity and \$103 million in debt, with approximately \$42 million incremental debt funding remaining.

Important Notice: Liberty Media Corporation (Nasdaq: LXXMA, LXXMB, LXXMK, FWONA, FWONK, BATRA, BATRK) President and CEO, Greg Maffei, will discuss Liberty Media's earnings release on a conference call which will begin at 10:00 a.m. (E.D.T.) on August 6, 2021. The call can be accessed by dialing (800) 289-0571 or (720) 543-0206, passcode 8082847 at least 10 minutes prior to the start time. 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/events>. Links to this press release will also be available on the Liberty Media website.

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, market potential, future financial prospects, the impact of COVID-19, plans regarding stock repurchases, future financial performance (including results stemming from current and future performance stemming from COVID-19 impacts), the Battery Atlanta mixed-use development and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, possible changes in market acceptance of new products or services, regulatory matters affecting our businesses, the unfavorable outcome of pending or future litigation, the failure to realize benefits of acquisitions, rapid technological and industry change, continued access to capital on terms acceptable to Liberty Media, and changes in law, including consumer protection laws, and their enforcement, and the impact of COVID-19, including on general market conditions and the ability of Formula 1, the Braves and Live Nation to hold live events and fan attendance at such events. These forward-looking statements speak only as of the date of this press release, and Liberty Media 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 Media's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Please refer to the publicly filed documents of Liberty Media, including the most recent Forms 10-K and 10-Q, for additional information about Liberty Media and about the risks and uncertainties related to Liberty Media's business which may affect the statements made in this press release.

Contact: Courtnee Chun (720) 875-5420

LIBERTY MEDIA CORPORATION
BALANCE SHEET INFORMATION
June 30, 2021 (unaudited)

| | Attributed | | | Intergroup Eliminations | Consolidated Liberty |
|--|------------------------------|-----------------|-------------------------|----------------------------|-------------------------|
| | Liberty SiriusXM Group | Braves Group | Formula One Group | | |
| amounts in millions | | | | | |
| <i>Assets</i> | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 1,542 | 168 | 2,225 | — | 3,935 |
| Trade and other receivables, net | 655 | 55 | 113 | — | 823 |
| Other current assets | 350 | 64 | 189 | — | 603 |
| Total current assets | 2,547 | 287 | 2,527 | — | 5,361 |
| Intergroup interests | 289 | — | 189 | (478) | — |
| Investments in affiliates, accounted for using the equity method | 746 | 102 | 33 | — | 881 |
| Property and equipment, at cost | 2,699 | 997 | 203 | — | 3,899 |
| Accumulated depreciation | (1,617) | (206) | (83) | — | (1,906) |
| | 1,082 | 791 | 120 | — | 1,993 |
| Intangible assets not subject to amortization | | | | | |
| Goodwill | 15,110 | 180 | 3,957 | — | 19,247 |
| FCC licenses | 8,600 | — | — | — | 8,600 |
| Other | 1,242 | 143 | — | — | 1,385 |
| | 24,952 | 323 | 3,957 | — | 29,232 |
| Intangible assets subject to amortization, net | 1,368 | 21 | 3,696 | — | 5,085 |
| Other assets | 1,556 | 81 | 1,507 | (42) | 3,102 |
| Total assets | \$ 32,540 | 1,605 | 12,029 | (520) | 45,654 |
| <i>Liabilities and Equity</i> | | | | | |
| Current liabilities: | | | | | |
| Intergroup payable (receivable) | \$ (22) | (33) | 55 | — | — |
| Accounts payable and accrued liabilities | 1,294 | 65 | 208 | — | 1,567 |
| Current portion of debt | 1,515 | 12 | 26 | — | 1,553 |
| Deferred revenue | 1,583 | 103 | 525 | — | 2,211 |
| Other current liabilities | 68 | 6 | 35 | — | 109 |
| Total current liabilities | 4,438 | 153 | 849 | — | 5,440 |
| Long-term debt | 13,155 | 679 | 3,586 | — | 17,420 |
| Deferred income tax liabilities | 2,150 | 48 | — | (42) | 2,156 |
| Redeemable intergroup interests | — | 253 | 225 | (478) | — |
| Other liabilities | 638 | 211 | 206 | — | 1,055 |
| Total liabilities | 20,381 | 1,344 | 4,866 | (520) | 26,071 |
| Redeemable noncontrolling interests in equity of subsidiary | — | — | 575 | — | 575 |
| Equity / Attributed net assets | 8,062 | 261 | 6,565 | — | 14,888 |
| Noncontrolling interests in equity of subsidiaries | 4,097 | — | 23 | — | 4,120 |
| Total liabilities and equity | \$ 32,540 | 1,605 | 12,029 | (520) | 45,654 |

