

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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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 1, 2001

USA NETWORKS, INC.

(Exact Name of Registration business as Specified in Its Charter)

|   |                             |  |
|---|-----------------------------|--|
| Delaware  | 0-20570                     | 59-2712887                                 |
| (State or other Jurisdiction<br>of incorporation) | (Commission File<br>Number) | (I.R.S. Employer<br>Identification Number) |

152 West 57th Street, New York, New York 10019  
(Address, including zip code, of Principal Executive Offices)

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

Item 7(c). Exhibits.

99.1 Press Release dated February 1, 2001

99.2 Forward-Looking Financial Information

99.3 Supplemental Information

Item 9. Regulation FD Disclosure

On February 1, 2001, the Registrant issued a press release announcing its results for the quarter ended December 31, 2000. The full text of this press release, appearing in Exhibit 99.1 hereto, the forward-looking financial information, appearing in Exhibit 99.2 hereto, and the supplemental information, appearing in Exhibit 99.3 hereto, are furnished and not filed 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 hereunto duly authorized.

Date: February 1, 2001

USA NETWORKS, INC.

By: /s/ Julius Genachowski

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Name: Julius Genachowski  
Title: Senior Vice President and  
General Counsel

EXHIBIT INDEX

- 99.1 Press Release dated February 1, 2001
- 99.2 Forward-Looking Financial Information
- 99.3 Supplemental Information

[GRAPHIC OMITTED]  
USA  
NETWORKS  
INC

FOR IMMEDIATE RELEASE

FEBRUARY 1, 2001

16% GROWTH IN Q4 AND 25% GROWTH IN 2000 AT USAI  
BEST-EVER EBITDA QUARTER FOR USA NETWORK, SCI FI, HSN AND HRN  
26% AVERAGE EBITDA GROWTH FOR OPERATING BUSINESSES DURING COMPANY'S  
FIRST 5 YEARS

NEW YORK, February 1, 2001 - USA Networks, Inc. (NASDAQ: USAI) announced today its financial results for the quarter and year ended December 31, 2000. On a pro forma comparative basis from its operating businesses, USAI generated 16% higher EBITDA on 22% higher revenue in the fourth quarter, and 25% higher EBITDA on 23% higher revenue for the full year. Recent operating highlights include:

USA NETWORK had its best quarter in history, growing EBITDA to \$105.6 million.

- o Counter-programming helped increase USA's ratings sequentially each month of the quarter. Since October, USA's primetime is up 27% to an average 1.9 rating in January.
- o Delivery of targeted adults 25-54 is up 25% in Early Prime for the recent period. JAG, the highest-rated non-kids stripped series on cable, is up 13%. WALKER, TEXAS RANGER has improved the 6pm time period by 71%.
- o Female-targeted movies have increased delivery to women 25-54 by 77% on Saturday afternoons.
- o USA's original movies averaged a 3.5 rating in 2000, best among all cable networks.
- o New programs in 2001 will include Mark Burnett's ECO-CHALLENGE: BORNEO and COMBAT MISSIONS.

SCI FI had its best quarter in history, growing EBITDA to \$30.2 million.

- o For the first time in its eight years, SCI FI ended the year as a top-10 cable network in primetime.
- o Original programming lifted SCI FI's average primetime delivery by 12% in Q4, matching its record rating of 0.9.
- o December was SCI FI's all-time best month, with an average 1.1 rating and delivery of 760,000 households.
- o The epic miniseries DUNE was the most-watched program in SCI FI history, averaging a 4.4 rating and 2.9 million households, double the network's previous record.
- o SCI FI is the #1 provider of original scripted series in cable primetime, and has a higher concentration of adult viewers 25-54 than any other network on television.

STUDIOS USA had its best Q4 in history, growing net EBITDA to \$15.4 million.

- o Among viewers 18-49: LAW & ORDER is the season's #1 show on Wednesday, spin-off LAW & ORDER: SVU is #1 on Friday, and ARREST & TRIAL is the #1 new first-run series. ARREST & TRIAL'S ratings are up 25% since its October premiere.
- o THE DISTRICT is the #1 program in Saturday primetime and among CBS's top performing new shows.
- o MAURY is up 16% since '98, more than any other talk show, and is delivering its highest ratings in four years.
- o Studios USA is the #3 producer of primetime and first-run syndicated programming, including 2 of the top 4 talk shows.

HSN had its best quarter in history, growing U.S. EBITDA to \$74.5 million and Germany EBITDA to \$9.0 million.

- o HSN's U.S. revenue increased by 16% to \$462.1 million. HSN TV added 650,000 new customers in Q4, 13% more than the year-ago period, and HSN.com nearly doubled its customer base during Q4, adding 115,000 new buyers.
- o With virtually no incremental customer acquisition costs, HSN is expanding its customer base and driving incremental sales across multiple channels. 38% of HSN.com's customers are new to HSN, and those who shop both on air and online spend 25% more than they had on HSN TV alone. HSN.com's \$21 million in sales was ten times Q4 99.
- o Leveraging its global merchandising expertise and infrastructure, HSN launched the first GLOBAL TODAY'S SPECIAL across every HSN household in the U.S., Germany, France / Belgium, Japan, and China. More than 10,000 units of exclusively designed jewelry sold out simultaneously around the world.
- o HSN shipped 33.4 million units during the year and 9.2 million during the fourth quarter, including a record 220,000 packages in a single day. 99.9% of customer's orders were delivered on time during the holidays.
- o More than 80% of HSN's products are exclusive and cannot be found anywhere else.
- o HSN is the world's #1 distributed television retailer, reaching 141 million households.

HOTEL RESERVATIONS NETWORK had its best quarter in history, growing EBITDA to \$17.6 million in Q4.

- o HRN expanded into 14 new markets, added 800 new web affiliates, and sold 699,900 room nights during Q4.
- o HRN is one of the most profitable independent Internet companies, earning \$52.6 million in EBITDA in 2000.
- o HRN is the Internet's #1 provider of discount hotel accommodations worldwide.

TICKETMASTER generated ticketing EBITDA of \$24.4 million before non-recurring merger charges.

- o Ticketmaster Online accounted for 26.2% of the tickets sold by Ticketmaster, versus 18.4% in Q4 1999.
- o Ticketmaster is the world's #1 ticketing service and Ticketmaster.com was the #2 U.S. Web retailer in 2000.

PRECISION RESPONSE had its best Q4 in history, growing EBITDA to \$11.0 million. PRC's new clients added during Q4 included Chase Metlife, AT&T Customer Care, and AOL. PRC is a world leader in teleservices and integrated customer care.

USA FILMS' TRAFFIC was named film of the year by New York Film Critics Circle and combined with NURSE BETTY for 3 Golden Globes. NEW YORK YANKEES WORLD SERIES 2000 became the best selling sports video ever for USA Home Entertainment in Q4.

CROSS-COMPANY highlights include:

- o ECS's Short Shopping contextual direct selling spots generated merchandise sales of \$450,000 immediately following the final World Series game on Fox, and \$320,000 after the two NFL Conference Championship games.
- o ECS has announced long-term e-commerce and services partnerships with AOL's Turner Sports Interactive to create and manage NASCAR.com, and with CBS SportsLine.com to operate the sports media company's online store.
- o Studios USA, the pioneer in dual-platforming, has nearly doubled SCI FI's rating for INVISIBLE MAN through first-run syndication. For fall '01, Studios has already cleared 80% in syndication for SCI FI's CROSSING OVER WITH JOHN EDWARD.
- o TMCS has become Hotel Reservation Network's 7th largest Web affiliate. One year ago, TMCS did not rank among HRN's top 150 affiliates.

