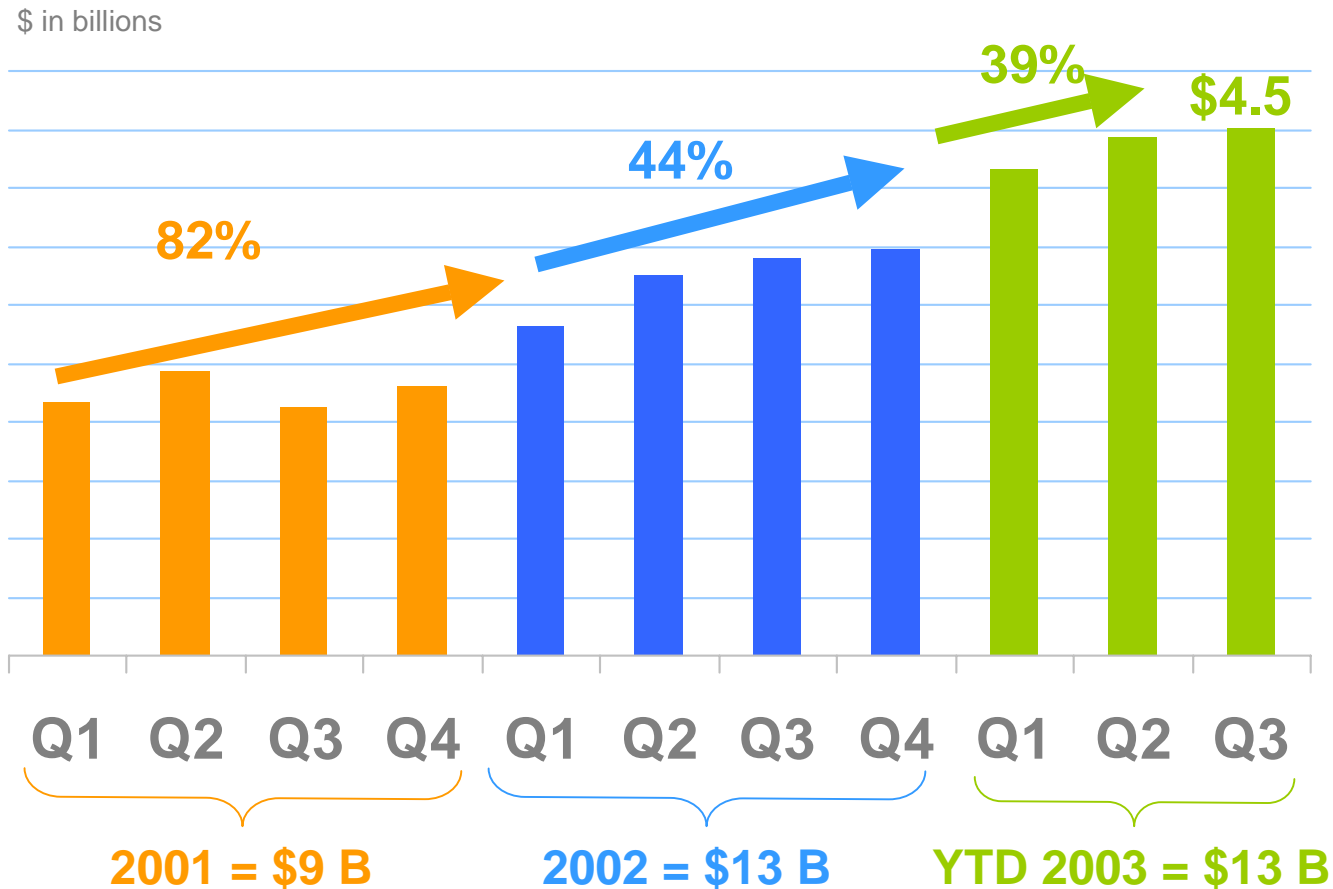


Recent Financial Results

Dara Khosrowshahi

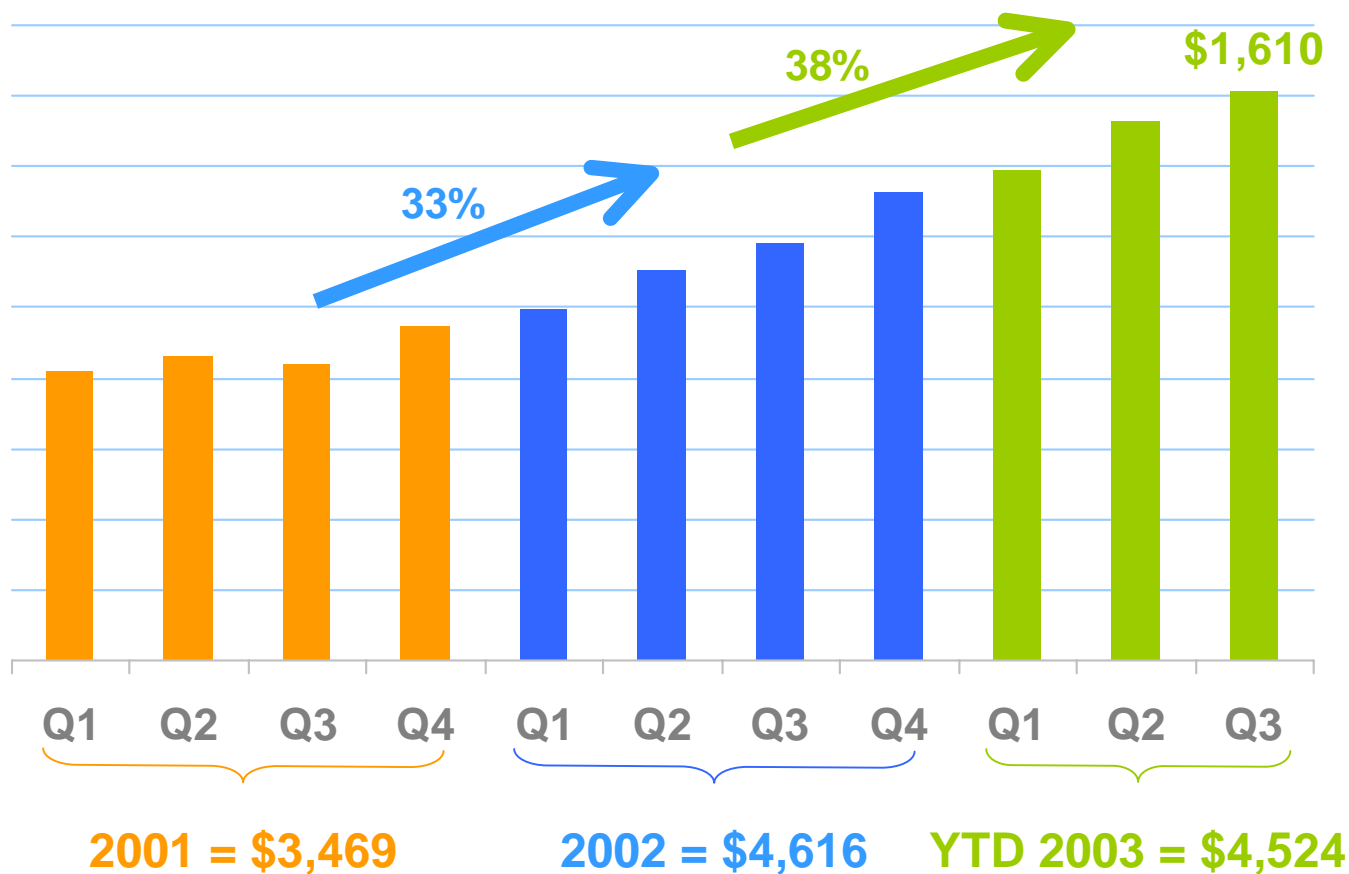
Executive Vice President & CFO

Gross Transaction Value



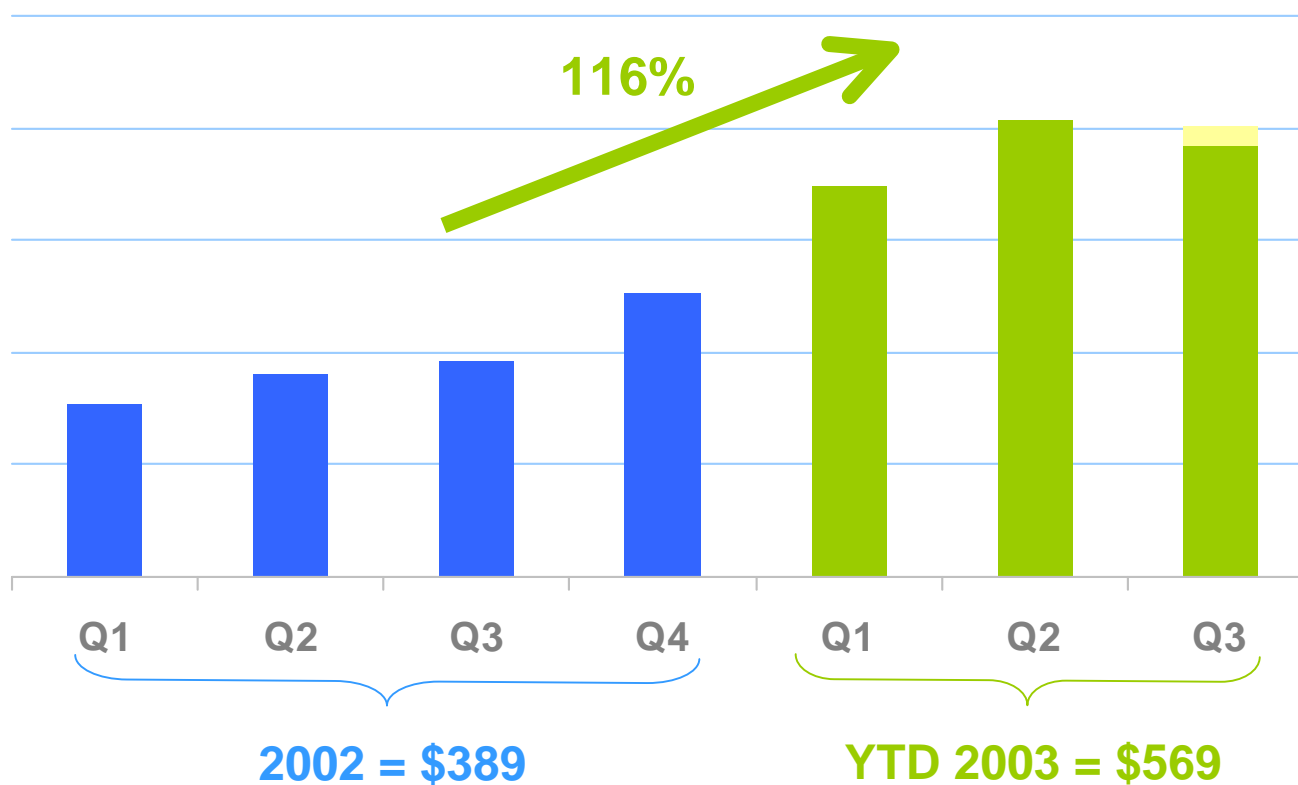
Revenue

\$ in millions



OIBA

\$ in millions



Q 3 P&L Summary

\$ in millions, except per share data

