



Liberty Media Corporation

# 2019 Investor Day

November 21, 2019

# Disclaimers

## Forward-Looking Statements

This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, market potential, new service and product launches, Formula 1 tax considerations, targets and expectations regarding Formula 1 leverage, expansion of the Formula 1 race calendar, future financial performance (including Formula 1 free cash flow), capital allocation, stock repurchases, Sirius XM Holdings Inc.'s ("SIRI") realization of benefits from its acquisition of Pandora Media, Inc., the proposed exchangeable debenture, the Atlanta Braves mixed-use facility, creation of Formula One Group's intergroup interest in the Liberty SiriusXM Group, continuation of our stock repurchase program 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, competitive issues, regulatory matters, continued access to capital on terms acceptable to Liberty Media or its subsidiaries, the availability of acquisition opportunities and market conditions conducive to stock repurchases. These forward-looking statements speak only as of the date of this presentation, 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-Q and 10-K, 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 presentation.



# Disclaimers (cont'd)

## Industry Information

Certain information included herein concerning Liberty Media's businesses and the related markets or industry position or prospects, as well as industry or market data and other statistical data regarding Liberty Media's businesses and industries, are based on industry publications or other published independent sources. Sources for individual data points are available through Liberty Media Investor Relations upon request. Although Liberty Media believes the third party sources to be reliable, Liberty Media has not independently verified the information obtained from these sources or examined the underlying economic and other assumptions relied upon therein. It is possible that data and assumptions underlying such third party information may have changed materially since the date referenced. Accordingly, Liberty Media does not assume any responsibility for and cannot provide assurance regarding the accuracy or completeness of such information and you should be aware that such information and any estimates and beliefs based on such information may not be accurate and is not guaranteed to be free from error, omission or misstatement. You should not rely on such third party information as predictions of future results.

## Market Data and Financial Information

Market data provided herein is as of 11/13/19. Unless otherwise noted, financial data pertaining to Liberty Media provided herein is as reported in our earnings press release dated 11/11/19 for the quarter ended 9/30/19. Information regarding other companies is based on most recent publicly available information.

During today's presentation we will discuss certain non-GAAP financial measures, including adjusted OIBDA and net operating income of the Braves. Please refer to the Appendix at the end of our presentation and at the end of the Braves' presentation for definitions and applicable GAAP reconciliations.



# Agenda

8:00 – 9:00	Experience Liberty & Breakfast	
9:00 – 9:15	Welcome.....	Courtnee Chun
9:15 – 9:35	Liberty Media.....	Greg Maffei & Brian Wendling
9:35 – 9:55	SiriusXM.....	Jim Meyer
9:55 – 10:15	Formula 1.....	Chase Carey
10:15 – 10:35	Live Nation.....	Michael Rapino
10:35 – 10:50	Atlanta Braves.....	Mike Plant
10:50 – 11:00	Liberty TripAdvisor.....	Greg Maffei
11:00 – 11:15	TripAdvisor .....	Steve Kaufer
11:15 – 12:00	Q&A.....	John Malone & Greg Maffei





# 2019 Investor Day Logistics

Tag #LibertyInvestorDay

Wifi Network: Marmorino

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Wifi Password: orange21



“Audio...Liberty Still Loves You”

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Greg Maffei – President & CEO

# Greatest Hits Since Last Meeting



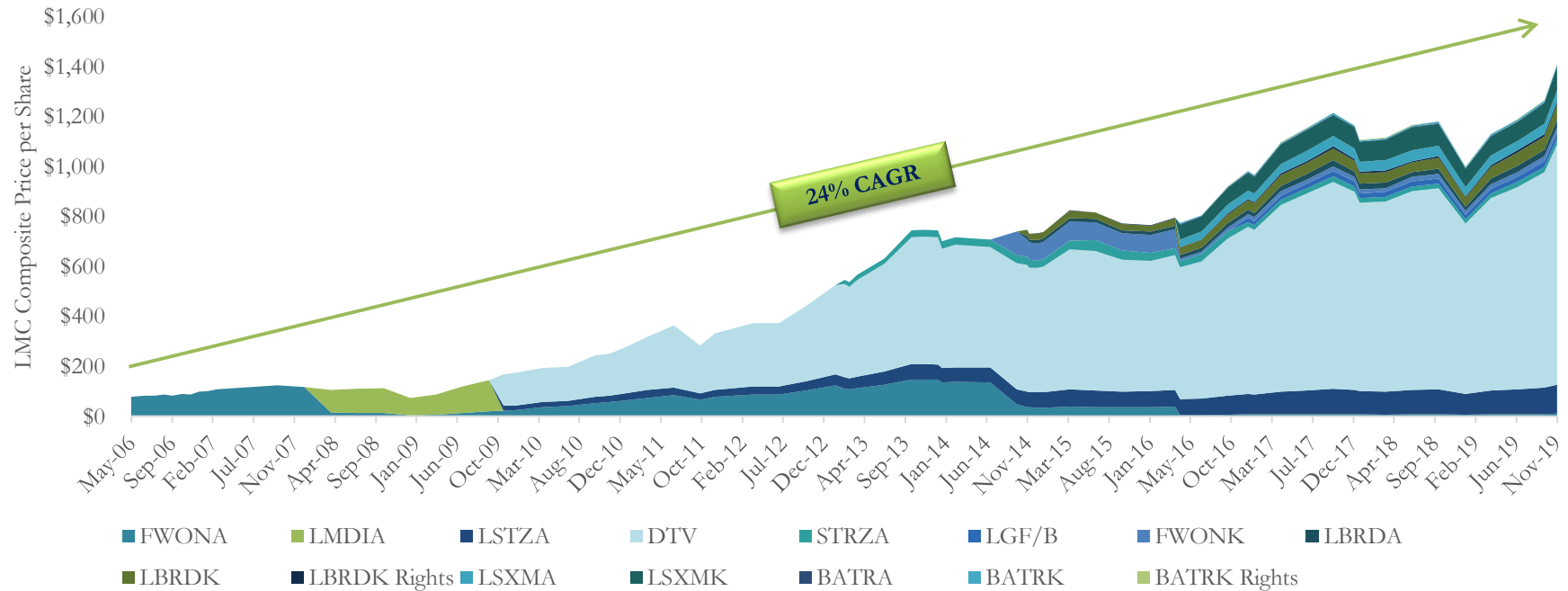
- Closed Pandora acquisition on 2/1
  - Repurchased all shares issued in acquisition at \$5.90 average price versus \$6.98 issue price
- Liberty ownership increased to 71.5%
- iHeart emerged from bankruptcy
  - Sold iHeart debt at premium and CCO stake for \$87m
  - iHeart Class B shares and warrants represent 4.8% diluted equity ownership
- Continued to take advantage of LSXM discount
  - Repurchased 9.9m LSXMK shares YTD at average price per share of \$39.53 for \$392m
  - Effective SIRI look-through price \$4.25
- Announced 2020 calendar, including 22 races for the first time
  - New races in Vietnam and Netherlands
- Attendance and viewership continued to show healthy growth
  - Attendance +2%
  - Viewership +7%
- Approved F1 technical, sporting and financial regulations effective 2021
  - Promote closer racing, more balanced competition and economic sustainability
- Extended partnerships with several promoters and broadcast partners
- Added new sponsors including Caterpillar, Expo 2020 Dubai, Marelli and Liqui Moly
- F1 leverage down to 5.3x
- Won NL East division title for 2<sup>nd</sup> straight season
- SunTrust Park will host 2021 MLB All-Star Game
- Continued success at SunTrust Park:
  - TV ratings +13%
  - Average 33k tickets sold per-game
  - Record 17 sellouts this season
- Broke ground on Phase 2 of Battery Atlanta
  - Block C expected completion summer 2020
  - thyssenkrupp development expected completion fall 2021



# Continuing History of Strong Returns

## Composite LMC

- Value per share up nearly 18-fold since issuance in May 2006
- Composite Liberty Media CAGR of 24% versus 6% S&P and 10% NASDAQ