LIBERTY MEDIA CORPORATION
STATEMENT OF OPERATIONS
Three months ended June 30, 2021 (unaudited)

| | Attributed | | | Consolidated Liberty |
|---|------------------------------|-----------------|-------------------------|-------------------------|
| | Liberty SiriusXM Group | Braves Group | Formula One Group | |
| | amounts in millions | | | |
| Revenue: | | | | |
| Sirius XM Holdings revenue | \$ 2,159 | — | — | 2,159 |
| Formula 1 revenue | — | — | 501 | 501 |
| Other revenue | — | 216 | — | 216 |
| Total revenue | 2,159 | 216 | 501 | 2,876 |
| Operating costs and expenses, including stock-based compensation: | | | | |
| Cost of services (exclusive of depreciation shown separately below): | | | | |
| Revenue share and royalties | 663 | — | — | 663 |
| Programming and content ⁽¹⁾ | 135 | — | — | 135 |
| Customer service and billing ⁽¹⁾ | 127 | — | — | 127 |
| Other ⁽¹⁾ | 58 | — | — | 58 |
| Cost of Formula 1 revenue | — | — | 398 | 398 |
| Subscriber acquisition costs | 89 | — | — | 89 |
| Other operating expenses ⁽¹⁾ | 66 | 142 | — | 208 |
| Selling, general and administrative ⁽¹⁾ | 374 | 24 | 47 | 445 |
| Impairment, restructuring and acquisition costs | (137) | — | — | (137) |
| Depreciation and amortization | 150 | 19 | 99 | 268 |
| | 1,525 | 185 | 544 | 2,254 |
| Operating income (loss) | 634 | 31 | (43) | 622 |
| Other income (expense): | | | | |
| Interest expense | (123) | (6) | (29) | (158) |
| Share of earnings (losses) of affiliates, net | (70) | 8 | 14 | (48) |
| Realized and unrealized gains (losses) on financial instruments, net | 86 | (1) | 70 | 155 |
| Unrealized gains (losses) on intergroup interests | 22 | 1 | (23) | — |
| Other, net | 8 | 1 | 4 | 13 |
| | (77) | 3 | 36 | (38) |
| Earnings (loss) from continuing operations before income taxes | 557 | 34 | (7) | 584 |
| Income tax (expense) benefit | (125) | (9) | 78 | (56) |
| Net earnings (loss) | 432 | 25 | 71 | 528 |
| Less net earnings (loss) attributable to the noncontrolling interests | 95 | — | 16 | 111 |
| Less net earnings (loss) attributable to redeemable noncontrolling interest | — | — | — | — |
| Net earnings (loss) attributable to Liberty stockholders | \$ 337 | 25 | 55 | 417 |
| (1) Includes stock-based compensation expense as follows: | | | | |
| Programming and content | 8 | — | — | 8 |
| Customer service and billing | 2 | — | — | 2 |
| Other | 2 | — | — | 2 |
| Other operating expenses | 7 | — | — | 7 |
| Selling, general and administrative | 31 | 3 | 7 | 41 |
| Stock compensation expense | \$ 50 | 3 | 7 | 60 |

