

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON AUGUST 11, 1994

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13E-3

Rule 13e-3 Transaction Statement (Pursuant to Section
13(e) of the Securities Exchange Act of 1934)

QVC, INC.
(Name of Issuer)

QVC, INC.
QVC PROGRAMMING HOLDINGS, INC.
COMCAST CORPORATION
TELE-COMMUNICATIONS, INC.
(Name of Person(s) Filing Statement)

COMMON STOCK, \$.01 PAR VALUE

(Title of Class of Securities)

747262 10 3

(CUSIP Number of Class of Securities)

NEAL S. GRABELL
QVC, INC.
1365 ENTERPRISE DRIVE
WEST CHESTER, PA 19380
(610) 430-1000

STANLEY L. WANG
COMCAST CORPORATION
1500 MARKET STREET
PHILADELPHIA, PA 19102
(215) 981-7510

STEPHEN M. BRETT
TELE-COMMUNICATIONS, INC.
5619 DTC PARKWAY
ENGLEWOOD, CO 80111
(303) 267-5500

(Name, Address and Telephone Number of Persons Authorized to Receive Notices
and Communications on Behalf of Person(s) Filing Statement)

Copies to:

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51 WEST 52ND STREET
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885 THIRD AVENUE
NEW YORK, NY 10022
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AUGUST 11, 1994

(Date Tender Offer First Published, Sent, or Given to Securityholders)

This Rule 13E-3 Transaction Statement (the "Statement") relates to a tender offer by QVC Programming Holdings, Inc., a Delaware corporation (the "Purchaser") to be wholly owned by Comcast Corporation, a Pennsylvania corporation ("Comcast") and Liberty Media Corporation, a Delaware corporation ("Liberty" and, together with Comcast the "Parent Purchasers") and a wholly-owned subsidiary of Tele-Communications, Inc. ("TCI") to purchase all outstanding shares (the "Shares") of Common Stock, \$.01 par value per share (the "Common Stock") and Series B Preferred Stock and Series C Preferred Stock, each \$.10 par value per share (together, the "Preferred Stock"), of QVC, Inc., a Delaware corporation (the "Company"), at \$46 per share of Common Stock and \$460 per share of Preferred Stock, net to the seller in cash without interest thereon, on the terms and subject to the conditions set forth in the Purchaser's Offer to Purchase dated August 11, 1994 (the "Offer to Purchase"), and the related Letter of Transmittal (which together constitute the "Offer"). The Offer is being made pursuant to an Agreement and Plan of Merger dated as of August 4, 1994 (the "Merger Agreement"), which provides, among other things, that as promptly as practicable after the satisfaction or, if permissible, waiver of the conditions set forth therein, a wholly-owned subsidiary of the Purchaser will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation, and outstanding Shares will be converted into rights to receive \$46 (in the case of shares of Common Stock) or \$460 (in the case of shares of Preferred Stock) in cash or any higher price that may be paid per share of Common Stock or Preferred Stock, as the case may be, in the Offer. Copies of the Offer to Purchase and the related Letter of Transmittal are filed by the Purchaser as Exhibits (a)(1) and (a)(2), respectively, to the Schedule 14D-1 (the "Schedule 14D-1") which was filed by the Purchaser, Comcast and TCI with the Securities and Exchange Commission (the "Commission") contemporaneously with this Statement.

This Statement is being filed jointly by the Company, the Purchaser, Comcast and TCI. By filing this Schedule 13E-3, none of the joint signatories concedes that Rule 13e-3 under the Securities Exchange Act of 1934 is applicable to the Offer, the Merger or other transactions contemplated by the Merger Agreement.

The cross reference sheet below is being supplied pursuant to General Instruction F to Schedule 13E-3 and shows the location in the Schedule 14D-1 of the information required to be included in response to the items of this Statement. The information in the Schedule 14D-1, including all Exhibits thereto, is hereby expressly incorporated herein by reference and the responses to each item in this Statement are qualified in their entirety by the information contained in the Schedule 14D-1.

CROSS REFERENCE SHEET

WHERE LOCATED IN
ITEM IN SCHEDULE 13E-3

WHERE LOCATED IN
SCHEDULE 14D-1

Item 1(a).....	Item 1(a)
Item 1(b).....	1(b)-(c)
Item 1(c).....	1(c)
Item 1(d)-(f).....	*
Item 2.....	Item 2
Item 3(a).....	Item 3(a)-(b)
Item 3(b).....	*
Item 4.....	*
Item 5(a)-(f).....	Item 5
Item 5(g).....	*
Item 6(a).....	Item 4(a)
Item 6(b).....	*
Item 6(c).....	Item 4(b)
Item 6(d).....	**
Item 7(a).....	Item 5
Item 7(b)-(d).....	*
Item 8.....	*
Item 9.....	*
Item 10.....	Item 6
Item 11.....	Item 7
Item 12.....	*
Item 13(a).....	*
Item 13(b)-(c).....	**
Item 14.....	*
Item 15(a).....	*
Item 15(b).....	Item 8
Item 16.....	Item 10(f)
Item 17(a).....	**
Item 17(b).....	*
Item 17(c).....	Item 11(c)
Item 17(d).....	Item 11(a)
Item 17(e).....	*
Item 17(f).....	**

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** The information requested by this Item is not required to be included in the Schedule 14D-1.

** The Item is inapplicable or the answer thereto is in the negative.

ITEM 1. ISSUER AND CLASS OF SECURITIES SUBJECT TO THE TRANSACTION.

(a) The answer to Item 1(a) of the Schedule 14D-1 is incorporated herein by reference.

(b) The answers to Items 1(b) and 1(c) of the Schedule 14D-1 are incorporated herein by reference.

(c) The answer to Item 1(c) of the Schedule 14D-1 is incorporated herein by reference.

(d)-(e) The information set forth under "Special Factors -- Interests of Certain Persons in the Transaction", "The Tender Offer -- 5. Price Range of Shares; Dividends" in the Offer to Purchase is incorporated herein by reference.

(f) The information set forth under "Special Factors -- Interests of Certain Persons in the Transaction" in the Offer to Purchase is incorporated herein by reference.

ITEM 2. IDENTITY AND BACKGROUND.

The answer to Item 2 of the Schedule 14D-1 is incorporated herein by reference. One of the persons filing this statement is the issuer of the class of equity securities which is the subject of the Rule 13e-3 transaction.

ITEM 3. PAST CONTACTS, TRANSACTIONS OR NEGOTIATIONS.

(a) The answer to Item 3(a)-(b) of the Schedule 14D-1 is incorporated herein by reference.

(b) The information set forth under "Introduction", "Special Factors -- Background of the Transaction", "-- Purpose of the Transaction" and "The Tender Offer -- 7. Certain Information Concerning the Purchaser and Parent Purchasers" in the Offer to Purchase is incorporated herein by reference.

ITEM 4. TERMS OF THE TRANSACTION.

(a) The information set forth under "Introduction", "Special Factors -- The Merger Agreement", "-- The Merger Agreement", "-- Dissenters Rights", "-- Certain Effects of the Transaction", "The Tender Offer -- 1. Terms of the Offer", "-- 2. Acceptance for Payment and Payment", "-- 3. Procedure for Tendering Shares", "-- 4. Withdrawal Rights" and "-- 10. Certain Conditions of the Offer" in the Offer to Purchase is incorporated herein by reference.

(b) The information set forth under "Introduction", "Special Factors -- Background of the Transaction", "-- Fairness of the Transaction", "-- Interests of Certain Persons in the Transaction", "-- The Merger Agreement", "-- Dissenters Rights", "-- Certain Tax Consequences" and "-- Certain Effects of the Transaction" in the Offer to Purchase is incorporated herein by reference.

ITEM 5. PLANS OR PROPOSALS OF THE ISSUER OR AFFILIATE.

(a)-(g) The answer to Item 5 of the Schedule 14D-1 is incorporated herein by reference.

ITEM 6. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) The answer to Item 4(a)-(b) of the Schedule 14D-1 is incorporated herein by reference.

(b) The information set forth under "The Tender Offer -- 12. Fees and Expenses" in the Offer to Purchase is incorporated herein by reference.

(c) The answer to Item 4(a)-(b) of the Schedule 14D-1 is incorporated herein by reference.

(d) Not applicable.

ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS.

(a) The answer to Item 5 of the Schedule 14D-1 is incorporated herein by reference.

(b)-(c) The information set forth under "Special Factors -- Background of the Transaction" and "-- Purpose of the Transaction" in the Offer to Purchase is incorporated herein by reference.

(d) The information set forth under "Special Factors -- Certain Tax Consequences" and "-- Certain Effects of the Transaction" in the Offer to Purchase is incorporated herein by reference.

ITEM 8. FAIRNESS OF THE TRANSACTION.

(a)-(b) The information set forth under "Special Factors -- Fairness of the Transaction" and "-- Opinions and Reports of Financial Advisors" in the Offer to Purchase is incorporated herein by reference.

(c)-(d) The information set forth under "Introduction" and "Special Factors -- Fairness of the Transaction" in the Offer to Purchase is incorporated herein by reference.

(e) The information set forth under "Introduction" and "Special Factors -- Fairness of the Transaction" in the Offer to Purchase is incorporated herein by reference.

(f) Not applicable.

ITEM 9. REPORTS, OPINIONS, APPRAISALS AND CERTAIN NEGOTIATIONS.

(a)-(c) The information set forth under "Special Factors -- Background of the Transaction", "-- Fairness of the Transaction", "-- Opinions and Reports of Financial Advisors" and "-- Interests of Certain Persons in the Transaction" in the Offer to Purchase is incorporated herein by reference.

ITEM 10. INTEREST IN SECURITIES OF THE ISSUER.

(a)-(b) The answer to Item 6 of the Schedule 14D-1 is incorporated herein by reference. The information set forth under "The Tender Offer -- 6. Certain Information Concerning the Company" in, and in Schedule I to, the Offer to Purchase is also incorporated herein by reference.

ITEM 11. CONTRACTS, ARRANGEMENTS OR UNDERSTANDINGS WITH RESPECT TO THE ISSUER'S SECURITIES.

The answer to Item 7 of the Schedule 14D-1 is incorporated herein by reference.

ITEM 12. PRESENT INTENTION AND RECOMMENDATION OF CERTAIN PERSONS WITH REGARD TO THE TRANSACTION.

(a) The information set forth under "Introduction" and "Special Factors -- Interests of Certain Persons in the Transaction" in the Offer to Purchase is incorporated herein by reference.

(b) The information set forth under "Introduction", "Special Factors -- Fairness of the Transaction" and "-- Opinions and Reports of Financial Advisors" in the Offer to Purchase is incorporated herein by reference.

ITEM 13. OTHER PROVISIONS OF THE TRANSACTION.

(a) The information set forth in "Special Factors -- Dissenters Rights" in the Offer to Purchase is incorporated herein by reference.

(b) Not applicable.

(c) Not applicable.

ITEM 14. FINANCIAL INFORMATION.

The information set forth under "The Tender Offer -- 6. Certain Information Concerning the Company" in, and in Annex C to, the Offer to Purchase is incorporated herein by reference.

ITEM 15. PERSONS AND ASSETS EMPLOYED, RETAINED OR UTILIZED.

