**Part I  Reporting Issuer**

1. Issuer's name
   - Liberty Interactive Corporation

2. Issuer's employer identification number (EIN)
   - 84-1288730

3. Name of contact for additional information
   - Investor Relations

4. Telephone No. of contact
   - 844-795-9468

5. Email address of contact
   - Investor@LibertyExpedia.com

6. Number and street (or P.O. box if mail is not delivered to street address) of contact
   - 12300 Liberty Boulevard

7. City, town, or post office, state, and Zip code of contact
   - Englewood, CO 80112

8. Date of action
   - 11/4/16

9. Classification and description
   - Redeemptive Exchange of Common Stock

10. CUSIP number
    - 53071M856

11. Serial number(s)
    - LVNTA

12. Ticker symbol
    - LVNTA

13. Account number(s)
    - LVNTA

**Part II  Organizational Action**

14. Organizational Action
    - Attach additional statements if needed. See back of form for additional questions.

15. Description of the organizational action:
    - On November 4, 2016, Liberty Interactive Corporation redeemed 0.4 of each outstanding share of its Series A Liberty Ventures Common Stock ("LVNTA") held as of the redemption date for 0.4 of a share of Liberty Expedia Holdings, Inc. Series A Common Stock ("LEXEA"). 0.6 of each share of LVNTA remained outstanding. Cash was paid in lieu of fractional shares.

16. Description of the quantitative effect of the organizational action:
    - 40% of the tax basis of a LVNTA share held prior to the split-off is allocated to the 0.4 LEXEA share. 60% of the tax basis of a LVNTA share held prior to the split-off is allocated to the 0.6 LVNTA shares retained after the split-off. Each shareholder should consider their own individual circumstances and consult a tax advisor.

17. Description of the calculation of the change in basis:
    - Shares | Percent
      - LVNTA | 0.6 | 60%
      - LEXEA | 0.4 | 40%
      - 1.0 | 100%

For Paperwork Reduction Act Notice, see the separate Instructions.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based. ▶ THE SPLIT-OFF IS INTENDED TO QUALIFY AS A TAX-FREE EXCHANGE UNDER IRC SECTIONS 355 AND 368(a)(1)(D).

18 Can any resulting loss be recognized? ▶ IF A STOCKHOLDER RECEIVES CASH IN LIEU OF A FRACTIONAL SHARE OF LEXEA OR LVNTA, THE STOCKHOLDER WILL BE TREATED AS RECEIVING SUCH FRACTIONAL SHARE AND THEN SELLING SUCH FRACTIONAL SHARE FOR THE AMOUNT OF CASH RECEIVED. SUCH SALE MAY RESULT IN THE RECOGNITION OF LOSS IF THE BASIS OF SUCH FRACTIONAL SHARE EXCEEDS THE AMOUNT OF CASH RECEIVED IN RESPECT OF SUCH FRACTIONAL SHARE, WHICH LOSS WILL BE CAPITAL LOSS IF SUCH FRACTIONAL SHARE WOULD BE A CAPITAL ASSET. OTHERWISE, NO LOSS MAY BE RECOGNIZED IN CONNECTION WITH THE EXCHANGE.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year. ▶ THE REPORTABLE TAX YEAR IS THE CALENDAR YEAR ENDING DECEMBER 31, 2016.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶

Date ▶ 11/18/16

Print your name ▶ TY KEARNS

Title ▶ VICE PRESIDENT