

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON FEBRUARY 3, 1995

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

AMENDMENT NO. 16
TO
SCHEDULE 14D-1*

TENDER OFFER STATEMENT PURSUANT TO SECTION 14(D)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

QVC, INC.
(NAME OF SUBJECT COMPANY)

QVC PROGRAMMING HOLDINGS, INC.
COMCAST CORPORATION
TELE-COMMUNICATIONS, INC.
(BIDDERS)

COMMON STOCK, \$.01 PAR VALUE PER SHARE
(TITLE OF CLASS OF SECURITIES)

747262 10 3
(CUSIP NUMBER OF CLASS OF SECURITIES)

STANLEY L. WANG
COMCAST CORPORATION
1500 MARKET STREET
PHILADELPHIA, PA 19102
(215) 665-1700

STEPHEN M. BRETT
TELE-COMMUNICATIONS, INC.
5619 DTC PARKWAY
ENGLEWOOD, CO 80111

(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO RECEIVE
NOTICES AND COMMUNICATIONS ON BEHALF OF BIDDER)

COPIES TO:

DENNIS S. HERSCH
DAVIS POLK & WARDWELL
450 LEXINGTON AVENUE
NEW YORK, NY 10017
(212) 450-4000

FREDERICK H. MCGRATH
BAKER & BOTTS, L.L.P.
885 THIRD AVENUE
NEW YORK, NY 10022
(212) 705-5000

* This Statement also constitutes Amendment No. 17 to the Schedule 13D filed by
Tele-Communications, Inc. and Amendment No. 38 to the Schedule 13D filed by
Comcast Corporation in each case with respect to the securities of the Subject
Company.

QVC Programming Holdings, Inc., Comcast Corporation and TeleCommunications, Inc. hereby amend and supplement their Tender Offer Statement on Schedule 14D-1 filed with the Securities and Exchange Commission on August 11, 1994 (as previously amended and supplemented, the "Schedule 14D-1") with respect to Bidders' Offer to Purchase for cash all outstanding shares of Common Stock and Preferred Stock of the Company.

Information contained in the Schedule 14D-1 as hereby amended and supplemented with respect to Comcast, Liberty, TCI and the Purchaser and their respective executive officers, directors and controlling persons is given solely by such person, and no other person has responsibility for the accuracy or completeness of information supplied by such other persons.

Capitalized terms used but not defined herein have the meaning assigned to them in the Offer to Purchase and the Schedule 14D-1.

ITEM 4. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) and (b) The information set forth in the Offer to Purchase is hereby amended and supplemented to include the information set forth in the Supplement to Offer to Purchase dated February 3, 1995 (the "Supplement"), a copy of which is attached hereto as Exhibit (a)(22) and is hereby incorporated by reference.

ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.

(a)-(g) The information set forth in the Offer to Purchase is hereby amended and supplemented to include the information set forth in under Item 4 of this Amendment.

ITEM 6. INTERESTS IN THE SECURITIES OF THE SUBJECT COMPANY.

(a) and (b) The information set forth in the Offer to Purchase is hereby amended and supplemented to include the information set forth in under Item 4 of this Amendment.

ITEM 7. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE SUBJECT COMPANY'S SECURITIES.

The information set forth in the Offer to Purchase is hereby amended and supplemented to include the information set forth under Item 4 of this Amendment.

ITEM 10. ADDITIONAL INFORMATION.

(a)-(d) and (f) The information set forth in the Offer to Purchase is hereby amended and supplemented to include the information set forth under Item 4 of this Amendment.

The information set forth under "The Tender Offer -- 6. Certain Information Concerning the Company" in the Offer to Purchase is hereby amended and supplemented to include the following information:

A copy of the financial statements set forth in the Company's Quarterly Report on Form 10-Q for its fiscal quarter ended October 31, 1994 is attached hereto as Exhibit (a)(27) and is hereby incorporated by reference.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

- (a)(22) -- Supplement to Offer to Purchase, dated February 3, 1995.
- (a)(23) -- Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W9).
- (a)(24) -- Form of Notice of Guaranteed Delivery.
- (a)(25) -- Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
- (a)(26) -- Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
- (a)(27) -- Interim Financial Information from the Company's Quarterly Report on Form 10-Q for its fiscal quarter ended October 31, 1994.
- (b)(2) -- Term Sheet for the Company Loan.

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: February 3, 1995

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

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EXHIBIT INDEX

EXHIBIT NUMBER		DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
- - - - -		- - - - -	- - - - -
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(b)(2)	--	Term Sheet for the Company Loan.	

SUPPLEMENT TO OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK,
SERIES B PREFERRED STOCK AND
SERIES C PREFERRED STOCK
OF

QVC, INC.

AT
\$46 NET PER SHARE OF COMMON STOCK AND
\$460 NET PER SHARE OF PREFERRED STOCK
BY

QVC PROGRAMMING HOLDINGS, INC.

THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME,
ON THURSDAY, FEBRUARY 9, 1995, UNLESS THE OFFER IS EXTENDED.

THE OFFER IS CONDITIONED UPON AMONG OTHER THINGS, (i) THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE SHARES (THE "SHARES") OF COMMON STOCK, PAR VALUE \$.01 PER SHARE (THE "COMMON STOCK"), AND SERIES B PREFERRED STOCK AND SERIES C PREFERRED STOCK, EACH PAR VALUE \$.10 PER SHARE (TOGETHER, THE "PREFERRED STOCK") OF QVC, INC. (THE "COMPANY") WHICH, TOGETHER WITH THE 19,176,061 FULLY DILUTED SHARES AGREED TO BE CONTRIBUTED BY COMCAST CORPORATION ("COMCAST") AND LIBERTY MEDIA CORPORATION ("LIBERTY") (OR ANY WHOLLY-OWNED SUBSIDIARY THEREOF) TO QVC PROGRAMMING HOLDINGS, INC. (THE "PURCHASER"), PURSUANT TO THE JOINT BIDDING AGREEMENT (AS DEFINED IN THE OFFER TO PURCHASE DATED AUGUST 11, 1994 (THE "OFFER TO PURCHASE")), REPRESENT AT LEAST A MAJORITY OF THE OUTSTANDING SHARES OF COMMON STOCK, CALCULATED ON A FULLY DILUTED BASIS, (ii) THE PURCHASER HAVING OBTAINED SUFFICIENT FINANCING ON TERMS SATISFACTORY TO IT TO PURCHASE ALL OF THE OUTSTANDING SHARES PURSUANT TO THE OFFER, CONSUMMATE THE MERGER (AS DESCRIBED IN THE OFFER TO PURCHASE) AND PAY RELATED FEES AND EXPENSES AND (iii) THE ABSENCE OF CERTAIN LEGAL ACTIONS OR PROCEEDINGS. SEE "THE TENDER OFFER -- 10. CERTAIN CONDITIONS OF THE OFFER" IN THE OFFER TO PURCHASE, AS AMENDED, AND "HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976" HEREIN.

THE BOARD OF DIRECTORS OF THE COMPANY (OTHER THAN DIRECTORS AFFILIATED WITH COMCAST) HAS UNANIMOUSLY DETERMINED THAT THE OFFER AND THE MERGER DESCRIBED IN THE OFFER TO PURCHASE ARE FAIR TO AND IN THE BEST INTERESTS OF THE COMPANY'S STOCKHOLDERS (OTHER THAN COMCAST AND LIBERTY AND THEIR AFFILIATES) AND APPROVED THE OFFER AND THE MERGER, AND RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS ACCEPT THE OFFER AND APPROVE THE MERGER.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTION NOR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

IMPORTANT

Any stockholder desiring to tender Shares should either (1) complete and sign the Letter of Transmittal (or facsimile thereof) in accordance with the instructions in the Letter of Transmittal and deliver it with the certificate(s) representing tendered Shares and all other required documents to the Depositary or tender such Shares pursuant to the procedures for book-entry transfer set forth in "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended, or (2) request his or her broker, dealer, commercial bank, trust company or other nominee to effect the transaction for him or her. A stockholder having Shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such person if he or she desires to tender such Shares.

Any stockholder who desires to tender Shares and whose certificates representing such Shares are not immediately available or who cannot comply with the procedures for book-entry transfer on a timely basis may tender such Shares pursuant to the guaranteed delivery procedures set forth in "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended.

Questions and requests for assistance or additional copies of this Supplement to Offer to Purchase ("Supplement"), the Offer to Purchase and the Letter of Transmittal may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers set forth on the last page of this Supplement. Additional copies of this Supplement, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from brokers, dealers, commercial banks or trust companies.

The Dealer Manager for the Offer is:

LAZARD FRERES & CO.

February 3, 1995

To the Holders of Common Stock,
 Series B Preferred Stock and
 Series C Preferred Stock of
 QVC, Inc.:

INTRODUCTION

The following information amends and supplements the Offer to Purchase, dated August 11, 1994 (the "Offer to Purchase"), of QVC Programming Holdings, Inc., a Delaware corporation (the "Purchaser"). The Purchaser, which will 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., a Delaware corporation ("TCI"), hereby offers 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 par value \$.10 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, upon the terms and subject to the conditions set forth in the Offer to Purchase, this Supplement and in the related Letters of Transmittal (which, together with the amendments thereto, constitute the "Offer"). Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 6 of the Letter of Transmittal, stock transfer taxes on the purchase of Shares pursuant to the Offer. The Purchaser will pay all charges and expenses of Lazard Freres & Co. (in such capacity, the "Dealer Manager"), the Bank of New York (the "Depositary") and D.F. King & Co., Inc. (the "Information Agent") incurred in connection with the Offer.

As indicated below, Comcast and Liberty are proceeding with their efforts to obtain the financing necessary to satisfy the Financing Condition (as defined in the Offer to Purchase, as amended) and anticipate that such financing will be obtained by February 9, 1995, assuming all other conditions to the Offer have been satisfied. Upon obtaining such financing, and if the other conditions to the Offer are then satisfied, Comcast and Liberty intend to cause the Purchaser to accept Shares for payment and consummate the Offer.

Except as otherwise set forth in this Supplement, the terms and conditions previously set forth in the Offer to Purchase remain applicable in all respects to the Offer, and this Supplement should be read in conjunction with the Offer to Purchase. Unless the context requires otherwise, terms not defined herein have the meaning ascribed to them in the Offer to Purchase.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (i) THERE BEING VALIDLY TENDERED (AS DEFINED IN THE OFFER TO PURCHASE) AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE OFFER TO PURCHASE) SHARES WHICH, TOGETHER WITH THE 19,176,061 FULLY DILUTED SHARES AGREED TO BE CONTRIBUTED BY THE PARENT PURCHASERS (OR ANY WHOLLY-OWNED SUBSIDIARY THEREOF) TO THE PURCHASER PURSUANT TO THE JOINT BIDDING AGREEMENT DESCRIBED IN THE OFFER TO PURCHASE, REPRESENT AT LEAST A MAJORITY OF THE OUTSTANDING SHARES OF COMMON STOCK, ON A FULLY DILUTED BASIS (THE "MINIMUM TENDER CONDITION"), (ii) THE PURCHASER HAVING OBTAINED SUFFICIENT FINANCING ON TERMS SATISFACTORY TO IT TO PURCHASE ALL OF THE OUTSTANDING SHARES PURSUANT TO THE OFFER, CONSUMMATE THE MERGER AND PAY RELATED FEES AND EXPENSES (THE "FINANCING CONDITION") AND (iii) THE ABSENCE OF CERTAIN LEGAL ACTIONS OR PROCEEDINGS. SEE "THE TENDER OFFER -- 10. CERTAIN CONDITIONS OF THE OFFER" IN THE OFFER TO PURCHASE, AS AMENDED, AND "HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976" HEREIN.

THE BOARD OF DIRECTORS OF THE COMPANY (THE "BOARD") (OTHER THAN DIRECTORS AFFILIATED WITH COMCAST) HAS UNANIMOUSLY DETERMINED THAT THE OFFER AND THE MERGER DESCRIBED IN THE OFFER TO PURCHASE ARE FAIR TO AND IN THE BEST INTERESTS OF THE COMPANY'S STOCKHOLDERS (OTHER THAN THE PARENT PURCHASERS AND THEIR AFFILIATES) AND APPROVED THE OFFER AND THE MERGER AND RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS ACCEPT THE OFFER AND APPROVE THE MERGER.

ALLEN & COMPANY INCORPORATED ("ALLEN & COMPANY" OR "ALLEN"), FINANCIAL ADVISOR TO THE COMPANY, HAS DELIVERED AN OPINION TO THE BOARD TO THE EFFECT THAT THE CONSIDERATION TO BE RECEIVED BY THE STOCKHOLDERS (OTHER THAN THE PARENT PURCHASERS) OF THE COMPANY IN THE OFFER AND MERGER DESCRIBED IN THE OFFER TO PURCHASE IS FAIR TO SUCH STOCKHOLDERS FROM A FINANCIAL POINT OF VIEW. SEE "SPECIAL FACTORS -- OPINIONS AND REPORTS OF FINANCIAL ADVISORS" IN THE OFFER TO PURCHASE, AS AMENDED.

According to the Company, as of January 31, 1995, there were outstanding approximately 55,642,642 Fully Diluted Shares. Subsequent to the Parent Contribution, the Purchaser will beneficially own 19,176,061 Fully Diluted Shares. Accordingly, the Purchaser believes that the Minimum Tender Condition will be satisfied if approximately 8,645,261 shares of Common Stock are validly tendered pursuant to the Offer and not withdrawn prior to Expiration Date.

Stockholders are urged to read this Supplement, the Offer to Purchase and the related Letters of Transmittal carefully before deciding whether to tender their Shares. Shareholders are also urged to consult the Tender Offer Statement on Schedule 14D-1 (as amended, the "Schedule 14D-1") relating to the Offer, which is on public file with the Commission and available for review.

FINANCING OF THE TRANSACTION

Bank Financing. In connection with the Offer, on January 13, 1995, Comcast entered into a commitment letter (together with the term sheets thereto, the "Commitment Letter") with certain lenders (each, a "Managing Agent" and collectively, the "Managing Agents"), pursuant to which the Managing Agents have agreed, subject to the terms and conditions set forth therein, to provide the Purchaser with a multi-draw term loan credit facility in the aggregate principal amount of \$1,100,000,000 (later increased to \$1,150,000,000), (the "Tender Offer Facility" and loans extended thereunder, the "Tender Loans"), and to provide the Surviving Corporation (as defined in the Offer to Purchase) with a credit facility in the aggregate principal amount of \$1,200,000,000 (the "Permanent Facility"). The proceeds of the Tender Offer Facility (except, unless Comcast guarantees the payment of interest and certain fees and other amounts under the Tender Offer Facility, for a certain amount to be withheld, as shall be determined by the Managing Agents to be sufficient to pay, among other things, all interest and fees for three months from the date of the initial Tender Loans) are available to be used to finance the purchase of the Shares pursuant to the Offer. The proceeds of the Permanent Facility are available to be used to repay the Tender Offer Facility, to pay other amounts, including merger consideration and transaction costs, payable in connection with the Merger, to issue letters of credit and for general corporate purposes.

The Tender Offer Facility and the Permanent Facility will be provided pursuant to the terms of, and shall become effective only upon the execution and delivery of, mutually satisfactory definitive loan documentation incorporating terms and conditions set forth in the Commitment Letter. It is expected that the definitive documentation for the Tender Offer Facility will contain a condition to the Managing Agents' obligations to advance funds under the Tender Offer Facility that the definitive documentation for the Permanent Facility is substantially complete.