	Q3 03	Q3 02	GROWTH %
Revenue	\$1,610	\$1,185	36%
OIBA	192	96	100%
Net Income	19	(37)	nm
Diluted EPS	\$0.02	\$(0.07)	nm
Adjusted Net Income	\$130	\$47	173%
Adjusted Shares Outstanding	786	688	14%
Adjusted EPS	\$0.17	\$0.07	153%

Q 3 Charges

\$ in millions, except per share data

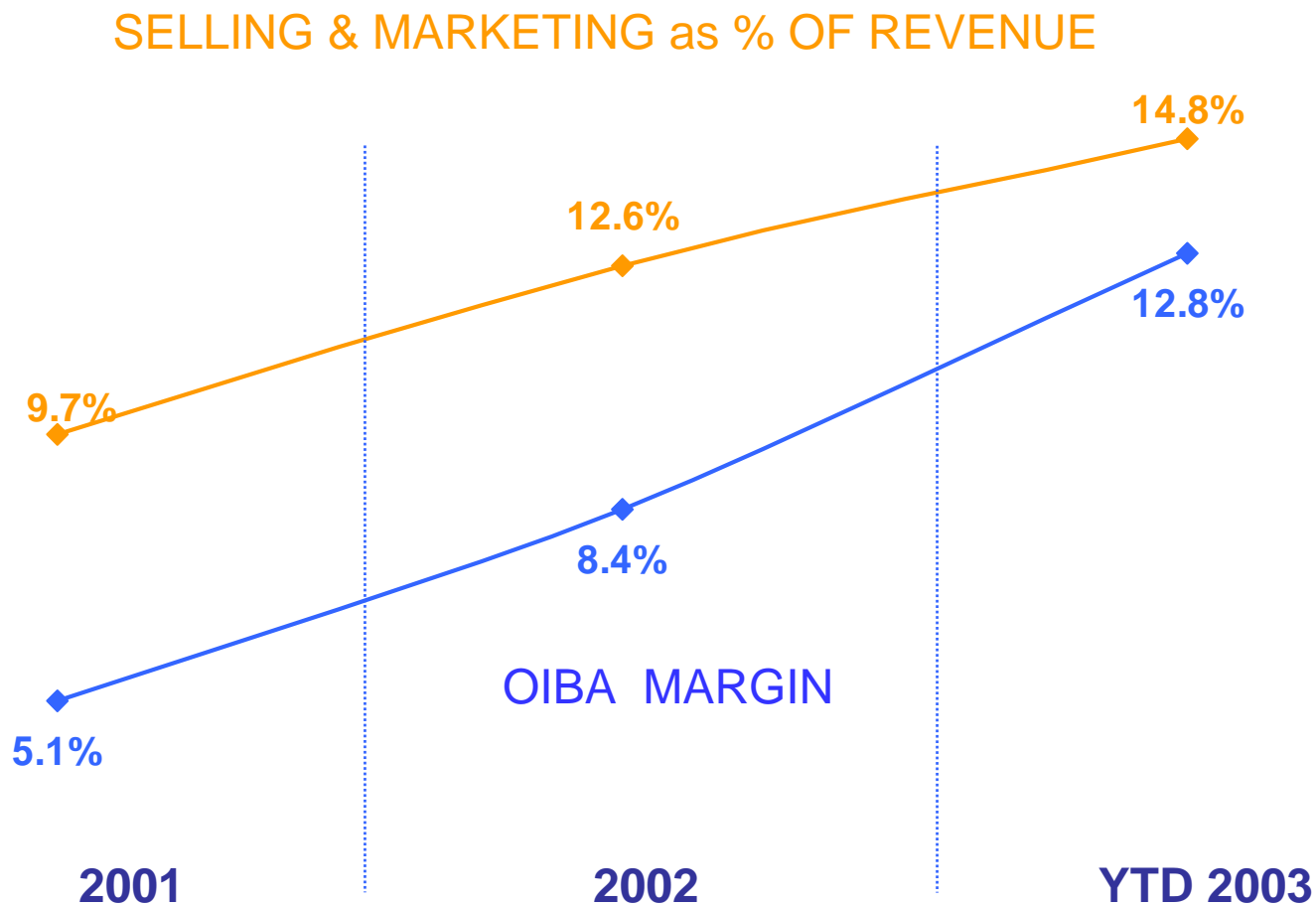
	Q3 03	Q3 02	GROWTH %
OIBA after Charges	192	96	100%
CHARGES:			
Hotels.com	4	-	
TVTS Satellite Contract	5	-	
PRC Real Estate & Software	2	-	
HSN Italy Write-Off	-	31	
Total Charges/OIBA Impact	\$11	\$31	
OIBA before Charges	\$203	\$127	60%
Adjusted Net Income before Charges	\$141	\$79	79%

