

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): February 6, 2003

USA INTERACTIVE  
(Exact name of Registrant as specified in charter)

Delaware (State or other jurisdiction of incorporation)	0-20570 (Commission File Number)	59-2712887 (IRS Employer Identification No.)
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152 West 57th Street, New York, NY (Address of principal executive offices)	10019 (Zip Code)
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Registrant's telephone number, including area code:  
(212) 314-7300

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

On February 6, 2003, the Registrant issued a press release announcing its results for the quarter and full year ended December 31, 2002. The full text of this press release, appearing in Exhibit 99.1 hereto, and forward-looking financial information, appearing in Exhibit 99.2 hereto, is incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits.

- 99.1 Press Release of USA Interactive dated February 6, 2003.
- 99.2 Forward-Looking Financial Information.

ITEM 9. REGULATION FD DISCLOSURE

A copy of the Registrant's supplemental information, appearing in Exhibit 99.3 hereto, is furnished pursuant to Regulation FD.

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.

USA INTERACTIVE

By: /s/ Dara Khosrowshahi

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

Date: February 6, 2003

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release of USA Interactive dated February 6, 2003.
99.2	Forward-Looking Financial Information.



[LOGO]

FOR IMMEDIATE RELEASE

FEBRUARY 6, 2003

## USA DELIVERS STRONG Q4 ON ALL KEY METRICS

Gross Transactions up 51%, Total Revenue up 30%

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

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

Pro Forma  
(a) -----

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Q4 2002 Q4  
2001

Growth ---

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-----

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\$ IN  
MILLIONS,  
EXCEPT PER  
SHARE  
Gross

Transaction

Value \$

3,475 \$

2,303 51%

Revenue \$

1,339 \$

1,030 30%

Adjusted

EBITDA (b)

\$ 192 \$

123 56%

Operating

Income \$

37 \$ (2)

NM GAAP

EPS \$ 0.25

\$ (0.05)

NM

Adjusted

EPS \* (b)

\$ 0.17 \$

0.09 80%

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

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

- - This is the last quarter in which USA will report Adjusted EBITDA. See page 2 for more information.
- - USA generated \$545 million in Free Cash Flow during 2002, with \$741 million in Net Cash Provided by Operating Activities.
- - HSN-U.S. grew Adjusted EBITDA by 11% to \$84.3 million in Q4 on sales that were down slightly, due primarily to higher gross margins of 36.7%. HSN's Operating Income also grew 27% to \$43.1 million.
- - Travel, USA's strongest growth area, increased gross bookings 104% to \$1.8 billion in Q4, driven by 101% more merchant room nights sold. The travel businesses' Adjusted EBITDA improved by 75% to \$79 million and Operating Income by 107% to \$44 million.
- - Ticketing gross transactions increased 27% to \$1.1 billion in Q4. As a result, Ticketing Adjusted EBITDA increased 60% to \$34.3 million and Operating Income grew 659% to \$16.6 million. 41% of tickets were sold online, versus 34% in the year ago period.

- - Match.com Adjusted EBITDA grew 65% to \$12.5 million and Operating Income grew 149% to \$9.3 million on 111% higher revenue in Q4. Match.com's subscribers increased 90% over the prior year to 724,829 at the end of Q4.
- - USA also released today its final budget for 2003. Please see related 8-K for further detail.

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- (a) IMPORTANT: All results herein are presented on a comparative pro forma basis reflecting the Vivendi transaction, the roll-ups of USANi LLC and Home Shopping Network, Inc., and the merger with Ticketmaster that closed on January 17, 2003, and USA's acquisition of a majority stake in Expedia as if those transactions had been completed as of January 1, 2001, and reflect continuing operations and exclude one-time items, unless otherwise noted. 2001 data is not pro forma for the acquisitions of TV Travel Shop and Interval. Read all footnotes and important disclaimer at the end of this release.
  - (b) Before non-recurring items, including restructuring charges. Please see page F-1 and F-2 for full reconciliations for 2002 and 2001 from Adjusted EBITDA to Operating Income, and from Adjusted Net Income to Net Income.

SEE IMPORTANT NOTES AT END OF DOCUMENT

### FINANCIAL RESULTS

AS USA HAS INDICATED IN PREVIOUS FILINGS, THE COMPANY SWITCHED ITS FOCUS FROM ADJUSTED EBITDA ("EBITDA") TO ADJUSTED NET INCOME (REFERRED TO AS "CASH NET INCOME" IN PREVIOUS FILINGS) AS ITS MOST IMPORTANT 'BOTTOM LINE' PERFORMANCE METRIC FOR THE COMPANY AS A WHOLE. GOING FORWARD, FOR SEGMENT REPORTING PURPOSES, THE COMPANY HAS SWITCHED ITS FOCUS FROM ADJUSTED EBITDA TO EBITA, DEFINED AS OPERATING INCOME PLUS AMORTIZATION OF (1) NON-CASH COMPENSATION, (2) NON-CASH DISTRIBUTION AND MARKETING, (3) OTHER INTANGIBLES (AND GOODWILL IN 2001), (4) NON-RECURRING ITEMS, AND (5) HSN DISENGAGEMENT COSTS. SEGMENT RESULTS IN THIS RELEASE ARE PRESENTED ON AN EBITDA BASIS FOR PURPOSES OF COMPARISON WITH PRIOR PERIODS.

#### NET INCOME / ADJUSTED NET INCOME

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

	Q4 2002	Q4 2001	Growth
-----			
-----			
-----			
-- \$ IN			
MILLIONS			
Diluted net income available to common shareholders	\$ 128.5	\$ (24.4)	NM
One-time items (a)	(80.6)	12.2	NM
-----			
-----			
Diluted Net Income before one-time items	47.9	(12.2)	
NM Add back of preferred dividend	3.3		
- NM			
Amortization of non-cash compensation	9.2	8.3	11%
Amortization of non-cash			

distribution and marketing	9.9	9.0	9%
Amortization of other intangibles (non-cash)	49.6	52.1	
-5% Equity (income)/loss from 5.44% common interest in VUE (8.8) - NM Less: related tax and minority interest	(19.4)	(9.2)	
	-111%	-----	
	----	-----	
	--	-----	
- Adjusted Net Income \$	91.6	\$ 48.1	
		90%	
	=====		
	=====		
	=====		
Adjusted EPS	\$ 0.17	\$	
	0.09	80%	
	=====		
	=====		
	=====		

-----

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

NET CASH PROVIDED BY OPERATING ACTIVITIES / FREE CASH FLOW

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

FY 2002 -----
----- \$
IN MILLIONS
Earnings before preferred dividend \$
7.4
Depreciation and all amortization
452.6
5% PIK interest on Class A Preferred
(23.0)
Equity in losses of unconsolidated affiliates and other investment write-offs
121.9
Minority interest (benefit) /

expense 34.1  
 Changes in  
 working  
 capital and  
 other 147.9 -  
 -----  
 Net Cash  
 Provided by  
 Operating  
 Activities  
 740.8 Capital  
 expenditures  
 (153.4)  
 Investments  
 to fund HSN  
 International  
 (32.0)  
 Preferred  
 dividend paid  
 (10.2) -----  
 ----- Free  
 Cash Flow \$  
 545.2  
 =====

SEE IMPORTANT NOTES AT END OF DOCUMENT

SEGMENT RESULTS

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

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

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

- (b) Higher corporate costs are due primarily to an increase in corporate employees in connection with USA's significant expansion in 2002, as well as bonuses paid to senior executives for 2002 performance. No such bonuses were made in 2001.
- (c) International TV Shopping and Other includes HSE Germany, Euvia, HOT Networks, TV Travel Shop, HSN emerging businesses and overhead costs related to HSN International.
- (d) In order to present comparable results for International TV Shopping and Other, results for HSE-Germany have been translated from foreign currencies to U.S. dollars at a constant exchange rate.
- (e) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.
- (f) Please see footnotes on pages F-1 and F-2 for details on restructuring and one-time items.

SEE IMPORTANT NOTES AT END OF DOCUMENT

CAPITALIZATION

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

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

5,686 \$ (1,929) \$  
3,757

=====  
=====  
=====

As of 1/17/03

-----  
Diluted  
shares  
outstanding  
(g): Basic  
shares  
outstanding  
495.9  
Treasury  
method  
options,  
warrants and  
restricted  
stock 24.4 --

-----  
Diluted  
shares  
outstanding  
520.3 Market  
Capitalization  
\$ 11,914

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

#### OTHER DEVELOPMENTS

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AS ANNOUNCED IN AN EXPEDIA PRESS RELEASE ISSUED YESTERDAY, RICHARD BARTON WILL BE LEAVING HIS CEO AND DIRECTOR POSITIONS AT EXPEDIA BUT WILL NOT BE LEAVING THE USA FAMILY AS HE HAS AGREED TO JOIN THE USA BOARD OF DIRECTORS. SEPARATELY, USA IS APPOINTING ALAN SPOON TO THE USA BOARD OF DIRECTORS AS A NEW INDEPENDENT DIRECTOR. ALAN SPOON IS PRESENTLY A GENERAL PARTNER OF POLARIS VENTURE PARTNERS AND SERVED AS AN INDEPENDENT DIRECTOR OF TICKETMASTER UNTIL RECENTLY, WHEN TICKETMASTER BECAME A PRIVATE COMPANY.

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SEE IMPORTANT NOTES AT END OF DOCUMENT

#### OPERATING METRICS

Q4 2002 Q4  
2001 Growth

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

(a) INTERACTIVE GTV IS DEFINED AS GTV WHICH WAS GENERATED FROM THE TV OR PC FROM HSN, HSN.COM, TICKETMASTER.COM, HOTELS.COM, EXPEDIA, MATCH.COM, TV TRAVEL SHOP AND INTERVAL.

(b) INTERNET GTV IS DEFINED AS GTV WHICH WAS GENERATED ONLINE FROM HSN.COM, TICKETMASTER.COM, HOTELS.COM, EXPEDIA, MATCH.COM AND INTERVAL.

-----  
 ALL HOUSEHOLD NUMBERS AS OF END OF PERIOD.

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

(a) HOME LICENSING INCLUDES ELECTRONICS, COMPUTERS, AND OTHER HOMEGOODS.

(b) 2001 INCLUDES BROADCAST-ONLY HOMES WHICH WERE DISENGAGED FOLLOWING THE SALE OF USA BROADCASTING TO UNIVISION, WHICH WAS COMPLETED IN JANUARY 2002.

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INTERNATIONAL TV SHOPPING AND OTHER - Households (mm)

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

(a) NOT OWNED BY USA IN PRIOR YEAR'S PERIOD.  
 (b) IT IS EXPECTED THAT HOT NETWORKS WILL CONVEY A 3% INTEREST IN EUVIA TO A  
 FORMER SHAREHOLDER, IN WHICH CASE HSN'S EFFECTIVE STAKE IN EUVIA WOULD BE  
 REDUCED TO 45.6%.

-----  
 TICKETMASTER

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

-----  
 MATCH.COM

(a)

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

(a) THE OPERATING METRICS AND FINANCIAL RESULTS PRESENTED FOR MATCH.COM INCLUDE  
 THE IMPACT OF SOULMATES, ACQUIRED ON APRIL 12, 2002. THE 2001 OPERATING METRICS  
 AND FINANCIAL INFORMATION DO NOT INCLUDE SOULMATES.

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

(a) MERCHANT ONLY; EXCLUDES COMMISSIONABLE LODGING.

SEE IMPORTANT NOTES AT END OF DOCUMENT

Q4 2002 Q4  
2001 Growth  
-----  
-----

-----  
INTERVAL  
Active  
members  
1,499,668  
1,318,093  
13.8%  
Exchange  
transactions  
151,021  
148,988 1.4%  
% of  
Exchanges  
online 7.6%  
3.3% EXPEDIA  
GROSS  
BOOKINGS  
(MM) Total  
gross  
bookings (a)  
\$1,380 \$704  
96.0% Agency  
gross  
bookings  
1,002 540  
85.6%  
Merchant  
gross  
bookings  
(includes  
CCV) 378 164  
130.5% CCV  
gross  
bookings 42  
- N/A  
International  
gross  
bookings 123  
48 156.3%  
North

America  
gross  
bookings  
1,257 656  
91.6%

ADDITIONAL  
METRICS  
(000S)

Revenue from  
packages  
\$46,912  
\$11,573  
305.4% Total  
room nights  
stayed 3,168  
1,522 108.1%

Merchant  
room nights  
stayed 2,522  
1,178 114.1%

Merchant  
hotel  
average  
daily rate  
(excludes  
CCV) 119 109  
9.2%

CUSTOMERS  
(000S)  
Average

Media Metrix  
reach (000s)  
(b) 11,392  
9,238 23.3%

Expedia.com  
conversion  
(c) 6.8%  
5.2% New  
purchasing  
customers  
(000s) (d)  
1,528 870  
75.6%

Cumulative  
purchasing  
customers  
(000s) (e)  
12,360 6,294  
N/A Unique  
purchasing  
customers  
(000s) (f)  
2,225 1,383  
60.9%

- (a) GROSS BOOKINGS REPRESENTS THE TOTAL VALUE OF TRAVEL BOOKED THROUGH THE EXPEDIA, WWTE SITES, CLASSIC CUSTOM VACATIONS AND METROPOLITAN TRAVEL SINCE ACQUISITION.
- (b) AVERAGE MONTHLY MEDIA METRIX REACH REPRESENTS THE UNDUPLICATED REACH FOR THE EXPEDIA SITES.
- (c) CONVERSION REPRESENTS THE MONTHLY AVERAGE EXPEDIA.COM UNIQUE MONTHLY PURCHASERS DIVIDED BY THE MONTHLY AVERAGE MEDIA METRIX REACH FOR THE EXPEDIA.COM SITE.
- (d) EXPEDIA NEW PURCHASING CUSTOMERS REPRESENTS THE NUMBER OF NEW CUSTOMERS TRANSACTING THROUGH THE EXPEDIA SITES IN A QUARTER.
- (e) EXPEDIA CUMULATIVE PURCHASING CUSTOMERS REPRESENTS THE CUMULATIVE NUMBER OF CUSTOMERS THAT HAVE EVER TRANSACTED THROUGH THE EXPEDIA SITES AS OF THE END OF A QUARTER.
- (f) EXPEDIA QUARTERLY UNIQUE PURCHASING CUSTOMERS REPRESENTS THE NUMBER OF UNIQUE CUSTOMERS TRANSACTING THROUGH THE EXPEDIA SITES OVER THE COURSE OF A QUARTER.

#### DEFINITIONS

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

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

USA'S TRAVEL BUSINESSES include Expedia, Hotels.com, TV Travel Shop and Interval.

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

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

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

Page 6 of 7

SEE IMPORTANT NOTES AT END OF DOCUMENT

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

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

ANALYST CONFERENCE CALL

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

ADDITIONAL INFORMATION AND WHERE TO FIND IT

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to USA's anticipated financial performance, business prospects, new developments, new merchandising strategies and similar matters, and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. These forward-looking statements are necessarily estimates reflecting the best judgment of USA's senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions that could have a material adverse effect on USA's business, financial condition or results of operations. You should understand that the following important factors could affect USA's future

results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) material adverse changes in economic conditions generally or in such conditions affecting USA's markets or industries; (2) future regulatory and legislative actions and conditions affecting USA's operating areas; (3) competition from others; (4) successful integration of our divisions' management structures; (5) product demand and market acceptance; (6) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (7) the ability to maintain the integrity of USA's systems and infrastructure; (8) the ability to expand into and successfully operate in foreign markets; and (9) obtaining and retaining skilled workers and key executives. In addition, investors should consider the other information contained in or incorporated by reference into USA's filings with the U.S. Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the fiscal year ended 2001, especially in the Management's Discussion and Analysis section, its most recent Quarterly Report on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on USA's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release.

