

Discovery Holding CO  
Form 4  
September 28, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**ROSENTHALER ALBERT E**

(Last) (First) (Middle)

12300 LIBERTY BLVD.

(Street)

ENGLEWOOD, CO 80112

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
Discovery Holding CO [DISC]

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/26/2007

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title below) \_\_\_\_ Other (specify below)

Senior Vice President

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_X\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
Series A Common Stock	09/26/2007		M	51,280	A \$ 14.74 51,280	D	
Series A Common Stock	09/26/2007		M	20,000	A \$ 13 71,280	D	
Series A Common Stock	09/26/2007		M	15,000	A \$ 11.84 86,280	D	
Series A Common	09/26/2007		S	700	D \$ 27.99 85,580	D	

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Stock

Series A Common Stock	09/26/2007	S	100	D	\$ 27.985	85,480	D
Series A Common Stock	09/26/2007	S	1,500	D	\$ 27.98	83,980	D
Series A Common Stock	09/26/2007	S	1,203	D	\$ 27.97	82,777	D
Series A Common Stock	09/26/2007	S	1,800	D	\$ 27.96	80,977	D
Series A Common Stock	09/26/2007	S	2,900	D	\$ 27.94	78,077	D
Series A Common Stock	09/26/2007	S	200	D	\$ 27.935	77,877	D
Series A Common Stock	09/26/2007	S	1,109	D	\$ 27.92	76,768	D
Series A Common Stock	09/26/2007	S	3,285	D	\$ 27.91	73,483	D
Series A Common Stock	09/26/2007	S	600	D	\$ 27.9	72,883	D
Series A Common Stock	09/26/2007	S	100	D	\$ 27.89	72,783	D
Series A Common Stock	09/26/2007	S	900	D	\$ 27.88	71,883	D
Series A Common Stock	09/26/2007	S	427	D	\$ 27.87	71,456	D
Series A Common Stock	09/26/2007	S	1,149	D	\$ 27.86	70,307	D
Series A Common Stock	09/26/2007	S	2,224	D	\$ 27.85	68,083	D

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Series A Common Stock	09/26/2007	S	1,000	D	\$ 27.845	67,083	D	
Series A Common Stock	09/26/2007	S	2,400	D	\$ 27.84	64,683	D	
Series A Common Stock	09/26/2007	S	2,128	D	\$ 27.83	62,555	D	
Series A Common Stock	09/26/2007	S	900	D	\$ 27.825	61,655	D	
Series A Common Stock	09/26/2007	S	4,100	D	\$ 27.82	57,555	D	
Series A Common Stock	09/26/2007	S	300	D	\$ 27.815	57,255	D	
Series A Common Stock	09/26/2007	S	9,019	D	\$ 27.81	48,236	D	
Series A Common Stock	09/26/2007	S	200	D	\$ 27.805	48,036	D	
Series A Common Stock	09/26/2007	S	20,720	D	\$ 27.8	27,316	D	
Series A Common Stock	09/26/2007	S	4,000	D	\$ 27.795	23,316	D	
Series A Common Stock	09/26/2007	S	9,734	D	\$ 27.79	13,582	D	
Series A Common Stock						560 <sup>(1)</sup>	I	By 401(k) Savings Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title		
Stock Option (right to buy)	\$ 14.74	09/26/2007		M	51,280	<u>(2)</u>	03/01/2012	Series A Common Stock		51,280
Stock Option (right to buy)	\$ 13	09/26/2007		M	20,000	<u>(3)</u>	07/31/2013	Series A Common Stock		20,000
Stock option (right to buy)	\$ 11.84	09/26/2007		M	15,000	<u>(4)</u>	08/06/2014	Series A Common Stock		15,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ROSENTHALER ALBERT E 12300 LIBERTY BLVD. ENGLEWOOD, CO 80112	Senior Vice President

## Signatures

/s/ Albert E.  
Rosenthaler

09/28/2007

                     \*\*Signature of Reporting  
Person Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The number of shares represents equivalent shares based on the fair market value of the shares of the Issuer's Series A common stock held by the unitized stock fund under the Liberty Media Corporation 401(k) Savings Plan based on a report from the Plan Administrator dated as of August 31, 2007. The Reporting Person has an interest in the unitized fund, which holds shares of the Issuer's Series A common stock and short-term investments.

(2) The option vested as to 25% on March 1, 2004, 2005, 2006, and 2007.

(3) The option vests as to 20% on July 31, 2004, 2005, 2006, 2007, and 2008.

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(4) The option vests as to 20% on August 6, 2005, 2006, 2007, 2008 and 2009.

### Remarks:

The trading symbols for the Issuer's Series A and Series B Common Stock are DISCA and DISCB, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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