

Discovery Holding CO
 Form 4
 April 03, 2008

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 MALONE JOHN C

(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)
 04/01/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman of the Board, CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Series A Common Stock	04/01/2008		M		13,333	A	\$ 14.67
							1,694,511 ⁽¹⁾
							⁽²⁾
Series A Common Stock	04/01/2008		F ⁽³⁾		8,988	D	\$ 21.76
							1,685,523
Series A Common Stock	04/01/2008		F ⁽⁴⁾		1,006,028	D	\$ 21.76
							679,495
Series A Common	04/01/2008		F ⁽⁴⁾		87,739	D	\$ 21.76
							591,756

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Stock										
Series A Common Stock						480,889 ⁽²⁾ <u>(5)</u>	I		By Spouse	
Series A Common Stock						1,217,920 ⁽²⁾	I		By Trust	
Series A Common Stock						330 ⁽⁶⁾	I		By Trust	
Series B Common Stock	04/01/2008		M	1,148,540	A	\$ 19.06		11,666,040	D	
Series B Common Stock	04/01/2008		M	120,000	A	\$ 15.91		11,786,040	D	
Series B Common Stock								340,943 ⁽⁵⁾	I	By Spouse

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

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

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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Stock Option (Right to Buy)	\$ 14.67	04/01/2008		M	13,333	⁽⁷⁾	06/14/2008	Series A Common Stock	20,000
Stock Option (Right to Buy)	\$ 19.06	04/01/2008		M	1,148,540	⁽⁸⁾	02/28/2011	Series B Common Stock	1,148,540
	\$ 15.91	04/01/2008		M	120,000	⁽⁷⁾	06/14/2008		180,000

Stock
Option
(Right to
Buy)

Series B
Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MALONE JOHN C 12300 LIBERTY BLVD. ENGLEWOOD, CO 80112	X	X	Chairman of the Board, CEO	

Signatures

/s/ John C.
Malone

04/03/2008

**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) Includes 74,873 shares of the Issuer's Series A common stock previously owned indirectly through the LMC 401(k) plan, which shares were distributed to the Reporting Person on May 23, 2007.
- Since December 28, 2007, a charitable remainder trust (the "Trust") of which the Reporting Person is the sole trustee and, with his
- (2) spouse, retains a unitrust interest in the Trust, distributed 72,693 shares of the Issuer's Series A common stock to the Reporting Person and 105,786 shares of Series A common stock to the Reporting Persons' spouse.
- The number of shares of Series A common stock disposed of in the transaction were delivered by the Reporting Person to the Issuer in
- (3) satisfaction of the aggregate exercise price payable to the Issuer in connection with the Reporting Person's exercise of an option to acquire shares of the Issuer's Series A common stock.
- The number of shares of Series A common stock disposed of in the transaction were delivered by the Reporting Person to the Issuer in
- (4) satisfaction of the aggregate exercise price payable to the Issuer in connection with the Reporting Person's exercise of an option to acquire shares of the Issuer's Series B common stock.
- (5) The Reporting Person disclaims beneficial ownership of these shares owned by his spouse.
- (6) The Reporting Person is the sole trustee of and, with his spouse, retains a unitrust interest in the trust.
- The stock option was issued pursuant to the Issuer's transitional stock adjustment plan in connection with the spin off of the Issuer from
- (7) Liberty Media Corporation in July 2005. The option vested as to 33-1/3% of the total number of shares on each June 14, beginning June 14, 2006.
- The stock option was issued pursuant to the Issuer's transitional stock adjustment plan in connection with the spin off of the Issuer from
- (8) Liberty Media Corporation in July 2005. When issued, the option was vested as to 82.5% of the total number of shares subject to the option, 17.5% of the shares subject to the option vested on February 28, 2006.

Remarks:

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

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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