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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **November 5, 2003**

INTERACTIVECORP

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**0-20570**	**59-2712887**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

152 West 57th Street, New York, NY 10019
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(212) 314-7300**

ITEM 9. REGULATION FD DISCLOSURE

On November 5, 2003, the Registrant issued a press release announcing its results for the quarter ended September 30, 2003 and certain other information. The full text of this press release, appearing in Exhibit 99.1 hereto, is being furnished pursuant to Regulation FD.

The press release described immediately above, which is being furnished pursuant to this Item 9, is also being furnished pursuant to Item 12, "Results of Operations and Financial Condition."

Copies of the Registrant's supplemental information and reconciliation, appearing in Exhibits 99.2 and 99.3, respectively, hereto, are also being furnished pursuant to Regulation FD.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 5, 2003, the Registrant issued a press release announcing its results for the quarter ended September 30, 2003 and certain other information. The full text of this press release, appearing in Exhibit 99.1 hereto, is being furnished pursuant to Regulation FD.

The press release furnished pursuant to this Item 12 is also being furnished pursuant to Item 9, "Regulation FD Disclosure."

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTERACTIVECORP

By: /s/ DARA KHOSROWSHAHI

Name: Dara Khosrowshahi
Title: Executive Vice President and Chief Financial Officer

Date: November 5, 2003

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release of InterActiveCorp dated November 5, 2003.
99.2	Supplemental Information.
99.3	Reconciliation.

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EXHIBIT 99.1

FOR IMMEDIATE RELEASE NEW YORK, NY
November 5, 2003

[INSERT LOGO]

IAC REPORTS Q3 2003 RESULTS

- Revenue of $1.6 billion, up 36%
- GAAP net income of $19 million or $0.02 per diluted share
- Adjusted Net Income of $130 million or $0.17 per share, up 136%
- Year-to-date net cash provided by operating activities of $1.1 billion, up from $624 million
- IAC repurchased 20 million shares during the quarter and announced a new 50 million share repurchase authorization

IAC/InterActiveCorp's (NASDAQ: IACI) Q3 2003 results were led by IAC Travel, Electronic Retailing and Ticketing. IAC Travel grew revenue 60%, operating income 52% and Operating Income Before Amortization ("OIBA") 64%. Electronic Retailing's revenue growth was 17%, led by a strong performance at HSN U.S. Ticketing had a fine quarter, with operating income and OIBA up 8% and 25%, respectively.

IAC repurchased 20 million shares of IAC common stock during the quarter for total consideration of $717 million and today announced that its Board of Directors has authorized a new share repurchase program for up to 50 million shares. IAC currently has 57.7 million shares remaining in its authorizations, 7.7 million of which are from the program announced in March 2003.

For the full year 2003, IAC expects GAAP EPS in the range of $0.05 to $0.07 and Adjusted EPS in the range of $0.72 to $0.75. The business operations of the Company are expected to exceed their budgets for 2003. However, Adjusted EPS may fall short due to the unforeseen charges in Q3 described on page 4 of this release, the continued impact of the termination of Hotels.com's agreement with Travelocity, and certain other factors, including the facility closure costs at uDate we expect to incur in Q4 described on page 7 of this release.

SEE IMPORTANT NOTES AT END OF THIS DOCUMENT

Today we are providing:

SEGMENT RESULTS

IAC reported the following segment results for the third quarter ended September 30 ($ in millions):

	Q3 2003	Q3 2002	Growth
REVENUE			
IAC Travel	$ 734.3	$ 459.3	60%
Electronic Retailing	526.0	449.6	17%
Ticketing	177.6	162.2	10%
Personals	48.3	33.5	44%
Local Services	29.2	7.6	283%
Financial Services and Real Estate	24.4	—	NM
Teleservices	75.8	75.3	1%
Other	(5.2)	(2.3)	-126%
Total	$ 1,610.3	$ 1,185.2	36%
OPERATING INCOME			

IAC Travel	$	80.1	$	52.7	52%
Electronic Retailing		34.0		(20.2)	NM
Ticketing		24.7		22.9	8%
Personals		4.4		3.7	18%
Local Services		(31.3)		(20.3)	-54%
Financial Services and Real Estate		(4.9)		—	NM
Teleservices		2.3		1.2	99%
Corporate and other		(98.4)		(23.4)	-321%
Total	$	10.9	$	16.6	-35%
OPERATING INCOME BEFORE AMORTIZATION					
IAC Travel	$	137.5	$	83.9	64%
Electronic Retailing		47.5		7.7	515%
Ticketing		32.3		25.9	25%
Personals		9.8		4.8	107%
Local Services		(17.5)		(6.8)	-159%
Financial Services and Real Estate		2.9		—	NM
Teleservices		2.3		1.2	99%
Corporate and other		(23.2)		(20.8)	-11%
Total	$	191.7	$	95.9	100%

The acquisitions of Interval, EPI, uDate and LendingTree closed on September 24, 2002, March 25, 2003, April 4, 2003, and August 8, 2003, respectively, and results from these companies are therefore not included in full in both periods. Revenue, operating income and OIBA growth in Q3 versus the prior year period not including the results of these businesses would have been 27%, 24% and 91%, respectively. In addition, in Q3 2002, HSN International took a pretax and after-tax charge of $31 million related to closing its operations in Italy.

Operating income is presented on an actual basis, with no pro forma adjustments. Please see pages 14–15 for further segment detail and full reconciliations of OIBA to the comparable GAAP measure. Q3 2003 operating income for Corporate and other includes charges of $69 million for amortization of non-cash compensation expense related to IAC's mergers with its former public subsidiaries. Please see page 8 for further detail.

CERTAIN CHARGES IN Q3 2003 AND Q3 2002

IAC had certain unforeseen charges in both the current and prior year periods. In Q3 2003:

- Hotels.com wrote down its packaging software as it migrated to Expedia's packaging technology, resulting in a pretax charge of $4.2 million and an after-tax charge of $2.6 million.
- TV Travel Shop had a write down related to the termination of a satellite contract, resulting in a pretax charge of $4.6 million and an after-tax charge of $3.7 million.
- IAC repurchased $59 million of its 6.75% Senior Notes due 2005 during the quarter at a premium over face value, resulting in a pretax charge of $6.1 million and an after-tax charge of $3.7 million. Losses as a result of such repurchases year to date have totaled $5.2 million after tax. While these repurchases have generated losses, the repurchases are expected to generate a positive cash return.
- PRC recorded a pretax charge of $2.1 million and an after-tax charge of $1.3 million related to real estate and software write-downs.

In total, these charges resulted in a pretax charge of $17.0 million and an after-tax charge of $11.3 million.

In Q3 2002, IAC had write-downs of certain investments including HSN's operations in Italy, which resulted in a pretax and after-tax charge of $43 million.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2003, IAC had $4.5 billion in cash and marketable securities. This includes $174 million in net cash collected on behalf of clients by Ticketmaster and $475 million in combined deferred merchant bookings and deferred revenue at IAC Travel. Today, IAC acquired Hotwire for $665 million in cash plus the assumption of approximately $20 million of options and warrants.

As of September 30, 2003, IAC had long-term debt of $1.1 billion, consisting mainly of 6.75% Senior Notes due 2005 and 7.00% Senior Notes due 2013. This does not include IAC's convertible preferred stock with a balance sheet carrying value based on the par value of $0.01 per share and a face value of $656 million. The convertible preferred is initially convertible at $33.75 (subject to downward adjustment if the price of IAC common stock is more than $35.10 at the time of conversion).

For the nine months ended September 30, 2003, net cash provided by operating activities was $1,145 million, compared with $624 million in the prior year period. Free Cash Flow was $1,007 million, compared with $479 million in the prior year period. The increase in working capital was $486 million versus $243 million in the prior year period. The year over year increase was driven mainly by strong operating performance and increased contribution to working capital from deferred merchant bookings and deferred revenue at IAC Travel, which was $211 million versus $131 million in

the prior year, and from HSN U.S. Below is a reconciliation of net cash provided by operating activities to Free Cash Flow for the nine months ended September 30 ($ in millions):

	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Net Cash Provided by Operating Activities	$ 1,145.0	$ 624.1
Capital expenditures	(130.1)	(107.4)
Funding to unconsolidated subsidiaries by HSN	—	(31.3)
Tax distributions from VUE	1.4	—
Preferred dividend paid	(9.8)	(6.9)
Free Cash Flow	$ 1,006.5	$ 478.5

Please see page 18 for definitions.

DILUTIVE SECURITIES

IAC has various tranches of dilutive securities (warrants, convertible preferred, and options), including securities initially issued by its former public subsidiaries which have been converted to IAC securities. The table below details these securities as well as potential dilution at various stock prices (amounts in millions, except average strike/conversion price):

	Shares	Avg. Strike/ Conversion	Dilution at:				As of 10/31/03
Average Share Price			**$ 35.00**	**$ 40.00**	**$ 45.00**	**$ 50.00**	**$ 36.81**
Basic Shares as of 10/31/03	**711.2**		**711.2**	**711.2**	**711.2**	**711.2**	**711.2**
RSUs	4.3		4.3	4.3	4.3	4.3	4.3
Options	102.4	$ 11.26	40.7	48.1	53.9	58.5	43.6
Warrants:							
Issued in Vivendi deal:							
Tranche 1	24.2	$ 27.50	5.2	7.6	9.4	10.9	6.1
Tranche 2	8.0	$ 32.50	0.6	1.5	2.2	2.8	0.9
Issued in 2002 Expedia deal	14.6	$ 35.10	0.0	1.8	3.2	4.3	0.7
Ticketmaster	4.2	$ 42.69	0.2	0.6	0.8	1.0	0.4
Expedia	22.7	$ 13.38	14.0	15.1	15.9	16.6	14.4
Hotels.com:							
Tranche 1	0.3	$ 11.09	0.1	0.2	0.2	0.2	0.1
Performance based	3.9	set when earned	0.0	0.0	0.0	0.0	0.0
Convertible Preferred	19.4	$ 33.75 (initial)	19.4	20.2	20.8	21.3	19.7
Total Treasury Method Dilution			**84.6**	**99.3**	**110.8**	**120.0**	**90.3**
% Dilution			*10.6%*	*12.3%*	*13.5%*	*14.4%*	*11.3%*
Total Treasury Method Diluted Shares Outstanding			**795.7**	**810.5**	**822.0**	**831.2**	**801.5**

IAC has outstanding approximately 4.3 million shares of restricted stock and restricted stock units ("RSUs") which vest principally over a period of two to five years, including 3.7 million RSUs issued in 2003. Ultimately we expect our RSU program to result in total dilution to GAAP and Adjusted Net Income shares of approximately 2% to 3% over the next 5 years.

During Q3, IAC repurchased 20 million shares of IAC common stock during the quarter for total consideration of $717 million and today announced that its board of directors has authorized a new

share repurchase program for up to an additional 50 million shares. IAC currently has 57.7 million shares remaining in its authorizations, 7.7 million of which are from the program announced in March 2003. IAC may purchase shares over an indefinite time, on the open market or through private transactions, depending on market conditions, share price and other factors.