(a) The information set forth under "Special Factors -- Plans for the Company After the Merger" in the Offer to Purchase is incorporated herein by reference.

(b) The answer to Item 8 of the Schedule 14D-1 is incorporated herein by reference.

ITEM 16. ADDITIONAL INFORMATION.

The answer to Item 10(f) of the Schedule 14D-1 is incorporated herein by reference.

ITEM 17. MATERIAL TO BE FILED AS EXHIBITS.

- (a) -- Not applicable.
- (b) (1) -- Report of Lazard Freres & Co. dated July 12, 1994.
- (b) (2) -- Opinion of Lazard Freres & Co. dated July 12, 1994.
- (b) (3) -- Opinion of Lazard Freres & Co. dated August 4, 1994.
- (b) (4) -- Opinion of Allen & Company Incorporated dated August 4, 1994 (set forth as Annex A to the Offer to Purchase).
- (b) (5) -- Report of Allen & Company Incorporated dated August 4, 1994.
- (c) (1) -- Joint Filing Agreement pursuant to Rule 13d-1(f), dated December 1, 1992 between Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation, in respect of Common Stock of the Company, dated December 2, 1992)
- (c) (2) -- Participation Agreement, dated as of December 1, 1992 among Comcast Corporation, Comcast Financial Corporation, Comcast Cable Communications, Inc., Comcast Cablevision of Maryland Limited Partnership, Comcast Cable Investors L.P., Comcast Cablevision of Indiana L.P., Liberty Media Corporation and Liberty Program Investments, Inc. (Incorporated by reference to Exhibit 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation, in respect of Common Stock of the Company, dated December 2, 1992)
- (c) (3) -- Joint Filing Agreement pursuant to Rule 13d-1(f), dated December 15, 1992, among Comcast Corporation, Liberty Media Corporation and Barry Diller (Incorporated by reference to Exhibit 3 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992)
- (c) (4) -- Summary Term Sheet, dated December 9, 1992, agreed to in principle by Comcast Corporation, Liberty Media Corporation and Barry Diller (Incorporated by reference to Exhibit 7 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992)
- (c) (5) -- Stock Purchase Agreement, dated December 9, 1992, between Barry Diller and Liberty Media Corporation (Incorporated by reference to Exhibit 8 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992)
- (c) (6) -- Letter, dated December 23, 1992, from William F. Costello, Executive Vice President and Chief Financial Officer of the Company, to Peter R. Barton, President of Liberty Program Investments, Inc. (Incorporated by reference to Exhibit 9 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993)

- (c) (7) -- Letter, dated December 23, 1992, from William F. Costello, Executive Vice President and Chief Financial Officer of the Company, to Peter R. Barton, President of Liberty (Incorporated by reference to Exhibit 10 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993)
- (c) (8) -- Letter, dated December 28, 1992, from Neal S. Grabell, Senior Vice President and General Counsel of the Company, to Vivian Carr, Assistant Secretary of Liberty (Incorporated by reference to Exhibit 11 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993)
- (c) (9) -- Letter, dated July 12, 1993, from Liberty Media Corporation to the Board of Directors of the Company (Incorporated by reference to Exhibit 14 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993)
- (c) (10) -- Equity Compensation Agreement dated as of December 9, 1992 by and among the Company, Diller and Arrow (Incorporated by reference to Exhibit 15 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993)
- (c) (11) -- Stockholders Agreement, dated July 16, 1993, among Liberty Media Corporation, Comcast Corporation, Barry Diller and certain affiliates and subsidiaries of such parties (Incorporated by reference to Exhibit 16 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993)
- (c) (12) -- Preliminary term sheet for Series E Cumulative Convertible Exchangeable Preferred Stock (Incorporated by reference to Exhibit 19 to Amendment No. 4 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 3 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated September 21, 1993)
- (c) (13) -- Letter agreement dated October 15, 1993, among QVC Network, Inc., Comcast Corporation, Liberty Media Corporation, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 20 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993)
- (c) (14) -- Agreement dated October 15, 1993, among Comcast Corporation, Liberty Media Corporation, Barry Diller, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 21 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993)
- (c) (15) -- Term Sheet for Convertible Exchangeable Preferred Stock of QVC Network, Inc. (Incorporated by reference to Exhibit 22 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993)

- (c) (16) -- Letter dated November 11, 1993, from QVC Network, Inc. to Comcast Corporation, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 24 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (17) -- Agreement dated November 11, 1993, between QVC Network, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 25 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (18) -- Memorandum of Understanding dated November 11, 1993, between BellSouth Corporation and QVC Network, Inc. (Incorporated by reference to Exhibit 26 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of the Common Stock of the Company, dated November 16, 1993)
- (c) (19) -- Understanding Among Stockholders dated November 11, 1993, among BellSouth Corporation, Comcast Corporation, Liberty Media Corporation and Arrow Investments, L.P. (Incorporated by reference to Exhibit 27 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (20) -- Agreement Among Stockholders dated November 11, 1993, among BellSouth Corporation, Comcast Corporation, Arrow Investments, L.P., Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 28 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (21) -- Agreement containing Consent Order dated November 11, 1993, among the Bureau of Competition of the Federal Trade Commission, Tele-Communications, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 33 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (22) -- Interim Agreement dated November 11, 1993, among the Federal Trade Commission, Tele-Communications, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 34 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993)
- (c) (23) -- Voting Agreement dated December 22, 1993 by BellSouth Corporation, Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., and Arrow Investments, L.P. (Incorporated by reference to Exhibit 35 to Amendment No. 8 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 7 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 29, 1993)
- (c) (24) -- Letter Agreement dated as of December 20, 1993 among QVC Network, Inc., Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., and BellSouth Corporation (Incorporated by reference to Exhibit 36 to Amendment No. 8 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 7 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 29, 1993)

- (c) (25) -- Letter Agreement dated as of February 1, 1994, among Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., BellSouth Corporation and QVC Network, Inc. (Incorporated by reference to Exhibit 37 to Amendment No. 9 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 8 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated February 3, 1994)
- (c) (26) -- Stock Option Agreement dated as of February 15, 1994, among QVC Network, Inc., BellSouth Corporation, Cox Enterprises, Inc. and Advance Publications, Inc. (including exhibits) (Incorporated by reference to Exhibit 40 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994)
- (c) (27) -- Acknowledgement and Agreement dated as of February 15, 1994, by Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 41 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994)
- (c) (28) -- Letter Agreement dated as of February 15, 1994, among Comcast Corporation, BellSouth Corporation, Advance Publications, Inc., Arrow Investments, L.P., Cox Enterprises, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 42 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994)
- (c) (29) -- Letter Agreement dated as of February 15, 1994, among BellSouth Corporation, Liberty Media Corporation, Comcast Corporation and Arrow Investments, L.P. (Incorporated by reference to Exhibit 43 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994)
- (c) (30) -- Letter dated July 12, 1994 of Comcast Corporation to Barry Diller, Chairman and Chief Executive Officer of QVC, Inc. (Included under "Special Factors -- Background of the Transaction" in Exhibit (d) (1) hereto)
- (c) (31) -- Letter Agreement dated July 21, 1994 between Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 46 to Amendment No. 20 to the Schedule 13D filed by Comcast Corporation, in respect of Common Stock of the Company, dated July 22, 1994)
- (c) (32) -- Agreement and Plan of Merger, dated as of August 4, 1994, among QVC, Inc., Comcast Corporation, Liberty Media Corporation and Comcast QMerger, Inc.*
- (c) (33) -- Letter Agreement, dated as of August 4, 1994, among Comcast Corporation, Liberty Media Corporation and Tele-Communications, Inc. (Incorporated by reference to Exhibit 48 to Amendment No. 21 to Schedule 13D filed by Comcast Corporation, in respect of Common Stock of the Company, dated August 8, 1994)
- (c) (34) -- Letter Agreement, dated as of August 4, 1994, Comcast Corporation, Arrow Investments, L.P. and Barry Diller (Incorporated by reference to Exhibit 50 to Amendment No. 21 to Schedule 13D filed by Comcast Corporation, in respect of Common Stock of the Company, dated August 8, 1994)
- (d) (1) -- Offer to Purchase, dated August 11, 1994*
- (d) (2) -- Form of Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9)*
- (d) (3) -- Form of Notice of Guaranteed Delivery and Guarantee*
- (d) (4) -- Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees*
- (d) (5) -- Form of Letter to Clients from Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees*

- (d) (6) -- Text of press release issued by Comcast Corporation, Liberty Media Corporation and QVC, Inc. dated August 4, 1994*
- (d) (7) -- Form of summary advertisement dated August 11, 1994*
- (d) (8) -- Accountants' consent relating to the inclusion of certain financial statements of QVC, Inc. in Annex C to the Offer to Purchase.
- (e) -- Section 262 of the Delaware General Corporation Law (set forth as Annex B to the Offer to Purchase).
- (f) -- Not applicable.

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* Incorporated by reference to the Schedule 14D-1.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 11, 1994

QVC, INC.

By: /s/ NEAL S. GRABELL

.....
Name: Neal S. Grabell
Title: Senior Vice President,
General Counsel
and Corporate Secretary

QVC PROGRAMMING HOLDINGS, INC.

By: /s/ JULIAN A. BRODSKY

.....
Name: Julian A. Brodsky
Title: Vice Chairman

COMCAST CORPORATION

By: /s/ JULIAN A. BRODSKY

.....
Name: Julian A. Brodsky
Title: Vice Chairman

TELE-COMMUNICATIONS, INC.