**Discount at LSXM = Opportunity**

**Life-to-date repurchases:**

20.7m LSXM shares for \$859m

**Average SIRI look through price:**

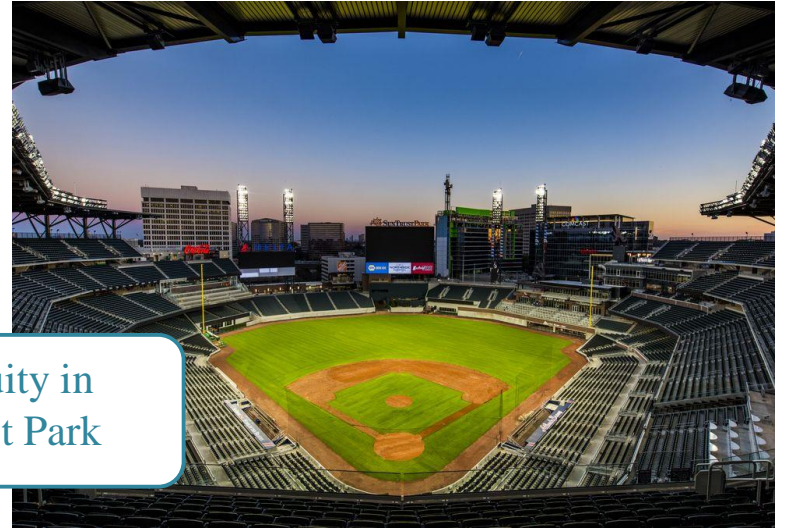
\$4.45 per share

29% average discount to market

**\$350m+ in value relative to  
underlying SIRI**



Our equity in  
SunTrust Park

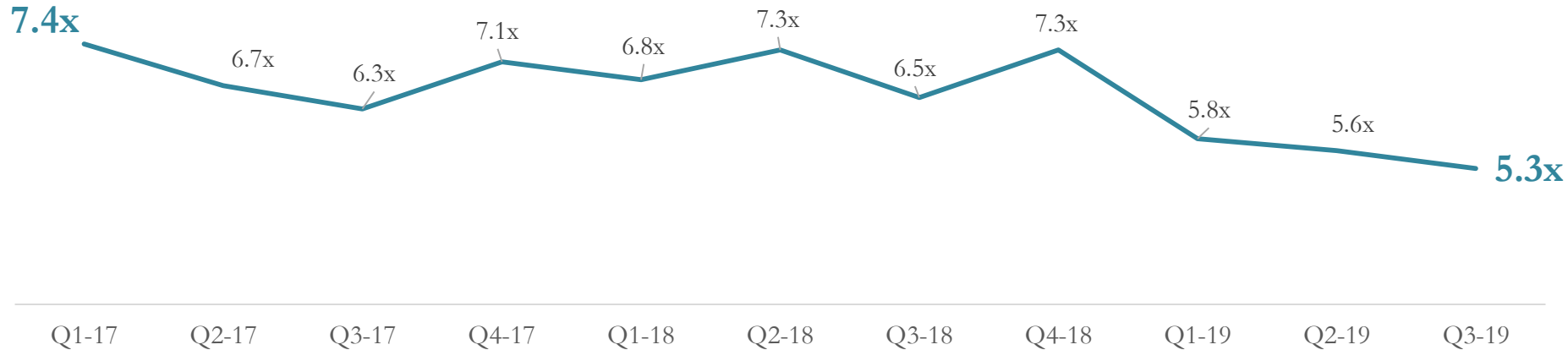


**1<sup>st</sup> Announcement of the Day: Another SIRI Exchangeable**

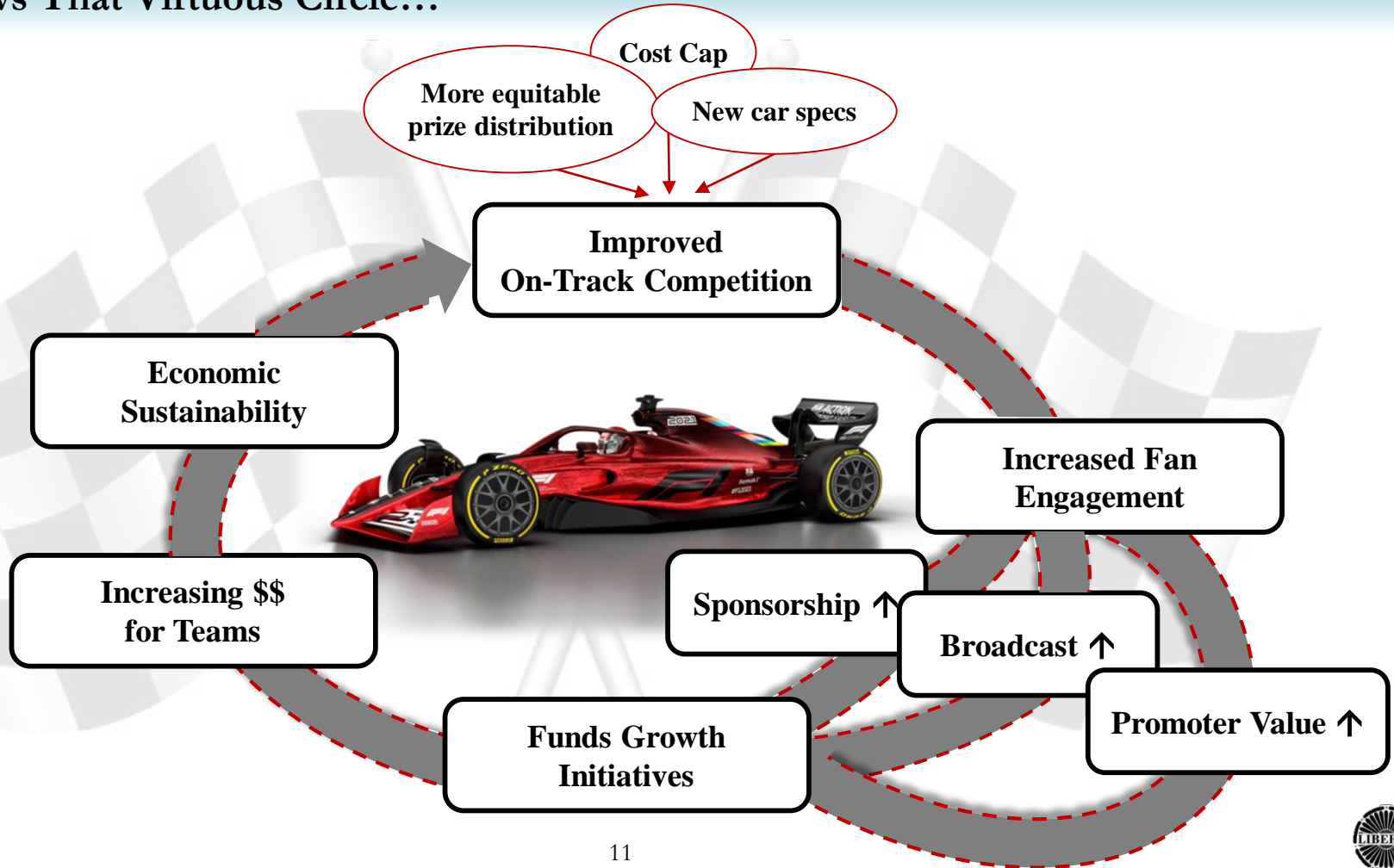
## Substantial Leverage Reduction; Updated F1 Leverage Target to 5.0x – 5.5x

- Strong business operations drove meaningful free cash flow generation for leverage reduction
- **2nd Announcement of the Day: New F1 leverage target of 5-5.5x**
- Maintaining leverage below 5.5x allows greater financial flexibility, potential for improved debt pricing and restricted payments pursuant to term loan conditions
- F1 can repatriate cash to US tax efficiently

### Leverage Reduction at F1 Since Time of Acquisition



# As F1 Revs That Virtuous Circle...



## ...F1 and FWON Expanding Free Cash Flow

FWON Cumulative Free Cash Flow (2020 through 2023)	
(\$ in millions)	
<b>F1</b>	
Free Cash Flow <sup>(1)</sup>	\$1,600
OpCo Leverage Capacity (within 5.0-5.5x Target) <sup>(1)</sup>	\$800
Estimated Restricted Payments	\$250
<b>F1 Free Cash Flow</b>	<b>\$2,650</b>
<b>FWON</b>	
Monetizeable Corporate Assets (i.e. BATR, private assets)	\$300
Live Nation Margin Loan Capacity	\$600
(less) Estimated Corporate Expense	(\$450)
<b>FWON Free Cash Flow</b>	<b>\$3,100</b>





# Capital Allocation Alternatives with FWON Excess Free Cash Flow

- Return of capital – most likely via share repurchase
  - **3<sup>rd</sup> Announcement of the Day: Increasing Liberty Media share repurchase authorization by \$1b**
    - Please recognize the total authorization of \$1.4b is available to all the trackers
- M&A and synergistic investments
- Mitigate corporate liabilities



## Reviewing Liberty Media's 1.375% Cash Convertible Notes due 2023

- In 2013, Liberty issued \$1 billion of 1.375% Cash Convertible Notes due 2023
  - Cash settlement based on basket of FWONA, LSXMA and BATRA shares
- Bonds issued +22.5% conversion price
  - Simultaneously purchased call spread that increased net conversion price to +75%
- Notes attributed to FWON tracking stock in 2016 tracker recapitalization
- Exposure for FWON shareholders as bond matures:
  - FWONA: Effectively hedged due to participation in appreciation of underlying FWON assets
  - BATRA: 2.3m shares underlying convert debt basket more than covered by 9.1m shares underlying intergroup interest
  - LSXMA: 21.1m shares underlying convert debt basket



# Mitigating Convertible and Warrant Exposure at FWON by Buying LSXMA/K Shares

## Share Purchase Overview

- **4<sup>th</sup> Announcement of the Day: FWON will begin to purchase LSXMA/K shares**
- LSXMA/K shares purchased will be retired and accounted for as intergroup interest at FWON

### Benefits to FWON Shareholders

- Mitigate LSXMA exposure under 1.375% cash convertible notes and warrants
- Timing is attractive given 28% NAV discount at LSXM
- Any gains on LSXM appreciation will not be taxed
- Shares will defease LSXMA related liability at maturity

### Benefits to LSXM Shareholders

- Incremental buying support for LSXM shares



# Liberty Investor Day

A professional studio microphone with a silver grille and black body is mounted on a stand. The background is a blurred desk with a pen and some papers.

**There are no webcast slides to accompany  
this portion of the presentation**

Brian Wendling

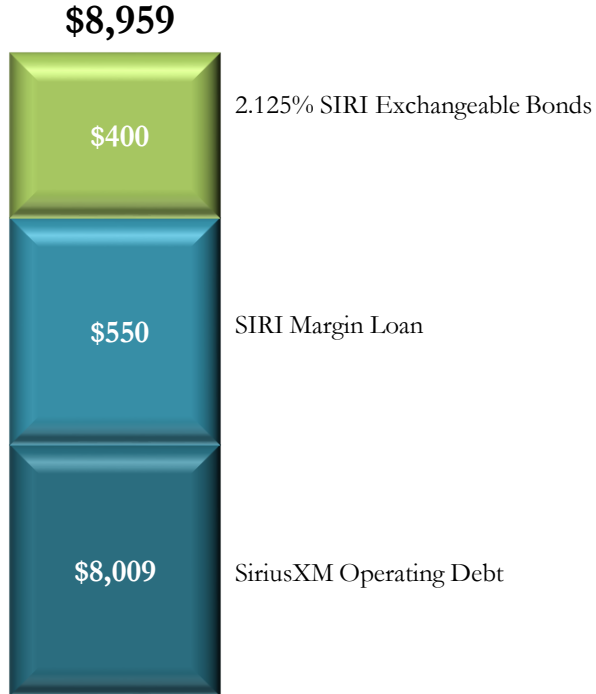
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Principal Financial Officer

# Liberty SiriusXM Group and Formula One Group Debt

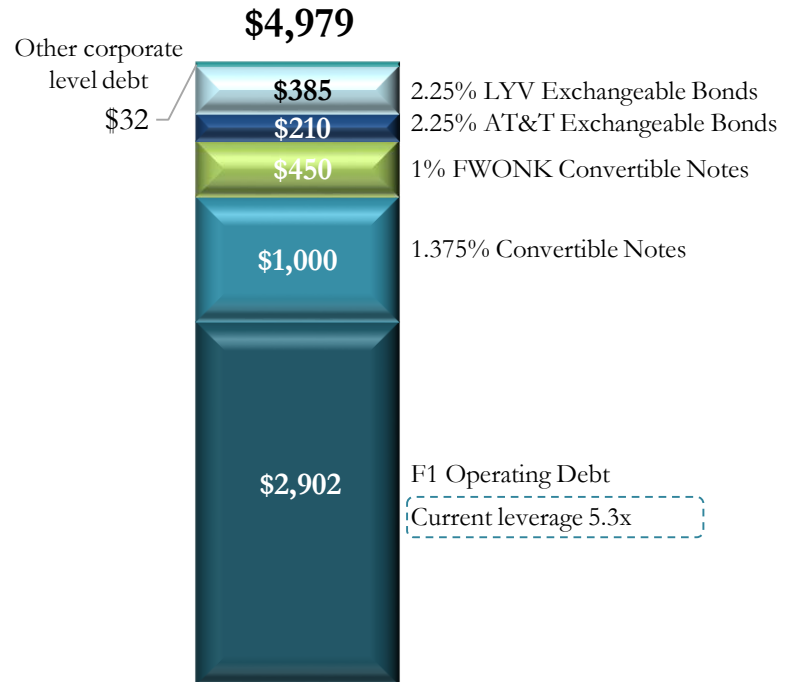
## Liberty SiriusXM Group

(\$ in millions)



## Formula One Group

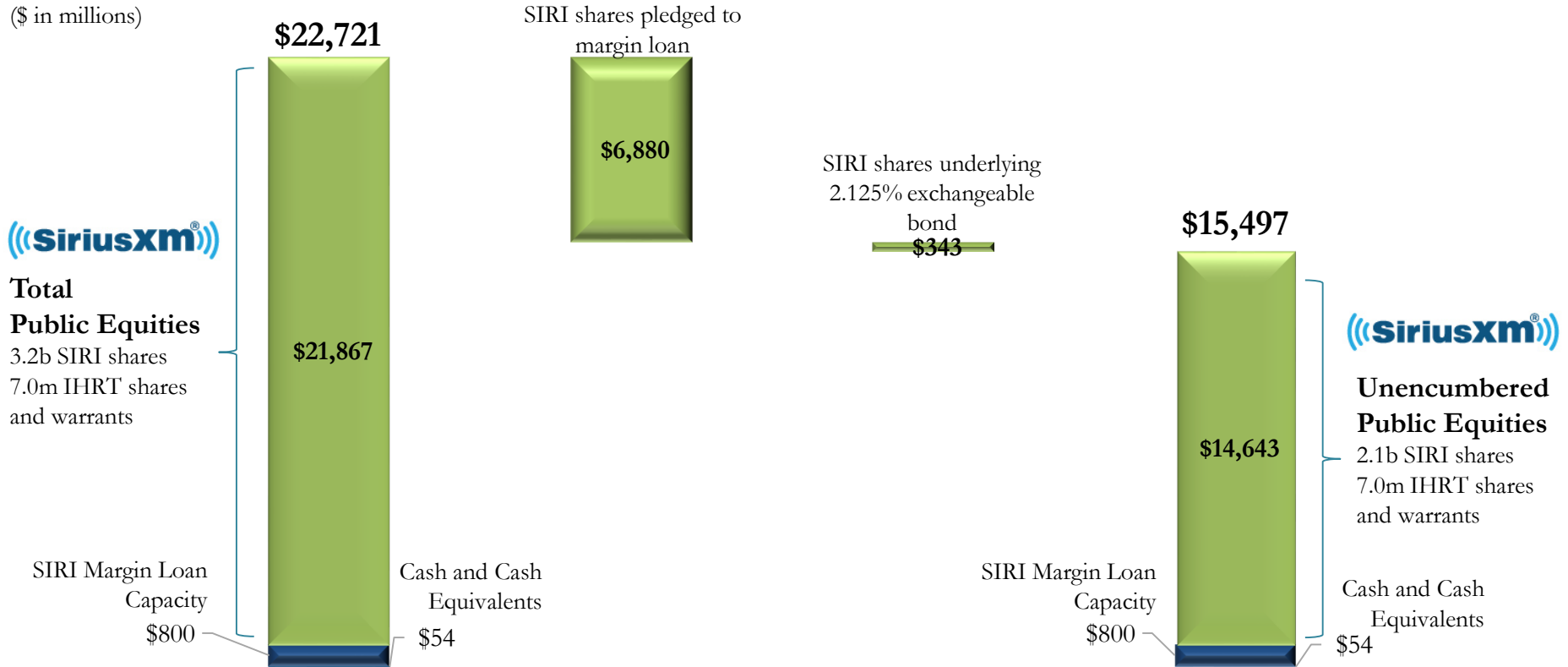
(\$ in millions)





