



Dara Khosrowshahi
EVP & CFO

June 4, 2003
Deutsche Bank 11th Annual Media Conference

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USA Interactive

TRAVEL SERVICES	Expedia, Inc.	hotels.com	INTERVAL INTERNATIONAL <small>The Official Vacation Residence Network</small>	Travel Shop		
ELECTRONIC RETAILING	HSN	AMERICA'S STORE	H-O-T <small>THE ENTERTAINMENT STORE</small>	LIVE	TVSN	SHOP <small>by TVSN</small>
TICKETING	ticketmaster	reserve-america	TICKETWEB	MTN		
PERSONALS	match.com	update.com				
LOCAL SERVICES	Citysearch	eVite	entertainment <small>The Home, Style, Fun, Culture and Recreation</small>			
FINANCIAL SERVICES & REAL ESTATE	LendingTree.com <small>Lending Tree is an online lender</small>	LendingTree <small>Realty Services</small>	TELESERVICES	TRC <small>The Home Advisor Corporation</small>		

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Strategies



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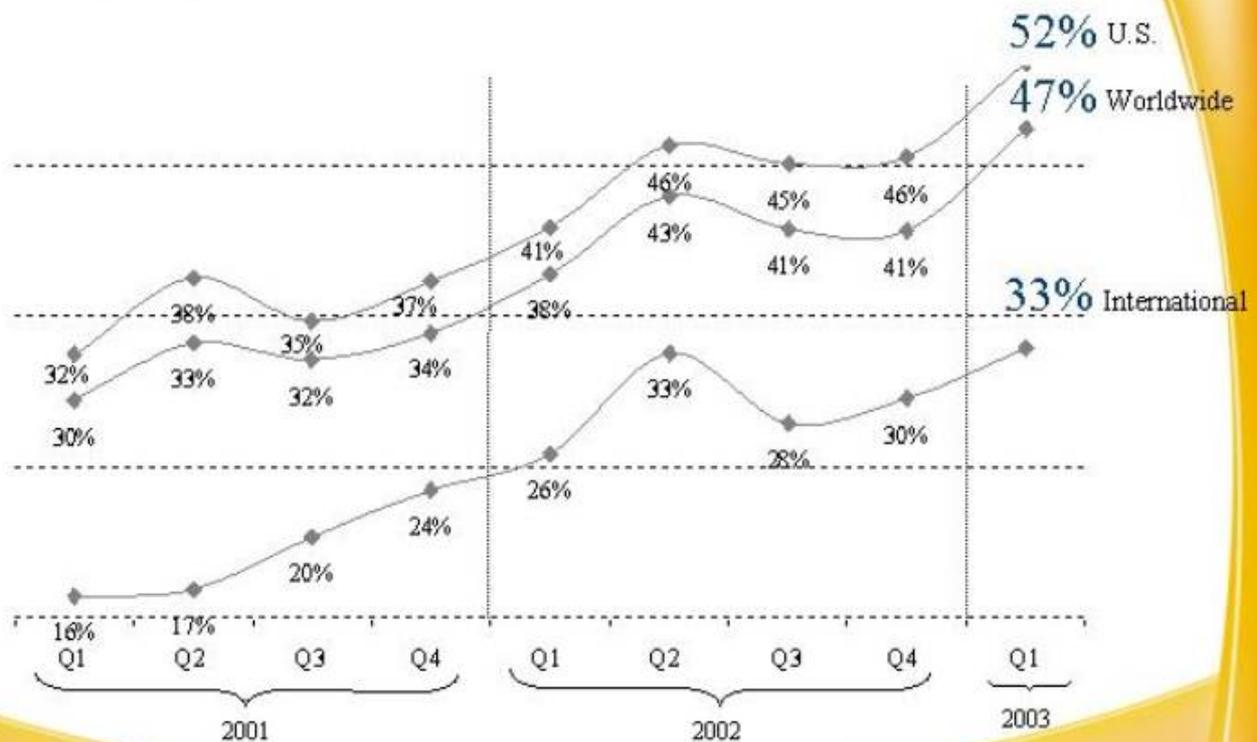
Strategies