Q3 Segment Financials

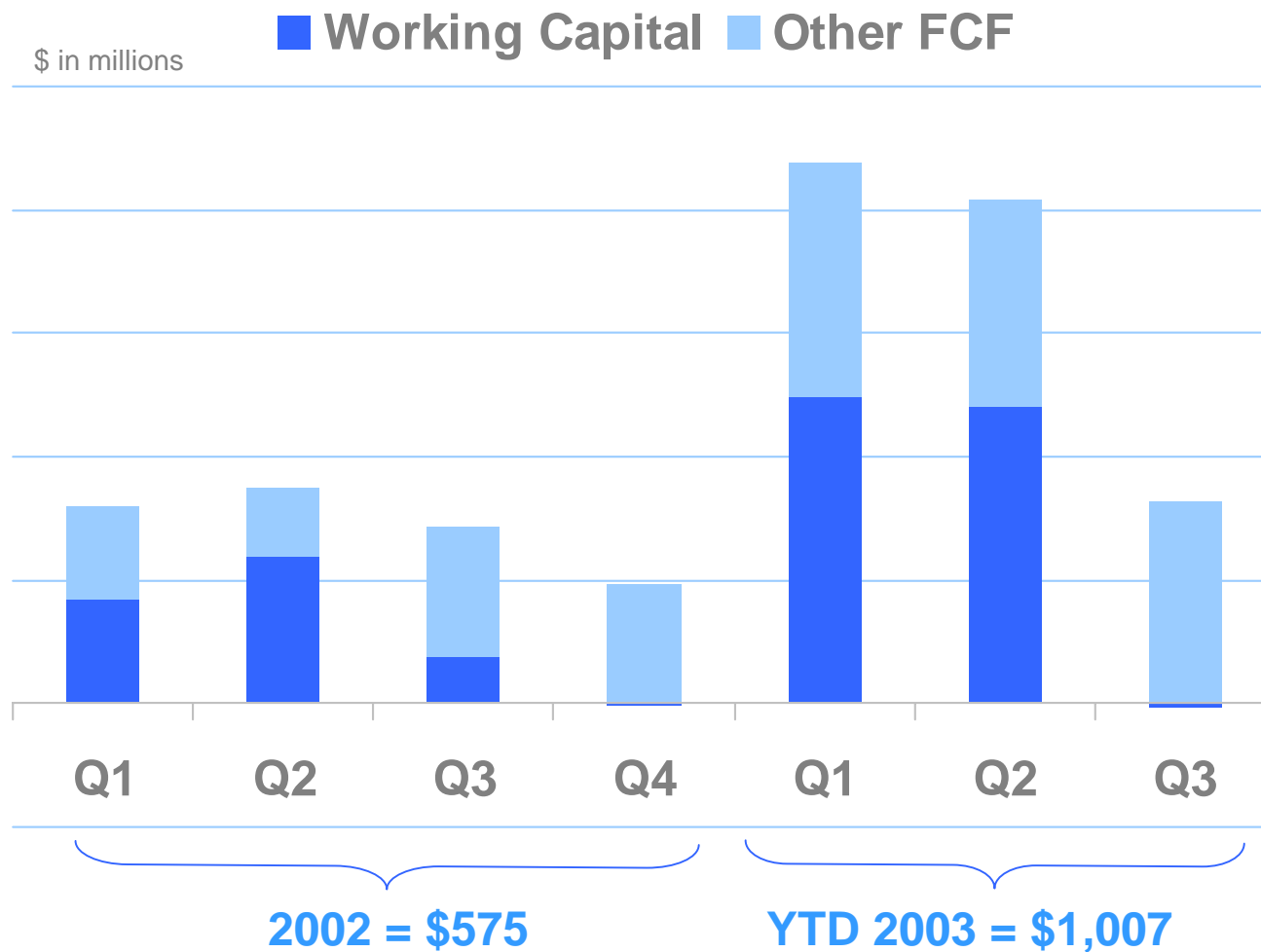
\$ in millions

	REVENUE			OIBA		
	2002	2003	GROWTH %	2002	2003	GROWTH%
IAC Travel	\$459	\$734	60%	\$84	\$138	64%
Electronic Retailing	450	526	17%	8	48	515%
Ticketing	162	178	10%	26	32	25%
Personals	34	48	44%	5	10	107%
Local Services	8	29	283%	(7)	(18)	159%
Financial Services & Real Estate	-	24	<i>nm</i>	-	3	<i>nm</i>
Teleservices	75	76	1%	1	2	99%
Corporate & Other	(2)	(5)	<i>nm</i>	(21)	(23)	<i>nm</i>
Total	\$1,185	\$1,610	36%	\$96	\$192	100%

