THE DIRECTV GROUP ANNOUNCES THIRD QUARTER 2007 RESULTS

DIRECTV Group Revenues Increase 18% to Over $4.3 Billion

- *DIRECTV U.S. Revenues Increase 14% to $3.9 Billion*
  - *Average Monthly Revenue Per Subscriber (ARPU) Grew 8.3% to $78.79*
- *DIRECTV Latin America Revenues Up 67% to $442 Million*

DIRECTV Group Operating Profit Before Depreciation and Amortization Increases 12% to $1.0 Billion

- *DIRECTV U.S. Up 11% to $916 Million*
- *DIRECTV Latin America Increases 15% to $105 Million*

DIRECTV Group Net Subscriber Additions Nearly Double to 401,000

- *DIRECTV U.S. Net Subscriber Additions up 45% to 240,000 Driven by Higher Gross Additions of 1,032,000 and Lower Monthly Churn of 1.61%*
- *DIRECTV Latin America Net Subscriber Additions Increase Nearly Fourfold to 161,000 Due to Higher Gross Additions of 289,000 and Lower Monthly Churn of 1.41%*

El Segundo, Calif., November 7, 2007 – The DIRECTV Group, Inc. (NYSE:DTV) today reported that third quarter revenues increased 18% to $4.33 billion and operating profit before depreciation and amortization[1] increased 12% to $1.00 billion compared to last year's third quarter. The DIRECTV Group reported that third quarter 2007 operating profit of $566 million and net income of $319 million declined 10% and 14%, respectively, compared with last year's third quarter. Earnings per share were $0.27 compared with $0.30 in the same period last year.

"The headline for the third quarter is that significantly greater sales of high definition (HD) and digital video recorder (DVR) services to higher quality subscribers are having an extremely positive impact on the key operating metrics that drive DIRECTV's value," said Chase Carey, president and CEO of The DIRECTV Group, Inc. "Starting with subscriber demand in the U.S., net subscriber additions were up 45% to 240,000 due to strong gross additions and churn performance. The increase in gross additions to 1,032,000 was fueled by dramatic growth in the demand for advanced services—over 50% of new subscribers in the quarter signed up for HD and/or DVR services compared to only 28% a year ago. The increased demand for advanced services was also a critical factor behind the large reduction in DIRECTV's monthly churn rate to 1.61% compared to 1.80% last year, representing one of the largest improvements in our history."

Carey continued, "DIRECTV U.S. also had strong financial performance as revenues in the quarter were up 14% to $3.89 billion and operating profit before depreciation and amortization increased 11% to $916 million. The revenue growth was due to an 8.3% increase in ARPU to $78.79 and strong subscriber growth. This ARPU increase represents DIRECTV's best growth rate in several years and was propelled by the higher service and equipment fees from new HD and DVR customers. Of DIRECTV's total subscriber base, just under 40% now have advanced services compared to less than 30% a year ago. The increase in customers adding advanced services, as well as converting to our newer MPEG-4 HD equipment, resulted in higher upgrade and acquisition costs in the quarter compared to the prior year. As we've highlighted in the past, customers with advanced services generate significantly greater cash flows and superior financial returns."

Carey added, "Our DIRECTV Latin American businesses also had strong third quarter results. Significantly better gross additions and churn drove a nearly fourfold increase in net subscriber additions to 161,000 in the quarter. In addition, revenues were up 67% to $442 million and operating profit before depreciation and amortization—excluding a $61 million one-time non-cash gain booked in 2006—was over three times greater than last year's results primarily due to the merger with Sky Brazil which was completed in August 2006, as well as strong subscriber growth."

Carey concluded, "Similar to our third quarter results, we're expecting continued strong operating performance in the coming quarters as we continue to enhance the nation's already-best HD service. We currently offer 74 national HD channels – more than any cable TV provider in the U.S. – and we remain on schedule to offer up to 100 channels around the end of the year. Consumers are passionate about HD and DIRECTV is now the clear choice for any consumer looking for the ultimate HD experience.''