FINANCIAL RESULTS

On a comparative pro forma basis, USAi reported the following, excluding discontinued operations:

|   | ACTUAL<br>Q4 00 | PRO FORMA<br>Q4 99 | GROWTH  |
|---|-----------------|--------------------|---------|
| (\$ IN MILLIONS)                        |                 |                    |         |
| <b>REVENUES - OPERATING BUSINESSES</b>  |                 |                    |         |
| Cable and studios .....                 | \$ 424.8        | \$ 349.7           | 21% (a) |
| Electronic retailing - U.S. ....        | 462.1           | 397.7              | 16%     |
| Electronic retailing - Germany .....    | 74.0            | 50.5               | 46%     |
| Ticketing .....                         | 122.7           | 118.1              | 4% (c)  |
| Hotel reservations .....                | 100.0           | 53.4               | 87%     |
| Teleservices .....                      | 72.1            | 62.6               | 15%     |
|   | -----           | -----              | --      |
| SUB-TOTAL - OPERATING .....             | 1,255.6         | 1,032.0            | 22%     |
| German DM exchange rate fluctuation (f) | (11.8)          | --                 |         |
| <b>REVENUES - EMERGING BUSINESSES</b>   |                 |                    |         |
| Citysearch, Match.com, and related .... | 21.2            | 14.0               |         |
| Styleclick .....                        | 4.8             | 8.5                |         |
| Electronic Commerce Solutions .....     | 8.7             | 5.8                |         |
| HSN - other international .....         | 9.4             | 2.7                |         |
| USA Films .....                         | 20.5            | 25.1               |         |
| Trio, NWI, SCIFI.com, USA Network.com . | 7.5             | 0.5                |         |
|   | -----           | -----              | --      |
| SUB-TOTAL - EMERGING .....              | 72.1            | 56.5               | --      |
|   | -----           | -----              | --      |
| TOTAL .....                             | \$ 1,315.9      | \$ 1,088.5         | 21%     |
|   | =====           | =====              | ==      |
| <b>EBITDA - OPERATING BUSINESSES</b>    |                 |                    |         |
| Cable and studios .....                 | \$ 151.1        | \$ 125.9           | 20% (b) |
| Electronic retailing - U.S. ....        | 74.5            | 74.3               | 0% (d)  |
| Electronic retailing - Germany .....    | 9.0             | 7.0                | 28%     |
| Ticketing .....                         | 24.4            | 25.4               | (4%)(c) |
| Hotel reservations .....                | 17.6            | 8.7                | 102%    |
| Teleservices .....                      | 11.0            | 9.8                | 13%     |
| Corporate and other .....               | (10.0)          | (10.7)             |         |
|   | -----           | -----              | --      |
| SUB-TOTAL - OPERATING .....             | 277.7           | 240.4              | 16%     |
| German DM exchange rate fluctuation (f) | (1.5)           | --                 |         |
| Nonrecurring charges (e) .....          | (4.1)           | --                 |         |
| <b>EBITDA - EMERGING BUSINESSES</b>     |                 |                    |         |
| Citysearch, Match.com, and related .... | (11.4)          | (20.4)             |         |
| Styleclick .....                        | (8.2)           | (18.4)             |         |
| Electronic Commerce Solutions .....     | (8.5)           | (3.2)              |         |
| HSN - other international .....         | (5.0)           | (0.5)              |         |
| USA Films .....                         | (0.6)           | 4.5                |         |
| Trio, NWI, SCIFI.com, USA Network.com . | (2.5)           | (1.1)              |         |
|   | -----           | -----              | --      |
| SUB-TOTAL - EMERGING .....              | (36.2)          | (39.1)             | --      |
|   | -----           | -----              | --      |
| TOTAL .....                             | \$ 236.0        | \$ 201.3           | 17%     |
|   | =====           | =====              | ==      |

o Excludes results from USA Broadcasting, the sale of which to Univision was announced in December, 2000.

o Presented as if the acquisitions of Precision Response and Styleclick and the consolidation of HOT Germany had occurred at the beginning of the periods presented.

o EBITDA is defined as net income plus, (1) provision for income taxes, (2) minority interest, (3) interest income and expense, (4) depreciation and amortization, (5) amortization of cable distribution fees (\$11.0 million and \$7.5 million, respectively), and (6) amortization of non-cash distribution and marketing expense.

(a) USA Network revenue decreased by 1% due to the weak advertising market.

(b) SCI FI EBITDA increased by only 1% primarily due to marketing expenses in connection with the mini-series event DUNE.

(c) Ticketing growth was limited due to strong comparable results from millennium-related events in 1999 and costs related to TicketWeb and 2b Technology in 2000.

(d) HSN's EBITDA growth was impacted by higher spending to enhance the customer experience in Q4, and by \$4 million in non-recurring credits taken in Q4 99.

(e) Represents one-time expenses related to the merger between Ticketmaster and Ticketmaster Online-Citysearch.

(f) In order to present comparable results for Germany, the results have been

translated from Deutschemarks to U.S. dollars at the 1999 exchange rate.

BUSINESS MIX

64% of the company's Q4 revenue came from direct consumer transactions, 21% was derived from production and affiliate fees, and 15% was advertising-related. On a comparative pro forma basis for its three organizational units, USAi reported the following for its operating business:

|  | ACTUAL<br>Q4 00   | PRO FORMA<br>Q4 99 | GROWTH     | MIX         |
|--|-------------------|--------------------|------------|-------------|
| (\$ IN MILLIONS)                       |                   |                    |            |             |
| <b>REVENUES - OPERATING BUSINESSES</b> |                   |                    |            |             |
| Entertainment .....                    | \$ 424.8          | \$ 349.7           | 21%        | 34%         |
| Electronic retailing .....             | 524.2             | 448.2              | 17%        | 42%         |
| Information and Services ....          | 294.8             | 234.1              | 26%        | 24%         |
| <b>TOTAL .....</b>                     | <b>\$ 1,243.8</b> | <b>\$ 1,032.0</b>  | <b>21%</b> | <b>100%</b> |
| <b>EBITDA - OPERATING BUSINESSES</b>   |                   |                    |            |             |
| Entertainment .....                    | \$ 151.1          | \$ 125.9           | 20%        | 55%         |
| Electronic retailing .....             | 82.1              | 81.3               | 1%         | 30%         |
| Information and Services ....          | 51.5              | 43.9               | 17%        | 19%         |
| Corporate and other .....              | (10.0)            | (10.7)             | (4%)       |             |
| <b>TOTAL .....</b>                     | <b>\$ 274.7</b>   | <b>\$ 240.4</b>    | <b>14%</b> | <b>100%</b> |

CASH NET INCOME AND EARNINGS PER SHARE FROM CONTINUING OPERATIONS

|   | ACTUAL<br>Q4 00 | ADJUSTED*<br>Q4 00 | PRO FORMA<br>Q4 99 |
|---|-----------------|--------------------|--------------------|
| Fully converted cash net income per share | 0.12            | 0.15               | 0.12               |
| Fully converted earnings per share .....  | 0.00            | 0.03               | 0.02               |
| Cash net income per share .....           | 0.16            | 0.21               | 0.09               |
| Basic loss per share .....                | (0.08)          | (0.03)             | (0.01)             |

\*Excluding non-recurring merger and other costs (\$4 million, pre-tax) and one-time non-operating losses (\$34.8 million, pre-tax).

Due to regulatory restrictions, Universal and Liberty own a significant portion of their interests in USAi through USAi subsidiaries. This structure causes USAi to record net losses in situations where net income would otherwise have been recorded if their ownership were entirely in USAi common stock. Fully converted earnings and fully converted cash net income reflect the impact as if all shares exchangeable into common stock had been exchanged during the period.

Fully converted cash net income per share, fully converted earnings per share, and basic loss per share were impacted by higher losses in unconsolidated investments, higher depreciation charges, and higher non-cash marketing expenses. Fully converted earnings per share and basic loss per share were also impacted by higher amortization of goodwill in connection with various acquisitions.



OPERATING METRICS

USA CABLE / STUDIOS USA

|  | Q4 00    | Q4 99    | GROWTH   |
|--|----------|----------|----------|
|  | -----    | -----    | -----    |
| Revenue (\$ IN MILLIONS):                    |          |          |          |
| USA Network .....                            | \$ 201.4 | \$ 202.7 | (1%) (a) |
| SCI FI .....                                 | 78.4     | 63.8     | 23%      |
| Studios, net .....                           | 144.9    | 83.2     | 74%      |
|  | -----    | -----    | --       |
| Total .....                                  | \$ 424.8 | \$ 349.7 | 21%      |
|  | =====    | =====    | ==       |
| EBITDA (\$ IN MILLIONS):                     |          |          |          |
| USA Network .....                            | \$ 105.6 | \$ 87.0  | 21%      |
| SCI FI .....                                 | 30.2     | 30.0     | 1% (b)   |
| Studios, net .....                           | 15.4     | 9.0      | 70%      |
|  | -----    | -----    | --       |
| Total .....                                  | \$ 151.1 | \$ 125.9 | 20%      |
|  | =====    | =====    | ==       |
| Households (IN MILLIONS @ 12/31):            |          |          |          |
| USA Network .....                            | 79.9     | 77.2     | 4%       |
| SCI FI .....                                 | 66.7     | 59.7     | 12%      |
| Advertising revenue / affiliate revenue mix: |          |          |          |
| USA Network .....                            | 55:45    | 58:42    |          |
| SCI FI .....                                 | 67:33    | 62:38    |          |

(a) 1% decrease attributable to the weak advertising market.