The credit agreement for the Tender Offer Facility (the "Tender Facility Agreement") will be subject to certain customary conditions precedent, including, without limitation, the following: (1) the shareholders, management or other similar agreement or agreements (the "Joint Ownership and Management Agreements") between Comcast, Liberty and certain of their respective affiliates and the corporate and capital structure and related documents and agreements of the Purchaser and the Company shall be in form and substance reasonably satisfactory to the Managing Agents; (2) the Purchaser shall have purchased, concurrently with the initial borrowing under the Tender Offer Facility and pursuant to the Offer, at least that number of Shares which, when added to the number of Shares held by Purchaser, represents the number of Fully Diluted Shares of the Company which is necessary to effect the Merger without the affirmative vote of any other shareholder of the Company; (3) satisfaction of the conditions to the Offer; (4) receipt by the Purchaser of capital contributions of at least 18,000,000 Shares and such amount of cash as is necessary to consummate the Offer, and to do so in compliance with the applicable margin regulations; (5)(a) receipt of all necessary governmental approvals and expiration of all applicable waiting periods without any action being taken by any competent authority which restrains, prevents or imposes materially adverse conditions upon the consummation of the Offer or the Merger and (b) absence of any judgment, order, injunction or other restraint prohibiting or imposing materially adverse conditions upon the purchase of Shares pursuant to the Offer or the consummation of the Merger and absence of pending or threatened actions, suits or proceedings with respect to the Purchaser or the Company or its subsidiaries that could reasonably be expected to have a material adverse effect on the business, assets, liabilities, condition (financial or otherwise) or results of operations of the Purchaser or the Company or its subsidiaries or have a material adverse effect on the Offer, the Merger, the rights or remedies of the lenders or on the ability of the Purchaser to perform its obligations under the Tender Offer Facility; (6) satisfaction of the Managing Agents with the terms of the Offer and the Merger Agreement; (7) receipt by the lenders of evidence of solvency and related matters satisfactory to the Managing Agents; (8) the lenders shall have a perfected first priority security interest in the Shares owned by the Purchaser; (9) evidence that the Purchaser's property is free and clear of all liens and encumbrances, with certain exceptions (including those in favor of the lenders); (10) absence of a material adverse change relating to the Company since January 31, 1994; (11) absence of stock options, warrants or similar rights to acquire the capital stock of the Company, with certain exceptions; (12) compliance of the Offer, the Merger and the Tender Loans with all applicable legal requirements, including, without limitation, Regulations G, T,

U and X of the Board of Governors of the Federal Reserve System; (13) absence of violation of contractual restrictions as a result of the Offer and the Merger which would have a material adverse effect on the business, assets, liabilities, condition (financial or otherwise) or results of operations of the Company or which would have a material adverse effect on the ability of the Purchaser to perform its obligations under the Tender Facility Agreement; (14) provision by Comcast, Liberty or their respective subsidiaries of any additional funding necessary to complete the Offer and undertakings to complete the Merger in a manner and on terms reasonably satisfactory to the Managing Agents; (15) receipt by the lenders of satisfactory legal opinions; and (16) payment of costs, fees, expenses and other compensation contemplated by the Commitment Letter to the lenders or the Managing Agents to the extent due.

The credit agreement for the Permanent Facility (the "Permanent Facility Agreement") will be subject to certain customary conditions precedent, including, without limitation, the following: (1) satisfaction of all conditions to the Merger Agreement; (2) receipt of all necessary governmental approvals in connection with the Merger, the transactions contemplated by the Merger Agreement and otherwise referred to in the Permanent Facility, expiration of all applicable waiting periods without any action being taken by any competent authority which restrains, prevents or imposes materially adverse conditions upon, the consummation of the Merger and the absence of any judgment, order, injunction or other restraint prohibiting or imposing materially adverse conditions upon the consummation of the Merger; (3) the Joint Ownership and Management Agreements and the corporate and capital structure of the Surviving Corporation shall be reasonably satisfactory in form and substance to the Managing Agents; (4) receipt by the lenders of a perfected first priority security interest in the stock of the Surviving Corporation and its material subsidiaries; (5) termination of any bank credit agreements of the Company and its subsidiaries (other than the Permanent Facility) and repayment of all amounts outstanding thereunder concurrently with the initial funding under the Permanent Facility; (6) the Company's and its subsidiaries' property shall be free and clear of all liens and encumbrances, with certain exceptions; (7) absence of material adverse change in the business, assets, liabilities, financial condition or results of operations of the Company and its consolidated subsidiaries, taken as a whole, since the funding of the Tender Offer Facility; (8) absence of stock options, warrants of similar rights to acquire the capital stock of the Company, with certain exceptions; (9) compliance of the Merger with all applicable legal requirements, including, without limitation, Regulations G, T, U and X of the Board of Governors of the Federal Reserve System; (10) the lender's reasonable satisfaction as to the absence of violation of contractual restrictions as a result of the Merger which would have a material adverse effect on the business, assets, liabilities, financial condition or results of operations of the Surviving Corporation or which would have a material adverse effect on the ability of the Surviving Corporation to perform its obligations under the Permanent Facility Agreement; (11) the receipt by the Surviving Corporation of any additional funding necessary to complete the Merger; (12) receipt by the lenders of evidence of solvency and related matters; (13) receipt by the lenders of satisfactory legal opinions; and (14) payment of all reasonable costs, fees, expenses and other compensation payable to the lenders or the Managing Agents to the extent due.

The Commitment Letter has previously been filed as Exhibit (b)(1) to the Schedule 14D-1, and the foregoing summary description is qualified in its entirety by reference to such exhibit.

QVC Bridge Loan. In connection with the financing of the Offer, the Board of Directors of the Company has authorized the officers of the Company, subject to the negotiation and execution of definitive documentation and the satisfaction of such officers with the other relevant terms and conditions of such loan, to make a loan (the "Company Loan") on behalf of the Company to the Purchaser pursuant to which the Company would provide to the Purchaser a loan of up to \$60 million. In addition, the Company has agreed to increase the loan by an amount up to \$266 million, which is approximately equal to the difference between the Purchaser's aggregate costs of financing the Offer and the Purchaser's net acquisition costs to consummate the Offer and the Merger. The increased amount of the loan will be funded from proceeds to be received by the Company from the exercise of Options prior to the closing of the Offer. It is anticipated that the loan will only be drawn down by the Purchaser to the extent that the Offer and the Merger are not consummated on the same day. Based upon the balance sheet of the Company for the fiscal quarter ended October 31, 1994, after funding the loan described above the Company would have in excess of \$20,000,000 of remaining cash, assuming the exercise of all outstanding Options and the tender of all outstanding Shares. The loan described

above will have a term of two months and will bear interest at Prime Rate (to be defined) plus 2.00% per annum, payable at maturity. The loan will be conditioned upon the Offer expiring no later than 12:00 Midnight, New York City time, on Thursday, February 9, 1995, the time at which the Offer is currently scheduled to expire. The loan will be unsecured and subordinated to the Tender Offer Facility. The loan will be drawn down in one or more installments and only after all available bank financing and equity capital are depleted. See "Financing of the Transaction" in the Offer to Purchase, as amended.

In addition, the Company will fund a "Rabbi" trust for outstanding Options not exercised in connection with the Offer; however, the amount of such funding will reduce the amount of the Company Loan in an equal amount. See "Special Factors -- The Merger Agreement" in the Offer to Purchase, as amended.

A copy of the term sheet relating to the foregoing is filed as Exhibit (b)(2) to the Schedule 14D-1, and the foregoing summary description is qualified in its entirety by reference to such exhibit.

Subordinated Debt Financing. The Purchaser does not expect to raise funds required to consummate the Transaction through the issuance of subordinated debt securities. The Surviving Corporation may, subject to market conditions, issue subordinated debt securities subsequent to consummation of the Transaction.

HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976

On January 19, 1995, Comcast and TCI notified the Federal Trade Commission (the "FTC") of their intention to consummate the Offer at any time after 5:00 p.m. on Monday, February 6, 1995, provided that conditions to closing have been satisfied. The Offer is currently scheduled to expire at that time. Although all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act") relating to the Transaction have expired, the notice was given to the FTC in accordance with the parties' agreement with the FTC to provide at least ten days' notice to the FTC prior to consummating the Offer.

There can be no assurance as to what action, if any, the FTC may take in response to such notice. The Offer continues to be conditioned upon, among other things, the absence, prior to the acceptance for payment of Shares, of there being:

(a) instituted or pending any action or proceeding by any government or governmental authority or agency, domestic or foreign, or by any other person, domestic or foreign, before any court or governmental authority or agency, domestic or foreign, (i) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to restrain or prohibit the making of the Offer, the acceptance for payment of or payment for some of or all the Shares by the Purchaser or the consummation by the Purchaser of the Merger, seeking to obtain material damages or imposing any material adverse conditions in connection therewith or otherwise directly or indirectly relating to the transactions contemplated by the Offer or the Merger, (ii) seeking to restrain or prohibit the exercise of full rights of ownership or operation by the Purchaser or its affiliates of all or any portion of the business or assets of the Company and its subsidiaries, taken as a whole, or of the Purchaser or any of its affiliates, or to compel the Purchaser or any of its affiliates to dispose of or hold separate all or any material portion of the business or assets of the Company and its subsidiaries, taken as a whole, or of the Purchaser or any of its affiliates, (iii) seeking to impose limitations on the ability of the Purchaser or any of its affiliates effectively to exercise full rights of ownership of the Shares, including, without limitation, the right to vote any Shares acquired or owned by the Purchaser or any of its affiliates on all matters properly presented to the Company's stockholders or (iv) seeking to require divestiture by the Purchaser or any of its affiliates of any Shares; or

(b) any action taken, or any statute, rule, regulation, injunction, order or decree proposed, enacted, enforced, promulgated, issued or deemed applicable to the Offer, the acceptance for payment of or payment for Shares or the Merger, by any court, government or governmental authority or agency, domestic, foreign or supranational, other than the application of the waiting period provisions of the HSR Act to the Offer or the Merger, that, in the reasonable judgment of the Purchaser, might directly or

indirectly, result in any of the consequences referred to in clauses (i) through (iv) of paragraph (a) above.

See "The Tender Offer -- Certain Conditions of the Offer" in the Offer to Purchase, as amended.

THE MERGER AGREEMENT

The parties to the Merger Agreement (as defined the Offer to Purchase) intend to amend the Merger Agreement by a First Amendment to the Agreement and Plan of Merger (the "First Amendment") to change the structure of the Merger so that the Purchaser, rather than a wholly-owned subsidiary of the Purchaser, would be merged with and into the Company (the "Merger" and, together with the Offer, the "Transaction"). After the Merger, the Company would continue as the Surviving Corporation.

It is anticipated that the First Amendment will also provide that the Company, rather than the Purchaser, will fund the "Rabbi" trust referred to under "Financing of the Transaction -- QVC Bridge Loan" above, the Company will be authorized to draw cash funds from the "Rabbi" trust for the purpose of repurchasing any outstanding Options for a price equal to the difference between \$46 per share and the per share exercise price of such Options at any time after consummation of the Offer, which the Company will be permitted to do, that the Company may accelerate the vesting of any outstanding Option, and that the Company will be permitted to make the Company Loan.

A copy of the First Amendment is filed as Exhibit (c)(35) to the Schedule 14D-1, and the foregoing summary description is qualified in its entirety by reference to such exhibit.

PARAMOUNT OPTIONS

On August 15, 1994 the options (the "Paramount Options") to purchase an aggregate of 14,294,600 shares of Common Stock, which the Company granted to BellSouth, Cox and Advance pursuant to the Stock Option Agreement, expired without the exercise thereof, in whole or in part, by any of BellSouth, Cox or Advance. In connection with the expiration of the Paramount Options, except as otherwise expressly provided therein, the Stock Option Agreement (including the Acknowledgement and Agreement executed by Comcast and Liberty and the other agreements ancillary thereto and referred to therein) by its terms, including, without limitation, BellSouth's agreement to become a party to the Stockholders Agreement in the event that it purchased shares of Common Stock pursuant to the Stock Option Agreement, became void and of no effect as to the Company and each of BellSouth, Cox and Advance. As a result of the expiration of the Paramount Options, the number of outstanding Fully Diluted Shares set forth in the Offer to Purchase (which number had excluded the shares of Common Stock underlying the Paramount Options) did not change.

REGULATORY APPROVALS

On November 4, 1994, the FCC granted consent to the transfer of control of the Company's three domestic fixed-satellite earth station licenses from the stockholders of the Company to the Purchaser.

SPECIAL FACTORS

Subsequent to distribution of the Offer to Purchase, it was amended and supplemented as follows:

The information set forth in clause (i) of the subsection entitled "Special Factors -- Fairness of the Transaction -- The Company -- Reasons for Recommendation" in the Offer to Purchase was amended and supplemented to include the following information:

In connection with its evaluation of the Company's current financial condition and results of operations and its future prospects, the Board considered the historical operating results for the Company as well as the Company's budgets for its future operations. Among the information the Board reviewed was the fact that the Company has launched two new domestic shopping services and that the Company is a partner in home shopping joint ventures in Mexico and the United Kingdom. The Board was aware that Allen described that there may be significant near-term growth opportunity for the Company's base

business in view of the increasing acceptance of the home shopping industry, but that the Company's rate of growth for its base business has been decreasing. In addition, the Board noted that the Company's base business faces increasing competition from proposed new entrants in the televised home shopping industry, which include selected retail department stores and mail order companies, as well as from other participants in the industry. The Board also considered the information presented to the Board by Allen and described in clauses (ii) and (iii) below and under "-- Opinions and Reports of Financial Advisors -- Opinion of Allen & Company".

The information set forth in clause (ii) of the subsection entitled "Special Factors -- Fairness of the Transaction -- The Company -- Reasons for Recommendation" in the Offer to Purchase was amended and supplemented to include the following information:

In arriving at its recommendation, the Board also considered the fairness of the consideration to be paid to stockholders in the Offer and Merger in relation to the Company's net book value. Based on Allen's analysis, \$46 per share of Common Stock reflects a multiple of book value of 3.89, which falls within the range of multiples of book value in selected merger transactions that Allen analyzed, which ranged from .53 to 4.34. The Board was aware that certain valuations of the Company by Allen reflected values higher than the consideration to be paid in the Offer. See "-- Opinions and Reports of Financial Advisors -- Opinion of Allen & Company".

The information set forth in clause (v) of the subsection entitled "Special Factors -- Fairness of the Transaction -- The Company -- Reasons for Recommendation" in the Offer to Purchase was amended and supplemented to include the following information:

The Company considered certain restructuring alternatives, such as a tender offer by the Company for its Shares or the issuance of debt securities to the Company's stockholders, which would allow the Company to remain independent and the stockholders to retain an equity interest in the Company; however, following discussion with Allen with respect to these alternatives, the Board concluded that the consideration to be paid to stockholders in the Offer and Merger was in the best interests of stockholders.

The information set forth in the subsection entitled "Special Factors -- Fairness of the Transaction -- Comcast and Liberty" in the Offer to Purchase was amended and supplemented to include the following information:

Comcast and Liberty recognized the fact that the Transaction is not structured so that approval of at least a majority of unaffiliated security holders is required, but did not consider this fact to be material to a determination of the fairness of the Transaction to unaffiliated security holders.

Comcast and Liberty recognized the fact that a majority of directors who are not employees of the Company has not retained an independent representative to act solely on behalf of unaffiliated security holders for the purposes of negotiating the terms of the Transaction and/or preparing a report concerning the fairness of the Transaction, but Comcast and Liberty did not consider this fact to be material to a determination of the fairness of the transaction to unaffiliated security holders in light of the fact that Ralph J. and Brian L. Roberts did not participate in the deliberations or decisions relating to the Merger Agreement and the engagement of Allen & Company by the Board, the fact that the Merger Agreement and the Transaction were unanimously approved by the directors of the Company other than Ralph J. and Brian L. Roberts, and the fact that the Offer price and the other terms of the Merger Agreement were the result of arms-length negotiations between Comcast and Liberty and their respective advisors, on the one hand, and the Company and its advisors, on the other hand.