Q3 2003 weighted average shares were 726 million for GAAP EPS and 786 million for Adjusted EPS purposes. We now estimate that weighted average shares outstanding will be approximately 779 million for GAAP purposes and 802 million for Adjusted EPS purposes in Q4, approximately 646 million for GAAP purposes and 773 million for Adjusted EPS purposes for the full year 2003, and approximately 775 million for GAAP purposes and 800 million for Adjusted EPS purposes for the full year 2004. Actual shares may fluctuate based on several factors, including the timing of exercise of options and warrants, our future stock price performance and share repurchases.

DISCUSSION OF FINANCIAL AND OPERATING RESULTS

IAC TRAVEL

IAC Travel revenue for the quarter was $734 million, an increase of 60%, compared to $459 million in the prior year period. Operating income increased 52% to $80 million from $53 million and OIBA increased 64% to $138 million from $84 million. IAC Travel gross bookings totaled $2.7 billion in Q3, an increase of 46% from the prior year period.

Growth was driven by strong results in the worldwide merchant hotel business, packages, and the inclusion of Interval's results in 2003. Merchant hotel room nights stayed in Q3 were 7.8 million, up 58%, driven by a 205% increase in the international sites. Packages revenue was up 76% to $88 million from $50 million. Interval, whose results were partially included in the prior year period, contributed 8% of revenue, 14% of operating income and 13% of OIBA at IAC Travel in the quarter. During Q3, TV Travel Shop had a write-down related to the termination of a satellite contract, resulting in a pretax charge of $4.6 million and an after-tax charge of $3.7 million. Operationally, TV Travel Shop has been disappointing and has not achieved its budgeted results since its acquisition by IAC. In mid-2003, we transferred the responsibility for TV Travel Shop to our Expedia management team in an effort to identify operating synergies and to maximize the potential of this business.

Growth of the domestic merchant hotel business was somewhat impacted in Q3 by the termination of the Hotels.com agreement with Travelocity. We expect this will have a continuing impact in Q4. However, we expect that the long-term benefits of this event will outweigh the near-term negative impact. Expedia's WWTE subsidiary has begun powering packaged vacations on Hotels.com, which has shown positive initial results. The merchant hotel business continues to be a key growth driver for IAC Travel both domestically and internationally.

We also believe that IAC Travel will benefit in future periods from the acquisitions of Hotwire and Anyway.com. Hotwire focuses on "opaque' travel targeted at value-conscious consumers, which we expect will complement our current travel offerings. We believe that Anyway.com, a leading French online travel site, will further enhance our international growth potential.

ELECTRONIC RETAILING

Electronic Retailing revenue increased 17% to $526 million from $450 million in the prior year period, operating income was $34 million versus a loss of $20 million in the prior year period and OIBA increased 515% to $48 million from $8 million. Impacting the prior year period was a $31 million charge at HSN International related to closing its operations in Italy.

HSN U.S. continued its positive momentum with double-digit sales increases in each of its key lines of business. Revenue increased by 14% to $423 million from $371 million, operating income increased 112% to $32 million from $15 million and OIBA increased 13% to $46 million from

$40 million. This July was HSN's best ever, driven by the company's 26th anniversary celebration and the launch of America's Store on DirectTV on July 1st. HSN.com grew revenues 46% over the prior year period and 8% over Q2, driven by a significant increase in unique visitors, accounting for 14% of HSN U.S. sales versus 11% in the prior year period. In September, HSN.com launched a new technology platform designed for better integration with suppliers, and designed to offer customers an even better assortment of products while within the HSN.com shopping experience.

HSN International revenue increased 31% to $103 from $79 million, driven in part by favorable exchange rates. HSN Germany's revenue was approximately flat on a year over year Euro-equivalent basis, although sales trends in Q4 are initially encouraging. HSN Germany continues to grow its online business, with sales up 82% over last year and accounting for 6% of Q3 sales versus 4% in the prior year period. Euvia's Neun Live continues to contribute strongly to HSN International results, despite increased competition in its market.

TICKETING

Ticketing revenue increased 10% to $178 million from $162 million in the prior year period, driven by a 7% increase in revenue per ticket and a 4% increase in the number of tickets sold. Ticket sales benefited from strong concert sales for Simon & Garfunkel, John Mayer, The Eagles, Shania Twain and Bruce Springsteen. Sales in Canada also grew faster than anticipated.

Operating income increased 8% to $25 million from $23 million. OIBA increased 25% to $32 million from $26 million in the prior year period, fueled by higher revenue and significant growth in the percentage of online ticket sales, which is approximately 50% worldwide, offset in part by higher client royalties, an increase in the cost of servicing international markets and higher credit card fees. Operating income growth lagged OIBA due to higher intangibles amortization resulting from the step-up in book value in connection with the Ticketmaster merger.

During Q3, Ticketmaster conducted its first primary market ticket auction for a major music artist with Sting's October performance at the Hammerstein Ballroom in New York. Ticketmaster also introduced its TeamExchange to the NFL with the New York Giants, a team-sanctioned online forum for season ticket holders to sell unused tickets to other fans, opening up some of the team's best and never before available tickets. ticketFast, Ticketmaster's print at home ticketing service, was installed in its first European venue, London's Saatchi Gallery.

PERSONALS

Personals revenue increased 44% to $48 million from $34 million in the prior year period, operating income increased 18% to $4.4 million from $3.7 million and OIBA increased 107% to $9.8 million from $4.8 million. uDate accounted for 15% of revenue in the quarter.

Paid subscribers at the end of Q3 increased 39% to 910 thousand from 653 thousand in the prior year period. Excluding the results of uDate, paid subscribers would have grown 22%. This growth was mainly the result of the re-launch of Match.com's website, growth in the international business, and various promotional activities, including an online and offline affiliation with CBS's "Cupid". Match.com is continuing its strategy of focusing on key international markets and has established 4 representative offices in Europe to meet the market uniqueness of online personals in certain international areas. As a result of new product innovations and the Company's adoption of a lower price strategy, the Company expects a continued increase in paid subscribers during Q4. In addition, as part of the integration of uDate, we expect to take a write down related to facility closure costs at the company's Derby, UK facility in Q4 which will result in a pretax and after-tax charge of approximately $2 million.

During Q3, Match.com entered into a new, more integrated partnership with Microsoft and extended the term of its long-standing strategic alliance with America Online and will therefore continue to provide personals services through the Love@AOL and MSN Dating & Personals channels. The Company also expanded its international reach, including the launch of partnerships with RTL and T-Online in Germany. In October, the Company announced the launch of two new service offerings designed to broaden the product offering to users: SpeedMatching.com and Match.com Advisors. SpeedMatching will offer events for singles across the United States and in London. Through the Match.com Advisors offering, users of the Match.com service will have access to the only expert advice network to be offered by a leading online dating service.

LOCAL SERVICES

For the quarter, Local Services revenue increased 283% to $29 million from $8 million, operating income decreased to a loss of $31 million from a loss of $20 million and OIBA decreased to a loss of $18 million from a loss of $7 million. The year over year declines are mainly a result of the inclusion of EPI in this quarter's results. EPI is a very seasonal business and sells the majority of its Entertainment book product in Q4 and incurs the majority of its printing and fulfillment costs in Q3. Excluding the results of EPI, revenue decreased by 15%, operating income increased by 5% and OIBA was flat.

In the third quarter, EPI re-launched its entertainment.com website. EPI also introduced improved e-fundraising tools that enable students and community group volunteers to send emails to out-of-town family and friends who can purchase Sally Foster gift wrap products and Entertainment® Books online in support of their fundraising efforts.

In Q3, Citysearch continued its selling efforts around its Pay for Performance ("PFP") product, adding more than 5,500 locations. Citysearch now has in excess of 20,000 paying locations active in its system. As part of its focus on PFP, Citysearch has exited its local web hosting business, outsourcing that function to a strategic partner. This contributed to a decline of Citysearch revenue year over year as the new PFP business is building momentum. The company also aggressively expanded its content efforts across key categories such as Restaurants, Bars, and Hotels in 23 cities, including Detroit, Baltimore, and Las Vegas.

FINANCIAL SERVICES & REAL ESTATE

For the partial quarter following the closing of the LendingTree acquisition on August 8, 2003, Financial Services & Real Estate revenue was $24 million, operating income was a loss of $5 million, and OIBA was $3 million. Results at LendingTree were primarily driven by strong results in its mortgage and real estate products. Operating income growth lagged OIBA substantially due to higher intangibles amortization resulting from the step-up in book value in connection with the LendingTree merger.

The value of closed loan transactions exceeded $10 billion in the full quarter for the first time ever. Closed real estate transactions in the full quarter were nearly $560 million. We anticipate that Q4 revenue for LendingTree will be affected by a decline in refinancing volume, following the recent period of record refinancing volume, as well as the normal seasonality of Q4. Q4 is typically weak for the mortgage and real estate businesses, and LendingTree's margins are also seasonally impacted in Q4 as the company tends to invest in advertising in advance of Q1. We expect that growth in purchase mortgages, home equity loans, and real estate transactions through LendingTree, plus those generated through the pending GetSmart acquisition, will contribute an increasing share of Financial Services & Real Estate revenue.

CORPORATE AND OTHER

Corporate and other expenses in Q3 impacted operating income by $98 million versus $23 million in the prior year and OIBA by $23 million versus $21 million in the prior year period. The significant increase in corporate expense is related primarily to non-cash compensation of $69 million which was recorded in connection with IAC's mergers with its formerly publicly traded subsidiaries, which were completed in 2003. We expect to have capital expenditures in the range of $300 to $350 million for the full year 2004.

TAX RATE

In Q3, IAC had a tax rate of 30% for purposes of calculating net income from continuing operations and 36% for purposes of calculating Adjusted Net Income. IAC expects a tax rate of approximately 39% for purposes of calculating both net income and Adjusted Net Income for the full year 2004 as 2003 reflects the reversal of certain tax accruals.

SEGMENT OPERATING METRICS

IAC TRAVEL		Q3 2003	Q3 2002	Growth
Gross Bookings (mm):				
Domestic		$ 2,316	$ 1,629	42%
International		388	223	74%
Total		$ 2,704	$ 1,852	46%
Net Revenue (mm):	(a)			
Domestic		$ 396	$ 237	67%
International		61	29	109%
Total		$ 457	$ 266	72%
Packages revenue (mm)		$ 88	$ 50	76%
Number of transactions (mm)		7.3	5.2	40%
INTERVAL:				
Members (000s)		1,578	1,471	7%
Exchange confirmations (000s)		190	167	14%
Share of confirmations online		15.7%	9.6%	
HSN—U.S. (Households as of end of period)				
Units Shipped (mm)		9.8	9.3	5%
Gross Profit %		37.7%	38.1%	
Return Rate		17.5%	18.4%	
Average price point		$ 47.50	$ 43.65	9%
Product mix:				
Home Hard Goods		26%	23%	
Home Fashions		16%	15%	
Jewelry		23%	25%	
Health/Beauty		26%	22%	
Apparel/Accessories		9%	15%	
HSN total homes (mm)		79.7	77.8	2%
HSN FTEs (mm)		70.2	67.8	4%
HSN.com % of Sales		14%	11%	
TICKETING				
Number of tickets sold (mm)		23.8	22.8	4%
Gross value of tickets sold (mm)		$ 1,148	$ 1,041	10%
PERSONALS				
Paid Subscribers (000s)		909.9	653.2	39%
FINANCIAL SERVICES & REAL ESTATE				
Loan/Real Estate Requests transmitted:				
Number (000s)		621.3	570.6	9%
Volume of Requests (bn)		$ 56.1	$ 60.6	-8%
Transactions closed in Quarter:				
Number		90.7	90.6	0%
Volume of Transactions Closed (bn)		$ 10.6	$ 6.1	75%
Transmit Rate		63.6%	62.0%	
Static Pool Close Rate	(b)	14.0%	16.1%	
Number of Lenders		223	189	18%
Number of Realty Agencies		675	647	4%

Note: rounding differences may exist.