(b) Only 1% increase primarily due to marketing expenses in connection with the mini-series event DUNE.

HSN - U.S.

|  | Q4 00 | Q4 99 | GROWTH |
|--|-------|-------|--------|
|  | ----- | ----- | -----  |
| On air services:                             |       |       |        |
| Units shipped (IN MILLIONS) .....            | 9.2   | 8.7   | 6%     |
| Gross profit %* .....                        | 32.7% | 34.0% |        |
| Return rate .....                            | 19.2% | 19.1% |        |
| U.S. cable / DBS homes (IN MILLIONS @ 12/31) | 65.6  | 60.6  | 8%     |
| U.S. total homes (IN MILLIONS @ 12/31) ..... | 76.8  | 73.7  | 4%     |
| Product mix:                                 |       |       |        |
| Homegoods .....                              | 55%   | 54%   |        |
| Jewelry .....                                | 25%   | 23%   |        |
| Health / Beauty .....                        | 8%    | 10%   |        |
| Apparel / Accessories .....                  | 12%   | 13%   |        |

\*In connection with accounting regulations effective in Q3 00, HSN reclassified shipping and handling revenue from cost of goods sold to revenue. This reclassification had no effect on HSN's reported EBITDA and no significant effect on revenue growth.

HSN - INTERNATIONAL

|  | TV HOUSEHOLDS |       |        | LIVE HOURS  |       |
|--|---------------|-------|--------|-------------|-------|
|  | 12/00         | 12/99 | GROWTH | DAILY 12/00 | STAKE |
| (IN MILLIONS @ 12/31)                          |               |       |        |             |       |
| Consolidated Services:                         |               |       |        |             |       |
| HOT Germany (includes Austria and Switzerland) | 29.3          | 26.7  | 2.6    | 16 hours    | 42%   |
| Home Shopping en Espanol (U.S.)                | 5.1           | 2.7   | 2.4    | 12 hours    | 100%  |
| Unconsolidated Services:                       |               |       |        |             |       |
| TVSN (China)                                   | 18.9          | --    | 18.9   | 5 hours     | 21%   |
| Shop Channel (Japan)                           | 9.2           | 6.8   | 2.4    | 12 hours    | 30%   |
| HOT LeGrand Magasin (France and Belgium)       | 1.4           | --    | 1.4    | 8 hours     | 47%   |

TICKETING

|   | Q4 00   | Q4 99   | GROWTH |
|---|---|---------|--------|
| Number of tickets sold (IN MILLIONS)              | 18.7  | 18.4    | 2%     |
| Gross value of tickets sold (IN MILLIONS)         | \$781.8   | \$759.3 | 3%     |
| Revenue per ticket - combined                     | \$ 5.87   | \$ 5.62 | 4%     |
| Revenue per ticket - online                       | \$ 6.75   | \$ 6.46 | 5%     |
| Share of tickets sold online (U.S., Canada, U.K.) | 26.2%   | 18.4%   |        |
| Top-selling events in Q4 `00                      | Backstreet Boys, WWF, New York Yankees,<br>Radio City Christmas Spectacular, Nutcracker |         |        |

HOTEL RESERVATIONS NETWORK

|  | Q4 00   | Q4 99   | GROWTH |
|--|---------|---------|--------|
| Hotel room nights sold                     | 699,900 | 383,000 | 83%    |
| Portion of total revenues generated online | 96%     | 87%     |        |
| Affiliate revenues as % of total revenue   | 56%     | 43%     |        |
| Cities served (AS OF 12/31)                | 97      | 40      | 143%   |

SHARES OUTSTANDING, MARKET CAPITALIZATION, AND NET DEBT

As of January 29, 2001, USAi had outstanding 729.7 million shares, including exchangeable securities, with an aggregate market capitalization of approximately \$14.2 billion. USAi's net debt, including that of its public subsidiaries, offset by an advance receivable to Universal, was approximately \$160 million as of December 31, 2000. Net debt is expected to be reduced further using net cash proceeds from the sale of USA Broadcasting to Univision.

## STATEMENTS OF OPERATIONS

The actual quarterly results are not comparable due to:

- 1) TMCS's acquisition of Sidewalk.com, Match.Com, One and Only Network, 2b Technology, and TicketWeb;
- 2) the consolidation of Home Order Television as of January 1, 2000;
- 3) the acquisition of Precision Response in April, 2000; and
- 4) the acquisition of Styleclick.com in August 2000.

## IMPORTANT DISCLOSURES

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include the information relating to possible or assumed future results of operations of USAi, including those preceded by, followed by or that include the words "believes," "projects," "expects," "anticipates" or similar expressions. These statements reflect the current views of USAi with respect to future events. The following important factors, in addition to those described in USAi's filings with the Securities and Exchange Commission, could affect the future results of USAi, and could cause those results to differ materially from those expressed in the forward-looking statements: material adverse changes in economic conditions in the markets served by our businesses; future regulatory actions and conditions in our businesses' operating areas; competition from others; successful integration of our divisions, including recently acquired businesses; product demand and market acceptance; the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; and obtaining and retaining key executives and employees. These forward-looking statements are made as of the date of this press release, and USAi undertakes no obligation to update or revise them, whether as a result of new information, future events or any other reason.

The financial, statistical and other information contained in this press release and its attachments is unaudited. USA Network and SCI FI ratings and household delivery data per NMR Galaxy Explorer for NHI defined periods versus comparable periods. Subscriber counts based on Nielsen People Meter Installed Sample, December '00 vs. '99. All ratings within each network's coverage area. Studios' syndicated program ratings per NSS (GAA % where applicable), and broadcast network data per NTI for comparable time periods. TMCS and competitor unique users and national reach data per Media Metrix (Digital Media Universe) Key Measures Report, December 2000. Ticketmaster.com Web retailer ranking is among U.S. home users based on average monthly transactions per PC Data Online for the period stated. Subject to qualifications.

USA Networks, Inc. (NASDAQ: USAI) is focused on the new convergence of entertainment, information and direct selling. Formed in February 1998, the Company is organized into three distinct but interrelated units which include the following assets: USA Entertainment's USA Network, SCI FI Channel, TRIO, NWI, Studios USA, USA Films, and Interactive Entertainment; USA Electronic Retailing's HSN, HSN International, HSN Interactive; and USA Information and Services' Ticketmaster, (NASDAQ: TMCS), Citysearch.com, Match.com, Hotel Reservations Network (NASDAQ: ROOM), Electronic Commerce Solutions, Styleclick, Inc. (NASDAQ: IBUY) and Precision Response Corporation.

|           |                  |                     |
|-----------|------------------|---------------------|
| CONTACTS: | MEDIA RELATIONS: | INVESTOR RELATIONS: |
|           | Adrienne Becker  | Roger Clark         |
|           | 212-314-7254     | 212-314-7400        |

USA NETWORKS, INC. AND SUBSIDIARIES  
 BUSINESS SEGMENT INFORMATION - CONTINUING OPERATIONS  
 UNAUDITED  
 (\$ IN THOUSANDS)