Comcast and Liberty believe that the analyses contained in the Lazard Report, which included, among other things, an analysis of the going concern value of the Company, provide a sufficient basis for Comcast's and Liberty's consideration of the value of the Company. See "-- Opinions and Reports of Financial Advisors -- Opinions and Report of Lazard". Therefore, Comcast and Liberty did not prepare any independent analysis of book value or liquidation value, and did not believe it necessary to consider whether the consideration offered to unaffiliated security holders constitutes fair value in relation to net

book value, liquidation value or the purchase price paid in previous purchases disclosed in Item 1(f) of the Schedule 13E-3.

Comcast and Liberty recognized the fact that certain valuations obtained by Lazard were higher than the Offer price, while other valuations obtained by Lazard were lower than the Offer price. See "-- Opinions and Reports of Financial Advisors -- Opinion and Report of Lazard". Comcast and Liberty did not consider this fact to be material to a determination of the fairness of the Transaction to unaffiliated security holders.

Comcast did not obtain a valuation of the consideration offered by CBS other than that contained in the Lazard Report. The Lazard Report included a valuation of the consideration offered to the Company's stockholders in the CBS Proposal based upon projected EBITDA exit multiples of 7.0x, 7.5x, 8.0x, 8.5x and 9.0x for CBS and the Company and derived implied deal prices of the CBS Proposal ranging from \$31 to \$41 per share of the Company's Common Stock. Based upon the Lazard Report, Comcast determined that the implied deal price for the Company's Common Stock in the CBS Proposal was \$41 per share.

Liberty did not prepare an independent analysis of the CBS Proposal and did not retain any person to prepare such an analysis on its behalf. Liberty did, however, review certain summaries of the CBS Proposal prepared by Allen for the Company in connection with Liberty's review of the CBS Proposal and its determination of whether to support the CBS Proposal. Such summaries contained an estimate of the value of the consideration to be offered by CBS as part of the CBS Proposal that implied a value of approximately \$35 to \$47 per share of Common Stock, based on a range of multiples of estimated pro forma 1994 EBITDA for CBS and the Company between 8.0x and 10.0x. In addition, following the announcement of the Comcast Proposal and the termination of the CBS Proposal, Liberty also reviewed certain portions of the Lazard Report provided to Liberty by Comcast relating to the value of the CBS Proposal. Other than its review of the Allen summary and portions of the Lazard Report, Liberty did not prepare any independent analysis of the value of the Common Stock in the CBS Proposal and did not attempt to verify the information contained in the summaries prepared by Allen or in the Lazard Report.

The information set forth in clause (v) of the subsection entitled "Special Factors -- Opinions and Reports of Financial Advisors -- Opinion of Allen & Company" in the Offer to Purchase was amended and supplemented to include the following information:

Allen's analysis yielded a per share valuation ranging between \$34.18 based on a 25% discount rate and a multiple of projected EBITDA of 7.0 and \$58.88 based on a 15% discount rate and a multiple of projected EBITDA of 9.0.

The information set forth in clause (vi) of the subsection entitled "Special Factors -- Opinions and Reports of Financial Advisors -- Opinion of Allen & Company" in the Offer to Purchase was amended and restated in its entirety as follows:

(vi) Other Factors Considered. (a) Allen reviewed recent trends in the market price and trading volume of the shares of Common Stock. (b) Allen compared the recent trends in the market price of the Common Shares with the Standard & Poor's 500 Index, an index comprised of the Cable Programming Companies and an index comprised of the Specialty Retailing Companies. (c) Allen compared market reaction as reflected in the price of the shares of Common Stock relating to selected public announcements relating to the Company. This comparison included, among other things, a review of the market prices of the shares of Common Stock prior to and following the announcement of the CBS Proposal and the announcement of the Comcast Proposal and prior to the announcement of the July 21, 1994 revised proposal of Comcast and Liberty (the "Comcast/Liberty Proposal"), and reviewed certain other relevant factors influencing the price of the shares of Common Stock. (d) Allen considered the foregoing analyses, together with the other analyses Allen made, and analyzed the relevant dates for purposes of determining a representative value for the shares of Common Stock. Allen concluded that the closing market price of \$32.38 on June 29, 1994, the date prior to the announcement of the CBS Proposal, was a representative price for the shares of Common Stock and the consideration to be paid in the Offer and the

Merger represented a 42.1% premium over the market price on that date. (e) Allen compared the premium of the \$46 price to be paid in the Offer and the Merger to various recent market prices for the shares of Common Stock and to premiums paid in selected cash merger transactions. The premium of the \$46 price over market prices for the shares of Common Stock on the Comparison Dates and on certain dates prior to June 29, 1994 ranged from 42.1% on June 29, 1994 to 4.0% on August 2, 1994 (the date prior to Comcast and Liberty advising the Company that they would consider a transaction involving an increase in consideration to be paid pursuant to the Comcast/Liberty Proposal to \$46 per share (on a common equivalent basis)). The premiums paid in selected all cash merger transactions ranged from 10.0% to 82.5%. The multiple of sales, EBITDA, net income and book value in selected merger transactions ranged from 0.10 to 6.22 (compared to a 1.79 multiple of sales based on a \$46 per share of Common Stock valuation), 1.1 to 30.0 (compared to an 11.4 multiple of EBITDA based on a \$46 per share of Common Stock valuation), 10.7 to 27.2 (compared to a 29.2 multiple of net income based on a \$46 per share of Common Stock valuation) and 0.53 to 4.34 (compared to a 3.89 multiple of book value based on a \$46 per share of Common Stock valuation), respectively.

Allen determined from the foregoing that (a) the premium of the Offer and the Merger price over the recent market prices for the shares of Common Stock fell within the range of premiums paid in selected all cash merger transactions and (b) the multiples of sales, EBITDA, net income and book value offered to the Company in the Offer and the Merger fell within or above the range of such multiples in selected merger transactions in generally comparable industries.

CERTAIN INFORMATION CONCERNING THE COMPANY

The following selected financial data relating to the Company and its subsidiaries has been taken or derived from the audited financial statements contained in the Company 10-K (as defined in the Offer to Purchase) and the unaudited financial statements contained in the Company's Quarterly Reports on Form 10-Q for its fiscal quarters ended October 31, 1994 and 1993 (the "Nine Month Company 10-Qs"). More comprehensive financial information is included in the Company 10-K and the Nine Month Company 10-Qs and the other documents filed by the Company with the Commission, and the financial data set forth below is qualified in its entirety by reference to such reports and other documents including the financial statements contained therein. Such reports and other documents may be examined and copies may be obtained from the offices of the Commission in the manner set forth below.

QVC, INC.

SELECTED FINANCIAL DATA
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND RATIOS)

	AT AND FOR THE NINE MONTHS ENDED OCTOBER 31,		AT AND FOR THE FISCAL YEAR ENDED JANUARY 31,		
	1994	1993	1994	1993	1992
Statement of Operations Data:					
Net revenue.....	\$ 964,185	\$849,615	\$1,222,104	\$1,070,587	\$921,804
Income before extraordinary item and cumulative effect of change in accounting principle.....	38,256	52,465	55,311	56,588	21,733
Net income.....	38,256	56,455	59,301	55,092	19,625
Income per common share:					
Primary:					
Income before extraordinary item and cumulative effect of change in accounting principle.....	.78	1.04	1.10	1.32	.68
Net income.....	.78	1.12	1.18	1.29	.61
Fully diluted:					
Income before extraordinary item.....	.78	1.04	1.10	1.27	.67
Net income.....	.78	1.12	1.18	1.24	.61
Cash dividends per common share.....	--	--	--	--	--
Balance Sheet Data:					
Total assets.....	1,009,357	828,879	878,160	699,695	714,539
Long-term debt, less current maturities.....	6,599	7,185	7,044	7,586	152,461
Supplementary Data:					
Ratio of earnings to fixed charges.....	8.86x	11.10x	23.45x	4.88x	1.99x
Book value per common share.....	\$ 13.17	\$ 12.22	\$ 12.32	\$ 10.34	\$ 8.96

The information concerning the Company contained herein has been taken from or is based upon reports and other documents on file with the Commission or otherwise publicly available. Although the Purchaser does not have any knowledge that would indicate that any statements contained herein based upon such reports and documents are untrue, the Purchaser does not take any responsibility for the accuracy or completeness of the information contained in such reports and other documents or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of any such information but that are unknown to the Purchaser.

The Company is subject to the informational requirements of the Exchange Act and in accordance therewith files periodic reports, proxy statements and other information with the Commission relating to its business, financial condition and other matters. The Company is required to disclose in such proxy statements certain information, as of particular dates, concerning the Company's directors and officers, their remuneration, stock options granted to them, the principal holders of the Company's securities and any material interest of such persons in transactions with the Company. Such reports, proxy statements and other information may be inspected at the public reference facilities maintained by the Commission at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549 and should also be available for inspection and copying at the regional offices of the Commission of New York (Jacob K. Jarvis Federal Building, 26 Federal Plaza, New York, New York 10278) and Chicago (Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, Illinois 60604). Copies of such material can also be obtained from the Public Reference Section of the Commission in Washington, D.C. 20549, at prescribed rates.

CERTAIN INFORMATION CONCERNING THE PURCHASER AND PARENT PURCHASERS

The TCI/Liberty Merger (as defined in the Offer to Purchase) was consummated on August 4, 1994. In connection with the TCI/Liberty Merger and the subsequent restructuring of the assets of TCI, (a) the corporate name of Liberty Media Corporation was changed to TCI Cable Investments, Inc. (hereinafter referred to as "Old Liberty") and a new wholly-owned subsidiary of TCI was incorporated under the name "Liberty Media Corporation" (hereinafter referred to as "Liberty", which entity presently holds substantially all of the programming assets owned by TCI), (b) Liberty QVC, Inc., which at the time of the execution of the Joint Bidding Agreement was the wholly-owned subsidiary of Old Liberty that held all of the Shares to be contributed by Old Liberty to the Purchaser in the Parent Contribution, became a wholly-owned subsidiary of Liberty, and Liberty QVC, Inc. continues to hold such Shares, and (c) certain former subsidiaries of Old TCI that held Shares became wholly-owned subsidiaries of Liberty or transferred their Shares to Liberty or its wholly-owned subsidiaries.

As a result of the events described in the foregoing paragraph, TCI and Comcast entered into a letter agreement (the "TCI Letter Agreement") dated as of October 13, 1994. The TCI Letter Agreement provides, among other things, that Liberty (a) agrees to be bound by all of the provisions of the Joint Bidding Agreement, (b) assumes and agrees, subject to the terms and conditions set forth therein, to perform all liabilities and obligations of Old Liberty under the Joint Bidding Agreement (including, but not limited to, the obligations regarding the contribution to the Purchaser of Shares (the "Liberty Shares") and cash in connection with the consummation of the Offer) and (c) agrees to make an additional contribution to the Purchaser of the 17,922 shares of Series B Preferred Stock and 113,040 shares of Common Stock acquired by Liberty as a result of the transactions described in clause (c) of the preceding paragraph (the "Liberty Additional Shares") upon the same terms and conditions as the Liberty Shares are to be contributed to the Purchaser. The TCI Letter Agreement further provides that the contribution of the Liberty Additional Shares will reduce the amount of cash to be contributed by Liberty to the Purchaser pursuant to the Joint Bidding Agreement in connection with the consummation of the Offer by \$13,443,960 (which is the amount obtained by multiplying the 292,260 Fully Diluted Shares comprising the Liberty Additional Shares by the Offer price of \$46 per share of Common Stock), and as a result the Liberty Additional Contribution (as defined in the Joint Bidding Agreement) will be \$6,556,040. See "Financing of the Transaction" in the Offer to Purchase, as amended.

Facsimile copies of the Letter of Transmittal will be accepted. The Letter of Transmittal and certificates for Shares and any other required documents should be sent to the Depositary at one of the addresses set forth below:

The Depositary

THE BANK OF NEW YORK

(For Information Call (800) 507-9357)

By Mail:
Tender & Exchange Dept.
P.O. Box 11248
Church Street Station
New York, NY 10286-1248

By Facsimile:
(212) 815-6213

Confirm by telephone
(800) 507-9357

By Hand of Overnight Courier:
Tender & Exchange Dept.
101 Barclay Street
Receive and Deliver Window
New York, NY 10286

Questions or requests for assistance or additional copies of the Offer to Purchase, this Supplement and the Letter of Transmittal may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers set forth below. Stockholders may also contact their broker, dealer, commercial bank or trust company for assistance concerning the Offer.

The Information Agent is:

D.F. KING & CO., INC.

135 South LaSalle Street
Chicago, Illinois 60603
(312) 236-5881 (collect)

77 Water Street
New York, New York 10005
(212) 269-5550 (collect)

9841 Airport Boulevard
Los Angeles, California 90045
(213) 215-3860 (collect)

OR

CALL TOLL-FREE (800) 735-3591

The Dealer Manager for the Offer is:

LAZARD FRERES & CO.

One Rockefeller Plaza
New York, New York 10020
(212) 632-6000
(call collect)

February 3, 1995

LETTER OF TRANSMITTAL

TO TENDER SHARES
OF
COMMON STOCK,
SERIES B PREFERRED STOCK
AND
SERIES C PREFERRED STOCK
OF
QVC, INC.
PURSUANT TO THE OFFER TO PURCHASE
DATED AUGUST 11, 1994
OF

QVC PROGRAMMING HOLDINGS, INC.

THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON
THURSDAY, FEBRUARY 9, 1995, UNLESS THE OFFER IS EXTENDED.

To: The Bank of New York, DEPOSITARY

By Mail:
Tender & Exchange
Department
P.O. Box 11248
Church Street Station
New York, NY 10286-1248

By Facsimile Transmission:
(212) 815-6213

Confirm by Telephone:
(800) 507-9357

By Hand or Overnight Courier:
Tender & Exchange
Department
101 Barclay Street
Receive and Deliver Window
New York, NY 10286

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET
FORTH ABOVE OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE TRANSMISSION TO A
NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ
CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This revised Letter of Transmittal or the previously circulated original
Letter of Transmittal is to be used by stockholders if certificates for Shares
(as defined below) are to be forwarded herewith or, unless an Agent's Message
(as defined in the Offer to Purchase) is utilized, if delivery of Common Shares
is to be made by book-entry transfer to the Depositary's account at The
Depositary Trust Company, Midwest Securities Trust Company or Philadelphia
Depositary Trust Company (hereinafter collectively referred to as the
"Book-Entry Transfer Facilities") pursuant to the procedures set forth under
"The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase
dated August 11, 1994, as amended. Stockholders who tender Common Shares by
book-entry transfer are referred to herein as "Book-Entry Stockholders."

Holders of Shares whose certificates for such Shares (the "Share
Certificates") are not immediately available or who cannot deliver their Share
Certificates and all other documents required hereby to the Depositary on or
prior to the Expiration Date (as defined in the Offer to Purchase) or who cannot
complete the procedures for book-entry transfer on a timely basis, must tender
their Shares pursuant to the guaranteed delivery procedure set forth under "The
Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase. See
Instruction 2.

Ladies and Gentlemen:

The undersigned hereby tenders to 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., the above-described 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"), pursuant to the Purchaser's offer to purchase all outstanding Shares at a price of \$46 per share of Common Stock and \$460 per share of Preferred Stock, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 11, 1994 (the "Offer to Purchase"), the Supplement to Offer to Purchase dated February 3, 1995 (the "Supplement"), receipt of which is hereby acknowledged, and in this revised Letter of Transmittal (which, together with the Offer to Purchase, the Supplement, the amendments thereto, and the related Letter of Transmittal, constitute the "Offer"). For purposes of this Letter of Transmittal, "Common Shares" means the Shares of Common Stock and "Preferred Shares" means the Shares of Preferred Stock. The Purchaser reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its subsidiaries or affiliates the right to purchase any or all Shares tendered pursuant to the Offer.