By: /s/ STEPHEN M. BRETT

.....
Name: Stephen M. Brett
Title: Executive Vice President

EXHIBIT INDEX

EXHIBIT NUMBER		DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
(a)	--	Not applicable.	
(b) (1)	--	Report of Lazard Freres & Co. dated July 12, 1994.....	
(b) (2)	--	Opinion of Lazard Freres & Co. dated July 12, 1994.....	
(b) (3)	--	Opinion of Lazard Freres & Co. dated August 4, 1994.....	
(b) (4)	--	Opinion of Allen & Company Incorporated dated August 4, 1994 (set forth as Annex A to the Offer to Purchase)	
(b) (5)	--	Report of Allen & Company Incorporated dated August 4, 1994	
(c) (1)	--	Joint Filing Agreement pursuant to Rule 13d-1(f), dated December 1, 1992 between Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation, in respect of Common Stock of the Company, dated December 2, 1992).....	
(c) (2)	--	Participation Agreement, dated as of December 1, 1992 among Comcast Corporation, Comcast Financial Corporation, Comcast Cable Communications, Inc., Comcast Cablevision of Maryland Limited Partnership, Comcast Cable Investors L.P., Comcast Cablevision of Indiana L.P., Liberty Media Corporation and Liberty Program Investments, Inc. (Incorporated by reference to Exhibit 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation, in respect of Common Stock of the Company, dated December 2, 1992).....	
(c) (3)	--	Joint Filing Agreement pursuant to Rule 13d-1(f), dated December 15, 1992, among Comcast Corporation, Liberty Media Corporation and Barry Diller (Incorporated by reference to Exhibit 3 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992).....	
(c) (4)	--	Summary Term Sheet, dated December 9, 1992, agreed to in principle by Comcast Corporation, Liberty Media Corporation and Barry Diller (Incorporated by reference to Exhibit 7 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992)...	
(c) (5)	--	Stock Purchase Agreement, dated December 9, 1992, between Barry Diller and Liberty Media Corporation (Incorporated by reference to Exhibit 8 to Amendment No. 1 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and the original Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 15, 1992).....	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
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(c) (6)	-- Letter, dated December 23, 1992, from William F. Costello, Executive Vice President and Chief Financial Officer of the Company, to Peter R. Barton, President of Liberty Program Investments, Inc. (Incorporated by reference to Exhibit 9 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993).....	
(c) (7)	-- Letter, dated December 23, 1992, from William F. Costello, Executive Vice President and Chief Financial Officer of the Company, to Peter R. Barton, President of Liberty (Incorporated by reference to Exhibit 10 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993).....	
(c) (8)	-- Letter, dated December 28, 1992, from Neal S. Grabell, Senior Vice President and General Counsel of the Company, to Vivian Carr, Assistant Secretary of Liberty (Incorporated by reference to Exhibit 11 to Amendment No. 2 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 1 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated January 7, 1993).....	
(c) (9)	-- Letter, dated July 12, 1993, from Liberty Media Corporation to the Board of Directors of the Company (Incorporated by reference to Exhibit 14 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993).....	
(c) (10)	-- Equity Compensation Agreement dated as of December 9, 1992 by and among the Company, Diller and Arrow (Incorporated by reference to Exhibit 15 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993).....	
(c) (11)	-- Stockholders Agreement, dated July 16, 1993, among Liberty, Comcast, Barry Diller and certain affiliates and subsidiaries of such parties (Incorporated by reference to Exhibit 16 to Amendment No. 3 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 2 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated July 19, 1993).....	
(c) (12)	-- Preliminary term sheet for Series E Cumulative Convertible Exchangeable Preferred Stock (Incorporated by reference to Exhibit 19 to Amendment No. 4 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 3 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated September 21, 1993).....	
(c) (13)	-- Letter agreement dated October 15, 1993, among QVC Network, Inc., Comcast Corporation, Liberty Media Corporation, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 20 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993).....	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
-----	-----	-----
(c) (14)	-- Agreement dated October 15, 1993, among Comcast Corporation, Liberty Media Corporation, Barry Diller, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 21 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993).....	
(c) (15)	-- Term Sheet for Convertible Exchangeable Preferred Stock of QVC Network, Inc. (Incorporated by reference to Exhibit 22 to Amendment No. 6 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 5 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated October 18, 1993).....	
(c) (16)	-- Letter dated November 11, 1993, from QVC Network, Inc. to Comcast Corporation, Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 24 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (17)	-- Agreement dated November 11, 1993, between QVC Network, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 25 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (18)	-- Memorandum of Understanding dated November 11, 1993, between BellSouth Corporation and QVC Network, Inc. (Incorporated by reference to Exhibit 26 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (19)	-- Understanding Among Stockholders dated November 11, 1993, among BellSouth Corporation, Comcast Corporation, Liberty Media Corporation and Arrow Investments, L.P. (Incorporated by reference to Exhibit 27 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (20)	-- Agreement Among Stockholders dated November 11, 1993, among BellSouth Corporation, Comcast Corporation, Arrow Investments, L.P., Advance Publications, Inc. and Cox Enterprises, Inc. (Incorporated by reference to Exhibit 28 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
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(c) (21)	-- Agreement containing Consent Order dated November 11, 1993, among the Bureau of Competition of the Federal Trade Commission, Tele-Communications, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 33 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (22)	-- Interim Agreement dated November 11, 1993, among the Federal Trade Commission, Tele-Communications, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 34 to Amendment No. 7 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 6 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated November 16, 1993).....	
(c) (23)	-- Voting Agreement dated December 22, 1993 by BellSouth Corporation, Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., and Arrow Investments, L.P. (Incorporated by reference to Exhibit 35 to Amendment No. 8 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 7 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 29, 1993).....	
(c) (24)	-- Letter Agreement dated as of December 20, 1993 among QVC Network, Inc., Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., and BellSouth Corporation (Incorporated by reference to Exhibit 36 to Amendment No. 8 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 7 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated December 29, 1993).....	
(c) (25)	-- Letter Agreement dated as of February 1, 1994, among Comcast Corporation, Cox Enterprises, Inc., Advance Publications, Inc., BellSouth Corporation and QVC Network, Inc. (Incorporated by reference to Exhibit 37 to Amendment No. 9 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 8 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated February 3, 1994).....	
(c) (26)	-- Stock Option Agreement dated as of February 15, 1994, among QVC Network, Inc., BellSouth Corporation, Cox Enterprises, Inc. and Advance Publications, Inc. (including exhibits) (Incorporated by reference to Exhibit 40 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994).....	
(c) (27)	-- Acknowledgement and Agreement dated as of February 15, 1994, by Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 41 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994).....	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
-----	-----	-----
(c) (28)	-- Letter Agreement dated as of February 15, 1994, among Comcast Corporation, BellSouth Corporation, Advance Publications, Inc., Arrow Investments, L.P., Cox Enterprises, Inc. and Liberty Media Corporation (Incorporated by reference to Exhibit 42 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994).....	
(c) (29)	-- Letter Agreement dated as of February 15, 1994, among BellSouth Corporation, Liberty Media Corporation, Comcast Corporation and Arrow Investments, L.P. (Incorporated by reference to Exhibit 43 to Amendment No. 11 to the Schedule 13D filed by Comcast Corporation and Liberty Media Corporation and Amendment No. 10 to Schedule 13D filed by Barry Diller, in respect of Common Stock of the Company, dated April 28, 1994).....	
(c) (30)	-- Letter dated July 12, 1994 of Comcast Corporation to Barry Diller, Chairman and Chief Executive Officer of QVC, Inc. (Included under "Special Factors -- Background of the Transaction" in Exhibit (d) (1) hereto).....	
(c) (31)	-- Letter Agreement dated July 21, 1994 between Comcast Corporation and Liberty Media Corporation (Incorporated by reference to Exhibit 46 to Amendment No. 20 to the Schedule 13D filed by Comcast Corporation, in respect of the Company, dated July 22, 1994).....	
(c) (32)	-- Agreement and Plan of Merger, dated as of August 4, 1994, among QVC, Inc., Comcast Corporation, Liberty Media Corporation and Comcast QMerger, Inc.*.....	
(c) (33)	-- Letter Agreement, dated as of August 4, 1994, among Comcast Corporation, Liberty Media Corporation and Tele-Communications, Inc. (Incorporated by reference to Exhibit 48 to Amendment No. 21 to Schedule 13D filed by Comcast, in respect of Common Stock of the Company, dated August 8, 1994).....	
(c) (34)	-- Letter Agreement, dated as of August 4, 1994, among Comcast Corporation, Arrow Investments, L.P. and Barry Diller (Incorporated by reference to Exhibit 50 to Amendment No. 21 to Schedule 13D filed by Comcast Corporation, in respect of Common Stock of the Company, dated August 8, 1994).....	
(d) (1)	-- Offer to Purchase, dated August 11, 1994*.....	
(d) (2)	-- Form of Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9)*.....	
(d) (3)	-- Form of Notice of Guaranteed Delivery and Guarantee*.....	
(d) (4)	-- Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees*.....	
(d) (5)	-- Form of Letter to Clients from Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees*.....	
(d) (6)	-- Text of press release issued by Comcast Corporation, Liberty Media Corporation and the Company dated August 4, 1994*.....	
(d) (7)	-- Form of summary advertisement dated August 11, 1994*.....	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
(d) (8)	-- Accountants' consent relating to the inclusion of certain financial statements of QVC, Inc. in Annex C to the Offer to Purchase.....	
(e)	-- Section 262 of the Delaware General Corporation Law (set forth as Annex B to the Offer to Purchase).....	
(f)	-- Not applicable.	

* Incorporated by reference to the 14D-1.

PROJECT QUICK

PRESENTATION TO THE BOARD OF DIRECTORS

JULY 12, 1994

Lazard Freres & Co.

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I. Executive Summary

Comcast is planning to propose to acquire all shares of QVC which Comcast does not already own for a consideration of \$45.00 per share consisting of \$38.00 per share in cash and \$7.00 per share in a newly formed class of Comcast Convertible Exchangeable Preferred Stock. This Preferred would have a 7.5% annual dividend and would be convertible into Class A Special Common Stock at a conversion price of \$21.00 per share.

QVC's stock price as of 1:15 p.m. today was \$35.125. The \$45.00 price represents a 28% premium to this price (and a 39% premium to QVC's stock price the day prior to the announcement of the CBS deal).

The total amount of funds required to complete the QVC transaction is approximately \$1.9 billion, of which \$274 million would be Convertible Preferred.

The board meetings for both QVC and CBS to approve their proposed merger are scheduled for Wednesday, July 13. Comcast's acquisition proposal would be delivered and publicly disclosed after the close of business today, subject to the approval of the Comcast board of directors.

II. Transaction Structure

Consideration

Consideration Summary:

	Per Share	Aggregate	%
Cash	\$38.00	\$1,489	84.4%
Convertible Preferred	7.00	274	15.6%
Total	\$45.00	\$1,764	100.0%

Shares purchased:

Public	23.873
Liberty	10.256
Time Warner	4.062
Barry Diller	1.000
Total (1)	39.191

(1) Assumes 8.027 MM options are cancelled for cash on a net basis.
 Note: Total transaction value including Comcast's 8.628 MM shares is approximately \$2.2 billion.

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II. Transaction Structure (cont'd)

Sources/Uses

Sources:		Uses:	
-----		-----	
From QVC:		Total Cash:	
New QVC Bank Debt	\$ 950	\$38.00 of Cash per QVC share	\$ 1,489
New QVC Senior Subordinated Debt	200	Cancellation of options	90
	-----	Fees and expenses	46

Total QVC Sources:	1,150	Total Cash Uses:	1,625
From Comcast:			
New Comcast Borrowing/Cash	475		
Convertible Preferred (1)	274	\$7.00 of Convertible Preferred per QVC share	274
	---		---
Total Comcast Sources:	750		

Total Sources:	\$ 1,900	Total Uses:	\$ 1,900
	-----		-----

(1) Issuable shares: 13.1 million at \$21.00 per Share.