Leverage



Free Cash Flow



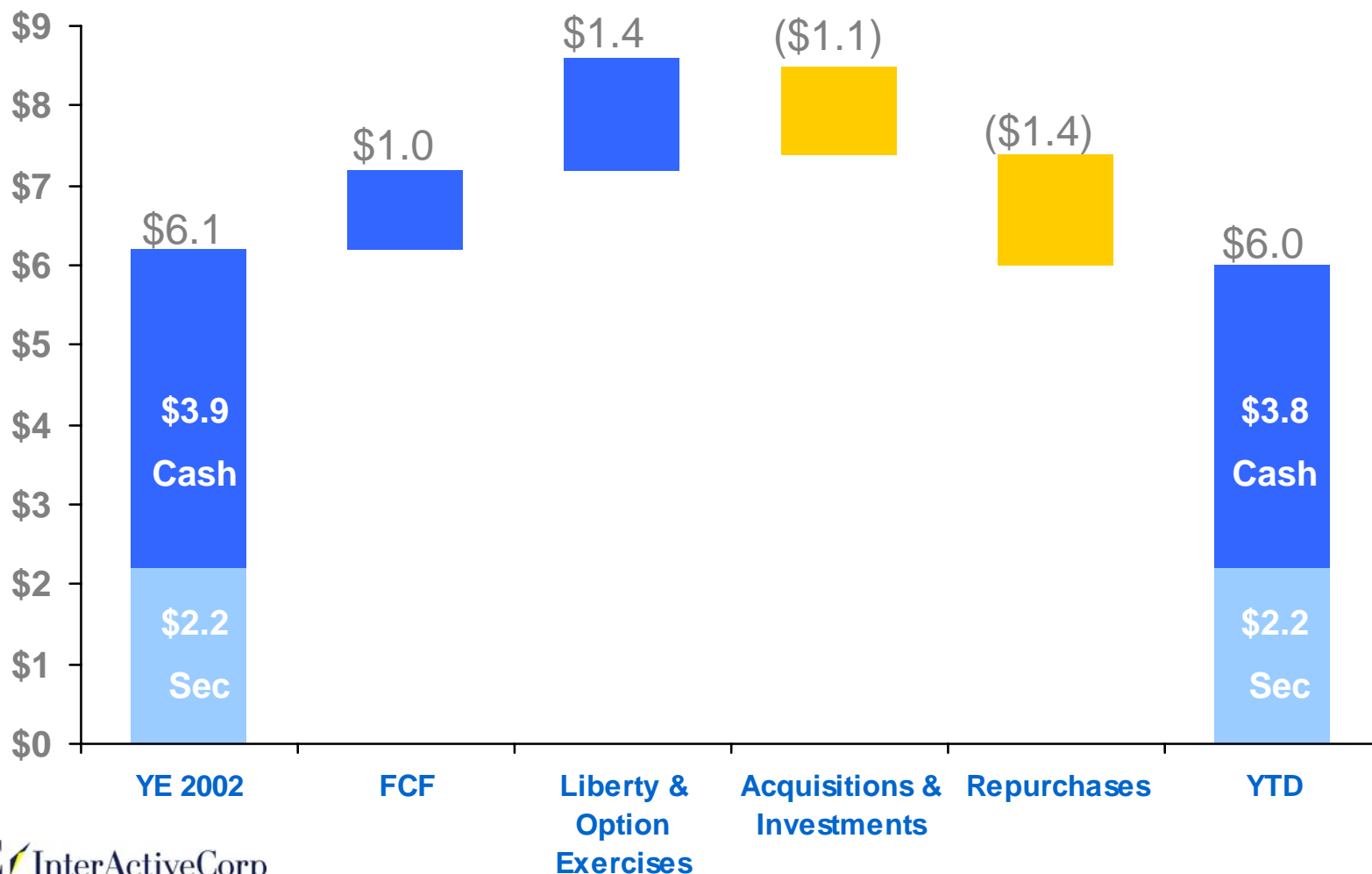
Travel Working Capital

(Expedia & Hotels.com)

\$ in millions	2002	2003E
Increase in Gross Bookings	\$2,834	\$3,000+
Increase in Working Capital	\$220	\$310 - \$360
Increase in Working Capital as % of Gross Bookings Increase	~8%	~10%