THE DIRECTV GROUP'S OPERATIONAL REVIEW

The DIRECTV Group **Dollars in Millions except Earnings per Common Share**	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenues	$4,327	$3,666	$12,370	$10,572
Operating Profit Before Depreciation and Amortization(1)	1,004	895	3,067	2,476
Operating Profit	566	629	1,869	1,762
Net Income	319	370	1,103	1,064
Earnings Per Common Share ($)	0.27	0.30	0.91	0.83
Capital Expenditures and Cash Flow				
Cash Paid for DIRECTV U.S. Subscriber Leased Equipment - Acquisitions, Upgrade and Retention	417	325	1,159	664
Cash Paid for Property, Equipment and Satellites	289	230	893	625
Cash Flow Before Interest and Taxes(2)	315	393	968	978
Free Cash Flow(3)	82	320	592	886

Third Quarter Review

In the third quarter of 2007, The DIRECTV Group's revenues of $4.33 billion increased 18% over the same period last year principally due to strong ARPU and subscriber growth at DIRECTV U.S. and DIRECTV Latin America, as well as the consolidation of Sky Brazil's financial results subsequent to the merger with DIRECTV Brazil in August 2006.

The 12% increase in operating profit before depreciation and amortization to $1.00 billion was primarily due to the gross profit associated with the higher revenues discussed above, partially offset by higher acquisition and upgrade costs at DIRECTV U.S. mostly due to the increased number of new and existing customers adding HD and DVR services. Operating profit declined 10% to $566 million and net income fell 14% to $319 million compared with the third quarter of last year as the higher operating profit before depreciation and amortization was more than offset by higher depreciation and amortization principally due to increased capitalization of customer equipment under the DIRECTV U.S. lease program implemented in March 2006 and the consolidation of Sky Brazil. Also impacting the comparison was a non-cash pre-tax gain of $61 million associated with the DIRECTV Brazil and Sky Brazil merger in the third quarter of 2006.

Cash flow before interest and taxes[2] and free cash flow[3] declined to $315 million and $82 million, respectively, primarily due to an increase in capital expenditures. The higher capital expenditures were primarily at DIRECTV U.S. related to an increase in the number of new and existing customers leasing HD and DVR equipment, as well as greater infrastructure costs associated with the rollout of additional HD channels. In addition, free cash flow was impacted by higher tax payments made in the third quarter of 2007. The quarter also included share repurchases of $849 million.

Year-to-Date Review

In the first nine months of 2007, The DIRECTV Group's revenues of $12.37 billion increased 17% over the same period in the prior year due to strong ARPU and subscriber growth at DIRECTV U.S. and DIRECTV Latin America, as well as the consolidation of Sky Brazil's financial results.

Operating profit before depreciation and amortization in the first nine months of 2007 increased 24% to $3.07 billion due to the higher gross profit associated with the higher revenues and the capitalization of customer equipment under the lease program implemented in March 2006 at DIRECTV U.S., as well as the consolidation of Sky Brazil's results. These improvements were partially offset by higher acquisition and upgrade costs at DIRECTV U.S. primarily related to the increased number of new and existing customers adding HD and DVR services. Also impacting the comparison was a $57 million pre-tax gain recorded in the first quarter of 2006 for the completion of DIRECTV Latin America's Sky Mexico transactions and a pre-tax gain of $61 million associated with the DIRECTV Brazil and Sky Brazil merger in the third quarter of 2006.

Operating profit of $1.87 billion through September 2007 increased 6% compared with the same period in 2006 as the higher operating profit before depreciation and amortization was partially offset by higher depreciation and amortization resulting primarily from the increased capitalization of customer equipment under the DIRECTV U.S. lease program, as well as the merger with Sky Brazil.

Net income increased 4% to $1.10 billion in the first nine months of 2007 primarily due to the changes in operating profit discussed above partially offset by higher income tax expense related to the higher pre-tax income.

Cash flow before interest and taxes was relatively unchanged at $968 million in the first nine months of 2007 as higher operating profit before depreciation and amortization was offset by increased capital expenditures. Capital expenditures were higher primarily at DIRECTV U.S. due to the implementation of the equipment lease program in March 2006, higher costs for the increased number of new and existing customers adding HD and DVR services, and greater infrastructure costs associated with the rollout of additional HD channels. Free cash flow declined to $592 million primarily due to the changes discussed above for cash flow before interest and taxes plus higher tax payments made in the first nine months of 2007. Other uses of cash in the first nine months of 2007 were for share repurchases of $1.55 billion, the purchase of Darlene's interest in DIRECTV Latin America for $325 million and the repayment of $210 million of outstanding debt at Sky Brazil.

SEGMENT FINANCIAL REVIEW

DIRECTV U.S. Segment

Third Quarter Review

Gross subscriber additions increased to 1,032,000 and average monthly churn declined to 1.61% primarily due to increased sales of HD and DVR services, as well as increased demand through the direct sales channel. In addition, DIRECTV continues to refine its credit policies to focus on attaining higher quality subscribers. As a result, net subscriber additions increased 45% to 240,000 in the quarter bringing the total number of DIRECTV U.S. subscribers as of September 30, 2007 to 16.56 million, an increase of 6% over the 15.68 million subscribers reported on September 30, 2006.