II. Transaction Structure (cont'd)

Cash/Debt Balances

	Estimated 12/31/94			1994 Operating Cash Flow	Net Debt/ OCF	Value of Investment Portfolio
	Cash	Debt	Net Debt			
Comcast Standalone	\$ 434	\$4,234	\$3,800	\$600	6.33x	\$1,736
Maclean Hunter	(500)	800	1,300	120	-	-
Heritage Stake	275	-	(275)	-	-	(275)
Pro Forma Before QVC	209	5,034	4,825	720	6.70x	1,461
QVC	(475)	1,150	1,625	193	-	(281)
Pro Forma with QVC	\$ (266)	\$6,184	\$6,450	\$913	7.07x	\$1,180

Potential Sources for \$475 Shortfall:

- Partners for Maclean Hunter
- Partners for QVC
- Asset Sales:
 - Nextel
 - Cable Assets
- Potential Tax Free Deal with Liberty and/or Time Warner

 III. Analysis of CBS Deal

Overview

- - On July 30, CBS and QVC announced they were close to a merger.
- - CBS/QVC merger details:

Per Share Consideration to CBS and QVC Based on Current
 CBS Share Price of \$300.00

Implied Trading Level of CBS (Newco): \$311.80

CBS Shareholders Receive

Cash Dividend (\$175.00)	\$175.00
Shares of Newco Common (0.4009)	125.00

Total	\$300.00
-------	----------

QVC Shareholders Receive

Shares of Newco Conv. Pref. (0.1931)	\$23.05
Shares of Newco Common (0.0486)	15.15

Total	\$38.20
-------	---------

- - Current Stock prices at 7/11/94:

CBS	\$302.00
QVC	\$35.75

- - Newco Convertible Preferred Terms:

- Face Value	\$100.00
--------------	----------

- Coupon	4.0%
----------	------

- Conversion Price	\$309.69
--------------------	----------

- Number of Newco Common Each Pref. Convertible Into	0.3229
---	--------

- 10-Year Non-Callable

- Exchangeable into Convertible Debt After 5 Years

- - The stock price of QVC has declined 8% to \$35.125, after peaking at \$38.00 the date CBS/QVC deal was announced.

III. Analysis of CBS Deal (cont'd)

Blended Multiple Analysis

Comparable Multiple Values:

	Pre-Merger Multiples		Comp. Co. Multiples	
	CBS	QVC	Cap Cities	News Corp.
1994 EBITDA Multiple	7.0x	7.9x	9.2x	12.1x
Implied Deal Value per CBS Shares	\$ 266	\$ 287	317	384
Implied Deal Value per QVC Shares	31	35	42	52

Blended Multiple Analysis:

	CBS Multiple					
	7.0x	7.0x	7.5x	8.0x	8.5x	9.0x
	7.0x	7.0x	7.4x	7.7x	8.1x	8.5x
	7.5x	7.1	7.5	7.9	8.2	8.6
QVC Multiple	8.0x	7.3	7.6	8.0	8.4	8.7
-----	8.5x	7.4	7.8	8.1	8.5	8.9
	9.0x	7.5	7.9	8.3	8.6	9.0

Implied Deal Value per Existing CBS Share:

	CBS Multiple					
	7.0x	7.0x	7.5x	8.0x	8.5x	9.0x
	7.0x	\$266	\$275	\$283	\$292	\$300
	7.5x	270	278	286	295	303
QVC Multiple	8.0x	273	281	290	298	306
-----	8.5x	276	284	293	301	310
	9.0x	279	287	296	304	313

Implied Deal Value per Existing QVC Share:

	CBS Multiple					
	7.0x	7.0x	7.5x	8.0x	8.5x	9.0x
	7.0x	\$31	\$33	\$35	\$37	\$38
	7.5x	32	34	35	37	39
QVC Multiple	8.0x	32	34	36	38	40
-----	8.5x	33	35	37	38	40
	9.0x	34	36	37	39	41

1994E EBITDA (\$MM) (1)

CBS	\$ 528	73.2%
QVC	\$ 193	26.8%

Newco before Synergies	\$ 721	100.0%
Synergies (2)	3	

Newco after Synergies	\$ 724	

(1) Source: DLJ and Oppenheimer for CBS and QVC, respectively.

(2) Source: Synergies derived from Wachtell.

III. Analysis of CBS Deal(cont'd)

Stock Trading History

QVC and CBS
From 6/28/94 to 7/11/94
2 Week Perspective

Chart III describes the Stock trading history of QVC and CBS from 6/28/94 through 7/11/94. The chart shows that the per Share stock price of QVC ranged from \$32.75 on 6/29/94 and \$38.00 on 6/30/94, and that the Share price of CBS ranged from \$259.00 on 6/28/94 and \$313.00 on 6/30/94, as follows:

Date	QVC Price Per Share	CBS Price Per Share
- - - - -	-----	-----
6/28/94	\$32.750	\$259.000
6/29/94	32.375	263.000
6/30/94	38.000	313.000
7/01/94	37.750	307.000
7/05/94	36.000	310.000
7/06/94	36.000	310.250
7/07/94	37.000	308.500
7/08/94	36.250	303.875
7/11/94	35.750	302.000

IV. Valuation of QVC

OPERATION OVERVIEW

- - Largest television shopping retailer in the world, operating 24 hours per day.
- - Launched in 1986, had 1993 revenues of \$1.2 billion.
- - Reaches 50 million homes in the U.S., representing 80% of all cable television subscribers.
- - In addition to the "Primary Channel", new ventures include:

LAUNCHED IN 1993

- JV with BSKyB for a U.K. shopping channel.
- JV with Grupo Televisa for a shopping channel in Mexico.

TO BE LAUNCHED IN 1994

- Q2 - a more upscale shopping channel broadcasting on weekends.
- onQ - a fashion-oriented shopping channel broadcasting on weekdays and geared toward a younger audience.

TO BE LAUNCHED IN 1994

- Q-online a computer on-line shopping service.

- - SUMMARY FINANCIAL DATA (\$MM):

FISCAL YEAR	1989	1990	1991	1992	1993	1994E
	-----	-----	-----	-----	-----	-----
Revenues	453	776	922	1,071	1,222	1,386
Growth	134.6%	71.2%	18.8%	16.1%	14.2%	13.4%
EBITDA	39	76	131	165	195	193
Margin	8.5%	9.8%	14.2%	15.4%	16.0%	13.9%
Growth	160.8%	96.1%	73.2%	25.6%	18.4%	(1.0%)

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IV. Valuation of QVC (cont'd)

Summary Valuation Results

Unlevered DCF Values per Share:		8.0x EBITDA Exit Multiple		9.0x EBITDA Exit Multiple	
		-----	-----	-----	-----
	Discount Rate:	14.0%	15.0%	14.0%	15.0%
		-----	-----	-----	-----
Revenue Growth:					
10.0%		\$ 38.60	\$ 37.09	\$ 42.25	\$ 40.58
12.5%		47.54	45.66	52.07	50.02
15.0%		57.07	54.82	62.63	60.14
Equity IRR(1):		Leveraged Pre-Tax IRR			

		Purchase Price per Share			

		\$ 40.00	\$ 45.00	\$ 50.00	\$ 55.00
		-----	-----	-----	-----
EBITDA Exit Multiple	8.0x	27.8%	20.8%	15.7%	11.6%
	9.0	31.5%	24.3%	19.0%	14.9%
	10.0	34.8%	27.5%	22.0%	17.8%
	11.0	37.8%	30.3%	24.8%	20.4%

(1) Assumes \$1.1 billion equity investment including the value of QVC shares already owned by Comcast.

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IV. Valuation of QVC (cont'd)

Projections

Summary Projection Assumptions(1)

	1994	1999	CAGR
	-----	-----	-----
- - Revenue			
QVC Homes as % of Cable Television Subscribers	80.3%	80.3%	0.0%
QVC Customers as % of QVC "Homes"	8.4%	9.8%	3.3%
Avg. Annual Revenue per Customer	\$362	\$485	6.0%
- - Expense			
Gross Margin	40.0%	40.0%	
Variable Cost as % of Revenue	14.2%	14.0%	
General and Administrative	--	Increase of \$20MM in 1994 for additional overhead related to launching of Q2/onQ channels and staffing for international joint ventures. Thereafter, G&A increases \$15MM annually.	
- - Credit Card Income	--	0.6% of revenue based on actual prior experience.	
- - Capital Expenditures	--	2% of revenue based on actual prior experience.	
- - Other			
Taxes	--	Tax rate = 42%; however deferred until 1997. Assumes \$80MM of inside basis.	
Q2 Launch	--	\$30MM in carriage fees spent in each of the years 1995 and 1996.	
Joint Ventures	--	Valued at cost of \$50MM in 1999.	
Affiliation Agreements	--	Assumes existing MSO's continue carriage.	

(1) Assumptions prepared by Comcast management based upon publicly available information.

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IV. Valuation of QVC (cont'd)

Projections (cont'd)

Executive Summary

(Amounts in Millions)

	Actual			Estimated 1994	Preliminary Projection	
	1991	1992	1993		1995	1996
Revenue	\$ 922	\$1,071	\$1,222	\$1,386	\$1,565	\$1,762
COGS	535	622	723	832	939	1,057
Gross Margin	387	449	499	555	626	705
Variable	145	160	171	197	219	247
G&A	111	124	133	165	180	195
Operating Cash Flow	\$ 131	\$ 165	\$ 195	\$ 193	\$ 227	\$ 263
Net credit card income	3	6	7	8	9	10
Adjusted Operating Cash Flow	\$ 134	\$ 170	\$ 202	\$ 201	\$ 236	\$ 273
Gross Margin	42.0%	41.9%	40.8%	40.0%	40.0%	40.0%
Operating Cash Flow Margin	14.3%	15.4%	16.0%	13.9%	14.5%	14.9%
Operating Cash Flow Growth		25.3%	18.4%	-1.2%	17.8%	15.9%
Capital Expenditures		\$21	\$25	\$28	\$31	\$35

	Preliminary Projection			Annual Growth		
	1997	1998	1999	91-93	93-94	94-99
Revenue	\$1,978	\$2,215	\$2,478	15.1%	13.4%	12.3%
COGS	1,187	1,329	1,487	16.3%	15.0%	12.3%
Gross Margin	791	886	991	13.5%	11.2%	12.3%
Variable	277	310	347	8.5%	15.0%	12.0%
G&A	210	225	240	9.5%	24.3%	7.8%
Operating Cash Flow	\$ 304	\$ 351	\$ 404	21.8%	-1.2%	16.0%
Net credit card income	11	13	14	55.4%	13.4%	12.3%
Adjusted Operating Cash Flow	\$ 316	\$ 364	\$ 418	22.6%	-0.7%	15.8%
Gross Margin	40.0%	40.0%	40.0%			
Operating Cash Flow Margin	15.4%	15.8%	16.3%			
Operating Cash Flow Growth	15.7%	15.4%	15.2%			
Capital Expenditures	\$40	\$44	\$50			

IV. Valuation of QVC (cont'd)

PROJECTIONS (cont'd)

Cash Flow Summary

(Amounts in Millions)

Operations:				
Operating Cash Flow				
Capital Expenditures				
Working Capital	2 Months			
Losses from Joint Ventures				
Fund Q2 Launch				
Tax Liability (Deferred until 1997)				
Free Cash Flow				
Financing:				
Bank Debt Inc (Dec)	4.4 x Run-rate Adj. OCF	8.50%	950	
Senior Subordinated Notes	0.9 x Run-rate Adj. OCF	11.25%	200	
Interest Expense				
Equity			1,148	
Purchase Price: X Run-rate Adj. OCF	10.3	\$45.00	(2,242)	
Transaction Fees			(46)	
Ending Working Capital			\$ 10	
Capitalization:				
Bank Debt			\$ 950	
Senior Subordinated Notes			200	
Total Debt			1,150	
Equity			1,148	
Total Capitalization			\$ 2,298	
Bank Debt to Operating Cash Flow			4.9	
Total Debt to Operating Cash Flow			6.0	
Interest Coverage (OCF/Int Exp)				
Debt Service Coverage (OCF/Int+Debt Serv)				
Annual Bank Debt Amortization				
Cumulative Bank Debt Amortization				