Subject to, and effective upon, acceptance for payment of and payment for the Shares tendered herewith in accordance with the terms and subject to the conditions of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Purchaser all right, title and interest in and to all the Shares that are being tendered hereby (and any and all other Shares or other securities issued or issuable in respect thereof on or after August 4, 1994) and any and all dividends thereon or distributions with respect thereto and irrevocably appoints the Depositary the true and lawful agent, attorney-in-fact and proxy of the undersigned to the full extent of the undersigned rights with respect to the Shares (and all such other Shares or securities), with full power of substitution (such power of attorney and proxy being deemed to be an irrevocable power coupled with an interest), to (a) deliver Share Certificates for such Shares (and all such other Shares and securities), or, in the case of Common Shares, transfer ownership of such Common Shares (and all such other Common Shares or securities) on the account books maintained by any of the Book-Entry Transfer Facilities, together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of the Purchaser upon receipt by the Depositary, or as the undersigned's agent, of the purchase price, (b) present such Shares for transfer on the books of the Company and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares, all in accordance with the terms of the Offer.

The undersigned hereby irrevocably appoints Brian L. Roberts, John R. Alchin and Stanley L. Wang and each of them, the attorneys-in-fact and proxies of the undersigned, each with full power of substitution, to exercise all voting and other rights of the undersigned in such manner as each such attorney and proxy or his substitute shall in his sole discretion deem proper, with respect to all of the Shares tendered hereby which have been accepted for payment by the Purchaser prior to the time of any vote or other action for which the undersigned is entitled to vote at any meeting of stockholders (whether annual or special and whether or not an adjourned meeting), by written consent or otherwise. This power of attorney and proxy is coupled with an interest in the Company and in the Shares and is irrevocable and is granted in consideration of, and is effective upon, the acceptance for payment of such Shares by the Purchaser in accordance with the terms of the Offer. Such acceptance for payment shall revoke, without further action, any other power of attorney or proxy granted by the undersigned at any time with respect to such Shares and no subsequent powers of attorneys or proxies will be given (and if given will be deemed not to be effective) with respect thereto by the undersigned. The undersigned understands that the Purchaser reserves the right to require that, in order for such Shares to be deemed validly tendered, immediately upon the Purchaser's acceptance for payment of such Shares, the Purchaser is able to exercise full voting rights with respect to such Shares and other securities, including voting at any meeting of stockholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby and that when the same are accepted for payment by the Purchaser, the Purchaser will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Depositary or the Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby. In addition, the undersigned will promptly remit and transfer to the Depositary for the account of the Purchaser any and all other distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer and, pending such remittance or appropriate assurance thereof, the Purchaser shall be entitled to all rights and privileges as owner of any such distributions, and may withhold the entire purchase price or deduct from the purchase price of Shares tendered hereby, the amount or value thereof, as determined by the Purchaser in its sole discretion.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer, this tender is irrevocable.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described under "The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase and in the instructions hereto will constitute a binding agreement between the undersigned and the Purchaser upon the terms and subject to the conditions of the Offer.

Unless otherwise indicated herein under "Special Payment Instructions," please issue the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment in the name(s) of the undersigned. Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned's signature. In the event that both the "Special Delivery Instructions" and the "Special Payment Instructions" are completed, please issue the check for the purchase price and/or return any Share Certificates not tendered or accepted for payment in the name(s) of, and deliver said check and/or return certificates to, the person or persons so indicated. Stockholders tendering Common Shares by book-entry transfer may request that any Common Shares not accepted for payment be returned by crediting such account maintained at such Book-Entry Transfer Facility as such stockholder may designate by making an appropriate entry under "Special Payment Instructions." The undersigned recognizes that the Purchaser has no obligation pursuant to the "Special Payment Instructions" to transfer any Shares from the name of the registered holder thereof if the Purchaser does not accept for payment any of such Shares.

SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares purchased or Shares Certificates not tendered or not purchased are to be issued in the name of someone other than the undersigned, or if Common Shares tendered by book-entry transfer that are not purchased are to be returned by credit to an account at one of the Book-Entry Transfer Facilities other than that designated above.

Issue check and/or certificates to:

Name.....
(Please Print)

Address.....
.....
(Zip Code)

.....
(Taxpayer Identification No. or Social Security No.)
(See Substitute Form W-9 below)

// Credit unpurchased Common Shares tendered by book-entry transfer to the account set forth below:

Name of Account Party.....

Account No. at

// The Depository Trust Company
// Midwest Securities Trust Company
// Philadelphia Depository Trust Company

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares purchased or Shares Certificates not tendered or not purchased are to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature(s).

Mail check and/or certificates to:

Name.....
(Please Print)

Address.....
.....
(Zip Code)

.....
(Taxpayer Identification No. or Social Security No.)

SIGN HERE
(PLEASE COMPLETE SUBSTITUTE FORM W-9 BELOW)

.....
Signature(s) of Owner(s)

.....

Dated....., 1994

Name(s)
(Please Print)

.....

Capacity (full title)

Address

.....

(Include Zip Code)

Area Code and Telephone No.

Tax Identification or Social Security No.

(See Substitute Form W-9 on Reverse Side)

(Must be signed by registered holder(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title and see Instruction 5.)

Guarantee of Signature(s)
(If required -- See Instructions 1 and 5)

Name of Firm

Authorized Signature

Name

Address

Area Code and Telephone Number

Dated....., 1994

TO BE COMPLETED BY ALL TENDERING STOCKHOLDERS
(SEE INSTRUCTION 8)
PAYER'S NAME: THE BANK OF NEW YORK

SUBSTITUTE
FORM W-9

DEPARTMENT OF THE
TREASURY INTERNAL
REVENUE SERVICE

PAYER'S REQUEST FOR
TAXPAYER IDENTIFICATION
NUMBER (TIN)

PART I -- PLEASE PROVIDE YOUR
TIN IN THE BOX AT THE RIGHT AND
CERTIFY BY SIGNING AND DATING
BELOW.

Social Security Number
or

Employer Identification Number

PART II

CERTIFICATION -- Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct taxpayer identification number
(or I am waiting for a number to be issued to me);
- (2) I am not subject to backup withholding because (a) I am exempt from backup
withholding, or (b) I have not been notified by the Internal Revenue
Service ("IRS") that I am subject to backup withholding as a result of a
failure to report all interest or dividends, or (c) the IRS has notified
me that I am no longer subject to backup withholding.

CERTIFICATION INSTRUCTIONS -- You must cross out item (2) above if you
have been notified by the IRS that you are currently subject to backup
withholding because of underreporting interest or dividends on your tax
return. However, if after being notified by the IRS that you were subject
to backup withholding you received another notification from the IRS that
you are no longer subject to backup withholding, do not cross out such
item (2).

SIGNATURE _____ DATE _____, 1995 PART III
Awaiting TIN / /

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING
OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW
THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF
SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number
has not been issued to me, and either (1) I have mailed or delivered an
application to receive a taxpayer identification number to the appropriate
Internal Revenue Service Center or Social Security Administration Office
or (2) I intend to mail or deliver an application in the near future. I
understand that if I do not provide a taxpayer identification number by
the time of payment, 31% of all reportable payments made to me will be
withheld, but that such amounts will be refunded to me if I then provide a
Taxpayer Identification Number within sixty (60) days.

Signature _____ Date _____

SECTION 1445 CERTIFICATION

A. FORM FOR INDIVIDUAL TRANSFERORS

Section 1445 of the Internal Revenue Code provides that a transferee (buyer) of a U.S. real property interest must withhold tax if the transferor (seller) is a foreign person. To inform the transferee (buyer) that withholding of tax is not required upon my disposition of a U.S. real property interest, I, _____, hereby certify the following:

1. I am not a nonresident alien for purposes of U.S. income taxation;
2. My U.S. taxpayer identifying number (Social Security number) is _____

3. My home address is: _____

I understand that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement I have made here could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete.

SIGNATURE _____ DATE _____, 1995

B. FORM FOR ENTITY TRANSFERORS

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by it, the undersigned hereby certifies on behalf of _____ the following information with respect to it:

1. It is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).
2. U.S. employer identification number: _____
3. Office address: _____

It is understood that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of the aforementioned entity.

SIGNATURE _____ DATE _____, 1995

TITLE _____

NOTE: SEE INSTRUCTION 9 FOR INFORMATION REGARDING THIS FORM.

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a firm which is a member of a registered national securities exchange or the National Association of Securities Dealers, Inc., or by a commercial bank or trust company having an office or correspondent in the United States (an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed (a) if this Letter of Transmittal is signed by the registered holder(s) of the Shares (which term, in the case of Common Shares and for purposes of this document, shall include any participant in one of the Book-Entry Transfer Facilities whose name appears on a security position listing as the owner of Common Shares) tendered herewith and such holder(s) have not completed the instruction entitled "Special Payment Instructions" on this Letter of Transmittal or (b) if such Shares are tendered for the account of an Eligible Institution. See Instruction 5.

2. Delivery of Letter of Transmittal and Shares. This Letter of Transmittal is to be used either if Share Certificates are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Purchase, as amended), is utilized, if delivery of Common Shares is to be made by book-entry transfer pursuant to the procedures set forth under "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended. Share Certificates, or a confirmation of a book-entry transfer into the Depository's account at one of the Book-Entry Transfer Facilities of all Common Shares delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or facsimile thereof), or an Agent's Message, and any other documents required by this Letter of Transmittal, must be received by the Depository at one of its addresses set forth on the front page of this Letter of Transmittal by the Expiration Date. Stockholders whose Share Certificates are not immediately available or who cannot deliver their Share Certificates and all other required documents to the Depository by the Expiration Date or, in the case of stockholders who hold Common Shares, who cannot complete the procedures for delivery by book-entry transfer on a timely basis, must tender their Shares pursuant to the guaranteed delivery procedure set forth under "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended. Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution, (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Purchaser must be received by the Depository by the Expiration Date and (c) the Share Certificates or a confirmation of a book-entry transfer into the Depository's account at one of the Book-Entry Transfer Facilities of all Common Shares delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or facsimile thereof) (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depository on the National Association of Securities Dealers, Inc. Automatic Quotation System/National Market System within five trading days after the date of execution of such Notice of Guaranteed Delivery, all as provided under "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended. If Shares are forwarded separately to the Depository, each must be accompanied by a duly executed Letter of Transmittal (or facsimile thereof).

THE PREFERRED SHARES ARE NOT ELIGIBLE FOR ADMISSION TO THE BOOK-ENTRY TRANSFER FACILITIES AND DELIVERY OF PREFERRED SHARES MAY NOT BE EFFECTED BY BOOK-ENTRY TRANSFER.

The method of delivery of Share Certificates, this Letter of Transmittal and all other required documents including in the case of Common Shares, through Book-Entry Transfer Facilities, is at the option and sole risk of the tendering stockholder and the delivery will be deemed made only when actually received by the Depository. If delivery is by mail, registered mail with return receipt requested, properly issued, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

No alternative, conditional or contingent tenders will be accepted, and no fractional Shares will be purchased. By executing this Letter of Transmittal (or facsimile thereof), the tendering stockholder waives any right to receive any notice of the acceptance for payment of the Shares.

3. Inadequate Space. If the space provided herein is inadequate, the certificate numbers and/or the number of Shares and any other required information should be listed on a separate schedule attached hereto and separately signed on each page thereof in the same manner as this Letter of Transmittal is signed.

4. Partial Tenders (not applicable to stockholders who tender by book-entry transfer). If fewer than all the Shares represented by any certificate delivered to the Depository are to be tendered, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered". In such case, a new certificate for the remainder of the Shares represented by the old certificate will be sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the appropriate box on this Letter of Transmittal, as promptly as practicable following the expiration or termination of the Offer. All Shares represented by certificates delivered to the Depository will be

deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal; Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificates without alteration, enlargement or any change whatsoever.

If any of the Shares tendered hereby are held of record by two or more persons, all such persons must sign this Letter of Transmittal.

If any of the Shares tendered hereby are registered in different names on different certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, no endorsements of certificates or separate stock powers are required unless payment of the purchase price is to be made, or Shares not tendered or not purchased are to be returned, in the name of any person other than the registered holder(s). Signatures on any such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered hereby, certificates must be endorsed or accompanied by appropriate stock powers, in either case, signed exactly as the name(s) of the registered holder(s) appear(s) on the certificates for such Shares. Signature(s) on any such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal or any certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Purchaser of the authority of such person so to act must be submitted.

6. Stock Transfer Taxes. Except as noted in this Instruction 6, the Purchaser will pay any stock transfer taxes with respect to the sale and transfer of any Shares to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or Shares not tendered or not purchased are to be returned in the name of, any person other than the registered holder(s), or if a transfer tax is imposed for any reason other than the sale or transfer of Shares to the Purchaser pursuant to the Offer, then the amount of any stock transfer taxes (whether imposed on the registered holder(s), such other person or otherwise) will be deducted from the purchase price unless satisfactory evidence of the payment of such taxes, or exemption therefrom, is submitted herewith.

Except as provided in this Instruction 6, it will not be necessary for Transfer Tax Stamps to be affixed to the certificates listed in this Letter of Transmittal.

7. Special Payment and Delivery Instructions. If the check for the purchase price of any Shares purchased is to be issued, or any Shares not tendered or not purchased are to be returned, in the name of a person other than the person(s) signing this Letter of Transmittal or if the check or any certificates for Shares not tendered or not purchased are to be mailed to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal at an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed. Stockholders tendering Common Shares by book-entry transfer may request that Common Shares not purchased be credited to such account at any of the Book-Entry Transfer Facilities as such stockholder may designate under "Special Payment Instructions". If no such instructions are given, any such Common Shares not purchased will be returned by crediting the account at the Book-Entry Transfer Facilities designated above.

8. Substitute Form W-9. Under the federal income tax laws, the Depository will be required to withhold 31% of the amount of any payments made to certain stockholders pursuant to the Offer. In order to avoid such backup withholding, each tendering stockholder, and, if applicable, each other payee, must provide the Depository with such stockholder's or payee's correct taxpayer identification number and certify that such stockholder or payee is not subject to such backup withholding by completing the Substitute Form W-9 set forth above. In general, if a stockholder or payee is an individual, the taxpayer identification number is the Social Security number of such individual. If the Depository is not provided with the correct taxpayer identification number, the stockholder or payee may be subject to a \$50 penalty imposed by the Internal Revenue Service. Certain stockholders or payees (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order to satisfy the Depository that a foreign individual qualifies as an exempt recipient, such stockholder or payee must submit a statement, signed under penalties of perjury, attesting to that individual's exempt status. Such statements can be obtained from the Depository. For further information concerning backup withholding and instructions for completing the Substitute Form W-9 (including how to obtain a taxpayer identification number if you do not have one and how to complete the Substitute Form W-9 if Shares are held in more than one name), consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

Failure to complete the Substitute Form W-9 will not, by itself, cause Shares to be deemed invalidly tendered, but may require the Depository to withhold 31% of the amount of any payments made pursuant to the Offer. Backup withholding is not an additional federal income tax. Rather, the federal income tax liability of a person subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is furnished to the Internal Revenue Service.

NOTE: FAILURE TO COMPLETE AND RETURN THE SUBSTITUTE FORM W-9 MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER.

PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER
IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

9. Withholding Under Section 1445. In addition to any applicable backup withholding, under Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code"), the Depositary will withhold 10% of the amount of any payments made to foreign stockholders unless the Depositary receives from the Company the documentation necessary to avoid the withholding tax applicable to transfers of interest in a "United States real property holding corporation" as defined in Section 897 of the Code. There can be no assurance that the necessary documentation will be obtained. Non-foreign stockholders who want to be assured of avoiding withholding under Section 1445 regardless of whether the necessary documentation is obtained from the Company must certify, under penalties of perjury, their non-foreign status by completing the Section 1445 Certification included in this Letter of Transmittal. Individuals should complete Form A and entities should complete Form B of the Section 1445 Certification.

Failure to complete the Section 1445 Certification will not, by itself, cause Shares to be deemed invalidly tendered, but may require the Depositary to withhold 10% of the amount of any payments made pursuant to the offer. Any amounts withheld under Section 1445 will be allowed as a credit against such stockholder's United States federal income tax liability and may entitle such stockholder to a refund, provided that the Internal Revenue Service determines that the Company is not a "United States real property holding corporation" and the required information is furnished to it.

NOTE: FAILURE TO COMPLETE AND RETURN THE SECTION 1445 CERTIFICATION MAY RESULT IN WITHHOLDING OF 10% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER.

10. Requests for Assistance or Additional Copies. Requests for assistance or additional copies of the Offer to Purchase and this Letter of Transmittal may be obtained from the Information Agent or Dealer Manager at their respective addresses or telephone numbers set forth below.

11. Lost, Destroyed or Stolen Certificates. If any certificate(s) representing Shares has been lost, destroyed or stolen, the stockholder should promptly notify the Depositary. Instructions will then be given as to what steps must be taken to obtain a replacement certificate(s). The Letter of Transmittal and related documents cannot be processed until the procedures for replacing such missing certificate(s) have been followed.

Facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. The Letter of Transmittal, certificates of Shares and any other required documents should be sent or delivered by each stockholder of the Company or his broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

The Depositary for the Offer is:

THE BANK OF NEW YORK

By Mail:
Tender & Exchange
Department
P.O. Box 11248
Church Street Station
New York, NY 10286-1248

By Facsimile Transmission:
(212) 815-6213
Confirm by Telephone:
(800) 507-9357

By Hand or Overnight Courier:
Tender & Exchange
Department
101 Barclay Street
Receive and Deliver
Window
New York, New York 10286

Questions and requests for assistance may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers listed below. Additional copies of this Offer to Purchase, the Supplement, this Letter of Transmittal and other tender offer materials may be obtained from the Information Agent as set forth below, and will be furnished promptly at the Company's expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning this Offer.

The Information Agent for the Offer is:

D.F. KING & CO., INC.
77 Water Street
New York, New York 10005
(212) 269-5550 (Collect)
(800) 735-3591 (Toll-Free)

The Dealer Manager for the Offer is:

LAZARD FRERES & CO.

One Rockefeller Plaza
New York, New York 10020
(212) 632-6000 (call collect)

GUIDELINES FOR CERTIFICATION OF TAXPAYER
IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

HOW TO OBTAIN A TAXPAYER IDENTIFICATION NUMBER. -- If you do not have a taxpayer identification number or don't know your number, apply for one immediately. To apply, obtain FORM SS-5, Application for a Social Security Card (for individuals), from your local office of the Social Security Administration, or FORM SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

PAYEES AND PAYMENTS EXEMPT FROM BACKUP WITHHOLDING. -- Payees specifically exempted from backup withholding on ALL payments include the following:

- (1) A corporation.
- (2) An organization exempt from tax under Section 501(a), or an IRA, or a custodial account under section 403(b)(7).
- (3) The United States or any of its agencies or instrumentalities.
- (4) A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
- (5) A foreign government or any of its political subdivisions, agencies or instrumentalities.
- (6) An international organization or any of its agencies or instrumentalities.
- (7) A foreign central bank of issue.
- (8) A registered dealer in securities or commodities registered in the U.S. or a possession of the U.S.
- (9) A real estate investment trust.
- (10) An entity registered at all times during the tax year under the Investment Company Act of 1940.
- (11) A common trust fund operated by a bank under section 584(a).
- (12) A financial institution.

Payments of dividends and patronage dividends generally not subject to backup withholding also include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in trade or business in the U.S. and that have at least one nonresident partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Payments of interest generally not subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals.

NOTE: You may be subject to backup withholding if this interest is \$600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.

- Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- Payments described in section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, SIGN AND DATE THE FORM AND RETURN IT TO THE PAYER.

Payments that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041A(a), 6042, 6044, 6045, 6049, 6050A, and 6050N, and their regulations.

PENALTIES

FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. -- If you fail to furnish your correct taxpayer identification number to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. -- If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

CRIMINAL PENALTY FOR FALSIFYING INFORMATION. -- Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

PRIVACY ACT NOTICE. -- Section 6109 requires most recipients of dividends, interest, or other payments to furnish their correct taxpayer identification number to persons who must file information returns with the IRS. The IRS uses the numbers for identification purposes and to help verify the

accuracy of your tax return. You must provide your taxpayer identification number whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

WHAT NAME AND NUMBER TO GIVE THE REQUESTER

FOR THIS TYPE OF ACCOUNT:	GIVE THE NAME AND SOCIAL SECURITY NUMBER OF:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account that is not a legal or valid trust under state law	The actual owner(1)
5. Sole proprietorship	The owner(3)
FOR THIS TYPE OF ACCOUNT:	GIVE THE NAME AND EMPLOYER IDENTIFICATION NUMBER OF:
6. Sole proprietorship	The owner(3)
7. A valid trust, estate or pension trust	Legal entity(4)
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish.

(2) Circle the minor's name and furnish the minor's social security number.

(3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number or employer identification number.

(4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE: IF NO NAME IS CIRCLED WHEN THERE IS MORE THAN ONE NAME, THE NUMBER WILL BE CONSIDERED TO BE THAT OF THE FIRST NAME LISTED.

NOTICE OF GUARANTEED DELIVERY

FOR

TENDER OF SHARES OF COMMON STOCK
AND PREFERRED STOCK

OF

QVC, INC.

This Notice of Guaranteed Delivery or one substantially equivalent hereto must be used to accept the Offer (as defined below) if certificates representing shares of Common Stock or Preferred Stock (each as defined below) of QVC, Inc., a Delaware corporation (the "Company"), and all other documents required by the revised Letter of Transmittal are not immediately available or cannot be delivered to the Depository on or prior to the Expiration Date (as defined in the Offer to Purchase, as amended), or in the case of Common Shares (as defined in the Letter of Transmittal) the procedures for delivery of book-entry transfer cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand or sent by facsimile transmission or mail to the Depository. See "The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase, as amended.

To: THE BANK OF NEW YORK, Depository

By Mail:
Tender & Exchange Dept.
P.O. Box 11248
Church Street Station
New York, NY 10286-1248

By Facsimile:
(212) 815-6213

Confirm by telephone:
(800) 507-9357

By Hand or Overnight Courier:
Tender & Exchange Dept.
101 Barclay Street
Receive and Deliver Window
New York, NY 10286

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE TRANSMISSION TO A NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THIS NOTICE OF GUARANTEED DELIVERY IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

Ladies and Gentlemen:

The undersigned hereby tenders to QVC Programming Holdings, Inc., a Delaware corporation to be wholly owned by Comcast Corporation, a Pennsylvania corporation, and Liberty Media Corporation, a Delaware corporation and a wholly-owned subsidiary of Tele-Communications, Inc., upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 11, 1994 (the "Offer to Purchase"), the Supplement to the Offer to Purchase dated February 3, 1995 (the "Supplement") and the related Letters of Transmittal (together, with amendments thereto, the "Offer"), receipt of which is hereby acknowledged, all shares indicated below (the "Shares") of Common Stock, \$.01 par value per share (the "Common Stock"), Series B Preferred Stock, \$.10 par value per share (the "Series B Preferred Stock"), and Series C Preferred Stock, \$.10 par value per share (the "Series C Preferred Stock"), of the Company pursuant to the guaranteed delivery procedures set forth under "The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase, as amended.

Number of Shares of Common Stock:
Number of Shares of Series B Preferred
Stock:
Number of Shares of Series C Preferred
Stock:
Certificate Nos. (if available):

SIGN HERE

.....
..... (Signature(s))

If Common Share(s) will be tendered
by book-entry transfer: (Name(s) of Record Holders) (Please Print)

Name of Tendering Institution:
..... (Address)

.....
..... (Zip Code)

.....
..... (Area Code and Telephone No.)

Account No.....at

Date

/ / The Depository Trust Company
/ / Midwest Securities Trust Company
/ / Philadelphia Depository Trust Company

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm that is a member in good standing of a registered national securities exchange or the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States, hereby guarantees to deliver to the Depositary, at one of its addresses set forth above, the certificates representing all tendered Shares, in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in the case of a book-entry delivery of Common Shares, and any other documents required by the revised Letter of Transmittal within five trading days on the National Association of Securities Dealers, Inc. Automated Quotation System/National Market System after the date of execution of this Notice of Guaranteed Delivery.

.....
(Name of Firm)

.....
(Authorized Signature)

.....
(Name)

.....
(Title)

.....
(Address)

.....
(Zip Code)

.....
(Area Code and Telephone No.)

Dated:, 1995

NOTE: DO NOT SEND CERTIFICATES FOR SHARES WITH THIS NOTICE OF GUARANTEED DELIVERY. CERTIFICATES FOR SHARES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

LAZARD FRERES & CO.
ONE ROCKEFELLER PLAZA
NEW YORK, NEW YORK 10020

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES
OF
COMMON STOCK,
SERIES B PREFERRED STOCK
AND
SERIES C PREFERRED STOCK
OF

QVC, INC.

AT
\$46 NET PER SHARE OF COMMON STOCK
\$460 NET PER SHARE OF PREFERRED STOCK
BY

QVC PROGRAMMING HOLDINGS, INC.

THE OFFER AND WITHDRAWAL RIGHTS
WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON
THURSDAY, FEBRUARY 9, 1995, UNLESS THE OFFER IS EXTENDED.

January , 1995

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been appointed 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., a Delaware corporation, to act as financial advisor and Dealer Manager in connection with its offer 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, upon the terms and subject to the conditions set forth in the Purchaser's Offer to Purchase dated August 11, 1994 (the "Offer to Purchase"), the Supplement to the Offer to Purchase dated February 3, 1995 (the "Supplement") and the related Letter of Transmittal (which, together with the amendments thereto, constitute the "Offer").

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

The Offer is subject to several conditions contained in the Offer to Purchase, including there being validly tendered and not withdrawn prior to the Expiration Date (as defined in the Offer to Purchase, as amended) Shares which, together with the Shares agreed to be contributed by the Parent Purchasers to the Purchaser, represent at least a majority of the outstanding shares of Common Stock on a fully diluted basis.

For your information and for forwarding to your clients for whom you hold Shares registered in your name or in the name of your nominee, we are enclosing the following documents:

1. Supplement to Offer to Purchase dated February 3, 1995;

2. Revised Letter of Transmittal to tender Shares for your use and for the information of your clients, together with Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 providing information relating to backup federal income tax withholding (facsimile copies of the Letter of Transmittal may be used to tender Shares);

3. Notice of Guaranteed Delivery for Shares to be used to accept the Offer if the certificates for Shares and all other required documents are not immediately available or cannot be delivered to The Bank of New York (the "Depository") by the Expiration Date or if procedures for book-entry transfer cannot be completed by the Expiration Date (as defined in the Offer to Purchase);

4. A printed form of the letter which may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer; and

5. A return envelope addressed to the Depository.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, FEBRUARY 9, 1995, UNLESS THE OFFER IS EXTENDED.

In order to accept the Offer, a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Common Shares (as defined in the Letter of Transmittal) and any other required documents should be sent to the Depository and either certificates representing the tendered Shares should be delivered to the Depository, or such Common Shares should be tendered by book-entry transfer into the Depository's account maintained at one of the Book Entry Transfer Facilities (as described in the Offer to Purchase), all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

If holders of Shares wish to tender, but it is impracticable for them to forward their certificates or other required documents on or prior to the Expiration Date or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures specified in "The Tender Offer -- 3. Procedures for Tendering Shares" in the Offer to Purchase, as amended.

The Purchaser will not pay any fees or commissions to any broker or dealer or other person (other than the Dealer Manager, the Information Agent or the Depository as described in the Offer to Purchase, as amended) for soliciting tenders of Shares pursuant to the Offer. The Purchaser will, however, upon request, reimburse brokers, dealers, commercial banks and trust companies for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers. The Purchaser will pay all stock transfer taxes applicable to its purchase of Shares pursuant to the Offer, subject to Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Offer should be addressed to, and additional copies of the enclosed materials may be obtained from, the Information Agent or the undersigned at the addresses and telephone numbers set forth on the back cover of the Offer to Purchase, the Supplement and the Letter of Transmittal.

Very truly yours,

LAZARD FRERES & CO.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON AS THE AGENT OF QVC PROGRAMMING HOLDINGS, INC. (OR ANY AFFILIATE THEREOF), THE DEALER MANAGER, THE INFORMATION AGENT OR THE DEPOSITARY, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HERewith AND THE STATEMENTS CONTAINED THEREIN.

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES
OF
COMMON STOCK,
SERIES B PREFERRED STOCK
AND
SERIES C PREFERRED STOCK
OF

QVC, INC.

AT
\$46 NET PER SHARE OF COMMON STOCK
\$460 NET PER SHARE OF PREFERRED STOCK
BY

QVC PROGRAMMING HOLDINGS, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY
TIME, ON THURSDAY, FEBRUARY 9, 1995, UNLESS THE OFFER IS EXTENDED.

February 3, 1995

To Our Clients:

Enclosed for your consideration are the Supplement to Offer to Purchase dated February 3, 1995 (the "Supplement"), which supplements the Offer to Purchase dated August 11, 1994 (the "Offer to Purchase"), and the related revised Letter of Transmittal (which, together with the Offer to Purchase, the amendments thereto and the related Letters of Transmittal, constitute the "Offer") relating to the 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., a Delaware corporation, to purchase for cash 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 a price of \$46 per share of Common Stock and \$460 per share of Preferred Stock, net to the seller in cash, without interest thereon, upon the terms and conditions set forth in the Offer. Holders of Shares whose certificates for such Shares (the "Share Certificates") are not immediately available or who cannot deliver their Share Certificates and all other required documents to the Depository (as defined below) on or prior to the Expiration Date (as defined in the Offer to Purchase), or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Shares according to the guaranteed delivery procedures set forth in the Offer to Purchase, as amended. See "The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase, as amended.

WE ARE THE HOLDER OF RECORD OF SHARES HELD FOR YOUR ACCOUNT. A TENDER OF SUCH SHARES CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES HELD BY US FOR YOUR ACCOUNT.

We request instructions as to whether you wish us to tender any or all of the Shares held by us for your account, upon the terms and subject to the conditions set forth in the Offer.

Your attention is directed to the following:

1. The tender price is \$46 per share of Common Stock and \$460 per share of Preferred Stock, net to you in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer.

2. The Offer is being made for all outstanding shares of Common Stock and Preferred Stock.

3. The Offer and withdrawal rights expire at 12:00 Midnight, New York City time, on Thursday, February 9, 1995, unless the Offer is extended.