Powered by PPT - Next generation of delivery

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Ticketmaster



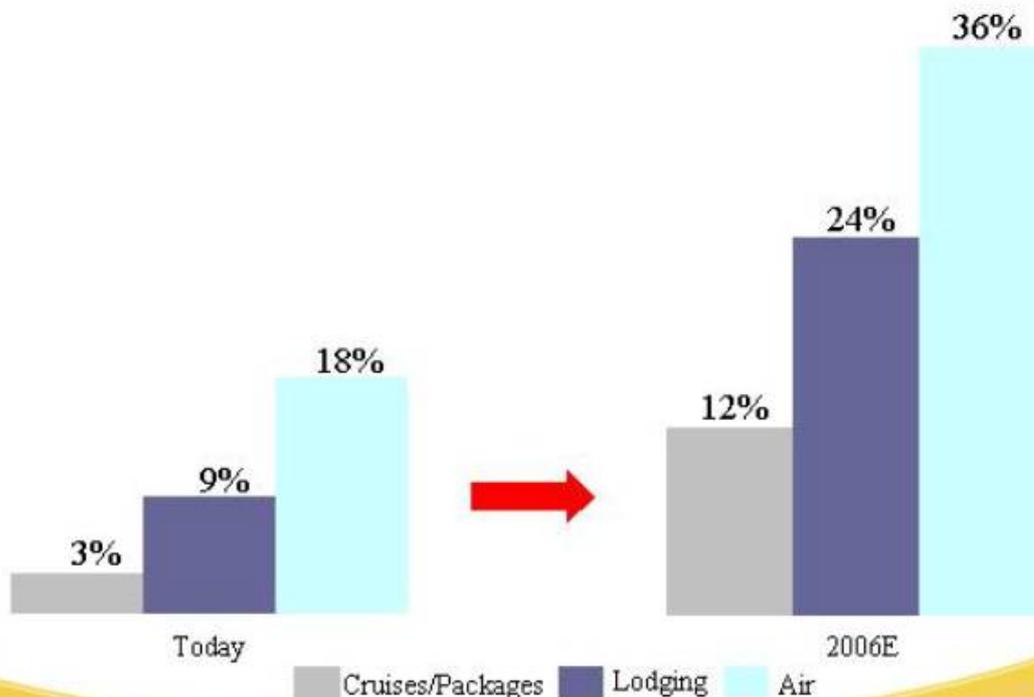
Powered by PPT - Next generation of delivery

[Link to searchable text of slide shown above](#)

Travel

\$ in billions

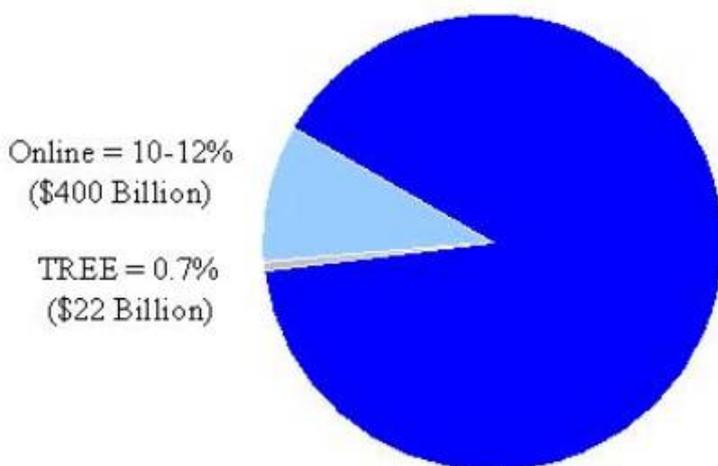
ONLINE PENETRATION BY CATEGORY



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LendingTree

2002 CONSUMER LENDING



Total = \$3.9 Trillion

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Local Discounting

The screenshot shows the Entertainment Weekly website interface for Los Angeles. At the top, there are navigation tabs for Home, Dining, Shopping, Travel, Events & Attractions, and Movie Tickets. The Dining tab is active, displaying a search bar and a 'your location' dropdown. Below the navigation, there are sections for 'Monday's Featured Dining Discounts' and 'Neighborhood Dining Maps'. The featured discounts include:

- French:** Aimee's - French, SAVE 50% off, UP TO \$13.00 VALUE, 2.3 miles.
- Italian:** Andiamo - Italian, SAVE 50% off, UP TO \$15.00 VALUE, 5.3 miles.
- Family Dining:** Vito - Italian, SAVE 50% off, UP TO \$7.00 VALUE, 3 miles.

The Neighborhood Dining Maps section includes a map and a list of nearby restaurants with their respective discounts and distances:

- La Riviera Gauche:** French, 50% off, UP TO \$16.00 VALUE, 3 miles.
- Aimee's, French:** 50% off, UP TO \$13.00 VALUE, 3 miles.

Other features include a 'My Savings' section showing a total of \$45.21, a 'Popular Dining in Los Angeles' list, and a 'Join the dining' button.