(a) Represents revenue as if Hotels.com gross bookings were presented on a net basis.

(b) The static pool close rate includes loans and real estate transactions. Prior to 2003, the static pool close rate only included loan transactions. The static pool close rate for loans incorporates the average time lag between the submission of a loan request (a "QF") and the closure of a loan. It represents the closure rate of approved QFs from a static pool of requests submitted in the most recent quarter with a complete closure cycle. A static pool is considered to have a complete closure cycle after 120 days from the month in which a mortgage QF was submitted, 90 days after a home equity QF was submitted, 60 days after an auto or personal QF was submitted, and less than 30 days after a credit card QF was submitted. The static pool closing cycle for a real estate referral is 180 days from the month in which a real estate referral was submitted.

GAAP FINANCIAL STATEMENTS

IAC CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited; $ in thousands except per share amounts)

	Three Months Ended September 30,	Nine Months Ended September 30,

		2003		2002		2003		2002
Product sales	$	548,679	$	449,324	$	1,644,100	$	1,358,438
Service revenue		1,061,591		735,832		2,879,415		1,892,447
Net revenue		1,610,270		1,185,156		4,523,515		3,250,885
Cost of sales-product sales		320,632		275,604		958,632		856,830
Cost of sales-service revenue		562,943		430,461		1,551,481		1,128,170
Gross profit		726,695		479,091		2,013,402		1,265,885
Selling and marketing		253,335		155,833		668,689		454,873
General and administrative		185,741		115,406		508,710		280,315
Other		27,933		21,265		87,147		57,737
Cable distribution fees		16,749		12,615		45,538		38,679
Amortization of non-cash distribution and marketing expense		21,470		10,416		44,685		27,485
Amortization of non-cash compensation expense		81,552		2,930		106,194		10,002
Amortization of intangibles		76,890		62,944		184,604		113,921
Depreciation		50,514		46,670		134,373		124,453
Restructuring costs		708		31,411		383		54,345
Goodwill impairment		—		—		—		22,247
Merger costs		940		2,976		11,465		2,976
Operating profit		10,863		16,625		221,614		78,852
Other income (expense):								
Interest income		46,175		38,231		130,531		73,381
Interest expense		(20,641)		(10,052)		(67,259)		(31,322)
Equity gains (losses) in VUE		12,157		(2,739)		(226,861)		(2,739)
Equity in losses in unconsolidated subsidiaries and other expenses		(4,849)		(15,417)		(6,899)		(131,279)
Total other expense, net		32,842		10,023		(170,488)		(91,959)
Earnings (loss) from continuing operations before income taxes and minority interest		43,705		26,648		51,126		(13,107)
Income tax benefit (expense)		(13,116)		(36,052)		(10,625)		(75,498)
Minority interest		(8,261)		(17,235)		(62,403)		(29,305)
Earnings (loss) from continuing operations before cumulative effect of accounting change		22,328		(26,639)		(21,902)		(117,910)
Gain on contribution of of USA Entertainment to VUE, net of tax		—		—		—		2,378,311
Discontinued operations, net of tax		(348)		(6,725)		33,280		5,975
Earnings (loss) before cumulative effect of accounting change		21,980		(33,364)		11,378		2,266,376
Cumulative effect of accounting change, net of tax		—		—		—		(461,389)
Earnings (loss) before preferred dividend		21,980		(33,364)		11,378		1,804,987
Preferred dividend		(3,264)		(3,264)		(9,792)		(8,495)
Net income/(loss)	$	18,716	$	(36,628)	$	1,586	$	1,796,492
Income (loss) per share:								
Basic earnings (loss) per share from continuing operations	$	0.03	$	(0.07)	$	(0.06)	$	(0.30)
Diluted earnings (loss) per share from continuing operations	$	0.02	$	(0.07)	$	(0.07)	$	(0.31)
Basic earnings (loss) per share before cumulative effect of accounting change	$	0.03	$	(0.08)	$	0.00	$	5.39
Diluted earnings (loss) per share before cumulative effect of accounting change	$	0.02	$	(0.08)	$	(0.01)	$	5.38
Basic earnings (loss) per share	$	0.03	$	(0.08)	$	0.00	$	4.29
Diluted earnings (loss) per share	$	0.02	$	(0.08)	$	(0.01)	$	4.28

IAC CONSOLIDATED BALANCE SHEET

(unaudited; $ in thousands)

		September 30, 2003		December 31, 2002
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	2,418,435	$	3,077,410
Restricted cash equivalents		39,367		40,696
Marketable securities		2,059,723		849,762
Accounts and notes receivable		392,068		308,377
Inventories, net		258,173		192,751
Deferred tax assets		69,013		2,007
Other current assets, net		138,604		145,059
Current assets of discontinued operations		891		8,079
Total current assets		5,376,274		4,624,141
Property, Plant and Equipment				
Computer and broadcast equipment		622,450		542,998
Buildings and leasehold improvements		149,042		141,063
Furniture and other equipment		153,670		137,388
Land		18,381		15,802

Projects in progress		37,578		20,487
		981,121		857,738
Less accumulated depreciation and amortization		(537,523)		(427,491)
Total property, plant and equipment, net		443,598		430,247
Goodwill		10,785,058		5,997,842
Intangible assets, net		2,041,661		1,258,070
Long-term investments		1,411,543		1,582,182
Preferred interest exchangeable for common stock		1,428,530		1,428,530
Cable distribution fees, net		137,452		167,249
Note receivables and advances, net of current portion		12,939		19,090
Deferred charges and other, net		110,156		140,816
Non-current assets of discontinued operations		410		10,825
TOTAL ASSETS	$	21,747,621	$	15,658,992
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Current maturities of long-term obligations	$	1,295	$	24,957
Accounts payable, trade		704,912		478,043
Accounts payable, client accounts		221,622		131,348
Cable distribution fees payable, net		38,265		39,107
Deferred merchant bookings		277,138		149,348
Deferred revenue		195,701		128,580
Income tax payable		119,605		177,019
Other accrued liabilities		488,412		401,510
Current liabilities of discontinued operations		16,509		24,713
Total current liabilities		2,063,459		1,554,625
Long term obligations, net of current maturities		1,123,822		1,211,145
Other Long-Term Liabilities		85,577		77,843
Deferred income taxes		2,225,585		2,374,112
Minority Interest		90,461		1,081,274
Common Stock Exchangeable For Preferred Interest		1,428,530		1,428,530
SHAREHOLDERS' EQUITY				
Preferred stock		131		131
Common stock		6,452		3,852
Class B convertible common stock		646		646
Additional paid-in capital and unearned compensation		13,517,610		5,941,141
Retained earnings		2,124,197		2,122,611
Accumulated other comprehensive income		29,989		15,697
Treasury stock		(943,840)		(147,617)
Note receivable from key executive for common stock issuance		(4,998)		(4,998)
Total shareholders' equity		14,730,187		7,931,463
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	21,747,621	$	15,658,992

IAC STATEMENT OF CASH FLOWS
(unaudited; $ in thousands)

	Nine Months Ended September 30,			
		2003		**2002**
Cash flows from operating activities:				
Loss from continuing operations before cumulative effect of accounting change	$	(21,902)	$	(117,910)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization		318,977		238,374
Goodwill impairment		—		22,247
Amortization of non-cash distribution and marketing		44,685		27,485
Amortization of non-cash compensation expense		106,194		10,002
Cable distribution fees		45,538		38,679
Amortization of deferred financing costs		1,850		805
Deferred income taxes		(79,077)		9,259
Loss on retirement of bonds		8,639		1,970
Gain on sale of investments		(3,582)		—
Equity in losses of unconsolidated affiliates		224,287		132,807
Non-cash interest income		(27,022)		(13,538)
Minority interest		62,403		29,305
Non-cash restructuring charge		—		36,908
Increase in cable distribution fees		(21,898)		(34,874)
Changes in current assets and liabilities:				
Accounts receivable		(25,313)		73,778
Inventories		(48,413)		(12,982)
Accounts payable and accrued liabilities		307,700		24,749
Deferred revenue		88,887		21,854

Deferred merchant bookings	127,790	72,073
Cash collected on behalf of clients, net	63,201	44,879
Other, net	(27,921)	18,246
Net Cash Provided By Operating Activities	1,145,023	624,116
Cash flows from investing activities:		
Acquisitions and deal costs, net of cash acquired	(358,842)	(551,570)
Capital expenditures	(130,137)	(107,404)
Recoupment of advance to Universal	—	39,422
Purchase of marketable securities, net of redemptions and other	(1,223,313)	(2,337,364)
Proceeds from VUE transaction	—	1,618,710
Proceeds from sale of broadcast stations	—	589,625
Net Cash Used in Investing Activities	(1,712,292)	(748,581)
Cash flows from financing activities:		
Borrowings	—	22,972
Principal payments on long-term obligations	(27,314)	(23,624)
Purchase of treasury stock by IAC and subsidiaries	(895,270)	(5,453)
Payment of mandatory tax distribution to LLC partners	—	(154,083)
Repurchase of bonds	(101,379)	(39,451)
Purchase of Vivendi warrants	(407,398)	—
Tax withholding payments on retired Expedia warrants	(32,508)	—
Proceeds from sale of subsidiary stock, including stock options	57,358	57,179
Proceeds from issuance of common stock and LLC shares	1,391,656	128,705
Preferred dividend	(9,792)	(6,922)
Other, net	3,339	(291)
Net Cash Used In Financing Activities	(21,308)	(20,968)
Net Cash Used In Discontinued Operations	(82,992)	(165,379)
Effect of exchange rate changes on cash and cash equivalents	12,594	7,848
Net Decrease In Cash and Cash Equivalents	(658,975)	(302,964)
Cash and cash equivalents at beginning of period	3,077,410	978,377
Cash And Cash Equivalents at End of Period	$ 2,418,435	$ 675,413

RECONCILIATIONS OF GAAP TO NON-GAAP MEASURES

IAC RECONCILIATION OF GAAP EPS TO ADJUSTED EPS—Q3 AND YTD

(unaudited; in thousands except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Diluted earnings (loss) per share (a)	$ 0.02	$ (0.08)	$ (0.01)	$ 4.28
GAAP diluted weighted average shares outstanding	725,655	448,383	564,087	418,559
Net income/(loss)	$ 18,716	$ (36,628)	$ 1,586	$ 1,796,492
Amortization of non-cash distribution and marketing	21,470	10,416	44,685	27,485
Amortization of non-cash compensation	81,552	2,930	106,194	10,002
Amortization of intangibles	76,890	62,944	184,604	113,921
Goodwill impairment (b)	—	—	—	22,247
Merger costs (c)	940	2,976	11,465	2,976
Gain on contribution of of USA Entertainment to VUE, net of tax	—	—	—	(2,378,311)
Discontinued operations, net of tax (d)	348	6,725	(33,280)	(5,975)
Cumulative effect of accounting change	—	—	—	461,389
Equity (income) loss from 5.44% common interest in VUE (e)	(12,157)	2,739	226,861	2,739
Impact of pro forma adjustments, income taxes and minority interest (f)	(58,116)	(4,612)	(160,104)	8,237
Add back of preferred dividend	—	—	9,792	—
Adjusted Net Income	$ 129,643	$ 47,490	$ 391,803	$ 61,202
Adjusted EPS weighted average shares outstanding	785,557	688,030	763,374	693,504
Adjusted EPS	$ 0.17	$ 0.07	$ 0.51	$ 0.09
GAAP Basic weighted average shares outstanding	667,770	448,383	564,087	418,559
Options, warrants and restricted stock, treasury method	57,885	—	—	—
Conversion of preferred shares to common (if applicable)	—	—	—	—
GAAP Diluted weighted average shares outstanding	725,655	448,383	564,087	418,559
Pro forma adjustments	57,049	219,217	139,556	250,139
Options, warrants and restricted shares, treasury method not inc'd in diluted	—	20,161	37,521	24,590

shares above				
Expedia convertible preferred; add'l restricted shares for adjusted EPS	2,853	269	22,210	216
Adjusted EPS shares outstanding (g)	785,557	688,030	763,374	693,504

Please see page 17 for footnotes and pages 18-20 for definitions and discussion of non-GAAP measures.