4. The Offer is conditioned upon, among other things, (i) there being validly tendered and not withdrawn prior to the Expiration Date Shares which, together with the Shares agreed to be contributed by the Parent Purchasers (or any wholly-owned subsidiary thereof) to the Purchaser pursuant to the Joint Bidding Agreement (as defined in the Offer to Purchase, as amended) represent at least a majority of the outstanding shares of Common Stock, calculated on a fully diluted basis, (ii) the Purchaser having obtained sufficient financing on terms satisfactory to it to purchase all of the outstanding Shares pursuant to the Offer, consummate the Merger (as defined in the Offer to Purchase, as amended) and pay related fees and expenses and (iii) the absence of certain legal actions or proceedings.

5. Any brokerage fees, commissions or stock transfer taxes applicable to the sale of Shares to the Purchaser pursuant to the Offer will be paid by the Purchaser, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

6. Payment for Shares purchased pursuant to the Offer will in all cases be made only after timely receipt by The Bank of New York (the "Depository") of (a) Share Certificates or timely confirmation of the book-entry transfer of Common Shares (as defined in the Letter of Transmittal) into the account maintained by the Depository at The Depository Trust Company, the Midwest Securities Trust Company or the Philadelphia Depository Trust Company (collectively, the "Book-Entry Transfer Facilities"), pursuant to the procedures set forth in the Offer to Purchase, (b) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase), in connection with a book-entry delivery, and (c) any other documents required by the Letter of Transmittal. See "The Tender Offer -- 3. Procedure for Tendering Shares" in the Offer to Purchase, as amended. Accordingly, payment may not be made to all tendering stockholders at the same time depending upon when certificates for or confirmations of book-entry transfer of such Common Shares into the Depository's account at a Book-Entry Transfer Facility are actually received by the Depository.

7. The Board of Directors of the Company (other than directors affiliated with Comcast) has unanimously determined that the Offer and the Merger described in the Offer are fair to and in the best interests of the Company's stockholders (other than Comcast and Liberty and their affiliates) and approved the Offer and the Merger, and recommends that the Company's stockholders accept the Offer and approve the Merger.

If you wish to have us tender any or all of your Shares, please so instruct us by completing, executing, detaching and returning to us the instruction form on the detachable part hereof. An envelope to return your instructions to us is enclosed. If you authorize tender of your Shares, all such Shares will be tendered unless otherwise specified on the detachable part hereof. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf by the expiration of the Offer.

The Purchaser is not aware of any state where the making of the Offer is prohibited by administrative or judicial action pursuant to any valid state statute. If the Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, the Purchaser will make a reasonable good faith effort to comply with such state statute. If, after such reasonable good faith effort, the Purchaser cannot comply with such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares in such state.

In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer is being made on behalf of the Company by Lazard Freres & Co., the Dealer Manager for the Offer, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

INSTRUCTIONS WITH RESPECT TO THE
OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES
OF
COMMON STOCK,
SERIES B PREFERRED STOCK
AND
SERIES C PREFERRED STOCK
OF

QVC, INC.

The undersigned acknowledge(s) receipt of your letter and the enclosed Supplement, dated February 3, 1995, to the Offer to Purchase dated August 11, 1994 as supplemented and amended by the amendments thereto and the related revised Letter of Transmittal (such documents together with any amendment thereto and the related Letters of Transmittal constitute the "Offer"), in connection with the offer by QVC Programming Holdings, Inc., a Delaware corporation (the "Purchaser"), 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, of QVC, Inc., a Delaware corporation.

This will instruct you to tender to the Purchaser the Shares indicated below (or if no number is indicated below, all Shares) held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related revised Letter of Transmittal.

SIGN HERE

Shares to be Tendered:	
.... shares of Common Stock	Signature(s)
.... shares of Series B Preferred Stock	
.... shares of Series C Preferred Stock	
	Please print name(s) and address(es) here
	
	Area Code & Telephone Numbers
Dated:....., 1995	
	Taxpayer Identification or Social Security Number(s)

QVC, INC. AND SUBSIDIARIES
 SELECTED FINANCIAL INFORMATION
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QVC. INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

ASSETS	October 31, 1994 -----	January 31, 1994 -----
Current assets:		
Cash and cash equivalents	\$ 80,790	\$ 15,873
Accounts receivable, less allowance for doubtful accounts of \$67,671 at October 31, 1994 and \$52,759 at January 31, 1994	193,540	183,162
Inventories	198,012	148,208
Deferred taxes	56,748	59,749
Prepaid expenses	8,238 -----	5,536 -----
Total current assets	537,328	412,528
Property, plant and equipment, at cost, less accumulated depreciation	89,739	80,579
Cable television distribution rights, net	99,729	99,579
Other assets, net	38,086	33,664
Excess of cost over acquired net assets	244,475 -----	251,810 -----
Total assets	\$1,009,857 -----	\$878,160 -----
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current maturities of long-term debt	\$ 3,158	\$ 3,114
Accounts payable-trade	130,801	81,594
Accrued liabilities	264,286 -----	225,989 -----
Total current liabilities	398,245	310,697
Long-term debt, less current maturities	6,599 -----	7,044 -----
Total liabilities	404,844 -----	317,711 -----
Shareholders' equity:		
Convertible Preferred Stock, par value \$.10	50	56
Common Stock, par value \$.01	409	399
Additional paid-in capital	451,659	446,027
Retained earnings	152,193	113,937
Foreign currency translation adjustments	202 -----	- -----
Total shareholders' equity	604,513	560,419
Total liabilities and shareholders' equity	\$1,009,357 -----	\$878,160 -----

The accompanying notes are an integral part of these consolidated financial statements.

QVC. INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three months ended October 31,		Nine months ended October 31,	
	1994	1993	1994	1993
Net revenue	\$364,467	\$313,945	\$964,185	\$849,615
Cost of goods sold	223,165	185,043	588,292	499,002
Gross profit	141,302	128,902	375,893	350,613
Operating expenses:				
Variable costs	46,869	43,976	126,920	121,277
General and administrative	45,314	31,532	114,523	98,372
Depreciation	4,636	4,175	13,154	12,278
Amortization of intangible assets	8,349	6,453	20,894	19,609
	105,168	86,136	275,491	251,536
Operating income	36,134	42,766	100,402	99,077
Other income (expense):				
Losses from joint ventures	(7,677)	(2,118)	(27,248)	(2,118)
Interest income	4,434	2,430	12,333	7,698
Interest expense	(345)	(346)	(1,046)	(1,242)
	(3,588)	(34)	(15,961)	4,338
Income before income taxes and cumulative effect of a change in accounting principle	32,546	42,732	84,441	103,415
Income tax provision	(18,080)	(21,215)	(46,185)	(50,950)
Income before cumulative effect of a change in accounting principle	14,466	21,517	38,256	52,465
Cumulative effect of a change in accounting for income taxes	-	-	-	3,990
Net income	\$ 14,466	\$ 21,517	\$ 38,256	\$ 56,455
Income per share:				
Income before cumulative effect of a change in accounting principle	\$.29	\$.42	\$.78	\$ 1.04
Cumulative effect of a change in accounting for income taxes	-	-	-	.08
Net income	\$.29	\$.42	\$.78	\$ 1.12
Weighted average number of common and common equivalent shares	48,945	50,680	48,901	50,582

The accompany notes are an integral part of these consolidated financial statements.

QVC. INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(IN THOUSANDS)

	Nine months ended October 31,	
	----- 1994 -----	----- 1993 -----
Cash flows from operating activities:		
Net income	\$ 38,256	\$ 56,455
Adjustments to reconcile net income to net cash provided by operating activities:		
(Increase) decrease in deferred taxes	(3,005)	4,303
Cumulative effect of a change in accounting for income taxes	-	(3,990)
Depreciation	13,154	12,278
Amortization of intangible assets	20,894	19,609
Losses from joint ventures	27,248	2,118
Losses on sales of equipment	450	-
Deferral of Q2 start-up costs	(7,985)	(144)
Effects of changes in working capital items*	27,621	(31,756)
	-----	-----
Net cash provided by operating activities	116,633	58,873
	-----	-----
Cash flows from investing activities:		
Capital expenditures	(26,627)	(19,531)
Expenditures for cable television distribution rights	(11,569)	-
Changes in other assets	(423)	(819)
Investment in and advances to joint ventures	(22,196)	(13,312)
Proceeds from sales of equipment	3,864	-
	-----	-----
Net cash used in investing activities	(56,951)	(33,662)
	-----	-----
Cash flows from financing activities:		
Borrowings under revolving credit facilities	-	20,000
Payments against revolving credit facilities	-	(20,000)
Principal payments under other debt	(401)	(374)
Payments under Senior term loan	-	(21,000)
Proceeds from exercise of stock options	2,536	983
Proceeds from exercise of warrants	3,100	6,185
	-----	-----
Net cash provided by (used in) financing activities	5,235	(14,206)
	-----	-----
Net increase in cash and cash equivalents	64,917	11,005
Cash and cash equivalents at beginning of period	15,873	4,279
	-----	-----
Cash and cash equivalents at end of period	\$ 80,790	\$ 15,284
	-----	-----
* Analysis of effects of changes in working capital items:		
Increase in accounts receivable	\$(10,378)	\$(29,887)
Increase in inventories	(49,804)	(46,406)
Decrease (increase) in deferred taxes	3,001	(9,812)
Increase in prepaid expenses	(2,702)	(5,532)
Increase in accounts payable	49,207	29,514
Increase in accrued liabilities	38,297	30,367
	-----	-----
	\$ 27,621	\$(31,756)
	-----	-----

The accompanying notes are an integral part of these consolidated financial statements.

QVC INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(UNAUDITED)
(IN THOUSANDS)

	Convertible Preferred Stock -----	Common Stock -----	Additional Paid-in Capital -----	Retained Earnings -----	Foreign Currency Translation -----	Total -----
Balance January 31, 1994	\$56	\$399	\$446,027	\$113,937	\$ -	\$560,419
Net income for period	-	-	-	38,256	-	38,256
Proceeds from exercise of warrants	-	3	3,097	-	-	3,100
Proceeds from the exercise of employee stock options	-	1	2,535	-	-	2,536
Conversion of shares	(6)	6	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	202	202
Balance October 31, 1994	\$50	\$409	\$451,659	\$152,193	\$202	\$684,513

The accompanying notes are an integral part of these consolidated financial statements.

QVC, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - BASIS OF PRESENTATION

The interim consolidated financial statements are unaudited and should be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended January 31, 1994 and 1993.

In the opinion of QVC, Inc. (the "Company"), all adjustments necessary for a fair presentation of such consolidated financial statements have been included. Such adjustments principally consist of normal recurring items. Interim results are not necessarily indicative of results for a full year.

The consolidated financial statements include the accounts of the Company and all subsidiaries. Investments in the Company's joint ventures (50% or less owned) are accounted for under the equity method. All significant intercompany accounts and transactions are eliminated in consolidation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set forth in Note 1 to the Company's consolidated financial statements in the QVC, Inc. Annual Report on Form 10-K for the fiscal year ended January 31, 1994.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	October 31, 1994	January 31, 1994
	-----	-----
	(in thousands)	
Land	\$ 7,818	\$ 3,977
Buildings and improvements	57,317	50,627
Furniture and other equipment	34,384	33,866
Broadcast equipment	10,163	8,942
Computer equipment and software	19,288	20,005
Construction in progress	295	1,684
	-----	-----
	129,265	119,101
Less - Accumulated depreciation	(30,526)	(38,522)
	-----	-----
Net property, plant and equipment	\$ 89,739	\$ 80,579

In October 1994, the Company purchased a 600,000 square foot office and warehouse facility in West Chester, Pennsylvania for a total cost of approximately \$9.6 million. It is anticipated that some of the operations located in other facilities will be transferred to this building.

QVC, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (CONTINUED)

NOTE 4 - OTHER ASSETS

Other assets consist of the following:

	October 31, 1994	January 31, 1994
	-----	-----
	(in thousands)	
Deferred taxes (Note 6)	\$20,271	\$17,265
Investments in and advances to joint ventures, net of accumulated losses	6,345	11,194
Start-up costs	11,444	3,459
Satellite transponder rights	1,000	1,000
Other	1,496	1,234
	-----	-----
	40,556	34,152
Less - accumulated amortization	(2,470)	(488)
	-----	-----
Net other assets	\$38,086	\$33,664
	-----	-----

During fiscal 1993, the Company established electronic retailing program service in the United Kingdom ("QVC - The Shopping Channel") and Mexico ("CVC") through joint venture agreements with British Sky Broadcasting Limited and Grupo Televisa, S.A. de C.V., respectively. The joint venture in the United Kingdom began broadcasting on October 1, 1993, and the joint venture in Mexico began broadcasting on November 15, 1993. The joint venture agreement in the United Kingdom requires, among other things, that the Company provide all funding to the joint venture until it is profitable. The Company will then recover all prior funding before any profits are shared. Accordingly, the Company has included 100% of the loss on operations of this venture in the Consolidated Statements of Operations. The operating results of the joint venture in Mexico are shared equally by the partners.

Summarized financial information for "QVC" - The Shopping Channel" and "CVC" on a 100% basis follows (in thousands):

	October 31, 1994		January 31, 1994	
	-----		-----	
	QVC - The Shopping Channel	CVC	QVC - The Shopping Channel	CVC
	-----	-----	-----	-----
Current assets	\$10,912	\$14,512	\$5,608	\$9,687
Property, plant and equipment, net	2,599	2,282	1,645	1,665
Unamortized start-up costs	865	630	2,205	1,650
Current liabilities	9,053	17,085	4,181	9,507

	Three months ended October 31, 1994		Nine months ended October 31, 1994	
	-----		-----	
	QVC-The Shopping Channel	CVC	QVC-The Shopping Channel	CVC
	-----	---	-----	---
Net Revenue	\$8,082	\$9,467	\$ 15,699	\$21,116
Gross profit	3,222	3,198	5,406	5,979
Loss	(5,720)	(2,290)	(20,015)	(8,537)

During the month of October 1993, "QVC - The Shopping Channel" experienced net sales of \$187,000, gross profit of \$87,000 and a net loss of \$2.1 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (CONTINUED)

In Fiscal 1993, the Company also entered a joint venture with Tribune Entertainment Company and Regal Communications to form QRT Enterprises ("QRT"). QRT produced and Syndicated "Can We Shop" with Joan Rivers, which commenced Broadcasting January 17, 1994. On June 15, 1994, QRT announced plans to cease the venture with the last show broadcasted on July 15, 1994. "Can We Shop" was a one-hour, Monday through Friday television show through which merchandise was sold.

The Company has made a \$4.4 million investment in Friday Holdings, L.P., a limited partnership ("Friday Holdings"). The limited partnership's purpose was to establish or acquire businesses in the communications field and to develop information products. This partnership is currently being liquidated.

The Company's share of gains (losses) from joint ventures during the three and nine months ended October 31, 1994 follows (in thousands):

	Three Months -----	Nine Months -----
QVC - The Shopping Channel	\$(5,720)	\$(20,015)
CVC	(1,145)	(4,268)
QRT	138	(1,115)
Friday Holdings	(900)	(1,800)
Other	(50)	(50)
	-----	-----
	\$(7,677)	\$(27,248)
	-----	-----

The Company capitalized \$11.4 million of costs relating to the start-up of Q2, a new televised Shopping/programming service, which fully launched on August 1, 1994 in the United States. The capitalized start-up costs are being amortized over eighteen months. Total amortization for the quarter ended October 31, 1994 was \$1.9 million.

NOTE 5 - CAPITAL STOCK

The Company has 175,000,000 shares of Common Stock authorized. There were 40,906,497 shares outstanding at October 31, 1994 and 39,895,447 shares outstanding at January 31, 1994. The increase in the number of shares of Common Stock outstanding is the result of the exercise of warrants (310,000), the exercise of employee stock options (105,000) and the conversion of Convertible Preferred Stock (596,050).