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

ABOUT USA INTERACTIVE

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

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	212-314-7254	212-314-7400

USA INTERACTIVE  
 152 West 57th Street, 42nd Floor New York, NY 10019 212.314.7300  
 FAX 212.314.7309 www.usainteractive.com

SEE IMPORTANT NOTES AT END OF DOCUMENT

USA INTERACTIVE  
 RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS  
 (\$ IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

FOR THREE MONTHS  
 ENDED DECEMBER  
 31, 2002: -----  
 -----  
 -----  
 -----  
 ----- PRO  
 FORMA  
 ADJUSTMENTS: PRO  
 FORMA ACTUAL  
 ADJUSTMENTS (a)  
 PRO FORMA ONE-  
 TIME ITEMS (b)  
 ADJUSTED -----  
 -----  
 -----  
 -----

---  
 -- Revenues, net  
     \$1,338,988  
     \$1,338,988  
 \$1,338,988 Costs  
     related to  
 revenues 803,911  
 803,911 (4,185)  
 799,726 -----  
 -----  
 -----

- Gross Profit  
 535,077 535,077  
   4,185 539,262  
 Other operating  
   costs 353,096  
 353,096 (5,555)  
       347,541  
 Disengagement  
 coupons included  
 as net revenues  
   (405) (405)  
 (405) -----  
 -----  
 -----

Adjusted EBITDA  
 182,386 182,386  
   9,740 192,126  
 Depreciation  
   49,739 49,739  
 (1,679) 48,060  
   HSN cable  
   distribution  
   fees 15,001  
   15,001 15,001  
 Amortization of  
 non-cash items:  
 Distribution and  
 marketing 9,859  
   9,859 9,859  
   Compensation  
   expense 5,700  
   3,528 9,228  
   9,228 Other  
   intangibles  
   31,746 17,903  
   49,649 49,649  
 Non-recurring  
 restructuring  
 items -- non-  
 EBITDA 2,221  
 2,221 (2,221) 0  
   HSN  
   disengagement  
   costs (e) 9,345  
 9,345 9,345 -----  
 -----  
 -----

----- Operating  
   income 58,775  
 (21,431) 37,344  
   13,640 50,984  
 Interest 28,130  
   28,130 28,130  
 Equity losses in  
 affiliates and  
   other 24,491  
 24,491 (12,750)  
 11,741 -----  
 -----  
 -----

-----  
 Earnings before  
 income taxes and

minority  
 interest 111,396  
 (21,431) 89,965  
 890 90,855  
 Income taxes  
 52,836 5,498  
 58,334 (81,151)  
 (22,817)  
 Minority  
 interest  
 (16,113) 1,098  
 (15,015) (351)  
 (15,366) -----  
 -----  
 -----  
 -----  
 -----

-- Earnings  
 before preferred  
 dividend 148,119  
 (14,835) 133,284  
 (80,612) 52,672  
 Preferred  
 dividend (3,264)  
 (3,264) (3,264)  
 -----  
 -----  
 -----

----- Income  
 from continuing  
 operations  
 available to  
 common  
 shareholders  
 144,855 (14,835)  
 130,020 (80,612)  
 49,408 Impact of  
 dilutive  
 securities  
 (1,510) (1,510)  
 (1,510) -----  
 -----  
 -----  
 -----

- Diluted Net  
 income available  
 143,345 (14,835)  
 128,510 (80,612)  
 47,898  
 =====  
 =====  
 =====  
 =====

=====  
 =====  
 Basic EPS \$0.32  
 \$0.26 \$0.10  
 Diluted EPS  
 \$0.30 \$0.25  
 \$0.10 Diluted  
 Net income  
 available -  
 continuing  
 operations  
 47,898 Preferred  
 dividend 3,264  
 Amortization of  
 non-cash items  
 68,736 Equity  
 gain related to  
 VUE (8,847)  
 Less: related  
 tax and minority  
 interest  
 (19,444) -----  
 ----- Adjusted  
 Net Income  
 91,607 -----  
 ----- Adjusted  
 EPS \$0.17



```

=====
RECONCILIATION
OF SHARES
OUTSTANDING:
Basic weighted
average shares
outstanding
449,339 45,471
(c ) 494,810
494,810 Options,
warrants and
restricted
stock, treasury
method 22,364
1,166 (c )
23,530 23,530
Conversion of
preferred shares
to common 19,434
19,434 19,434 --
-----
-----
----- Diluted
weighted average
shares
outstanding
491,137 537,775
537,775
=====
=====
Additional
impact of
restricted
shares 426(d)
426 -----
- Adjusted EPS
weighted average
shares
outstanding
538,200
=====

```

- 
- (a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.
  - (b) Non-recurring items include restructuring and one-time items related to restructuring operations, employee terminations and costs incurred by the special committees of Expedia and Ticketmaster, as well as the benefit of certain tax deductions related to Styleclick and Hot Germany, which are considered non-recurring.
  - (c) Additional shares and options issued in the Ticketmaster merger, which closed on January 17, 2003.
  - (d) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.
  - (e) Costs related to marketing and other activities in disengagement markets.

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USA INTERACTIVE  
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS  
(\$ IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

FOR THREE MONTHS  
ENDED DECEMBER 31,  
2001: -----

----- PRO

FORMA ADJUSTMENTS:  
 PRO FORMA ACTUAL  
 ADJUSTMENTS (a)  
 PRO FORMA ONE-TIME  
 ITEMS (b) ADJUSTED  
 -----  
 -----  
 -----

- Revenues, net  
 \$948,506 \$81,762  
 \$1,030,268  
 \$1,030,268 Costs  
 related to  
 revenues 632,634  
 25,597 658,231  
 658,231 -----  
 -----  
 -----

----- Gross  
 Profit 315,872  
 56,165 372,037  
 372,037 Other  
 operating costs  
 217,771 33,960  
 251,731 (3,041)  
 248,690 -----  
 -----  
 -----

----- Adjusted  
 EBITDA 98,101  
 22,205 120,306  
 3,041 123,347  
 Depreciation  
 30,810 3,749  
 34,559 34,559 HSN  
 cable distribution  
 fees 14,591 14,591  
 14,591  
 Amortization of  
 non-cash items:  
 Distribution and  
 marketing 6,519  
 2,521 9,040 9,040  
 Compensation  
 expense 2,369  
 5,953 8,322 8,322  
 Other intangibles  
 20,718 31,410  
 52,128 52,128  
 Amortization of  
 goodwill 54,320  
 (54,320) 0 0 HSN  
 disengagement  
 costs (f) 4,052  
 4,052 4,052 -----  
 -----  
 -----

Operating income  
 (35,278) 32,892  
 (2,386) 3,041 655  
 Interest (6,176)  
 26,357 20,181  
 20,181 Equity  
 losses in  
 affiliates and  
 other (26,442)  
 (2,119) (28,561)  
 14,688 (13,873) --  
 -----  
 -----  
 -----

Earnings before  
 income taxes and  
 minority interest  
 (67,896) 57,130

(10,766) 17,729  
6,963 Income taxes  
1,113 (6,081)  
(4,968) (4,998)  
(9,966) Minority  
interest 20,343  
(25,739) (5,396)  
(522) (5,918) -----  
-----  
-----

-----  
Earnings before  
preferred dividend  
(46,440) 25,310  
(21,130) 12,209  
(8,921) Preferred  
dividend 0 (3,264)  
(3,264) (3,264) --  
-----  
-----  
-----

Income from  
continuing  
operations  
available to  
common  
shareholders  
(46,440) 22,046  
(24,394) 12,209  
(12,185) Impact of  
dilutive  
securities 0 0 0 -  
-----  
-----  
-----

Diluted Net income  
available -  
continuing  
operations  
(46,440) 22,046  
(24,394) 12,209  
(12,185)  
Discontinued  
operations (c)  
(10,508) 10,508 0  
0 -----  
-----  
-----

--- Diluted Net  
income (\$56,948)  
\$32,554 (\$24,394)  
\$12,209 (\$12,185)  
=====

=====  
=====  
=====  
=====  
=====  
Basic  
and Diluted EPS -  
continuing  
operations (\$0.12)  
(\$0.05) (\$0.03)  
Basic and Diluted  
EPS (\$0.15)  
(\$0.05) (\$0.03)  
Diluted Net income  
available -  
continuing  
operations  
(12,185)  
Amortization of  
non-cash items  
69,490 Less:  
related tax and  
minority interest  
(9,211) -----  
-- Adjusted Net  
Income 48,094 ----

----- Adjusted  
 EPS \$0.09  
 =====  
 RECONCILIATION OF  
 SHARES  
 OUTSTANDING: Basic  
 weighted average  
 shares outstanding  
 377,139 106,351  
 (d) 483,490  
 483,490 Options,  
 warrants and  
 restricted stock,  
 treasury method 0  
 0 0 0 Conversion  
 of preferred  
 shares to common 0  
 0 0 ----- ---  
 -----  
 ---- Diluted  
 weighted average  
 shares outstanding  
 377,139 483,490  
 483,490 =====  
 =====  
 Options, warrants  
 and restricted  
 stock, treasury  
 method 23,740  
 23,740 Additional  
 impact of  
 restricted shares  
 117(e) 117 -----  
 ----- Adjusted EPS  
 weighted average  
 shares outstanding  
 507,347  
 =====

- (a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.
- (b) Non-recurring items include restructuring and one-time items related to restructuring operations, employee terminations and a write-down of investments.
- (c) Discontinued operations relates to the results of USA Entertainment of \$(10.5) million.
- (d) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (20.6mm), shares issued in the VUE transaction on May 7, 2002 (7.1 mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (33.2mm).
- (e) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.
- (f) Costs related to marketing and other activities in disengagement markets.

F-2

USA INTERACTIVE  
 RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS  
 (\$ IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

FOR TWELVE MONTHS  
 ENDED DECEMBER  
 31, 2002: -----  
 -----  
 -----  
 -----

----- PRO FORMA  
 ADJUSTMENTS: PRO  
 FORMA ACTUAL  
 ADJUSTMENTS (A)  
 PRO FORMA ONE-  
 TIME ITEMS (B)  
 ADJUSTED -----  
 -----  
 -----

-----  
 Revenues, net  
 \$4,621,224  
 \$35,487  
 \$4,656,711  
 \$4,656,711 Costs  
 related to  
 revenues  
 2,818,443 10,586  
 2,829,029 (5,861)  
 2,823,168 -----  
 -----  
 -----

-----  
 Gross Profit  
 1,802,781 24,901  
 1,827,682 5,861  
 1,833,543 Other  
 operating costs  
 1,194,861 15,723  
 1,210,584  
 (52,994)  
 1,157,590  
 Disengagement  
 coupons included  
 as net revenues  
 (c) (2,205)  
 (2,205) (2,205) -  
 -----  
 -----  
 -----

-----  
 -- Adjusted  
 EBITDA 610,125  
 9,178 619,303  
 58,855 678,158  
 Depreciation  
 177,219 919  
 178,138 (1,679)  
 176,459 HSN cable  
 distribution fees  
 53,680 53,680  
 53,680  
 Amortization of  
 non-cash items:  
 Distribution and  
 marketing 37,344  
 4,059 41,403  
 41,403  
 Compensation  
 expense 15,899  
 15,044 30,943  
 30,943 Other  
 intangibles  
 168,430 47,859  
 216,289 (22,247)  
 194,042 Non-  
 recurring  
 restructuring  
 items -- non-  
 EBITDA 39,129  
 39,129 (39,129) 0  
 HSN disengagement  
 costs (c) 31,671  
 31,671 31,671 ---  
 -----  
 -----  
 -----

Operating income  
86,753 (58,703)  
28,050 121,910  
149,960 Interest  
and other 67,827  
34,779 102,606  
102,606 Equity  
losses in  
affiliates and  
other (107,552)  
(120) (107,672)  
87,042 (20,630) -  
-----  
-----  
-----

-- Earnings  
before income  
taxes and  
minority interest  
47,028 (24,044)  
22,984 208,952  
231,936 Income  
taxes (5,572)  
(1,826) (7,398)  
(102,782)  
(110,180)  
Minority interest  
(34,078) (15,885)  
(49,963) (726)  
(50,689) -----  
-----  
-----

Earnings before  
preferred  
dividend 7,378  
(41,755) (34,377)  
105,444 71,067  
Preferred  
dividend (11,759)  
(1,297) (13,056)  
0 (13,056) -----  
-----  
-----

Income from  
continuing  
operations  
available to  
common  
shareholders  
(4,381) (43,052)  
(47,433) 105,444  
58,011 Impact of  
dilutive  
securities  
(5,296) (924)  
(6,220) (6,220) -  
-----  
-----  
-----

-- Diluted Net  
income available  
- continuing  
operations  
(9,677) (43,976)  
(53,653) 105,444  
51,791  
Discontinued  
operations (d)  
2,407,114  
(2,407,114) 0 0  
Cumulative effect  
of accounting  
change (461,389)  
461,389 0 0  
Impact of

dilutive  
 securities 0 0 0  
 -----  
 -----  
 -----  
 --- Diluted Net  
 income \$1,936,048  
 (\$1,989,701)  
 (\$53,653)  
 \$105,444 \$51,791  
 =====

=====  
 =====

=====  
 Basic EPS -  
 continuing  
 operations  
 (\$0.01) (\$0.10)  
 \$0.12 Diluted EPS  
 - continuing  
 operations  
 (\$0.02) (\$0.11)  
 \$0.10 Diluted EPS  
 \$4.54 (\$0.11)  
 \$0.10 Diluted Net  
 income available  
 - continuing  
 operations 51,791  
 Amortization of  
 non-cash items  
 266,388 Equity  
 gain related to  
 VUE (6,108) Less:  
 related tax and  
 minority interest  
 (76,208) -----  
 ---- Adjusted Net  
 Income 235,863 --  
 -----

Adjusted EPS  
 \$0.45  
 =====

RECONCILIATION OF  
 SHARES

OUTSTANDING:  
 Basic weighted  
 average shares  
 outstanding  
 426,317 66,107  
 (e) 492,424  
 492,424 Options,  
 warrants and  
 restricted stock,  
 treasury method 0  
 0 0 25,840 25,840  
 Conversion of  
 preferred shares  
 to common 0 0 0 -  
 -----

-- Diluted  
 weighted average  
 shares  
 outstanding  
 426,317 492,424  
 518,265  
 =====

=====  
 Options, warrants  
 and restricted  
 stock, treasury  
 method 0 0  
 Additional impact  
 of restricted  
 shares 207(f) 207  
 -----  
 Adjusted EPS  
 weighted average  
 shares

outstanding  
518,472  
=====

- 
- (a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANI LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.
  - (b) Non-recurring items include the write-down of certain investments, costs of ECS contract terminations, costs to shut-down certain operations, including HSN Espanol and HSN Italy, a write-down of goodwill for PRC as well as costs to shut-down certain PRC call centers, costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster and the write-down of certain equity investments.
  - (c) Costs related to marketing and related activities in the disengagement markets.
  - (d) Discontinued operations relates to the gain on the contribution of USA Entertainment to VUE of \$2.38 billion, the results of USA Entertainment prior to May 7, 2002 of \$28.8 million and the cumulative effect of accounting change for the new goodwill rules of \$(461.4) million. The company is in the process of finalizing the gain on the VUE transaction, as the tax expense was based on a preliminary estimate of the company's tax basis in the assets.
  - (e) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (2.0 mm), shares issued in the VUE transaction on May 7, 2002 (2.5mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (16.2 mm).
  - (f) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.