|  | THREE MONTHS ENDED DECEMBER 31, |                     |                   |
|--|---------------------------------|---------------------|-------------------|
|  | ACTUAL                          | PRO FORMA (a)       | ACTUAL            |
|  | 2000                            | 1999                | 1999              |
| <b>REVENUES - OPERATING BUSINESSES</b>   |                                 |                     |                   |
| Cable and studios                        | \$ 424,776                      | \$ 349,651          | \$ 349,651        |
| Electronic retailing - U.S.              | 462,069                         | 397,711             | 397,711           |
| Electronic retailing - Germany           | 73,968                          | 50,519              | -                 |
| Ticketing                                | 122,656                         | 118,128             | 118,128           |
| Hotel reservations                       | 100,014                         | 53,443              | 53,443            |
| Teleservices                             | 72,097                          | 62,576              | -                 |
| <b>SUB-TOTAL</b>                         | <b>1,255,580</b>                | <b>1,032,028</b>    | <b>918,933</b>    |
| German DM exchange rate fluctuation (d)  | (11,814)                        | -                   | -                 |
| <b>REVENUES - EMERGING BUSINESSES</b>    |                                 |                     |                   |
| Citysearch, Match.com and related        | 21,236                          | 13,967              | 13,967            |
| Styleclick                               | 4,753                           | 8,495               | 7,473             |
| Electronic Commerce Solutions            | 8,659                           | 5,769               | 5,769             |
| HSN - other international                | 9,439                           | 2,650               | 2,650             |
| USA Films                                | 20,536                          | 25,079              | 25,079            |
| Trio, NWI, SCIFI.com, USA Network.com    | 7,470                           | 495                 | 495               |
| <b>SUB-TOTAL</b>                         | <b>72,093</b>                   | <b>56,455</b>       | <b>55,433</b>     |
| <b>TOTAL</b>                             | <b>\$ 1,315,859</b>             | <b>\$ 1,088,483</b> | <b>\$ 974,366</b> |
| <b>EBITDA - OPERATING BUSINESSES (b)</b> |                                 |                     |                   |
| Cable and studios                        | \$ 151,102                      | \$ 125,887          | \$ 125,887        |
| Electronic retailing - U.S.              | 74,530                          | 74,261              | 74,261            |
| Electronic retailing - Germany           | 9,001                           | 7,006               | -                 |
| Ticketing                                | 24,420                          | 25,419              | 25,419            |
| Hotel reservations                       | 17,637                          | 8,715               | 8,715             |
| Teleservices                             | 11,048                          | 9,790               | -                 |
| Corporate and other                      | (9,991)                         | (10,687)            | (10,687)          |
| <b>SUB-TOTAL</b>                         | <b>277,747</b>                  | <b>240,391</b>      | <b>223,595</b>    |
| German DM exchange rate fluctuation (d)  | (1,454)                         | -                   | -                 |
| Nonrecurring charges (c)                 | (4,103)                         | -                   | -                 |
| <b>EBITDA - EMERGING BUSINESSES</b>      |                                 |                     |                   |
| Citysearch, Match.com and related        | (11,390)                        | (20,426)            | (20,426)          |
| Styleclick                               | (8,246)                         | (18,400)            | (13,230)          |
| Electronic Commerce Solutions            | (8,508)                         | (3,180)             | (3,180)           |
| HSN - other international                | (4,950)                         | (531)               | (531)             |
| USA Films                                | (621)                           | 4,534               | 4,534             |
| Trio, NWI, SCIFI.com, USA Network.com    | (2,518)                         | (1,104)             | (1,104)           |
| <b>SUB-TOTAL</b>                         | <b>(36,233)</b>                 | <b>(39,107)</b>     | <b>(33,937)</b>   |
| <b>TOTAL</b>                             | <b>\$ 235,957</b>               | <b>\$ 201,284</b>   | <b>\$ 189,658</b> |

- (a) Presented as if the acquisitions of Styleclick and Precision Response Corp. had occurred at the beginning of the period presented.
- (b) EBITDA is defined as net income plus, (1) provision for income taxes, (2) interest income and expense, (3) depreciation and amortization, (4) amortization of cable distribution fees of \$10,987 and \$7,466, (5) amortization of non-cash distribution and marketing expense, and (6) minority interest.
- (c) Represents one-time expenses primarily related to the merger between Ticketmaster and Ticketmaster Online-Citysearch.
- (d) In order to present comparable results for Germany, the results have been translated from Deutschemarks to U.S. dollars at the 1999 exchange rate.

USA NETWORKS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
UNAUDITED  
(\$ IN THOUSANDS, EXCEPT PER SHARE DATA)

|   | THREE MONTHS ENDED DECEMBER 31, |                  |            |
|---|---------------------------------|------------------|------------|
|   | ACTUAL (b)                      | PRO FORMA (a)(b) | ACTUAL (b) |
|   | 2000                            | 1999             | 1999       |
| Revenues, net   | \$ 1,315,859                    | \$ 1,088,483     | \$ 974,366 |
| Operating costs and expenses:   |                                 |                  |            |
| Costs related to revenues   | 801,302                         | 657,816          | 579,706    |
| Other costs and expenses  | 278,600                         | 229,383          | 205,002    |
| Amortization of non cash distribution and marketing expense (c)   | 7,099                           | -                | -          |
| Amortization of cable distribution fees   | 10,987                          | 7,466            | 7,466      |
| Depreciation and amortization   | 178,078                         | 131,082          | 100,167    |
| Total operating costs and expenses  | 1,276,066                       | 1,025,747        | 892,341    |
| Operating income  | 39,793                          | 62,736           | 82,025     |
| Interest expense, net   | (10,263)                        | (10,831)         | (10,461)   |
| Other, net  | (18,063)                        | 633              | 3,736      |
|   | (28,326)                        | (10,198)         | (6,725)    |
| Earnings from continuing operations before income taxes and minority interest                               | 11,467                          | 52,538           | 75,300     |
| Income tax expense  | (26,346)                        | (28,129)         | (32,191)   |
| Minority interest   | (14,360)                        | (28,752)         | (46,715)   |
| Net loss from continuing operations (e)   | \$ (29,239)                     | \$ (4,343)       | \$ (3,606) |
| Net loss from continuing operations, excluding one-time charges and non-operating gains                     | \$ (11,170)                     | \$ (4,343)       | \$ (3,606) |
| Fully converted net earnings from continuing operations, excluding one-time charges and non-operating gains | \$ 22,120                       | \$ 17,638        | \$ 36,371  |
| Weighted average diluted shares   | 368,264                         | 360,698          | 336,353    |
| Weighted average fully converted shares   | 752,603                         | 763,702          | 739,357    |
| EPS FROM CONTINUING OPERATIONS:   |                                 |                  |            |
| Basic loss per share  | \$ (.08)                        | \$ (.01)         | \$ (.01)   |
| Basic loss per share, excluding one-time charges and non-operating gains                                    | \$ (.03)                        | \$ (.01)         | \$ (.01)   |
| Fully converted earnings per share, excluding one-time charges  | \$ .03                          | \$ .02           | \$ .05     |
| EBITDA (d)  | \$ 235,957                      | \$ 201,284       | \$ 189,658 |

- (a) Presented as if the acquisitions of Styleclick and Precision Response Corp. had occurred at the beginning of the period presented.
- (b) Earnings (loss) per common share data and shares outstanding retroactively reflect the impact of two-for-one common stock and Class B common stock split paid on February 24, 2000.
- (c) Amortization of warrants and stock issued in exchange for distribution and marketing services.
- (d) EBITDA is defined as net income plus, (1) provision for income taxes, (2) interest income and expense, (3) depreciation and amortization, (4) amortization of cable distribution fees of \$10,987 and \$7,466, (5) amortization of non-cash distribution and marketing expense, and (6) minority interest.
- (e) Excludes the results of USA Broadcasting, the sale of which to Univision was announced in December 2000. The results for the discontinued operations were a loss of \$17,016 and \$14,172 in 2000 and 1999, respectively.

USA NETWORKS, INC. AND SUBSIDIARIES  
EPS AND CASH NET INCOME RECONCILIATION INFORMATION - CONTINUING OPERATIONS  
UNAUDITED  
(\$ IN THOUSANDS, EXCEPT PER SHARE DATA)