LIBERTY MEDIA CORPORATION
STATEMENT OF OPERATIONS
Three months ended June 30, 2020 (unaudited)

| | Attributed | | | Consolidated Liberty |
|---|------------------------------|-----------------|-------------------------|-------------------------|
| | Liberty SiriusXM Group | Braves Group | Formula One Group | |
| | amounts in millions | | | |
| Revenue: | | | | |
| Sirius XM Holdings revenue | \$ 1,874 | — | — | 1,874 |
| Formula 1 revenue | — | — | 24 | 24 |
| Other revenue | — | 11 | — | 11 |
| Total revenue | 1,874 | 11 | 24 | 1,909 |
| Operating costs and expenses, including stock-based compensation: | | | | |
| Cost of services (exclusive of depreciation shown separately below): | | | | |
| Revenue share and royalties | 587 | — | — | 587 |
| Programming and content ⁽¹⁾ | 110 | — | — | 110 |
| Customer service and billing ⁽¹⁾ | 122 | — | — | 122 |
| Other ⁽¹⁾ | 47 | — | — | 47 |
| Cost of Formula 1 revenue | — | — | 16 | 16 |
| Subscriber acquisition costs | 48 | — | — | 48 |
| Other operating expenses ⁽¹⁾ | 61 | 24 | — | 85 |
| Selling, general and administrative ⁽¹⁾ | 350 | — | 40 | 390 |
| Acquisition and restructuring | 24 | — | — | 24 |
| Depreciation and amortization | 142 | 20 | 104 | 266 |
| | 1,491 | 44 | 160 | 1,695 |
| Operating income (loss) | 383 | (33) | (136) | 214 |
| Other income (expense): | | | | |
| Interest expense | (120) | (6) | (37) | (163) |
| Intergroup interest (expense) income | (7) | — | 7 | — |
| Share of earnings (losses) of affiliates, net | (146) | (1) | (46) | (193) |
| Realized and unrealized gains (losses) on financial instruments, net | (184) | (1) | 5 | (180) |
| Unrealized gains (losses) on intergroup interests | 36 | (7) | (29) | — |
| Other, net | 4 | 1 | 9 | 14 |
| | (417) | (14) | (91) | (522) |
| Earnings (loss) from continuing operations before income taxes | (34) | (47) | (227) | (308) |
| Income tax (expense) benefit | 10 | 9 | 27 | 46 |
| Net earnings (loss) | (24) | (38) | (200) | (262) |
| Less net earnings (loss) attributable to the noncontrolling interests | 64 | — | — | 64 |
| Net earnings (loss) attributable to Liberty stockholders | \$ (88) | (38) | (200) | (326) |
| (1) Includes stock-based compensation expense as follows: | | | | |
| Programming and content | 7 | — | — | 7 |
| Customer service and billing | 1 | — | — | 1 |
| Other | 2 | — | — | 2 |
| Other operating expenses | 9 | — | — | 9 |
| Selling, general and administrative | 35 | (15) | 6 | 26 |
| Stock compensation expense | \$ 54 | (15) | 6 | 45 |

LIBERTY MEDIA CORPORATION
STATEMENT OF CASH FLOWS INFORMATION
Six months ended June 30, 2021 (unaudited)