F-3

USA INTERACTIVE  
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS  
(\$ IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

FOR TWELVE MONTHS  
ENDED DECEMBER  
31, 2001: -----

-----  
-----  
-----

-----  
PRO FORMA  
ADJUSTMENTS: PRO  
FORMA ACTUAL  
ADJUSTMENTS (a)  
PRO FORMA ONE-  
TIME ITEMS (b)  
ADJUSTED -----

-----  
-----  
-----

----- Revenues,  
net \$ 3,468,860  
\$296,936  
\$3,765,796  
\$3,765,796 Costs  
related to  
revenues  
2,331,297 93,132  
2,424,429  
2,424,429 -----

-----  
-----  
-----

----- Gross  
Profit 1,137,563  
203,804 1,341,367  
1,341,367 Other  
operating costs  
839,636 142,940  
982,576 (20,064)



962,512 -----

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Preferred  
dividend 0  
(13,056) (13,056)  
(13,056) -----  
-----  
-----

----- Income  
from continuing  
operations  
available to  
common (186,799)  
55,095 (131,704)  
34,507 (97,197)  
shareholders  
Impact of  
dilutive  
securities 0 0 0  
-----  
-----  
-----

- - - - -  
Diluted Net  
income available  
- continuing  
operations  
(186,799) 55,095  
(131,704) 34,507  
(97,197)  
=====

=====

-----  
Discontinued  
operations (c)  
570,407 (570,407)  
0 0 -----  
-----  
-----

- Diluted Net  
income \$383,608  
(\$515,312)  
(\$131,704)  
\$34,507 (\$97,197)  
=====

=====

===== Basic  
and Diluted EPS -  
continuing  
operations  
(\$0.50) (\$0.27)  
(\$0.20) Diluted  
EPS \$1.03 (\$0.27)  
(\$0.20) Diluted  
Net income  
available -  
continuing  
operations  
(97,197)  
Amortization of  
non-cash items  
277,973 Less:  
related tax and  
minority interest  
(58,204) -----  
-- Adjusted Net  
Income 122,572 --  
----- Adjusted  
EPS \$0.24  
=====

RECONCILIATION OF  
SHARES  
OUTSTANDING:  
Basic weighted  
average shares  
outstanding  
374,101 106,351

(d ) 480,452  
 480,452 Options,  
 warrants and  
 restricted stock,  
 treasury method 0  
 0 0 0 0

Conversion of  
 preferred shares  
 to common 0 0 0 -  
 -----

Diluted weighted  
 average shares  
 outstanding  
 374,101 480,452  
 480,452 =====  
 =====

Options, warrants  
 and restricted  
 stock, treasury  
 method 31,501  
 31,501 Additional  
 impact of  
 restricted shares  
 114 (e) 114 -----  
 ----- Adjusted  
 EPS weighted  
 average shares  
 outstanding  
 512,067  
 =====

- 
- (a) Pro forma adjustments represent the impacts of the Expedia merger which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, the merger of TM and TMCS, which occurred on January 31, 2001, and the merger with Ticketmaster, which closed January 17, 2003, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.
  - (b) Non-recurring items include one-time items related to restructuring operations, employee terminations and benefits and a write-down of investments.
  - (c) Discontinued operations relates to a gain on sale of USAB to Univision of \$517.8 million, the results of USA Entertainment of \$61.8 million and the cumulative effect of accounting change for the new rules on film accounting of \$(9.2) million.
  - (d) Pro forma shares include the impact of the TM merger which closed on January 17, 2003 (45.5 mm), the Expedia transaction that closed February 4, 2002 (20.6 mm), shares issued in the VUE transaction on May 7, 2002 (7.1 mm) and shares issued in the roll-up of Home Shopping Networks, Inc. which occurred in June 2002 (33.2mm).
  - (e) For Adjusted EPS purposes, the impact of restricted shares is based on the weighted average shares outstanding, without taking into account the treasury method impact of computing dilutive securities.
  - (f) Costs related to marketing and other activities in disengagement markets.

F-4

USA INTERACTIVE  
 SEGMENT RESULTS FOR THREE MONTHS ENDED DECEMBER 31, 2002  
 (\$ IN THOUSANDS EXCEPT  
 PER SHARE  
 AMOUNTS)

Revenue  
 Adjusted  
 EBITDA (a)  
 Operating  
 Income -----  
 -----  
 -----  
 -----  
 -----  
 -----  
 -----

Q4 2002 Q4

2001 Growth  
Q4 2002 Q4  
2001 Growth  
Q4 2002 Q4  
2001 Growth

-----  
-----  
-----  
-----  
-----

----- \$  
IN MILLIONS  
\$ IN  
MILLIONS \$  
IN MILLIONS

Operating  
Businesses:

HSN - U.S. \$

470.3 \$  
476.2 -1% \$  
84.3 \$ 76.1  
11% \$ 43.1 \$  
34.0 27%  
Ticketing  
164.3 131.8  
25% 34.3  
21.5 60%  
16.6 2.2  
659%

Match.com  
37.1 17.6  
111% 12.5  
7.6 65% 9.3  
3.7 149%

Hotels.com  
272.6 141.7  
92% 32.5  
22.9 42%  
25.9 17.0  
52% Expedia  
163.8 81.8  
100% 47.0  
22.2 112%  
27.4 4.4  
525%

Interval  
36.4 - NM  
3.6 - NM  
(5.5) - NM  
PRC 78.0  
69.8 12%

11.9 6.2 91%  
1.8 (2.4) NM  
Corporate  
and other  
(b) - - NM  
(16.6) (7.0)  
-136% (24.8)  
(9.8) -154%

-----  
-----  
-----  
-----

Sub-total  
1,222.5  
918.7 33%  
209.5 149.4  
40% 93.7  
49.1 91%

Emerging  
Businesses:  
Citysearch  
and related  
8.3 10.3  
-19% (10.0)  
(9.9) -1%  
(24.6)

(28.7) 14%  
International  
TV shopping  
and other  
(c) 105.4  
82.2 28%  
(3.3) (7.7)  
58% (3.7)  
(10.6) 65%  
ECS /  
Styleclick  
8.8 12.4  
-29% (3.9)  
(7.8) 50%  
(4.8) (8.6)  
43% -----  
-----  
-----  
-----  
-----  
-----

Sub-total  
122.5 104.9  
17% (17.2)  
(25.4) 32%  
(33.1)  
(48.0) 31%  
Foreign  
exchange  
rate  
fluctuation  
(d) (2.9)  
(10.2) 72%  
(0.2) (0.2)  
-3% (0.2)  
(0.1) 323%  
HSN

Disengagement  
(e) (0.4)  
19.1 NM -  
(0.5) 100%  
(9.3) (0.5)  
1967%

Intersegment  
Elimination  
(2.8) (2.2)  
-29% - - NM  
- - NM -----  
-----  
-----  
-----  
-----

-- Total  
\$1,339.0 \$  
1,030.3 30%  
\$ 192.1 \$  
123.3 56% \$  
51.0 \$ 0.7  
7684%

=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====  
Attributable  
Adjusted  
EBITDA -  
Operating \$  
177.1 \$  
105.7 68%  
Businesses  
=====  
=====  
=====



---- YTD  
2002 YTD  
2001 Growth  
YTD 2002 YTD  
2001 Growth  
YTD 2002 YTD  
2001 Growth

-----  
-----  
-----  
-----  
-----

- \$ IN  
MILLIONS \$  
IN MILLIONS  
\$ IN

MILLIONS  
Operating  
Businesses:  
HSN - U.S.  
\$1,613.4  
\$1,556.9 4%  
\$ 272.0 \$  
222.1 22% \$  
117.6 \$ 78.6  
50%

Ticketing  
655.2 579.7  
13% 148.0  
106.2 39%  
78.2 41.7  
87%

Match.com  
125.2 49.3  
154% 36.1  
16.5 118%  
22.7 8.8  
157%

Hotels.com  
945.4 536.5  
76% 131.2  
81.4 61%  
106.1 62.2  
71% Expedia

589.2 296.9  
98% 173.7  
60.9 185%  
93.8 (13.4)  
802%

Interval  
38.7 - NM  
4.0 - NM  
(5.3) - NM  
PRC 295.2  
298.7 -1%

35.3 34.3 3%  
(2.8) 2.9 NM  
Corporate  
and other  
(b) - - NM  
(45.9)  
(31.2) -47%  
(64.9)  
(55.0) -18%

-----  
-----  
-----  
-----  
-----

- Sub-total  
4,262.4  
3,318.0 28%  
754.4 490.3  
54% 345.4  
126.0 174%  
Emerging  
Businesses:  
Citysearch  
and related

30.8 46.1  
-33% (38.0)  
(43.4) 13%  
(100.4)  
(130.3) 23%

International  
TV shopping  
and other  
(c) 371.5  
319.4 16%  
(13.7)  
(24.5) 44%  
(30.5)  
(33.3) 8%  
ECS /  
Styleclick  
39.2 34.2  
15% (23.7)  
(53.6) 56%  
(32.0)  
(62.5) 49% -

-----  
-----  
-----  
-----  
-----  
-----  
-----

- Sub-total  
441.5 399.8  
10% (75.4)  
(121.5) 38%  
(163.0)  
(226.1) 28%  
Foreign  
exchange  
rate

fluctuation  
(d) (34.4)  
(46.9) 27%  
(0.8) (1.2)  
36% (0.8)  
(0.6) NM HSN  
Disengagement  
(e) (2.2)  
102.0 NM -  
11.2 NM  
(31.7) 11.2  
NM

Intersegment  
Elimination  
(10.6) (7.1)  
-50% - - NM  
- - NM -----  
-----  
-----  
-----

-----  
Total  
\$4,656.7  
\$3,765.8 24%  
\$ 678.2 \$  
378.9 79% \$  
150.0 \$  
(89.5) NM

=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====  
=====

Attributable  
Adjusted  
EBITDA -  
Operating  
Businesses \$  
630.9 \$



324.1 95% NM

=====  
=====  
=====  
=====  
=====

Supplemental disclosure:

Total \$  
678.2 \$  
378.9 79% \$  
150.0 \$  
(89.5) NM  
Non-recurring items (f)  
(58.9)  
(20.1) -193%  
(121.9)  
(26.3) -363%

-----  
-----  
-----  
-----

- Including non-recurring items \$  
619.3 \$  
358.8 73% \$  
28.1  
\$(115.8)  
124%

=====  
=====  
=====  
=====  
=====  
=====  
=====

- (a) Amounts excluded from Adjusted EBITDA include Depreciation (\$176.5 million and \$142.4 million in 2002 and 2001, respectively); amortization of cable distribution fees (\$53.7 million and \$44.0 million in 2002 and 2001, respectively); amortization of non-cash items (\$266.4 million and \$278.0 million in 2002 and 2001, respectively); disengagement related payments to cable operators and marketing expenses (\$31.7 million, including \$2.2 million of coupons related to the disengaged markets, and \$4.1 million in 2002 and 2001, respectively) related to the transfer of HSN's distribution to cable (which has been accomplished); and non-recurring items of \$58.9 million and \$20.1 million in 2002 and 2001, respectively.
- (b) Higher corporate costs are due primarily to an increase in corporate employees in connection with USA's significant expansion in 2002, as well as bonuses paid to senior executives for 2002 performance. No such bonuses were made in 2001.
- (c) International TV Shopping and Other includes HSE Germany, Euvia, Hot Networks, TV Travel Shop, HSN emerging businesses and overhead costs related to HSN International.
- (d) In order to present comparable results for International TV Shopping and Other, results have been translated from foreign currencies to USA dollars at a constant exchange rate.
- (e) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.
- (f) Non-recurring items in 2002 include restructuring and one-time items related to restructuring operations, employee terminations and costs incurred by the special committees of Expedia and Ticketmaster, as well as the benefit of certain tax deductions related to Styleclick and Hot Germany, which are considered non-recurring. Non-recurring items in 2001 relate to restructuring operations, employee terminations and write-downs of certain investments.

(\$ IN MILLIONS, ROUNDING DIFFERENCES MAY EXIST)

Q4 2002 (a) -----  
 ----- OPERATING EXPENSES, EX. D&A, AMORTIZATION DISENGAGEMENT & OF CABLE  
 AMORTIZATION NONRECURRING ADJUSTED DISTRIBUTION OF NON-CASH REVENUE ITEMS EBITDA  
 DEPRECIATION FEES ITEMS -----  
 ----- OPERATING BUSINESSES: HSN - U.S. \$ 470 \$ (386) \$ 84 \$  
 (14) \$ (15) \$ (12) Ticketing 164 (130) 34 (8) - (10) Personals 37 (25) 13 (2) - (1)  
 Hotels.com 273 (240) 32 (1) - (6) Expedia 164 (117) 47 (4) - (16) Interval 36 (33)  
 4 (2) - (7) PRC 78 (66) 12 (10) - - Corporate expense and other adjustments - (17)  
 (17) (1) - (7) -----  
 ----- Subtotal \$ 1,223 \$ (1,013) \$ 210 \$ (42) \$ (15) \$ (58) EMERGING  
 BUSINESSES: Citysearch 8 (18) (10) (2) - (13) International TV shopping and other  
 103 (106) (4) (3) - 3 ECS / Styleclick 9 (13) (4) (1) - (0) -----  
 ----- Subtotal \$ 120 \$  
 (137) (17) \$ (6) \$ - \$ (10) Disengaged HSN homes (0) 0 - - - - Intersegment  
 elimination (3) 3 - - - -----  
 ----- TOTAL \$ 1,339 \$ (1,147) \$ 192 \$ (48) \$ (15) \$ (69)  
 =====

HSN DISENGAGEMENT NON-RECURRING OPERATING  
 COSTS ITEMS (b) INCOME -----  
 ----- OPERATING  
 BUSINESSES: HSN - U.S. \$ (9) \$ - \$ 34  
 Ticketing - - 17 Personals - - 9 Hotels.com  
 - - 26 Expedia - (1) 27 Interval - - (6)  
 PRC - (4) (2) Corporate expense and other  
 adjustments - - (25) -----  
 ----- Subtotal \$ (9) \$ (5)  
 \$ 80 EMERGING BUSINESSES: Citysearch - (4)  
 (29) International TV shopping and other -  
 - (4) ECS / Styleclick - (5) (10) -----  
 -----  
 Subtotal \$ - \$ (9) \$ (42) Disengaged HSN  
 homes - - Intersegment elimination - - ----  
 -----  
 TOTAL \$ (9) \$ (14) \$ 37  
 =====

Q4 2001 (a) -----  
 ----- OPERATING EXPENSES, EX. D&A, AMORTIZATION DISENGAGEMENT & OF CABLE  
 AMORTIZATION NONRECURRING ADJUSTED DISTRIBUTION OF NON-CASH REVENUE ITEMS EBITDA  
 DEPRECIATION FEES ITEMS -----  
 ----- OPERATING BUSINESSES: HSN - U.S. \$ 476 \$ (400) \$ 76 \$ (12)  
 \$ (14) \$ (12) Ticketing 132 (110) 21 (7) - (12) Personals 18 (10) 8 (0) - (3)  
 Hotels.com 142 (119) 23 (1) - (5) Expedia 82 (60) 22 (4) - (14) Interval - - - - -  
 PRC 70 (64) 6 (9) - - Corporate expense and other adjustments - (7) (7) 1 - (4) ----  
 -----  
 Subtotal \$ 919 \$ (769) \$ 149 \$ (31) \$ (14) \$ (51) EMERGING BUSINESSES: Citysearch 10  
 (20) (10) (1) - (18) International TV shopping and other 72 (80) (8) (2) (1) (0) ECS  
 / Styleclick 12 (20) (8) (1) - (0) -----  
 ----- Subtotal \$ 95 \$ (120) (26) \$ (4) \$ (1) \$ (18)  
 Disengaged HSN homes 19 (20) (0) - - - Intersegment elimination (2) 2 - - - - ----  
 -----  
 TOTAL \$ 1,030 \$ (907) \$ 123 \$ (35) \$ (15) \$ (69)  
 =====

HSN DISENGAGEMENT NON-RECURRING OPERATING  
 COSTS ITEMS (b) INCOME -----  
 ----- OPERATING  
 BUSINESSES: HSN - U.S. \$ (4) \$ (1) \$ 33  
 Ticketing - - 2 Personals - - 4 Hotels.com  
 - - 17 Expedia - - 4 Interval - - - PRC -  
 (1) (3) Corporate expense and other  
 adjustments - - (10) -----  
 ----- Subtotal \$ (4) \$ (2)  
 \$ 47 EMERGING BUSINESSES: Citysearch - -  
 (29) International TV shopping and other -  
 (1) (11) ECS / Styleclick - - (9) -----  
 -----  
 Subtotal \$ - \$ (1) \$ (49) Disengaged HSN  
 homes - - (0) Intersegment elimination - -  
 -----  
 --- TOTAL \$ (4) \$ (3) \$ (2)  
 =====

(a) Pro forma for Expedia and VUE transactions.