The following table summarizes the number of Convertible Preferred shares at October 31, 1994 and January 31, 1994 (in thousands):

		October 31, 1994 -----		January 31, 1994 -----	
	Shares Authorized -----	Outstanding -----	Par Value -----	Outstanding -----	Par Value -----
Series A	10	-	\$ -	-	\$ -
Series B	1,000	18	2	28	3
Series C	1,000	481	48	531	53
Series D	300	-	-	1	-
			---		---
			\$50		\$56

NOTE 6 - INCOME TAXES

The Company adopted the principles of Statement of Financial Accounting Standards No. 109 ("SFAS 109") to account for income taxes in the first quarter of fiscal 1993. The cumulative effect of adopting SFAS 109 was to increase net income by approximately \$4.0 million in the first quarter of fiscal 1993. The provisions for income taxes for the three months and nine months ended October 31, 1994 and 1993 are based on the estimated annual effective tax rate after considering the federal and state statutory rates, amortization of intangibles arising from the CUN acquisition, which is not deductible for tax purposes, and the fact that the losses from joint ventures provide no state income tax benefit.

In 1994, the Company received notice that the Internal Revenue Service ("IRS") has completed its examinations of the Company's federal income tax returns through fiscal 1991. As a result of the examination, the IRS has proposed

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (CONTINUED)

adjustments that relate primarily to the amortization of cable television distribution rights, that would result in a potential tax liability for those years in excess of \$56.0 million. The Company intends to vigorously contest these proposed adjustments. While it is not possible at this time to predict the outcome of these actions, it is the opinion of management, after reviewing the matter with outside counsel, that this matter will be resolved without having a material effect on the Company's financial position.

NOTE 7 - INCOME PER SHARE

The Company computes income per share using the modified treasury stock method. The following table presents the computation of net income per share for the three and nine months ended October 31, 1994 and 1993 (in thousands, except per share amounts).

	Three Months Ended October 31,		Nine Months Ended October 31,	
	1994	1993	1994	1993
Income:	-----	-----	-----	-----
Income before cumulative effect of a change in accounting for income taxes	\$14,466	\$21,517	\$38,256	\$52,465
Cumulative effect of a change in accounting for income taxes	-	-	-	3,990
	-----	-----	-----	-----
	\$14,466	\$21,517	\$38,256	\$56,455
	-----	-----	-----	-----
Net Income				
Shares:				
Weighted average number of common Shares outstanding	40,713	38,855	40,320	37,235
Add - common equivalent shares assuming conversion of Series B, Series C and Series D Convertible Preferred Stock	5,145	6,508	5,414	7,922
Add - Common shares assumed to be outstanding from exercise of warrants and options	9,665	10,093	9,746	10,282
Less - Assumed purchase of Common Stock from proceeds of exercise of warrants and options	(6,578)	(4,776)	(6,579)	(4,857)
	-----	-----	-----	-----
	48,945	50,680	48,901	50,582
	-----	-----	-----	-----
Income per share:				
Income before cumulative effect of a change in accounting principle	\$.29	\$.42	\$.78	\$ 1.04
Cumulative effect of a change in accounting for income taxes	-	-	-	.08
	-----	-----	-----	-----
Net income	\$.29	\$.42	\$.78	\$ 1.12
	-----	-----	-----	-----

QVC, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (CONTINUED)

NOTE 8 - SUPPLEMENTAL INFORMATION ON CONSOLIDATED STATEMENTS OF CASH FLOWS

Nine months ended October 31,	
-----	-----
1994	1993
----	----
(in thousands)	

Supplemental cash flow information:

Interest paid	\$855	\$ 1,099
Income taxes paid	207	32,414

During the nine months ended October 31, 1993, the only non-cash investing and financing activity was the \$302,000 foreign currency translation adjustments related to investments in foreign joint ventures.

NOTE 9 - ACQUISITION BY COMCAST CORPORATION AND LIBERTY MEDIA CORPORATION

On August 4, 1994, the Company, Comcast Corporation ("Comcast") Liberty Media Corporation ("Liberty") and a company wholly owned by Comcast and Liberty ("Holdings") entered into a definitive merger agreement pursuant to which Holdings will acquire QVC and thereafter QVC will merge with a subsidiary of Holdings. On August 11, 1994, Holdings commenced a tender offer for all shares of stock of QVC at a cash price of \$46 per share of QVC Common Stock and \$460 per share of QVC Convertible Preferred Stock. The total cost of the acquisition for the QVC Stock not owned by Comcast or Liberty will be in excess of \$1.4 billion. Comcast and Liberty have agreed to fund a total of approximately \$303 million of the acquisition with the balance to be provided through debt financing which, after the merger, will be an obligation of QVC. Following the acquisition, Comcast and Liberty will own approximately 57% and 49%, respectively, of Holdings, which will own 100% of QVC.

NOTE 10 - LITIGATION

As previously reported to the Securities and Exchange Commission, the Company has been named as a defendant in certain actions filed in state and federal courts in Delaware arising out of Liberty's prior acquisitions of shares of Home Shopping Network, Inc. ("HSN") and the Company's July 1993 letter proposal to HSN to combine HSN and the Company in a stock-for-stock transaction (the "HSN Actions"). The plaintiffs and defendants to the HSN Actions have executed a Memorandum of Understanding (the "MOU") setting forth an agreement in principle for the settlement of the HSN Actions for a total consideration of \$13 million (plus \$200,000 to cover administrative expenses), all of which is to be funded by Liberty. In May 1994, the Company became a party to a revised MOU. Under the revised MOU, the Company is not required to pay any portion of the proposed settlement fund or the administrative expenses of the settlement.

On August 19, 1994, plaintiffs and defendants in the HSN Actions entered into a stipulation in connection with the contemplated settlement of such actions (the "Delaware Settlement"), which was then filed with the Delaware courts. On November 18, 1994, the parties entered into a revised Stipulation (the "Revised Stipulation"), which was then filed with the Delaware courts. The Revised Stipulation continues to provide for the Delaware Settlement, but also provides for the settlement of a separate related action (the "Related Action") brought in Delaware Chancery Court against Liberty and certain other defendants in the HSN Actions (but not the Company). The Revised Stipulation provides that settlement of the Related Action and the Delaware Settlement are not dependent on each other.

Pursuant to the Delaware Settlement, three subclasses of plaintiffs would be certified for settlement purposes. Members of two of the three subclasses will have the right to opt out of the Delaware Settlement pursuant to procedures set forth in the Revised Stipulation. The Delaware Settlement contemplates that Liberty will create a settlement fund of \$13.2 million (plus interest from December 31, 1993) and that the net proceeds of the settlement fund will be distributed to the eligible members of the two subclasses who do not opt out of the settlement in accordance with a proposed plan of distribution. QVC is not required to pay any portion of the settlement fund.

Consummation of the proposed Delaware Settlement is subject to a

number of conditions, including (i) obtaining final approval from the Delaware courts, (ii) the number of shares opting out of the settlement not exceeding a confidential, predetermined ceiling, and (iii) the dismissal of the HSN Actions by the Delaware courts with prejudice and the release of claims in the HSN Actions. If approved by the Delaware courts, the Delaware Settlement would result in the dismissal with prejudice of the HSN Actions and the release of all claims in the HSN Actions. The Delaware courts have scheduled hearings on the proposed Delaware Settlement to be held on January 24, 1995.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (CONTINUED)

In October 1993, the Company brought an action in Delaware Chancery Court against Viacom Inc. ("Viacom"), Paramount Communications Inc. ("Paramount") and certain Paramount directors for breach of fiduciary duty in failing to give fair treatment to the Company's merger proposal while granting undue advantages to Viacom's merger proposal. In November 1993, the court granted the Company's motion for a preliminary injunction against certain anti-takeover mechanisms being used to preclude the Paramount shareholders from accepting the Company's cash tender offer for Paramount shares. This injunction was affirmed by the Delaware Supreme Court in December 1993. Viacom subsequently filed a motion to dismiss the Company's complaint. Paramount's time to respond to the complaint has been extended to January 26, 1995.

In July 1994, after the announcement that Comcast and Liberty would make a joint offer to purchase all of the outstanding shares of stock of the Company, eight putative class action lawsuits (the "Consolidated Action") were filed by certain shareholders of the Company in Delaware Chancery Court on behalf of a purported class consisting of all public shareholders of the Company. The defendants in the Consolidated Action include the Company and directors of the Company. Plaintiffs alleged, among other things, that the defendants breached their fiduciary duties when considering the Comcast offer in that they failed to take all possible steps to seek out and encourage the best offer for the Company. Plaintiffs sought, among other things, an injunction ordering the defendants to auction the Company and an award of unspecified compensatory damages to the members of the plaintiff class.

In early August 1994, Comcast and Liberty were joined as defendants in the Consolidated Action. On August 5, 1994, the parties reached an agreement in principle providing for the settlement and dismissal with prejudice of the Consolidated Action. The agreement in principle provides, among other things, that an affiliate of Comcast and Liberty will commence a tender offer to purchase all of the outstanding shares of QVC Common Stock for \$46 per share in cash, to be followed by a merger in which the remaining holders of QVC Common Stock will receive \$46 per share in cash. The agreement in principle also provides that all defendants deny that any of them have committed or threatened to commit any violations of law or breaches of duty; that plaintiffs' counsel will apply to the court for an award of fees (to be paid by the Company in the event that the offer and merger are consummated) in an amount to be agreed among plaintiffs and defendants; and that the terms of the settlement are subject to court approval in all respects. In the event of court approval, all claims against defendants (and certain others) that were or could have been asserted in the settled Consolidated Action will be dismissed with prejudice and released, and shareholders of the Company who may have had such claims at any time from June 20, 1994 through the effective date of the merger, will be barred from asserting them in the future. Prior to the time that court approval for the settlement described above is sought, shareholders of the Company who are members of the class on behalf of whom the action is brought will receive written notice of the terms of the settlement and the claims to be settled, released, dismissed and barred.

The Company has also been named as a defendant in various legal proceedings arising in the ordinary course of business. Although the outcome of these matters cannot be determined, in the opinion of management, disposition of these proceedings will not have a material effect on the Company's financial position.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

GENERAL

The Company is a retailer of a wide range of consumer products which are marketed and sold by merchandise-focused televised-shopping programs. The average number of homes receiving the QVC Service was (in millions, except dollar amounts):

	Three months ended October 31,		Nine months ended October 31,	
	-----	-----	-----	-----
	1994	1993	1994	1993
	----	----	----	----
Cable homes - 24 hours per day	46.0	43.6	45.2	43.1
Cable homes - part-time	3.1	3.0	3.0	2.9
Satellite dish homes (estimated)	3.0	3.0	3.0	3.0
	----	----	----	----
Total	52.1	49.6	51.2	49.0
	----	----	----	----
Full-time equivalent homes ("FTE")	48.5	46.1	47.7	45.6
QVC net sales per FTE home	\$7.48	\$6.79	\$20.14	\$18.58

FTE homes equal the total number of cable homes receiving the QVC Service 24 hours per day plus one-third of the part-time cable homes and one-half of the satellite dish homes. This calculation reflects the Company's estimate of the relative value to the Company of part-time homes and satellite dish homes compared to full-time homes. QVC net sales excludes non-merchandise revenue and net sales associated with the Company's infomercial division, QDirect.

Net revenues increased in the first nine months of fiscal 1994 due to the increase in the number of homes receiving the QVC Service as well as an increase in net sales to existing subscribers. It is unlikely that the number of homes receiving the QVC Service will continue to grow at rates comparable to prior periods, given that the QVC Service is already received by approximately 80% of all the cable television homes in the United States. As relative growth in the number of homes declines, future growth in sales will depend increasingly on continued additions of new customers from homes already receiving the QVC Service and continued growth in repeat sales to existing customers.

Operating profit margins have declined during the quarter largely as a result of a decrease in the gross margin percentage primarily due to reduced sales of higher margin jewelry products as well as increases in general and administrative expense and amortization expense associated with the launch of Q2 on August 1, 1994. Prior to August, the Company capitalized all Q2 start-up costs which totaled \$11.4 million. These costs are being amortized over eighteen months. Total amortization of Q2 start-up costs was \$1.9 million during the third quarter of 1994.

RESULTS OF OPERATIONS

The following table sets forth the Company's Consolidated Statements of Operations expressed as a percentage of net revenue:

	Three months ended October 31,		Nine months ended October 31,	
	1994	1993	1994	1993
Net revenue	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	61.2	58.9	61.0	58.7%
Gross Profit	38.8	41.1	39.0	41.3
Operating expenses:				
Variable costs	12.9	14.0	13.1	14.3
General and administrative	12.4	10.0	11.9	11.6
Depreciation	1.3	1.3	1.4	1.4
Amortization of intangible assets	2.3	2.1	2.2	2.3
	28.9	27.4	28.6	29.6
Operating income	9.9	13.7	10.4	11.7
Other income (expense):				
Losses from joint ventures	(2.1)	(0.7)	(2.8)	(0.2)
Interest income	1.2	0.8	1.3	0.9
Interest expense	(0.1)	(0.1)	(0.1)	(0.2)
	(1.0)	-	(1.6)	0.5
Income before income taxes and cumulative effect of a change in accounting principle	8.9	13.7	8.8	12.2
Income tax provision	(4.9)	(6.8)	(4.8)	(6.0)
Income before cumulative effect of a change in accounting principle	4.0	6.9	4.0	6.2
Cumulative effect of a change in accounting for income taxes	-	-	-	0.4
Net income	4.0%	6.9%	4.0%	6.6%

NET REVENUE AND GROSS PROFIT

Net revenue for the three months ended October 31, 1994 was \$364.5 million, an increase of 16.1% over the \$313.9 million net revenue in the prior year's quarter. During the nine months of 1994, net revenue was \$964.2 million compared to \$849.6 million in the prior period which was an increase of 13.5%. The sales increase during the third quarter was due to the 5.2% increase in the average number of homes receiving the QVC Service and, to a greater extent, the 10.2% increase in net sales per FTE home. For the nine months ending October 31, 1994, the sales increase was due to the 4.6% increase in the average number of homes receiving the QVC Service as well as the 8.4% increase in net sales per FTE home.

Net revenue for the three month and nine month periods in 1994 includes \$2.2 million and \$7.8 million, respectively, of net sales from the Company's second channel, consisting of The QVC Fashion Channel, onQ and Q2, to 9.8 million and 9.3 million FTE homes, respectively, as compared to net sales from The QVC Fashion Channel of \$5.7 million and \$20.4 million, respectively, for the same three month and nine month periods in 1993 to 7.8 million FTE homes. The Company launched a new shopping service on the second channel in August 1994, currently consisting primarily of Q2 and onQ, which is expected to completely replace The QVC Fashion Channel by mid-December 1994. Q2 is designed

for the audience that has not yet purchased from traditional home-shopping formats and is currently broadcast 24 hours a day Thursday through Sunday. onQ is QVC's new fashion service for younger adults and is currently broadcast 24 hours a day two days a week. QVC is currently phasing out onQ programming on the second channel and replacing it with Q2 programming, which the Company anticipates will air seven days a week on the second channel by the end of fiscal 1994. The Company believes that the decline in sales from

the second channel during the nine months ended October 31, 1994, is due to the change in the format of the programming featured on the second channel for which a market has not yet had time to develop. The Company anticipates that Q2 will be on the air seven days a week by the end of fiscal 1994.