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Strategies

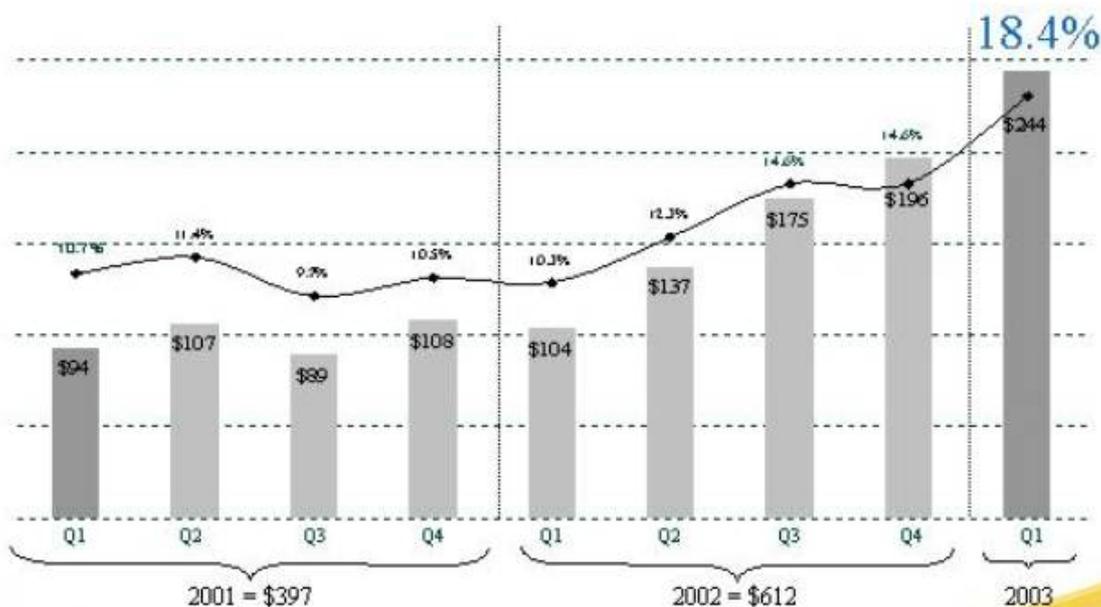




International Revenues

\$ in millions

INTERNATIONAL REVENUES
and as % OF TOTAL REVENUES



Prepared by PDI - Lead Investor Activities

Source: USA public filings. Prepared for IFC demonstration



International Opportunity

\$ in billions

B2C ECOMMERCE SPENDING

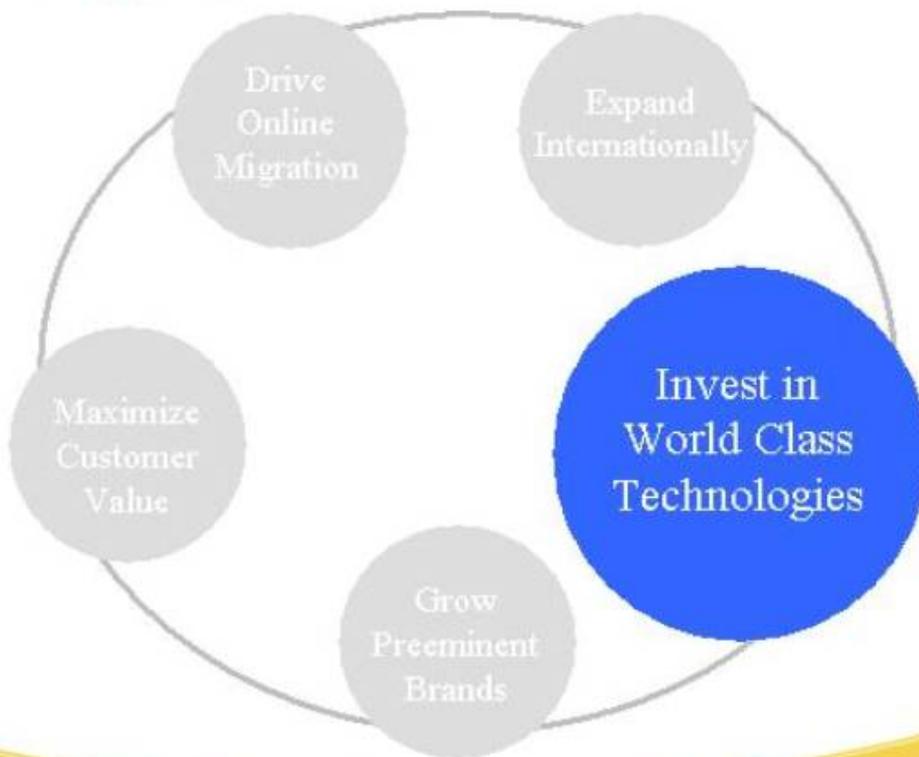
U.S. CAGR = 24%
International CAGR = 57%



Prepared by PDI - Lead Investor Activities

Source: IDC, "New Commerce Model Model version 3.1" December 2002. Excludes IT services, consulting and financial services

Strategies



Expedia

Package Wizard

Change your dates
 Departing: (MM/DD/YYYY)
 6/26/2003
 Anytime
 Returning: (MM/DD/YYYY)
 6/09/2003
 Anytime

New York to Miami packages
 Book this destination online, or call our reservation agents toll-free at 1 (800) 342-8630

Currently included package items
 Check-in: Thu 26-Jun-03 Check-out: Sun 29-Jun-03 Select a hotel for your vacation package below:
 Rental car. (Note: Car taxes and surcharges not included.)
 New York (LGA) to Miami (MIA) Thu 26-Jun-03 6:30 AM - 9:23 AM American Airlines
 Miami (MIA) to New York (LGA) Sun 29-Jun-03 12:26 PM - 3:30 PM American Airlines

Choose a hotel for your package
 Sort by: Expedia Picks Price Hotel Name City Hotel Class
 Available packages: 1-25 26-50 51-75 76-100 101-125 126-150 151-175 176-178

\$483.37 avg/person (\$966.74 total)
 Package includes: Standard room 3 nights hotel, 2 roundtrip tickets, 4 days Midsize Car, taxes, & regulatory surcharges for flight. Note: Car taxes & surcharges not included.

Fontainebleau Hilton Resort
 Indulge in tropical splendor on the white sandy shores of Miami Beach.
 Unwind in the peaceful gardens or explore nearby South Beach and the Art Deco ...

Was \$437.76 Now \$413.83 avg/person (\$827.66 total)
 Package includes: City View King room 3 nights hotel, 2 roundtrip tickets, 4 days Economy Car, taxes, & regulatory surcharges for flight. Note: Car taxes & surcharges not included.