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

The financial, statistical and other information contained herein is unaudited.  
As filed with Securities and Exchange Commission on February 6, 2003.

F-7

USA INTERACTIVE  
RECONCILIATION SCHEDULES  
(\$ IN MILLIONS, ROUNDING DIFFERENCES MAY EXIST)

PRO FORMA 2002 (a) -----  
----- OPERATING EXPENSES, EX. D&A, AMORTIZATION DISENGAGEMENT & OF  
CABLE AMORTIZATION NONRECURRING ADJUSTED DISTRIBUTION OF NON-CASH REVENUE ITEMS  
EBITDA DEPRECIATION FEES ITEMS -----  
----- OPERATING BUSINESSES: HSN - U.S. \$ 1,613 \$ (1,341)  
\$ 272 \$ (53) \$ (52) \$ (49) Ticketing 655 (507) 148 (29) - (41) Personals 125 (89) 36  
(8) - (6) Hotels.com 945 (814) 131 (3) - (22) Expedia 589 (415) 174 (16) - (64)  
Interval 39 (35) 4 (2) - (7) PRC 295 (260) 35 (38) - - Corporate expense and other  
adjustments - (46) (46) (7) - (12) -----  
----- Subtotal \$ 4,262 \$ (3,508) \$ 754 \$ (156) \$ (52)  
\$ (200) EMERGING BUSINESSES: Citysearch 31 (69) (38) (8) - (55) International TV  
shopping and other 337 (352) (14) (10) (1) (6) ECS / Styleclick 39 (63) (24) (3) -  
(5) -----  
----- Subtotal \$ 407 \$ (483) (76) \$ (20) \$ (1) \$ (66) Disengaged HSN homes (2) 2 - -  
- - Intersegment elimination (11) 11 - - - - TOTAL \$ 4,657 \$ (3,979) \$ 678 \$ (176) \$  
(54) \$ (266)  
=====

HSN DISENGAGEMENT NON-RECURRING OPERATING  
COSTS ITEMS (b) INCOME -----  
----- OPERATING  
BUSINESSES: HSN - U.S. \$ (32) \$ - \$ 86  
Ticketing - - 78 Personals - - 23  
Hotels.com - (1) 106 Expedia - (2) 92  
Interval - - (5) PRC - (35) (38) Corporate  
expense and other adjustments - - (65) -----  
----- Subtotal \$ (32) \$ (38) \$ 276 EMERGING  
BUSINESSES: Citysearch - (6) (106)  
International TV shopping and other - (49)  
(81) ECS / Styleclick - (29) (61) -----  
----- Subtotal \$ - \$ (84) \$ (248) Disengaged HSN  
homes - - - Intersegment elimination - - -  
TOTAL \$ (32) \$ (122) \$ 28  
=====

PRO FORMA 2001 (a) -----  
----- OPERATING EXPENSES, EX. D&A, AMORTIZATION DISENGAGEMENT & OF  
CABLE AMORTIZATION NONRECURRING ADJUSTED DISTRIBUTION OF NON-CASH REVENUE ITEMS  
EBITDA DEPRECIATION FEES ITEMS -----  
----- OPERATING BUSINESSES: HSN - U.S. \$ 1,557 \$ (1,335)  
\$ 222 \$ (49) \$ (42) \$ (49) Ticketing 580 (473) 106 (23) - (41) Personals 49 (33) 17  
(2) - (6) Hotels.com 536 (455) 81 (2) - (18) Expedia 297 (236) 61 (11) - (63)  
Interval N/A N/A N/A N/A N/A - PRC 299 (264) 34 (31) - - Corporate expense and other  
adjustments - (31) (31) (5) - (19) -----  
----- Subtotal \$ 3,318 \$ (2,828) \$ 490 \$ (123) \$ (42)  
\$ (196) EMERGING BUSINESSES: Citysearch 46 (90) (43) (7) - (80) International TV  
shopping and other 273 (298) (26) (4) (2) (2) ECS / Styleclick 34 (88) (54) (9) -  
(0) -----  
----- Subtotal \$ 353 \$ (476) (123) \$ (20) \$ (2) \$ (82) Disengaged HSN homes 102 (91)  
11 - - - Intersegment elimination (7) 7 - - - - TOTAL \$ 3,766 \$ (3,387) \$ 379 \$  
(142) \$ (44) \$ (278)  
=====

HSN DISENGAGEMENT NON-RECURRING OPERATING  
COSTS ITEMS (b) INCOME -----  
----- OPERATING  
BUSINESSES: HSN - U.S. \$ (4) \$ (1) \$ 77  
Ticketing - - 42 Personals - - 9 Hotels.com  
- - 62 Expedia - - (13) Interval N/A N/A  
N/A PRC - (9) (6) Corporate expense and  
other adjustments - (3) (59) -----

```

----- Subtotal $
(4) $ (13) $ 113 EMERGING BUSINESSES: -
Citysearch - (1) (131) International TV
shopping and other - (2) (35) ECS /
Styleclick - (11) (73) -----
----- Subtotal $ - $
(13) $ (240) Disengaged HSN homes - - 11
Intersegment elimination - - - -----
----- TOTAL $
(4) $ (26) $ (116)
=====

```

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

USA PROVIDES FINAL 2003 BUDGET TO INVESTMENT COMMUNITY  
As filed with the Securities and Exchange Commission on February 6, 2003

On October 24, 2002, USA Interactive ("USA") released its preliminary budget for 2003. Today, we provide our final 2003 budget along with our year-end earnings report. The budget was revised to reflect our 2002 results, some pending and all recently completed transactions, and the current state of our businesses. In conjunction with the release of future quarterly results, we will report how we are performing against this budget.

#### PRESENTATION OF NON-GAAP MEASURES

USA believes that certain non-GAAP measures, including EBITA, Adjusted Net Income, (previously referred to as "Cash Net Income"), Adjusted EPS (previously referred to as "Cash EPS") and Free Cash Flow, are helpful to investors, when presented in conjunction with the comparable GAAP measures. The non-GAAP measures are not meant to replace or supersede the GAAP measures, but rather to supplement the information to present the readers of the financial statements the same information as management considers in assessing the results of operations and performance of USA and its business units.

When presenting non-GAAP financial measures, USA will clearly present a reconciliation of the most directly comparable GAAP measures. These non-GAAP measures are consistent with how management views the results of operations in assessing performance. The final rules on these measures were just released by the SEC in January, so we, like the rest of the world, are in the process of interpreting the rules. While we believe that the measures we present comply with the rules, we will continue to monitor any developments in their interpretation. Accordingly, we can give no assurance that we will be able to provide these or comparable measures in future filings.

#### OUR NEW ORGANIZATION

In December, we organized our operations into three groups: Electronic Retailing, Information and Services and Travel Services and will report our results accordingly in 2003. And as we indicated in October, our previous distinction between "Operating" and "Emerging" businesses has been eliminated. This has also slightly changed some of our segment presentation as follows:

- As part of our purchase and integration of Ticketmaster, we have eliminated the Ticketmaster public company corporate structure and allocated overhead expenses to Ticketing, Personals and Citysearch as appropriate.
- We have created a new Local services group, which includes Citysearch, eVite and EPI, the acquisition of which is pending and which we have assumed for all

Page 1

purposes herein will close on April 1, 2003. These businesses will work closely in creating promotions for hundreds of thousands of local merchants.

- HSN - U.S. now includes Ingenious Designs Ltd. ("IDL"), which was previously classified as an emerging business (inside International TV Shopping and Other) since its original business plan was to develop infomercial products as well as products for HSN. We have since refocused IDL to develop exclusive product for HSN and believe that it should be reported as part of the core HSN business as a result of that change in strategy.
- TV Travel Shop is reported separately as part of the Travel Services group, and International TV Shopping now includes just HSN Germany and Euvia.
- We have added a segment called "Interactive Development." As part of our continued expansion in the interactive commerce space, we have determined that it is very important for us to continue to invest in growth initiatives that will develop into new lines of business or will help us leverage our scale in multiple lines of business. Initiatives such as the potential launch of the U.S.-based TV travel network and entry into new commerce verticals are included in this segment.

#### FINAL VS. PRELIMINARY BUDGET

As compared to our preliminary budget, USA expects 2003 revenue to be slightly

higher than previously budgeted, due to the inclusion of EPI and anticipated revenue increases at Expedia and Ticketing which are expected to offset the lower revised revenue budget for Hotels.com that it previously announced in January.

With respect to EBITA, USA expects about 3% higher EBITA growth in 2003 as compared to the preliminary budget. Again, the acquisition of EPI and anticipated increases at Expedia, bolstered by an improved outlook at HSN International, is expected to more than offset reductions at Hotels.com and HSN-U.S. The lowering of EBITA at HSN-U.S. is based on a small reduction to revenue growth and an increase in amortization of cable fees. (We made a mistake in our calculation of amortization of cable fees in our preliminary budget and have corrected it, based on the most recent data.)

Operating Income is expected to be 31% higher than the preliminary budget, due to the inclusion of EPI and due to a reduction in amortization of intangibles relating to the step-up in basis of HSN as a result of the Vivendi transaction and other acquisitions completed in 2002 and 2003, including the acquisitions of Interval and TV Travel Shop, the Ticketmaster merger and the pending acquisition of EPI.

Net income available to common shareholders is now expected to increase even more substantially, due to the increase in Operating Income and decreases in book taxes due to additional deferred taxes. This is offset by higher net interest expense due to a \$750 million bond offering that we completed in Q4 of 2002. While the issuance of the bonds

Page 2

causes modest short-term earnings dilution, we believe that our long-term return on that capital will exceed its cost.

GAAP EPS is now expected to grow even more dramatically in 2003 than previously anticipated. Adjusted Net Income remains basically unchanged from the preliminary budget, as the drivers of increases in Operating Income and Net Income are primarily non-cash. Adjusted EPS is down 5% from the preliminary budget due to a higher 2003 shares outstanding figure based on the most recent data.

Free Cash Flow is expected to be 4% to 5% lower than the preliminary budget. The inclusion of EPI and changes in various segments are expected to partially offset increases in capital expenditures (primarily relating to various real estate projects) and increased interest expense due to the company's recently completed bond offering. Net Cash from operating activities is expected to be about 2% higher than the preliminary budget. Because of USA's business fundamentals, working capital is currently a positive source of free cash flow for USA. However, it could be less robust depending on economic conditions, and in the event of sudden changes in economic conditions, could even decline.

As we did in our preliminary budget, we continue to budget for cash distributions by VUE to USA under the parties' partnership agreement, including tax distributions relating to the VUE preferred interests. As we have already publicly disclosed, Vivendi is disputing these payments.

Our final budget also includes estimates for the amortization of non-cash compensation. Our long-term goal is that non-cash compensation (after adjusting for taxes and minority interest) will range from 5% to 8% of Adjusted Net Income. While we have transitioned the significant majority of our equity compensation to restricted stock, our public subsidiaries may issue some employee stock options in 2003 as they complete the transition to 100% restricted stock. As we have announced previously, USA will prospectively expense options issuances for GAAP purposes.

It is important to note that our 2003 budget represents USA management's best estimate of the company's performance for the upcoming year based on the current state of the economy. This budget does not take into account a war scenario or any other major domestic or world event which significantly might affect our businesses.

Please feel free to contact USA Investor Relations at 212-314-7400, or at IR@USAINTERACTIVE.COM if you have any questions or for further information.

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(\$ IN MILLIONS EXCEPT PER SHARE AMOUNTS)

2003 GROWTH PRO FORMA PRO FORMA -----  
---- 2001 2002 Q1 Q2 Q3 Q4 FY '01-'02' 02-'03 -----

REVENUE ELECTRONIC RETAILING: HSN - U.S. \$ 1,558 \$ 1,615 \$ 430 \$ 421 \$ 432 \$ 523 \$ 1,805 4% 12% International TV shopping (a) 271 309 97 92 91 106 387 14% 25% -----  
----- Total Electronic Retailing 1,829 1,924 527 513 523 628 2,192 5% 14%  
INFORMATION & SERVICES: Ticketing (b) 580 655 171 195 168 161 695 13% 6% Personals (c) 49 125 40 46 48 51 184 154% 47% Local services (d) 46 31 8 49 33 158 247 -33% 703% PRC 299 295 73 76 82 85 316 -1% 7% ECS / Styleclick (e) 34 39 3 - - - 3 15% -91% -----  
----- Total Information & Services 1,008 1,146 295 366 331 455 1,446 14% 26% TRAVEL SERVICES: Expedia 297 589 186 212 228 219 845 98% 43% Hotels.com 536 945 245 305 355 345 1,250 76% 32% Interval (f) N/A 39 56 54 59 56 226 N/A N/A TV Travel Shop (g) N/A 26 16 16 21 13 66 N/A N/A -----  
----- Total Travel Services 833 1,599 503 587 664 633 2,387 92% 49% Interactive Development 1 - - - - - Disengaged HSN homes 102 (2) - - - - - Intersegment elimination (7) (11) (4) (4) (4) (5) (16) -----  
----- TOTAL REVENUE \$ 3,766 \$ 4,657 \$ 1,322 \$ 1,461 \$ 1,514 \$ 1,712 \$ 6,008 24% 29%

EBITA ELECTRONIC RETAILING: HSN - U.S. \$ 127 \$ 163 \$ 35 \$ 45 \$ 46 \$ 65 \$ 192 28% 18% International TV shopping (a) (26) (12) 2 1 (0) 5 8 52% NM -----  
----- Total Electronic Retailing 101 151 38 46 46 70 200 49% 33% INFORMATION & SERVICES: Ticketing (b) 74 108 28 39 26 26 119 45% 10% Personals (c) 15 28 4 11 13 10 38 93% 35% Local services (d) (40) (32) (7) (7) (19) 60 27 19% NM PRC 3 (3) 0 1 2 3 7 NM NM ECS / Styleclick (e) (62) (27) (2) (3) (0) - (5) 57% 82% ---  
----- Total Information & Services (10) 75 24 41 22 99 186 NM 149% TRAVEL SERVICES: Expedia 50 158 41 57 63 60 221 218% 40% Hotels.com 80 128 26 40 52 51 169 60% 32% Interval (f) N/A 2 17 11 16 14 58 N/A N/A TV Travel Shop (g) N/A (7) (0) 0 4 (3) 0 N/A N/A -----  
----- Total Travel Services 130 281 83 108 135 122 448 117% 59% Interactive Development (h) (1) (3) (2) (6) (10) (12) (30) Corporate expense and other adjustments (38) (56) (13) (13) (13) (13) (53) -46% 5% Disengaged HSN homes 11 - - - - - -----  
----- TOTAL EBITA\* \$ 193 \$ 448 \$ 129 \$ 177 \$ 180 \$ 265 \$ 751 133% 68%

ATTRIBUTABLE EBITA EXCLUDING INTERVAL AND EPI\* \$ 149 \$ 331 \$ 85 \$ 129 \$ 133 \$ 145 \$ 493 122% 49% Net Income \$ (132) \$ (54) \$ 7 \$ 35 \$ 27 \$ 80 \$ 149 59% NM GAAP EPS (diluted) \$ (0.27) \$ (0.11) \$ 0.01 \$ 0.06 \$ 0.05 \$ 0.14 \$ 0.27 60% NM Adjusted Net Income\* \$ 123 \$ 236 \$ 72 \$ 104 \$ 95 \$ 143 \$ 414 92% 76% Adjusted EPS\* \$ 0.24 \$ 0.45 \$ 0.14 \$ 0.18 \$ 0.17 \$ 0.25 \$ 0.75 90% 64% Diluted Shares Outstanding: GAAP EPS 480 492 527 529 532 534 534 Adjusted EPS 512 518 529 551 534 555 555

For 2004, USA currently anticipates growth in: revenues and EBITA of approximately 24% and 46%, respectively; Operating Income of approximately 120%; each of Net Income and GAAP EPS (diluted) of approximately 130%; and each of Adjusted Net Income and Adjusted EPS of approximately 35%.

