



FOR IMMEDIATE RELEASE

FEBRUARY 6, 2003

USA DELIVERS STRONG Q4 ON ALL KEY METRICS

Gross Transactions up 51%, Total Revenue up 30%

Adjusted EBITDA up 56%, Operating Income to \$37 million

GAAP EPS Grows to \$0.25, Adjusted EPS to \$0.17

	Pro Forma ^(a)		
	Q4 2002	Q4 2001	Growth
	<i>\$ in millions, except per share</i>		
Gross Transaction Value	\$ 3,475	\$ 2,303	51%
Revenue	\$ 1,339	\$ 1,030	30%
Adjusted EBITDA ^(b)	\$ 192	\$ 123	56%
Operating Income	\$ 37	\$ (2)	NM
GAAP EPS	\$ 0.25	\$ (0.05)	NM
Adjusted EPS * ^(b)	\$ 0.17	\$ 0.09	80%

* Referred to as Cash EPS in USA's previous filings.

NEW YORK, February 6, 2003 – USA Interactive reported results for its quarter ended December 31, 2002.

- This is the last quarter in which USA will report Adjusted EBITDA. See page 2 for more information.
- USA generated \$545 million in Free Cash Flow during 2002, with \$741 million in Net Cash Provided by Operating Activities.
- HSN-U.S. grew Adjusted EBITDA by 11% to \$84.3 million in Q4 on sales that were down slightly, due primarily to higher gross margins of 36.7%. HSN's Operating Income also grew 27% to \$43.1 million.
- Travel, USA's strongest growth area, increased gross bookings 104% to \$1.8 billion in Q4, driven by 101% more merchant room nights sold. The travel businesses' Adjusted EBITDA improved by 75% to \$79 million and Operating Income by 107% to \$44 million.
- Ticketing gross transactions increased 27% to \$1.1 billion in Q4. As a result, Ticketing Adjusted EBITDA increased 60% to \$34.3 million and Operating Income grew 659% to \$16.6 million. 41% of tickets were sold online, versus 34% in the year ago period.
- Match.com Adjusted EBITDA grew 65% to \$12.5 million and Operating Income grew 149% to \$9.3 million on 111% higher revenue in Q4. Match.com's subscribers increased 90% over the prior year to 724,829 at the end of Q4.
- USA also released today its final budget for 2003. Please see related 8-K for further detail.

(a) IMPORTANT: All results herein are presented on a comparative pro forma basis reflecting the Vivendi transaction, the roll-ups of USANi LLC and Home Shopping Network, Inc., and the merger with Ticketmaster that closed on January 17, 2003, and USA's acquisition of a majority stake in Expedia as if those transactions had been completed as of January 1, 2001, and reflect continuing operations and exclude one-time items, unless otherwise noted. 2001 data is not pro forma for the acquisitions of TV Travel Shop and Interval. Read all footnotes and important disclaimer at the end of this release.

(b) Before non-recurring items, including restructuring charges. Please see page F-1 and F-2 for full reconciliations for 2002 and 2001 from Adjusted EBITDA to Operating Income, and from Adjusted Net Income to Net Income.

FINANCIAL RESULTS

As USA has indicated in previous filings, the company switched its focus from Adjusted EBITDA (“EBITDA”) to Adjusted Net Income (referred to as “Cash Net Income” in previous filings) as its most important ‘bottom line’ performance metric for the company as a whole. Going forward, for segment reporting purposes, the company has switched its focus from Adjusted EBITDA to EBITA, defined as operating income plus amortization of (1) non-cash compensation, (2) non-cash distribution and marketing, (3) other intangibles (and goodwill in 2001), (4) non-recurring items, and (5) HSN disengagement costs. Segment results in this release are presented on an EBITDA basis for purposes of comparison with prior periods.

NET INCOME / ADJUSTED NET INCOME

Adjusted Net Income generally captures all income statement items that are ultimately settled in cash. The following table shows the reconciliation from Net Income to Adjusted Net Income. All results are pro forma for the Vivendi and Expedia transactions and the Ticketmaster merger. See pages F-1 and F-2 for full details on actual and adjusted results.

	Q4 2002	Q4 2001	Growth
	<i>\$ in millions</i>		
Diluted net income available to common shareholders	\$ 128.5	\$ (24.4)	NM
One-time items	(a) (80.6)	12.2	NM
Diluted Net Income before one-time items	47.9	(12.2)	NM
Add back of preferred dividend	3.3	-	NM
Amortization of non-cash compensation	9.2	8.3	11%
Amortization of non-cash distribution and marketing	9.9	9.0	9%
Amortization of other intangibles (non-cash)	49.6	52.1	-5%
Equity (income)/loss from 5.44% common interest in VUE	(8.8)	-	NM
Less: related tax and minority interest	(19.4)	(9.2)	-111%
Adjusted Net Income	<u>\$ 91.6</u>	<u>\$ 48.1</u>	<u>90%</u>
Adjusted EPS	<u>\$0.17</u>	<u>\$0.09</u>	<u>80%</u>

(a) Includes restructuring and one-time items in 2002 related to costs to restructure certain businesses, including ECS contract terminations, and costs incurred by the special committees of Expedia and Ticketmaster offset by the reversal of estimated purchase accounting liabilities established in prior years by HSN and PRC. Such reserves were deemed to be in excess of amounts expected to be paid. 2001 represents non-recurring costs related to restructuring operations, employee terminations and the write-down of certain investments.

NET CASH PROVIDED BY OPERATING ACTIVITIES / FREE CASH FLOW

Cash provided by operating activities, capital expenditures, investments to fund HSN International and the preferred dividend paid, are all consistent with amounts presented on the Company’s actual cash flow statement prepared in accordance with GAAP.

	FY 2002
	<i>\$ in millions</i>
Earnings before preferred dividend	\$ 7.4
Depreciation and all amortization	452.6
5% PIK interest on Class A Preferred	(23.0)
Equity in losses of unconsolidated affiliates and other investment write-offs	121.9
Minority interest (benefit) / expense	34.1
Changes in working capital and other	147.9
Net Cash Provided by Operating Activities	<u>740.8</u>
Capital expenditures	(153.4)
Investments to fund HSN International	(32.0)
Preferred dividend paid	(10.2)
Free Cash Flow	<u>\$ 545.2</u>

SEGMENT RESULTS

USA reported the following segment results on a comparative pro forma basis reflecting the Vivendi transaction and USA's acquisition of a majority stake in Expedia as if those transactions had been completed as of January 1, 2001. The Ticketmaster merger completed on January 17, 2003 had no impact on the results presented below. Please see pages F-7 and F-8 for full reconciliation of segment Adjusted EBITDA to segment Operating Income:

	Revenue			Adjusted EBITDA ^(a)			Operating Income		
	Q4 2002	Q4 2001	Growth	Q4 2002	Q4 2001	Growth	Q4 2002	Q4 2001	Growth
	\$ in millions			\$ in millions			\$ in millions		
Operating Businesses:									
HSN - U.S.	\$ 470.3	\$ 476.2	-1%	\$ 84.3	\$ 76.1	11%	\$ 43.1	\$ 34.0	27%
Ticketing	164.3	131.8	25%	34.3	21.5	60%	16.6	2.2	659%
Match.com	37.1	17.6	111%	12.5	7.6	65%	9.3	3.7	149%
Hotels.com	272.6	141.7	92%	32.5	22.9	42%	25.9	17.0	52%
Expedia	163.8	81.8	100%	47.0	22.2	112%	27.4	4.4	525%
Interval	36.4	-	NM	3.6	-	NM	(5.5)	-	NM
PRC	78.0	69.8	12%	11.9	6.2	91%	1.8	(2.4)	NM
Corporate and other	(b) -	-	NM	(16.6)	(7.0)	-136%	(24.8)	(9.8)	-154%
Sub-total	1,222.5	918.7	33%	209.5	149.4	40%	93.7	49.1	91%
Emerging Businesses:									
Citysearch and related	8.3	10.3	-19%	(10.0)	(9.9)	-1%	(24.6)	(28.7)	14%
International TV shopping and other ^(c)	105.4	82.2	28%	(3.3)	(7.7)	58%	(3.7)	(10.6)	65%
ECS / Styleclick	8.8	12.4	-29%	(3.9)	(7.8)	50%	(4.8)	(8.6)	43%
Sub-total	122.5	104.9	17%	(17.2)	(25.4)	32%	(33.1)	(48.0)	31%
Foreign exchange rate fluctuation ^(d)	(2.9)	(10.2)	72%	(0.2)	(0.2)	-3%	(0.2)	(0.1)	-323%
HSN Disengagement ^(e)	(0.4)	19.1	NM	-	(0.5)	100%	(9.3)	(0.5)	-1967%
Intersegment Elimination	(2.8)	(2.2)	-29%	-	-	NM	-	-	NM
Total	\$ 1,339.0	\$ 1,030.3	30%	\$ 192.1	\$ 123.3	56%	\$ 51.0	\$ 0.7	7684%
Attributable Adjusted EBITDA - Operating Businesses				\$ 177.1	\$ 105.7	68%			
Supplemental disclosure:									
Total				\$ 192.1	\$ 123.3	56%	\$ 51.0	\$ 0.7	7684%
Non-recurring items ^(f)				(9.7)	(3.0)	-220%	(13.6)	(3.0)	-349%
Including non-recurring items				\$ 182.4	\$ 120.3	52%	\$ 37.3	\$ (2.4)	NM

(a) See page 6 for definition. Amounts excluded from Adjusted EBITDA include: depreciation (\$48.1 million and \$34.6 million in Q4 2002 and Q4 2001, respectively); amortization of cable distribution fees (\$15.0 million and \$14.6 million in Q4 2002 and Q4 2001, respectively); amortization of non-cash items (\$68.7 million and \$69.5 million in Q4 2002 and Q4 2001, respectively); disengagement related payments to cable operators and marketing expenses (\$9.3 million, including \$0.4 million of coupons related to the disengaged markets, and \$4.1 million in Q4 2002 and Q4 2001, respectively) related to the transfer of HSN's distribution to cable (which has been accomplished); and non-recurring items of \$9.7 million and \$3.0 million in Q4 2002 and Q4 2001, respectively.

(b) Higher corporate costs are due primarily to an increase in corporate employees in connection with USA's significant expansion in 2002, as well as bonuses paid to senior executives for 2002 performance. No such bonuses were made in 2001.

(c) International TV Shopping and Other includes HSE Germany, Evuvia, HOT Networks, TV Travel Shop, HSN emerging businesses and overhead costs related to HSN International.

(d) In order to present comparable results for International TV Shopping and Other, results for HSE-Germany have been translated from foreign currencies to U.S. dollars at a constant exchange rate.

(e) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.

(f) Please see footnotes on pages F-1 and F-2 for details on restructuring and one-time items.

CAPITALIZATION

USA has cash, securities and debt on its balance sheet, which have been adjusted to reflect how USA management looks at its capitalization as a whole. These adjustments are as follows: 1) Cash is adjusted for the percent attributable to minority interests in USA's public subsidiaries; 2) Cash is adjusted to exclude cash due to clients at Ticketmaster; 3) Securities in VUE are adjusted to exclude the estimated present value of taxes USA expects to pay on these securities, but excludes any impact of the reimbursement USA expects to receive from VUE on tax payments USA makes related to its interest in VUE; 4) Preferred stock is adjusted to reflect the face value of the security (amounts in millions):

	As of 12/31/02		
	Balance Sheet Carrying Value	Adjustment	As Adjusted
Cash and marketable securities:			
USA	\$ 2,971	\$ (105) (a)	\$ 2,866
Expedia	584 (c)	(265) (b)	319
Hotels.com	396 (c)	(135) (b)	261
Total cash and marketable securities / attributable cash	<u>\$ 3,951</u>	<u>\$ (505)</u>	<u>\$ 3,446</u>
Securities in VUE	2,971	(768) (d)	2,203
Long-term debt	(1,236) (e)	0	(1,236)
Preferred stock	(0)	(656) (f)	(656)
Net cash / attributable cash and securities	<u>\$ 5,686</u>	<u>\$ (1,929)</u>	<u>\$ 3,757</u>

	As of 1/17/03
Diluted shares outstanding (g):	
Basic shares outstanding	495.9
Treasury method options, warrants and restricted stock	24.4
Diluted shares outstanding	<u>520.3</u>
Market Capitalization	\$ 11,914

- (a) Reflects Ticketmaster merger, which closed on January 17, 2003, and reflects exclusion of cash due to clients (approximately \$106 million) at Ticketmaster.
- (b) Reflects percentage of cash attributable to USA's public subsidiaries, based on the Q4 weighted average of USA's fully diluted, treasury method ownership in each of its public subsidiaries, which was 66% for Hotels.com and 55% for Expedia.
- (c) Cash includes \$149.3 million in deferred merchant bookings at Expedia and \$76.4 million in deferred revenue at Hotels.com.
- (d) Reflects estimated present value of taxes on the VUE securities related to USA's gain on the Vivendi transaction.
- (e) Amounts exclude \$117.5 million of redeemable equity interests issued by Euvia that are due in 2006. Euvia has the right to extend maturity to 2016, and the amount is only due to the holder to the extent sufficient funds at Euvia are available. Otherwise, the instrument is on par with Euvia's common equity interests. Also includes \$750.0 million of debt issued in December 2002, which is due in 2012.
- (f) The balance sheet carrying value of the convertible preferred stock issued in the Expedia transaction is based on par value, which is \$0.01 per share or approximately \$131,000. The adjustment is made to reflect the face value of the security, or \$50 per share.
- (g) Fully diluted shares includes Vivendi's remaining 56.6 million shares that may be delivered to USA in connection with USA's Series B preferred interest in VUE. Reflects Ticketmaster merger, which closed on January 17, 2003.

OTHER DEVELOPMENTS

As announced in an Expedia press release issued yesterday, Richard Barton will be leaving his CEO and director positions at Expedia but will not be leaving the USA family as he has agreed to join the USA Board of Directors. Separately, USA is appointing Alan Spoon to the USA Board of Directors as a new independent director. Alan Spoon is presently a general partner of Polaris Venture Partners and served as an independent director of Ticketmaster until recently, when Ticketmaster became a private company.