IAC RECONCILIATION OF DETAILED SEGMENT RESULTS TO GAAP—Q3

(unaudited; $ in millions)

Q3 2002

	Revenue	Operating expenses, ex D&A, merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (c)	Pro Forma Adjustments (f)	Operating Income
IAC Travel	459.3	(369.4)	(5.9)	—	83.9	(29.7)	(1.6)	—	52.7
Electronic Retailing:									
HSN U.S. (h)	370.9	(304.2)	(13.6)	(12.6)	40.4	(25.1)	—	—	15.3
HSN International (i)	78.7	(108.9)	(2.6)	—	(32.7)	(2.8)	—	—	(35.5)
Total Electronic Retailing	449.6	(413.1)	(16.2)	(12.6)	7.7	(27.9)	—	—	(20.2)
Ticketing	162.2	(128.6)	(7.6)	—	25.9	(3.0)	—	—	22.9
Personals	33.5	(26.6)	(2.2)	—	4.8	(1.0)	—	—	3.7
Local Services	7.6	(12.7)	(1.7)	—	(6.8)	(12.1)	(1.4)	—	(20.3)
Teleservices	75.3	(64.5)	(9.6)	—	1.2	—	—	—	1.2
Interactive Development	—	(0.6)	—	—	(0.6)	(1.1)	—	—	(1.7)
Corporate expense and other adjustments	—	(11.8)	(3.4)	—	(15.2)	(1.5)	—	—	(16.7)
Disengagement expenses (k)	—	(4.7)	—	—	(4.7)	—	—	—	(4.7)
Intersegment Elimination	(2.3)	2.0	—	—	(0.3)	(0.0)	—	—	(0.3)
TOTAL	$ 1,185.2	$ (1,030.0)	$ (46.7)	$ (12.6)	$ 95.9	$ (76.3)	$ (3.0)	$ —	$ 16.6
Other income, net									10.0
Earnings (loss) from continuing operations before income taxes and minority interest									26.6
Income tax benefit (expense)									(36.1)
Minority interest									(17.2)
Earnings (loss) from continuing operations									(26.6)
Discontinued operations									(6.7)
Earnings (loss) before preferred dividend									(33.4)
Preferred dividend									(3.3)
Net income (loss)									$ (36.6)

Q3 2003

	Revenue	Operating expenses, ex D&A, merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (c)	Pro Forma Adjustments (f)	Operating Income
IAC Travel	734.3	(581.3)	(15.5)	—	137.5	(56.5)	(0.9)	—	80.1
Electronic Retailing:									
HSN U.S. (h)	423.0	(349.8)	(10.9)	(16.7)	45.6	(13.2)	—	—	32.4
HSN International	103.0	(98.3)	(2.7)	(0.1)	1.9	(0.3)	—	—	1.6
Total Electronic Retailing	526.0	(448.2)	(13.6)	(16.7)	47.5	(13.6)	—	—	34.0
Ticketing	177.6	(138.0)	(7.2)	—	32.3	(7.7)	—	—	24.7
Personals	48.3	(34.8)	(3.7)	—	9.8	(5.4)	—	—	4.4
Local Services	29.2	(44.9)	(1.7)	—	(17.5)	(13.8)	—	—	(31.3)
Financial Services and Real Estate	24.4	(21.1)	(0.4)	—	2.9	(7.8)	—	—	(4.9)
Teleservices	75.8	(66.3)	(7.2)	—	2.3	—	—	—	2.3
Interactive Development	—	(0.8)	—	—	(0.8)	—	—	—	(0.8)
Corporate expense and other adjustments	—	(16.4)	(1.2)	—	(17.6)	(75.2)	—	—	(92.8)
Disengagement expenses (k)	—	(4.8)	—	—	(4.8)	—	—	—	(4.8)
Intersegment Elimination	(5.2)	5.2	—	—	—	—	—	—	—
TOTAL	$ 1,610.3	$ (1,351.3)	$ (50.5)	$ (16.7)	$ 191.7	$ (179.9)	$ (0.9)	$ —	$ 10.9
Other income, net									32.8
Earnings (loss) from continuing operations before income taxes and minority interest									43.7
Income tax benefit (expense)									(13.1)
Minority interest									(8.3)
Earnings (loss) from continuing operations									22.3
Discontinued operations									(0.3)

Earnings (loss) before preferred dividend	22.0
Preferred dividend	(3.3)
Net income (loss)	$ 18.7

Please see page 17 for footnotes and pages 18-20 for definitions and discussion of non-GAAP measures.

IAC RECONCILIATION OF DETAILED SEGMENT RESULTS TO GAAP—YTD

(unaudited; $ in millions)

	YTD 2002								
	Revenue	Operating expenses, ex D&A, merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (c)	Pro Forma Adjustments (f)	Operating Income
IAC Travel	1,120.1	(894.9)	(16.5)	—	208.7	(71.0)	(1.6)	(7.7)	128.5
Electronic Retailing:									
HSN U.S. (h)	1,141.6	(956.2)	(39.2)	(37.4)	108.8	(25.4)	—	—	83.3
HSN International (i)	214.6	(270.3)	(5.1)	(1.3)	(62.1)	(2.8)	—	—	(64.9)
Total Electronic Retailing	1,356.2	(1,226.5)	(44.3)	(38.7)	46.7	(28.2)	—	—	18.5
Ticketing	491.0	(384.8)	(21.5)	—	84.6	(8.4)	—	—	76.2
Personals	88.6	(65.1)	(5.4)	—	18.1	(4.7)	—	—	13.3
Local Services	22.5	(41.2)	(5.9)	—	(24.6)	(36.3)	(1.4)	—	(62.3)
Teleservices (j)	216.2	(197.5)	(26.6)	—	(7.9)	(22.2)	—	—	(30.1)
Interactive Development	—	(1.5)	—	—	(1.5)	(1.8)	—	—	(3.2)
Corporate expense and other adjustments	—	(31.1)	(5.7)	—	(36.8)	(5.1)	—	—	(41.9)
Disengagement expenses (k)	—	(22.4)	—	—	(22.4)	—	—	—	(22.4)
Intersegment Elimination	(8.3)	6.5	—	—	(1.8)	4.1	—	—	2.3
TOTAL	$ 3,286.4	$ (2,858.6)	$ (125.9)	$ (38.7)	$ 263.2	$ (173.7)	$ (3.0)	$ (7.7)	$ 78.9

Other income, net	(92.0)
Earnings (loss) from continuing operations before income taxes and minority interest	(13.1)
Income tax benefit (expense)	(75.5)
Minority interest	(29.3)
Earnings (loss) from continuing operations	(117.9)
Gain on contribution of of USA Entertainment to VUE	2,378.3
Discontinued operations	6.0
Earnings (loss) before cumulative effect of acct. change	2,266.4
Cumulative effect of accounting change, net of tax	(461.4)
Earnings (loss) before preferred dividend	1,805.0
Preferred dividend	(8.5)
Net income (loss)	$ 1,796.5

	YTD 2003								
	Revenue	Operating expenses, ex D&A, merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (c)	Pro Forma Adjustments (f)	Operating Income
IAC Travel	1,932.8	(1,524.6)	(34.6)	—	373.6	(123.6)	(11.4)	—	238.7
Electronic Retailing:									
HSN U.S. (h)	1,242.3	(1,037.6)	(33.9)	(45.4)	125.5	(37.6)	—	—	87.9
HSN International	341.0	(309.1)	(8.2)	(0.1)	23.7	(1.0)	—	—	22.7
Total Electronic Retailing	1,583.3	(1,346.6)	(42.0)	(45.5)	149.1	(38.6)	—	—	110.6
Ticketing	560.2	(428.1)	(22.2)	—	109.9	(22.6)	(0.1)	—	87.2
Personals	137.4	(105.9)	(8.7)	—	22.7	(10.1)	—	—	12.7
Local Services	82.8	(107.4)	(4.0)	—	(28.6)	(41.3)	—	—	(69.9)
Financial Services and Real Estate	24.4	(21.1)	(0.4)	—	2.9	(7.8)	—	—	(4.9)
Teleservices	216.1	(191.8)	(18.4)	—	5.9	—	—	—	5.9
Interactive Development	—	(3.0)	—	—	(3.0)	(2.1)	—	—	(5.1)
Corporate expense and other adjustments	—	(44.9)	(4.1)	—	(49.1)	(89.4)	—	—	(138.5)
Disengagement expenses (k)	—	(14.2)	—	—	(14.2)	—	—	—	(14.2)
Intersegment Elimination	(13.4)	12.6	—	—	(0.8)	—	—	—	(0.8)
TOTAL	$ 4,523.5	$ (3,775.0)	$ (134.4)	$ (45.5)	$ 568.6	$ (335.5)	$ (11.5)	$ —	$ 221.6

Other income, net	(170.5)
Earnings (loss) from continuing operations	51.1

before income taxes and minority interest	
Income tax benefit (expense)	(10.6)
Minority interest	(62.4)
Earnings (loss) from continuing operations	(21.9)
Discontinued operations	33.3
Earnings (loss) before preferred dividend	11.4
Preferred dividend	(9.8)
Net income (loss)	$ 1.6

Please see page 17 for footnotes and pages 18-20 for definitions and discussion of non-GAAP measures.

IAC RECONCILIATION OF GAAP EPS TO ADJUSTED EPS—FY 2003
(unaudited; $ in millions except per share amounts)

We currently expect GAAP EPS in the range of $0.05 and $0.07 and Adjusted EPS in the range of $0.72 to $0.75 for the full year 2003. The below reconciliation is for purposes of reconciliation only and represents the high end of the range of our current forecast.