DIRECTV U.S. **Dollars in Millions except ARPU**	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Revenue	$3,885	$3,403	$11,150	$9,915
Average Monthly Revenue per Subscriber (ARPU) ($)	78.79	72.74	76.22	71.41
Operating Profit Before Depreciation and Amortization(1)	916	823	2,847	2,345
Operating Profit	538	597	1,826	1,734
Cash Flow Before Interest and Taxes(2)	324	416	974	1,077
Free Cash Flow(3)	34	120	248	393
Subscriber Data (in 000's except Churn)				
Gross Subscriber Additions	1,032	1,006	2,861	2,788
Average Monthly Subscriber Churn	1.61%	1.80%	1.54%	1.62%
Net Subscriber Additions	240	165	603	545
Cumulative Subscribers	16,556	15,678	16,556	15,678

In the quarter, DIRECTV U.S. revenues increased 14% to $3.89 billion due to strong ARPU growth and the larger subscriber base. ARPU of $78.79 increased 8.3% principally due to programming package price increases, higher HD and DVR equipment, service and lease fees, as well as one additional week of NFL Sunday Ticket® revenues in the third quarter of 2007 compared with the same period last year.

The third quarter 2007 operating profit before depreciation and amortization increased 11% to $916 million primarily due to the gross profit on the higher revenues. This growth was partially offset by higher costs for the increased number of new and existing customers adding HD and DVR services, as well as converting to the newer MPEG-4 HD equipment. Operating profit in the quarter declined 10% to $538 million compared to the same period last year mostly due to increased depreciation expense associated with the capitalization of set-top boxes under the lease program which began in March of 2006.

DIRECTV Latin America Segment

In January 2007, The DIRECTV Group purchased Darlene's 14% ownership in DIRECTV Latin America, LLC, for $325 million in cash. As a result, The DIRECTV Group now owns approximately 74% of Sky Brazil, 41% of Sky Mexico and 100% of PanAmericana, which covers most of the remaining countries in the region. Sky Mexico, whose results are accounted for as an equity method investment and therefore are not consolidated by DIRECTV Latin America, had approximately 1.54 million subscribers as of September 30, 2007.

Third Quarter Review

In the third quarter of 2007, DIRECTV Latin America had a nearly fourfold increase in net subscriber additions to 161,000 primarily due to subscriber growth in Brazil, Argentina, Colombia and Venezuela. Also contributing to the net subscriber increase was a decline in aggregate churn to 1.41% in the current quarter primarily due to improved performance in Brazil and Venezuela. The total number of DIRECTV subscribers in Latin America as of September 30, 2007 increased 17% to 3.09 million compared to 2.63 million as of September 30, 2006.

DIRECTV Latin America **Dollars in Millions except ARPU**	Three Months Ended September 30, 2007	2006	Nine Months Ended September 30, 2007	2006
Revenue	$442	$264	$1,220	$659
Average Monthly Revenue per Subscriber (ARPU) ($)	48.84	41.20	46.98	40.27
Operating Profit Before Depreciation and Amortization(1)	105	91	280	188
Operating Profit	46	51	103	82
Cash Flow Before Interest and Taxes(2)	24	(9)	105	(26)
Free Cash Flow(3)	9	(15)	74	(31)
Subscriber Data (in 000's except Churn)				
Gross Subscriber Additions	289	132	753	422
Average Monthly Subscriber Churn	1.41%	1.55%	1.43%	1.53%
Net Subscriber Additions(4) (000's)	161	33	390	172
Cumulative Subscribers(4) (000's)	3,092	2,634	3,092	2,634

Revenues for DIRECTV Latin America increased 67% to $442 million in the quarter principally due to the Sky Brazil merger including significantly higher ARPU and favorable exchange rates, as well as continued subscriber and ARPU growth at PanAmericana. Excluding a $61 million pre-tax gain in the third quarter of 2006 related to the DIRECTV Brazil and Sky Brazil merger, DIRECTV Latin America's third quarter 2007 operating profit before depreciation and amortization of $105 million was over three times greater than last year's results primarily due to the merger benefits and the gross profit generated from the higher revenues throughout the region. In addition, DIRECTV Latin America's operating profit of $46 million was impacted by higher depreciation and amortization expense primarily related to the tangible and intangible assets recorded as part of the Sky Brazil and Darlene transactions.