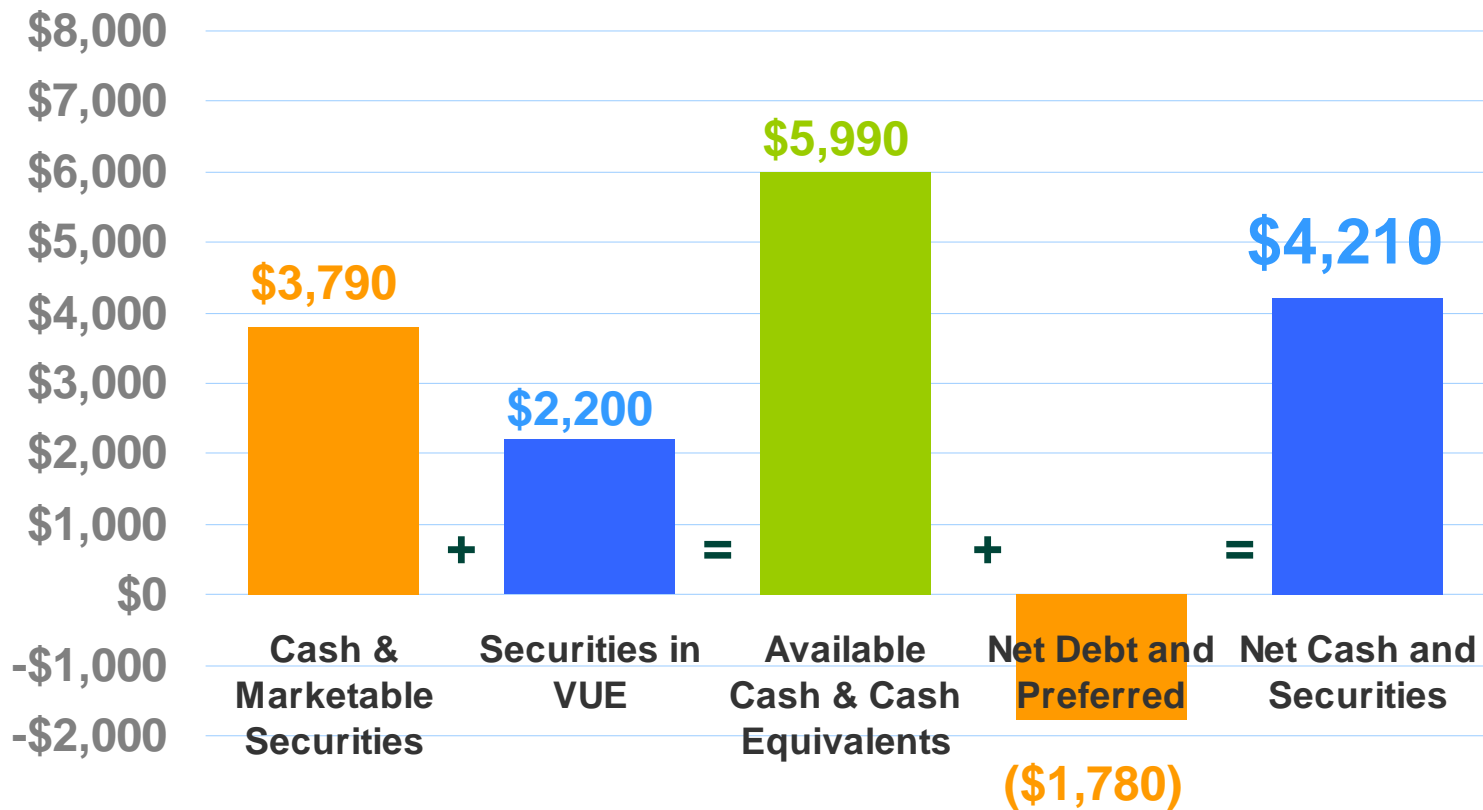
YTD Cash Deployment

\$ in billions



Current Capitalization

\$ in millions



Cash Cushion

\$ in millions

Pro Forma 9/30/03 Cash Balance	\$3,790
---------------------------------------	----------------

Stock Repurchases (50m Shares @ \$35)	\$(1,750)
--	------------------

Available Cash	\$2,040
-----------------------	----------------

Cash Cushion (working capital, growth, acquisitions)	\$(1,500) - \$(2,000)
---	------------------------------