Preliminary Projection

	1995	1996	1997	1998	1999	Total
Operations:						
Operating Cash Flow	\$ 236	\$ 273	\$ 316	\$ 364	\$ 418	\$ 1,607
Capital Expenditures	(31)	(35)	(40)	(44)	(50)	(200)
Working Capital	(6)	(6)	(7)	(8)	(9)	(35)
Losses from Joint Ventures	(15)	(5)				(20)
Fund Q2 Launch	(30)	(30)				(60)
Tax Liability (Deferred until 1997)			(177)	(106)	(131)	(415)
Free Cash Flow	154	197	92	205	228	877
Financing:						
Bank Debt Inc (Dec)	(50)	(105)	0	(120)	(155)	520
Senior Subordinated Notes						200
Interest Expense	(101)	(95)	(90)	(85)	(73)	(444)
Equity						1,148
Purchase Price: X Run-rate Adj. OCF						(2,242)
Transaction Fees						(46)
Ending Working Capital	\$ 13	\$ 10	\$ 12	\$ 12	\$ 13	\$ 13
Capitalization:						
Bank Debt	\$ 900	\$ 795	\$ 795	\$ 675	\$ 520	
Senior Subordinated Notes	200	200	200	200	200	
Total Debt	1,100	995	995	875	720	
Equity	1,148	1,148	1,148	1,148	1,148	
Total Capitalization	\$2,248	\$2,143	\$2,143	\$2,023	\$1,868	
Bank Debt to Operating Cash Flow	3.8	2.9	2.5	1.9	1.2	
Total Debt to Operating Cash Flow	4.8	3.8	3.3	2.5	1.8	
Interest Coverage (OCF/Int Exp)	2.3	2.9	3.5	4.3	n/m	
Debt Service Coverage (OCF/Int+Debt Serv)	1.6	1.4	3.5	1.8	1.8	
Annual Bank Debt Amortization	5.3%	11.1%	0.0%	12.6%	16.3%	
Cumulative Bank Debt Amortization	5.3%	16.3%	16.3%	28.9%	45.3%	

IV. Valuation of QVC (cont'd)

Projections (cont'd)

Valuation Assumptions
(Revenue Detail)

REVENUE DETAIL:	Actual			Estimated	Preliminary Projection				
	1991	1992	1993		1995	1996	1997	1998	1999
CATV Subscribers	53.4	55.2	57.1	58.8	60.4	61.9	63.4	64.9	66.4
QVC "Homes"	39.2	42.9	45.8	47.2	48.4	49.7	50.9	52.1	53.3
QVC Homes as % of CATV Subs	73.4%	77.7%	80.3%	80.3%	80.3%	80.3%	80.3%	80.3%	80.3%
QVC Customers	3.1	3.4	3.7	4.0	4.2	4.5	4.7	5.0	5.2
QVC Customers as % of QVC Homes	7.9%	8.0%	8.1%	8.4%	8.7%	9.0%	9.3%	9.6%	9.8%
Avg Annual Revenue/Home	N/a	\$26.09	\$27.55	\$29.82	\$32.74	\$35.90	\$39.33	\$43.04	\$47.05
Avg Annual Revenue/Customer	N/a	\$327.47	\$341.87	\$362.38	\$384.12	\$407.17	\$431.60	\$457.49	\$484.94
Total Revenue	\$922	\$1,071	\$1,222	\$1,386	\$1,565	\$1,762	\$1,978	\$2,215	\$2,478

REVENUE DETAIL:	Annual Growth		
	91-93	93-94	94-99
CATV Subscribers	3.4%	3.0%	2.4%
QVC "Homes"	8.1%	3.0%	2.4%
QVC Homes as % of CATV Sub	4.6%	0.0%	0.0%
QVC Customers	9.4%	6.8%	5.8%
QVC Customers as % of QVC Homes	1.2%	3.7%	3.3%
Avg Annual Revenue/Home		8.2%	9.6%
Avg Annual Revenue/Customer		6.0%	6.0%
Total Revenue	15.1%	13.4%	12.3%

Note: A 1% point change in "QVC Customers as % of QVC Homes" changes the price per share by \$4.80.

A 1% point change in "Avg Annual Revenue/Customer" growth changes the purchase price per share by \$2.50.

IV. Valuation of QVC (cont'd)

Projections (cont'd)

Valuation Assumptions
(Expense Detail)

EXPENSE DETAIL:	Actual			Estimated	Preliminary Projection				
	1991	1992	1993		1995	1996	1997	1998	1999
COGS	\$534.6	\$621.9	\$723.3	\$831.8	\$939.2	\$1,056.9	\$1,186.7	\$1,329.2	\$1,486.5
Variable Costs									
Order Processing/Customer Service	56.4	60.1	63.4						
Commissions and license fees	46.8	57.7	65.4						
Provision for doubtful accounts	28.7	27.7	24.8						
Credit card processing fee	13.4	14.9	17.6						
Total Variable	145.3	160.4	171.2	196.9	219.2	246.6	276.9	310.1	346.9
General & Administrative									
Administrative	34.0	43.2	50.3						
Advertising and marketing	35.4	33.4	28.2						
Data processing	19.3	18.3	17.4						
Broadcasting	10.8	15.3	20.3						
Merchandising	5.8	8.0	10.8						
Occupancy costs	5.4	5.4	5.7						
Total G&A	110.7	123.6	132.7	165.0	180.0	195.0	210.0	225.0	240.0
TOTAL EXPENSE	\$790.6	\$905.9	\$1,027.2	\$1,193.7	\$1,338.4	\$1,498.5	\$1,673.6	\$1,864.3	\$2,073.4
COMMON SIZE									
COGS	58.0%	58.1%	59.2%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Variable Costs									
Order Processing/Customer Service	6.1%	5.6%	5.2%						
Commissions and license fees	5.1%	5.4%	5.4%						
Provision for doubtful accounts	3.1%	2.6%	2.0%						
Credit card processing fee	1.5%	1.4%	1.4%						
Total Variable	15.8%	15.0%	14.0%	14.2%	14.0%	14.0%	14.0%	14.0%	14.0%
General & Administrative									
Administrative	3.7%	4.0%	4.1%						
Advertising and marketing	3.8%	3.1%	2.3%						
Data processing	2.1%	1.7%	1.4%						
Broadcasting	1.2%	1.4%	1.7%						
Merchandising	0.6%	0.7%	0.9%						
Occupancy costs	0.6%	0.5%	0.5%						
Total G&A	12.0%	11.5%	10.9%	11.9%	11.5%	11.1%	10.6%	10.2%	9.7%
TOTAL EXPENSE	85.7%	84.6%	84.1%	86.1%	85.5%	85.1%	84.6%	84.2%	83.7%
OCF Margin	14.3%	15.4%	15.9%	13.9%	14.5%	14.9%	15.4%	15.8%	16.3%

	Annual Growth		
	91-93	93-94	94-99
COGS			
Variable Costs			
Order Processing/Customer Service	16.3%	15.0%	12.3%
Commissions and license fees			
Provision for doubtful accounts			
Credit card processing fee			
Total Variable	8.5%	15.0%	12.0%
General & Administrative			
Administrative			
Advertising and marketing			
Data processing			
Broadcasting			
Merchandising			
Occupancy costs			
Total G&A	9.5%	24.3%	7.8%
TOTAL EXPENSE	14.0%	16.2%	11.7%

IV. Valuation of QVC (cont'd)

Analysis at Various Prices

Price per Share		\$35.00	\$37.50	\$40.00	\$42.50	\$45.00	\$47.50	\$50.00	\$52.50	\$55.00
Prem./ (Disc.) to 6/27/94 Price	\$33.25	5.3%	12.8%	20.3%	27.8%	35.3%	42.9%	50.4%	57.9%	65.4%
Prem./ (Disc.) to 52 Week High	\$71.50	(51.0%)	(47.6%)	(44.1%)	(40.6%)	(37.1%)	(33.6%)	(30.1%)	(26.6%)	(23.1%)
Prem./ (Disc.) to 52 Week Low	\$30.38	15.2%	23.5%	31.7%	39.9%	48.1%	56.4%	64.6%	72.8%	81.1%
Fully Diluted Shares Outstanding		55.8	55.8	55.8	55.8	55.8	55.8	55.8	55.8	55.8
Adjusted Market Value(1)		\$1,662	\$1,802	\$1,941	\$2,081	\$2,220	\$2,360	\$2,500	\$2,639	\$2,779
Subtract: Cash		(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)	(87)
		-----	-----	-----	-----	-----	-----	-----	-----	-----
Market Capitalization		\$1,575	\$1,715	\$1,854	\$1,994	\$2,133	\$2,273	\$2,413	\$2,552	\$2,692
		-----	-----	-----	-----	-----	-----	-----	-----	-----
Market Capitalization as a Multiple of:										

Revenues										
LTM	\$1,245	1.3x	1.4x	1.5x	1.6x	1.7x	1.8x	1.9x	2.0x	2.2x
1994E	1,386 (2)	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9
1995E	1,565 (2)	1.0	1.1	1.2	1.3	1.4	1.5	1.5	1.6	1.7
EBITDA										
LTM	195	8.1x	8.8x	9.5x	10.2x	10.9x	11.6x	12.4x	13.1x	13.8x
1994E	193 (2)	8.2	8.9	9.6	10.3	11.1	11.8	12.5	13.2	14.0
1995E	227 (2)	6.9	7.6	8.2	8.8	9.4	10.0	10.6	11.2	11.9
EBIT										
LTM	153	10.3x	11.2x	12.1x	13.1x	14.0x	14.9x	15.8x	16.7x	17.6x
1994E	148 (2)	10.7	11.6	12.5	13.5	14.4	15.4	16.3	17.3	18.2
1995E	181 (2)	8.7	9.4	10.2	11.0	11.8	12.5	13.3	14.1	14.8
Adjusted Market Value as a Multiple of:										

Net Income										
LTM	\$50	33.4x	36.2x	39.0x	41.8x	44.6x	47.4x	50.2x	53.0x	55.9x
1994E	69 (2)	24.0	26.0	28.0	30.0	32.0	34.0	36.0	38.0	40.0

(1) Deducts option and warrant proceeds of \$292.0 million.

(2) Source for projected data: Concast; 1994E and 1995E refer to the years ended 1/1/95 and 1/1/96 respectively.

Note: LTM numbers are for the period ending 4/30/94.

IV. Valuation of QVC (cont'd)

Stock Trading History

QVC
From 7/2/93 to 7/11/94
1 Year Perspective

The chart describes that QVC stock trading history for the one year period between 7/2/93 and 9/11/94. The per share daily closing price of QVC stock on the selected dates was as follows.