CONTACT INFORMATION

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CONFERENCE CALL INFORMATION

A live webcast of The DIRECTV Group's third quarter 2007 earnings call will be available on the company's website at www.directv.com/investor. The webcast will begin at 2:00 p.m. ET, today November 7, 2007 and will be archived on our website at www.directv.com/investor. Access to the earnings call is also available by dialing (973) 582-2751. The confirmation code is 9363702.

FOOTNOTES

(1) Operating profit before depreciation and amortization, which is a financial measure that is not determined in accordance with accounting principles generally accepted in the United States of America, or GAAP, should be used in conjunction with other GAAP financial measures and is not presented as an alternative measure of operating results, as determined in accordance with GAAP. Please see each of The DIRECTV Group's and DIRECTV Holdings LLC's Annual Reports on Form 10-K for the year ended December 31, 2006 for further discussion of operating profit before depreciation and amortization. Operating profit before depreciation and amortization margin is calculated by dividing operating profit before depreciation and amortization by total revenues.

(2) Cash flow before interest and taxes, which is a financial measure that is not determined in accordance with GAAP, is calculated by deducting amounts under the captions "Cash paid for property and equipment", "Cash paid for satellites", "Cash paid for subscriber leased equipment – subscriber acquisitions" and "Cash paid for subscriber leased equipment – upgrade and retention" from "Net cash provided by operating activities" from the Consolidated Statements of Cash Flows and adding back net interest paid and "Cash paid for income taxes". This financial measure should be used in conjunction with other GAAP financial measures and is not presented as an alternative measure of cash flows from operating activities, as determined in accordance with GAAP. The DIRECTV Group and DIRECTV U.S. management use cash flow before interest and taxes to evaluate the cash generated by our current subscriber base, net of capital expenditures, and excluding the impact of interest and taxes, for the purpose of allocating resources to activities such as adding new subscribers, retaining and upgrading existing subscribers and for additional capital expenditures. The

DIRECTV Group and DIRECTV U.S. believe this measure is useful to investors, along with other GAAP measures (such as cash flows from operating and investing activities), to compare our operating performance to other communications, entertainment and media companies. We believe that investors also use current and projected cash flow before interest and taxes to determine the ability of our current and projected subscriber base to fund required and discretionary spending and to help determine the financial value of the company.

(3) Free cash flow, which is a financial measure that is not determined in accordance with GAAP, is calculated by deducting amounts under the captions “Cash paid for property and equipment”, “Cash paid for satellites”, “Cash paid for subscriber leased equipment – subscriber acquisitions”, and “Cash paid for subscriber leased equipment – upgrade and retention” from “Net cash provided by operating activities” from the Consolidated Statements of Cash Flows. This financial measure should be used in conjunction with other GAAP financial measures and is not presented as an alternative measure of cash flows from operating activities, as determined in accordance with GAAP. The DIRECTV Group and DIRECTV U.S. management use free cash flow to evaluate the cash generated by our current subscriber base, net of capital expenditures, for the purpose of allocating resources to activities such as adding new subscribers, retaining and upgrading existing subscribers, for additional capital expenditures and as a measure of performance for incentive compensation purposes. The DIRECTV Group and DIRECTV U.S. believe this measure is useful to investors, along with other GAAP measures (such as cash flows from operating and investing activities), to compare our operating performance to other communications, entertainment and media companies. We believe that investors also use current and projected free cash flow to determine the ability of our current and projected subscriber base to fund required and discretionary spending and to help determine the financial value of the company.

(4) DIRECTV Latin America net and cumulative subscribers exclude subscribers of the Sky Mexico service. Cumulative subscriber totals include the impact of 869,000 subscribers acquired through the merger with Sky Brazil in the third quarter of 2006 and the sale of 9,000 subscribers in Central America to Sky Mexico in the third quarter of 2007.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

NOTE: This release may include or incorporate by reference certain statements that we believe are, or may be considered to be, “forward-looking statements” within the meaning of various provisions of the Securities Act of 1933 and of the Securities Exchange Act of 1934. These forward-looking statements generally can be identified by use of statements that include phrases such as “believe,” “expect,” “estimate,” “anticipate,” “intend,” “plan,” “foresee,” “project” or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements. All of these forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or from those expressed or implied by the relevant forward-looking statement. Such risks and uncertainties include, but are not limited to: economic conditions; product demand and market acceptance; ability to simplify aspects of our business model, improve customer service, create new and desirable programming content and interactive features, and achieve anticipated economies of scale; government action; local political or economic developments in or affecting countries where we have operations, including political, economic and social uncertainties in many Latin American countries in which DTVLA operates; foreign currency exchange rates; currency exchange controls; ability to obtain export licenses; competition; the outcome of legal proceedings; ability to achieve cost reductions; ability of third parties to timely perform material contracts; ability to renew programming contracts under favorable terms; technological risk; limitations on access to distribution channels; the success and timeliness of satellite launches; in-orbit performance of satellites, including technical anomalies; loss of uninsured satellites; theft of satellite programming signals; and our ability to access capital to maintain our financial flexibility. We urge you to consider these factors carefully in evaluating the forward-looking statements.