|  | THREE MONTHS ENDED DECEMBER 31, |                        |                        |
|--|---------------------------------|------------------------|------------------------|
|  | ACTUAL (b)                      | PRO FORMA (a) (b)      | ACTUAL (b)             |
|  | -----<br>2000<br>-----          | -----<br>1999<br>----- | -----<br>1999<br>----- |
| <b>BASIC LOSS PER SHARE:</b>   |                                 |                        |                        |
| Net loss   | (\$29,239)                      | (\$4,343)              | (\$3,606)              |
| Impact of unusual items, net of tax and minority interest (c)          | 18,069                          | -                      | -                      |
| <b>BASIC LOSS, EXCLUDING UNUSUAL ITEMS (C)</b>                         | <b>\$ (11,170)</b>              | <b>\$ (4,343)</b>      | <b>\$ (3,606)</b>      |
| =====  |                                 |                        |                        |
| Weighted average basic shares  | 368,264                         | 360,698                | 336,353                |
| =====  |                                 |                        |                        |
| Basic loss per share:  | \$ (.08)                        | \$ (.01)               | \$ (.01)               |
| =====  |                                 |                        |                        |
| Basic loss per share excluding unusual items (c)                       | \$ (.03)                        | \$ (.01)               | \$ (.01)               |
| =====  |                                 |                        |                        |
| <b>CASH NET INCOME:</b>  |                                 |                        |                        |
| Net loss   | \$ (29,239)                     | \$ (4,343)             | \$ (3,606)             |
| Impact of goodwill amortization, net of tax and minority interest      | 88,839                          | 37,512                 | 53,084                 |
| <b>CASH NET INCOME</b>   | <b>59,600</b>                   | <b>33,169</b>          | <b>49,478</b>          |
| Impact of unusual items, net of tax and minority interest (c)          | 18,069                          | -                      | -                      |
| <b>CASH NET INCOME, EXCLUDING UNUSUAL ITEMS (C)</b>                    | <b>\$ 77,669</b>                | <b>\$ 33,169</b>       | <b>\$ 49,478</b>       |
| =====  |                                 |                        |                        |
| Weighted average basic shares  | 368,264                         | 360,698                | 336,353                |
| =====  |                                 |                        |                        |
| Cash net income per share  | \$ .16                          | \$ .09                 | \$ .15                 |
| =====  |                                 |                        |                        |
| Cash net income per share, excluding unusual items (c)                 | \$ .21                          | \$ .09                 | \$ .15                 |
| =====  |                                 |                        |                        |
| <b>FULLY CONVERTED NET EARNINGS:</b>                                   |                                 |                        |                        |
| Net loss   | (\$29,239)                      | (\$4,343)              | (\$3,606)              |
| Impact of minority interest, net of tax                                | 31,385                          | 21,981                 | 39,977                 |
| <b>FULLY CONVERTED NET EARNINGS</b>                                    | <b>2,146</b>                    | <b>17,638</b>          | <b>36,371</b>          |
| Impact of unusual items, net of tax and minority interest (c)          | 19,974                          | -                      | -                      |
| <b>FULLY CONVERTED CASH EARNINGS, EXCLUDING UNUSUAL ITEMS (C)</b>      | <b>\$ 22,120</b>                | <b>\$ 17,638</b>       | <b>\$ 36,371</b>       |
| =====  |                                 |                        |                        |
| Weighted average fully converted shares                                | 752,603                         | 763,702                | 739,357                |
| =====  |                                 |                        |                        |
| Fully converted earnings per share                                     | \$ -                            | \$ .02                 | \$ .05                 |
| =====  |                                 |                        |                        |
| Fully converted earnings per share, excluding unusual items (c)        | \$ .03                          | \$ .02                 | \$ .05                 |
| =====  |                                 |                        |                        |
| <b>FULLY CONVERTED CASH NET INCOME:</b>                                |                                 |                        |                        |
| Net loss   | \$ (29,239)                     | \$ (4,343)             | \$ (3,606)             |
| Impact of minority interest, net of tax                                | 19,974                          | -                      | -                      |
| Impact of goodwill amortization, net of tax and minority interest      | 100,250                         | 96,005                 | 93,061                 |
| <b>FULLY CONVERTED CASH NET INCOME</b>                                 | <b>90,985</b>                   | <b>91,662</b>          | <b>89,455</b>          |
| Impact of unusual items, net of tax and minority interest (c)          | 19,974                          | -                      | -                      |
| <b>FULLY CONVERTED CASH NET INCOME, EXCLUDING UNUSUAL ITEMS (C)</b>    | <b>\$ 110,959</b>               | <b>\$ 91,662</b>       | <b>\$ 89,455</b>       |
| =====  |                                 |                        |                        |
| Weighted average fully converted shares                                | 752,603                         | 763,702                | 739,357                |
| =====  |                                 |                        |                        |
| Fully converted cash net income per share                              | \$ .12                          | \$ .12                 | \$ .12                 |
| =====  |                                 |                        |                        |
| Fully converted cash net income per share, excluding unusual items (c) | \$ .15                          | \$ .12                 | \$ .12                 |
| =====  |                                 |                        |                        |

- (a) Presented as if the acquisitions of Styleclick and Precision Response Corp. had occurred at the beginning of the period presented.
- (b) Earnings (loss) per common share data and shares outstanding retroactively reflect the impact of two-for-one common stock and Class B common stock split paid on February 24, 2000.
- (c) Excludes one time charges and non-operating gains

USA NETWORKS, INC. AND SUBSIDIARIES  
 BUSINESS SEGMENT INFORMATION - CONTINUING OPERATIONS  
 UNAUDITED  
 (\$ IN THOUSANDS)

TWELVE MONTHS ENDED DECEMBER 31,

|  | PRO FORMA(a)        | ACTUAL              | PRO FORMA(a)        | ACTUAL              |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 2000                | 2000                | 1999                | 1999                |
| <b>REVENUES - OPERATING BUSINESSES</b>   |                     |                     |                     |                     |
| Cable and studios                        | \$ 1,530,464        | \$ 1,530,464        | \$ 1,304,683        | \$ 1,304,683        |
| Electronic retailing - U.S.              | 1,533,272           | 1,533,272           | 1,332,903           | 1,332,903           |
| Electronic retailing - Germany           | 259,645             | 259,645             | 166,735             | -                   |
| Ticketing                                | 518,565             | 518,565             | 442,742             | 442,742             |
| Hotel reservations                       | 327,977             | 327,977             | 161,814             | 124,113             |
| Teleservices                             | 282,120             | 212,471             | 215,920             | -                   |
| Other                                    | -                   | -                   | 6,894               | 6,894               |
| <b>SUB-TOTAL</b>                         | <b>4,452,043</b>    | <b>4,382,394</b>    | <b>3,631,691</b>    | <b>3,211,335</b>    |
| German DM exchange rate fluctuation (d)  | (35,271)            | (35,271)            | -                   | -                   |
| <b>REVENUES - EMERGING BUSINESSES</b>    |                     |                     |                     |                     |
| Citysearch, Match.com and related        | 80,012              | 80,012              | 36,329              | 36,329              |
| Styleclick                               | 24,197              | 22,308              | 35,136              | 28,962              |
| Electronic Commerce Solutions            | 24,293              | 24,293              | 20,240              | 20,240              |
| HSN - other international                | 21,340              | 21,340              | 8,925               | 8,925               |
| USA Films                                | 86,084              | 86,084              | 82,053              | 64,766              |
| Trio, NWI, SCIFI.com, USA Network.com    | 20,332              | 20,332              | 1,188               | 1,188               |
| <b>SUB-TOTAL</b>                         | <b>256,258</b>      | <b>254,369</b>      | <b>183,871</b>      | <b>160,410</b>      |
| <b>TOTAL</b>                             | <b>\$ 4,673,030</b> | <b>\$ 4,601,492</b> | <b>\$ 3,815,562</b> | <b>\$ 3,371,745</b> |
| <b>EBITDA - OPERATING BUSINESSES (b)</b> |                     |                     |                     |                     |
| Cable and studios                        | \$ 547,682          | \$ 547,682          | \$ 433,912          | \$ 433,912          |
| Electronic retailing - U.S.              | 236,495             | 236,495             | 214,669             | 214,669             |
| Electronic retailing - Germany           | 28,199              | 28,199              | 16,270              | -                   |
| Ticketing                                | 100,026             | 100,026             | 93,349              | 93,349              |
| Hotel reservations                       | 52,641              | 52,641              | 24,175              | 18,891              |
| Teleservices                             | 43,556              | 34,095              | 30,375              | -                   |
| Corporate and other                      | (35,069)            | (35,069)            | (36,141)            | (36,227)            |
| <b>SUB-TOTAL</b>                         | <b>973,530</b>      | <b>964,069</b>      | <b>776,609</b>      | <b>724,594</b>      |
| German DM exchange rate fluctuation (d)  | (3,939)             | (3,939)             | -                   | -                   |
| Nonrecurring charges (c)                 | (15,703)            | (15,703)            | -                   | -                   |
| <b>EBITDA - EMERGING BUSINESSES</b>      |                     |                     |                     |                     |
| Citysearch, Match.com and related        | (59,164)            | (59,164)            | (60,844)            | (60,844)            |
| Styleclick                               | (42,839)            | (31,874)            | (53,555)            | (39,240)            |
| Electronic Commerce Solutions            | (28,355)            | (28,355)            | (2,412)             | (2,412)             |
| HSN - other international                | (13,520)            | (13,520)            | (4,506)             | (4,506)             |
| USA Films                                | (6,592)             | (6,592)             | 6,384               | 6,497               |
| Trio, NWI, SCIFI.com, USA Network.com    | (7,120)             | (7,120)             | (2,989)             | (2,989)             |
| <b>SUB-TOTAL</b>                         | <b>(157,590)</b>    | <b>(146,625)</b>    | <b>(117,922)</b>    | <b>(103,494)</b>    |
| <b>TOTAL</b>                             | <b>\$ 796,298</b>   | <b>\$ 797,802</b>   | <b>\$ 658,687</b>   | <b>\$ 621,100</b>   |

(a) Presented as if the acquisitions of Styleclick, Precision Response Corp., Hotel Reservations Network and October Films and the consolidation of HOT Germany had occurred at the beginning of the period presented.