| | Attributed | | | Consolidated Liberty |
|--|------------------------------|-----------------|-------------------------|-------------------------|
| | Liberty SiriusXM Group | Braves Group | Formula One Group | |
| | amounts in millions | | | |
| Cash flows from operating activities: | | | | |
| Net earnings (loss) | \$ 470 | (34) | 78 | 514 |
| Adjustments to reconcile net earnings to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 299 | 34 | 199 | 532 |
| Stock-based compensation | 104 | 6 | 13 | 123 |
| Non-cash impairment and restructuring costs | 245 | — | — | 245 |
| Share of (earnings) loss of affiliates, net | 183 | (11) | (29) | 143 |
| Unrealized (gains) losses on intergroup interests, net | (32) | 27 | 5 | — |
| Realized and unrealized (gains) losses on financial instruments, net | — | (1) | (105) | (106) |
| Deferred income tax expense (benefit) | (13) | (3) | (85) | (101) |
| Intergroup tax allocation | 2 | 2 | (4) | — |
| Other charges (credits), net | (2) | 3 | 2 | 3 |
| Changes in operating assets and liabilities | | | | |
| Current and other assets | (90) | 2 | (88) | (176) |
| Payables and other liabilities | (291) | 23 | 326 | 58 |
| Net cash provided (used) by operating activities | <u>875</u> | <u>48</u> | <u>312</u> | <u>1,235</u> |
| Cash flows from investing activities: | | | | |
| Investments in equity method affiliates and debt and equity securities | (61) | — | (124) | (185) |
| Investment of subsidiary initial public offering proceeds into trust account | — | — | (575) | (575) |
| Return of investment in equity method affiliates | — | — | 38 | 38 |
| Cash proceeds from sale of investments | — | 2 | 167 | 169 |
| Cash (paid) received from acquisitions, net of cash acquired | (14) | — | — | (14) |
| Capital expended for property and equipment, including internal-use software and website development | (164) | (19) | (7) | (190) |
| Other investing activities, net | 4 | — | (1) | 3 |
| Net cash provided (used) by investing activities | <u>(235)</u> | <u>(17)</u> | <u>(502)</u> | <u>(754)</u> |
| Cash flows from financing activities: | | | | |
| Borrowings of debt | 3,722 | 72 | — | 3,794 |
| Repayments of debt | (2,270) | (53) | (190) | (2,513) |
| Liberty SiriusXM stock repurchases | (243) | — | — | (243) |
| Subsidiary shares repurchased by subsidiary | (856) | — | — | (856) |
| Cash dividends paid by subsidiary | (28) | — | — | (28) |
| Taxes paid in lieu of shares issued for stock-based compensation | (44) | — | (1) | (45) |
| Proceeds from initial public offering of subsidiary | — | — | 575 | 575 |
| Settlement of intergroup call spread | (384) | — | 384 | — |
| Other financing activities, net | 5 | (4) | (35) | (34) |
| Net cash provided (used) by financing activities | <u>(98)</u> | <u>15</u> | <u>733</u> | <u>650</u> |
| Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash | | | | |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 542 | 46 | 541 | 1,129 |
| Cash, cash equivalents and restricted cash at beginning of period | 1,008 | 185 | 1,684 | 2,877 |
| Cash, cash equivalents and restricted cash at end of period | <u>\$ 1,550</u> | <u>231</u> | <u>2,225</u> | <u>4,006</u> |
| Cash and cash equivalents | \$ 1,542 | 168 | 2,225 | 3,935 |
| Restricted cash included in other current assets | — | 49 | — | 49 |
| Restricted cash included in other assets | 8 | 14 | — | 22 |
| Total cash and cash equivalents and restricted cash at end of period | <u>\$ 1,550</u> | <u>231</u> | <u>2,225</u> | <u>4,006</u> |

LIBERTY MEDIA CORPORATION
STATEMENT OF CASH FLOWS INFORMATION
Six months ended June 30, 2020 (unaudited)