OPERATING METRICS

	Q4 2002	Q4 2001	Growth
GROSS TRANSACTION VALUE ("GTV")			
Total GTV	\$3,475	\$2,303	50.9%
Interactive GTV	(a) \$2,868	\$1,768	62.2%
Internet GTV	(b) \$2,295	\$1,267	81.1%
International GTV	\$586	\$291	101.1%

(a) Interactive GTV is defined as GTV which was generated from the TV or PC from HSN, HSN.com, Ticketmaster.com, Hotels.com, Expedia, Match.com, TV Travel Shop and Interval.

(b) Internet GTV is defined as GTV which was generated online from HSN.com, Ticketmaster.com, Hotels.com, Expedia, Match.com and Interval.

All household numbers as of end of period.

HSN - U.S.

Units Shipped (mm)	10.8	11.4	-5.3%
Gross Profit %	36.7%	34.0%	270 bps
Return Rate	18.2%	17.9%	
Average price point	\$47.54	\$47.27	0.6%
Product mix:			
Home Licensing	(a) 35%	41%	
Home Fashions	7%	5%	
Jewelry	24%	25%	
Health / Beauty	22%	17%	
Apparel / Accessories	12%	12%	
HSN total homes (mm)	(b) 78.8	83.0	-5.1%
America's Store total FTEs (mm)	9.0	12.3	-26.8%
HSN.com % of Sales	13.1%	9.6%	

(a) Home Licensing includes electronics, computers, and other homegoods.

(b) 2001 includes broadcast-only homes which were disengaged following the sale of USA Broadcasting to Univision, which was completed in January 2002.

INTERNATIONAL TV SHOPPING AND OTHER - Households (mm)

			Avg. Hrs. Daily	12/31/02 Stake
HSN International:				
HSE - Germany (includes Austria/Switzerland)	30.8	29.7	16	90%
TVSN (China) (HH airing at least 14 hrs/week)	11.5	23.9	10	21%
Shop Channel (Japan)	14.4	11.6	17	30%
Euvia:	(a)			
Euvia Travel	(b) 28.3	28.8	2.4	49%
Neun Live	(b) 26.9	28.8	9.5	49%
TV Travel Shop U.K.	(a) 11.0	N/A	24	100%

(a) Not owned by USA in prior year's period.

(b) It is expected that HOT Networks will convey a 3% interest in Euvia to a former shareholder, in which case HSN's effective stake in Euvia would be reduced to 45.6%.

TICKETMASTER

Number of tickets sold (mm)	24.1	20.3	18.7%
Gross value of tickets sold (mm)	\$1,106	\$870	27.0%
Share of tickets sold online	40.7%	33.9%	

MATCH.COM

	(a)		
Paid Subscribers (000s)	725	382	89.6%
New Registrations (000s)	3,380	2,304	46.7%
New Subscriptions (000s)	348	260	33.5%
Conversion rate - registrations to subscriptions	10.3%	11.3%	

(a) The operating metrics and financial results presented for Match.com include the impact of Soulmates, acquired on April 12, 2002. The 2001 operating metrics and financial information do not include Soulmates.

HOTELS.COM

Merchant hotel room nights (net of cancels) (000s)	2,227	1,187	87.6%
Average daily rate	\$117.93	\$115.00	2.5%
Cities served:			
U.S.	186	124	50.0%
International	139	54	157.4%
Properties under contract	(a) 7,723	4,567	69.1%
Affiliates	33,973	23,808	42.7%

(a) Merchant only; excludes commissionable lodging.

OPERATING METRICS (continued)

INTERVAL		<u>Q4 2002</u>	<u>Q4 2001</u>	<u>Growth</u>
Active members		1,499,668	1,318,093	13.8%
Exchange transactions		151,021	148,988	1.4%
% of Exchanges online		7.6%	3.3%	
EXPEDIA				
Gross Bookings (mm)				
Total gross bookings	(a)	\$1,380	\$704	96.0%
Agency gross bookings		1,002	540	85.6%
Merchant gross bookings (includes CCV)		378	164	130.5%
CCV gross bookings		42	-	N/A
International gross bookings		123	48	156.3%
North America gross bookings		1,257	656	91.6%
Additional Metrics (000s)				
Revenue from packages		\$46,912	\$11,573	305.4%
Total room nights stayed		3,168	1,522	108.1%
Merchant room nights stayed		2,522	1,178	114.1%
Merchant hotel average daily rate (excludes CCV)		119	109	9.2%
Customers (000s)				
Average Media Metrix reach (000s)	(b)	11,392	9,238	23.3%
Expedia.com conversion	(c)	6.8%	5.2%	
New purchasing customers (000s)	(d)	1,528	870	75.6%
Cumulative purchasing customers (000s)	(e)	12,360	6,294	N/A
Unique purchasing customers (000s)	(f)	2,225	1,383	60.9%

(a) Gross bookings represents the total value of travel booked through the Expedia, WWTE sites, Classic Custom Vacations and Metropolitan Travel since acquisition.

(b) Average monthly Media Metrix reach represents the unduplicated reach for the Expedia sites.

(c) Conversion represents the monthly average Expedia.com unique monthly purchasers divided by the monthly average Media Metrix reach for the Expedia.com site.

(d) Expedia new purchasing customers represents the number of new customers transacting through the Expedia sites in a quarter.

(e) Expedia cumulative purchasing customers represents the cumulative number of customers that have ever transacted through the Expedia sites as of the end of a quarter.

(f) Expedia quarterly unique purchasing customers represents the number of unique customers transacting through the Expedia sites over the course of a quarter.

DEFINITIONS

Interactive Businesses include HSN, HSN.com, Expedia, Hotels.com, Ticketmaster.com, Match.com, TV Travel Shop and Interval online transactions. Gross transaction value related to these businesses comes predominantly from sales that are either initiated and/or transacted through the television or internet.

Adjusted Net Income generally captures all income statement items that have been, or will ultimately be, settled in cash and is defined as net income available to common shareholders plus: (1) amortization of non-cash distribution and marketing expense, (2) amortization of non-cash compensation expense, (3) amortization of intangibles (and goodwill in 2001), net of related tax and minority interest expense, (4) equity income or loss from USA's 5.44% interest in VUE, and (5) non-recurring items and / or restructuring charges. See page 2 for more detail. Adjusted EPS is defined as Adjusted Net Income divided by fully diluted shares outstanding for Adjusted EPS purposes (see pages F-1, F-2, F-3 and F-4 for details).

USA's travel businesses include Expedia, Hotels.com, TV Travel Shop and Interval.

Free Cash Flow is defined as Net Cash Provided by Operating Activities from continuing operations, less capital expenditures, investments to fund HSN International unconsolidated operations and preferred dividends paid.

Adjusted EBITDA, also referred to as EBITDA in this release, is defined as operating income plus (1) depreciation, (2) amortization of cable distribution fees, (3) amortization of non-cash distribution, marketing, and compensation expense, (4) amortization of other intangibles, and (5) disengagement related payments to cable operators and marketing expenses related to the transfer of HSN's distribution to cable (which has been accomplished).