Ritz Plaza Hotel

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Ticketmaster

ticketAlert E-mail this to a friend enter artist or team

eventReminder
 Hello Anthony,
 We're excited to announce these tickets are on sale soon.
 On sale Friday, Jan 24, 2003:
 Bon Jovi
 Los Angeles Lakers
 To find tickets on Friday, use the links below.

ticketAlert
 Hello Anthony,
 We're excited to announce these tickets are on sale soon.
 On sale Friday, Jan 24, 2003:
 Bon Jovi
 Los Angeles Lakers
 To find tickets on Friday, use the links below.

EVENT DETAILS
 The following 2 events are on sale
 Fri, 1/24/03 10:00 am PST

Bon Jovi
 Arrowhead Pond (CA) Wed, 1/25/03
 Bon Jovi
 Arrowhead Pond (CA) Wed, 1/25/03

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Match

match.com PERSONAL ATTRACTION Take the test!

Instructions:
YOUR PROFILE
 How unique is your type?
 Quirks men notice...
 Do men like your type?
WHO YOU'RE LOOKING FOR!

WHO YOU'RE LOOKING FOR!
 How unique is your type?
 Your personality profile is similar to a small number of men your age. Looking at over 10,000 men who have taken the test, about 29.7% (or 1 in 3 men) have very similar beliefs, values, and habits. Of course, the way these qualities are expressed in you is what makes you so unique.

How many other men have personalities like you?
 35.00%
 29.00%
 36

WHO YOU'RE LOOKING FOR!
YOU AND YOUR IDEAL PARTNER

How social are you?
 YOUR PARTNER: Mostly shy & introverted
 YOU: Mostly outgoing & extroverted

Where's your focus...head or heart?
 YOUR PARTNER: Focused on feelings & relationships
 YOU: Focused on thinking & facts

How do you run your life?
 YOUR PARTNER: Always go with the flow
 YOU: Very organized & on time

How's your mood?
 YOUR PARTNER: Always pessimistic & worried
 YOU: Always positive & cheerful

Lights. Camera. Dating!
 Get noticed today with a video greeting, it's easy to create a free video for your **profile** or send privately in your **email**.

[View a Sample >>](#) [Create New Video](#)

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LendingTree

1-800-411-TREE Help Center | Email Us | Call Us | [Click Here for Live Help!](#)

LendingTree You are logged in as: Sarah Smith [Logout](#)

Loan Status: Your Mortgage Refinance Offer(s)

Congratulations - You have received 8 offers. Here you can view all of your offers, compare one offer against another, check out the details on any given offer, and select an offer to begin working with a specific lender.

To select an offer, click on the "Offer Details" button next to the offer you want to select. You may also [change your offer request](#).

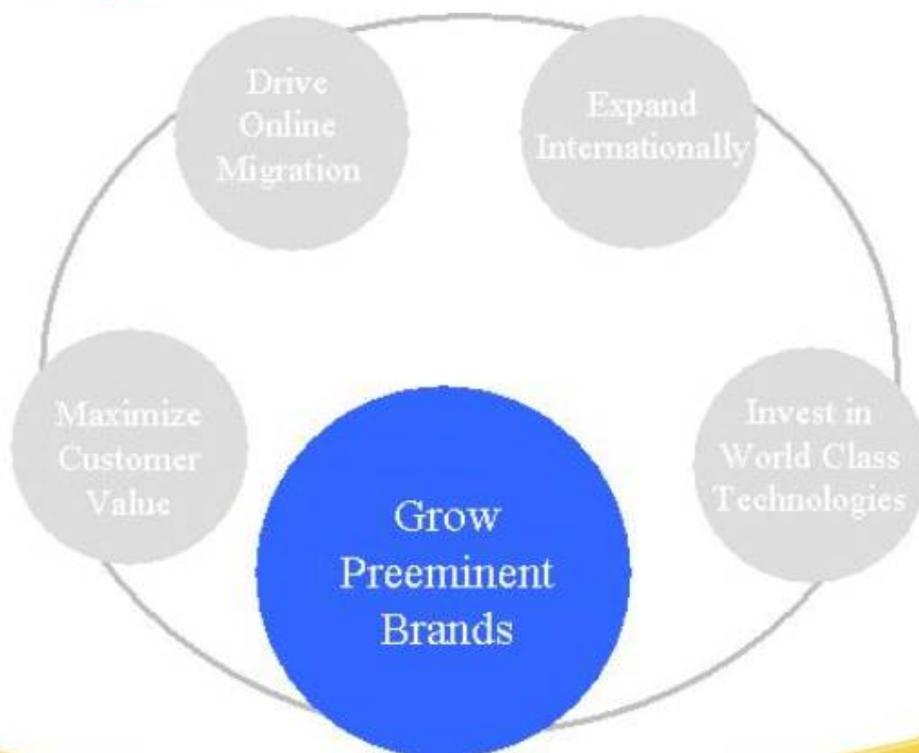
[Print Friendly Version](#)