The DIRECTV Group (NYSE:DTV) is a world-leading provider of digital television entertainment services. Through its subsidiaries and affiliated companies in the United States, Brazil, Mexico and other countries in Latin America, the DIRECTV Group provides digital television service to more than 16.5 million customers in the United States and over 4.6 million customers in Latin America.

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THE DIRECTV GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in Millions, Except Per Share Amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenues	**$4,327**	**$3,666**	**$12,370**	**$10,572**
Operating costs and expenses				
Costs of revenues, exclusive of depreciation and amortization expense				
Broadcast programming and other	1,829	1,522	5,124	4,305
Subscriber service expenses	317	302	925	817
Broadcast operations expenses	83	62	239	208
Selling, general and administrative expenses, exclusive of depreciation and amortization expense				
Subscriber acquisition costs	547	455	1,514	1,464
Upgrade and retention costs	272	210	703	651
General and administrative expenses	275	281	798	769
Gain on disposition of businesses	-	(61)	-	(118)
Depreciation and amortization expense	438	266	1,198	714
Total operating costs and expenses	**3,761**	**3,037**	**10,501**	**8,810**
Operating profit	**566**	**629**	**1,869**	**1,762**
Interest income	25	28	96	108
Interest expense	(61)	(64)	(176)	(179)
Other, net	10	12	27	32
Income from continuing operations before income taxes and minority interest	**540**	**605**	**1,816**	**1,723**
Income tax expense	(220)	(228)	(723)	(646)
Minority interests in net earnings of subsidiaries	(1)	(7)	(7)	(13)
Income from continuing operations	**319**	**370**	**1,086**	**1,064**
Income from discontinued operations, net of taxes	-	-	17	-
Net income	**$319**	**$370**	**$1,103**	**$1,064**
Basic and diluted earnings per common share:				
Income from continuing operations	$0.27	$0.30	$0.90	$0.83
Income from discontinued operations, net of taxes	-	-	0.01	-
Earnings per common share	$0.27	$0.30	$0.91	$0.83
Weighted average number of common shares outstanding (in millions)				
Basic	1,182	1,221	1,209	1,274
Diluted	1,190	1,228	1,217	1,281

THE DIRECTV GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Millions)
(Unaudited)

ASSETS	September 30, 2007	December 31, 2006
Current assets		
Cash and cash equivalents	$1,191	$2,499
Short-term investments	10	170
Accounts receivable, net of allowances of $51 and $46	1,414	1,345
Inventories	204	148
Deferred income taxes	58	166
Prepaid expenses and other	318	228
Total current assets	3,195	4,556
Satellites, net	2,037	2,008
Property and equipment, net	3,553	2,445
Goodwill	3,680	3,515
Intangible assets, net	1,697	1,811
Investments and other assets	815	806
Total assets	$14,977	$15,141
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$2,771	$2,816
Unearned subscriber revenue and deferred credits	475	286
Short-term borrowings and current portion of long-term debt	35	220
Total current liabilities	3,281	3,322
Long-term debt	3,362	3,395
Deferred income taxes	611	315
Other liabilities and deferred credits	1,348	1,366
Commitments and contingencies		
Minority interests	7	62
Stockholders' equity	6,368	6,681
Total liabilities and stockholders' equity	$14,977	$15,141

THE DIRECTV GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Millions)
(Unaudited)