Attributable Adjusted EBITDA - Operating Businesses is defined as Adjusted EBITDA from Operating Businesses, less the percentage of Adjusted EBITDA attributable to minority shareholders of USA's non-wholly owned subsidiaries. This percentage is determined based on the Q4 weighted average of USA's fully diluted, treasury method ownership in each of its non-wholly owned subsidiaries, which was 66% for Hotels.com and 55% for Expedia.

Hotels.com and Expedia, which USA being the controlling shareholder of both companies, are actively exploring areas where they might work together in a way that would benefit all their customers and stockholders. Although there continue to be many areas of their businesses where the companies can best achieve their goals through separate strategies and practices, there have been instances where, fully consistent with their existing contractual agreements, they have worked cooperatively, and we anticipate that they will continue to explore such possibilities in the future.

As previously announced, USA voluntarily petitioned the SEC to review the presentation of revenue by Hotels.com and Expedia for merchant hotel revenue, as Hotels.com presents such revenue on a gross basis and Expedia on a net basis. The SEC has concluded its review, and will not object to the presentation of both companies.

Analyst Conference Call

USA Interactive will audiocast its conference call with analysts and investors discussing the company's fourth quarter financial results and certain forward-looking information on Thursday, February 6, 2003, at 11:00 a.m. Eastern Time (ET). The live audiocast is open to the public, and a replay will be available for 48 hours, beginning approximately one hour after completion of the call, at www.usainteractive.com/investor.relations.

Additional Information And Where To Find It

Safe Harbor Statement Under The Private Securities Litigation Reform Act Of 1995

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to USA's anticipated financial performance, business prospects, new developments, new merchandising strategies and similar matters, and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. These forward-looking statements are necessarily estimates reflecting the best judgment of USA's senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions that could have a material adverse effect on USA's business, financial condition or results of operations. You should understand that the following important factors could affect USA's future results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) material adverse changes in economic conditions generally or in such conditions affecting USA's markets or industries; (2) future regulatory and legislative actions and conditions affecting USA's operating areas; (3) competition from others; (4) successful integration of our divisions' management structures; (5) product demand and market acceptance; (6) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (7) the ability to maintain the integrity of USA's systems and infrastructure; (8) the ability to expand into and successfully operate in foreign markets; and (9) obtaining and retaining skilled workers and key executives. In addition, investors should consider the other information contained in or incorporated by reference into USA's filings with the U.S. Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the fiscal year ended 2001, especially in the Management's Discussion and Analysis section, its most recent Quarterly Report on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on USA's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release.

USA is not under any obligation and does not intend, except as specifically stated, to make publicly available any update or other revisions to any of the forward-looking statements contained in this press release to reflect circumstances existing after the date of this press release or to reflect the occurrence of future events even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized.

About USA Interactive

USA Interactive (Nasdaq: USAI) engages worldwide in the business of interactivity via the Internet, the television and the telephone. USA's multiple brands are organized across three areas: Electronic Retailing, Information & Services and Travel Services. Electronic Retailing is comprised of HSN, America's Store, HSN.com, and Home Shopping Europe and Euvia in Germany. Information & Services includes Ticketmaster, Match.com, uDate (transaction pending), Citysearch, Evite, Entertainment Publications (transaction pending) and Precision Response Corporation. Travel Services consists of Expedia (Nasdaq: EXPE), Hotels.com (Nasdaq: ROOM), Interval International, TV Travel Group and USA's forthcoming U.S. cable travel network.

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USA INTERACTIVE
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS

(\$ in thousands except per share amounts)

For THREE Months Ended December 31, 2002:

	Actual	Pro Forma Adjustments (a)	Pro Forma	Adjustments: One-time items (b)	Pro Forma Adjusted
Revenues, net	\$1,338,988		\$1,338,988		\$1,338,988
Costs related to revenues	803,911		803,911	(4,185)	799,726
Gross Profit	535,077		535,077	4,185	539,262
Other operating costs	353,096		353,096	(5,555)	347,541
Disengagement coupons included as net revenues	(405)		(405)		(405)
Adjusted EBITDA	182,386		182,386	9,740	192,126
Depreciation	49,739		49,739	(1,679)	48,060
HSN cable distribution fees	15,001		15,001		15,001
Amortization of non-cash items:					
Distribution and marketing	9,859		9,859		9,859
Compensation expense	5,700	3,528	9,228		9,228
Other intangibles	31,746	17,903	49,649		49,649
Non-recurring restructuring items -- non-EBITDA	2,221		2,221	(2,221)	0
HSN disengagement costs (e)	9,345		9,345		9,345
Operating income	58,775	(21,431)	37,344	13,640	50,984
Interest	28,130		28,130		28,130
Equity losses in affiliates and other	24,491		24,491	(12,750)	11,741
Earnings before income taxes and minority interest	111,396	(21,431)	89,965	890	90,855
Income taxes	52,836	5,498	58,334	(81,151)	(22,817)
Minority interest	(16,113)	1,098	(15,015)	(351)	(15,366)
Earnings before preferred dividend	148,119	(14,835)	133,284	(80,612)	52,672
Preferred dividend	(3,264)		(3,264)		(3,264)
Income from continuing operations available to common shareholders	144,855	(14,835)	130,020	(80,612)	49,408
Impact of dilutive securities	(1,510)		(1,510)		(1,510)
Diluted Net income available	143,345	(14,835)	128,510	(80,612)	47,898
Basic EPS	\$0.32		\$0.26		\$0.10
Diluted EPS	\$0.30		\$0.25		\$0.10
Diluted Net income available - continuing operations					47,898
Preferred dividend					3,264
Amortization of non-cash items					68,736
Equity gain related to VUE					(8,847)
Less: related tax and minority interest					(19,444)
Adjusted Net Income					91,607
Adjusted EPS					\$0.17
Reconciliation of Shares Outstanding:					
Basic weighted average shares outstanding	449,339	45,471 (c)	494,810		494,810
Options, warrants and restricted stock, treasury method	22,364	1,166 (c)	23,530		23,530
Conversion of preferred shares to common	19,434		19,434		19,434
Diluted weighted average shares outstanding	491,137		537,775		537,775
Additional impact of restricted shares				426 (d)	426
Adjusted EPS weighted average shares outstanding					538,200

(a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include restructuring and one-time items related to restructuring operations, employee terminations and costs incurred by the special committees of Expedia and Ticketmaster, as well as the benefit of certain tax deductions related to Styleclick and Hot Germany, which are considered non-recurring.

(c) Additional shares and options issued in the Ticketmaster merger, which closed on January 17, 2003.

(d) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.

(e) Costs related to marketing and other activities in disengagement markets.