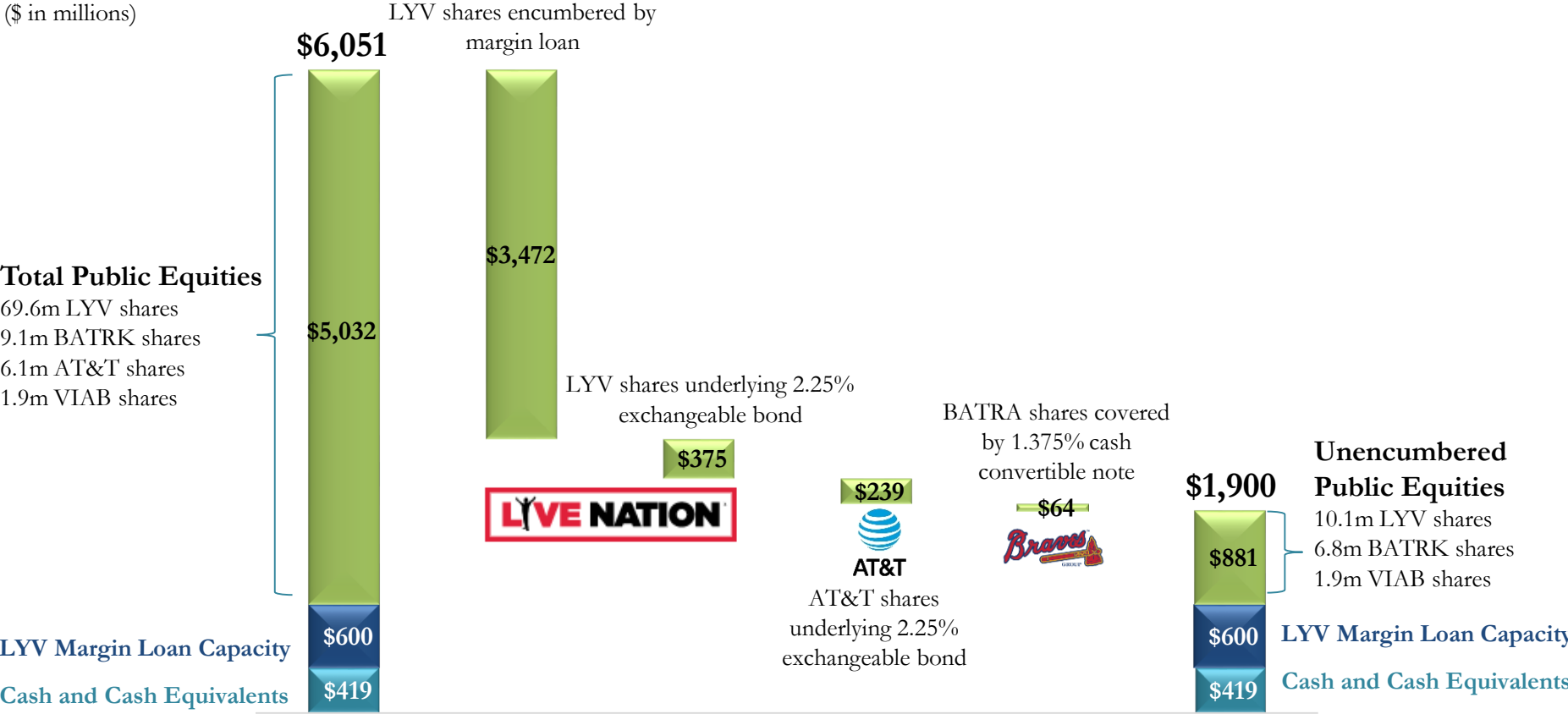
# Liberty SiriusXM Group Liquidity & Monetizable Assets

(\$ in millions)



# Formula One Group Liquidity & Monetizable Assets

(\$ in millions)





# F1 Maintains Strong Free Cash Flow Generation

- Attractive margins and very low capital intensity
- Largest cost item (team payments) primarily variable
- Advance payments of promotion revenue can result in quarterly working capital swings, which are primarily a function of timing of receipts
- Estimated future cash taxes for F1 (primarily UK): single digit percentage of adjusted OIBDA (as reported)
- Significant reductions in interest expense since acquisition contributes to strong levered free cash flow conversion

## FWON Free Cash Flow (% F1 Adj. OIBDA)

### F1 OpCo - 5-yr. Avg.

F1 Adj. OIBDA	100%
Working Capital	-
Material Race Promotion Fees Timing Impact	(1%)
Capital Expenditures	(1%)
Cash Taxes	(3%)
<b>F1 OpCo ULFCF</b>	<b>95%</b>
PF Cash Interest Expense, net	(30%)
<b>PF F1 OpCo LFCF</b>	<b>65%</b>

### FWON Corporate - 2-yr. Avg.

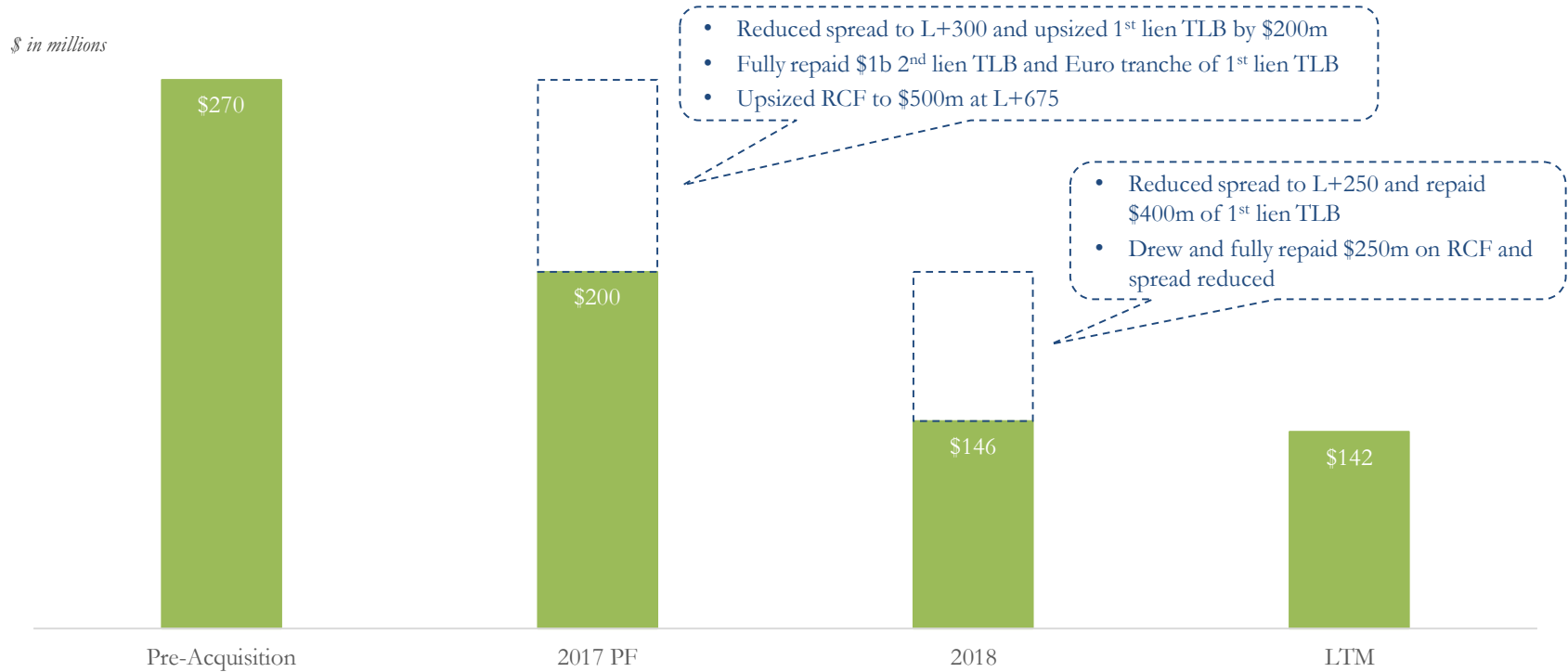
Corporate Adj. OIBDA	(6%)
Cash Interest Expense	(10%)
Cash Taxes	1%
<b>Total Corporate LFCF</b>	<b>(15%)</b>

<b>Total FWON Consolidated LFCF</b>	<b>50%</b>
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# Substantial Interest Savings from F1 Debt Restructuring

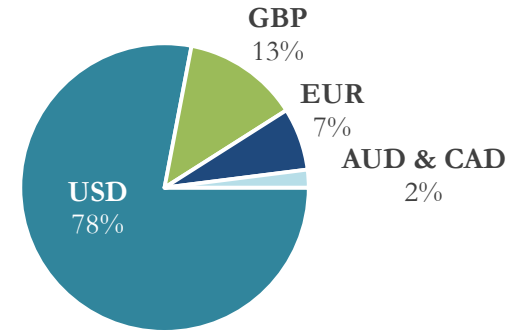
## F1 Annual Interest Expense



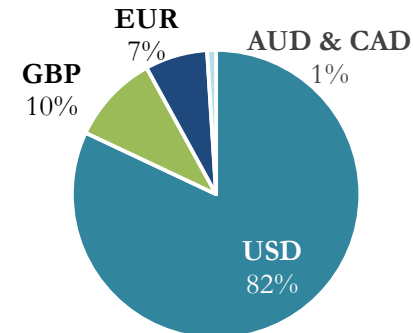
# Understanding F1 FX Exposure

- Roughly 80% of F1 revenue US\$ denominated
  - P&L exposed to both transactional and translational moves in FX
  - Team payments impacted by transactional FX gains and losses, thereby sharing in exposure with F1
- Natural offset to GBP and EUR exposure through cost structure of business, including:
  - Personnel & other corp overhead (GBP)
  - Paddock Club delivery contract (EUR)
  - F2/F3 cost (EUR)
  - Travel (GBP / EUR)
- Net long positions in GBP and EUR
  - Sell surplus AUD and CAD annually
- Total impact of FX swings (including effect on team payment calculation) relatively modest
  - Constantly monitoring and evaluating alternatives to address FX exposure