| | Attributed | | | Consolidated Liberty |
|--|------------------------------|-----------------|-------------------------|-------------------------|
| | Liberty SiriusXM Group | Braves Group | Formula One Group | |
| | amounts in millions | | | |
| Cash flows from operating activities: | | | | |
| Net earnings (loss) | \$ 268 | 15 | (543) | (260) |
| Adjustments to reconcile net earnings to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 290 | 35 | 208 | 533 |
| Stock-based compensation | 112 | (12) | 12 | 112 |
| Non-cash impairment and restructuring costs | 24 | — | — | 24 |
| Share of (earnings) loss of affiliates, net | 148 | (3) | 110 | 255 |
| Unrealized (gains) losses on intergroup interests, net | (67) | (88) | 155 | — |
| Realized and unrealized (gains) losses on financial instruments, net | 189 | 10 | (20) | 179 |
| Deferred income tax expense (benefit) | 29 | (16) | (47) | (34) |
| Intergroup tax allocation | (1) | (8) | 9 | — |
| Other charges (credits), net | 7 | 3 | — | 10 |
| Changes in operating assets and liabilities | | | | |
| Current and other assets | 204 | 6 | (450) | (240) |
| Payables and other liabilities | (236) | 59 | 467 | 290 |
| Net cash provided (used) by operating activities | 967 | 1 | (99) | 869 |
| Cash flows from investing activities: | | | | |
| Investments in equity affiliates and debt and equity securities | (86) | — | (1) | (87) |
| Return of investment in equity method affiliates | — | — | 105 | 105 |
| Cash proceeds from sale of investments | — | — | 13 | 13 |
| Cash (paid) received for acquisitions, net of cash acquired | (28) | — | — | (28) |
| Capital expended for property and equipment, including internal-use software and website development | (149) | (43) | (14) | (206) |
| Other investing activities, net | (2) | 4 | (2) | — |
| Net cash provided (used) by investing activities | (265) | (39) | 101 | (203) |
| Cash flows from financing activities: | | | | |
| Borrowings of debt | 2,117 | 196 | 522 | 2,835 |
| Repayments of debt | (238) | (37) | (609) | (884) |
| Intergroup Loan (repayment) borrowing | (750) | — | 750 | — |
| Liberty SiriusXM stock repurchases | (69) | — | (69) | (138) |
| Subsidiary shares repurchased by subsidiary | (399) | — | — | (399) |
| Reattribution between Liberty SiriusXM Group and Liberty Formula One Group | (608) | — | 608 | — |
| Proceeds from Liberty SiriusXM common stock rights offering | 754 | — | — | 754 |
| Cash dividends paid by subsidiary | (33) | — | — | (33) |
| Taxes paid in lieu of shares issued for stock-based compensation | (44) | — | (2) | (46) |
| Other financing activities, net | (4) | (4) | (12) | (20) |
| Net cash provided (used) by financing activities | 726 | 155 | 1,188 | 2,069 |
| Effect of foreign exchange rates on cash, cash equivalents and restricted cash | — | — | (10) | (10) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 1,428 | 117 | 1,180 | 2,725 |
| Cash, cash equivalents and restricted cash at beginning of period | 507 | 212 | 587 | 1,306 |
| Cash, cash equivalents and restricted cash at end of period | \$ 1,935 | 329 | 1,767 | 4,031 |
| Cash and cash equivalents | \$ 1,924 | 308 | 1,767 | 3,999 |
| Restricted cash included in other current assets | — | 8 | — | 8 |
| Restricted cash included in other assets | 11 | 13 | — | 24 |
| Total cash and cash equivalents and restricted cash at end of period | \$ 1,935 | 329 | 1,767 | 4,031 |

NON-GAAP FINANCIAL MEASURES AND SUPPLEMENTAL DISCLOSURES

SCHEDULE 1

To provide investors with additional information regarding our financial results, this press release includes a presentation of Adjusted OIBDA, which is a non-GAAP financial measure, for the Liberty SiriusXM Group, the Braves Group and the Formula One Group, together with reconciliations to operating income, as determined under GAAP. Liberty Media defines Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairment charges.

Liberty Media believes Adjusted OIBDA is an important indicator of the operational strength and performance of its businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Because Adjusted OIBDA is used as a measure of operating performance, Liberty Media views operating income as the most directly comparable GAAP measure. Adjusted OIBDA is not meant to replace or supersede operating income or any other GAAP measure, but rather to supplement such GAAP measures in order to present investors with the same information that Liberty Media's management considers in assessing the results of operations and performance of its assets.

The following table provides a reconciliation of Adjusted OIBDA for Liberty Media to operating income calculated in accordance with GAAP for the three months ended June 30, 2020 and June 30, 2021, respectively.

QUARTERLY SUMMARY*(amounts in millions)*

| | 2Q20 | 2Q21 |
|--|----------------|---------------|
| Liberty SiriusXM Group | | |
| Operating Income | \$ 383 | \$ 634 |
| Depreciation and amortization | 142 | 150 |
| Stock compensation expense | 54 | 50 |
| Impairment, restructuring and acquisition costs ^(a) | 24 | (137) |
| Adjusted OIBDA | <u>\$ 603</u> | <u>\$ 697</u> |
| Formula One Group | | |
| Operating Income | \$ (136) | \$ (43) |
| Depreciation and amortization | 104 | 99 |
| Stock compensation expense | 6 | 7 |
| Adjusted OIBDA | <u>\$ (26)</u> | <u>\$ 63</u> |
| Braves Group | | |
| Operating Income | \$ (33) | \$ 31 |
| Depreciation and amortization | 20 | 19 |
| Stock compensation expense | (15) | 3 |
| Adjusted OIBDA | <u>\$ (28)</u> | <u>\$ 53</u> |
| Liberty Media Corporation (Consolidated) | | |
| Operating Income | \$ 214 | \$ 622 |
| Depreciation and amortization | 266 | 268 |
| Stock compensation expense | 45 | 60 |
| Impairment, restructuring and acquisition costs ^(a) | 24 | (137) |
| Adjusted OIBDA | <u>\$ 549</u> | <u>\$ 813</u> |

(a) During the three months ended June 30, 2021, SiriusXM recorded insurance recoveries related to the SXM-7 satellite of \$140 million and acquisition and restructuring costs of \$3 million. During the three months ended June 30, 2020, Sirius XM Holdings recorded \$24 million related to costs associated with the termination of the Automatic service and the acquisition of Simplecast. These charges have been excluded from adjusted OIBDA.