(b) EBITDA is defined as net income plus, (1) provision for income taxes, (2) interest income and expense, (3) depreciation and amortization, (4) amortization of cable distribution fees of \$36,322 and \$26,680, (5) amortization of non-cash distribution and marketing expense, and (6) minority interest.

(c) Represents one-time expenses primarily related to the merger between Ticketmaster and Ticketmaster Online-Citysearch; and as part of a resignation agreement with a senior executive, the company recorded one-time compensation expense of \$11,600 related to a consulting arrangement.

(d) In order to present comparable results for Germany, the results have been translated from Deutschemarks to U.S. dollars at the 1999 exchange rate.



USA NETWORKS, INC. AND SUBSIDIARIES  
EPS AND CASH NET INCOME RECONCILIATION INFORMATION - CONTINUING OPERATIONS  
UNAUDITED  
(\$ IN THOUSANDS, EXCEPT PER SHARE DATA)

|  | TWELVE MONTHS ENDED DECEMBER 31, |                    |                    |                   |
|--|----------------------------------|--------------------|--------------------|-------------------|
|  | PRO FORMA(a)(b)                  | ACTUAL(b)          | PRO FORMA(a)(b)    | ACTUAL(b)         |
|  | 2000                             | 2000               | 1999               | 1999              |
|  | -----                            | -----              | -----              | -----             |
| <b>BASIC LOSS PER SHARE:</b>                                     |                                  |                    |                    |                   |
| Net (loss) earnings  | (\$ 75,908)                      | (\$ 55,530)        | (\$ 20,515)        | \$ 16,515         |
| Impact of unusual items, net of tax and minority interest (c)    | 6,210                            | 6,210              | (19,765)           | (19,765)          |
|  | -----                            | -----              | -----              | -----             |
| <b>BASIC LOSS, EXCLUDING UNUSUAL ITEMS (C)</b>                   | <b>\$ (69,698)</b>               | <b>\$ (49,320)</b> | <b>\$ (40,280)</b> | <b>\$ (3,250)</b> |
|  | =====                            | =====              | =====              | =====             |
| Weighted average basic shares                                    | 366,045                          | 359,688            | 352,643            | 327,816           |
|  | =====                            | =====              | =====              | =====             |
| Weighted average diluted shares                                  | 366,045                          | 359,688            | 352,643            | 367,927           |
|  | =====                            | =====              | =====              | =====             |
| Basic (loss) earnings per share:                                 | \$ (.21)                         | \$ (.15)           | \$ (.06)           | \$ .05            |
|  | =====                            | =====              | =====              | =====             |
| Diluted (loss) earnings per share:                               | \$ (.21)                         | \$ (.15)           | \$ (.06)           | \$ .04            |
|  | =====                            | =====              | =====              | =====             |
| Basic loss per share excluding unusual items (c)                 | \$ (.19)                         | \$ (.14)           | \$ (.11)           | \$ (.01)          |
|  | =====                            | =====              | =====              | =====             |
| <b>FULLY CONVERTED NET EARNINGS:</b>                             |                                  |                    |                    |                   |
| Net (loss) earnings  | (\$ 75,908)                      | (\$ 55,530)        | (\$ 20,515)        | \$ 16,515         |
| Impact of minority interest, net of tax                          | 115,559                          | 135,392            | 111,043            | 142,222           |
|  | -----                            | -----              | -----              | -----             |
| <b>FULLY CONVERTED NET EARNINGS</b>                              | <b>39,651</b>                    | <b>79,862</b>      | <b>90,528</b>      | <b>158,737</b>    |
| Impact of unusual items, net of tax and minority interest (c)    | (18,327)                         | (18,327)           | (52,039)           | (52,039)          |
|  | -----                            | -----              | -----              | -----             |
| <b>FULLY CONVERTED NET EARNINGS, EXCLUDING UNUSUAL ITEMS (C)</b> | <b>\$ 21,324</b>                 | <b>\$ 61,535</b>   | <b>\$ 38,489</b>   | <b>\$ 106,698</b> |
|  | =====                            | =====              | =====              | =====             |
| Weighted average fully converted shares                          | 747,403                          | 747,403            | 745,808            | 720,981           |
|  | =====                            | =====              | =====              | =====             |
| Fully converted earnings per share                               | \$ .05                           | \$ .11             | \$ .12             | \$ .22            |
|  | =====                            | =====              | =====              | =====             |
| Fully converted earnings per share, excluding unusual items (c)  | \$ .03                           | \$ .08             | \$ .05             | \$ .15            |
|  | =====                            | =====              | =====              | =====             |

- (a) Presented as if the acquisitions of Styleclick, Precision Response Corp., Hotel Reservations Network and October Films and the consolidation of HOT Germany had occurred at the beginning of the period presented.
- (b) Earnings (loss) per common share data and shares outstanding retroactively reflect the impact of two-for-one common stock and Class B common stock split paid on February 24, 2000.
- (c) Excludes one time charges and non-operating gains

USA NETWORKS, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
UNAUDITED  
(\$ IN THOUSANDS, EXCEPT PER SHARE DATA)

|   | TWELVE MONTHS ENDED DECEMBER 31, |              |                 |              |
|---|----------------------------------|--------------|-----------------|--------------|
|   | FORMA(a)(b)                      | ACTUAL(b)    | PRO FORMA(a)(b) | ACTUAL(b)    |
|   | 2000                             | 2000         | 1999            | 1999         |
| Revenues, net   | \$ 4,673,030                     | \$ 4,601,492 | \$ 3,815,562    | \$ 3,371,745 |
| Operating costs and expenses:   |                                  |              |                 |              |
| Costs related to revenues   | 2,812,382                        | 2,757,893    | 2,301,730       | 1,995,901    |
| Other costs and expenses  | 1,064,350                        | 1,045,797    | 855,145         | 754,744      |
| Amortization of non cash distribution and marketing expense (c)   | 11,512                           | 11,512       | -               | -            |
| Amortization of cable distribution fees   | 36,322                           | 36,322       | 26,680          | 26,680       |
| Depreciation and amortization   | 597,142                          | 548,048      | 466,561         | 324,506      |
| Total operating costs and expenses  | 4,521,708                        | 4,399,572    | 3,650,116       | 3,101,831    |
| Operating income  | 151,322                          | 201,920      | 165,446         | 269,914      |
| Interest expense, net   | (34,958)                         | (34,218)     | (50,195)        | (48,544)     |
| Gain on sale of securities  | -                                | -            | 89,721          | 89,721       |
| Other, net (e)  | 49,295                           | 49,297       | (4,897)         | 5,771        |
|   | 14,337                           | 15,079       | 34,629          | 46,948       |
| Earnings from continuing operations before income taxes and minority interest                               | 165,659                          | 216,999      | 200,075         | 316,862      |
| Income tax expense  | (113,027)                        | (112,869)    | (83,922)        | (103,050)    |
| Minority interest   | (128,540)                        | (159,660)    | (136,668)       | (197,297)    |
| Net loss from continuing operations (f)   | \$ (75,908)                      | \$ (55,530)  | \$ (20,515)     | \$ 16,515    |
| Net loss from continuing operations, excluding one-time charges and non-operating gains                     | \$ (69,698)                      | \$ (49,320)  | \$ (40,280)     | \$ (3,250)   |
| Fully converted net earnings from continuing operations, excluding one-time charges and non-operating gains | \$ 21,324                        | \$ 61,535    | \$ 38,489       | \$ 106,698   |
| Weighted average shares   | 366,045                          | 359,688      | 352,643         | 327,816      |
| Weighted average diluted shares   | 366,045                          | 359,688      | 352,643         | 367,927      |
| Weighted average fully converted shares   | 747,403                          | 747,403      | 745,808         | 720,981      |
| EPS FROM CONTINUING OPERATIONS:   |                                  |              |                 |              |
| Basic (loss) earnings per share   | \$ (.21)                         | \$ (.15)     | \$ (.06)        | \$ .05       |
| Diluted (loss) earnings per share   | \$ (.21)                         | \$ (.15)     | \$ (.06)        | \$ .04       |
| Basic loss per share, excluding one-time charges and non-operating gains                                    | \$ (.19)                         | \$ (.14)     | \$ (.11)        | \$ (.01)     |
| Fully converted earnings per share, excluding one-time charges and non-operating gains                      | \$ .03                           | \$ .08       | \$ .05          | \$ .15       |
| EBITDA (d)  | \$ 796,298                       | \$ 797,802   | \$ 658,687      | \$ 621,100   |

(a) Presented as if the acquisitions of Styleclick, Precision Response Corp., Hotel Reservations Network and October Films and the consolidation of HOT Germany had occurred at the beginning of the period presented.