\* EXCLUDES NON-RECURRING ITEMS, INCLUDING RESTRUCTURING CHARGES. ADJUSTED EPS WAS PREVIOUSLY REFERRED TO AS CASH EPS.

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USA INTERACTIVE  
2003 BUDGET  
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2003 GROWTH PRO FORMA PRO FORMA -----  
---- 2001 2002 Q1 Q2 Q3 Q4 FY '01-'02' 02-'03 -----  
----- OPERATING INCOME ELECTRONIC RETAILING: HSN - U.S. \$ 72 83 \$ 18 \$ 28 \$ 30 \$ 48 \$ 123 14% 49% International TV shopping (a) (25) (12) 2 0 (0) 5 7 54% NM -----  
----- Total Electronic Retailing 47 71 20 29 29 53 130 51% 83% INFORMATION & SERVICES: Ticketing (b) 33 67 20 31 18 19 87 103% 30% Personals (c) 9 23 2 9 11 8 29 156% 29% Local services (d) (117) (81) (19) (23) (35) 44 (33) 31% 59% PRC 3 (3) 0 1 2 3 7 NM NM ECS / Styleclick (e) (62) (32) (2) (3) (0) - (5) 49% 83% -----  
----- Total Information & Services (135) (26) 1 15 (4) 73 85 81% NM TRAVEL SERVICES: Expedia (13) 94 16 38 45 42 140 NM 50% Hotels.com 62 106 20 32 45 43 141 71% 33% Interval (f) N/A (5) 11 5 9 8 33 N/A N/A TV Travel Shop (g) N/A (11) (2) (2) 2 (5) (7) N/A N/A -----

Interactive Development (2) (5) (6) (10) (14) (16) (44) Corporate expense and other adjustments (60) (74) (32) (32) (32) (32) (129) -24% -75% Disengaged HSN homes 11 - - - - -	Total Travel Services 49	184	44	74	101	88	307	277%	67%
Intersegment Elimination - - - - -	OPERATING INCOME EXCLUDING -----								
	NON-RECURRING ITEMS \$								
	(90)	\$ 150	\$ 27	\$ 76	\$ 80	\$ 166	\$ 348	NM	132%
=====									
Non-recurring items (26) (122) - - - - -	OPERATING INCOME \$ (116) \$ 28 \$ 27 \$ 76 \$ 80 \$ 166								
	\$ 348 NM 1140%								
=====									

FREE CASH FLOW (i) 2002

2003 '02 - '03 -----		
----- Net income		
before preferred dividend \$		
10 \$ 168 1538% Depreciation		
and amortization 429 631		
47% Noncash interest income		
(23) (39) -68% Equity		
losses of unconsolidated		
affiliates 122 (3) NM		
Minority interest (benefit)		
/ expense 34 78 130% Other		
changes in working capital		
and other 169 247 46% -----		
----- Net		
Cash provided by Operating		
Activities \$ 741 \$ 1,083		
46% Capital expenditures		
(153) (254) -66%		
Investments in HSN		
International (32) (4) 87%		
Preferred dividend (10)		
(13) -28% -----		
----- FREE CASH FLOW		
\$ 545 \$ 811 49%		
=====		

For 2004, USA currently anticipates growth in each of Free Cash Flow and Net Cash Provided by Operating Activities of approximately 25%.

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PRO FORMA PRO FORMA BUDGET GROWTH GROWTH 2001 2002				
2003 '01 - '02 '02 - '03 -----				
----- P&L Revenue \$ 3,766 \$ 4,657				
\$ 6,008 Operating expenses (3,573) (4,209) (5,257) ---				
-----				
EBITA 193 448 751 133% 68%				
=====				
Amortization of non-cash compensation, distribution				
and marketing (73) (72) (113) Amortization of other				
intangibles (non-cash) (j) (205) (194) (270)				
Disengagement costs (4) (32) (20) -----				
----- Operating income				
(90) 150 348 NM 132% Interest and dividend income 84				
103 82 Equity losses of unconsolidated affiliates and				
other (39) (21) (7) -----				
----- Income before taxes and minority				
interest (44) 232 424 NM 83% Income tax expense (40)				
(110) (177) Minority interest expense (k) (1) (51)				
(78) Impact of dilutive securities (k) - (6) (6) -----				
----- Net				
income before preferred dividend (84) 65 162 NM 150%				
Preferred dividend (13) (13) (13) -----				
----- Net income				



available to common shareholders, before non-recurring  
\$ (97) \$ 52 \$ 149 NM 188% items

After-tax impact of non-recurring items (35) (105) - -

Net income available to common shareholders \$ (132) \$  
(54) \$ 149 59% NM

GAAP diluted shares outstanding 480 492 534 GAAP EPS  
(diluted) \$ (0.27) \$ (0.11) \$ 0.27 60% NM

Adjusted Net Income calculation: Net income available  
to common shareholders \$ (132) \$ (54) \$ 149 After-tax  
impact of non-recurring items 35 105 - Preferred  
dividend - - 13 Equity Income from 5.44% common  
interest in VUE (1) - (6) - Amortization of non-cash  
items 278 266 383 Less: related tax and minority  
interest (58) (76) (131) -----  
----- ADJUSTED NET INCOME \$ 123 \$  
236 \$ 414 92% 76%

Adjusted EPS diluted shares outstanding 512 518 555  
ADJUSTED EPS \$ 0.24 \$ 0.45 \$ 0.75 90% 64%

GAAP EPS diluted shares outstanding calculation: (m)  
Basic shares outstanding 480 492 508 Treasury method  
options, warrants and restricted stock (n)(o) 0 0 26 -  
----- GAAP diluted shares  
outstanding 480 492 534 Adjusted EPS diluted shares  
outstanding calculation: (m) Basic shares outstanding  
480 492 508 Treasury method options and warrants (n)  
(o) 31 26 26 Restricted stock (o) 0 0 2 Common shares  
issuable for convertible preferred (p) 0 - 19 -----  
----- Adjusted EPS diluted shares  
outstanding 512 518 555 =====

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#### USA INTERACTIVE

2003 BUDGET

Pro Forma for Vivendi and Expedia transactions and Ticketmaster merger

IMPORTANT: This Budget reflects USA management's expectations for performance in 2003 and its preliminary outlook for 2004 based on the current state of the economy. This budget does not take into account a war scenario or other major domestic or world event which significantly might affect our businesses.

#### DEFINITIONS

EBITA is defined as Operating Income plus: amortization of (1) non-cash distribution and marketing expense, (2) non-cash compensation expense, (3) other intangibles (and goodwill in 2001), and (4) disengagement related payments to cable operators and marketing expenses related to the transfer of HSN's distribution to cable (which has been accomplished). Excludes non-recurring items.

Attributable EBITA is defined as EBITA, less the percentage of EBITA attributable to minority shareholders of USA's public and other non-wholly owned subsidiaries.

Adjusted Net Income is defined as net income available to common shareholders plus: amortization of (1) non-cash distribution and marketing expense, (2) non-cash compensation, (3) other intangibles (and goodwill in 2001), net of related tax and minority interest expense and (4) equity income from USA's 5.44% common interest in VUE. Excludes non-recurring items. All amounts are presented on a fully diluted, treasury method basis except with respect to restricted stock, all of which is treated as outstanding for purposes of Adjusted EPS.

Free Cash Flow is defined as Net Cash Provided by Operating Activities, less capital expenditures, other investments relating to operations and preferred dividends paid. Free Cash Flow also includes cash received and tax payments related to the VUE securities. Free Cash Flow includes cash distributions of 3.6% of the face value of the VUE Class B preferred interest and assumes in 2003

the receipt of \$29.2 million in tax distributions relating to the VUE preferred interests, which tax distributions are currently the subject of dispute between USA and Vivendi. The tax distributions assume there is sufficient income at VUE and a tax rate of 40%. Tax payments of \$157 million in 2002 and an estimated \$100 - \$125 million in 2003 related to the sale of USA Broadcasting to Univision which closed in August 2001 are included in discontinued operations and accordingly have no impact on net cash from operations or free cash flow.

#### BUDGET FOOTNOTES

- (a) International TV Shopping includes HSE Germany, Euvia, Hot Networks, and overhead costs related to HSN International.
- (b) USA expects Ticketing EBITA growth in 2003 to be slower than 2002 due mainly to investment in new products and due to exceptionally strong 2002 results.
- (c) USA expects Personals EBITA growth in 2003 to be slower than 2002 due mainly to increased consumer marketing to grow the subscriber base.
- (d) Local Services is comprised of Citysearch, Evite, and Entertainment Publications, Inc. ("EPI") (transaction pending). Results from EPI are included from April 1, 2003 although the actual closing date of the transaction could differ. Revenue, EBITA and Operating Income for 2003 from the assumed closing date are \$205, \$41, and \$25 million respectively.
- (e) During Q4 2002, ECS / Styleclick announced several contract terminations and Styleclick announced at the beginning of Q1 2003 that the company has retained an investment banking firm to assist it in reviewing strategic alternatives, including but not limited to mergers, acquisitions, or a possible sale of Styleclick.
- (f) Includes results from Interval from September 24, 2002.
- (g) Includes results from TV Travel Shop from May 1, 2002.
- (h) Interactive Development represents USA's investment in growth initiatives that are anticipated to develop into new lines of business. Initiatives such as the potential launch of the U.S.- based TV travel network and entry into new commerce verticals are included in this segment.
- (i) For the purposes of the calculation of Free Cash Flow, Net Income before preferred dividend is defined as actual Net Income before preferred dividend, rather than proforma Net Income as shown on page 1.
- (j) The increase in amortization of intangibles relates primarily to the step-up in basis of HSN related to the Vivendi transaction and other acquisitions completed in 2002, including the acquisitions of Interval and TV Travel Group, the Ticketmaster merger and the pending acquisition of EPI. To the extent additional acquisitions are completed in the future, amortization of intangibles could increase.
- (k) Minority interest is calculated based on USA's basic ownership in Hotels.com, Expedia and Euvia. Impact of dilutive securities represents additional minority interest related to treasury method options, warrants and restricted stock at Hotels.com and Expedia.
- (l) As equity gains or losses arising from USA's common interest in VUE are not factors reviewed by USA in evaluating its operations, such gains or losses are excluded from the calculation of Adjusted Net Income.
- (m) For purposes of calculating GAAP EPS (diluted), restricted stock is amortized over the vesting period and the restricted shares are treated on a treasury method basis in the shares outstanding calculation. For purposes of calculating Adjusted EPS, restricted stock amortization is excluded from Adjusted Net Income, but all restricted shares issued and outstanding are included in the shares outstanding calculation.
- (n) Shares outstanding (for GAAP EPS (diluted) and Adjusted EPS) will vary if the warrants issued in the Vivendi or Expedia transactions are converted or are treated on an as converted basis for purposes of calculating treasury method dilution.
- (o) In 2003, USA is replacing options with restricted stock as part of its non-cash compensation program. Expedia and Hotels may continue to issue options in 2003 as they complete the transition to 100% restricted stock. For GAAP purposes, USA will prospectively expense option issuances.
- (p) In connection with the Expedia transaction which was completed in February 2002, USA issued \$656 million face value 1.99% convertible preferred stock,

which is initially convertible at \$33.75 into approximately 19.4 million shares. The company anticipates that the preferred stock will have a dilutive impact to Adjusted EPS in 2003, thus 19.4 million shares will be treated on an as converted basis for purposes of Adjusted EPS in 2003.

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USA INTERACTIVE

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RECONCILIATION SCHEDULES

PRO FORMA 2001 -----  
----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT AMORTIZATION AND OF  
CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH REVENUE ITEMS  
DEPRECIATION FEES EBITA ITEMS -----  
----- ELECTRONIC RETAILING: HSN - U.S. \$ 1,558 \$  
(1,340) \$ (49) \$ (42) \$ 127 \$ (51) International TV shopping 271 (291) (3) (2)  
(26) 1 -----  
----- Total Electronic Retailing 1,829 (1,631) (52) (44) 101 (50)  
INFORMATION & SERVICES: Ticketing 580 (482) (24) - 74 (41) Personals 49 (33)  
(2) - 15 (6) Local information 46 (79) (7) - (40) (77) PRC 299 (264) (31) - 3 -  
ECS / Styleclick 34 (88) (9) - (62) (0) -----  
----- Total Information & Services 1,008  
(946) (72) - (10) (124) TRAVEL SERVICES: Expedia 297 (236) (11) - 50 (63)  
Hotels.com 536 (455) (2) - 80 (18) Interval N/A N/A N/A N/A N/A N/A TV Travel  
Shop N/A N/A N/A N/A N/A N/A -----  
----- Total Travel Services 833 (691) (13) - 130 (81)  
Interactive Development 1 (1) (1) - (1) (1) Corporate expense and other  
adjustments - (33) (5) - (38) (22) Disengaged HSN homes 102 (91) - - 11 -  
Intersegment elimination (7) 7 - - - -----  
----- TOTAL \$ 3,766 \$ (3,386) \$ (143) \$ (44)  
\$ 193 \$ (278)  
=====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS  
ITEMS (A) INCOME NET INCOME -----  
----- ELECTRONIC RETAILING:  
HSN - U.S. \$ (4) \$ (1) \$ 71 \$ 81 International TV  
shopping - (2) (27) (55) -----  
----- Total Electronic  
Retailing (4) (3) 44 26 INFORMATION & SERVICES:  
Ticketing - - 33 (1) Personals - - 9 6 Local  
information - (1) (118) (97) PRC - (9) (6) (6) ECS  
/ Styleclick - (11) (73) (57) -----  
----- Total Information &  
Services - (20) (155) (156) TRAVEL SERVICES:  
Expedia - - (13) (11) Hotels.com - - 62 35 Interval  
N/A N/A N/A N/A TV Travel Shop N/A N/A N/A N/A ----  
-----  
Total Travel Services - - 49 24 Interactive  
Development - - (2) (2) Corporate expense and other  
adjustments - (3) (63) (24) Disengaged HSN homes -  
11 - Intersegment elimination - - - -----  
----- TOTAL \$ (4) \$  
(26) \$ (116) \$ (132)  
=====

PRO FORMA 2002 -----  
----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT AMORTIZATION AND OF  
CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH REVENUE ITEMS  
DEPRECIATION FEES EBITA ITEMS -----  
----- ELECTRONIC RETAILING: HSN - U.S. \$ 1,615 \$  
(1,347) \$ (53) \$ (52) \$ 163 \$ (49) International TV shopping 309 (313) (7) (1)  
(12) 1 -----  
----- Total Electronic Retailing 1,924 (1,660) (61) (54) 151 (48) INFORMATION  
& SERVICES: Ticketing 655 (517) (30) - 108 (41) Personals 125 (89) (8) - 28 (6)  
Local information 31 (56) (7) - (32) (48) PRC 295 (260) (38) - (3) - ECS /  
Styleclick 39 (63) (3) - (27) (5) -----  
----- Total Information & Services 1,146 (985)