		2003
Diluted EPS	(a)	$ 0.07
GAAP diluted weighted average shares outstanding		646
Adjusted Net Income calculation:		
Net income		$ 53
Amortization of non-cash items and intangibles		529
Equity (income) / loss from 5.44% common interest in VUE		227
Impact of income taxes, minority interest, pro forma adjustments and other		(243)
Add back of preferred dividend		13
Adjusted Net Income		$ 579
Adjusted EPS shares outstanding		773
Adjusted EPS		$ 0.75
Shares outstanding calculation:		
Basic shares outstanding		601
Treasury method options, warrants and restricted stock		45
Diluted shares outstanding		646
Expedia convertible preferred; additional restricted shares for calculating Adjusted EPS	(g)	23
Pro forma adjustments		104
Adjusted EPS shares outstanding		773

Please see page 17 for footnotes and pages 18-20 for definitions and discussion of non-GAAP measures.

FOOTNOTES

(a) Diluted net income for GAAP EPS purposes is impacted by a charge related to dilutive securities of $1.0 million in Q3 and $6.2 million for the nine months ended September 30, 2003 as well as the full year 2003. The amount represents dilutive options and warrants outstanding at subsidiary companies in excess of basic shares held by minority interests. The amount will decrease in Q4 and beyond due to the mergers with Ticketmaster, Expedia and Hotels.com.

(b) Goodwill impairment in Q2 2002 related to contingent purchase consideration incurred by PRC.

(c) Merger costs incurred by Expedia, Hotels.com and Ticketmaster for investment banking, legal and accounting fees were related directly to the mergers and are treated as non-recurring for calculating Operating Income before Amortization and Adjusted Net Income. These costs were incurred solely in relation to the mergers, but may not be capitalized since Expedia, Hotels.com and Ticketmaster were considered the targets in the transaction for accounting purposes. These costs do not directly benefit operations in any manner, would not normally be recorded by IAC if not for the fact it already consolidated these entities, and are all related to the same transaction, as IAC simultaneously announced its intention to commence its exchange offer for the companies in 2002. The majority of costs are for advisory services provided by investment bankers, and the amounts incurred in 2003 were pursuant to the same fee letters entered into by each company in 2002. Given these factors, IAC believes it is appropriate to consider these costs as one-time. Operating Income before Amortization by segment is presented before one-time items.

(d) Discontinued operations consisted of USA Entertainment in 2002, and Avaltus and ECS/Styleclick in 2002 and 2003.

(e) During the Q1 2003, IAC received the audited financial statements of VUE for the year ended December 31, 2002, which disclosed that VUE recorded an impairment charge for goodwill and intangible assets and other long-lived assets of $4.5 billion in the period May 7, 2002 to December 31, 2002 based upon VUE management's review of the estimated fair value of VUE as of December 31, 2002. Because of delays in VUE's financial reporting, IAC records its 5.44% proportionate share of the results of VUE on a one-quarter lag. The Q2 2003 charge taken by IAC was approximately $245 million, before a tax benefit of $96 million. IAC holds preferred and common interests in VUE. IAC believes the action taken by Vivendi Universal does not affect the value of IAC's preferred interests in VUE, which are senior to the common interests in VUE, and the terminal value of which, pursuant to the VUE agreements, do not vary based on the value of VUE's businesses. IAC's 5.44% common interest is generally subject to a call right of Universal Studios beginning in 2007, and a put right of IAC beginning in 2010, in both cases based generally on private market values at the time. The VUE agreements provide that a call or put would be valued at private market valuations. While a private market value of VUE in today's environment would likely yield a value for IAC's common interests below IAC's initial carrying value, as market valuations of media assets have declined since the close of the VUE transaction, IAC continues to believe that the value of its common interests in VUE is attainable over the long-term and that the impairment charge recorded by VUE does not necessarily indicate an impairment in the value of the assets on a long-term basis, but that simply IAC must apply the conventions of US GAAP and record its proportionate share of the results of VUE as prepared by VUE management.

(f) Pro forma adjustments represent the impact of the merger with Ticketmaster, which closed January 17, 2003, the merger with Hotels.com, which closed June 23, 2003, and the merger with Expedia which closed August 8, 2003. Pro forma adjustments to 2002 also represent the impact of IAC's initial acquisition of a majority stake in Expedia 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 Vivendi transaction and the roll-up of Home Shopping Network, Inc., which occurred in June 2002. Also included is the impact of these

transactions on shares outstanding. Revenue and OIBA by segment for 2002 are presented pro forma for the initial Expedia transaction. Operating income is presented on an actual basis.

(g) For Adjusted EPS purposes, the impact of RSUs is based on the weighted average amount of RSUs outstanding, as compared with shares outstanding for GAAP purposes, which includes RSUs on a treasury method basis.

(h) HSN U.S. includes results from IDL, which was previously included in HSN International. HSN U.S. revenue is shown net of disengagement related sales rebates.

(i) HSN International includes charges in Q3 2002 related to the shut-down of HSN's operations in Italy of $31.4 million and in Q2 2002 related to the shut-down of HSN's Spanish language service of $17.8 million.

(j) Teleservices includes charges of $9.3 million in Q2 2002 related principally to the closure of certain of PRC's call centers as well as $22.2 million of goodwill impairment.

(k) Disengagement expenses relate to incremental costs in the disengagement markets to obtain carriage lost due to disengagement and marketing activities primarily to inform viewers of new channel positioning for the HSN service.

IAC'S PRINCIPLES OF FINANCIAL REPORTING

IAC reports Operating Income before Amortization, Adjusted Net Income, Adjusted EPS and Free Cash Flow, all of which are supplemental measures to GAAP. These measures, among other things, are the primary metrics by which we evaluate the performance of our businesses, on which our internal budgets are based and by which management is compensated. We believe that investors should have access to, and we are obligated to provide, the same set of tools that we use in analyzing our results. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. We provide and encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measures, which we discuss below. It may seem that we have more adjusting items in our reconciliations than other companies. This is mainly because, in our short history, our businesses have changed significantly and we have been very acquisitive in nature. We endeavor to be as plain spoken as possible in explaining these adjustments.

Definitions of IAC's Non-GAAP Measures

Operating Income Before Amortization ("OIBA") is defined as operating income plus: (1) amortization of non-cash distribution, marketing and compensation expense, (2) amortization of intangibles and goodwill impairment, if applicable, (3) pro forma adjustments for significant acquisitions and (4) one-time items. See below for explanations of these adjustments. We believe this measure is useful to investors because it represents the consolidated operating results from IAC's segments, taking into account depreciation, which we believe is an ongoing cost of doing business, but excluding the effects of any other non-cash expenses. OIBA has certain limitations in that it does not take into account the impact to IAC's income statement of certain expenses, including non-cash compensation associated with IAC's employees, non-cash payments to partners, and acquisition-related accounting.

Adjusted Net Income generally captures all income statement items that have been, or ultimately will be, settled in cash and is defined as net income available to common shareholders plus: (1) amortization of non-cash distribution, marketing and compensation expense, (2) amortization of intangibles and goodwill impairment, if applicable, (3) pro forma adjustments for significant acquisitions, (4) equity income or loss from IAC's 5.44% interest in VUE, and (5) one-time items, net of related tax and minority interest. We believe Adjusted Net Income is useful to investors because it represents the IAC's consolidated results, taking into account depreciation, which we believe is an

ongoing cost of doing business, as well as other charges which are not allocated to the operating businesses such as interest expense, taxes and minority interest, but excluding the effects of any other non-cash expenses.

Adjusted EPS is defined as Adjusted Net Income divided by weighted fully diluted shares outstanding for Adjusted EPS purposes. We include dilution from options and warrants per the treasury stock method and include all shares relating to restricted stock/share units ("RSU") in shares outstanding for Adjusted EPS. This differs from the GAAP method for including RSUs, which treats them on a treasury method basis. Shares outstanding for Adjusted EPS purposes are therefore higher than shares outstanding for GAAP EPS purposes. We believe Adjusted EPS is useful to investors because it represents, on a per share basis, the IAC's consolidated results, taking into account depreciation, which we believe is an ongoing cost of doing business, as well as other charges which are not allocated to the operating businesses such as interest expense, taxes and minority interest, but excluding the effects of any other non-cash expenses. Adjusted Net Income and Adjusted EPS have the same limitations as OIBA, and in addition Adjusted Net Income and Adjusted EPS do not account for IAC's passive ownership in VUE. Therefore, we think it is important to evaluate these measures along with our consolidated statement of operations.

Free Cash Flow is defined as net cash provided by operating activities, less capital expenditures, investments to fund HSN International unconsolidated operations and preferred dividends paid. Free Cash Flow includes cash dividends received and tax related payments with respect to the VUE securities. We believe Free Cash Flow is useful to investors because it represents the cash that our operating businesses generate, before taking into account cash movements that are non-operational.

Free Cash Flow has certain limitations in that it does not represent the total increase or decrease in the cash balance for the period, nor does it represent the residual cash flow for discretionary expenditures. For example, it does not take into account treasury stock repurchases. Therefore, we think it is important to evaluate Free Cash Flow along with our consolidated statement of cash flows.

We endeavor to compensate for the limitations of the non-GAAP measures presented by providing the comparable GAAP measures with equal or greater prominence, GAAP financial statements, and detailed descriptions of the reconciling items and adjustments, including quantifying such items, to derive the non-GAAP measures.

Pro Forma Results

We have presented Operating Income before Amortization, Adjusted Net Income and Adjusted EPS pro forma for several significant transactions, as if these transactions had been completed as of January 1, 2002: the Vivendi transaction and the Ticketmaster, Hotels.com and Expedia mergers. IAC has changed significantly in recent years: first transitioning from a media company to an interactive commerce company, then also into an operating company. We believe that the pro forma results provide investors with better comparisons to prior periods, as well as a better view of ongoing operations and what the company will look like now that these transactions have been consummated.

We will only pro forma results if we view a particular transaction as significant in size or transformational in nature. As such, our results are not pro forma for certain smaller transactions such as the acquisitions of TV Travel Group, Interval and EPI. We also have not presented the LendingTree transaction on a pro forma basis.

One-Time Items

We only exclude as non-recurring items those that are truly one-time in nature and non-recurring, infrequent or unusual, and have not occurred in the past two years or are not expected to recur in the next two years, per recently released SEC rules. We have revised our 2002 non-GAAP measures to

include certain items that were previously excluded as a result of the new SEC guidance. Actual results include one-time items.

Non-Cash Expenses That Are Excluded From Our Non-GAAP Measures

Amortization of non-cash compensation expense consists of restricted stock and options expense, which relates mostly to unvested options assumed by IAC in the Ticketmaster, Hotels.com and Expedia mergers. We view this expense as part of transaction costs, which are not paid in cash, and we include the related shares in our fully diluted shares outstanding. Non-cash compensation also includes the expense associated with IAC's RSU program. We view the true cost of these RSUs as the dilution to our share base, and as such all RSUs are included in our shares outstanding for Adjusted EPS purposes.

Amortization of non-cash distribution and marketing expense consists mainly of Hotels.com performance warrants issued to obtain distribution and non-cash advertising secured from Universal Television as part of the Vivendi transaction. The Hotels.com warrants were principally issued as part of its initial public offering, and we do not anticipate replicating these arrangements. The warrants are in the money and, to the extent the performance criteria are met, are included in our shares outstanding for Adjusted EPS purposes. The non-cash advertising from Universal is primarily for the benefit of Expedia, which runs television advertising primarily on the USA and Sci Fi cable channels without any cash cost. We do not expect to replace this non-cash marketing with an equivalent cash expense after it runs out in 2007, nor would IAC incur such amounts absent the advertising received in the Vivendi transaction.