(b) Earnings (loss) per common share data and shares outstanding retroactively reflect the impact of two-for-one common stock and Class B common stock split paid on February 24, 2000.

(c) Amortization of warrants and stock issued in exchange for distribution and marketing services.

(d) EBITDA is defined as net income plus, (1) provision for income taxes, (2) interest income and expense, (3) depreciation and amortization, (4) amortization of cable distribution fees of \$36,322 and \$26,680, (5) amortization of non-cash distribution and marketing expense, and (6) minority interest.

(e) Includes non-operating gain related to Styleclick merger of \$104.6 million and non-operating losses related to equity investments of \$46.1 million.

million

- (f) Excludes the results of USA Broadcasting, the sale of which to Univision was announced in December 2000. The results for the discontinued operations were a loss of \$58,423 and \$44,146 in 2000 and 1999, respectively.

USA NETWORKS, INC.  
(\$ IN MILLIONS)

| 2001 (a)                 | Q1 '01         |            | Q2 '01         |            | Q3 '01         |            | Q4 '01         |            | 2001 (a)       |            |
|--------------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
|                          | Guidance       | Growth     | Guidance       | Growth     | Guidance       | Growth     | Guidance       | Growth     | Guidance       | Growth     |
|                          | (b, c, d)      |            | b              |            | e              |            |                |            |                |            |
| Revenue - operating      | \$1,150        | 9%         | \$1,220        | 13%        | \$1,270        | 20%        | \$1,435        | 14%        | \$5,075        | 14%        |
| Revenue - emerging       | 75             | 17%        | 90             | 54%        | 100            | 63%        | 145            | 100%       | 410            | 60%        |
| <b>Total Revenue</b>     | <b>\$1,225</b> | <b>10%</b> | <b>\$1,310</b> | <b>15%</b> | <b>\$1,370</b> | <b>23%</b> | <b>\$1,580</b> | <b>20%</b> | <b>\$5,485</b> | <b>17%</b> |
| EBITDA - operating       | \$ 262         | 10%        | \$ 283         | 15%        | \$ 265         | 25%        | \$ 330         | 18%        | \$1,140        | 17%        |
| EBITDA - emerging        | (42)           | -18%       | (38)           | 13%        | (30)           | 28%        | (15)           | 65%        | (125)          | 24%        |
| <b>Total EBITDA</b>      | <b>\$ 220</b>  | <b>10%</b> | <b>\$ 245</b>  | <b>29%</b> | <b>\$ 235</b>  | <b>38%</b> | <b>\$ 315</b>  | <b>36%</b> | <b>\$1,015</b> | <b>28%</b> |
| Basic EPS                | (0.15)         |            | (0.16)         |            | (0.18)         |            | (0.14)         |            | (0.61)         |            |
| Fully converted cash EPS | 0.08           |            | 0.10           |            | 0.07           |            | 0.09           |            | 0.35           |            |

| FREE CASH FLOW                                 | Estimated          | Guidance               |
|--|--------------------|------------------------|
|  | 2000               | 2001                   |
| EBITDA, net                                    | \$ 791             | \$1,015                |
| Capital expenditures                           | (203)              | (160)                  |
| Programming payments in excess of amortization | (153)              | (90)                   |
| Taxes, including distributions to LLC partners | (102)              | (200)                  |
| Cable distribution fees                        | (79)               | (65)                   |
| Interest                                       | (47)               | (35)                   |
| Other, net                                     | (312) <sup>f</sup> | (115)                  |
| <b>Total Free Cash Flow</b>                    | <b>(105)</b>       | <b>350<sup>g</sup></b> |

## FOOTNOTES

- a The Company's overall 2001 guidance is unchanged from its filing on October 26, 2000, except to remove guidance for USA Broadcasting, the sale of which was announced in December, 2000. Growth rates for total revenue and total EBITDA also account for non-recurring charges and German Deutschemark currency fluctuations recognized during 2000.
- b A weak advertising market is anticipated to continue for the first half of 2001, and is expected to have a greater impact on USA Network revenue than on SCI FI revenue.
- c HSN's EBITDA growth in Q1 '01 will be tempered by a one-time \$4.7 million income credit recognized as the result of a lawsuit settlement in Q1 '00.
- d Ticketmaster's growth in Q1 will be impacted by costs related to the acquired operations of TicketWeb and 2b Technology, which are expected to be EBITDA profitable by the second half of 2001.
- e Studios USA Q3 revenue and EBITDA growth will be favorably impacted by the syndication sale of Law & Order to TNT.
- f Includes investments, acquisitions, changes in working capital, and other items in 2000.
- g 2001 free cash flow excludes the anticipated proceeds from the sale of USA Broadcasting.

## IMPORTANT

This guidance reflects estimates that USAi is comfortable releasing to analysts and the public, and contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include the information relating to possible or assumed future results of operations of USAi. This guidance reflects the current views of USAi with respect to future events. The following important factors, in addition to those described in USAi's filings with the Securities and Exchange Commission, could affect the future results of USAi, and could cause those results to differ materially from those expressed in the forward-looking statements: material adverse changes in economic conditions in the markets served by our businesses; future regulatory actions and conditions in our businesses' operating areas; competition from others; successful integration of our divisions, including recently acquired businesses; product demand and market acceptance; the ability to protect proprietary information and technology or to obtain necessary licenses on

commercially reasonable terms; and obtaining and retaining key executives and employees. These forward-looking statements are made as of the date hereof and USAi undertakes no obligation to update or revise them, whether as a result of new information, future events or any other reason. These statements do not include the potential impact of any mergers, acquisitions or other business combinations that may be completed in the future.



|                          |         |         |         |         |         |
|--------------------------|---------|---------|---------|---------|---------|
| Studios, net             | 119.6   | 110.5   | 71.0    | 144.9   | 446.0   |
|                          | -----   | -----   | -----   | -----   | -----   |
| Cable and studios        | 379.0   | 390.7   | 336.0   | 424.8   | 1,530.5 |
|                          | -----   | -----   | -----   | -----   | -----   |
| OPERATING BUSINESSES     |         |         |         |         |         |
| Entertainment            | 379.0   | 390.7   | 336.0   | 424.8   | 1,530.5 |
| Electronic retailing     | 424.3   | 401.1   | 431.5   | 536.0   | 1,792.9 |
| Information and services | 252.9   | 291.3   | 289.7   | 294.8   | 1,128.7 |
| Corporate and other      | 0.0     | 0.0     | 0.0     | 0.0     | 0.0     |
|                          | -----   | -----   | -----   | -----   | -----   |
| SUB-TOTAL                | 1,056.1 | 1,083.1 | 1,057.3 | 1,255.6 | 4,452.0 |
|                          | -----   | -----   | -----   | -----   | -----   |

\* 1998 has not been adjusted to include shipping and handling revenue for HSN.  
THE FINANCIAL, STATISTICAL AND OTHER INFORMATION CONTAINED HEREIN IS UNAUDITED.  
As filed with the Securities and Exchange Commission on February 1, 2001.