USA INTERACTIVE
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS

(\$ in thousands except per share amounts)

For THREE Months Ended December 31, 2001:

	Actual	Pro Forma Adjustments (a)	Pro Forma	Adjustments: One-time items (b)	Pro Forma Adjusted
Revenues, net	\$948,506	\$81,762	\$1,030,268		\$1,030,268
Costs related to revenues	632,634	25,597	658,231		658,231
Gross Profit	315,872	56,165	372,037		372,037
Other operating costs	217,771	33,960	251,731	(3,041)	248,690
Adjusted EBITDA	98,101	22,205	120,306	3,041	123,347
Depreciation	30,810	3,749	34,559		34,559
HSN cable distribution fees	14,591		14,591		14,591
Amortization of non-cash items:					
Distribution and marketing	6,519	2,521	9,040		9,040
Compensation expense	2,369	5,953	8,322		8,322
Other intangibles	20,718	31,410	52,128		52,128
Amortization of goodwill	54,320	(54,320)	0		0
HSN disengagement costs (f)	4,052		4,052		4,052
Operating income	(35,278)	32,892	(2,386)	3,041	655
Interest	(6,176)	26,357	20,181		20,181
Equity losses in affiliates and other	(26,442)	(2,119)	(28,561)	14,688	(13,873)
Earnings before income taxes and minority interest	(67,896)	57,130	(10,766)	17,729	6,963
Income taxes	1,113	(6,081)	(4,968)	(4,998)	(9,966)
Minority interest	20,343	(25,739)	(5,396)	(522)	(5,918)
Earnings before preferred dividend	(46,440)	25,310	(21,130)	12,209	(8,921)
Preferred dividend	0	(3,264)	(3,264)		(3,264)
Income from continuing operations available to common shareholders	(46,440)	22,046	(24,394)	12,209	(12,185)
Impact of dilutive securities	0		0		0
Diluted Net income available - continuing operations	(46,440)	22,046	(24,394)	12,209	(12,185)
Discontinued operations ^(c)	(10,508)	10,508	0		0
Diluted Net income	(\$56,948)	\$32,554	(\$24,394)	\$12,209	(\$12,185)

Basic and Diluted EPS - continuing operations	(\$0.12)		(\$0.05)		(\$0.03)
Basic and Diluted EPS	(\$0.15)		(\$0.05)		(\$0.03)

Diluted Net income available - continuing operations					(12,185)
Amortization of non-cash items					69,490
Less: related tax and minority interest					(9,211)
Adjusted Net Income					48,094
Adjusted EPS					\$0.09

Reconciliation of Shares Outstanding:

Basic weighted average shares outstanding	377,139	106,351 (d)	483,490		483,490
Options, warrants and restricted stock, treasury method	0	0	0		0
Conversion of preferred shares to common	0		0		0
Diluted weighted average shares outstanding	377,139		483,490		483,490
Options, warrants and restricted stock, treasury method				23,740	23,740
Additional impact of restricted shares				117 (e)	117
Adjusted EPS weighted average shares outstanding					507,347

(a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include restructuring and one-time items related to restructuring operations, employee terminations and a write-down of investments.

(c) Discontinued operations relates the results of USA Entertainment of \$(10.5) million.

(d) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (20.6 mm), shares issued in the VUE transaction on May 7, 2002 (7.1 mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (33.2 mm).

(e) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.

(f) Costs related to marketing and other activities in disengagement markets.

USA INTERACTIVE
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS
(\$ in thousands except per share amounts)

	For TWELVE Months Ended December 31, 2002:				
	Actual	Pro Forma Adjustments (a)	Pro Forma	Adjustments: One-time items (b)	Pro Forma Adjusted
Revenues, net	\$4,621,224	\$35,487	\$4,656,711		\$4,656,711
Costs related to revenues	2,818,443	10,586	2,829,029	(5,861)	2,823,168
Gross Profit	1,802,781	24,901	1,827,682	5,861	1,833,543
Other operating costs	1,194,861	15,723	1,210,584	(52,994)	1,157,590
Disengagement coupons included as net revenues (c)	(2,205)		(2,205)		(2,205)
Adjusted EBITDA	610,125	9,178	619,303	58,855	678,158
Depreciation	177,219	919	178,138	(1,679)	176,459
HSN cable distribution fees	53,680		53,680		53,680
Amortization of non-cash items:					
Distribution and marketing	37,344	4,059	41,403		41,403
Compensation expense	15,899	15,044	30,943		30,943
Other intangibles	168,430	47,859	216,289	(22,247)	194,042
Non-recurring restructuring items -- non-EBITDA	39,129		39,129	(39,129)	0
HSN disengagement costs (c)	31,671		31,671		31,671
Operating income	86,753	(58,703)	28,050	121,910	149,960
Interest and other	67,827	34,779	102,606		102,606
Equity losses in affiliates and other	(107,552)	(120)	(107,672)	87,042	(20,630)
Earnings before income taxes and minority interest	47,028	(24,044)	22,984	208,952	231,936
Income taxes	(5,572)	(1,826)	(7,398)	(102,782)	(110,180)
Minority interest	(34,078)	(15,885)	(49,963)	(726)	(50,689)
Earnings before preferred dividend	7,378	(41,755)	(34,377)	105,444	71,067
Preferred dividend	(11,759)	(1,297)	(13,056)	0	(13,056)
Income from continuing operations available to common shareholders	(4,381)	(43,052)	(47,433)	105,444	58,011
Impact of dilutive securities	(5,296)	(924)	(6,220)		(6,220)
Diluted Net income available - continuing operations	(9,677)	(43,976)	(53,653)	105,444	51,791
Discontinued operations (d)	2,407,114	(2,407,114)	0		0
Cumulative effect of accounting change	(461,389)	461,389	0		0
Impact of dilutive securities	0		0		0
Diluted Net income	<u>\$1,936,048</u>	<u>(\$1,989,701)</u>	<u>(\$53,653)</u>	<u>\$105,444</u>	<u>\$51,791</u>
Basic EPS - continuing operations	(\$0.01)		(\$0.10)		\$0.12
Diluted EPS - continuing operations	(\$0.02)		(\$0.11)		\$0.10
Diluted EPS	\$4.54		(\$0.11)		\$0.10
Diluted Net income available - continuing operations					51,791
Amortization of non-cash items					266,388
Equity gain related to VUE					(6,108)
Less: related tax and minority interest					(76,208)
Adjusted Net Income					<u>235,863</u>
Adjusted EPS					<u>\$0.45</u>
Reconciliation of Shares Outstanding:					
Basic weighted average shares outstanding	426,317	66,107 (e)	492,424		492,424
Options, warrants and restricted stock, treasury method	0	0	0	25,840	25,840
Conversion of preferred shares to common	0		0		0
Diluted weighted average shares outstanding	<u>426,317</u>		<u>492,424</u>		518,265
Options, warrants and restricted stock, treasury method				0	0
Additional impact of restricted shares				207 (f)	207
Adjusted EPS weighted average shares outstanding					<u>518,472</u>

(a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include the write-down of certain investments, costs of ECS contract terminations, costs to shut-down certain operations, including HSN Espanol, HSN Italy, Styleclick and ECS, a write-down of goodwill for PRC as well as costs to shut-down certain PRC call centers, costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster and the write-down of certain equity investments.

(c) Costs related to marketing and related activities in the disengagement markets.

(d) Discontinued operations relates to the gain on the contribution of USA Entertainment to VUE of \$2.38 billion, the results of USA Entertainment prior to May 7, 2002 of \$28.8 million and the cumulative effect of accounting change for the new goodwill rules of \$(461.4) million. The company is in the process of finalizing the gain on the VUE transaction, as the tax expense was based on a preliminary estimate of the company's tax basis in the assets.