Lender	Loan Amount	Interest Rate	Points	APR	Monthly Payment	Loan Product
First Residential Mortgage	\$204,000	5.50%	0.000%	5.650%	\$1,158	30 year fixed
First Residential Mortgage	\$204,000	4.25%	0.000%	4.360%	\$1,004	5 year ARM/30 yrs
First Residential Mortgage	\$204,000	4.75%	0.000%	4.850%	\$1,064	3 year ARM/30 yrs
Novastar Mortgage, Inc.	\$204,000	3.99%	1.125%	4.769%	\$959	3yearARM/30yrs
Novastar Mortgage, Inc.	\$204,000	5.25%	0.25%	5.307%	\$1,127	30yearfixed
Novastar Mortgage, Inc.	\$204,000	4.13%	0.625%	4.947%	\$969	3yearARM/30yrs
Salem Mortgage	\$204,000	5.39%	0.000%	5.700%	\$1,142	30 year fixed
Wilmington Finance, Inc.	\$204,000	5.75%	1.000%	5.950%	\$1,190	3 year ARM/30 yrs

You can compare any two of your offers side by side to see how they stack up.

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Strategies



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Marketing

\$ in millions



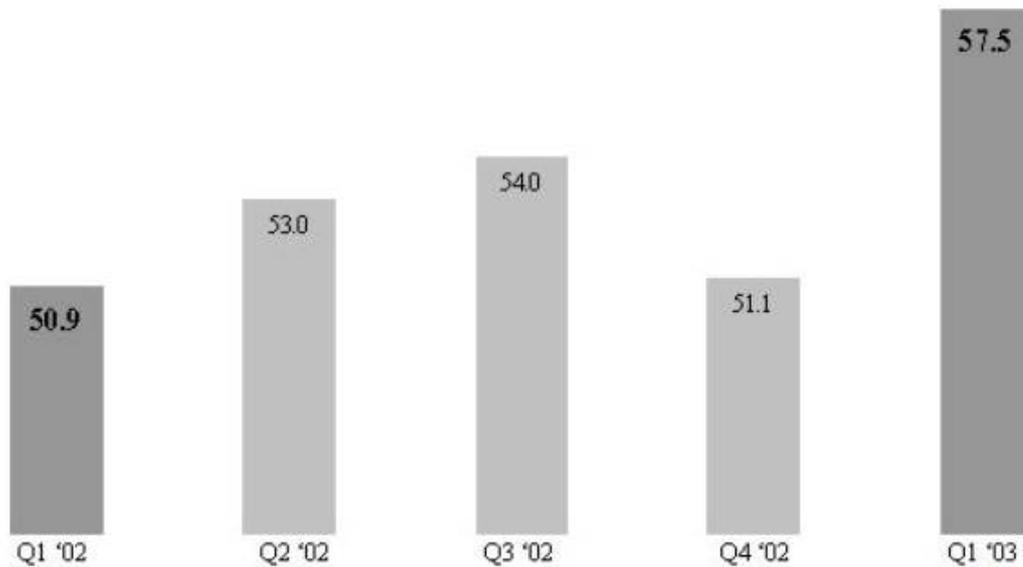
Powered by PPT - Lead Investor & Investor

Source: USA public filing information for Dow Chemicals

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Reach

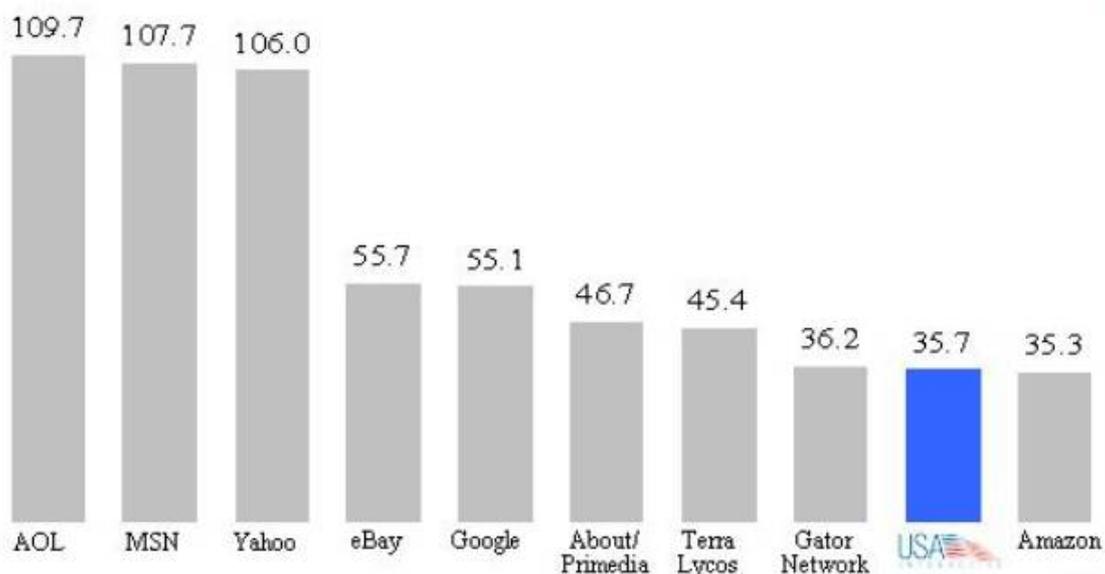
QUARTERLY UNIQUE VISITORS
(in millions)