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
Cash Flows From Operating Activities		
Net income	$1,103	$1,064
Income from discontinued operations, net of taxes	(17)	-
Income from continuing operations	1,086	1,064
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	1,198	714
Gain on disposition of businesses	-	(118)
Net gain from sale of investments	-	(14)
Share-based compensation expense	36	33
Equity in earnings from unconsolidated affiliates	(27)	(18)
Loss on disposal of fixed assets	8	18
Deferred income taxes and other	377	579
Change in other operating assets and liabilities		
Accounts receivable, net	(38)	(90)
Inventories	(56)	119
Prepaid expenses and other	(97)	(33)
Accounts payable and accrued liabilities	(2)	(223)
Unearned subscriber revenue and deferred credits	193	136
Other, net	(34)	8
Net cash provided by operating activities	2,644	2,175
Cash Flows From Investing Activities		
Purchase of short-term investments	(588)	(1,963)
Sale of short-term investments	748	2,413
Cash paid for property and equipment	(1,903)	(1,116)
Cash paid for satellites	(149)	(173)
Investment in companies, net of cash acquired	(339)	(382)
Proceeds from sale of investments	-	182
Proceeds from collection of notes receivable	-	142
Proceeds from sale of property	9	-
Other, net	39	(31)
Net cash used in investing activities	(2,183)	(928)
Cash Flows From Financing Activities		
Common shares repurchased and retired	(1,546)	(2,947)
Repayment of debt	(218)	(5)
Net increase (decrease) in short-term borrowings	2	(2)
Repayment of other long-term obligations	(97)	(72)
Stock options exercised	84	115
Excess tax benefit from share-based compensation	6	2
Net cash used in financing activities	(1,769)	(2,909)
Net decrease in cash and cash equivalents	(1,308)	(1,662)
Cash and cash equivalents at beginning of the period	2,499	3,701
Cash and cash equivalents at the end of the period	$1,191	$2,039
Supplemental Cash Flow Information		
Cash paid for interest	$176	$180
Cash paid for income taxes	296	20

THE DIRECTV GROUP, INC.
SELECTED SEGMENT DATA
(Dollars in Millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
DIRECTV U.S.				
Revenues	$ 3,885	$ 3,403	$ 11,150	$ 9,915
Operating profit before depreciation and amortization (1)	916	823	2,847	2,345
Operating profit before depreciation and amortization margin (1)	23.6%	24.2%	25.5%	23.7%
Operating profit	$ 538	$ 597	$ 1,826	$ 1,734
Operating profit margin	13.8%	17.5%	16.4%	17.5%
Depreciation and amortization	$ 378	$ 226	$ 1,021	$ 611
Capital expenditures (2)	612	513	1,776	1,156
DIRECTV LATIN AMERICA				
Revenues	$ 442	$ 264	$ 1,220	$ 659
Operating profit before depreciation and amortization (1) (3)	105	91	280	188
Operating profit before depreciation and amortization margin (1) (3)	23.8%	34.5%	23.0%	28.5%
Operating profit (3)	$ 46	$ 51	$ 103	$ 82
Operating profit margin (3)	10.4%	19.3%	8.4%	12.4%
Depreciation and amortization	$ 59	$ 40	$ 177	$ 106
Capital expenditures (2)	96	53	237	123
CORPORATE and OTHER				
Revenues	$ -	$ (1)	$ -	$ (2)
Operating loss before depreciation and amortization (1)	(17)	(19)	(60)	(57)
Operating loss	(18)	(19)	(60)	(54)
Depreciation and amortization	1	-	-	(3)
Capital expenditures (2)	1	-	30	-
TOTAL				
Revenues	$ 4,327	$ 3,666	$ 12,370	$ 10,572
Operating profit before depreciation and amortization (1) (3)	1,004	895	3,067	2,476
Operating profit before depreciation and amortization margin (1) (3)	23.2%	24.4%	24.8%	23.4%
Operating profit (3)	$ 566	$ 629	$ 1,869	$ 1,762
Operating profit margin (3)	13.1%	17.2%	15.1%	16.7%
Depreciation and amortization	$ 438	$ 266	$ 1,198	$ 714
Capital expenditures (2)	709	566	2,043	1,279

(1) See footnote 1 on page 5.

(2) Capital expenditures include cash paid and amounts accrued during the period for property, equipment and satellites.

(3) Includes a $61 million gain recorded in the third quarter of 2006 for the Sky Brazil transaction and $118 million of gains recorded in the nine months ended September 30, 2006, including the $57 million gain for the Sky Mexico transaction and the $61 million gain for the Sky Brazil transaction.