(e) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (2.0 mm), shares issued in the VUE transaction on May 7, 2002 (2.5mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (16.2 mm).

(f) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.

USA INTERACTIVE

RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS

(\$ in thousands except per share amounts)

For TWELVE Months Ended December 31, 2001:

	Actual	Pro Forma Adjustments (a)	Pro Forma	Adjustments: One-time items (b)	Pro Forma Adjusted
Revenues, net	\$3,468,860	\$296,936	\$3,765,796		\$3,765,796
Costs related to revenues	2,331,297	93,132	2,424,429		2,424,429
Gross Profit	1,137,563	203,804	1,341,367		1,341,367
Other operating costs	839,636	142,940	982,576	(20,064)	962,512
Adjusted EBITDA	297,927	60,864	358,791	20,064	378,855
Depreciation	131,308	11,049	142,357		142,357
HSN cable distribution fees	43,975		43,975		43,975
Amortization of non-cash items:					
Distribution and marketing	26,385	8,307	34,692		34,692
Compensation expense	7,800	30,519	38,319		38,319
Other intangibles	79,164	125,798	204,962		204,962
Amortization of goodwill	215,419	(215,419)	0		0
Non-recurring restructuring items -- non-EBITDA	6,248		6,248	(6,248)	0
HSN disengagement costs (f)	4,052		4,052	0	4,052
Operating income	(216,424)	100,610	(115,814)	26,312	(89,502)
Interest and other	(19,184)	103,647	84,463		84,463
Equity losses in affiliates and other	(51,849)	(8,460)	(60,309)	21,366	(38,943)
Earnings before income taxes and minority interest	(287,457)	195,797	(91,660)	47,678	(43,982)
Income taxes	(2,450)	(27,766)	(30,216)	(9,349)	(39,565)
Minority interest	103,108	(99,880)	3,228	(3,822)	(594)
Earnings before preferred dividend	(186,799)	68,151	(118,648)	34,507	(84,141)
Preferred dividend	0	(13,056)	(13,056)		(13,056)
Income from continuing operations available to common shareholders	(186,799)	55,095	(131,704)	34,507	(97,197)
Impact of dilutive securities	0		0		0
Diluted Net income available - continuing operations	(186,799)	55,095	(131,704)	34,507	(97,197)
Discontinued operations (c)	570,407	(570,407)	0		0
Diluted Net income	\$383,608	(\$515,312)	(\$131,704)	\$34,507	(\$97,197)
Basic and Diluted EPS - continuing operations	(\$0.50)		(\$0.27)		(\$0.20)
Diluted EPS	\$1.03		(\$0.27)		(\$0.20)
Diluted Net income available - continuing operations					(97,197)
Amortization of non-cash items					277,973
Less: related tax and minority interest					(58,204)
Adjusted Net Income					122,572
Adjusted EPS					\$0.24

Reconciliation of Shares Outstanding:

Basic weighted average shares outstanding	374,101	106,351 (d)	480,452		480,452
Options, warrants and restricted stock, treasury method	0	0	0	0	0
Conversion of preferred shares to common	0		0		0
Diluted weighted average shares outstanding	374,101		480,452		480,452
Options, warrants and restricted stock, treasury method				31,501	31,501
Additional impact of restricted shares				114 (e)	114
Adjusted EPS weighted average shares outstanding					512,067

(a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, the merger of TM and TMCS, which occurred on January 31, 2001, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include one-time items related to restructuring operations, employee terminations and benefits and a write-down of investments.

(c) Discontinued operations relates to a gain on sale of USAB to Univision of \$517.8 million, the results of USA Entertainment of \$61.8 million and the cumulative effect of accounting change for the new rules on film accounting of \$(9.2) million.

(d) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (20.6 mm), shares issued in the VUE transaction on May 7, 2002 (7.1 mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (33.2mm).

(e) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.

(f) Costs related to marketing and other activities in disengagement markets.

USA INTERACTIVE
SEGMENT RESULTS FOR THREE MONTHS ENDED DECEMBER 31, 2002

(\$ in thousands except per share amounts)

	Revenue			Adjusted EBITDA ^(a)			Operating Income		
	Q4 2002	Q4 2001	Growth	Q4 2002	Q4 2001	Growth	Q4 2002	Q4 2001	Growth
	\$ in millions			\$ in millions			\$ in millions		
Operating Businesses:									
HSN - U.S.	\$ 470.3	\$ 476.2	-1%	\$ 84.3	\$ 76.1	11%	\$ 43.1	\$ 34.0	27%
Ticketing	164.3	131.8	25%	34.3	21.5	60%	16.6	2.2	659%
Match.com	37.1	17.6	111%	12.5	7.6	65%	9.3	3.7	149%
Hotels.com	272.6	141.7	92%	32.5	22.9	42%	25.9	17.0	52%
Expedia	163.8	81.8	100%	47.0	22.2	112%	27.4	4.4	525%
Interval	36.4	-	NM	3.6	-	NM	(5.5)	-	NM
PRC	78.0	69.8	12%	11.9	6.2	91%	1.8	(2.4)	NM
Corporate and other	(b) -	-	NM	(16.6)	(7.0)	-136%	(24.8)	(9.8)	-154%
Sub-total	1,222.5	918.7	33%	209.5	149.4	40%	93.7	49.1	91%
Emerging Businesses:									
Citysearch and related	8.3	10.3	-19%	(10.0)	(9.9)	-1%	(24.6)	(28.7)	14%
International TV shopping and other	(c) 105.4	82.2	28%	(3.3)	(7.7)	58%	(3.7)	(10.6)	65%
ECS / Styleclick	8.8	12.4	-29%	(3.9)	(7.8)	50%	(4.8)	(8.6)	43%
Sub-total	122.5	104.9	17%	(17.2)	(25.4)	32%	(33.1)	(48.0)	31%
Foreign exchange rate fluctuation	(d) (2.9)	(10.2)	72%	(0.2)	(0.2)	-3%	(0.2)	(0.1)	323%
HSN Disengagement	(e) (0.4)	19.1	NM	-	(0.5)	100%	(9.3)	(0.5)	1967%
Intersegment Elimination	(2.8)	(2.2)	-29%	-	-	NM	-	-	NM
Total	\$ 1,339.0	\$ 1,030.3	30%	\$ 192.1	\$ 123.3	56%	\$ 51.0	\$ 0.7	7684%
Attributable Adjusted EBITDA - Operating Businesses				\$ 177.1	\$ 105.7	68%			
Supplemental disclosure:									
Total				\$ 192.1	\$ 123.3	56%	\$ 51.0	\$ 0.7	7684%
Non-recurring items	(f)			(9.7)	(3.0)	-220%	(13.6)	(3.0)	-349%
Including non-recurring items				\$ 182.4	\$ 120.3	52%	\$ 37.3	\$ (2.4)	NM

(a) Amounts excluded from Adjusted EBITDA include Depreciation (\$48.0 million and \$34.6 million in Q4 2002 and Q4 2001, respectively); amortization of cable distribution fees (\$15.0 million and \$14.6 million in Q4 2002 and Q4 2001, respectively); amortization of non-cash items (\$68.7 million and \$69.5 million in Q4 2002 and Q4 2001, respectively); disengagement related payments to cable operators and marketing expenses (\$9.3 million, including \$0.4 million of coupons related to the disengaged markets, and \$4.1 million in Q4 2002 and Q4 2001, respectively) related to the transfer of HSN's distribution to cable (which has been accomplished); and non-recurring items of \$9.7 million and \$3.0 million in Q4 2002 and Q4 2001, respectively.