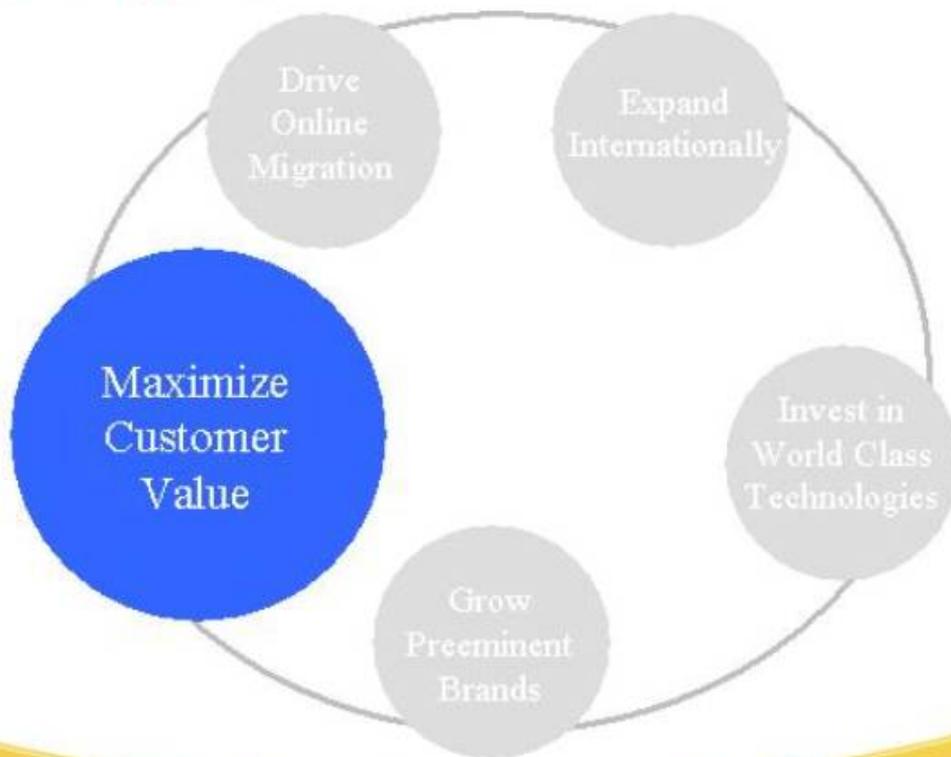
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#9 in Online Reach

COMBINED HOME / WORK UNIQUE VISITORS
April 2003 (in millions)



Strategies

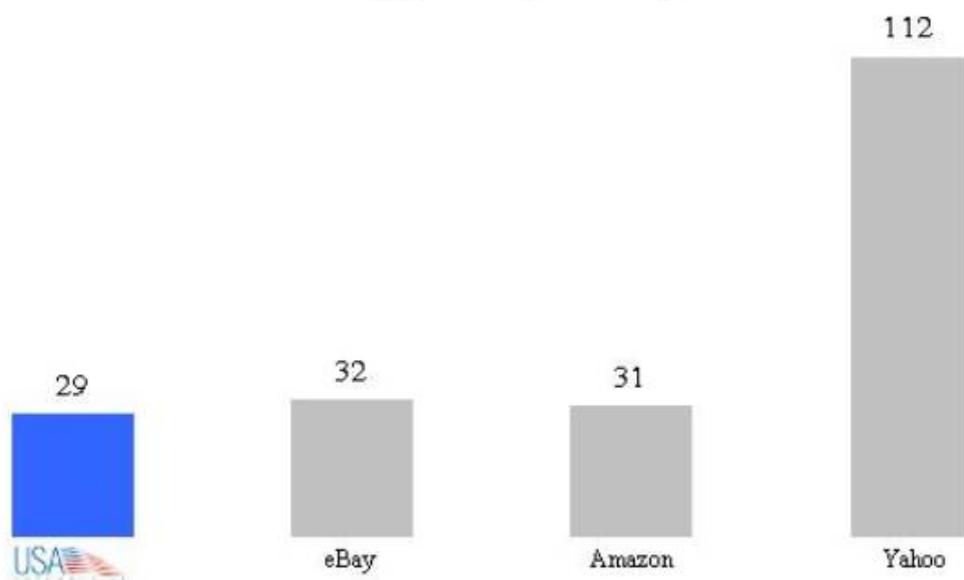


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User Base

\$ in millions

ACTIVE CUSTOMERS
As of Q1 2003 (in millions)





Transactions Driving Profits

GROSS PROFIT PER ACTIVE CUSTOMER
Q1 2003



Strong Financial Growth

\$ in millions

	Q1 '02	Q1 '03	Growth
Gross Transaction Value	\$2,782	\$4,141	49%
Revenue	972	1,392	43%
Gross Profit	354	598	69%
Operating Income	28	93	236%
Net Income/(Loss)	\$(437)	\$(110)	75%
Cash Flow from Operations	14	467	NM
EBITA (pro forma)	79	173	120%
Adjusted Net Income (pro forma)	43	110	156%
Free Cash Flow	\$149	\$406	172%

Revenue, gross profit, operating income, net income/(loss) and cash flow from operations presented on actual basis. EBITA and adjusted net income are pro forma for Transactions merger and pending IPO and other non-recurring and are adjusted for one-time items. Please see "Additional and supplemental information" at the end of this document.