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

Adjusted EBITDA has certain limitations in that it does not take into account the impact to SiriusXM's statements of comprehensive income of certain expenses, including share-based payment expense and certain purchase price accounting for the XM Merger and the Pandora Acquisition. SiriusXM endeavors to compensate for the limitations of the Non-GAAP measure presented by also providing the comparable GAAP measure with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the Non-GAAP measure. Investors that wish to compare and evaluate operating results after giving effect for these costs, should refer to net income as disclosed in SiriusXM's unaudited consolidated statements of comprehensive income. Since adjusted EBITDA is a Non-GAAP financial performance measure, SiriusXM's calculation of adjusted EBITDA may be susceptible to varying calculations; may not be comparable to other similarly titled measures of other companies; and should not be considered in isolation, as a substitute for, or superior to measures of financial performance prepared in accordance with GAAP. The reconciliation of net income to the adjusted EBITDA is calculated as follows:

| (\$ in millions) | Unaudited | |
|--|----------------------------|---------------|
| | For the Three Months Ended | |
| | June 30, | |
| | 2020 | 2021 |
| Net income: | \$ 243 | \$ 433 |
| Add back items excluded from Adjusted EBITDA: | | |
| Impairment, restructuring and acquisition costs ^(a) | 24 | (136) |
| Share-based payment expense | 52 | 47 |
| Depreciation and amortization | 124 | 131 |
| Interest expense | 102 | 103 |
| Other income | (4) | (5) |
| Income tax expense | 74 | 127 |
| Purchase price accounting adjustments: | | |
| Revenues | 2 | — |
| Operating expenses | (2) | — |
| Adjusted EBITDA | <u>\$ 615</u> | <u>\$ 700</u> |

(a) During the three months ended June 30, 2021, SiriusXM recorded insurance recoveries related to the SXM-7 satellite of \$140 million and acquisition and restructuring costs of \$3 million. During the three months ended June 30, 2020, Sirius XM Holdings recorded \$24 million related to costs associated with the termination of the Automatic service and the acquisition of Simplecast. These charges have been excluded from adjusted EBITDA.

SCHEDULE 3

Beginning January 1, 2021, F1 began reclassifying certain components previously reported in Other F1 revenue into Primary F1 revenue to better align with the way it currently evaluates the business. In addition, broadcasting revenue was renamed media rights revenue. The more significant components that were reclassified into Primary F1 revenue include fees for F1 TV subscriptions, fees for licensing commercial rights for Formula 2 and Formula 3 races, fees for the origination and support of program footage, fees for broadcast rights for Formula 2 and Formula 3 races and fees for advertising rights on Formula 1's digital platforms.

For comparative purposes, the following table provides additional detail on Primary Formula 1 revenue calculated in accordance with the revenue reclassification for the years ended December 31, 2019 and December 31, 2020.

| | 2019 | | 2020 | |
|---|---------------------|--------------|--------------------|--------------|
| | amounts in millions | | | |
| | Previous Reporting | Reclassified | Previous Reporting | Reclassified |
| Race promotion revenue | \$ 608 | \$ 644 | \$ 132 | \$ 149 |
| Media rights (formerly broadcasting fees) | 759 | 795 | 636 | 671 |
| Sponsorship fees | 297 | 311 | 196 | 209 |
| Primary Formula 1 revenue | \$ 1,664 | \$ 1,750 | \$ 964 | \$ 1,029 |
| Other Formula 1 revenue | 358 | 272 | 181 | 116 |
| Total Formula 1 revenue | \$ 2,022 | \$ 2,022 | \$ 1,145 | \$ 1,145 |