(b) Higher corporate costs are due primarily to an increase in corporate employees in connection with USA's significant expansion in 2002, as well as bonuses paid to senior executives for 2002 performance. No such bonuses were made in 2001.

(c) International TV Shopping and Other includes HSE Germany, Euvia, Hot Networks, TV Travel Shop, HSN emerging businesses and overhead costs related to HSN International.

(d) In order to present comparable results for International TV Shopping and Other, results have been translated from foreign currencies to USA dollars at a constant exchange rate.

(e) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.

(f) Non-recurring items in 2002 include restructuring and one-time items related to restructuring operations, employee terminations and costs incurred by the special committees of Expedia and Ticketmaster, as well as the benefit of certain tax deductions related to Styleclick and Hot Germany, which are considered non-recurring. Non-recurring items in 2001 relate to restructuring operations, employee terminations and write-downs of certain investments.

USA INTERACTIVE
SEGMENT RESULTS FOR TWELVE MONTHS ENDED DECEMBER 31, 2002

(\$ in thousands except per share amounts)

	Revenue			Adjusted EBITDA (a)			Operating Income		
	YTD 2002	YTD 2001	Growth	YTD 2002	YTD 2001	Growth	YTD 2002	YTD 2001	Growth
	<i>\$ in millions</i>			<i>\$ in millions</i>			<i>\$ in millions</i>		
Operating Businesses:									
HSN - U.S.	\$ 1,613.4	\$ 1,556.9	4%	\$ 272.0	\$ 222.1	22%	\$ 117.6	\$ 78.6	50%
Ticketing	655.2	579.7	13%	148.0	106.2	39%	78.2	41.7	87%
Match.com	125.2	49.3	154%	36.1	16.5	118%	22.7	8.8	157%
Hotels.com	945.4	536.5	76%	131.2	81.4	61%	106.1	62.2	71%
Expedia	589.2	296.9	98%	173.7	60.9	185%	93.8	(13.4)	802%
Interval	38.7	-	NM	4.0	-	NM	(5.3)	-	NM
PRC	295.2	298.7	-1%	35.3	34.3	3%	(2.8)	2.9	NM
Corporate and other	(b) -	-	NM	(45.9)	(31.2)	-47%	(64.9)	(55.0)	-18%
Sub-total	4,262.4	3,318.0	28%	754.4	490.3	54%	345.4	126.0	174%
Emerging Businesses:									
Citysearch and related	30.8	46.1	-33%	(38.0)	(43.4)	13%	(100.4)	(130.3)	23%
International TV shopping and other	(c) 371.5	319.4	16%	(13.7)	(24.5)	44%	(30.5)	(33.3)	8%
ECS / Styleclick	39.2	34.2	15%	(23.7)	(53.6)	56%	(32.0)	(62.5)	49%
Sub-total	441.5	399.8	10%	(75.4)	(121.5)	38%	(163.0)	(226.1)	28%
Foreign exchange rate fluctuation	(d) (34.4)	(46.9)	27%	(0.8)	(1.2)	36%	(0.8)	(0.6)	NM
HSN Disengagement	(e) (2.2)	102.0	NM	-	11.2	NM	(31.7)	11.2	NM
Intersegment Elimination	(10.6)	(7.1)	-50%	-	-	NM	-	-	NM
Total	\$ 4,656.7	\$ 3,765.8	24%	\$ 678.2	\$ 378.9	79%	\$ 150.0	\$ (89.5)	NM
Attributable Adjusted EBITDA - Operating Businesses				\$ 630.9	\$ 324.1	95%			NM
Supplemental disclosure:									
Total				\$ 678.2	\$ 378.9	79%	\$ 150.0	\$ (89.5)	NM
Non-recurring items	(f)			(58.9)	(20.1)	-193%	(121.9)	(26.3)	-363%
Including non-recurring items				\$ 619.3	\$ 358.8	73%	\$ 28.1	\$ (115.8)	124%

(a) Amounts excluded from Adjusted EBITDA include Depreciation (\$176.5 million and \$142.4 million in 2002 and 2001, respectively); amortization of cable distribution fees (\$53.7 million and \$44.0 million in 2002 and 2001, respectively); amortization of non-cash items (\$266.4 million and \$278.0 million in 2002 and 2001, respectively); disengagement related payments to cable operators and marketing expenses (\$31.7 million, including \$2.2 million of coupons related to the disengaged markets, and \$4.1 million in 2002 and 2001, respectively) related to the transfer of HSN's distribution to cable (which has been accomplished); and non-recurring items of \$58.9 million and \$20.1 million in 2002 and 2001, respectively.

(b) Higher corporate costs are due primarily to an increase in corporate employees in connection with USA's significant expansion in 2002, as well as bonuses paid to senior executives for 2002 performance. No such bonuses were made in 2001.

(c) International TV Shopping and Other includes HSE Germany, Euvia, Hot Networks, TV Travel Shop, HSN emerging businesses and overhead costs related to HSN International.

(d) In order to present comparable results for International TV Shopping and Other, results have been translated from foreign currencies to USA dollars at a constant exchange rate.

(e) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.

(f) Non-recurring items in 2002 include restructuring and one-time items related to restructuring operations, employee terminations and costs incurred by the special committees of Expedia and Ticketmaster, as well as the benefit of certain tax deductions related to Styleclick and Hot Germany, which are considered non-recurring. Non-recurring items in 2001 relate to restructuring operations, employee terminations and write-downs of certain investments.

USA INTERACTIVE
RECONCILIATION SCHEDULES
(\$ in millions, rounding differences may exist)

Q4 2002 (a)									
Operating									
Revenue	Expenses, ex. D&A, disengagement & nonrecurring items	Adjusted EBITDA	Depreciation	Amortization of cable distribution fees	Amortization of non-cash items	HSN disengagement costs	Non-recurring items (b)	Operating Income	
Operating Businesses:									
HSN - U.S.	\$ 470	\$ (386)	\$ 84	\$ (14)	\$ (15)	\$ (12)	\$ (9)	\$ -	\$ 34
Ticketing	164	(130)	34	(8)	-	(10)	-	-	17
Personals	37	(25)	13	(2)	-	(1)	-	-	9
Hotels.com	273	(240)	32	(1)	-	(6)	-	-	26
Expedia	164	(117)	47	(4)	-	(16)	-	(1)	27
Interval	36	(33)	4	(2)	-	(7)	-	-	(6)
PRC	78	(66)	12	(10)	-	-	-	(4)	(2)
Corporate expense and other adjustments	-	(17)	(17)	(1)	-	(7)	-	-	(25)
Subtotal	\$ 1,223	\$ (1,013)	\$ 210	\$ (42)	\$ (15)	\$ (58)	\$ (9)	\$ (5)	\$ 80
Emerging Businesses:									
Citysearch	8	(18)	(10)	(2)	-	(13)	-	(4)	(29)
International TV shopping and other	103	(106)	(4)	(3)	-	3	-	-	(4)
ECS / Styleclick	9	(13)	(4)	(1)	-	(0)	-	(5)	(10)
Subtotal	\$ 120	\$ (137)	(17)	\$ (6)	\$ -	\$ (10)	\$ -	\$ (9)	\$ (42)
Disengaged HSN homes	(0)	0	-	-	-	-	-	-	-
Intersegment elimination	(3)	3	-	-	-	-	-	-	-
TOTAL	\$ 1,339	\$ (1,147)	\$ 192	\$ (48)	\$ (15)	\$ (69)	\$ (9)	\$ (14)	\$ 37