Amortization of intangibles is a non-cash expense relating primarily to acquisitions. At the time of an acquisition, the intangible assets of the acquired company, such as supplier contracts and customer relationships, are valued and amortized over their estimated lives. While it is likely that we will have significant intangible amortization expense as we continue to acquire companies, we believe that since intangibles represent costs incurred by the acquired company to build value prior to acquisition, they were part of transaction costs and will not be replaced with cash costs when the intangibles are fully amortized.

Equity gains/losses from IAC's 5.44% common interest in VUE is excluded from Adjusted Net Income and Adjusted EPS because IAC has no operating control over VUE, has no way to forecast this business, and does not consider the results of VUE in evaluating IAC's performance.

Free Cash Flow

IAC has significant positive working capital balances that benefit Free Cash Flow and are largely due to deferred merchant bookings and deferred revenue related to the merchant lodging business at Expedia and Hotels.com, respectively. Of the $486 million increase in working capital year-to-date, $211 million was related to deferred merchant bookings and deferred revenue at IAC Travel. In our merchant lodging business, cash is collected in advance of stay, and revenue is recognized at the date of travel, after which hotel suppliers invoice Expedia and Hotels.com. Working capital consists of cash deposits from customers, net of revenue recognized as a result of a customer stay, plus the increase in payables to hotel suppliers net of cash paid out in the period.

These balances are comparable to payable and receivable balances in any other company, except that the benefit, or "float", that we get is inherent in our business model. It represents the real cash earning power of our company, and is reflected in increased working capital purely because we recognize revenue at the customer stay date rather than at the booking date. It is similar to any other cash inflow in the normal course of business and we view this as permanent cash that we can put to work. As long as the merchant lodging businesses continue to grow positively, as they have historically, and our business model does not change, we expect that the change in working capital will continue to

be positive. All other conditions remaining the same, if the dollar growth in revenue from our merchant hotel businesses decreases from year to year, then the change in working capital, while still positive, will decrease from year to year, which will adversely affect free cash flow in comparison to the prior year. If the businesses were to decline or if the model otherwise changed, it would negatively impact working capital and we would communicate this to investors.

We look at Free Cash Flow as a measure of the strength and performance of our businesses, not for valuation purposes. In our view, applying "multiples" to Free Cash Flow is inappropriate because it is subject to timing, seasonality and one-time events. We manage our business for cash and we think it is of utmost important to maximize cash—but our primary valuation metrics are OIBA and Adjusted EPS. In addition, because Free Cash Flow is subject to timing, seasonality and one-time events, we believe it is not appropriate to annualize quarterly Free Cash Flow results.

Conference Call

IAC will audiocast its conference call with investors and analysts discussing the company's third quarter financial results and certain forward-looking information on Wednesday, November 5, 2003, at 11:00 a.m. Eastern Time (ET). The live audiocast is open to the public at www.iac.com/investor_relations.

Investor Day

IAC's 2003 Investor Day will be held in New York City on November 11th, 2003. The event will be available to the public via webcast on our website at www.iac.com/investor_relations. Please contact IAC Investor Relations at ir@iac.com, or (212) 314-7400 for further information.

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 IAC's anticipated financial performance, business prospects, new developments 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 IAC'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 IAC's business, financial condition or results of operations. You should understand that the following important factors could affect IAC's future results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) the risk that IAC's businesses will not be integrated successfully; (2) material adverse changes in economic conditions generally or in such conditions affecting IAC's markets or industries; (3) future regulatory and legislative actions and conditions affecting IAC's operating areas; (4) competition from others; (5) successful integration of our businesses' management structures; (6) product demand and market acceptance; (7) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (8) the ability to maintain the integrity of IAC's systems and infrastructure; (9) the ability to expand into and successfully operate in foreign markets; (10) obtaining and retaining skilled workers and key executives, (11) acts of terrorism; and (12) war or political instability. In addition, investors should consider the other information contained in or incorporated by reference into IAC'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 2002, especially in the Risk Factors and the Management's

Discussion and Analysis sections, and its Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on IAC'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.

IAC 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 IAC/InterActiveCorp

IAC/InterActiveCorp (Nasdaq: IACI) consists of IAC Travel, a division of the company that encompasses Expedia, Inc., which oversees Interval International, TV Travel Shop, Hotels.com, and Hotwire.com. The other operating businesses of IAC are: HSN; Ticketmaster, which oversees Evite and ReserveAmerica; Match.com, which oversees uDate.com; Entertainment Publications; Citysearch; Precision Response Corporation; and LendingTree. The goal of IAC is to be the world's largest and most profitable interactive commerce company by pursuing a multi-brand strategy.

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Exhibit 99.2

IAC/InterActiveCorp
Q3 2003 Earnings
Supplemental Financial Information and Metrics
As filed with the Securities and Exchange Commission on November 5, 2003

Table of Contents

IAC/InterActiveCorp
Segment Results
$ in millions, rounding differences may exist

Q1 2003	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments	Operating Income
IAC Travel	545.1	(432.0)	(9.4)	—	103.7	(31.8)	(2.0)	—	69.9
Electronic Retailing:									
HSN U.S. (b)	415.0	(354.2)	(11.7)	(14.0)	35.1	(12.2)	—	—	22.9
HSN International	115.2	(97.5)	(2.8)	—	15.0	(0.4)	—	—	14.6
Total Electronic Retailing	530.2	(451.7)	(14.5)	(14.0)	50.1	(12.5)	—	—	37.6
Ticketing	195.1	(146.0)	(7.7)	—	41.4	(7.0)	(0.1)	—	34.3
Personals	40.9	(36.1)	(2.1)	—	2.7	(2.1)	—	—	0.6
Local Services	8.4	(14.1)	(1.1)	—	(6.8)	(12.6)	—	—	(19.4)
Teleservices	70.8	(63.4)	(5.5)	—	1.9	—	—	—	1.9
Interactive Development	—	(1.1)	0.0	—	(1.1)	(1.1)	—	—	(2.1)
Corporate expense and other adjustments	—	(11.5)	(1.8)	—	(13.3)	(5.7)	—	—	(19.0)
Disengagement expenses(c)	—	(4.5)	—	—	(4.5)	—	—	—	(4.5)
Intersegment Elimination	(3.7)	3.4	—	—	(0.3)	—	—	—	(0.3)
TOTAL	$ 1,386.7	$ (1,156.7)	$ (42.2)	$ (14.0)	$ 173.9	$ (72.9)	$ —	$ —	$ 99.0

Other income, net	(229.6)
Earnings (loss) from continuing operations before income taxes and minority interest	(130.6)
Income tax benefit (expense)	54.2
Minority interest	(25.7)
Earnings (loss) from continuing operations	(102.2)
Discontinued operations	(4.6)
Earnings (loss) before preferred dividend	(106.8)
Preferred dividend	(3.3)
Net income (loss) available to common shareholders	$ (110.1)

Q2 2003	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments	Operating Income
IAC Travel	653.4	(511.3)	(9.6)	—	132.5	(35.3)	(8.4)	—	88.7
Electronic Retailing:									

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments	Operating Income
HSN U.S. (b)	404.4	(333.6)	(11.2)	(14.8)	44.7	(12.2)	—	—	32.6
HSN International	122.8	(113.2)	(2.8)	—	6.8	(0.3)	—	—	6.5
Total Electronic Retailing	527.1	(446.8)	(14.0)	(14.8)	51.5	(12.5)	—	—	39.0
Ticketing	187.5	(144.1)	(7.3)	—	36.1	(7.9)	—	—	28.2
Personals	48.2	(35.1)	(2.9)	—	10.2	(2.6)	—	—	7.6
Local Services	45.2	(48.4)	(1.1)	—	(4.3)	(14.9)	—	—	(19.2)
Teleservices	69.5	(62.2)	(5.6)	—	1.7	—	—	—	1.7
Interactive Development	—	(1.2)	(0.0)	—	(1.2)	(1.1)	—	—	(2.2)
Corporate expense and other adjustments	—	(17.1)	(1.1)	—	(18.2)	(8.4)	—	—	(26.6)
Disengagement expenses(c)	—	(4.9)	—	—	(4.9)	—	—	—	(4.9)
Intersegment Elimination	(4.4)	4.0	—	—	(0.5)	—	—	—	(0.5)
TOTAL	$ 1,526.5	$ (1,267.1)	$ (41.7)	$ (14.8)	$ 202.9	$ (82.7)	$ (8.4)	$ —	$ 111.8
							Other income, net		26.3
							Earnings (loss) from continuing operations before income taxes and minority interest		138.0
							Income tax benefit (expense)		(51.7)
							Minority interest		(28.4)
							Earnings (loss) from continuing operations		57.9
							Discontinued operations		38.3
							Earnings (loss) before preferred dividend		96.2
							Preferred dividend		(3.3)
							Net income (loss) available to common shareholders		$ 92.9

Please see page 5 for footnote explanations

IAC/InterActiveCorp
Segment Results
$ in millions, rounding differences may exist

	Q3 2003								
	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments	Operating Income
IAC Travel	734.3	(581.3)	(15.5)	—	137.5	(56.5)	(0.9)	—	80.1
Electronic Retailing:									
HSN U.S. (b)	423.0	(349.8)	(10.9)	(16.7)	45.6	(13.2)	—	—	32.4
HSN International	103.0	(98.3)	(2.7)	(0.1)	1.9	(0.3)	—	—	1.6
Total Electronic Retailing	526.0	(448.2)	(13.6)	(16.7)	47.5	(13.6)	—	—	34.0
Ticketing	177.6	(138.0)	(7.2)	—	32.3	(7.7)	—	—	24.7
Personals	48.3	(34.8)	(3.7)	—	9.8	(5.4)	—	—	4.4
Local Services	29.2	(44.9)	(1.7)	—	(17.5)	(13.8)	—	—	(31.3)
Financial Services & Real Estate	24.4	(21.1)	(0.4)	—	2.9	(7.8)	—	—	(4.9)
Teleservices	75.8	(66.3)	(7.2)	—	2.3	—	—	—	2.3
Interactive Development	—	(0.8)	(0.0)	—	(0.8)	—	—	—	(0.8)
Corporate expense and other adjustments	—	(16.4)	(1.2)	—	(17.6)	(75.2)	—	—	(92.8)
Disengagement expenses (c)	—	(4.8)	—	—	(4.8)	—	—	—	(4.8)
Intersegment Elimination	(5.2)	5.2	—	—	—	—	—	—	
TOTAL	$ 1,610.3	$ (1,351.3)	$ (50.5)	$ (16.7)	$ 191.7	$ (179.9)	$ (0.9)	$ —	$ 10.9
						Other income, net			32.8
						Earnings (loss) from continuing operations before income taxes and minority interest			43.7
						Income tax benefit (expense)			(13.1)
						Minority interest			(8.3)
						Earnings (loss) from continuing operations			22.3
						Discontinued operations			(0.3)
						Earnings (loss) before preferred dividend			22.0
						Preferred dividend			(3.3)
						Net income (loss) available to common shareholders			$ 18.7

Please see page 5 for footnote explanations

IAC/InterActive Corp
Segment Results
$ in millions, rounding differences may exist