## Approximate Revenue Exposure by Currency










## Approximate Cost Exposure by Currency (including Team Payments)



# Appendix



# Liberty Media Convertible / Exchangeable Debt Cheat Sheet

Description	1.375% Convert. Notes   	1.0% Convert. Notes 	2.25% Exchange. Debent. <sup>(2)</sup> 	2.25% Exchange. Debent. 	2.125% Exchange. Debent. 
Issuing Entity	Liberty Media Corporation				
Attributed Tracking Stock	Formula One Group	Formula One Group	Formula One Group	Formula One Group	Liberty SiriusXM Group
Maturity date	Oct. 15, 2023	Jan. 30, 2023	Sept. 30, 2046	Dec. 1, 2048	Mar. 31, 2048
Put/call date	n/a	n/a	Oct. 5, 2021	Dec. 1, 2021	Apr. 7, 2023
Principal	\$1,000m	\$450m	\$210m	\$385m	\$400m
Conversion price	\$47.43	\$36.89	\$34.28 <sup>(3)</sup>	\$66.28	\$8.02
Bond hedge / warrant coverage	Offsets dilution between \$47.43 and \$61.16 basket price <sup>(1)</sup>	n/a	n/a	n/a	n/a
Conversion/\$1,000 principal amount	LSXMA: 21.0859 shares FWONA: 5.2715 shares BATRA: 2.2920 shares	FWONK: 27.1091 shares	T: 13.7452 shares	LYV: 15.0886 shares	SIRI: 124.6922 shares
Shares underlying	LSXMA: 21.1m shares FWONA: 5.3m shares BATRA: 2.3m shares	FWONK: 12.2m shares	T: 6.1m shares	LYV: 5.8m shares	SIRI: 49.9m shares
Dividend threshold	n/a	n/a	\$0.2801 quarterly per T share	n/a	\$0.011 quarterly per SIRI share

(1) 1.375% convertible notes basket consists of 1 share of LSXMA, 0.25 shares of FWONA, and 0.1087 shares of BATRA.

(2) Adjusted for AT&T acquisition of Time Warner Inc. ("TWX") on 6/14/18 and subsequent Extraordinary Additional Distribution to holders of the holders of the 2.25% Exchangeable Debentures attributable to the cash consideration of \$53.75 per share paid to former holders of common stock of TWX.

(3) Remaining principal per \$1,000 original principal amount of debentures as of 9/30/19, divided by T shares underlying each debenture.



# Detailed Overview of 1.375% Cash Convertible Notes due 2023

- Attributed to Formula One Group
- \$1b Convertible Senior Notes
  - 1.375% semi-annual coupon
  - Final maturity 2023
  - Cash settle
- Basket of securities per \$1,000 notes includes:
  - 21.0859 shares of LSXMA
    - Based on 1.000 LSXMA per basket
  - 5.2715 shares of FWONA
    - Based on 0.250 FWONA per basket
  - 2.292 shares of BATRA
    - Based on 0.1087 BATRA per basket
- Conversion price of \$47.43
- Call spread offsets dilution between \$47.43 and \$61.16
- Holders can convert at any time if
  - (i) closing price  $\geq$  130% conversion price for 20/40 trading days preceding quarter-end prior to exchange
  - (ii) for 5 measurement days following 5 day trading period where bond price  $<$  98% product of conversion rate and close price of shares, or
  - (iii) in the event of certain distributions or corporate events



# Braves Group Debt

As of 9/30/19 (\$ in millions)	Total Capacity	Outstanding	Maturity
<b>Team Operating Debt</b>			
MLB Leaguewide Credit Facility	\$100	\$45	2020
SunTrust Revolver	\$85	\$-	2023
Spring Training Facility	\$39	\$30	2022
<b>Ballpark Debt</b>			
Stadium Private Placement (Fixed Rate)	\$189	\$189	2041
Stadium Private Placement (Floating Rate)	\$66	\$66	2029
Stadium Term Loan	\$50	\$50	2021
<b>Mixed-Use Debt</b>			
Retail Loan	\$81	\$40	2023
Office Loan (Phase 1 & 2)	\$188	\$95	2025 (Phase 1) 2023 (Phase 2)
Entertainment Loan	\$29	\$25	2020
<b>Total Braves Group Attributed Debt</b>	<b>\$827</b>	<b>\$540</b>	

Non-recourse to Braves Holdings  
Secured by various revenue streams, including:

- Naming Rights
- Suite and Club Seat Premiums
- Stadium Sponsorship and Signage
- Merchandising
- Concessions – Food and Beverage
- Team Sublicense Fee
- Game Day Parking
- Revenue from non-MLB events (i.e. concerts, festivals, conventions)

Project level debt executed with JV partners; non-recourse to Braves Holdings



# F1 Financials – Revenue Recognition

## Calendar and timing of races has significant impact on quarterly reported results

- Promotion revenue recognized on day of each race
- Broadcast revenue recognized pro-rata across race calendar, with some variation due to FX movements
- Advertising & Sponsorship revenue:
  - Race specific revenue recognized at time of race (i.e. title sponsorship, trackside packages)
  - Elements related to all races recognized pro-rata across race calendar (i.e. hospitality, fan experiences)
  - Annual rights recognized evenly across four quarters (i.e. rights to use footage, logo usage)
- Other revenue:
  - Race specific revenue recognized at time of race when services delivered (i.e. travel, freight, hospitality)
  - Elements related to all races recognized pro-rata across race calendar (i.e. TV production activities, technical support)
  - Annual rights recognized evenly across four quarters (i.e. annual OTT subscriptions)
  - F2 and F3 (and predecessor series) have typically had 3-4yr vehicle cycles
    - Revenue and cost tends to be elevated at start of cycle with sale of chassis and initial stock parts





# F1 Financials – Cost Recognition

- Team payments
  - Expense recognized pro-rata across race calendar
  - Cash payments:
    - Variable prize fund paid in fairly even installments across months of March – November with “true-up” points
      - Final true-up balance paid post-season (February)
    - Fixed prize fund paid in even installments across months March – December
- F1 net operating cash inflows are highest in Q1
  - Driven by receipt of advance payments, while majority of costs (incl. team payments) paid in arrears



## F1 Tax Considerations

- F1 expects to be UK taxpayer in 2019 and future years
  - F1 cash generating entities are UK based
  - UK interest expense deductions are limited to 30% of UK EBITDA
- Estimated future cash taxes for F1 (primarily UK) expected to be single digit percentage of adjusted OIBDA (as reported)
- Liberty does not expect to pay US income tax on future repatriation of F1 earnings for many years
- Purchase accounting amortization considerations
  - Liberty's acquisition in January 2017 did not result in basis step-up for UK income tax purposes
  - GAAP amortization from purchase accounting is not tax deductible in either UK or US



# Composite LMC – It All Adds Up

- 5/9/06: LCAPA (“LMC”) tracking stock issued
- 3/3/08: LMC issues LMDIA/B 4-for-1
- 11/19/09: DTV spun from LMDIA 1-for-1; remaining assets become LSTZA on a 0.10-to-1 basis
- 11/28/11: LMC re-combines with LSTZA on a 0.88129-for-1 basis
- 1/11/13: LMC spun from STRZA 1-for-1
- 7/23/14: LMCK shares issued 2-for-1
- 11/4/14: LBRD spun from LMC and LBRDA/K issued; 1-for-4
- 12/10/14: Right to acquire 1 share of LBRDK for every 5 shares of LBRDA/K at \$40.36
- 4/15/16: LMC recapitalization into three tracking stocks: LMCA/K (1-for-4), LSXMA/K (1-for-1), BATRA/K (1-for-10)
- 5/18/16: Right to acquire 0.47 shares of BATRK for every 1 share of BATRA/K at \$12.80
- 1/25/17: LMCA/K renamed FWONA/K

FWONA	10.22
LSTZA tracker	117.11
DTV after 1 year: \$42.15 x 4	168.60
Earnings on \$168.60 DTV reinvested in LMCA	792.98
STRZA sold to LGF/B for cash and shares	18.00
Cash from STRZA/LGF/B reinvested in LMCA	5.95
LGF/B after 1 year: \$29.68 x 0.6784	20.13
Earnings on \$20.13 LGF/B reinvested in LMCA	4.23
FWONK x 2	21.49
LBRDA x 0.25	29.52
LBRDK x 0.25 x 2	59.35
LBRDK Rights Offering	11.75
LSXMA	47.16
LSXMK	93.96
BATRA	2.78
BATRK	5.55
BATRK Rights Offering	2.13

**Composite LMC** **1,410.90**

Compared to  
\$79.00 on  
5/10/06

Note: Assumes DTV sold 1 year after issuance on 11/19/09 and reinvested in LMCA. Adjusted for issuance of LMCK shares on 7/23/14 and LBRDA/K on 11/4/14. Assumes LBRDK rights shares sold 1 year after rights offering on 12/11/14 and reinvested in LMCK. Adjusted for tracking stock recapitalization on 4/15/16 and subsequent BATRK rights offering distribution on 5/18/16. Assumes STRZA held after 1/11/13 spin until Lions Gate acquisition on 12/9/16 (received 0.6784 LGF/B shares plus \$18 cash per 1 share of STRZA), then cash received was reinvested in LMC basket on 12/9/16 and LGF/B shares held for 1 year then sold and reinvested in LMC basket on 12/11/17. Excludes potential tax implications from sale of DTV and STRZA (LGF/B) shares.



# Footnotes and Other Sourcing Information

- Slide 7
  - Liberty SiriusXM's ownership in SiriusXM based on undiluted share count as of 10/29/19.
  - iHeart diluted ownership as of 11/4/19.
  - F1 attendance increase through Brazil and viewership increase through Singapore.
  - F1 leverage as of 9/30/19.
- Slide 8
  - See slide 31 for Composite LMC. Assumes DTV sold 1 year after issuance on 11/19/09 and reinvested in LMCA. Adjusted for issuance of LMCK shares on 7/23/14 and LBRDA/K on 11/4/14. Assumes LBRDK rights shares sold 1 year after rights offering on 12/11/14 and reinvested in LMCK. Adjusted for tracking stock recapitalization on 4/15/16 and subsequent BATRK rights offering distribution on 5/18/16. Assumes STRZA held after 1/11/13 spin until Lions Gate acquisition on 12/9/16 (received 0.6784 LGF/B shares plus \$18 cash per 1 share of STRZA), then cash received was reinvested in LMC basket on 12/9/16 and LGF/B shares held for 1 year then sold and reinvested in LMC basket on 12/11/17. Excludes potential tax implications from sale of DTV and STRZA (LGF/B) shares.
- Slide 9
  - Liberty SiriusXM Group repurchases as of 10/31/19.
  - Average SIRI look-through based on daily market values through 10/31/19. Assumes fully-diluted LSXM shares outstanding, total LSXM cash and liquid investments, debt outstanding and iHeart ownership as of closest quarter-end to measurement period.
  - Liberty contributed approximately \$330m in debt funding to construction of SunTrust Park. Cobb County and other municipal entities contributed approximately \$392m.
- Slide 10
  - Formula 1 net debt to covenant OIBDA ratio, as defined in F1's credit facilities for covenants.
  - F1 maximum leverage covenant at 8.25x
- Slide 15
  - Any mitigation of LSXMA exposure under 1.375% Convertible Notes would be after giving effect to bond hedge and warrant.
- Slide 18
  - Face amount of the cash convertible notes and exchangeable debentures with no fair market value adjustment.
  - F1 leverage represents total net debt to covenant OIBDA ratio, as defined in F1's credit facilities for covenant calculations, as of 9/30/19. Maximum allowable leverage ratio is 8.25x.
- Slide 19
  - Excludes potential tax implications from monetization of any asset.
  - Cash and cash equivalents excludes \$79m of cash and liquid investments held at SiriusXM.