Prepared by PPT - Head Investor Relationship

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Strong Balance Sheet

\$ in millions, as of March 31 2003. Pro forma for recent and pending transactions.

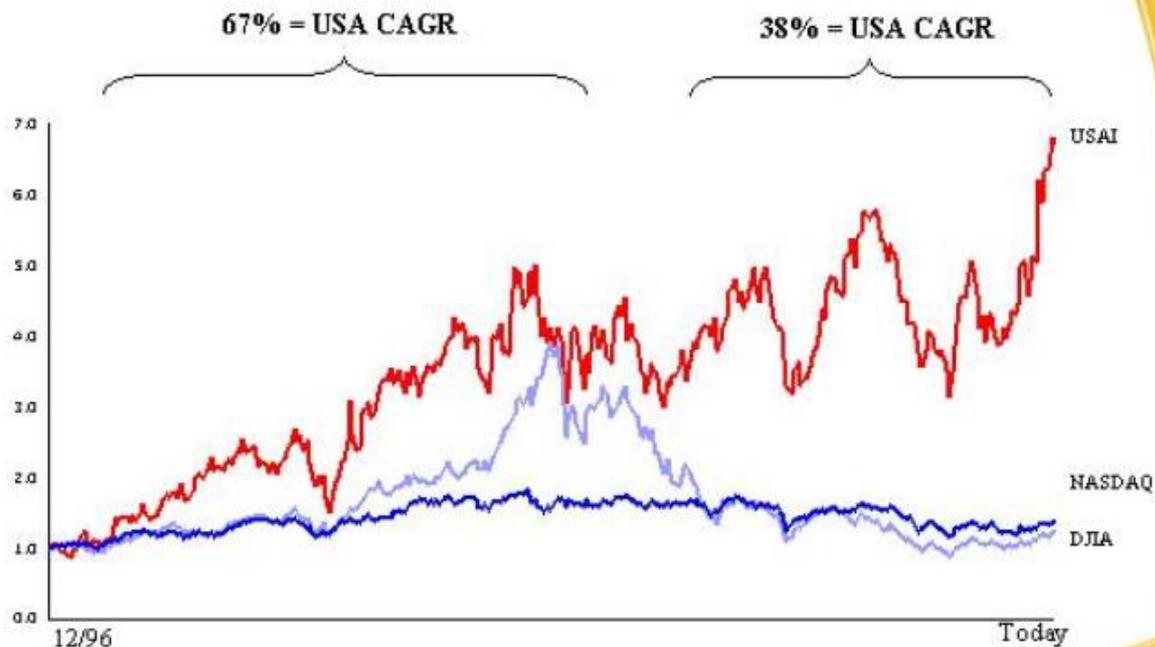


As of March 31 2003. Actuals presented on actual. Pro forma for Transactions merger and pending IPO and other non-recurring and are adjusted for one-time items. Please see "Additional and supplemental information" at the end of this document.

Prepared by PPT - Head Investor Relationship

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Shareholder Value Creation



Prepared by PDI - Asset Management & Advisory

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Important

This presentation contains forward looking statements relating to possible or assumed future results of USA. It reflects the views of USA with respect to future events, and is subject to risks that could cause future results to materially differ. These risks are described in USA's Securities and Exchange Commission filings. Information contained herein about entities other than USA has been obtained from sources believed to be reliable, but no independent verification has been made and no representation is made as to its accuracy or completeness. Any statements non-factual in nature constitute opinions, which are subject to change without notice. The forward looking statements and opinions in this presentation are made as of the date of this presentation unless otherwise noted, and USA undertakes no obligation to update or revise them for any reason. These statements do not include the potential impact of any mergers, acquisitions or other business combinations that may be completed in the future other than as noted.

This presentation refers to budgeted data from the USA 2003 budget released on February 6, 2003. The budgeted data is as of February 6, 2003 and is not being updated or confirmed as of the date hereof. Pro forma financial information includes the results from Expedia as of January 1, 2001, and is pro forma for the exchange of Holdco shares by Liberty, the Vivendi transaction and the Ticketmaster merger as if they had occurred on January 1, 2001.

EBITA is defined as 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. 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. Adjusted EPS is defined as Adjusted Net Income divided by fully diluted shares outstanding for Adjusted EPS purposes. For reconciliations from non-GAAP to GAAP metrics, please refer to www.usainteractive.com.

In connection with the proposed merger transactions with Expedia and Hotels, USA Interactive and Expedia have filed a proxy and information statement/prospectus and USA Interactive and Hotels.com have filed an Information Statement/Prospectus, in each case with the Securities and Exchange Commission. Investors and security holders are urged to read carefully these documents regarding the proposed transactions, because they will contain important information. Investors and security holders may obtain a free copy of these documents and other documents containing information about USA Interactive, Expedia, Inc. and Hotels.com, without charge, at the SEC's web site at <http://www.sec.gov>. Free copies of USA Interactive's filings may be obtained by directing a request to USA Interactive, 152 West 57th Street, New York, New York, 10019, Attention: Investor Relations, free copies of Expedia's filings may be obtained by directing a request to Expedia, Inc. 13810 SE Eastgate Way, Suite 400, Bellevue, Washington 98005, Attention: Investor Relations, and free copies of Hotels.com's filings may be obtained by directing a request to Hotels.com, 8140 Walnut Hill Lane, Suite 203, Dallas, TX 75231, Attention: Investor Relations.