Q4 2001 (a)									
Operating									
Revenue	Expenses, ex. D&A, disengagement & nonrecurring items	Adjusted EBITDA	Depreciation	Amortization of cable distribution fees	Amortization of non-cash items	HSN disengagement costs	Non-recurring items (b)	Operating Income	
Operating Businesses:									
HSN - U.S.	\$ 476	\$ (400)	\$ 76	\$ (12)	\$ (14)	\$ (12)	\$ (4)	\$ (1)	\$ 33
Ticketing	132	(110)	21	(7)	-	(12)	-	-	2
Personals	18	(10)	8	(0)	-	(3)	-	-	4
Hotels.com	142	(119)	23	(1)	-	(5)	-	-	17
Expedia	82	(60)	22	(4)	-	(14)	-	-	4
Interval	-	-	-	-	-	-	-	-	-
PRC	70	(64)	6	(9)	-	-	-	(1)	(3)
Corporate expense and other adjustments	-	(7)	(7)	1	-	(4)	-	-	(10)
Subtotal	\$ 919	\$ (769)	\$ 149	\$ (31)	\$ (14)	\$ (51)	\$ (4)	\$ (2)	\$ 47
Emerging Businesses:									
Citysearch	10	(20)	(10)	(1)	-	(18)	-	-	(29)
International TV shopping and other	72	(80)	(8)	(2)	(1)	(0)	-	(1)	(11)
ECS / Styleclick	12	(20)	(8)	(1)	-	(0)	-	-	(9)
Subtotal	\$ 95	\$ (120)	(26)	\$ (4)	\$ (1)	\$ (18)	\$ -	\$ (1)	\$ (49)
Disengaged HSN homes	19	(20)	(0)	-	-	-	-	-	(0)
Intersegment elimination	(2)	2	-	-	-	-	-	-	-
TOTAL	\$ 1,030	\$ (907)	\$ 123	\$ (35)	\$ (15)	\$ (69)	\$ (4)	\$ (3)	\$ (2)

(a) Pro forma for Expedia and VUE transactions.

(b) See F-1 and F-2 for a description of non-recurring items which, for purposes of this reconciliation, have been allocated to the applicable business.

Pro forma 2002 (a)									
Revenue	Operating Expenses, ex. D&A, disengagement & nonrecurring items		Adjusted EBITDA	Depreciation	Amortization of cable distribution fees	Amortization of non-cash items	HSN disengagement costs	Non-recurring items (b)	Operating Income
Operating Businesses:									
HSN - U.S.	\$ 1,613	\$ (1,341)	\$ 272	\$ (53)	\$ (52)	\$ (49)	\$ (32)	\$ -	\$ 86
Ticketing	655	(507)	148	(29)	-	(41)	-	-	78
Personals	125	(89)	36	(8)	-	(6)	-	-	23
Hotels.com	945	(814)	131	(3)	-	(22)	-	(1)	106
Expedia	589	(415)	174	(16)	-	(64)	-	(2)	92
Interval	39	(35)	4	(2)	-	(7)	-	-	(5)
PRC	295	(260)	35	(38)	-	-	-	(35)	(38)
Corporate expense and other adjustments	-	(46)	(46)	(7)	-	(12)	-	-	(65)
Subtotal	\$ 4,262	\$ (3,508)	\$ 754	\$ (156)	\$ (52)	\$ (200)	\$ (32)	\$ (38)	\$ 276
Emerging Businesses:									
Citysearch	31	(69)	(38)	(8)	-	(55)	-	(6)	(106)
International TV shopping and other	337	(352)	(14)	(10)	(1)	(6)	-	(49)	(81)
ECS / Styleclick	39	(63)	(24)	(3)	-	(5)	-	(29)	(61)
Subtotal	\$ 407	\$ (483)	(76)	\$ (20)	\$ (1)	\$ (66)	\$ -	\$ (84)	\$ (248)
Disengaged HSN homes	(2)	2	-	-	-	-	-	-	-
Intersegment elimination	(11)	11	-	-	-	-	-	-	-
TOTAL	\$ 4,657	\$ (3,979)	\$ 678	\$ (176)	\$ (54)	\$ (266)	\$ (32)	\$ (122)	\$ 28

Pro forma 2001 (a)									
Revenue	Operating Expenses, ex. D&A, disengagement & nonrecurring items		Adjusted EBITDA	Depreciation	Amortization of cable distribution fees	Amortization of non-cash items	HSN disengagement costs	Non-recurring items (b)	Operating Income
Operating Businesses:									
HSN - U.S.	\$ 1,557	\$ (1,335)	\$ 222	\$ (49)	\$ (42)	\$ (49)	\$ (4)	\$ (1)	\$ 77
Ticketing	580	(473)	106	(23)	-	(41)	-	-	42
Personals	49	(33)	17	(2)	-	(6)	-	-	9
Hotels.com	536	(455)	81	(2)	-	(18)	-	-	62
Expedia	297	(236)	61	(11)	-	(63)	-	-	(13)
Interval	N/A	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A
PRC	299	(264)	34	(31)	-	-	-	(9)	(6)
Corporate expense and other adjustments	-	(31)	(31)	(5)	-	(19)	-	(3)	(59)
Subtotal	\$ 3,318	\$ (2,828)	\$ 490	\$ (123)	\$ (42)	\$ (196)	\$ (4)	\$ (13)	\$ 113
Emerging Businesses:									
Citysearch	46	(90)	(43)	(7)	-	(80)	-	(1)	(131)
International TV shopping and other	273	(298)	(26)	(4)	(2)	(2)	-	(2)	(35)
ECS / Styleclick	34	(88)	(54)	(9)	-	(0)	-	(11)	(73)
Subtotal	\$ 353	\$ (476)	(123)	\$ (20)	\$ (2)	\$ (82)	\$ -	\$ (13)	\$ (240)
Disengaged HSN homes	102	(91)	11	-	-	-	-	-	11
Intersegment elimination	(7)	7	-	-	-	-	-	-	-
TOTAL	\$ 3,766	\$ (3,387)	\$ 379	\$ (142)	\$ (44)	\$ (278)	\$ (4)	\$ (26)	\$ (116)

(a) Pro forma for Expedia and VUE transactions.

(b) See F-1 and F-2 for a description of non-recurring items which, for purposes of this reconciliation, have been allocated to the applicable business.