Excess Cash	\$40 - \$540
--------------------	---------------------

VUE Securities	\$2,200
-----------------------	----------------

Cash & Securities Available	\$2,240 - \$2,740
--	--------------------------

2004 Growth Initiatives

IAC/Travel

- International
- Corporate Travel
- New Products

IAC/Electronic Retailing

- Customer Service
- Fulfillment capabilities

IAC/Ticketing

- Upgrade of Core Technology
- International Rebuild
- New products

IAC/Personals

- New products
 - Advanced Search
 - Community
 - Quizlets
 - Events

IAC/Local Services

- Online product
- Registered card
- Pay for Performance

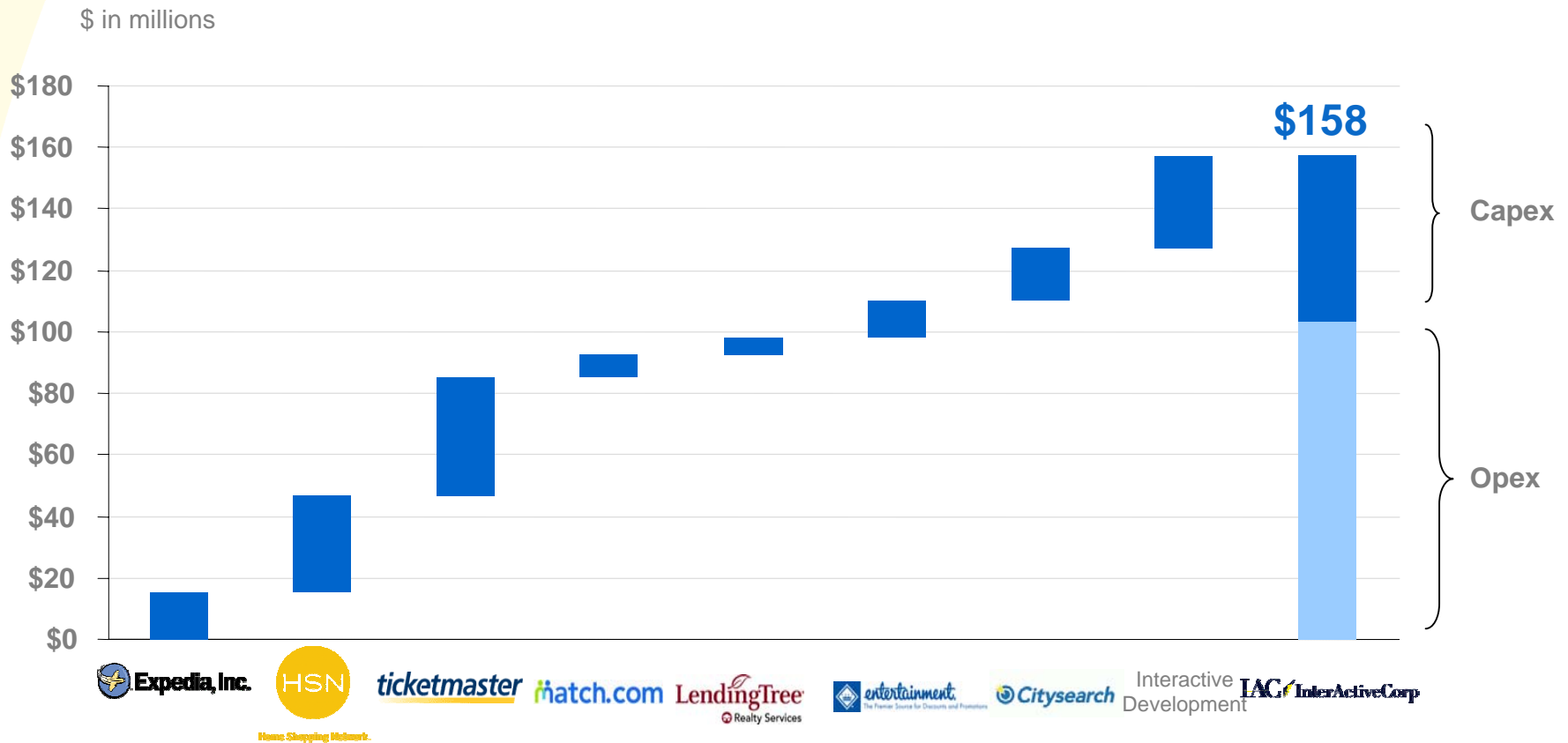
IAC/Financial Services & Real Estate

- Real Estate
- New technology

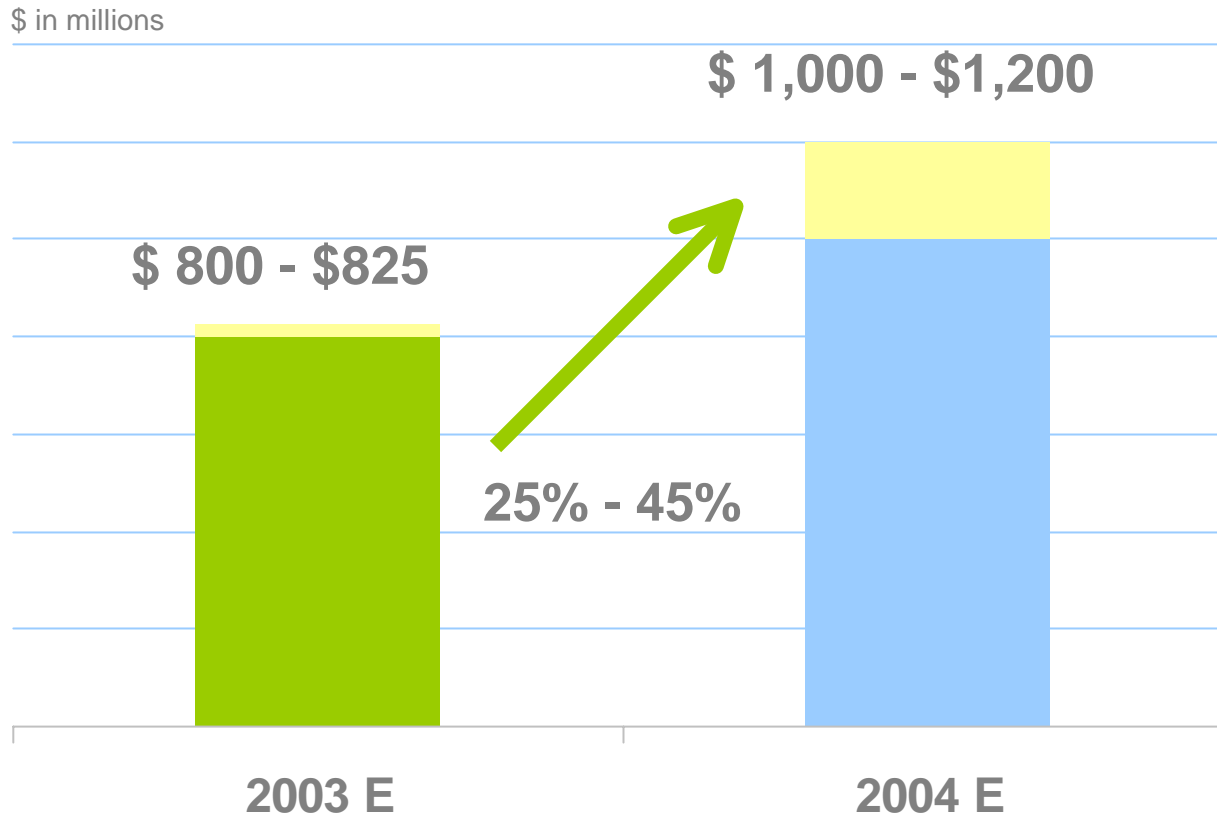
Interactive Development

- New ideas

2004 Growth Initiatives



OIBA Growth Estimate



Perspective

- Focus on near term and long term financial performance
- Significant free cash flow generation
- Strong balance sheet
- Use business leverage to invest in growth initiatives