Q1 2002

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments (d)	Operating Income
IAC Travel	281.7	(221.4)	(4.7)	—	55.7	(16.3)	—	(7.7)	31.6
Electronic Retailing:									
HSN U.S. (b)	395.4	(338.7)	(12.0)	(12.3)	32.5	(0.1)	—	—	32.4
HSN International	64.9	(68.7)	(1.0)	(0.7)	(5.5)	—	—	—	(5.5)
Total Electronic Retailing	460.3	(407.3)	(13.0)	(13.0)	27.0	(0.1)	—	—	26.9
Ticketing	153.4	(122.1)	(7.3)	—	24.0	(2.5)	—	—	21.5
Personals	25.4	(18.5)	(1.2)	—	5.6	(2.7)	—	—	2.9
Local Services	7.3	(15.2)	(2.5)	—	(10.4)	(12.1)	—	—	(22.5)
Teleservices	69.2	(62.6)	(8.7)	—	(2.0)	—	—	—	(2.0)
Interactive Development	—	(0.3)	—	—	(0.3)	—	—	—	(0.3)
Corporate expense and other adjustments	—	(9.0)	(1.3)	—	(10.2)	(2.1)	—	—	(12.3)
Disengagement expenses (c)	—	(11.5)	—	—	(11.5)	—	—	—	(11.5)
Intersegment Elimination	(3.2)	2.2	—	—	(0.9)	4.1	—	—	3.1
TOTAL	$ 994.1	$ (865.7)	$ (38.6)	$ (13.0)	$ 76.8	$ (31.8)	$ —	$ (7.7)	$ 37.3

Other income, net	(16.8)
Earnings (loss) from continuing operations before income taxes and minority interest	20.6
Income tax benefit (expense)	(17.8)
Minority interest	3.2
Earnings (loss) from continuing operations before cumulative effect of accounting change	5.9
Discontinued operations	20.0
Earnings (loss) before cumulative effect of accounting change	25.9
Cumulative effect of accounting change	(461.4)
Earnings (loss) before preferred dividend	(435.5)
Preferred dividend	(2.0)
Net income (loss) available to common shareholders	$ (437.5)

Q2 2002

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments (d)	Operating Income
IAC Travel	379.1	(304.1)	(5.9)	—	69.2	(24.9)	—	—	44.2
Electronic Retailing:									
HSN U.S. (b)	375.3	(313.4)	(13.6)	(12.5)	35.8	(0.1)	—	—	35.7
HSN International (e)	70.9	(92.7)	(1.5)	(0.6)	(23.8)	(0.0)	—	—	(23.8)
Total Electronic Retailing	446.3	(406.1)	(15.1)	(13.1)	12.0	(0.1)	—	—	11.8
Ticketing	175.4	(134.2)	(6.6)	—	34.7	(2.9)	—	—	31.7
Personals	29.7	(20.0)	(2.0)	—	7.7	(1.0)	—	—	6.7
Local Services	7.6	(13.3)	(1.7)	—	(7.4)	(12.1)	—	—	(19.5)
Teleservices (f)	71.8	(70.5)	(8.4)	—	(7.0)	(22.2)	—	—	(29.3)
Interactive Development	—	(0.5)	—	—	(0.5)	(0.7)	—	—	(1.2)
Corporate expense and other adjustments	—	(10.3)	(1.0)	—	(11.3)	(1.5)	—	—	(12.8)
Disengagement expenses (c)	—	(6.2)	—	—	(6.2)	—	—	—	(6.2)
Intersegment Elimination	(2.8)	2.2	—	—	(0.5)	0.0	—	—	(0.5)
TOTAL	$ 1,107.1	$ (962.9)	$ (40.6)	$ (13.1)	$ 90.5	$ (65.6)	$ —	$ —	$ 24.9

Other income, net	(85.2)
Earnings (loss) from continuing operations before income taxes and minority interest	(60.3)
Income tax benefit (expense)	(21.6)
Minority interest	(15.3)

Earnings (loss) from continuing operations	(97.2)
Gain on VUE transaction	2,378.3
Discontinued operations	(7.3)
Earnings (loss) before preferred dividend	2,273.8
Preferred dividend	(3.3)
Net income (loss) available to common shareholders	$ 2,270.6

Please see page 5 for footnote explanations

IAC/InterActiveCorp
Segment Results
$ in millions, rounding differences may exist

Q3 2002

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs(a)	Pro Forma Adjustments(d)	Operating Income
IAC Travel	459.3	(369.4)	(5.9)	—	83.9	(29.7)	(1.6)	—	52.7
Electronic Retailing:									
HSN U.S.(b)	370.9	(304.2)	(13.6)	(12.6)	40.4	(25.1)	—	—	15.3
HSN International(g)	78.7	(108.9)	(2.6)	—	(32.7)	(2.8)	—	—	(35.5)
Total Electronic Retailing	449.6	(413.1)	(16.2)	(12.6)	7.7	(27.9)	—	—	(20.2)
Ticketing	162.2	(128.6)	(7.6)	—	25.9	(3.0)	—	—	22.9
Personals	33.5	(26.6)	(2.2)	—	4.8	(1.0)	—	—	3.7
Local Services	7.6	(12.7)	(1.7)	—	(6.8)	(12.1)	(1.4)	—	(20.3)
Teleservices	75.3	(64.5)	(9.6)	—	1.2	—	—	—	1.2
Interactive Development	—	(0.6)	—	—	(0.6)	(1.1)	—	—	(1.7)
Corporate expense and other adjustments	—	(11.8)	(3.4)	—	(15.2)	(1.5)	—	—	(16.7)
Disengagement expenses(c)	—	(4.7)	—	—	(4.7)	—	—	—	(4.7)
Intersegment Elimination	(2.3)	2.0	—	—	(0.3)	(0.0)	—	—	(0.3)
TOTAL	$ 1,185.2	$ (1,030.0)	$ (46.7)	$ (12.6)	$ 95.9	$ (76.3)	$ (3.0)	$ —	$ 16.6

Other income, net	10.0
Earnings (loss) from continuing operations before income taxes and minority interest	26.6
Income tax benefit (expense)	(36.1)
Minority interest	(17.2)
Earnings (loss) from continuing operations	(26.6)
Discontinued operations	(6.7)
Earnings (loss) before preferred dividend	(33.4)
Preferred dividend	(3.3)
Net income (loss) available to common shareholders	$ (36.6)

Q4 2002

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs(a)	Pro Forma Adjustments(d)	Operating Income
IAC Travel	479.3	(400.3)	(7.9)	—	71.0	(20.9)	(0.7)	—	49.4
Electronic Retailing:									
HSN U.S.(b)	471.6	(388.4)	(13.8)	(15.0)	54.4	(7.2)	—	—	47.2
HSN International	94.4	(91.6)	(2.4)	—	0.5	2.1	—	—	2.6
Total Electronic Retailing	566.0	(480.0)	(16.2)	(15.0)	54.8	(5.1)	—	—	49.7
Ticketing	164.3	(133.3)	(7.6)	—	23.5	(2.7)	—	—	20.8
Personals	37.2	(24.7)	(2.2)	—	10.3	(1.0)	—	—	9.3
Local Services	8.3	(14.3)	(1.7)	—	(7.7)	(12.1)	(4.2)	—	(24.0)
Teleservices(h)	77.9	(64.8)	(9.3)	—	3.8	—	—	—	3.8
Interactive Development	—	(1.1)	—	—	(1.1)	(1.1)	—	—	(2.2)
Corporate expense and other adjustments	—	(17.4)	(1.4)	—	(18.7)	(4.4)	—	—	(23.1)
Disengagement expenses(c)	—	(9.3)	—	—	(9.3)	—	—	—	(9.3)
Intersegment Elimination	(3.0)	2.4	—	—	(0.6)	—	—	—	(0.6)
TOTAL	$ 1,330.0	$ (1,142.8)	$ (46.4)	$ (15.0)	$ 125.9	$ (47.2)	$ (4.9)	$ —	$ 73.7

Other income	52.6
Earnings (loss) from continuing operations before income taxes and minority interest	126.3
Income tax benefit (expense)	10.4
Minority interest	(16.8)
Earnings (loss) from continuing operations	119.9
Discontinued operations	28.2
Earnings (loss) before preferred dividend	148.1
Preferred dividend	(3.3)
Net income (loss) available to common shareholders	$ 144.9

Please see page 5 for footnote explanations

FY 2002

	Revenue	Operating Expenses, excl. D&A & merger costs	Depreciation	Cable distribution fees	Operating Income before Amortization	Amortization of non-cash items	Merger costs (a)	Pro Forma Adjustments	Operating Income
IAC Travel	1,599.4	(1,295.2)	(24.4)	—	279.8	(91.9)	(2.3)	(7.7)	177.9
Electronic Retailing:									
HSN U.S. (b)	1,613.2	(1,344.7)	(53.0)	(52.4)	163.1	(32.6)	—	—	130.5
HSN International	309.0	(361.8)	(7.5)	(1.3)	(61.6)	(0.7)	—	—	(62.3)
Total Electronic Retailing	1,922.2	(1,706.5)	(60.5)	(53.7)	101.5	(33.3)	—	—	68.2
Ticketing	655.3	(518.1)	(29.1)	—	108.1	(11.1)	—	—	96.9
Personals	125.8	(89.7)	(7.7)	—	28.4	(5.8)	—	—	22.6
Local Services	30.8	(55.5)	(7.6)	—	(32.3)	(48.3)	(5.6)	—	(86.3)
Teleservices	294.1	(262.4)	(35.9)	—	(4.1)	(22.2)	—	—	(26.4)
Interactive Development	—	(2.6)	—	—	(2.6)	(2.9)	—	—	(5.4)
Corporate expense and other adjustments	—	(48.5)	(7.0)	—	(55.5)	(9.4)	—	—	(64.9)
Disengagement expenses (c)	—	(31.8)	—	—	(31.8)	—	—	—	(31.8)
Intersegment Elimination	(11.3)	8.9	—	—	(2.4)	4.1	—	—	1.7
TOTAL	$ 4,616.4	$ (4,001.3)	$ (172.3)	$ (53.7)	$ 389.1	$ (220.9)	$ (7.9)	$ (7.7)	$ 152.6

Other income, net	(39.4)
Earnings (loss) from continuing operations before income taxes and minority interest	113.2
Income tax benefit (expense)	(65.1)
Minority interest	(46.1)
Earnings (loss) from continuing operations before cumulative effect of accounting change	2.0
Gain on VUE transaction	2,378.3
Discontinued operations	34.2
Earnings (loss) before cumulative effect of accounting change	2,414.5
Cumulative effect of accounting change	(461.4)
Earnings (loss) before preferred dividend	1,953.1
Preferred dividend	(11.8)
Net income (loss) available to common shareholders	$1,941.3

(a) Merger costs incurred by Expedia, Hotels.com and Ticketmaster for investment banking, legal and accounting fees were related directly to the mergers and are treated as non-recurring for calculating Operating Income before Amortization and Adjusted Net Income. These costs were incurred solely in relation to the mergers, but may not be capitalized since Expedia, Hotels.com and Ticketmaster were considered the targets in the transaction for accounting purposes. These costs do not directly benefit operations in any manner, would not normally be recorded by IAC if not for the fact it already consolidated

these entities, and are all related to the same transaction, as IAC simultaneously announced its intention to commence in exchange offers for the companies in 2002. The majority of costs are for advisory services provided by investment bankers, and the amounts incurred in 2003 were pursuant to the same fee letters entered into by each company in 2002. Given these factors, IAC believes it is appropriate to consider these costs as one-time. Operating Income before Amortization by segment is presented before one-time items.