(86) - 75 (100) TRAVEL SERVICES: Expedia 589 (415) (16) - 158 (64) Hotels.com  
 945 (814) (3) - 128 (22) Interval 39 (35) (2) - 2 (7) TV Travel Shop 26 (31) (2)  
 - (7) (4) -----  
 ----- Total Travel Services 1,599 (1,295) (23) - 281 (97) Interactive  
 Development - (3) - - (3) (3) Corporate expense and other adjustments - (48) 85  
 - (56) (19) Disengaged HSN homes (2) 2 - - - - Intersegment elimination (11) 11  
 -----  
 ----- TOTAL \$ 4,657 \$ (3,979) \$ (84) \$ (54) \$ 448 \$ (266)  
 =====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS  
 ITEMS (A) INCOME NET INCOME -----  
 ----- ELECTRONIC RETAILING:  
 HSN - U.S. \$ (32) \$ - \$ 83 \$ 55 International TV  
 shopping - (49) (61) (136) -----  
 ----- Total Electronic  
 Retailing (32) (49) 22 (81) INFORMATION & SERVICES:  
 Ticketing - - 67 15 Personals - - 23 14 Local  
 information - - (81) (30) PRC - (35) (38) (23) ECS /  
 Styleclick - (29) (61) (38) -----  
 ----- Total Information &  
 Services - (65) (90) (62) TRAVEL SERVICES: Expedia -  
 (2) 92 20 Hotels.com - (1) 106 47 Interval - - (5)  
 (4) TV Travel Shop - - (11) (15) -----  
 ----- Total Travel  
 Services - (2) 182 48 Interactive Development - - (5)  
 (4) Corporate expense and other adjustments - (6)  
 (80) 45 Disengaged HSN homes - - - - Intersegment  
 elimination - - - - -----  
 ----- TOTAL \$ (32) \$ (122) \$ 28 \$  
 (54)  
 =====

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USA INTERACTIVE  
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RECONCILIATION SCHEDULES Q1 2003 -----  
 ----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT  
 AMORTIZATION AND OF CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH  
 REVENUE ITEMS DEPRECIATION FEES EBITA ITEMS -----  
 ----- ELECTRONIC RETAILING: HSN - U.S.  
 \$ 430 \$ (368) \$ (13) \$ (14) \$ 35 \$ (12) International TV shopping 97 (92) (3) -  
 2 (0) -----  
 ----- Total Electronic Retailing 527 (461) (15) (14) 38 (12) INFORMATION &  
 SERVICES: Ticketing 171 (136) (8) - 28 (8) Personals 40 (34) (2) - 4 (2) Local  
 services 8 (13) (2) - (7) (13) PRC 73 (66) (6) - 0 - ECS / Styleclick 3 (5) (0)  
 - (2) (0) -----  
 ----- Total Information & Services 295 (253) (18) - 24 (23) TRAVEL  
 SERVICES: Expedia 186 (140) (5) - 41 (25) Hotels.com 245 (218) (1) - 26 (6)  
 Interval 56 (37) (2) - 17 (6) TV Travel Shop 16 (15) (1) - (0) (2) -----  
 ----- Total  
 Travel Services 503 (411) (9) - 83 (39) Interactive Development - (2) - - (2)  
 (4) Corporate expense and other adjustments - (11) (2) - (13) (19) Disengaged  
 HSN homes - - - - - Intersegment elimination (4) 4 - - - - -----  
 ----- TOTAL \$ 1,322 \$  
 (1,134) \$ (44) \$ (14) \$ 129 \$ (97)  
 =====

RECONCILIATION SCHEDULES HSN NON- DISENGAGEMENT  
 RECURRING OPERATING COSTS ITEMS (A) INCOME NET  
 INCOME -----  
 ----- ELECTRONIC RETAILING: HSN - U.S. \$ (6) \$ -  
 \$ 18 \$ 11 International TV shopping - - 2 (0) -----  
 -----  
 Total Electronic Retailing (6) - 20 10 INFORMATION  
 & SERVICES: Ticketing - - 20 12 Personals - - 2 1  
 Local services - - (19) (14) PRC - - 0 (2) ECS /

Styleclick - - (2) (1) -----  
----- Total Information &  
Services - - 1 (3) TRAVEL SERVICES: Expedia - - 16  
2 Hotels.com - - 20 10 Interval - - 11 6 TV Travel  
Shop - - (2) (2) -----  
----- Total Travel Services - - 44 16  
Interactive Development - - (6) (3) Corporate  
expense and other adjustments - - (32) (12)  
Disengaged HSN homes - - - - Intersegment  
elimination - - - - -----  
----- TOTAL \$ (6) \$ - \$ 27 \$ 7  
=====

Q2 2003 -----  
----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT AMORTIZATION AND OF CABLE  
AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH REVENUE ITEMS DEPRECIATION  
FEES EBITA ITEMS -----  
----- ELECTRONIC RETAILING: HSN - U.S. \$ 421 \$ (349) \$ (12) \$  
(14) \$ 45 \$ (12) International TV shopping 92 (89) (3) - 1 (0) -----  
----- Total  
Electronic Retailing 513 (438) (15) (14) 46 (12) INFORMATION & SERVICES:  
Ticketing 195 (148) (8) - 39 (8) Personals 46 (31) (3) - 11 (2) Local services  
49 (54) (3) - (7) (16) PRC 76 (69) (6) - 1 - ECS / Styleclick - (2) (1) - (3)  
(1) -----  
----- Total Information & Services 366 (304) (21) - 41 (26) TRAVEL SERVICES:  
Expedia 212 (150) (5) - 57 (19) Hotels.com 305 (264) (1) - 40 (8) Interval 54  
(40) (2) - 11 (6) TV Travel Shop 16 (15) (1) - 0 (2) -----  
----- Total Travel Services  
587 (469) (9) - 108 (34) Interactive Development - (6) - - (6) (4) Corporate  
expense and other adjustments - (11) (2) - (13) (19) Disengaged HSN homes - -  
- - - - Intersegment elimination (4) 4 - - - - -----  
----- TOTAL \$ 1,461 \$ (1,225) \$  
(46) \$ (14) \$ 177 \$ (96)  
=====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS  
ITEMS (A) INCOME NET INCOME -----  
----- ELECTRONIC RETAILING:  
HSN - U.S. \$ (5) \$ - \$ 28 \$ 17 International TV  
shopping - - 0 (1) -----  
----- Total Electronic Retailing (5) -  
29 16 INFORMATION & SERVICES: Ticketing - - 31 19  
Personals - - 9 6 Local services - - (23) (12) PRC -  
- 1 0 ECS / Styleclick - - (3) (2) -----  
----- Total  
Information & Services - - 15 11 TRAVEL SERVICES:  
Expedia - - 38 9 Hotels.com - - 32 15 Interval - - 5  
3 TV Travel Shop - - (2) (2) -----  
----- Total Travel Services  
- - 74 25 Interactive Development - - (10) (6)  
Corporate expense and other adjustments - - (32) (12)  
Disengaged HSN homes - - - - Intersegment elimination  
- - \$ - - -----  
----- TOTAL \$ (5) \$ - \$ 76 \$ 35  
=====

READ IMPORTANT FOOTNOTES AND DISCLAIMER AT THE END  
OF THIS DOCUMENT  
As filed with the Securities and Exchange Commission  
on February 6, 2003.

USA INTERACTIVE  
2003 BUDGET

Pro Forma for Vivendi and Expedia transactions and Ticketmaster merger  
(\$ IN MILLIONS EXCEPT PER SHARE AMOUNTS)

RECONCILIATION SCHEDULES Q3 2003 -----  
----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT  
AMORTIZATION AND OF CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH  
REVENUE ITEMS DEPRECIATION FEES EBITA ITEMS -----  
----- ELECTRONIC RETAILING: HSN - U.S. \$  
432 \$ (359) \$ (12) \$ (15) \$ 46 \$ (12) International TV shopping 91 (89) (3) -  
(0) (0) -----

----- Total Electronic Retailing 523 (448) (14) (15) 46 (12) INFORMATION & SERVICES: Ticketing 168 (134) (8) - 26 (8) Personals 48 (32) (3) - 13 (2) Local services 33 (49) (3) - (19) (16) PRC 82 (73) (7) - 2 - ECS / Styleclick - (0) (0) - (0) - -----  
----- Total Information & Services 331 (289) (20) - 22 (26) TRAVEL SERVICES: Expedia 228 (160) (5) - 63 (19) Hotels.com 355 (301) (2) - 52 (7) Interval 59 (41) (2) - 16 (6) TV Travel Shop 21 (17) (1) - 4 (2) -----  
----- Total Travel Services 664 (519) (10) - 135 (34) Interactive Development - (10) - - (10) (4) Corporate expense and other adjustments - (11) (2) - (13) (19) Disengaged HSN homes - - - - Intersegment elimination (4) 4 - - - - TOTAL \$ 1,514 \$ (1,273) \$ (46) \$ (15) \$ 180 \$ (95)

=====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS  
ITEMS (A) INCOME NET INCOME -----  
----- ELECTRONIC RETAILING:  
HSN - U.S. \$ (5) \$ - \$ 30 \$ 18 International TV shopping - - (0) (1) -----  
----- Total Electronic Retailing (5) - 29 17 INFORMATION & SERVICES: Ticketing - - 18 11 Personals - - 11 7 Local services - - (35) (26) PRC - - 2 1 ECS / Styleclick - - (0) (0) -----  
----- Total Information & Services - - (4) (7) TRAVEL SERVICES: Expedia - - 45 11 Hotels.com - - 45 21 Interval - - 9 5 TV Travel Shop - - 2 0 -----  
----- Total Travel Services - - 101 38 Interactive Development - - (14) (8) Corporate expense and other adjustments - - (32) (11) Disengaged HSN homes - - - - Intersegment elimination - - - - TOTAL \$ (5) \$ - \$ 80 \$ 27

=====

Q4 2003 -----  
----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT AMORTIZATION AND OF CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH REVENUE ITEMS DEPRECIATION FEES EBITA ITEMS -----  
----- ELECTRONIC RETAILING: HSN - U.S. \$ 523 \$ (429) \$ (13) \$ (15) \$ 65 \$ (12) International TV shopping 106 (99) (2) - 5 (0) Total Electronic Retailing 628 (528) (15) (15) 70 (12) INFORMATION & SERVICES: Ticketing 161 (127) (8) - 26 (8) Personals 51 (38) (3) - 10 (2) Local services 158 (95) (2) - 60 (16) PRC 85 (75) (6) - 3 - ECS / Styleclick - - - - -  
----- Total Information & Services 455 (335) (20) - 99 (26) TRAVEL SERVICES: Expedia 219 (154) (5) - 60 (18) Hotels.com 345 (292) (2) - 51 (8) Interval 56 (40) (2) - 14 (6) TV Travel Shop 13 (16) (1) - (3) (2) -----  
----- Total Travel Services 633 (502) (10) - 122 (34) Interactive Development - (12) - - (12) (4) Corporate expense and other adjustments - (11) (2) - (13) (19) Disengaged HSN homes - - - - - Intersegment elimination (5) 5 - - - -  
----- TOTAL \$ 1,712 \$ (1,384) \$ (47) \$ (15) \$ 265 \$ (95)

=====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS  
ITEMS (A) INCOME NET INCOME -----  
----- ELECTRONIC RETAILING:  
HSN - U.S. \$ (5) \$ - \$ 48 \$ 29 International TV shopping - - 5 2 Total Electronic Retailing (5) - 53 31 INFORMATION & SERVICES: Ticketing - - 19 11 Personals - - 8 5 Local services - - 44 21 PRC - - 3 1 ECS / Styleclick - - - (0) -----  
----- Total Information & Services - - 73 38 TRAVEL SERVICES: Expedia - - 42 10 Hotels.com - - 43 20 Interval - - 8 5 TV Travel Shop - - (5) (4) -----  
----- Total Travel Services - - 88 31 Interactive Development - - (16) (9) Corporate expense and other adjustments - - (32) (11) Disengaged HSN homes - - - - Intersegment elimination - - - -  
----- TOTAL \$ (5) \$ - \$ 166 \$ 80

USA INTERACTIVE  
2003 BUDGET  
Pro Forma for Vivendi and Expedia transactions and Ticketmaster merger  
(\$ IN MILLIONS EXCEPT PER SHARE AMOUNTS)

RECONCILIATION SCHEDULES

FY 2003 -----

----- OPERATING EXPENSES, EX. D&A, DISENGAGEMENT AMORTIZATION AND OF CABLE AMORTIZATION NON-RECURRING DISTRIBUTION OF NON-CASH REVENUE ITEMS DEPRECIATION FEES EBITA ITEMS -----					
----- ELECTRONIC RETAILING: HSN - U.S. \$ 1,805 \$ (1,506) \$ (49) \$					
(58) \$ 192 \$ (49) International TV shopping 387 (369) (10) - 8 (1) -----					
----- Total					
Electronic Retailing 2,192 (1,875) (59) (58) 200 (50) - INFORMATION & SERVICES:					
- Ticketing 695 (545) (31) - 119 (31) Personals 184 (134) (12) - 38 (9) Local					
services 247 (211) (9) - 27 (60) PRC 316 (283) (26) - 7 - ECS / Styleclick 3					
(7) (1) - (5) (1) -----					
----- Total Information & Services 1,446 (1,181) (80) - 186 (101)					
- TRAVEL SERVICES: - Expedia 845 (604) (20) - 221 (80) Hotels.com 1,250 (1,075)					
(6) - 169 (28) Interval 226 (159) (9) - 58 (25) TV Travel Shop 66 (63) (3) - 0					
(8) -----					
----- Total Travel Services 2,387 (1,901) (38) - 448 (141) - Interactive					
Development - (30) - - (30) (14) Corporate expense and other adjustments - (45)					
(7) - (53) (77) Disengaged HSN homes - - - - - Intersegment elimination (16)					
16 - - - - -					
----- TOTAL \$ 6,008 \$ (5,016) \$ (184) \$ (58) \$ 751 \$ (383)					

=====

HSN NON- DISENGAGEMENT RECURRING OPERATING COSTS

ITEMS (A) INCOME NET INCOME -----					
----- ELECTRONIC RETAILING:					
HSN - U.S. \$ (20) \$ - \$ 123 \$ 74 International TV					
shopping - - 7 0 -----					
----- Total Electronic Retailing (20) -					
130 74 INFORMATION & SERVICES: Ticketing - - 87 53					
Personals - - 29 19 Local services - - (33) (30) PRC					
- - 7 0 ECS / Styleclick - - (5) (4) -----					
----- Total					
Information & Services - - 85 38 TRAVEL SERVICES:					
Expedia - - 140 32 Hotels.com - - 141 66 Interval - -					
33 19 TV Travel Shop - - (7) (7) -----					
----- Total Travel					
Services - - 307 109 Interactive Development - - (44)					
(27) Corporate expense and other adjustments - -					
(129) (46) Disengaged HSN homes - - - - Intersegment					
elimination - - - - -					
----- TOTAL \$ (20) \$ - \$ 348 \$ 149					

=====

USA INTERACTIVE  
2003 BUDGET

RECONCILIATION FOOTNOTES

- (A) Non-recurring items include one-time items related to restructuring operations, employee terminations and benefits and a write-down of investments.
- (B) Non-recurring items include the write down of certain investments, costs of ECS contract terminations, costs to shut-down certain operations, including HSN Espanol, HSN Italy, Styleclick and ECS, a write-down of goodwill for

PRC as well as costs to shutdown certain PRC call centers, costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster and the write-down of certain equity investments.

#### SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This business outlook contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to USA's anticipated financial performance, business prospects, new developments, new merchandising strategies and similar matters, and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. These forward-looking statements are necessarily estimates reflecting the best judgment of USA's senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions that could have a material adverse effect on USA's business, financial condition or results of operations. You should understand that the following important factors could affect USA's future results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) material adverse changes in economic or political conditions generally or in such conditions affecting USA's markets or industries; (2) future regulatory and legislative actions and conditions affecting USA's operating areas; (3) competition from others; (4) successful integration of our divisions' management structures; (5) product demand and market acceptance; (6) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (7) the ability to maintain the integrity of USA's systems and infrastructure; (8) the ability to expand into and successfully operate in foreign markets; and (9) obtaining and retaining skilled workers and key executives. In addition, investors should consider the other information contained in or incorporated by reference into USA's filings with the U.S. Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the fiscal year ended 2001, especially in the Management's Discussion and Analysis section, its most recent Quarterly Report on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on USA's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this business outlook may not occur. These forward-looking statements should not be regarded as an indication that USA considers them to be a reliable prediction of future events. 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 business outlook.