# Footnotes and Other Sourcing Information (cont'd)

- Slide 20
  - Excludes potential tax implications from monetization of any asset.
  - BATRK shares represent intergroup interest held at Formula One Group.
  - Live Nation margin loan undrawn as of 9/30/19 with total capacity of \$600 million.
  - Cash and cash equivalents includes \$354m of cash at F1.
- Slide 21
  - Cash interest expense in free cash flow table excludes interest on deferred compensation, deferred loan costs, and other miscellaneous interest expenses; corporate cash interest expense includes AT&T dividend pass-through on 2.25% exchangeables.
  - F1 cash interest pro forma for debt restructure activities since Liberty completed its 100% acquisition of F1 on 1/23/17.
  - FWON corporate based on 2-year average of last twelve month periods ending Q3 2018 and 2019.
- Slide 22
  - Table includes actual cash interest expense; doesn't include impact from amortized fees nor foregone cash interest.
  - 2017 pro forma interest expense reflects interest expense paid during full year 2017 (Liberty completed its 100% acquisition of Formula 1 on 1/23/17).
  - RCF currently undrawn.
- Slide 23
  - Revenue and cost exposure by currency based on 2019 estimates.



## Non-GAAP Information

This presentation includes presentations of adjusted OIBDA and net operating income for Braves Holdings, which are non-GAAP financial measures, 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, acquisitions 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, including each business' 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.

Liberty Media defines net operating income as property revenue less direct property operating expenses, which approximates Adjusted OIBDA less management expenses. Liberty Media believes net operating income is an important indicator of the operational strength and performance of its real estate businesses. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses in the real estate industry.

Because adjusted OIBDA and net operating income are used as measures of operating performance, Liberty Media views operating income as the most directly comparable GAAP measure. Adjusted OIBDA and net operating income are 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.

Please see the Appendix of the Braves presentation for reconciliations of adjusted OIBDA to operating income (loss) and net operating income to operating income (loss) calculated, in each case, in accordance with GAAP for Braves Holdings.





Liberty Media Investor Day | Nov 2019



# DISCLAIMER ON FORWARD-LOOKING STATEMENTS

The guidance contained herein is based upon a number of assumptions and estimates that, while considered reasonable by us when taken as a whole, is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, the guidance is based upon specific assumptions with respect to future business conditions, some or all of which will change. The guidance, like any forecast, is necessarily speculative in nature and it can be expected that the assumptions upon which the guidance is based will not prove to be valid or will vary from actual results. Actual results will vary from the guidance and the variations may be material. Consequently, the guidance should not be regarded as a representation by us or any other person that the subscribers, revenue, adjusted EBITDA, and/or free cash flow will actually be achieved. You are cautioned not to place undue reliance on this information.

## FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "believe," "intend," "plan," "projection," "outlook" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results and the timing of events may differ materially from the results anticipated in these forward-looking statements.





# DISCLAIMER ON FORWARD-LOOKING STATEMENTS

The following factors, among others, could cause actual results and the timing of events to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: our substantial competition, which is likely to increase over time; our ability to attract or increase the number of subscribers, which is uncertain; our ability to profitably attract and retain more price-sensitive consumers; failure to protect the security of personal information about our customers; interference to our service from wireless operations; a decline in the effectiveness of our extensive marketing efforts; consumer protection laws and their enforcement; our failure to realize benefits of acquisitions or other strategic initiatives, including the acquisition of Pandora Media, Inc.; unfavorable outcomes of pending or future litigation; the market for music rights, which is changing and subject to uncertainties; our dependence upon the auto industry; general economic conditions; existing or future government laws and regulations could harm our business; failure of our satellites would significantly damage our business; the interruption or failure of our information technology and communications systems; rapid technological and industry changes; failure of third parties to perform; our failure to comply with FCC requirements; modifications to our business plan; our indebtedness; damage to our studios, networks or other three facilities as a result of terrorism or natural catastrophes; our principal stockholder has significant influence over our affairs and over actions requiring stockholder approval and its interests may differ from interests of other holders of our common stock; impairment of our business by third-party intellectual property rights; and changes to our dividend policies which could occur at any time. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found in our Annual Report on Form 10-K for the year ended December 31, 2018 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, in each case, as filed with the Securities and Exchange Commission (the "SEC") and available at the SEC's Internet site (<http://www.sec.gov>). The information set forth herein speaks only as of the date hereof, and we disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.



# SIRIUSXM AT A GLANCE



America's largest audio entertainment company

**100M+**

Listeners in  
North America

**~38M**

Self Pay  
Subscribers

**~65M**

Trialers &  
Ad-Based Users

**((SiriusXM®))**  
**pandora®**





UNRIVALED CONTENT





# UNRIVALED CONTENT

- New **exclusive** deals with **Marvel** and **Drake**
  - These deals will highlight how we can tier music and podcast content for **both subscription and ad-supported platforms**
- **Howard Stern** inaugurated our new **Hollywood studio complex**, and we celebrated with a month of special performances by **Billie Eilish, Dave Matthews** and **Green Day**
- New sports podcasts from **LeBron James's UNINTERRUPTED** and the **NFL**







## SINCE WE LAST SAW YOU

	9M18A	9M19A	% change
<b>SXM Self-Pay Subscribers</b>	28.5 million	<b>29.6 million</b>	+4%
<b>Revenue</b> <i>(pro forma)</i>	\$5.4 billion	<b>\$5.9 billion</b>	+8%
<b>Adj. EBITDA</b>	\$1.5 billion	<b>\$1.8 billion</b>	+20%
<b>Margin</b>	28.5%	<b>31.5%</b>	+300 bps
<b>Free Cash Flow</b>	\$1.1 billion	<b>\$1.2 billion</b>	+13%

Source: Company filings

Note: Pro forma figures assume the Pandora acquisition closed on Jan. 1, 2018



# SIRIUSXM – STRENGTHS

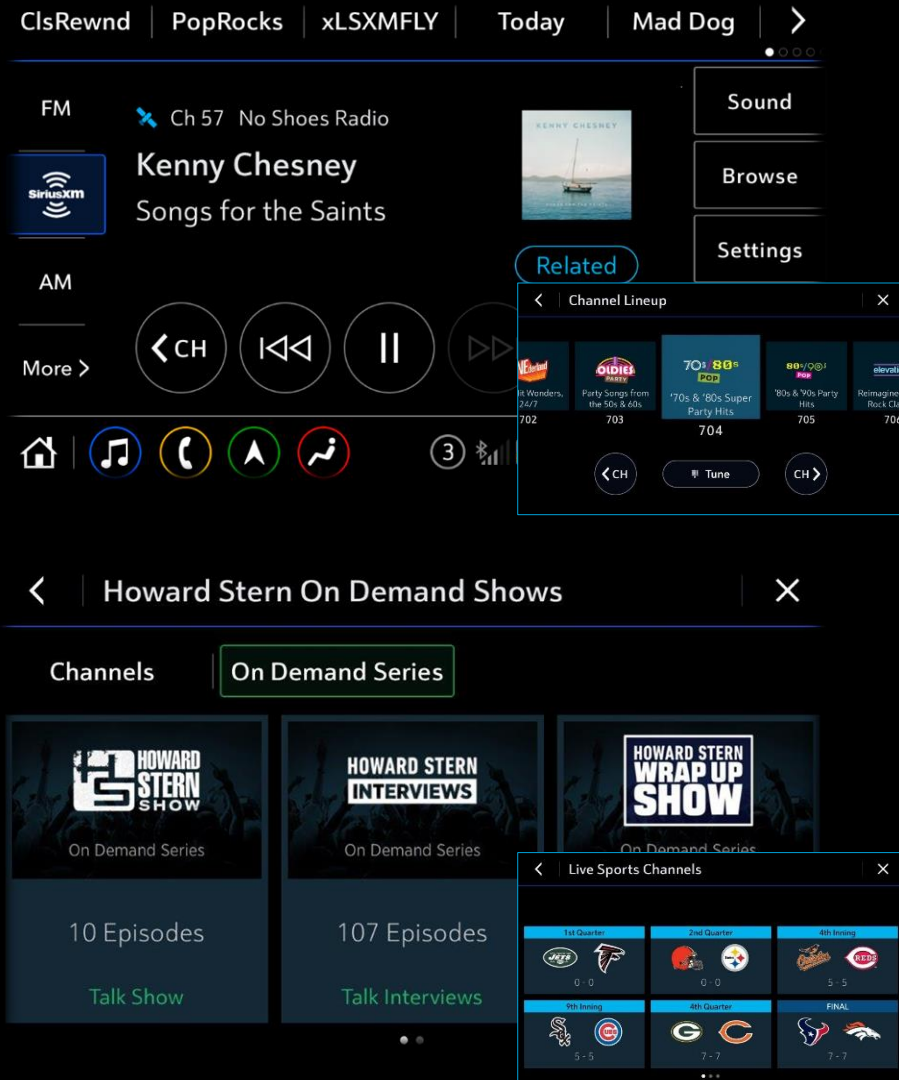
**Solid business model, strong record of execution,  
compelling value proposition**

- **Large, affluent base: 37M+** subs in N. America, **23M+** annual trial starts from new & used cars
- Unrivaled content: **300+ channels**
  - Curated commercial-free **music, sports, simulcasts, talk, Howard w/ video, 8 comedy channels, personalities**
- Great **dashboard position, easy access** and **strong in-car listening** base

- Strong **OEM relationships** & in-car distribution
  - Approaching **80%** pen of new cars with **~123M** enabled cars on the road; will exceed **~220M** over time
  - Growing **360L** penetration
  - **Toyota goes standard** (100%) in 2020
  - **Connected Vehicle Services**
    - safety, security, weather, data & convenience features



# CONNECTIVITY DRIVING US FORWARD



- **360L: Satellite + streaming**  
Now in a dozen GM models; total 2020 volumes grow 300%+
- **Improves the product:**  
On-demand and personalized content, flexible user interface
- **Improves the business:**  
In-car interaction expected to improve conversion, retention, and upsells
- **Pandora-seeded radio** now live in FCA vehicles



# ENHANCING SPECTRUM VALUE



**~2020:**

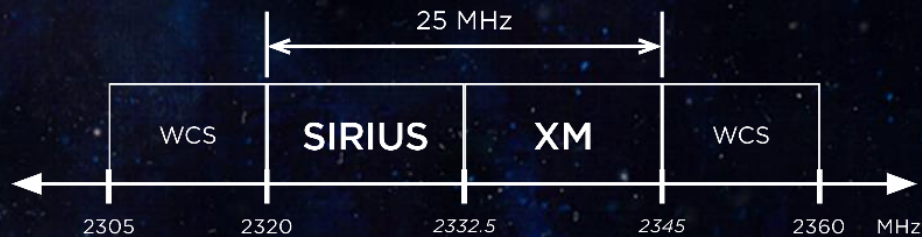
Initial wideband radio deployment

**Mid 2020s:**

Target for effectively doubling usable spectrum

**Potential uses:**

- Hundreds of audio channels
- HD video channels
- Expanded data & communications services
- Self-driving vehicle applications, and more







# BEYOND THE CAR

- ~**170M** US streamers per week, **58M** smart speakers in US, **32%+** of US households
- **Streaming** now available at **no extra charge** for **vast majority** of subscribers
- **New distribution agreement** with **Google**; with prominent **trial** placement



amazon



Google Home



Google Nest Hub



iPhone



Apple TV

XBOX





# PANDORA – STRENGTHS

Unique & complimentary asset, great ad business,  
widely distributed out-of-car – now contributing to EBITDA

- **Large, digital-first base:**
  - ~**63M** MAUs
  - ~**19hrs** of listening per month per user
  - **90%** consumption on mobile
- Over **2 million songs** categorized by up to **450 music “genes”**
- Vast and **growing podcast library**, including **exclusives from SiriusXM**
- **New mobile app experience: ‘For You’** discovery feed and **‘Modes’** setting

- New **self-service hub for podcast creators**
- Top-rated music app: ranked **#2 in App** store, **#1 in Play** store
- Scaled audience, scaled ad sales force:
  - **Ad-Supported** – over 56M MAUs
  - **Plus** – Commercial-free personalized radio
  - **Premium** – fully interactive service
- **AdsWizz** platform and off-platform deals like **SoundCloud** leverage scale



# PANDORA – WORK IN PROGRESS

## Off to a good start:

- Pandora gives us new tools, new reach  
– but we have plenty of work left to do
- Right-sizing the **cost structure**
- Improving the **content**

## Here's where we're focused:

- Leveraging the **digital ad sales** force
- Improving and investing in the **best available audio ad technology**
- Evolving the **culture and mentality** around growing the business

We want a **bigger Share of Ear** in the **expanding Audio Day**



# LEADING IN A NEW ERA OF AUDIO

We touch more audio listeners and subscribers than any other provider in the U.S.