Date	QVC Price
----	-----
7/2/93	61.50
8/20/93	65.25
10/08/93	56.50
12/03/93	46.25
1/21/94	44.00
3/11/94	40.875
4/29/94	35.625
6/17/94	34.00

IV. Valuation of QVC (cont'd)
-----Stock Trading History
-----QVC
From 7/7/89 to 7/11/94
5 Year Perspective

The chart describes the QVC stock trading history for the five year period between 7/7/89 and 4/22/94. The per share closing price of QVC stock on the selected dates was as follows:

Date	QVC Price Per Share
-----	-----
7/07/89	17.875
12/29/89	16.50
6/22/90	12.625
12/14/90	4.25
6/07/91	11.875
11/29/91	13.375
5/22/92	21.50
11/13/92	23.125
5/07/93	55.625
10/29/93	55.75
4/22/94	37.35

IV. Valuation of QVC (cont'd)

Comparable Companies Summary

	BET ---	CUC ---	Gaylord -----	Home Shopping -----	Int'l Family Entertainment -----	QVC Network -----
Ticker	BTV	CU	GET	HSN	FAM	QVCN
Latest Quarter End	04/30/94	04/30/94	03/31/94	03/31/94	03/31/94	04/30/94
Latest Fiscal Year End	07/31/93	01/31/94	12/31/93	12/31/93	12/31/93	01/31/94
Price @ 7/11/94	\$15.13	\$26.63	\$23.25	\$11.13	\$16.00	\$35.75
Shares Outstanding - Fully Diluted	20.8	115.7	87.4	95.2	33.5	55.9
Shares Outstanding - Primary	20.5	113.6	87.3	93.9	33.5	40.2
Market Value	\$309.7	\$3,051.8	\$2,030.1	\$1,049.2	\$535.5	\$1,706.2
Add: Net Debt	(14.4)	(120.1)	357.8	66.6	87.0	(10.1)
	-----	-----	-----	-----	-----	-----
Market Capitalization	\$295.3	\$2,931.7	\$2,387.9	\$1,115.8	\$622.5	\$1,696.1
Market Capitalization To:						

LTM Revenue	3.2x	3.2x	3.8x	1.0x	2.9x	1.4x
LFY + 1 E Revenue	3.0x	2.9x	3.5x	0.9x	2.7x	1.2x
LFY + 2 E Revenue	2.6x	2.4x	3.1x	0.8x	2.4x	1.1x
LTM EBITDA	9.5x	16.0x	16.9x	25.5x	20.2x	8.7x
LFY + 1 E EBITDA	9.3x	13.3x	15.0x	11.5x	NA	8.8x
LFY + 2 E EBITDA	8.0x	N/A	13.1x	6.6x	NA	7.5x
LTM EBIT	11.1x	18.6x	21.5x	49.1x	27.3x	11.1x
LFY + 1 E EBIT	11.7x	15.6x	17.7x	15.9x	NA	11.5x
LFY + 2 E EBIT	9.9x	12.9x	15.1x	7.8x	NA	9.4x
P/E:						

LTM	19.2x	32.1x	30.6x	139.1x	48.5x	39.3x
LFY + 1 E	21.3x	27.2x	24.5x	24.7x	17.6x	NM
LFY + 2 E	18.0x	22.2x	21.1x	12.4x	14.0x	NM
LFY + 1 E	18.7x	26.9x	25.8x	22.7x	31.4x	26.5x
LFY + 2 E	15.1x	21.5x	21.7x	12.4x	16.3x	18.4x

V. Summary of Recent Research Reports

Firm	Date	Stock Price	Recommendation	Cash Flow Estimate/ Growth Over Prior Year/ Margin		EPS Estimate/ Growth Over Prior Year		Projected 1994 Mult.		1994E Target Stock Price
				1994	1995	1994	1995	EBITDA	P/E	
Oppenheimer & Co.	06/24/94	\$33.25	Special Research	\$190	\$232	\$1.25	\$1.75	8.75x	26.6x	\$46.26
			Series Recommended	(3%)	22%	(20%)	40%			
			List	14%						

Key Comments:

- o Believe strong growth will come from investments in talent and growth opportunities (e.g., international expansion, additional domestic channels).
- o Also see positives in QVC's distribution, brand value and credibility of service, and good inventory control.
- o View competition to be several years down the road and believe QVC will defend its turf vigorously.
- o Projected revenue increase: 1994 = 13%, 1995 = 15%.
- o Projected cash flow growth in 1996 = 24%.

CS First Boston	05/20/94	\$31.50	Hold	\$213	\$252	\$1.30	\$1.70	--	24.2x	--
				9%	18%	(12%)	31%			
				16%	17%					

Key Comments:

- o Recently downgraded due to growing uncertainty regarding the company's future growth prospects.
- o Recognize competition coming.
- o See limited appeal of the current programming and merchandise offering, so applaud the establishment of Q2.
- o Believe the whole field of TV shopping was overhyped last year.
- o Advise keeping things in perspective since many other retail concepts (e.g., Wal-Mart) growing as fast or faster.
- o Projected revenue increases: 1994 = 10%, 1995 = 12%.

V. Summary of Recent Research Reports (cont'd)

Firm	Date	Stock Price	Recommendation	Cash Flow Estimate/ Growth Over Prior Year/ Margin		EPS Estimate/ Growth Over Prior Year		Projected 1994 Mult.		1994E Target Stock Price
				1994	1995	1994	1995	EBITDA	P/E	
Kemper Securities	04/7/94	\$40.00	Hold/High Risk	\$212	--	\$1.40	--	--	28.6x	--
				9%		(6%)				
				16%						

Key Comments:

- o Increased competition from other video home shopping retailers (e.g., Spiegel, Macy's, CUC with Cablevision and Continental, CUC with Time Warner, MTV, and the RBOC's).
- o Channel capacity has provided some protection, though see the constraint fading over the next few years.
- o Projected revenue increases 1994 = 14%, 1995 = 9%.

LAZARD FRERES & CO.
One Rockefeller Plaza
New York, N.Y. 10020

Telephone (212) 632-6000
Facsimile (212) 632-6060

NEW YORK

July 12, 1994

The Board of Directors
Comcast Corporation
1500 Market Street
Philadelphia, Pennsylvania 19102-4735

Dear Members of the Board:

We understand that Comcast Corporation (the "Company") intends to propose to the Board of Directors of QVC, Inc. ("QVC") that the Company and QVC enter into a definitive merger agreement contemplating an acquisition of QVC by the Company (the "Transaction"), pursuant to the terms of which all of the outstanding shares of common stock and preferred stock of QVC (other than those shares owned by the Company) would be acquired at a price per common share or common share equivalent equal to \$37.00 in cash and \$7.00 liquidation preference of shares of newly issued 7.50% convertible exchangeable preferred stock of the Company, each share of which will be convertible into shares of the Company's Class A Special Common Stock at \$21.00 per share. The Company would reserve the right to substitute cash for some or all of such shares of preferred stock, with the substitution being effected through a reduction of the liquidation preference of the preferred stock on a dollar-for-dollar basis for the amount of cash added.

You have requested our opinion as to the fairness, from a financial point of view, to the Company of the Transaction. In connection with rendering this opinion, we have:

- (i) reviewed the proposed terms of the Transaction as outlined in the form of offer letter to be sent by the Company to QVC;
- (ii) reviewed certain publicly available historical business and financial information relating to the Company and QVC;

- (iii) held discussions with the senior management of the Company concerning the Company's objectives in pursuing the Transaction, its intended method of financing the Transaction and certain other matters;
- (iv) reviewed certain publicly available information with respect to certain other companies in lines of businesses we believe to be comparable to the businesses of the Company and QVC;
- (v) reviewed the financial terms of certain recent business combinations involving companies in lines of businesses we believe to be comparable to those of the Company and QVC, and in other industries generally;
- (vi) analyzed the pro forma financial impact of the Transaction on the Company;
- (vii) reviewed the historical stock prices and trading volumes of the Company's common stock and QVC's common stock; and
- (viii) conducted such other financial studies, analyses and investigations as we deemed appropriate.

We have relied upon the accuracy and completeness of the financial and other information concerning the Company and QVC that has been reviewed by us and have not undertaken any independent verification of such information or any independent valuation or appraisal of any of the assets of the Company or QVC. In addition, in connection with rendering this opinion, we have neither reviewed financial forecasts or other nonpublic information prepared or provided by QVC nor conducted discussions with management of QVC.

In rendering our opinion, we have assumed that the Transaction will be consummated on the terms described above and that obtaining the necessary regulatory approvals for the Transaction will not have an adverse effect on the Company or QVC or on the financial terms

for the Company of the Transaction. Our opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof.

We are acting as financial advisor to the Company in connection with the Transaction and will receive fees for such services, a substantial portion of which fees are contingent upon the consummation of the Transaction. Our firm has in the past provided and is currently providing investment banking and financial advisory services for the Company and has received fees for rendering such services.

Our engagement and the opinion expressed herein are solely for the benefit of the Company's Board of Directors and are not on behalf of, and are not intended to confer rights or remedies upon, QVC, any stockholders of the Company or QVC or any other person other than the Company's Board of Directors. It is understood that, except for inclusion in a proxy statement relating to the Transaction, this letter may not be disclosed or otherwise referred to without our prior written consent, except as may otherwise be required by law or by a court of competent jurisdiction.

Based on and subject to the foregoing and such other factors as we deem relevant, we are of the opinion that, as of the date hereof, the consideration to be paid to the stockholders of QVC in connection with the Transaction is fair, from a financial point of view, to the Company.

Very truly yours,

/s/ Lazard Freres & Co.

Lazard Freres & Co.

[LETTERHEAD OF]
LAZARD FRERES & CO.

August 4, 1994

The Board of Directors
Comcast Corporation
1500 Market Street
Philadelphia, Pennsylvania 19102-4735

Dear Members of the Board:

We understand that Comcast Corporation (the "Company"), together with Liberty Media Corporation ("Liberty") and Comcast QMerger, Inc., a jointly owned subsidiary of the Company and Liberty ("QVC Holdings"), has entered into a definitive merger agreement with QVC, Inc. ("QVC"), dated the date hereof (the "Merger Agreement"), which provides for the acquisition of QVC by QVC Holdings (the "Transaction"). We understand that the Transaction will be accomplished through a tender offer (the "Offer") by QVC Holdings, or a subsidiary thereof, for all of the outstanding shares of common stock and preferred stock of QVC (other than those shares owned by the Company and Liberty), followed by a merger (the "Merger") of QVC Holdings, or a subsidiary thereof, with and into QVC, with QVC to be the surviving corporation in the Merger. The price to be paid for each share pursuant to the Offer and the Merger is \$46.00 per share of common stock and \$460.00 per share of preferred stock.

You have requested our opinion as to the fairness, from a financial point of view, to the Company of the Transaction. In connection with rendering this opinion, we have:

- (i) reviewed the Merger Agreement and the financial terms of the Transaction as set forth therein;
- (ii) reviewed certain publicly available historical business and financial information relating to the Company and QVC;
- (iii) held discussions with the senior management of the Company concerning the Company's objectives in pursuing the Transaction, its intended method of financing the Transaction and certain other matters;
- (iv) reviewed certain publicly available information with respect to certain other companies in lines of businesses we believe to be comparable to the businesses of the Company and QVC;
- (v) reviewed the financial terms of certain recent business combinations involving companies in lines of businesses we believe to be comparable to those of the Company and QVC, and in other industries generally;
- (vi) analyzed the pro forma financial impact of the Transaction on the Company;
- (vii) reviewed the historical stock prices and trading volumes of the Company's common stock and QVC's common stock; and
- (viii) conducted such other financial studies, analyses and investigations as we deemed appropriate.

We have relied upon the accuracy and completeness of the financial and other information concerning the Company and QVC that has been received by us and have not undertaken any independent verification of such information or any independent valuation or appraisal of any of the assets of the Company or QVC.