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

USA does not make any representations to any person regarding the ultimate performance of USA compared to the information contained in this business outlook and USA is not under any obligation and does not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this business outlook to reflect circumstances existing after the date of this business outlook or to reflect the occurrence of future events even if experience or future events make it clear that any or all of the assumptions underlying the business outlook are shown to be in error or any expected results expressed or implied by those forward-looking statements will not be realized.



USA INTERACTIVE  
 PRO FORMA SEGMENT RESULTS  
 \$ IN MILLIONS, ROUNDING DIFFERENCES MAY EXIST

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----- PRO  
 FORMA 2001  
 (a) -----  
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 OPERATING  
 EXPENSES, EX.  
 D&A,  
 AMORTIZATION  
 DISENGAGEMENT  
 & ADJUSTED OF  
 CABLE  
 AMORTIZATION  
 REVENUE  
 NONRECURRING  
 ITEMS EBITDA  
 DEPRECIATION  
 DISTRIBUTION  
 FEES OF NON-  
 CASH ITEMS --  
 -----  
 -----  
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 -----

-----  
 OPERATING  
 BUSINESSES:  
 HSN - U.S. \$  
 1,557  
 \$(1,335) \$  
 222 \$ (49) \$  
 (42) \$ (49)  
 Ticketing 580  
 (473) 106  
 (23) -- (41)  
 Personals 49  
 (33) 17 (2) -  
 - (6)  
 Hotels.com  
 536 (455) 81  
 (2) -- (18)  
 Expedia 297  
 (236) 61 (11)  
 -- (63)  
 Interval N/A  
 N/A N/A N/A  
 N/A -- PRC  
 299 (264) 34  
 (31) -- --  
 Corporate  
 expense and  
 other  
 adjustments -  
 - (31) (31)  
 (5) -- (19) -  
 -----  
 -----  
 -----  
 -----

-----  
 Subtotal \$

3,318  
\$(2,828) \$  
490 \$ (123) \$  
(42) \$ (196)  
EMERGING  
BUSINESSES: -  
- Citysearch  
46 (90) (43)  
(7) -- (80)  
International  
TV shopping  
and other 273  
(298) (26)  
(4) (2) (2)  
ECS/Styleclick  
34 (88) (54)  
(9) -- (0) --  
-----  
-----  
-----  
-----  
-----  
Subtotal \$  
353 \$ (476)  
(123) \$ (20)  
\$ (2) \$ (82)  
Disengaged  
HSN homes 102  
(91) 11 -- --  
--  
Intersegment  
elimination  
(7) 7 -- --  
-----  
-----  
-----  
TOTAL \$ 3,766  
\$(3,387) \$  
379 \$ (142) \$  
(44) \$ (278)  
=====

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-----  
-----  
-----  
----- HSN  
DISENGAGEMENT  
NON-RECURRING  
OPERATING  
COSTS ITEMS  
(B) INCOME --  
-----  
-----  
-----  
OPERATING  
BUSINESSES:  
HSN - U.S. \$  
(4) \$ (1) \$  
77 Ticketing  
-- -- 42  
Personals --  
-- 9  
Hotels.com --  
-- 62 Expedia  
-- -- (13)  
Interval N/A  
N/A N/A PRC -  
- (9) (6)  
Corporate  
expense and  
other  
adjustments -  
- (3) (59) --  
-----



Personals 125  
(89) 36 (8) -  
- (6)  
Hotels.com  
945 (814) 131  
(3) -- (22)  
Expedia 589  
(415) 174  
(16) -- (64)  
Interval 39  
(35) 4 (2) --  
(7) PRC 295  
(260) 35 (38)  
-- --  
-----  
-----  
-----

Corporate  
expense and  
other  
adjustments -  
- (46) (46)  
(7) -- (12) -  
-----  
-----  
-----

Subtotal \$  
4,262  
\$(3,507) \$  
754 \$ (156) \$  
(52) \$ (200)  
EMERGING  
BUSINESSES:  
Citysearch 31  
(69) (38) (8)  
-- (55)  
International  
TV shopping  
and other 337  
(352) (14)  
(10) (1) (6)  
ECS/Styleclick  
39 (63) (24)  
(3) -- (5) --  
-----  
-----  
-----

Subtotal \$  
407 \$ (483)  
(76) \$ (20) \$  
(1) \$ (66)  
Disengaged  
HSN homes (1)  
1 -- -- -- --  
Intersegment  
elimination  
(11) 11 -- --  
-----  
-----  
-----

TOTAL \$ 4,657  
\$(3,979) \$  
678 \$ (176) \$  
(54) \$ (266)  
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----- HSN  
DISENGAGEMENT  
NON-RECURRING  
OPERATING  
COSTS ITEMS

(B) INCOME --  
-----  
-----  
OPERATING  
BUSINESSES:  
HSN - U.S. \$  
(32) \$ -- \$  
86 Ticketing  
-- -- 78  
Personals --  
-- 23  
Hotels.com --  
(1) 106  
Expedia --  
(2) 92  
Interval -- -  
- (5) PRC --  
(35) (38)  
Corporate  
expense and  
other  
adjustments -  
- -- (65) ---  
-----  
Subtotal \$  
(32) \$ (38) \$  
276 EMERGING  
BUSINESSES:  
Citysearch --  
(6) (106)  
International  
TV shopping  
and other --  
(49) (81)  
ECS/Styleclick  
-- (29) (61)  
-----  
Subtotal \$ --  
\$ (84) \$  
(248)  
Disengaged  
HSN homes --  
-- --  
Intersegment  
elimination -  
- - - - -  
-----  
----- TOTAL \$  
(32) \$ (122)  
\$ 28 =====  
=====

- (a) Data for 2001 and 2002 is pro forma for Expedia and Vivendi transactions and the exchange of Holdco shares by Liberty, which closed on February 4, 2002, May 7, 2002, and June 24, 2002, respectively.
- (b) Non-recurring items include one time items related to restructuring operations, employee terminations and benefits and a write-down of investments.
- (c) See footnotes to quarterly reconciliations for description of non-recurring items.

The financial, statistical and other information contained herein is unaudited. As filed with the Securities and Exchange Commission on February 6, 2003.





-----  
Subtotal \$ --  
\$ -- \$ (46)  
Disengaged  
HSN homes --  
-----  
Intersegment  
elimination -  
-----  
-----  
----- TOTAL \$  
(12) \$ -- \$ 3  
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----- Q2 2002  
(a) -----  
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OPERATING  
EXPENSES, EX.  
D&A,  
AMORTIZATION  
DISENGAGEMENT  
& ADJUSTED OF  
CABLE  
AMORTIZATION  
REVENUE  
NONRECURRING  
ITEMS EBITDA  
DEPRECIATION  
DISTRIBUTION  
FEES OF NON-  
CASH ITEMS --  
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-----  
OPERATING  
BUSINESSES:  
HSN - U.S. \$  
376 \$ (314) \$  
63 \$ (14) \$  
(12) \$ (12)  
Ticketing 175  
(132) 44 (7)  
-- (10)  
Personals 30  
(20) 10 (2) -  
- (1)  
Hotels.com  
230 (197) 33  
0 -- (5)  
Expedia 143  
(99) 43 (5) -  
- (17)  
Interval -- -  
-----  
-----  
PRC 72 (64) 8  
(9) -- --  
Corporate  
expense and  
other  
adjustments -



- (10) (10)  
(1) -- 1 ----  
-----  
-----  
-----  
-----  
-----  
----- Subtotal  
\$ 1,026 \$  
(835) \$ 190 \$  
(37) \$ (12) \$  
(45) EMERGING  
BUSINESSES:  
Citysearch 8  
(16) (9) (2)  
-- (13)  
International  
TV shopping  
and other 78  
(84) (6) (2)  
(1) (1)  
ECS/Styleclick  
10 (17) (6)  
(1) -- (5) --  
-----  
-----  
-----

-----  
Subtotal \$ 96  
\$ (117) (21)  
\$ (5) \$ (1)  
Disengaged  
HSN homes (1)  
1 -- -- --  
Intersegment  
elimination  
(3) 3 -- -- --  
-----  
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-----  
TOTAL \$ 1,118  
\$ (948) \$ 169  
\$ (41) \$ (13)  
\$ (45)  
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-----  
----- HSN  
DISENGAGEMENT  
NON-RECURRING  
OPERATING  
COSTS ITEMS  
(B) INCOME --  
-----  
-----

-----  
OPERATING  
BUSINESSES:  
HSN - U.S. \$  
(6) \$ -- \$ 18  
Ticketing --  
-- 27  
Personals --  
-- 7  
Hotels.com --  
-- 28 Expedia  
-- -- 22  
Interval -- -  
- -- PRC --  
(32) (32)  
Corporate  
expense and  
other

adjustments -  
- -- (10) ---  
-----  
-----  
Subtotal \$  
(6) \$ (32) \$  
59 EMERGING  
BUSINESSES:  
Citysearch --  
-- (23)  
International  
TV shopping  
and other --  
(18) (28)  
ECS/Styleclick  
-- (21) (33)  
-----  
-----  
Subtotal \$ --  
\$ (39) \$ (85)  
Disengaged  
HSN homes --  
-- --  
Intersegment  
elimination -  
- - - - -  
-----  
-----  
----- TOTAL \$  
(6) \$ (70) \$  
(26) =====  
=====

- (a) Data for 2001 and 2002 is pro forma for Expedia and Vivendi transactions and the exchange of Holdco shares by Liberty, which closed on February 4, 2002, May 7, 2002, and June 24, 2002, respectively.
- (b) Non-recurring items include restructuring and one-time items related to restructuring operations, costs to shut down certain operations and a write-down of goodwill for PRC.

The financial, statistical and other information contained herein is unaudited. As filed with the Securities and Exchange Commission on February 6, 2003.

USA INTERACTIVE  
PRO FORMA SEGMENT RESULTS  
\$ IN MILLIONS, ROUNDING DIFFERENCES MAY EXIST

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----- Q3 2002  
(a) -----  
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-----  
OPERATING  
EXPENSES, EX.  
D&A,  
AMORTIZATION  
DISENGAGEMENT  
& ADJUSTED OF  
CABLE  
AMORTIZATION  
REVENUE  
NONRECURRING  
ITEMS EBITDA  
DEPRECIATION  
DISTRIBUTION

FEES OF NON-  
CASH ITEMS --  
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-----  
-----  
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-----

OPERATING  
BUSINESSES:  
HSN - U.S. \$  
371 \$ (303) \$  
67 \$ (14) \$  
(13) \$ (12)  
Ticketing 162  
(126) 36 (8)  
-- (10)  
Personals 33  
(26) 7 (2) --  
(1)  
Hotels.com  
277 (237) 40  
(1) -- (5)  
Expedia 167  
(118) 49 (4)  
-- (16)  
Interval 2  
(2) 0 (0) --  
(0) PRC 75  
(65) 10 (10)  
-- --

Corporate  
expense and  
other  
adjustments -  
- (11) (11)  
(3) -- (4) --  
-----  
-----  
-----

-----  
Subtotal \$  
1,088 \$ (889)  
\$ 198 \$ (43)  
\$ (13) \$ (49)

EMERGING  
BUSINESSES:  
Citysearch 8  
(16) (8) (2)  
-- (13)  
International  
TV shopping  
and other 92  
(91) 0 (3) --  
(7)  
ECS/Styleclick  
8 (13) (5)  
(1) -- (0) --  
-----  
-----  
-----

-----  
Subtotal \$  
107 \$ (120)  
(13) \$ (6) \$  
-- \$ (20)  
Disengaged  
HSN homes --  
-----  
-----

Intersegment  
elimination  
(2) 2 -- --  
-----  
-----  
-----

TOTAL \$ 1,192  
\$(1,007) \$  
185 \$ (48) \$

(13) \$ (69)

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----- HSN  
DISENGAGEMENT  
NON-RECURRING  
OPERATING  
COSTS ITEMS  
(B) INCOME --

-----  
-----

OPERATING  
BUSINESSES:  
HSN - U.S. \$  
(5) \$ -- \$ 24  
Ticketing --  
-- 18  
Personals --  
-- 4

Hotels.com --  
(1) 33  
Expedia --  
(1) 27

Interval -- -  
- 0 PRC -- --  
(1) Corporate  
expense and  
other  
adjustments -  
- (19) -----  
-----

---- Subtotal  
\$ (5) \$ (2) \$

88 EMERGING  
BUSINESSES:  
Citysearch --  
(1) (24)  
International  
TV shopping  
and other --  
(31) (41)  
ECS/Styleclick  
-- (4) (9) --  
-----

-----  
Subtotal \$ --  
\$ (36) \$ (75)  
Disengaged  
HSN homes --  
-- --

Intersegment  
elimination -  
-----

----- TOTAL \$  
(5) \$ (38) \$  
13 =====

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----- Q4 2002  
(a) -----

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 OPERATING  
 EXPENSES, EX.  
 D&A,  
 AMORTIZATION  
 DISENGAGEMENT  
 & ADJUSTED OF  
 CABLE  
 AMORTIZATION  
 REVENUE  
 NONRECURRING  
 ITEMS EBITDA  
 DEPRECIATION  
 DISTRIBUTION  
 FEES OF NON-  
 CASH ITEMS --  
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 -----  
 -----  
 OPERATING  
 BUSINESSES:  
 HSN - U.S. \$  
 470 \$ (386) \$  
 84 \$ (14) \$  
 (15) \$ (12)  
 Ticketing 164  
 (130) 34 (8)  
 -- (10)  
 Personals 37  
 (25) 13 (2) -  
 - (1)  
 Hotels.com  
 273 (240) 32  
 (1) -- (6)  
 Expedia 164  
 (117) 47 (4)  
 -- (16)  
 Interval 36  
 (33) 4 (2) --  
 (7) PRC 78  
 (66) 12 (10)  
 -- --

Corporate  
 expense and  
 other  
 adjustments -  
 - (17) (17)  
 (1) -- (7) --  
 -----  
 -----  
 -----

-----  
 -----  
 -----  
 -----  
 -----  
 -----  
 -----  
 Subtotal \$  
 1,223  
 \$(1,013) \$  
 210 \$ (42) \$  
 (15) \$ (58)  
 EMERGING  
 BUSINESSES:  
 Citysearch 8  
 (18) (10) (2)  
 -- (13)  
 International  
 TV shopping  
 and other 103  
 (106) (4) (3)  
 -- 3  
 ECS/Styleclick  
 9 (13) (4)  
 (1) -- (0) --  
 -----









26.2 28.0 28.1  
 78.1 Equity  
 losses in  
 affiliates and  
 other (6.5)  
 (5.9) (19.3)  
 (28.6) (60.3)  
 12.3 (101.8)  
 (18.2) 24.5  
 (83.2) -----

-- 15.4 13.4  
 3.8 (8.4) 24.2  
 8.0 (75.6) 9.9  
 52.6 (5.1) ----

Earnings before  
 income taxes  
 and minority  
 interest (23.8)  
 (8.9) (48.1)  
 (10.8) (91.7)  
 11.5 (101.2)  
 22.6 90.0 23.0  
 Income tax  
 expense (15.9)  
 (6.1) (3.3)  
 (5.0) (30.2)  
 (15.2) (13.0)  
 (37.5) 58.3  
 (7.4) Minority  
 interest 5.0  
 1.2 2.3 (5.4)  
 3.2 (8.1)  
 (11.2) (15.6)  
 (15.0) (50.0) -

- ----- Net  
 earnings/(loss)  
 from continuing  
 operations  
 (34.6) (13.8)  
 (49.1) (21.1)  
 (118.6) (11.8)  
 (125.4) (30.5)  
 133.3 (34.4)

===== =====  
 =====  
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 =====  
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 =====  
 =====

Preferred  
 dividend (3.3)  
 (3.3) (3.3)  
 (3.3) (13.1)  
 (3.3) (3.3)  
 (3.3) (3.3)  
 (13.1) Impact  
 of dilutive  
 securities 0.0  
 0.0 0.0 0.0 0.0  
 (2.0) (2.0)  
 (1.1) (1.5)  
 (6.2) ----- -