Prepared by PDI - Asset Management & Advisory

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*Engaging worldwide in the business of interactivity
via the Internet, the television and the telephone.*

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Reconciliations

\$ in millions

	<u>Q1 '02</u>	<u>Q1 '03</u>
EBITA	\$79	\$173
Amortization of non-cash items	(123)	(136)
HSN disengagement costs	(11)	(4)
One-time items	0	(2)
Pro forma adjustments	<u>84</u>	<u>63</u>
Operating Income	<u>\$28</u>	<u>\$93</u>

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Reconciliations

amounts in millions, except per share

	Q1 '02	Q1 '03
Adjusted net income	\$43	\$110
Amortization of non-cash items	(123)	(136)
Equity pick-up of VUE	0	(243)
Related tax and minority interest	39	141
Pro forma adjusted diluted net loss	(42)	(128)
One-time items	(461)	(1)
Pro forma adjustments	64	17
Impact of dilutive securities	2	2
Net loss available to common shareholders	<u>\$(437)</u>	<u>\$(110)</u>

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[LOGO]

Dara Khosrowshahi
EVP & CFO

June 4, 2003
Deutsche Bank 11th Annual Media Conference

USA Interactive

[GRAPHIC]

Prepared 6/4/03 - Read important disclaimer(s)

As of June 2003. Includes some companies majority or partially owned by USA.

Strategies

[CHART]

Strategies

[CHART]

Ticketmaster

[CHART]

Travel
\$ in billions

ONLINE PENETRATION BY CATEGORY

[CHART]

Source CSFB and PhocusWright research.

LendingTree

2002 CONSUMER LENDING

[CHART]

Total = \$3.9 Trillion

Source: IDC, MBAA, SMR Home Equity and subprime Mortgage Loans, 2002, NADA and Manheim Auctions.

Local Discounting

[GRAPHIC]

Strategies

[CHART]

International Revenues
\$ in millions

INTERNATIONAL REVENUES
and as % OF TOTAL REVENUES

[CHART]

Source: USA public filings. Pro forma for Expedia transaction.

International Opportunity
\$ in billions

B2C ECOMMERCE SPENDING

[CHART]

Source: IDC. "Internet Commerce Market Model version 8.3" December 2002. Excludes TV electronic retailing and financial services.

Strategies

[CHART]

Expedia

[GRAPHIC]

Ticketmaster

[GRAPHIC]

Match

[GRAPHIC]

LendingTree

[GRAPHIC]

Strategies

[CHART]

Marketing
\$ in millions

[CHART]

Sources: USA public filings; pro forma for Expedia transaction.

Reach

QUARTERLY UNIQUE VISITORS
(in millions)

[CHART]

Source: Neilson/Net Ratings Quarterly Trend Report.

#9 in Online Reach

COMBINED HOME / WORK UNIQUE VISITORS
April 2003 (in millions)

[CHART]

Data for USA is from a comScore Media Metrix unranked custom entity report defined by USA, representing combined home / work unduplicated reach for all of USA's subsidiaries, and is compared to the comScore Media Metrix Top 100 Properties list. Data for other companies is per comScore Media Metrix's Top 100 Properties report.

[CHART]

User Base
\$ in millions

ACTIVE CUSTOMERS
As of Q1 2003 (in millions)

[CHART]

USA represents active customers, defined as customers who have purchased within the past twelve months. Assumes 25% duplication across USA brands. eBay represents active users. Amazon represents active customers. Yahoo represents active registered users.

Transactions Driving Profits

GROSS PROFIT PER ACTIVE CUSTOMER
Q1 2003

[CHART]

USA represents active customers, defined as customers who have purchased within the past twelve months. Assumes no duplication across USA brands and excludes EPI, which was acquired on 3/24/03. eBay represents active users. Amazon represents active customers. Yahoo represents active registered users.

Strong Financial Growth
\$ in millions

	Q1 '02	Q1 '03	Growth
Gross Transaction Value	\$ 2,782	\$ 4,141	49%
Revenue	972	1,392	43%
Gross Profit	354	598	69%
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Strong Balance Sheet
\$ in millions, as of March 31, 2003. Pro forma for recent and pending transactions.

[CHART]

As adjusted as of 3/31/03. Includes marketable securities. Pro forma for Liberty pre -emptives and repurchase of 0.9 million USA shares through May 9, 2003. Excludes cash due to clients of \$129 million at Ticketmaster. Includes \$270 million in deferred merchant bookings at Expedia and \$112 million in deferred merchant revenue at Hotels.com.

[CHART]

Important

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[LOGO]

Engaging worldwide in the business of interactivity via the Internet, the television and the telephone.

Reconciliations
\$ in millions

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Operating Income	<u>\$ 28</u>	<u>\$ 93</u>

Pro forma adjustments reflect Ticketmaster merger, pending Expedia merger and pending Hotels.com merger.

[LOGO]

Reconciliations

amounts in millions, except per share

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