In rendering our opinion, we have assumed that the Transaction will be consummated on the terms described above and that obtaining the necessary regulatory approvals for the Transaction will not have an adverse effect on the Company or QVC or on the financial terms for the Company of the Transaction. Our opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof.

We are acting as financial advisor to the Company in connection with the Transaction and will receive fees for such services, a substantial portion of which fees are contingent upon the consummation of the Transaction. Our firm has in the past provided and is currently providing investment banking and financial advisory services for the Company and has received fees for rendering such services.

Our engagement and the opinion expressed herein are solely for the benefit of the Company's Board of Directors and are not on behalf of, and are not intended to confer rights or remedies upon, QVC or Liberty, any stockholders of the Company, QVC or Liberty, or any other person other than the Company's Board of Directors. It is understood that, except for inclusion in an offer to purchase relating to the Offer, this letter may not be disclosed or otherwise referred to without our prior written consent, except as may otherwise be required by law or by a court of competent jurisdiction.

Based on and subject to the foregoing and such other factors as we deem relevant, we are of the opinion that, as of the date hereof, the consideration to be paid to the stockholders of QVC in connection with the Transaction is fair, from a financial point of view, to the Company.

Very truly yours,

Exhibit (b) (5)

PROJECT QVC

CONFIDENTIAL

ALLEN & COMPANY INCORPORATED

AUGUST 4, 1994

CONFIDENTIAL

FAIRNESS OPINION

REGARDING THE PROPOSED \$46 PER SHARE CASH OFFER FOR ALL
OF THE OUTSTANDING SHARES OF QVC, INC ("QVC") BY COMCAST
CORPORATION ("COMCAST") AND LIBERTY MEDIA CORPORATION ("LIBERTY")

ALLEN & COMPANY INCORPORATED

AUGUST 4, 1994

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BASIS OF OPINION

AMONG OTHER ITEMS WE:

REVIEWED:

- * Trends in the Cable Programming and Electronic Retailing Industries
- * Business Prospects and Financial Condition of QVC
- * Historical Business Information and Financial Results of QVC
- * Non-Public Financial and Operating Results of QVC
- * Financial Projections and 1994 Budget Prepared by the Management of QVC
- * Information Obtained From Meetings with Senior Management of QVC
- * Trading Range of QVC Common Stock
- * Public Financial Information of Comparable Companies in the Cable Programming and Specialty Retailing Industries

BASIS OF OPINION (CONTINUED)

REVIEWED (Continued):

- * Public Financial and Transaction Information Related to Comparable Mergers and Acquisitions
- * Terms and Conditions of the Merger Agreement and Related Documents

ANALYZED:

- * The Terms of the Proposed Transaction
- * QVC's Present Condition and Prospects
- * Trading History of QVC's Common Stock Related to Selected Public Announcements Regarding the Company
- * Trading History of QVC's Common Stock Compared to that of Comparable Companies and Other Market Indices
- * The Stock Price and Market Multiples of QVC Compared to those of Selected Cable Programmers and Selected Specialty Retailers
- * The Discounted Cash Flow Value Per Share of QVC Based on Management's Financial Forecast
- * Premiums and Multiples Paid in Comparable All Cash and Cash and Stock Transactions

DESCRIPTION OF THE PROPOSED TRANSACTION

- * The Proposed Transaction Is in the Form of a Tender Offer for a Majority of the Common Stock of QVC with a Subsequent Merger for the Same Consideration
- * Holders of Common Stock, Other Than Comcast and Liberty, Are Offered \$46 Per Share in Cash
- * Holders of Convertible Preferred Stock, Other Than Comcast and Liberty, Will Receive \$460 Per Share in Cash
- * Outstanding QVC Options Are Cashed Out at \$46 Per Share Net of Their Exercise Price
- * The Transaction Values All Of QVC's Outstanding Shares at Approximately \$2.6 Billion
- * Net Proceeds to Shareholders, Other Than Comcast and Liberty, Is Approximately \$1.4 Billion

OVERVIEW OF QVC

- * Major Cable Television Shopping Company with Budgeted 1994 Revenues of \$1.4 Billion, Operating Income of \$154 Million and Operating Cash Flow of \$202 Million
- * Market Value of \$1.6 Billion as of June 29, 1994, Prior to QVC/CBS Merger Announcement
- * Two New Domestic Shopping Services, Q2 and onQ, Launched in May 1994
- * International Joint Ventures with BSkyB in the United Kingdom and Grupo Televisa in Mexico
 - Opportunity to Expand Customer Base and Increase Sales
 - Challenge to Penetrate Market through Limited Cable Infrastructure, Especially in the UK
- * Company Incurred a \$34.8 Million Charge in the Fourth Quarter of 1993 from Expenses in the Paramount Takeover Battle
- * Significant Opportunity for Growth in the Near Term from Increasing Acceptance of Home Shopping Industry
- * Challenge of Increasing Competition in the Home Shopping Industry
 - New Entrants to the Market May Include Macy's, Spiegel, and the S Channel
- * Decreasing Growth Rate of Base Business Has Raised Concern About Future Prospects for the Company

QVC HISTORICAL OPERATING STATEMENTS
(In Millions, Except Per Share Data)

	Actual				Budget 1994
	1990	1991	1992	1993	
Net Sales	\$776	\$922	\$1,071	\$1,222	\$1,367
Growth	71.2%	18.8%	16.1%	14.2%	11.9%
Operating Income	29	84	118	152	154
Operating Cash Flow	76	131	165	195	202
Growth	96.3%	73.2%	25.6%	18.3%	3.4%
Free Cash Flow *	(15)	125	80	26	40
Net Income *	(17)	20	55	59	65
Growth	NM	NM	179.5%	7.6%	10.0%
Net Income Per Share *	(\$0.98)	\$0.62	\$1.26	\$1.18	\$1.33

- - - - -
* Includes costs of Paramount tender offer of \$35 million in 1993.

QVC PROJECTED OPERATING STATEMENTS
(In Millions, Except Per Share Data)

	Budget	Projected				
	1994	1995	1996	1997	1998	1999
=====						
Net Sales	\$1,367	\$1,621	\$2,052	\$2,421	\$2,785	\$3,202
Growth	11.9%	18.5%	26.6%	18.0%	15.0%	15.0%
Operating Income	154	206	304	366	435	516
Operating Cash Flow	202	262	356	425	499	586
Growth	3.4%	29.7%	36.1%	19.3%	17.5%	17.3%
Operating Cash Flow, Not Including Q2 Startup Costs	219	266	356	425	499	586
Free Cash Flow	40	53	134	174	217	279
Net Income	65	96	154	189	228	278
Growth	10.0%	47.3%	59.8%	23.1%	20.9%	21.6%
Net Income Per Share	\$1.33	\$1.95	\$3.12	\$3.84	\$4.64	\$5.64

QVC CONSOLIDATED BALANCE SHEET
(In Millions, Except Per Share Data)

ASSETS	April 30, 1994	LIABILITIES & SHAREHOLDERS' EQUITY	April 30, 1994
=====		=====	
Cash and Marketable Securities	\$20	Current Maturities of Debt	\$3
Receivables	170	Accounts Payable	70
Inventories	157	Other Current Liabilities	216
Deferred Taxes and Other	67		----
	----	Total Current Liabilities	289
Total Current Assets	414		
Net Property Plant & Equipment	79	Long-Term Debt	7
Cable TV Distribution Rights	96	Shareholders' Equity	576
Goodwill	249		
Other	34		

Total Assets	\$872	Total Liabilities & Shareholders'	\$872
	=====	Equity	=====

QVC COMMON STOCK PRICE PERFORMANCE

- * QVC Common Stock Price and Trading Volume Data
- * Market Reaction to Selected Public Announcements
- * QVC Common Stock Price Behavior Compared to:
 - S&P 500
 - Index of Cable Programming Companies
 - Index of Specialty Retail Companies

QVC COMMON STOCK PRICE AND TRADING VOLUME

[GRAPHICAL MATERIAL]

Daily closing price and volume traded of QVC Common Stock from
01/01/92 to 08/02/94.

The following dates are highlighted:

- * 12/10/92 Diller buys \$25 MM stake
(Closing Price on 12/11/92: \$37.13, up 12.5%, Volume
2,636,600 Shares)
- * 01/19/93 Diller joins QVC
(Closing Price \$41.00, Volume 599,600 Shares)
- * 07/12/93 Plans to merge with HSN announced
(Closing Price \$67.75, Volume 1,870,100 Shares)
- * 09/20/93 - 02/15/94 Paramount takeover battle
(Closing Price on 09/20/93: \$56.00, Volume 1,353,800
Shares)
(Closing Price on 02/15/94: \$50.25, Volume 2,666,700
Shares)
- * 6/30/94 QVC - CBS Merger announced
(Closing Price \$38.00, Volume 1,709,500 Shares)
- * 07/12/94 Comcast bids for QVC
(Closing Price on 7/13/94: \$42.00, Volume 7,314,000
Shares)

QVC COMMON STOCK PRICE PERFORMANCE VERSUS MARKET INDICES

[GRAPHICAL MATERIAL]

Weekly Indexed comparison of QVC Common Stock closing prices versus S&P 500 Index, Cable Programming Company Index, and Specialty Retail Company Index from 01/01/92 to 08/02/94.

Cable Programming Company Index is comprised of: GET, FAM, TBS.A and TBS.B.

Specialty Retail Company Index is comprised of: BV, HD, LOW, MES, PCCW and TOY.

All indices are market capitalization weighted.

QVC COMMON STOCK TRADING PERFORMANCE AND MARKET REACTION TO SELECTED
PUBLIC ANNOUNCEMENTS

- * QVC Common Stock Is Freely and Actively Traded on NASDAQ
- * QVC Common Stock Traded in the Range of \$37.25 to \$72.50 for the Year 1993 with an Average Daily Volume of 466,794 Shares
- * QVC Common Stock Traded in the Range of \$30.00 to \$51.50 from January 1, 1994 to June 29, 1994, the Day Prior to the QVC/CBS Merger Announcement, with an Average Daily Volume of 553,890 Shares
- * From June 30, 1994 to July 12, 1994, the Trading Day Prior to the Announcement of the Comcast Offer, QVC Common Stock Traded in the Range of \$35.75 to \$38.00 with an Average Daily Volume of 688,125 Shares and an Average Price of \$36.73 Per Share
- * From July 13, 1994 to August 2, 1994, QVC Common Stock Traded in the Range of \$42.00 to \$46.00 with an Average Daily Volume of 1,244,253 Shares and an Average Price of \$44.78 Per Share
- * General Trading Patterns for QVC Common Stock Were Not in Line with an Index of Comparable Companies from December 1992 through August 1994

QVC COMMON STOCK TRADING PERFORMANCE AND MARKET REACTION TO SELECTED
PUBLIC ANNOUNCEMENTS (CONTINUED)