- Deliver the most **COMPELLING** content and consumer experience where and when people want to listen
- Bring together the **BEST** of both services and more
- Leverage our **COMBINED** data sets and marketing expertise

Our focus is to **keep every listener in our ecosystem**

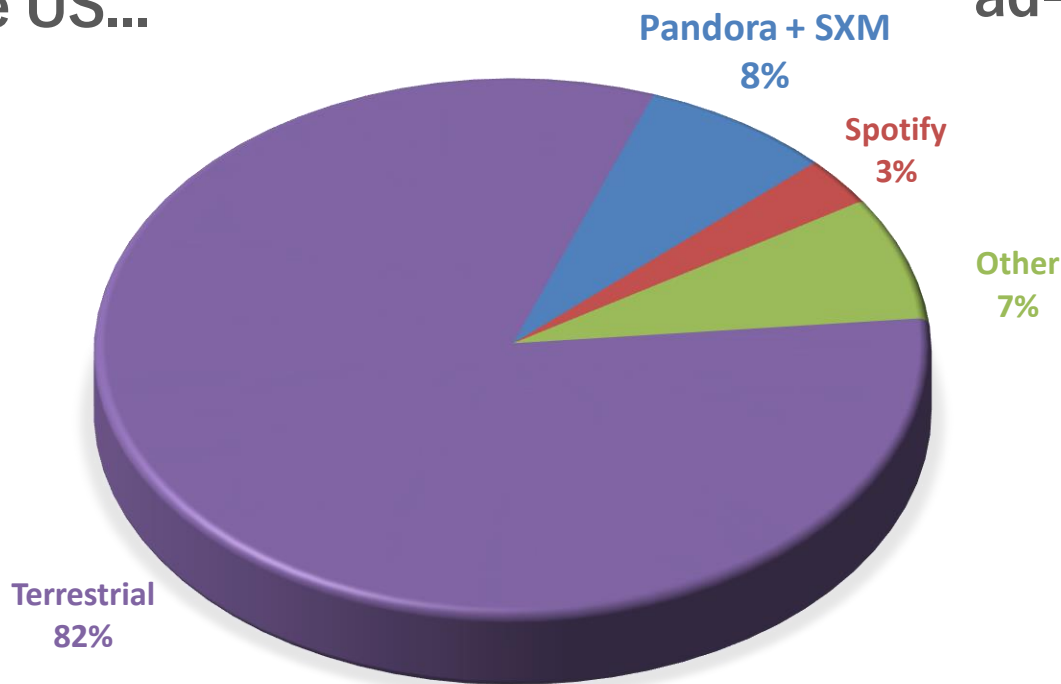
## NEVER LOSE A LISTENER



# SIZING LONG-TERM AD OPPORTUNITY

Pandora+SXM at ~\$1.3B  
is the largest digital audio  
ad business in the US...

...but terrestrial radio still  
dominates the \$17B+ US  
ad-supported audio market



**Opportunities to monetize inactive vehicles + off platform**



# CURRENT GUIDANCE – TOTAL COMPANY

3Q call: Raised all financial guidance

	2018A	2019E
SiriusXM Self-Pay Net Sub Adds	1.4 million	<i>Approaching</i> <b>1.0 million</b>
Revenue <i>(pro forma)</i>	\$7.3 billion	<b>~\$7.85 billion</b>
Adj. EBITDA	\$2.13 billion	<i>Approaching</i> <b>\$2.4 billion</b>
Free Cash Flow	\$1.52 billion	<b>~\$1.625 billion</b>

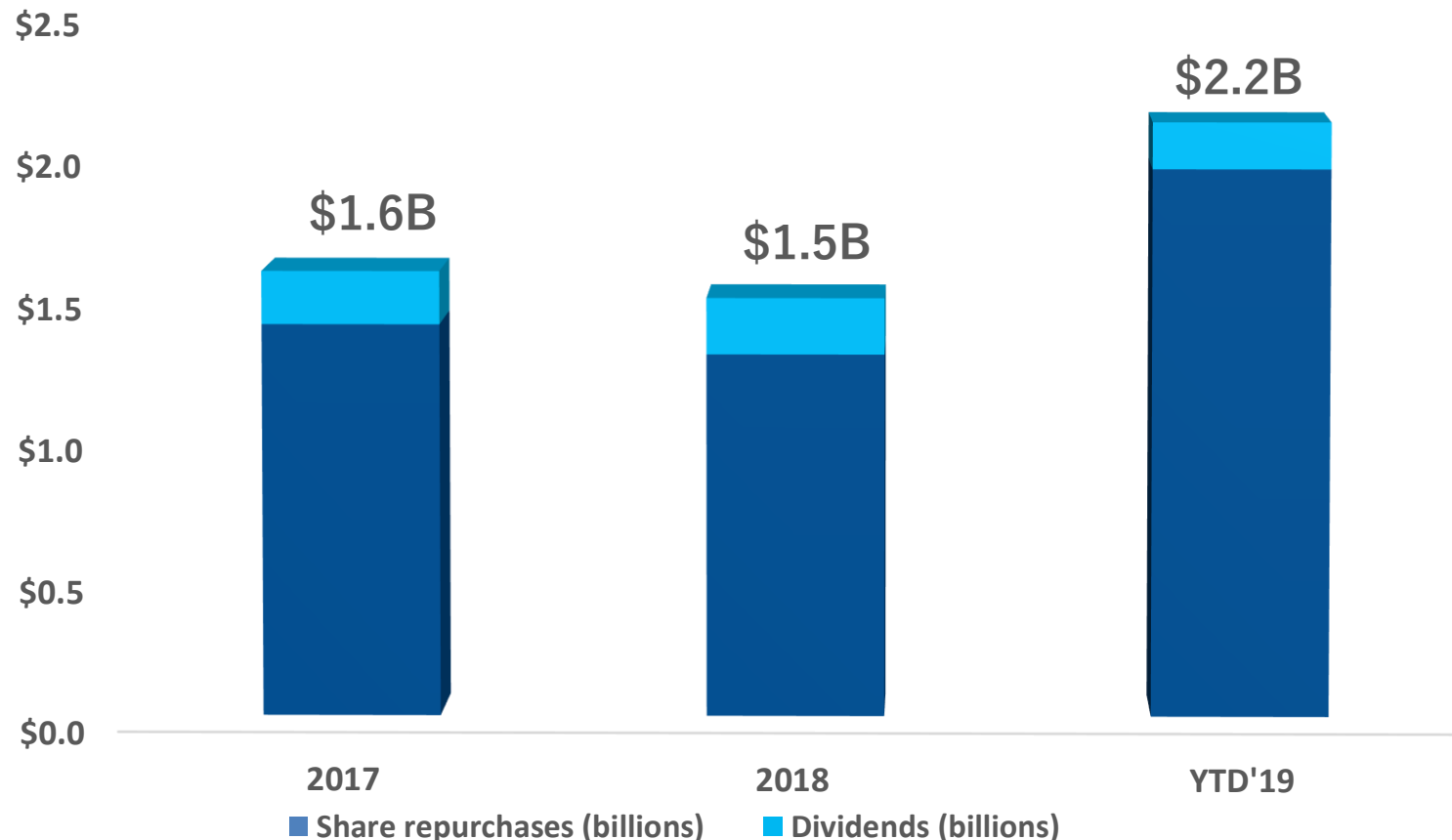
Source: Company filings

Note: Pro forma figures assume the Pandora acquisition closed on Jan. 1, 2018



# BEST-IN-CLASS CAPITAL RETURN

**SIRI +60.3%** vs **market +47.6%**



**\$13.6 billion:**

Total capital returned to stockholders since 2012

**\$0.01331 per share:**

Quarterly dividend; 3<sup>rd</sup> annual 10% increase

**Pandora shares:**

All acquisition shares bought back by 2Q19 call



## REPEAT AFTER ME: “BUSINESS MODELS MATTER”

### SiriusXM’s proven business model:

- Unbeatable content + ease of use
- Leverageable fixed costs + high variable margins
- Long-term growth via expanding fleet, 360L, spectrum, and more

### Pandora enhances the stack:

- Leverageable ad-supported business – AdsWizz platform + off-platform inventory
- Superior out-of-car distribution + extensive user data
- Subscription tiers drive additional monetization

Strong track record: **We do what we say we’re going to do.**





## Appendix | Reconciliation



# RECONCILIATION FOR SIRIUSXM

	Unaudited	
	For the Nine Months Ended	
	September 30,	
	2019	2018
<i>(in millions)</i>		
<b>Cash Flow information</b>		
Net cash provided by operating activities	\$1,485	\$1,346
Net cash used in investing activities	\$126	\$(251)
Net cash used in financing activities	\$(1,586)	\$(1,117)
<b>Free Cash Flow</b>		
Net cash provided by operating activities	\$1,485	\$1,346
Additions to property and equipment	(239)	(238)
Purchases of other investments	(7)	(7)
Free cash flow	\$1,239	\$1,101