-----  
 -----  
 -----  
 -----  
 -- Net earnings  
 available to  
 common  
 shareholders \$  
 (37.9) \$ (17.1)  
 \$ (52.4) \$  
 (24.4) \$  
 (131.7) \$  
 (17.1) \$  
 (130.6) \$  
 (34.9) \$ 128.5  
 \$ (53.7)

=====  
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 =====  
 =====

Adjusted Net  
 Income  
 Calculation:  
 Net income  
 before  
 preferred  
 dividend (34.6)  
 (13.8) (49.1)  
 (21.1) (118.6)  
 (11.8) (125.4)  
 (30.5) 133.3  
 (34.4) After  
 tax and  
 minority  
 interest impact  
 of non-  
 recurring items  
 0.0 7.6 14.7  
 12.2 34.5 0.0  
 139.0 47.0  
 (80.6) 105.4  
 Preferred  
 dividends (3.3)  
 (3.3) (3.3)  
 (3.3) (13.1)  
 (3.3) (3.3)  
 (3.3) 0.0  
 (13.1) Equity  
 income from  
 5.44% common  
 interest in VUE  
 0.0 0.0 0.0 0.0  
 0.0 0.0 0.0 2.7  
 (8.8) (6.1)  
 Amortization of  
 non-cash items  
 71.7 70.6 66.2  
 69.5 278.0 64.7  
 64.2 68.8 68.7  
 266.4 Less:  
 related tax and  
 minority  
 interest (12.3)  
 (22.1) (14.5)  
 (9.2) (58.2)  
 (19.8) (22.5)  
 (19.6) (21.0)  
 (82.4) -----

-----  
 -----  
 -----  
 -----  
 -- Adjusted Net  
 Income 21.5

39.0 13.9 48.1  
122.6 29.8 52.0  
65.2 91.6 235.9  
=====

=====  
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=====  
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=====  
=====  
=====

Weighted  
average basic  
shares 476.5  
480.1 482.8  
483.5 480.5  
487.5 492.5  
493.9 494.8  
492.4 Dilutive  
impact of  
options,  
warrants and  
restricted  
stock 0.0 0.0  
0.0 0.0 0.0 0.0  
0.0 0.0 23.5  
0.0 Impact of  
conversion of  
preferred  
shares 0.0 0.0  
0.0 0.0 0.0 0.0  
0.0 0.0 19.4  
0.0 ----- ---  
-----  
-----  
-----

Weighted  
average diluted  
shares 476.5  
480.1 482.8  
483.5 480.5  
487.5 492.5  
493.9 537.8  
492.4 Weighted  
average basic  
shares 476.5  
480.1 482.8  
483.5 480.5  
487.5 492.5  
493.9 494.8  
492.4 Dilutive  
impact of  
restricted  
stock 0.4 0.4  
0.3 0.3 0.3 0.2  
0.2 0.3 0.5 0.3  
Dilutive impact  
of options and  
warrants 27.5  
29.4 26.3 23.1  
30.8 29.4 27.0  
21.1 23.5 25.8  
Impact of  
conversion of  
preferred  
shares 0.0 0.0  
0.0 0.0 0.0 0.0  
0.0 0.0 19.4  
0.0 ----- ---  
-----  
-----  
-----  
Adjusted EPS  
shares  
outstanding  
504.4 509.9





- HSN - U.S. Units shipped 35.2 8.6  
 9.0 9.5 11.4 38.5  
 9.6 9.3 9.1 10.8  
 38.7 Gross profit  
 % 34.9% 33.5%  
 34.5% 34.3% 33.9%  
 34.0% 35.5% 38.4%  
 38.1% 36.7% 37.1%  
 Return rate 19.6%  
 19.6% 19.6% 19.0%  
 17.9% 18.9% 19.0%  
 18.8% 18.5% 18.2%  
 18.6% Product  
 mix:\* Home &  
 Licensing N/A 37%  
 35% 36% 41% 38%  
 32% 28% 29% 35%  
 31% Home Fashions  
 N/A 4% 4% 5% 5% 4%  
 7% 6% 8% 7% 7%  
 Jewelry N/A 26%  
 26% 25% 25% 25%  
 24% 26% 25% 24%  
 25% Health/Beauty  
 N/A 19% 22% 20%  
 17% 19% 24% 24%  
 23% 22% 23%  
 Apparel/Accessories  
 N/A 14% 13% 14%  
 12% 13% 13% 16%  
 15% 12% 14%  
 Average Price  
 Point \$47.82  
 \$50.06 \$47.36  
 \$46.13 \$47.27  
 \$47.63 \$45.41  
 \$44.18 \$44.37  
 \$47.54 \$45.46 HSN  
 total homes (end  
 of period) 77.1  
 80.2 81.1 82.8  
 83.0 83.0 74.9  
 77.1 77.8 78.8  
 78.8 America's  
 Store FTE's (end  
 of period) 8.6 8.3  
 10.6 11.0 12.3  
 12.3 10.2 11.1 8.7  
 9.0 9.0 HSN.com %  
 of Sales 3% 5% 8%  
 8% 10% 8% 11% 11%  
 11% 13% 12%

THE FINANCIAL, STATISTICAL AND OTHER INFORMATION CONTAINED HEREIN IS UNAUDITED.

\* In Q1 2002, HSN reclassified certain items in its product mix. As such, wellness, ingestibles, and fitness categories were moved out of the Home Goods category and into the Health & Beauty category. Product Mix for 1999 and 2000 assuming reclassification not available. Home Licensing includes electronics, computers, and other licensed homegoods.

As filed with the Securities and Exchange Commission on February 6, 2003.

USA INTERACTIVE  
 OPERATING METRICS  
 IN MILLIONS

2000  
 2001  
 2002 ---  
 --- ---  
 --- ---  
 --- ---  
 --- ---  
 --- ---  
 --- ---







-----  
 --- YE Q1 Q2  
 Q3 Q4 YE Q1  
 Q2 Q3 Q4 YE  
 -----  
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 -----  
 -----  
 -----  
 -----  
 -----

---  
 HOTELS.COM  
 Hotel room  
 nights sold  
 (thousands)  
 2,433 799  
 1,030 1,227  
 1,187 4,243  
 1,408 1,883  
 2,320 2,227  
 7,838  
 Average  
 Daily Rate  
 \$131.70  
 \$124.35  
 \$129.65  
 \$120.64  
 \$115.00  
 \$121.10  
 \$115.70  
 \$118.95  
 \$115.88  
 \$117.93  
 \$117.17  
 Affiliates  
 (including  
 TravelNow)  
 16,200  
 18,649  
 20,857  
 22,793  
 23,808  
 23,808  
 25,755  
 28,340  
 30,646  
 33,973  
 33,973  
 Properties  
 2,600 3,084  
 3,374 3,890  
 4,567 4,567  
 6,058 6,467  
 6,571 7,723  
 7,723 Cities  
 served 97  
 135 146 171  
 178 178 218  
 243 285 325  
 325 U.S. N/A  
 100 111 119  
 124 124 146  
 154 165 186  
 186  
 International  
 N/A 35 35 52  
 54 54 72 89  
 120 139 139

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IN THOUSANDS

2000 2001 --  
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-----  
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-----  
-----

YE Q1 Q2 Q3  
Q4 YE -----  
-----  
-----

-----  
EXPEDIA (in  
thousands)

GROSS  
BOOKINGS  
Total gross  
bookings (a)

\$1,793 \$  
674,000 \$  
802,000 \$  
723,000 \$  
704,000  
\$2,903,000

Agency gross  
bookings N/A

\$ 579,000 \$  
644,000 \$  
559,000 \$  
540,000  
\$2,322,000

Merchant  
gross  
bookings  
(includes  
CCV) N/A \$  
95,000 \$  
158,000 \$  
164,000 \$  
164,000 \$  
581,000 CCV  
gross

bookings N/A  
\$ 0 \$ 0 \$ 0  
\$ 0 \$ 0

International  
gross

bookings N/A  
\$ 40,000 \$  
44,000 \$  
47,000 \$  
48,000 \$  
179,000

North  
America  
gross

bookings N/A  
\$ 634,000 \$  
758,000 \$  
675,000 \$  
656,000  
\$2,723,000

ADDITIONAL  
METRICS

Revenue from  
packages N/A

\$ 3,649 \$  
6,365 \$  
9,408 \$  
11,573 \$

30,995 Total  
room nights  
stayed N/A

752 1,102  
1,270 1,522  
4,646  
Merchant

room nights  
 stayed N/A  
 494 729 970  
 1,178 3,371  
 Merchant  
 hotel  
 average  
 daily rate  
 (excludes  
 CCV) N/A \$  
 117 \$ 122 \$  
 119 \$ 109

N/A  
 CUSTOMERS  
 Average  
 monthly  
 Media Metrix  
 reach (b)  
 N/A 6,969  
 7,502 9,410  
 9,238 N/A  
 Expedia.com  
 conversion  
 (c) N/A 5.7%  
 7.0% 5.5%  
 5.2% N/A

Expedia new  
 purchasing  
 customers  
 (d) 1,769  
 671 904 918  
 870 3,363  
 Expedia  
 cumulative  
 purchasing  
 customers  
 (e) 2,932  
 3,603 4,507  
 5,424 6,294  
 6,294

Expedia  
 quarterly  
 unique  
 purchasing  
 customers  
 (f) 2,741  
 1,007 1,336  
 1,393 1,383  
 5,119

2002 -----  
 -----  
 -----  
 -----  
 -----  
 -----  
 -----  
 Q1 Q2 Q3 Q4  
 YE -----  
 -----  
 -----  
 -----

EXPEDIA (in  
 thousands)  
 GROSS  
 BOOKINGS  
 Total gross  
 bookings (a)  
 \$1,107,000  
 \$1,335,000  
 \$1,466,000  
 \$1,380,000  
 \$5,288,000  
 Agency gross  
 bookings \$  
 797,000 \$  
 937,000  
 \$1,042,000  
 \$1,002,000  
 \$3,778,000  
 Merchant  
 gross

bookings  
(includes  
CCV) \$  
310,000 \$  
398,000 \$  
424,000 \$  
378,000  
\$1,510,000  
CCV gross  
bookings \$  
18,000 \$  
82,000 \$  
67,000 \$  
42,000 \$  
209,000

International  
gross

bookings \$  
85,000 \$  
94,000 \$  
138,000 \$  
123,000 \$  
440,000  
North  
America  
gross  
bookings  
\$1,022,000  
\$1,241,000  
\$1,328,000  
\$1,257,000  
\$4,848,000

ADDITIONAL  
METRICS

Revenue from  
packages \$

25,456 \$  
41,527 \$  
49,881 \$  
46,912 \$  
163,776

Total room  
nights

stayed 2,042  
2,627 3,207  
3,168 11,044

Merchant  
room nights

stayed 1,644  
2,077 2,602  
2,522 8,845

Merchant  
hotel

average  
daily rate

(excludes  
CCV) \$ 118 \$  
120 \$ 114 \$  
119 N/A

.....  
CUSTOMERS

Average  
monthly

Media Metrix  
reach (b)

11,242  
12,161  
12,615  
11,392 N/A

Expedia.com  
conversion

(c) 5.8%  
6.3% 6.7%  
6.8% N/A

Expedia new  
purchasing

customers  
(d) 1,316

1,529 1,693  
1,528 6,066  
Expedia

cumulative purchasing customers (e) 7,610	
9,139 10,832	
12,360	
12,360	
Expedia quarterly unique purchasing customers (f) 1,874	
2,217 2,492	
2,225 8,808	

- 
- (a) Gross bookings represents the total value of travel booked through the Expedia, WWTE sites, Classic Custom Vacations and Metropolitan Travel since acquisition.
  - (b) Average monthly Media Metrix reach represents the unduplicated reach for the Expedia sites.
  - (c) Conversion represents the monthly average Expedia.com unique monthly purchasers divided by the monthly average Media Metrix reach for the Expedia.com site.
  - (d) Expedia new purchasing customers represents the number of new customers transacting through the Expedia sites in a quarter.
  - (e) Expedia cumulative purchasing customers represents the cumulative number of customers that have ever transacted through the Expedia sites as of the end of a quarter.
  - (f) Expedia quarterly unique purchasing customers represents the number of unique customers transacting through the Expedia sites over the course of a quarter.

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As filed with the Securities and Exchange Commission on February 6, 2003.

USA INTERACTIVE  
OPERATING METRICS

2001 -----  
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-----  
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-----  
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-----  
-----  
-----  
-----  
-----

INTERVAL	
Active members	
1,232,675	
1,260,904	
1,292,688	
1,318,093	
1,318,093	
Total exchange confirmations	
200,777	
166,489	
154,565	
148,988	
670,818 % of Exchanges online 0.0%	

1.8% 2.8%  
3.3% 1.8%  
2002 -----  
-----  
-----  
-----  
----- Q1 Q2  
Q3 Q4 YE ---  
-----  
-----  
-----

INTERVAL  
Active  
members  
1,359,146  
1,433,390  
1,470,582  
1,499,668  
1,499,668  
Total  
exchange  
confirmations  
220,079  
180,731  
166,771  
151,021  
718,602 % of  
Exchanges  
online 5.7%  
5.8% 6.5%  
7.6% 6.3%

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PRO FORMA FOR USA'S ACQUISITION OF INTERVAL.

As filed with the Securities and Exchange Commission on February 6, 2003.

USA INTERACTIVE  
OPERATING METRICS  
IN MILLIONS

CAPITALIZATION

Ticker (NASDAQ)	USAI
	As of 1/17/03
	-----
Shares Outstanding (millions) (a):	
USA Common Stock	431
USA Class B	65
	-----
Total Shares Outstanding	496
Estimated dilutive options and warrants (treasury method)	24
	-----
Fully diluted shares	520
	=====
Market Capitalization:	
Outstanding equity capitalization	\$11,355
Fully diluted equity capitalization	\$11,914
	As of 12/31/02 (b)
	-----
Attributable Cash (c)	\$ 3,446
Securities in VUE (d)	2,203
Debt and Preferred Stock	(1,892)
	-----
Net Attributable Cash and Securities	\$ 3,757
	=====

-----

- (a) Fully diluted shares includes treasury method options and warrants and other dilutive securities, and includes Vivendi's remaining 56.6 million shares that may be delivered to USA in connection with USA's Series B preferred interest in VUE.
- (b) Pro forma for Ticketmaster merger, which closed on 1/17/03. Please see USA Q4 earnings release filed February 6, 2003 for reconciliation to balance sheet values.
- (c) Includes attributable cash from USA's public subsidiaries, based on the Q4 weighted average of USA's fully diluted, treasury method ownership in public subsidiaries, which was 66% for Hotels.com and 55% for Expedia. Excludes cash due to clients at Ticketmaster. Consolidated cash is \$3.1 billion as of January 17, 2003.
- (d) Includes securities issued to USA in the Vivendi transaction, as follows: Class A and Class B preferred interests and 5.4% common interest in Vivendi Universal Entertainment ("VUE") at balance sheet carrying values, less the estimated present value of taxes on the VUE securities related to USA's gain on the Vivendi transaction.

	Absolute Shares Owned	% of Shares Outstanding	% of Fully Diluted Shares (QTD)
	-----	-----	-----
Hotels.com (NASDAQ: ROOM)	39.0	67%	66%
Expedia (NASDAQ: EXPE)	35.4	60%	55%

ESTIMATED OPERATING METRICS  
FOR 2002 (ROUNDED)

Primary Consumer web sites	34
Active/registered customers (a)	25 million
Customer names in database (a)	90 million
Customer inbound telephone minutes	800 million
Customer inbound telephone calls	150 million
Orders processed	110 million
Items Shipped	45 million
In-house merchants	150
Merchandise SKUs	68,000
Telephone operator positions	12,000
Ticketing outlets	3,500
Fulfillment center square feet	2.4 million

(a) Assumes 25% duplication across USA brands.

REVENUE MIX

Revenue sources (Q4 '02):	
Merchandise	42%
Travel	36%
Ticketing	12%
Teleservices	6%
Personals	3%
Other	1%
	-----
Total	100%
	=====

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