

BASIS ALLOCATION FOR LIBERTY MEDIA CORPORATION ("LMC") AND DISCOVERY HOLDING COMPANY ("DHC") COMMON STOCK

Record date for spin off 15-Jul-05

Record date for the distribution 21-Jul-05

First trading date 21-Jul-05

DHC Class A Common Each share of LMC Class A Common Stock held on the record date for the distribution will receive .10 of a share of DHC Class A Common Stock.

DHC Class B Common Each share of LMC Class B Common Stock held on the record date for the distribution will receive .10 of a share of DHC Class B Common Stock.

July 21, 2005 Trading Activity

	Hi	Lo	Average
LMC Series A	8.64	8.46	8.55
LMC Series B	10.15	8.8	9.475
DHC Series A	15.1	14.2	14.65
DHC Series B	15.25	15	15.125

Basis Allocation

	Average	Shares	Total	Percent
LMC Series A	8.55	1	8.55	85.37%
DHC Series A	14.65	0.1	1.465	14.63%
LMC Series B	9.475	1	9.475	86.23%
DHC Series B	15.125	0.1	1.5125	13.77%

This information is intended only as guidance to assist you in your tax calculations. Please be sure to check with your own tax advisor as to the particular tax consequences to you of the LBTY and DHC distributions.