The Company has two credit programs, the QVC Easy-Pay Plan and the QVC revolving credit card program. The Company offers customers the Easy-Pay option only on selected items. The Easy-Pay Plan permits customers to pay for such items in several monthly installments. When the Easy-Pay Plan is selected by the customer, the item purchased is shipped after the first payment is billed to the customer's credit card. The customer's credit card is subsequently billed up to four additional monthly installments until the total purchase price of the product has been received by the Company. QVC's revolving credit card program permits customers to charge purchases on the Company's own credit card. The accounts receivable from the revolving credit card program are purchased (with recourse) and serviced by an unrelated third party. Sales under these credit programs amounted to 41.9% and 41.0% of net revenue for the three months ended October 31, 1994 and 1993, respectively. For the nine months ended October 31, 1994 and 1993, sales under these programs were 42.9% and 39.8% of net revenue, respectively. Sales under these credit programs increased as a percentage of total sales in the current quarter and nine months primarily because of more sales under the Easy-Pay Plan. The loss provision for uncollectible accounts under these credit programs amounted to \$4.3 million in the current quarter compared with \$5.7 million in the prior year and \$13.0 million in the first nine months of 1994 compared to \$15.8 million in the prior year.

The sales mix by product category as a percentage of net sales was as follows:

	Three months ended October 31,		Nine months ended October 31,	
	1994	1993	1994	1993
Jewelry	35.7%	42.7%	38.8%	42.7%
Apparel and accessories	22.6	19.2	20.2	18.6
Housewares	12.7	11.0	12.3	11.3
Electronics	9.4	6.8	8.6	7.3
Collectibles	7.9	8.6	7.3	8.8
Other	11.7	11.7	12.8	11.3
	100.0%	100.0%	100.0%	100.0%

Gross profit for the quarter ended October 31, 1994 was \$141.3 million, or 38.8% of net revenue, compared to \$128.9 million, or 41.1% of net revenue in the prior year. For the nine months of 1994, gross profit was \$375.9 million or 39.0% of net revenue compared to \$350.6 million or 41.3% of net revenue in the prior year. The principal reason for the increase in gross profit was the increased sales volume. The decrease in the gross profit percentage in 1994 was principally due to reduced sales of higher-margin jewelry products and stronger sales of the Company's promotional Today's Special Value items which sell below normal gross profit margins. Increased costs in 1994 of shipping and handling the product that were not reflected in the charge to the customer also contributed to the decrease in the gross profit percentage.

VARIABLE COSTS

Variable costs totaled \$46.9 million and \$44.0 million for the third quarter of 1994 and 1993, respectively, and \$126.9 million and \$121.3 million for the nine months of 1994 and 1993, respectively. The major components of this expense classification are detailed below, expressed in amounts and as a percentage of net revenue (dollars in millions):

	Three months ended October 31,				Nine months ended October 31,			
	1994		1993		1994		1993	
	\$	%	\$	%	\$	%	\$	%
Order processing and customer service	17.7	4.9	16.4	5.2	48.5	5.0	45.7	5.4
Commissions and license fees	19.2	5.3	17.1	5.5	50.3	5.2	45.7	5.4
Provision for doubtful accounts	4.8	1.3	6.0	1.9	14.3	1.5	17.7	2.1
Credit card processing fees	5.2	1.4	4.5	1.4	13.8	1.4	12.2	1.4
	46.9	12.9	44.0	14.0	126.9	13.1	121.3	14.3

Order processing and customer service expenses increased as a result of the higher sales volume. These expenses decreased as a percentage of net revenue in 1994 due to greater utilization of the Company's automated ordering system which gives customers the option to place orders by using their touchtone telephone instead of speaking to a telemarketing operator. In 1994, commissions and license fees increased in amount as a result of the higher sales volume and decreased as a percentage of net revenue as a result of a reduction of sales to homes obtained under the license agreement with JCPTV. The provision for doubtful accounts as a percentage of net revenue decreased in 1994 due to an improvement in collection experience of QVC's revolving credit card program. Credit card processing fees as a percentage of net revenue have remained stable.

During the third quarter of 1994, general and administrative expenses totaled \$45.3 million, or 12.4% of net revenue compared to \$31.5 million, or 10.0% of net revenue, in the prior year. For the nine months of 1994, general and administrative expenses total \$114.5 million or 11.9% of net revenue, compared to \$98.4 million or 11.6% of net revenue in the prior year. The major components of general and administrative expenses are detailed below, expressed in amounts and as a percentage of net revenue (dollars in millions).

	Three months ended October 31,				Nine months ended October 31,			
	1994		1993		1994		1993	
	\$	%	\$	%	\$	%	\$	%
Administration	14.5	4.0	11.4	3.6	38.8	4.0	38.2	4.5
Advertising and marketing	9.9	2.7	6.5	2.0	24.9	2.6	19.9	2.3
Data processing	5.2	1.4	4.3	1.4	14.5	1.5	13.3	1.6
Broadcasting	8.3	2.3	5.1	1.6	19.3	2.0	15.0	1.8
Merchandising and programming	6.0	1.6	2.8	0.9	12.7	1.3	7.9	0.9
Occupancy costs	1.4	0.4	1.4	0.5	4.3	0.5	4.1	0.5
	----	----	----	----	-----	-----	-----	-----
	45.3	12.4	31.5	10.0	114.5	11.9	98.4	11.6
	----	----	----	----	-----	-----	-----	-----

The increase in administration expenses during the third quarter of 1994 is principally the result of administrative costs of Q2 operations including \$2.7 million of severance and relocation costs related to the Company's decision to consolidate the second channel services of Q2 and onQ into Q2. The remaining increase in administrative expenses for 1994 are due to higher personnel costs. Included in the administration expenses for the nine months ended October 31, 1993 was the \$3.8 million settlement of the Shop Television Network, Inc. litigation. Advertising and marketing expenses increased in 1994 due to increased mailings of program guides, increases in consumer advertising as well as increases in the costs of advertising the Company's televised-shopping program on cable systems. Also contributing to the increase are costs related to the Company's infomercial division, QDirect, for the purchase of media time. Data processing costs increased in 1994 due to higher manpower costs associated with information systems staffing. Broadcasting costs increased in the third quarter and nine months of 1994 due to the launch of Q2 on August 1, 1994 and, to a lesser extent, higher costs to enhance QVC's on-air presentation. The increase in merchandising and programming expenses during the third quarter of 1994 reflects the launch of Q2, additional personnel needed to sustain QVC's sales growth and additional personnel costs related to the Company's QDirect division.

DEPRECIATION AND AMORTIZATION

Depreciation expenses increased in 1994 due to the depreciation recognized on the current year's plant and equipment additions. Amortization expense increased in the 1994 third quarter due to the amortization of Q2 start-up costs of \$1.9 million. These costs are being amortized over an eighteen-month period. For the nine months of 1994, the increase in amortization due to the Q2 start-up costs was partially offset due to the reduction in amortization of debt placement fees as a result of the repayment of the Senior term loan during the first quarter of 1993.

OPERATING INCOME

Operating income was \$36.1 million during the third quarter of 1994 compared to \$42.8 million in the prior year. For the nine months ended October 31, 1994, operating income was \$100.4 million compared to \$99.1 million in the prior year. The decrease in operating income in the third quarter is due primarily to the decrease in the gross margin percentage primarily due to reduced sales of higher-margin jewelry products as well as increases in operating expenses associated with the Q2 service. For the nine months ended October 31, 1994, the increased gross profit resulting from the increased sales volume offset higher operating expenses.

LOSSES FROM JOINT VENTURE

During 1993, the Company entered into four joint ventures which resulted in combined losses of \$7.8 million during the third quarter of 1994 and \$27.2 million during the nine months of 1994. The most significant joint ventures are those formed with British Sky Broadcasting Limited ("BSkyB") and Grupo Televisa, S.A. de C.V. BSkyB and the Company formed a joint venture to bring electronic retailing to the United Kingdom. On October 1, 1993, BSkyB and the Company launched "QVC - The Shopping Channel." A majority of all consumers subscribing to BSkyB's service are now able to receive the new QVC service. QVC - The Shopping Channel is distributed to approximately 2.7 million FTE homes. The agreement with BSkyB requires, among other things, that

the Company provide all funding to the venture until it is profitable. The Company will then recover all prior funding before any profits are shared. During the three months ended October 31, 1994, QVC - The Shopping Channel operations resulted in a \$5.7 million loss, which was

recorded by the Company, including \$472,000 amortization of capitalized start-up costs. For the nine months of 1994, the channel's operations resulted in a \$20.0 million loss, including \$1.4 million amortization of capitalized start-up costs. During the month of October 1993, QVC - The Shopping Channel incurred a loss of \$2.1 million, representing the first month of operations.

On November 15, 1993, the Company and Grupo Televisa, S.A. de C.V. began broadcasting "CVC" in Mexico. CVC is distributed through broadcast television, cable television and satellite dishes to approximately 6.6 million FTE homes. The Company's 50% share of CVC's losses resulted in a \$1.1 million and \$4.3 million during the three months and nine months ended October 31, 1994, respectively. Included in the losses were amortization of capitalized start-up costs of \$153,000 and \$465,000 for the three and nine month periods, respectively.

The Company also entered a joint venture with Tribune Entertainment Company and Regal Communications to produce and distribute "Can We Shop" with Joan Rivers. "Can We Shop" first aired on January 17, 1994. On June 15, 1994, QRT announced plans to cease the venture with the last show broadcasted on July 15, 1994. "Can We Shop" was a one-hour, Monday through Friday television show through which merchandise was sold. The Company's share of the operating loss in 1994 amounted to \$1.1 million.

The Company made a one-third investment in Friday Holdings, L.P. for the purpose of establishing or acquiring businesses in the communications field as well as developing information products. The Company recorded a \$900,000 loss and \$1.8 million loss for the three and nine months ended October 31, 1994, respectively, in association with this partnership. This partnership is currently being liquidated.

INTEREST EXPENSE

Interest expense has remained relatively constant.

INTEREST INCOME

The Company experienced higher interest income on its revolving charge card due to higher average account balances as well as an increase in the number of customer accounts. The Company also experienced higher interest income on temporary cash investments.

INCOME TAX PROVISION

The Company adopted the principles of Statement of Financial Accounting Standards No. 109 ("SFAS 109") to account for income taxes in the first quarter of fiscal 1993. The provisions for income taxes for the three and nine months ended October 31, 1994 and 1993 are based on the estimated annual effective tax rate after considering the federal and state statutory rates, amortization of intangibles arising from the CVN acquisition which is not deductible for tax purposes, and the fact that the joint venture operations provide no state income tax benefit.

CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE

Effective February 3, 1993, the Company changed its method of accounting for income taxes as required by SFAS 109, "Accounting for Income Taxes". This statement superseded SFAS 96, which was adopted by the Company in fiscal 1988. The cumulative effect of adopting SFAS 109 was to increase net income by approximately \$4.0 million in the first quarter of fiscal 1993.

NET INCOME

Net income for the third quarter of 1994 was \$14.5 million compared to net income of \$21.5 million in the prior year. For the nine months ended October 31, 1994, net income was \$38.3 million compared to \$56.5 million in the prior year. The changes in net income resulted from the factors discussed above.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal source of working capital is internally-generated cash flow from operations. For the nine months ended October 31, 1994, net cash provided by operating activities totaled \$116.6 million. Net cash provided by operations was increased by the decrease in working capital items of \$27.6 million in 1994.

The Company's capital expenditures during the nine months of 1994 totaled \$26.6 million, principally for the purchase of a new office and warehouse facility in West Chester, Pennsylvania, broadcast equipment and computer equipment and software.

The Company has an agreement with an unrelated third party which provides for the sale and servicing of accounts receivable originating from the Company's revolving credit card. The Company remains

obligated to repurchase uncollectible accounts pursuant to the recourse provisions of the agreement and is required to maintain a specified percentage of all outstanding receivables transferred under the program as a deposit with the third party to secure its obligations under the agreement.

The Company has a \$60.0 million bank revolving credit facility to finance operations as well as to fund letters of credit for merchandise purchases. Interest on outstanding amounts under this agreement is payable at the bank's prime rate or other interest rate options. A commitment fee of .15% is currently payable on the unused portion of the revolving credit facility. The commitment fee was reduced from .25% on March 30, 1994. The credit agreement requires the Company to maintain certain ratios for total liabilities to shareholders' equity and for coverage of fixed charges. No amounts have been borrowed under this agreement in 1994. Outstanding letters of credit totaled \$6.3 million at October 31, 1994.

Working capital at October 31, 1994 was \$139.1 million compared to \$101.8 million at January 31, 1994. The current ratio was 1.3 at October 31, 1994 compared to 1.3 at January 31, 1994. Long-term debt to total capitalization was 1.1% at October 31, 1994.

During the first quarter of 1994, the Company entered into affiliation agreements with various cable system operators for carriage of the Company's new shopping service, Q2. The cable system operators will receive compensation from the Company which is dependent upon the number of additional subscribers and the launch date of Q2 on the cable system. During the nine months ended October 31, 1994, the Company has paid \$11.6 million in connection with the new affiliation agreements.

On August 4, 1994, Comcast Corporation ("Comcast"), Liberty Media Corporation ("Liberty"), a wholly owned subsidiary of Comcast and Liberty ("Holdings") and the Company entered into a Merger Agreement (the "Merger Agreement"), providing for the acquisition of QVC, Inc. by Holdings. Pursuant to the Merger Agreement, Holdings commenced a tender offer to purchase all the outstanding shares of Common and Preferred Stock of QVC, Inc. for \$46 and \$460 per share, respectively (the "Offer"). Following the successful completion of the offer and the satisfaction of the other conditions set forth in the Merger Agreement, a wholly owned subsidiary of Holdings will merge with and into QVC, Inc. with QVC, Inc. continuing as the surviving corporation (the "Merger").

The total cost of the acquisition of the QVC stock not currently owned by Comcast or Liberty will be in excess of \$1.4 billion. Comcast and Liberty have agreed to fund approximately \$303 million of the acquisition, with the balance to be provided through debt financing which, after the Merger, will be the obligation of QVC. Following the consummation of the Merger, which is subject to financing, governmental approval and certain other conditions, Comcast and Liberty will own approximately 57% and 43%, respectively, of Holdings, which will own 100% of QVC, and Holdings will be managed by Comcast.

The Company will be highly leveraged, primarily as a result of the debt incurred in connection with the Merger. The Company's ability to make scheduled payments or to refinance its obligations with respect to its indebtedness depends on its financial and operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors beyond its control. There can be no assurance that the Company's operating results will continue to be sufficient for payment of the Company's indebtedness.

The Company believes that its present capital resources and future operations will result in adequate financial resources to fund all future interest and debt payments existing as of October 31, 1994, as well as capital expenditures.

EFFECTS OF INFLATION

Inflation has not had a significant impact on the results of the Company's operations.

Summary of Terms
QVC Bridge Funding

Loan: QVC will make a bridge loan to QVC Programming Holdings on arms'-length terms. The QVC loan will be drawn down only after \$1.1 billion of bank financing (all available bank financing), not reduced by any fees or holdback, and all capital contributions are used to purchase shares tendered. The loan will be structured so as not to be a margin loan.

Lender: QVC, Inc.

Borrower: QVC Programming Holdings, Inc.

Principal Amount: Up to \$60 million*, drawn in one or more installments. In addition, QVC will lend up to an amount equal to \$266 million, which represents the aggregate amount to be received by the Company as the exercise price of options exercised immediately prior to the closing of the tender offer (assuming all options are exercised).

Term: 6 months.

Interest: Prime Rate (to be defined) plus 2.00% per annum, payable at maturity.

Subordination: The QVC loan will be subordinated to the bank tender offer facility.

Security: The QVC loan will not be secured.

Condition Precedent: The QVC loan is conditioned on the tender offer expiring no later than 12:00 midnight on February 9, 1995.

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*This amount assumes the tender of all of the shares issued upon exercise of 100% of outstanding options as well as all other outstanding shares (other than shares owned by QVC Programming Holdings). To the extent that less than 100% of such shares are tendered, the maximum aggregate principal amount of the bridge loan will be reduced.