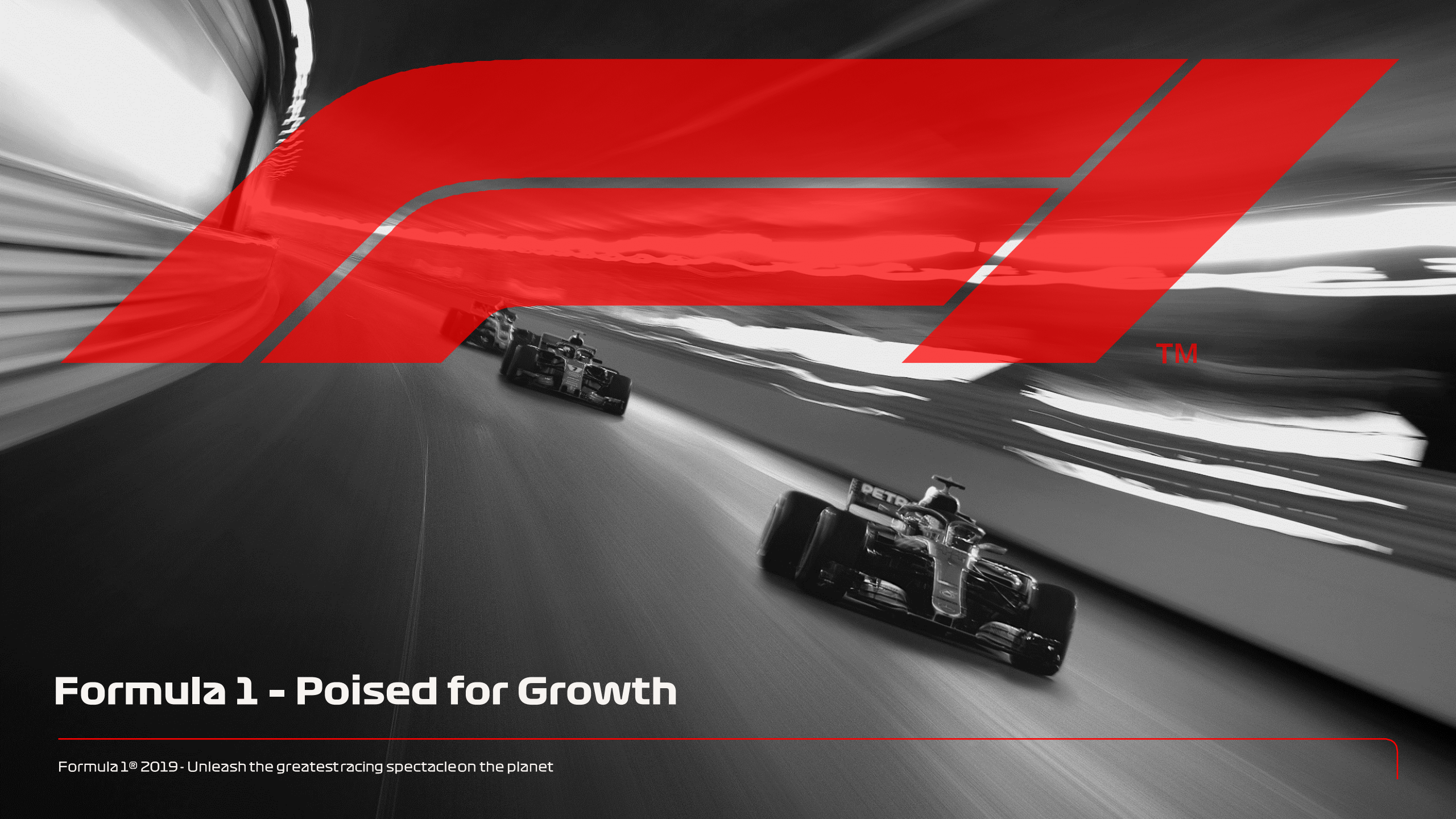


# RECONCILIATION FOR SIRIUSXM

	Unaudited	
	For the Nine Months Ended September 30,	
	2019	2018
<i>(in millions)</i>		
Net Income	\$671	\$925
Add back items excluded from Adjusted EBITDA:		
Legal settlements and reserves	25	69
Acquisition and other related costs	83	-
Share-based payment expense	171	100
Depreciation and amortization	344	222
Interest expense	291	263
Loss on extinguishment of debt	57	-
Other expense (income)	2	(82)
Income tax expense	227	162
Purchase price accounting adjustments:		
Revenues	6	6
Operating expenses	(11)	-
Pro forma adjustments	(25)	(126)
Adjusted EBITDA	\$1,841	\$1,539



Liberty Media Investor Day | Nov 2019



# Formula 1 - Poised for Growth

Formula 1® 2019 - Unleash the greatest racing spectacle on the planet



# 2017-2018: Building the Foundation



**Create an Organization**

**Energize the Sport and Fans**

**Engage Existing and Potential Partners**

**Build Long Term Plan**

# **Executing the Long Term Plan**



**Improve the Sport on the Track**

**Turn Events into Spectacles**

**Upgrade / Build Traditional TV and Digital Expertise**

**Expand the Brand and Franchise**

**Grow Sport for Fans, Partners and Shareholders**





# Improve Sport on the Track

Improve Competition, Action,  
Unpredictability

Simplify, Streamline

Healthier Business for All

Build Partnership with Existing Teams

Attract New Potential Teams



# Key Initiatives

---



## 2021 Concorde Agreement

- Rules, regulations
- Costs, revenues
- Governance

## Improve Tracks for Racing

## Build Expertise at F1 and FIA



# Turn Events into Spectacles



## **Strengthen Relationship with Promoters**

- Completed key renewals
- Attendance +2% through 20 events

## **Expand and Energize Activities Around Events and Engage Partners**

- Bond exhibition
- Fan zones
- Hot laps
- Truck tours
- Fan festivals
- MIT events
- Heineken village

## **Build on Mystique and Glamour**

- Will Smith video - 29m Facebook views
- Sotheby's car auction
- F1 experiences



# **Upgrade and Maximize Value from Promotion**



- **Key Considerations in Setting Calendar**
  - Quality of track for racing
  - Fan enthusiasm
  - Balance of historic and traditional with new and growing sites
  - Public and private support
- **Opportunity to Expand Calendar**
- **Selective Event Changes**
- **Address Problematic Agreements**
- **Maximize Other Opportunities at Events**
  - Hospitality
  - Merchandising
- **Build Promoter Relationships with Flexibility to Maximize Value**
  - Secondary hospitality
  - Local corporate market



# **Upgrade and Build Media Opportunities**



- **Improve Core Television Product**
  - **Manage key rights in distribution agreements**
  - **Expand local language capability**
  - **TV viewership +7% through 15 events**
- **Expand Digital / Social Business**
  - **Video views +64%**
  - **Minutes watched +90%**
- **Partner with Key Digital Platforms**
  - **Netflix, YouTube, Twitter, Snap**
  - **Active discussions with international platforms**
  - **Expands young and female fans**
- **Build OTT Platform**
  - **New markets include Canada and sub-Saharan Africa**
- **Build Consumer Data Base**

# Key Objectives

The background of the slide is a grayscale photograph of a Formula 1 race track. In the foreground, a race car is visible, featuring logos for AT&T, Exxon, TAG Heuer, CITRIX, and ASTON MARTIN. A large crowd of spectators is gathered on the left side of the track, some holding up phones to take pictures. In the upper right corner, there is a red logo that resembles a stylized 'F' or a wing.

**Balance Reach, Value, Growth Potential**

**Develop Digital Platform Appetite for Content**

**Expand Partnerships with TV Partners**

Maximize opportunity in key market renewals

Renewed ESPN agreement

OTT distribution, expand coverage

**Maximize Value for Sponsors**

Regional feeds, virtual ads, sponsored on-screen graphics / data



# **Sponsorship Initiatives**



- **Expand Relationship with Existing Sponsors**
- **Educate New Targets on New F1**
- **Build Capabilities / Flexibility / Uniquely Tailored Offers**
- **Maximize Unique Value Proposition**
  - **Global, attractive demographic, glamour, mystique, history**
  - **Environmental initiatives opportunity to expand relationships**
- **Monetize Under-Exploited Franchises**
  - **Announced Caterpillar, Expo 2020 Dubai. Active pipeline**
  - **Global Sponsor, Official Sponsor, Title Sponsor**
  - **Categories include tech, telecom, finance, oil, pharmaceuticals, fashion**



# Expand Brand and Franchise



## Brand Opportunities

- eSports
  - Qualifying participants +65%
- Fantasy
- Betting
- 2 exhibition tours starting 2020
- Podcasts
  - 50% growth in listens from Season 1 to Season 2

## Geographic Opportunities

- US
- China
- MENA

## Other Opportunities

- Licensing
- Merchandising
- Content
- Events
- Gaming
  - 2 new gaming partnerships in 2019



# **Formula 1 Poised for Growth in 2020 and Beyond**



## **Opportunities in Core Promoter, Sponsor and Broadcast Categories**

**Grow Previously Under-Developed or Neglected Categories**  
Digital content, hospitality, brand extensions, licensing and more

**Not a Sport Dependent on Capital Expenditures**

**Operating Costs Needed to Execute Largely in Place**

**Strengthened Balance Sheet, Strong Cash Flow Growth,  
Flexibility**





# ATLANTA BRAVES – INVESTOR UPDATE

November 21, 2019



# **Mike Plant**

**President and CEO  
Braves Development Company**

# **The Braves set a new strategic direction in 2013 to ensure long-term success and better fan engagement**

- 1. Invest in a state-of-the-art stadium**
- 2. Purchase and develop land surrounding land for 365-day/year destination**
- 3. Strategically rebuild the baseball team**

*The Braves have accomplished all 3 goals and are on the way to reaping the benefits of having all 3 components working successfully together*

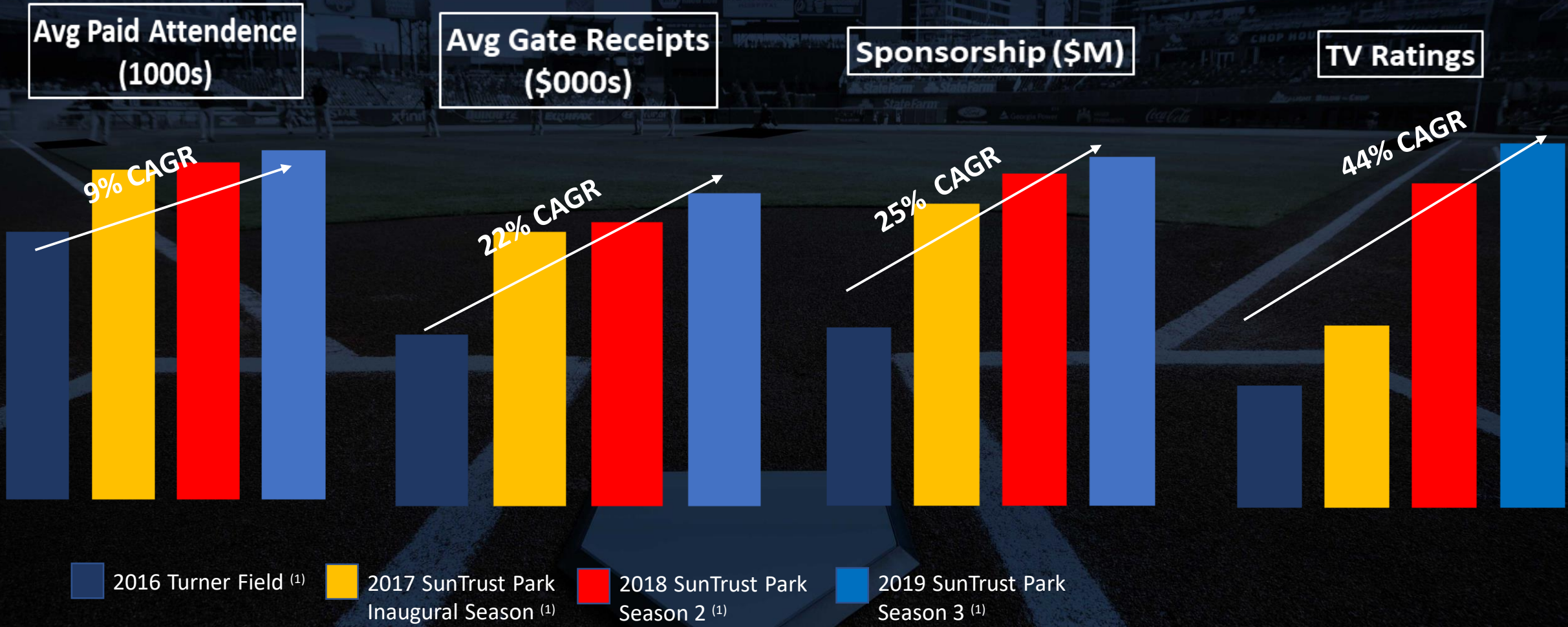


# Industry leading fan experience and strong revenue-enhancing opportunities

- SunTrust Park is a unique, state-of-the-art venue which offers an intimate setting for fans to feel a part of the game
- Fan experience pre- and postgame has been vastly improved by The Battery Atlanta bars, restaurants and entertainment destinations
- Concerted direct marketing and social media outreach has improved our ability to engage our fans
- Total regular season tickets sold in 2019 was 2,665,000 (32,800 per game)
  - Steady increase over 2017 and 2018 and highest total in 12 years
  - Strong attendance led to increases in all event-related revenues



# Key Performance Indicators prove strategic imperatives are working



(1) Stats based on club data; Sponsorship dollars based on October 2019 forecast



# Operational Excellence sets us apart



## Gate Entry Efficiency

2220 extra guests per hour, per gate vs. 2018 – fans in the stadium earlier and longer