(b) HSN U.S. includes results from IDL, which was previously included in HSN International. HSN U.S. revenue is shown net of disengagement related sales rebates.

(c) Disengagement expenses relate to incremental costs in the disengagement markets to obtain carriage lost due to disengagement and marketing activities primarily to inform viewers of new channel positioning for the HSN service.

(d) Pro forma adjustments to 2002 represent the impact of IAC's initial acquisition of a majority stake in Expedia which occurred in February 2002.

(e) HSN International includes charges of $17.8 million in Q2 2002 related to the shutdown of HSN's Spanish language service.

(f) Teleservices includes charges of $9.3 million in Q2 2002 related principally to the closure of certain of PRC's call centers as well as $22.2 million of goodwill impairment.

(g) HSN International includes a $31.4 million charge related to the shut-down of HSN's operations in Italy.

(h) PRC includes a reversal of $5.9 million due to a favorable outcome related to the closure of a call center and excess purchase accounting reserve.

IAC/InterActiveCorp
Gross Transaction Value
$ in millions

	FYE 12/31/00	FYE 12/31/01	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2002 FYE 12/31	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2003 FYE 12/31
Total Gross Transaction Value ("GTV")	$ 4,963	$ 9,011	$ 2,818	$ 3,254	$ 3,394	$ 3,475	$ 12,942	$ 4,166	$ 4,434	$ 4,515		
Interactive GTV (a)	$ 4,734	$ 6,717	$ 2,254	$ 2,667	$ 2,839	$ 2,868	$ 10,627	$ 3,568	$ 3,853	$ 3,956		
% of Total	95%	75%	80%	82%	84%	83%	82%	86%	87%	88%		
Internet GTV (b)	$ 3,100	$ 5,020	$ 1,838	$ 2,224	$ 2,337	$ 2,259	$ 8,658	$ 2,913	$ 3,211	$ 3,323		
% of Total	62%	56%	65%	68%	69%	65%	67%	70%	72%	74%		
International GTV	$ 605	$ 1,036	$ 319	$ 433	$ 526	$ 572	$ 1,851	$ 700	$ 795	$ 808		
% of Total	14%	11%	11%	13%	16%	16%	14%	17%	18%	18%		

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

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

IAC/InterActiveCorp

IAC Travel

	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2002 FYE 12/31	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2003 FYE 12/31
Gross Bookings(mm)(a)(b)										
Domestic	$ 1,247	$ 1,496	$ 1,629	$ 1,570	$ 5,942	$ 2,004	$ 2,257	$ 2,316		
International	87	137	223	174	621	300	323	388		
Total	$ 1,334	$ 1,633	$ 1,852	$ 1,744	$ 6,563	$ 2,304	$ 2,580	$ 2,704		
Packages Revenue(mm)(a)	$ 26	$ 42	$ 50	$ 47	$ 164	$ 60	$ 77	$ 88		
Number of Transactions(mm)(a)(c)	3.5	4.4	5.2	4.8	18.0	5.6	6.7	7.3		
Interval(d)										
Members (000s)	N/A	N/A	1,471	1,500	N/A	1,522	1,547	1,578		
Exchange Confirmations (000s)	N/A	N/A	167	151	N/A	225	202	190		
Share of communications online	N/A	N/A	9.6%	10.3%	N/A	13.2%	12.3%	15.7%		

(a) Pro forma for Expedia as of January 1, 2002 and includes actual results for TVTS and Interval which IAC acquired on May 1, 2002 and September 24, 2002, respectively.

(b) Total retail value of transactions booked during a specified time period, including taxes and fees, for both agency and merchant transactions.

(c) The count of purchases for a given day net of cancellations. Includes agency and merchant sales. Package transactions are counted as 1 transaction even though the purchase consists of multiple components (ie. air, car, hotel)

(d) IAC acquired Interval on September 24, 2002. Metrics include full quarter for Q3 2002.

IAC/InterActiveCorp
Electronic Retailing
In millions except per unit

	FYE 12/31/00(a)	FYE 12/31/01(a)	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2002 FYE 12/31	2003 Q1	2003 Q2	2003 Q3	2003 Q4	2003 FYE 12/31
HSN- U.S.												
Units shipped (b)	36.4	39.8	9.8	9.5	9.3	11.1	39.7	10.4	9.9	9.8		
Gross profit %	34.9%	34.0%	35.4%	38.4%	38.1%	36.8%	37.1%	36.5%	38.6%	37.7%		

Return rate	19.5%	18.8%	18.9%	18.7%	18.4%	18.1%	18.5%	18.0%	18.3%	17.5%
Product mix (c):										
Home Hard Goods	N/A	28%	28%	22%	23%	30%	26%	24%	24%	26%
Home Fashions	N/A	11%	12%	13%	15%	13%	13%	15%	12%	16%
Jewelry	N/A	25%	24%	26%	25%	25%	25%	22%	24%	23%
Health/Beauty	N/A	20%	23%	23%	22%	22%	22%	27%	28%	26%
Apparel/Accessories	N/A	16%	13%	16%	15%	12%	14%	12%	12%	9%
Average Price Point	$ 47.50	$ 46.54	$ 44.62	$ 43.38	$ 43.65	$ 46.79	$ 44.71	$ 43.98	$ 45.15	$ 47.50
HSN total homes (end of period) (d)	77.1	83.0	74.9	77.1	77.8	78.8	78.8	79.5	79.2	79.7
HSN FTEs (end of period) (d)(e)	62.9	68.5	65.6	67.7	67.8	68.7	68.7	69.8	69.8	70.2
America's Store FTE's (end of period)	8.6	12.3	10.2	11.1	8.7	9.0	9.0	9.6	8.8	13.9
HSN.com % of Sales	3%	8%	11%	11%	11%	13%	12%	14%	14%	14%
HSN International (Households as of end of period) *(ownership % as of 9/30/03 in parentheses)*										
HSE Germany (includes Austria and Switzerland) (90%)	29.3	29.7	29.8	30.2	30.4	30.8	30.8	30.9	31.4	31.9
TVSN (China) (21%)	N/A	64.0	80.0	80.0	64.0	64.0	64.0	64.0	64.0	64.0
Shop Channel (Japan) (30%)	9.2	11.6	11.9	13.1	13.6	14.4	14.4	14.9	15.5	15.9
Euvia:										
Euvia Travel (49%)	N/A	28.8	26.3	27.5	27.5	28.3	28.3	29.4	29.6	26.1
Neun Live (49%)	N/A	28.8	26.3	26.1	26.1	26.9	26.9	27.7	27.6	27.6

All HSN-U.S. metrics have been restated to include results from IDL in HSN-U.S. which had previously been included in HSN International & Other.

(a) 2000 and 2001 results include estimated units for Outlets and IDL.

(b) Units do not include Liquidation and services.

(c) In Q2 03, HSN realigned its product category hierarchy. Product Mix for 2000 assuming reclassification not available.

(d) Not pro forma for disengagement of broadcast stations due to the sale of USA Broadcasting to Univision, which resulted in a net loss of 9.9 mm homes and 4.4 mm FTEs.

(e) FTEs reflect a 50% weighting of DBS homes, in order to more accurately reflect the actual performance of these subs and adjust for the impact of their significant growth as a percentage of total HSN distribution.

IAC/InterActiveCorp
Ticketing
In millions

			2002					2003				
	FYE 12/31/00	FYE 12/31/01	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Number of tickets sold	83.0	86.8	23.9	24.3	22.8	24.1	95.1	27.1	24.1	23.8		
Gross value of tickets sold	$ 3,256	$ 3,611	$ 997	$ 1,144	$ 1,041	$ 1,106	$ 4,288	$ 1,265	$ 1,199	$ 1,148		

Personals (a)
(in 000's)

Paid subscribers	156.9	382.2	527.7	604.2	653.2	724.8	724.8	766.6	857.5	909.9		

(a) The operating metrics include the impact of Soulmates and uDate as of the acquisition dates of April 12, 2002 and April 4, 2003 respectively.

The financial, statistical and other information contained herein is unaudited.

As filed with the Securities and Exchange Commission on November 5, 2003.

IAC/InterActiveCorp
Financial Services & Real Estate

		2002					2003				
	FYE 12/31/01	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Volume											
Loan/Real Estate Requests transmitted:											
Number (000s)	1,472.4	402.0	384.4	570.6	553.7	1,910.6	696.1	733.6	621.3		

Volume of Requests (bn)	$ 127.9	$ 33.6	$ 37.7	$ 60.6	$ 57.2	$ 189.1	$ 72.6	$ 78.9	$ 56.1
Transactions closed in Quarter									
Number (000s)	293.1	57.8	70.4	90.6	70.9	289.7	74.2	83.9	90.7
Volume of Transactions Closed (bn)	$ 12.6	$ 4.1	$ 4.6	$ 6.1	$ 8.1	$ 22.9	$ 8.6	$ 10.2	$ 10.6
Transmit Rate	49.6%	58.0%	59.5%	62.0%	63.5%	61.0%	64.7%	65.4%	63.6%
Static Pool Close Rate (a)	11.6%	11.4%	14.0%	16.1%	14.6%	14.2%	12.7%	14.2%	14.0%
Number of Lenders	145	163	178	189	197	197	206	212	223
Number of Realty Agencies	N/A	665	660	647	645	645	665	659	675

Note: The acquisition of LendingTree closed on August 8, 2002.

(a) The static pool close rate includes loans and real estate transactions. Prior to 2003, the static pool close rate only included loan transactions. The static pool close rate for loans incorporates the average time lag between the submission of a loan request (a "QF") and the closure of a loan. It represents the closure rate of approved QFs from a static pool of requests submitted in the most recent quarter with a complete closure cycle. A static pool is considered to have a complete closure cycle after 120 days from the month in which a mortgage QF was submitted, 90 days after a home equity QF was submitted, 60 days after an auto or personal QF was submitted, and less than 30 days after a credit card QF was submitted. The static pool closing cycle for a real estate referral is 180 days from the month in which a real estate referral was submitted.

The financial, statistical and other information contained herein is unaudited.

As filed with the Securities and Exchange Commission on November 5, 2003.

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Exhibit 99.3

IAC RECONCILIATION OF OIBA TO OPERATING INCOME—FY 2004
(unaudited; $ in millions)

We currently expect Operating Income Before Amortization ("OIBA") in the range of $1.0 billion to $1.2 billion for the full year 2004. Due to the high variability and difficulty in predicting certain items for 2004 that impact net income, such as amortization of intangibles and certain other non-cash items, interest rates, tax rates, and the timing of purchases under our announced buyback plan, we are unable to provide a reconciliation to net income without unreasonable efforts.

The below reconciliation is for purposes of reconciliation only and represents the high end of the range of our current forecast.

	2004
OIBA	$ 1,200
Less: Amortization	(585)
Operating income	$ 615

Operating Income Before Amortization ("OIBA") is defined as operating income plus: (1) amortization of non-cash distribution, marketing and compensation expense, (2) amortization of intangibles and goodwill impairment, if applicable, (3) pro forma adjustments for significant acquisitions and (4) one-time items. See IAC's Q3 earnings release for explanations of these adjustments.