DIRECTV HOLDINGS LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in Millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenues	**$3,885**	**$3,403**	**$11,150**	**$9,915**
Operating costs and expenses				
Costs of revenues, exclusive of depreciation and amortization expense				
Broadcast programming and other	1,657	1,417	4,653	4,063
Subscriber service expenses	291	286	852	778
Broadcast operations expenses	56	44	161	132
Selling, general and administrative expenses, exclusive of depreciation and amortization expense				
Subscriber acquisition costs	498	432	1,377	1,401
Upgrade and retention costs	268	208	691	645
General and administrative expenses	199	193	569	551
Depreciation and amortization expense	378	226	1,021	611
Total operating costs and expenses	**3,347**	**2,806**	**9,324**	**8,181**
Operating profit	**538**	**597**	**1,826**	**1,734**
Interest income	16	17	60	49
Interest expense	(56)	(53)	(162)	(163)
Other, net	1	-	-	(2)
Income before income taxes	**499**	**561**	**1,724**	**1,618**
Income tax expense	(198)	(214)	(682)	(618)
Net income	**$301**	**$347**	**$1,042**	**$1,000**

DIRECTV HOLDINGS LLC
CONSOLIDATED BALANCE SHEETS
(Dollars in Millions)
(Unaudited)

ASSETS	September 30, 2007	December 31, 2006
Current assets		
Cash and cash equivalents	$843	$1,356
Accounts receivable, net of allowances of $38 and $39	1,288	1,267
Inventories	198	140
Prepaid expenses and other	225	146
Total current assets	2,554	2,909
Satellites, net	2,038	2,000
Property and equipment, net	3,008	2,026
Goodwill	3,032	3,032
Intangible Assets, net	1,311	1,546
Other assets	215	174
Total assets	$12,158	$11,687
LIABILITIES AND OWNER'S EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$2,262	$2,402
Unearned subscriber revenue and deferred credits	443	259
Current portion of long-term debt	35	10
Total current liabilities	2,740	2,671
Long-term debt	3,362	3,395
Deferred income taxes	318	240
Other liabilities and deferred credits	977	993
Commitments and contingencies		
Owner's equity	4,761	4,388
Total liabilities and owner's equity	$12,158	$11,687

DIRECTV HOLDINGS LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Millions)
(Unaudited)

	Nine Months Ended September 30,	
	2007	2006
Cash Flows From Operating Activities		
Net Income	$1,042	$1,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	1,021	611
Share-based compensation expense	30	28
Amortization of debt issuance costs	4	4
Deferred income taxes and other	89	167
Change in other operating assets and liabilities		
Accounts receivable, net	(21)	(82)
Inventories	(58)	118
Prepaid expenses and other	(68)	(74)
Other assets	(30)	(24)
Accounts payable and accrued liabilities	(136)	(377)
Unearned subscriber revenue and deferred credits	183	134
Other liabilities and deferred credits	(24)	55
Net cash provided by operating activities	2,032	1,560
Cash Flows From Investing Activities		
Cash paid for property and equipment	(476)	(330)
Cash paid for subscriber leased equipment - subscriber acquisitions	(580)	(403)
Cash paid for subscriber leased equipment - upgrade and retention	(579)	(261)
Cash paid for satellites	(149)	(173)
Other	(3)	(2)
Net cash used in investing activities	(1,787)	(1,169)
Cash Flows From Financing Activities		
Repayment of long-term debt	(8)	(5)
Repayment of other long-term obligations	(54)	(50)
Cash dividends to Parent	(700)	(300)
Excess tax benefit from share-based compensation	4	2
Net cash used in financing activities	(758)	(353)
Net (decrease) increase in cash and cash equivalents	(513)	38
Cash and cash equivalents at beginning of the period	1,356	1,165
Cash and cash equivalents at end of the period	$843	$1,203

Supplemental Cash Flow Information

Cash paid for interest	$162	$165
Cash paid for income taxes	624	568

Non-GAAP Financial Measure Reconciliation Schedules

(Unaudited)

The DIRECTV Group

Reconciliation of Operating Profit Before Depreciation and Amortization to Operating Profit*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	**2006**	**2007**	**2006**
	(Dollars in Millions)			
Operating Profit Before Depreciation and Amortization	$1,004	$895	$3,067	$2,476
Subtract: Depreciation and amortization expense	438	266	1,198	714
Operating Profit	$566	$629	$1,869	$1,762

*For a reconciliation of this non-GAAP financial measure for each of our segments, please see the Notes to the Consolidated Financial Statements which will be included in The DIRECTV Group's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007. This Form 10-Q is expected to be filed with the SEC in November 2007.