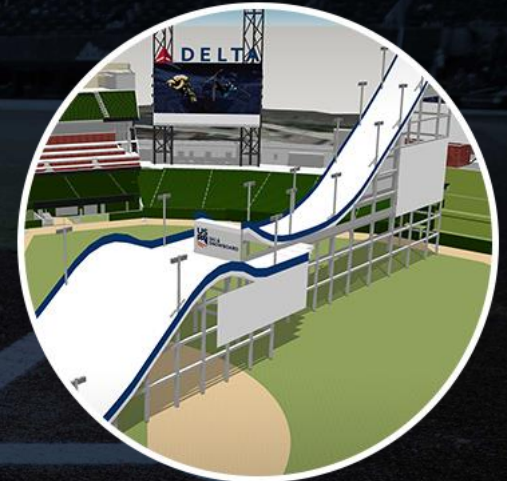
## Concessions Through-put

Kaizen business process improvement underway – expected to decrease time spent in line, grow revenues, and reduce costs



## Business Intelligence

Drives player evaluation, dynamic pricing, promotional programs, and direct-to-fan marketing



## Alternate Stadium Usage

Concerts and other events, such as US Ski & Snowboard's "Big Air" event demonstrate creative uses for the stadium



# The Battery Atlanta – a transformative, 365-day mixed-use destination and a new model for sports venue master planning

**34% YOY NOI Growth <sup>(1)</sup>**

**2013**



- Acquired 82 acres of land with unremediated environmental issues
- Partnered with Cobb County to develop land with common goals

**2019**



- 98% of leasable sf under lease
- Retail tenant makeup primarily F&B & entertainment
  - 3 of top 10 Atlanta restaurants
- Omni Hotel ranked 1<sup>st</sup> in top 7 area competitors
- 835k leasable sf & 264 hotel rooms

**2021**



- 600k sf office/conference/lab (\$135M investment)
  - thyssenkrupp North American HQ
  - Add'l class A space partially leased
  - 420 ft. Innovation Tower owned by TK
- 174k sf mixed-use (\$70M investment)
  - Aloft hotel, Savi Provisions Grocer, Silverspot Cinema, office & retail space
- 1.6M leasable sf & 407 hotel rooms

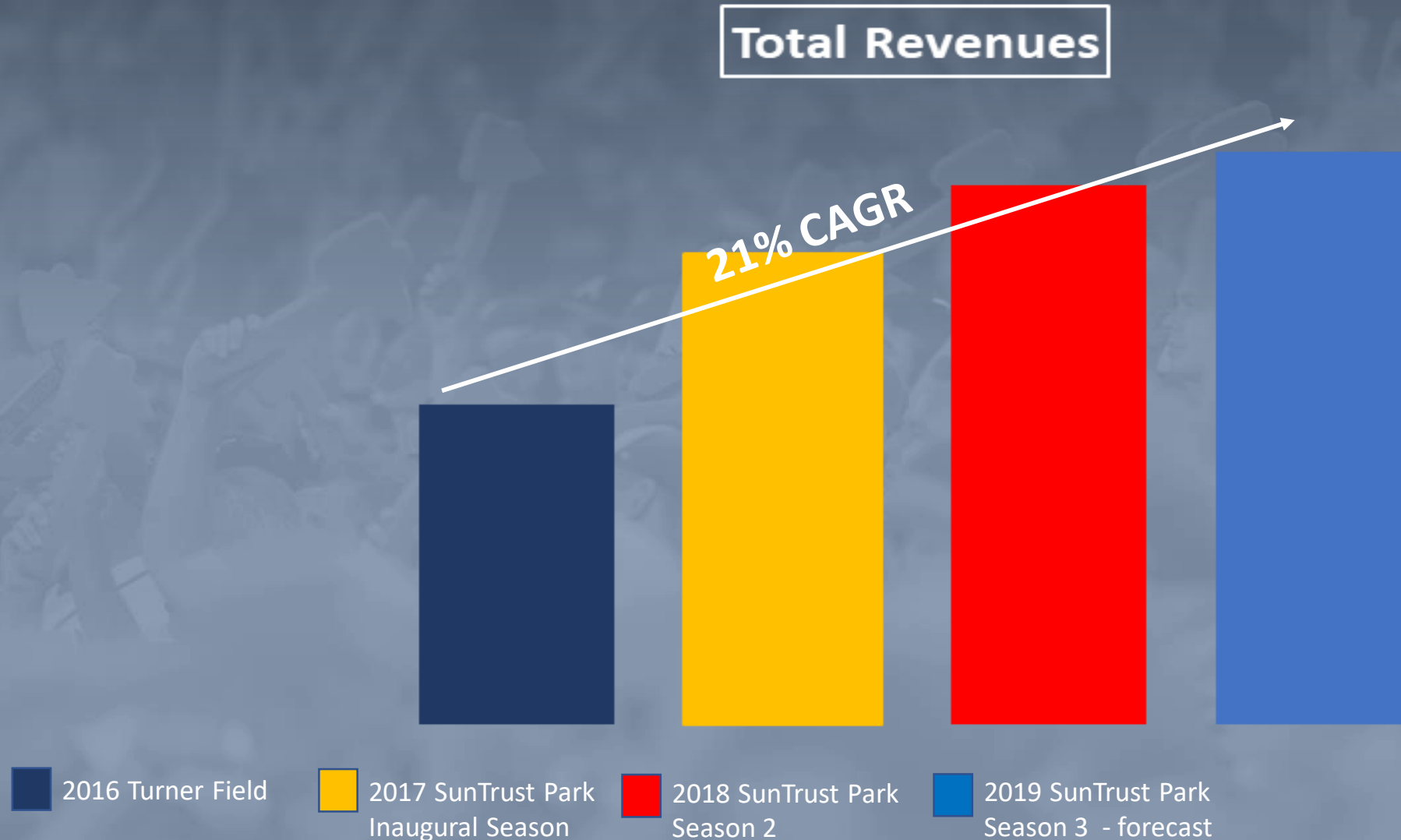
(1) Based on 9 month YOY comparison, including hotel at 100%

# **The Atlanta Braves are an elite baseball organization**

- The Braves won 97 regular season games, securing their 2<sup>nd</sup> consecutive postseason appearance and 2<sup>nd</sup> straight National League East Division title
- Three Silver Slugger awards in 2019 – no other club had more than 2 awards
  - NL Rookie of the Year Award runner-up and 3<sup>rd</sup> place in the NL Manager of the Year Award
- We believe our team, with its mix of tenured and young talent, is well-positioned to continue to excel in future years
- New approach to managing on-field talent
  - Key veterans added under short-term deals while prospects continue to develop
  - Signed long-term favorable contracts with key young talent (Acuña, Albies)
- Baseball operations has employed a strategic mix of scouting acumen and analytics to make efficient player acquisition and retention choices



# The stadium and The Battery Atlanta drove 21% revenue growth



# Future opportunities

- 2021 MLB All Star Game
- The Battery Atlanta additions
- Legalized Mobile Sports Wagering in Georgia

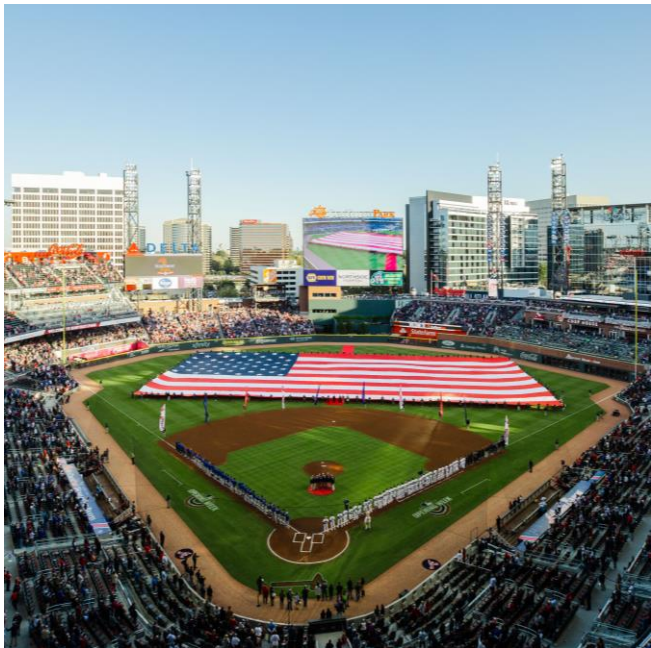


**HOME OF THE 2021**  
 **ALL★STAR GAME**

# The Atlanta Braves exceeding expectations

- The Braves have executed against their long-term strategy
- Continuous focus on driving operational improvements that enhance financial results
- Strong success on the field and in The Battery Atlanta translating to strong financial performance
- We believe the Braves team is setup for a winning season in 2020 and our financial success creates flexibility to make wise investments in the team







# APPENDIX

## Adjusted OIBDA Reconciliation to GAAP Operating Income

	YTD 9/30/2019	YTD 9/30/2018
<b>Adjusted OIBDA</b>	\$ 77	\$ 105
Stock-based Compensation	(11)	(8)
Depreciation/Amortization	<u>(54)</u>	<u>(63)</u>
Operating Income	\$ 12	\$ 34



# 2019 Financial Results

## Adjusted OIBDA

(\$M)	Nine Months Ended 9/30/2019	Nine Months Ended 9/30/2018	<i>Pro-forma Excluding Residential <sup>(3)</sup></i>
Baseball Revenue	\$ 415	\$ 382	\$ 382
Development Revenue	27	28	22
Total Revenue	442	410	404
Baseball Expenses	355	292	292
Development Expenses	10	13	8
Total Expenses	365	305	300
Baseball Adjusted OIBDA	60	90	90
Development Adjusted OIBDA <sup>(2)</sup>	17	15	14
Total Adjusted OIBDA <sup>(1)</sup>	\$ 77	\$ 105	\$ 104
Operating Income	\$ 12	\$ 34	\$ 37

### NOTES:

(1) See reconciliation of Adjusted OIBDA to GAAP Operating Income in the Appendix

(2) Includes Residential in 9/30/18 numbers; excludes hotel accounted for by the equity method

(3) Pro-forma results exclude Residential revenue of \$6M, expense of \$5M, and Adjusted OIBDA of \$1M in 2018. Residential sold in October 2018

# APPENDIX

## Braves Development Co. – Net Operating Income

	Current Occupancy %	Sept 2019 YTD NOI	% of Revenue	Stabilized NOI	% of Revenue
Office	100%	\$ 8.3	79%	\$ 11.4	86%
Retail	94%	\$ 4.6	57%	\$ 6.4	53%
Entertainment	100%	\$ 1.5	73%	\$ 2.2	82%
<b>Total Consolidated Assets</b>		<b>\$ 14.4</b>		<b>\$ 20.0</b>	
Hotel		\$ 8.2	39%	\$ 10.9	39%
Operating Income - Development		\$ 6.6		\$ 9.7	

### NOTES:

(1) Hotel NOI assumes 100% ownership. Hotel is a 50% JV and actual earnings are recorded on the equity basis on accounting.

(2) NOI = total property revenue less direct property opex. Approximates Adjusted OIBDA excluding ownership expenses.

(3) Stabilized NOI is for Phase 1 only; assumes property is fully leased (95% for retail)

(4) See reconciliation of FY19 YTD NOI to GAAP Operating Income in the Appendix

# APPENDIX

## Net Operating Income Reconciliation to GAAP Operating Income

	YTD 9/30/2019
<b>Net Operating Income-Development <sup>(1)</sup></b>	<b>\$ 14</b>
Parking/Other	4
Ownership expenses	(1)
Stock-based Compensation <sup>(2)</sup>	(1)
Depreciation/Amortization	(10)
	<hr/>
<b>Operating Income - Development</b>	<b>\$ 7</b>

NOTES:

(1) See NOI on Slide 15

(2) Stock comp is unallocated between the Braves and the development, amount included for illustrative purposes