- * From December 1992, when Barry Diller Became Associated with the Company, through August 1993, QVC Stock Had a Spectacular Period of Price Appreciation
- * From September 1993 through February 1994, QVC Stock Was Influenced by the Company's Participation in the Paramount Takeover Battle, Announcements of New Competitors Entering the Home Shopping Industry, Perceived Slowdown in Growth of the Company's Base Business, Start Up Costs of Q2 and Concern About the Company's Involvement in International Joint Ventures
- * Since June 30, 1994, There Has Been Speculative Activity in QVC Stock Prompted by the QVC/CBS Merger Announcement and the Announcement of the Comcast Offer
- * QVC Common Stock Price of \$44.25 as of August 2, 1994 Reflected a Speculative Takeover Premium Due to the Comcast/Liberty Offer and Speculation Regarding Other Bidders and a QVC Self-Tender
- * QVC Common Stock Price of \$36.00 as of July 12, 1994, the Trading Day Prior to the Announcement of the Comcast Offer, Reflected a Premium Due to the Proposed Merger with CBS
- * For the Twenty Trading Days Prior to June 30, 1994, the Date of the QVC/CBS Merger Announcement, QVC Common Stock Traded in the Range of \$32.38 to \$36.00 with an Average Daily Volume of 185,560 Shares and an Average Price of \$33.83 Per Share

QVC COMMON STOCK TRADING PERFORMANCE AND MARKET REACTION TO SELECTED
PUBLIC ANNOUNCEMENTS (CONTINUED)

- * For the Ten Trading Days Prior to June 30, 1994, the Date of the QVC/CBS Merger Announcement, QVC Common Stock Traded in the Range of \$32.38 to \$34.00 with an Average Daily Volume of 153,690 Shares and an Average Price of \$33.26 Per Share
- * QVC Common Stock as of June 29, 1994, the Day Prior to the QVC/CBS Merger Announcement, Closed at \$32.38 Per Share and in Our Opinion Was a Representative Price for that Security

QVC MARKET MULTIPLE COMPARISON

COMPARED QVC TO:

- * Home Shopping Network, Inc.
- * Publicly-Traded Cable Programming Companies
 - Gaylord Entertainment Company
 - International Family Entertainment, Inc.
 - Turner Broadcasting System, Inc.
- * Publicly-Traded Specialty Retail Companies
 - Blockbuster Entertainment Corporation
 - The Home Depot, Inc.
 - Lowe's Companies, Inc.
 - Melville Corporation
 - Price/Costco, Inc.
 - Toys 'R' Us, Inc.

QVC MARKET MULTIPLE COMPARISON

TOTAL MARKET CAPITALIZATION TO LTM SALES (1)

[TABLE REPLACES BAR CHART]

	As of 06/29/94 -----	As of 07/12/94 -----	As of 08/02/94 (2) -----
QVC	1.26 x	1.40 x	1.79 x
Cable Programming Companies	3.22 x	3.17 x	3.18 x
Specialty Retail Companies	1.24 x	1.27 x	1.24 x

(1) Comparable Company multiples are average multiples for each group. See detail in Common Stock Comparison analyses located in Exhibits.

(2) QVC multiple based on offering price of \$46.00 per share. All other multiples based on closing stock prices for comparable companies as of 08/02/94.

QVC MARKET MULTIPLE COMPARISON

TOTAL MARKET CAPITALIZATION TO LTM OPERATING CASH FLOW (1) (3)

[TABLE REPLACES BAR CHART]

	As of 06/29/94 -----	As of 07/12/94 -----	As of 08/02/94 (2) -----
QVC	8.0 x	8.9 x	11.4 x
Cable Programming Companies	19.3 x	19.1 x	19.2 x
Specialty Retail Companies	10.5 x	10.8 x	10.7 x

- (1) Comparable Company multiples are average multiples for each group. See detail in Common Stock Comparison analyses located in Exhibits.
- (2) QVC multiple based on offering price of \$46.00 per share. All other multiples based on closing stock prices for comparable companies as of 08/02/94.
- (3) Operating Cash Flow known as EBITDA in Common Stock Comparison analyses.

QVC MARKET MULTIPLE COMPARISON

MARKET VALUE OF EQUITY TO LTM EPS (1)

[TABLE REPLACES BAR CHART]

	As of 06/29/94 -----	As of 07/12/94 -----	As of 08/02/94 (2) -----
QVC	21.3 x	23.6 x	30.2 x
Cable Programming Companies	38.5 x	38.0 x	37.4 x
Specialty Retail Companies	23.1 x	23.6 x	24.0 x

(1) Comparable Company multiples are average multiples for each group. See detail in Common Stock Comparison analyses located in Exhibits.

(2) QVC multiple based on offering price of \$46.00 per share. All other multiples based on closing stock prices for comparable companies as of 08/02/94.

QVC MARKET MULTIPLE COMPARISON

Market Value of Equity to 1994E EPS(1)

[TABLE REPLACES BAR CHART]

	As of 06/29/94 -----	As of 07/12/94 -----	As of 08/02/94(2) -----
QVC(3)	20.2 x	22.4 x	28.7 x
Cable Programming Companies	19.7 x	19.3 x	19.0 x
Specialty Retail Companies	18.3 x	18.7 x	19.0 x

- (1) Comparable Company multiples are average multiples for each group. See detail in Common Stock Comparison analyses located in Exhibits.
- (2) QVC multiple based on offering price of \$46.00 per share. All other multiples based on closing stock prices for comparable companies as of 08/02/94.
- (3) QVC multiples of 20.2 x, 22.4 x and 28.7 x represent 1994E EPS excluding Q2 startup costs as of 06/29/94, 07/12/94 and the offering price, respectively. 1994E EPS including Q2 startup costs results in multiples of 24.2 x, 26.9 x and 34.3 x 1994E EPS as of 06/29/94, 07/12/94 and the offering price, respectively.

QVC MARKET MULTIPLE COMPARISON

- * Compared QVC Trading Multiples to those of Cable Programming Companies and Specialty Retail Companies
- * For the Dates Considered, QVC Traded at Multiples Closely Related to Specialty Retail Companies
- * QVC Stock Prices as of July 12, 1994 and August 2, 1994 Traded at Multiples of LTM Sales, Operating Cash Flow, LTM EPS and 1994E EPS that Were Higher (Except in One Case) than the Range for Specialty Retail Companies
- * As of June 29, 1994, QVC Traded at Multiples of LTM Sales, Operating Cash Flow, LTM EPS and 1994E EPS which Were within the Range of Multiples for Specialty Retail Companies and at a Multiple of 1994E EPS that Was Higher than the Average for Cable Programming and Specialty Retail Companies

QVC DISCOUNTED CASH FLOW ANALYSIS
(In Millions, Except Per Share Data)

	Budget	Projected				
	1994	1995	1996	1997	1998	1999
=====						
Unlevered Free Cash Flow From Operations	\$33	\$46	\$126	\$165	\$207	\$263

Net Per Share Present Value of
Company Based on Discounted Cash Flows:

Discount Rate	Multiple of 1999 Estimated EBITDA		
	7.0 x	8.0 x	9.0 x

15.0%	\$49.00	\$53.94	\$58.88
17.5%	44.54	48.94	53.33
20.0%	40.64	44.56	48.48
22.5%	37.20	40.71	44.22
25.0%	34.18	37.33	40.47

PREMIUM PAID IN PROPOSED TRANSACTION

* Comcast/Liberty Offer Price: \$46.00 Per Share
 Premium Over QVC Stock Price as of:

	Stock Price -----	Premium -----
June 29, 1994	\$32.38	42.1%
10 Trading Days Prior to June 29, 1994	33.26	38.3%
20 Trading Days Prior to June 29, 1994	33.83	36.0%
July 12, 1994	36.00	27.8%
August 2, 1994	44.25	4.0%

* Premiums Paid in Selected All Cash Merger Transactions: (1)

Average Premium	38.6%
High	82.5%
Low	10.0%

(1) See detail in Comparison of Selected Acquisitions located in Exhibits.

MULTIPLES PAID IN COMPARABLE TRANSACTIONS

TRANSACTIONS REVIEWED:

- * Major Media Mergers and Acquisitions within the Last Five Years
 - Transaction Values in Excess of \$1.0 Billion
 - Transactions with All Cash or Cash and Stock Consideration
 - Acquisition of 100% of Company
- * Acquisitions of All or a Significant Portion of Cable Programmers within the Last Ten Years
 - Transactions with All Cash or Cash and Stock Consideration
- * Mergers and Acquisitions of Specialty Retailers and Selected General Retailers within the Last Five Years
 - Transactions with All Cash or Cash and Stock Consideration

MULTIPLES PAID IN COMPARABLE TRANSACTIONS

Multiples Paid in Selected Acquisitions in Comparable Industries

		Transaction Price as a Multiple of:			
		Sales	EBITDA	Net Income	Book Value
		-----	-----	-----	-----
Comcast / Liberty Offer for QVC(1)		1.79 x	11.4 x	29.2 x	3.89 x
Comparable Transactions in(2):					
Media --	Average	1.91 x	11.7 x	21.3 x	2.54 x
	High	6.22	25.9	25.8	3.91
	Low	0.81	1.1	18.5	1.52
Cable Programming --	Average	NA	12.1 x	NA	NA
	High	NA	30.0	NA	NA
	Low	NA	5.7	NA	NA
Retail --	Average	0.55 x	9.6 x	19.9 x	2.82 x
	High	0.99	14.3	27.2	4.34
	Low	0.10	7.9	10.7	0.53

(1) Based on offering price of \$46.00 per share.

(2) See detail in Comparison of Selected Acquisitions located in Exhibits.

SUMMARY

- * QVC Common Stock Is Freely and Actively Traded on the NASDAQ
- * QVC Common Stock Price Behavior Was Affected by Various Events From December 1992 through August 2, 1994
- * QVC Common Stock Price Between June 30, 1994 and August 2, 1994 Reflected a Potential Merger or Acquisition Premium
- * QVC Common Stock Price of \$32.38 Per Share on June 29, 1994, the Day Prior to the Announcement of the Proposed Transaction with CBS, Traded In-Line with the Range of Multiples of Comparable Companies
- * QVC Common Stock Price of \$32.38 Per Share on June 29, 1994, the Day Prior to the Announcement of the Proposed Transaction with CBS, in Our Opinion Is a Representative Price for that Security
- * The Proposed Offer of \$46 Per Share is In-Line with Our Discounted Cash Flow Per Share Analysis of QVC Common Stock
- * The Proposed Offer of \$46 Per Share is within the Range of Premiums Paid in Comparable Transactions
- * The Proposed Offer of \$46 Per Share is within the Range of Multiples Paid in Comparable Transactions

CONCLUSION

Based on the Foregoing, We Are of the Opinion that the Consideration to be Received in Connection with the Merger by the Holders of QVC Stock and QVC Options Pursuant to the Merger Agreement Is Fair to Such Holders, Other Than Comcast and Liberty, from a Financial Point of View.

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
QVC, Inc.:

We consent to the use of our report dated March 4, 1994, with respect to the consolidated balance sheets of QVC, Inc. and subsidiaries as of January 31, 1994 and 1993, and the related consolidated statements of operations, shareholders' equity, and cash flows and related schedules for each of the years in the three-year period ended January 31, 1994, which report appears in Annex C to the Offer to Purchase which is incorporated by reference in the Schedule 13E-3 of QVC, Inc., QVC Programming Holdings, Inc. and Comcast Corporation and Tele-Communications, Inc. dated August 11, 1994.

Our report refers to a change in accounting for income taxes.

KPMG PEAT MARWICK

Philadelphia, Pennsylvania
August 11, 1994