The DIRECTV Group

Reconciliation of Cash Flow Before Interest and Taxes[2] and Free Cash Flow[3] to Net Cash Provided by Operating Activities

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	**2006**	**2007**	**2006**
	(Dollars in Millions)			
Cash Flow Before Interest and Taxes	$315	$393	$968	$978
Adjustments:				
Cash paid for interest	(63)	(66)	(176)	(180)
Interest income	25	28	96	108
Income taxes paid	(195)	(35)	(296)	(20)
Subtotal - Free Cash Flow	82	320	592	886
Add Cash Paid For:				
Property and equipment	669	487	1,903	1,116
Satellites	37	68	149	173
Net Cash Provided by Operating Activities	$788	$875	$2,644	$2,175

DIRECTV Latin America

Reconciliation of Cash Flow Before Interest and Taxes[2] and Free Cash Flow[3] to Net Cash Provided by Operating Activities

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	**2006**	**2007**	**2006**
	(Dollars in Millions)			
Cash Flow Before Interest and Taxes	$24	($9)	$105	($26)
Adjustments:				
Cash paid for interest	(7)	(1)	(21)	(4)
Interest income	5	3	14	11
Income taxes paid	(13)	(8)	(24)	(12)
Subtotal - Free Cash Flow	9	(15)	74	(31)
Add Cash Paid For:				
Property and equipment	96	53	237	123
Net Cash Provided by Operating Activities	$105	$38	$311	$92

(2) and (3) - See footnotes on pages 5 and 6 of this earnings release.

DIRECTV HOLDINGS LLC

Non-GAAP Financial Measure Reconciliation and SAC Calculation
(Unaudited)

Reconciliation of Pre-SAC Margin* to Operating Profit

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(Dollars in Millions)			
Operating Profit	$538	$597	$1,826	$1,734
Adjustments:				
Subscriber acquisition costs (expensed)	498	432	1,377	1,401
Depreciation and amortization expense	378	226	1,021	611
Cash paid for subscriber leased equipment - upgrade and retention	(197)	(121)	(579)	(261)
Pre-SAC margin*	$1,217	$1,134	$3,645	$3,485
Pre-SAC margin as a percentage of revenue*	31.3%	33.3%	32.7%	35.1%

Reconciliation of Cash Flow Before Interest and Taxes[2] and Free Cash Flow[3] to Net Cash Provided by Operating Activities

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(Dollars in Millions)			
Cash Flow Before Interest and Taxes	$324	$416	$974	$1,077
Adjustments:				
Cash paid for interest	(58)	(57)	(162)	(165)
Interest income	16	17	60	49
Income taxes paid	(248)	(256)	(624)	(568)
Subtotal - Free Cash Flow	34	120	248	393
Add Cash Paid For:				
Property and equipment	154	111	476	330
Subscriber leased equipment - subscriber acquisitions	220	204	580	403
Subscriber leased equipment - upgrade and retention	197	121	579	261
Satellites	37	68	149	173
Net Cash Provided by Operating Activities	$642	$624	$2,032	$1,560

(2) and (3) - See footnotes on pages 5 and 6 of this earnings release.

* Pre-SAC Margin, which is a financial measure that is not determined in accordance with accounting principles generally accepted in the United States of America, or GAAP, is calculated for DIRECTV U.S. by adding amounts under the captions "Subscriber acquisition costs" and "Depreciation and amortization expense" to "Operating Profit" from the Consolidated Statements of Operations and subtracting "Cash paid for subscriber leased equipment - upgrade and retention" from the Consolidated Statements of Cash Flows. This financial measure should be used in conjunction with GAAP financial measures and is not presented as an alternative measure of operating results, as determined in accordance with GAAP. The DIRECTV Group and DIRECTV U.S. management use Pre-SAC Margin to evaluate the profitability of DIRECTV U.S.' current subscriber base for the purpose of allocating resources to discretionary activities such as adding new subscribers, upgrading and retaining existing subscribers and for capital expenditures. To compensate for the exclusion of "Subscriber acquisition costs," management also uses operating profit and operating profit before depreciation and amortization expense to measure profitability.

The DIRECTV Group and DIRECTV U.S. believe this measure is useful to investors, along with GAAP measures (such as revenues, operating profit and net income), to compare DIRECTV U.S.' operating performance to other communications, entertainment and media companies. The DIRECTV Group and DIRECTV U.S. believe that investors also use current and projected Pre-SAC Margin to determine the ability of DIRECTV U.S.' current and projected subscriber base to fund discretionary spending and to determine the financial returns for subscriber additions.

SAC Calculation

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(Dollars in Millions, Except SAC Amounts)			
Subscriber acquisition costs (expensed)	$498	$432	$1,377	$1,401
Cash paid for subscriber leased equipment - subscriber acquisitions	220	204	580	403
Total acquisition costs	$718	$636	$1,957	$1,804
Gross subscriber additions (000's)	1,032	1,006	2,861	2,788
Average subscriber acquisition costs-per subscriber (SAC)	$696	$632	$684	$647