USA NETWORKS, INC.  
PRO FORMA SEGMENT RESULTS  
\$ IN MILLIONS; ROUNDING DIFFERENCES MAY EXIST. UNAUDITED.

| EBITDA                                | 1998          |               | 1999          |               |               |                |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
|                                       | YE 12/31      | Q1            | Q2            | Q3            | Q4            | YE 12/31       |
| <b>OPERATING BUSINESSES</b>           |               |               |               |               |               |                |
| Cable and studios                     | 330.3         | 109.1         | 106.1         | 92.8          | 125.9         | 433.9          |
| Electronic retailing - U.S.           | 180.2         | 42.1          | 48.2          | 50.1          | 74.3          | 214.7          |
| Electronic retailing - Germany        | (10.7)        | 3.6           | 1.9           | 3.7           | 7.0           | 16.3           |
| Ticketing                             | 61.3          | 19.5          | 27.2          | 21.3          | 25.4          | 93.3           |
| Hotel reservations                    | 10.9          | 3.4           | 5.6           | 6.4           | 8.7           | 24.2           |
| Teleservices                          | 19.6          | 5.8           | 6.5           | 8.3           | 9.8           | 30.4           |
| Corporate and other                   | (21.6)        | (7.2)         | (12.0)        | (6.2)         | (10.7)        | (36.1)         |
| <b>SUB-TOTAL</b>                      | <b>570.0</b>  | <b>176.4</b>  | <b>183.4</b>  | <b>176.4</b>  | <b>240.4</b>  | <b>776.6</b>   |
| German DM exchange rate fluctuation   |               |               |               |               |               |                |
| Nonrecurring charges                  |               |               |               |               |               |                |
| <b>EMERGING BUSINESSES</b>            |               |               |               |               |               |                |
| Citysearch, Match.com and related     | (29.0)        | (8.9)         | (13.9)        | (17.7)        | (20.4)        | (60.8)         |
| Styleclick                            | (15.8)        | (6.9)         | (15.4)        | (12.8)        | (18.4)        | (53.6)         |
| Electronic Commerce Solutions         | (1.0)         | (0.2)         | 0.4           | 0.5           | (3.2)         | (2.4)          |
| HSN - other international             | (3.0)         | (0.7)         | (1.6)         | (1.7)         | (0.5)         | (4.5)          |
| USA Films                             | 2.6           | (1.0)         | 1.2           | 1.7           | 4.5           | 6.4            |
| Trio, NWI, SCIFI.com, USA Network.com | 0.0           | (0.6)         | (0.5)         | (0.8)         | (1.1)         | (3.0)          |
| <b>SUB-TOTAL</b>                      | <b>(46.2)</b> | <b>(18.2)</b> | <b>(29.8)</b> | <b>(30.8)</b> | <b>(39.1)</b> | <b>(117.9)</b> |
| <b>TOTAL</b>                          | <b>523.8</b>  | <b>158.2</b>  | <b>153.6</b>  | <b>145.6</b>  | <b>201.3</b>  | <b>658.7</b>   |
| USA Network                           | 237.3         | 70.7          | 84.9          | 69.5          | 87.0          | 312.1          |
| SCI FI                                | 44.6          | 15.7          | 9.9           | 13.4          | 29.9          | 68.9           |
| Studios, net                          | 48.4          | 22.8          | 11.2          | 9.9           | 9.0           | 52.9           |
| <b>Cable and studios</b>              | <b>330.3</b>  | <b>109.1</b>  | <b>106.1</b>  | <b>92.8</b>   | <b>125.9</b>  | <b>433.9</b>   |
| <b>OPERATING BUSINESSES</b>           |               |               |               |               |               |                |
| Entertainment                         | 330.3         | 109.1         | 106.1         | 92.8          | 125.9         | 433.9          |
| Electronic retailing                  | 169.5         | 45.7          | 50.1          | 53.9          | 81.3          | 230.9          |
| Information and services              | 91.8          | 28.8          | 39.3          | 35.9          | 43.9          | 147.9          |
| Corporate and other                   | (21.6)        | (7.2)         | (12.0)        | (6.2)         | (10.7)        | (36.1)         |
| <b>TOTAL</b>                          | <b>570.0</b>  | <b>176.4</b>  | <b>183.4</b>  | <b>176.4</b>  | <b>240.4</b>  | <b>776.6</b>   |

| EBITDA                                | 2000          |               |               |               |                |
|---------------------------------------|---------------|---------------|---------------|---------------|----------------|
|                                       | Q1            | Q2            | Q3            | Q4            | YE 12/31       |
| <b>OPERATING BUSINESSES</b>           |               |               |               |               |                |
| Cable and studios                     | 138.8         | 139.4         | 118.5         | 151.1         | 547.7          |
| Electronic retailing - U.S.           | 55.7          | 52.5          | 53.8          | 74.5          | 236.5          |
| Electronic retailing - Germany        | 8.7           | 4.7           | 5.8           | 9.0           | 28.2           |
| Ticketing                             | 27.4          | 31.6          | 16.7          | 24.4          | 100.0          |
| Hotel reservations                    | 8.2           | 12.9          | 13.9          | 17.6          | 52.6           |
| Teleservices                          | 9.5           | 11.9          | 11.1          | 11.0          | 43.6           |
| Corporate and other                   | (10.6)        | (7.4)         | (7.1)         | (10.0)        | (35.1)         |
| <b>SUB-TOTAL</b>                      | <b>237.6</b>  | <b>245.6</b>  | <b>212.6</b>  | <b>277.7</b>  | <b>973.5</b>   |
| German DM exchange rate fluctuation   | (1.0)         | (0.6)         | (0.9)         | (1.5)         | (3.9)          |
| Nonrecurring charges                  |               | (11.6)        |               | (4.1)         | (15.7)         |
| <b>Emerging Businesses</b>            |               |               |               |               |                |
| Citysearch, Match.com and related     | (17.9)        | (15.6)        | (14.3)        | (11.4)        | (59.2)         |
| Styleclick                            | (10.7)        | (15.2)        | (8.7)         | (8.2)         | (42.8)         |
| Electronic Commerce Solutions         | (5.6)         | (6.3)         | (8.0)         | (8.5)         | (28.4)         |
| HSN - other international             | (1.5)         | (2.5)         | (4.6)         | (5.0)         | (13.5)         |
| USA Films                             | 2.2           | (2.3)         | (5.8)         | (0.6)         | (6.6)          |
| Trio, NWI, SCIFI.com, USA Network.com | (2.3)         | (2.0)         | (0.3)         | (2.5)         | (7.1)          |
| <b>SUB-TOTAL</b>                      | <b>(35.7)</b> | <b>(43.8)</b> | <b>(41.8)</b> | <b>(36.2)</b> | <b>(157.6)</b> |
| <b>TOTAL</b>                          | <b>200.8</b>  | <b>189.6</b>  | <b>169.9</b>  | <b>236.0</b>  | <b>796.3</b>   |
| USA Network                           | 97.1          | 105.4         | 87.2          | 105.6         | 395.2          |
| SCI FI                                | 24.2          | 24.9          | 22.4          | 30.2          | 101.7          |
| Studios, net                          | 17.5          | 9.1           | 8.8           | 15.4          | 50.8           |



|                          |        |       |       |        |        |
|--------------------------|--------|-------|-------|--------|--------|
| Cable and studios        | 138.8  | 139.4 | 118.5 | 151.1  | 547.7  |
|                          | -----  | ----- | ----- | -----  | -----  |
| OPERATING BUSINESSES     |        |       |       |        |        |
| Entertainment            | 138.8  | 139.4 | 118.5 | 151.1  | 547.7  |
| Electronic retailing     | 64.4   | 57.2  | 59.6  | 83.5   | 264.7  |
| Information and services | 45.0   | 56.4  | 41.7  | 53.1   | 196.2  |
| Corporate and other      | (10.6) | (7.4) | (7.1) | (10.0) | (35.1) |
|                          | -----  | ----- | ----- | -----  | -----  |
| TOTAL                    | 237.6  | 245.6 | 212.6 | 277.7  | 973.5  |
|                          | -----  | ----- | ----- | -----  | -----  |

THE FINANCIAL, STATISTICAL AND OTHER INFORMATION CONTAINED HEREIN IS UNAUDITED.  
As filed with the Securities and Exchange Commission on February 1, 2001.

USA NETWORKS, INC.  
PRO FORMA RESULTS OF OPERATIONS (AS REPORTED)  
\$ IN MILLIONS; ROUNDING DIFFERENCES MAY EXIST. UNAUDITED.

| P&L   | 1998           |          | 1999     |          |          |          |
|---|----------------|----------|----------|----------|----------|----------|
|   | YE 12/31 *     | Q1 *     | Q2*      | Q3*      | Q4       | YE 12/31 |
|   | Date Reported: | 02/03/00 | 04/27/00 | 07/26/00 | 10/26/00 | 02/01/01 |
| Revenues, net   | 2,879.7        | 793.2    | 889.4    | 924.9    | 1,088.5  | 3,815.6  |
| Operating costs and expenses:   |                |          |          |          |          |          |
| Costs related to revenues   | 1,694.7        | 404.8    | 468.7    | 494.7    | 657.8    | 2,301.7  |
| Other costs and expenses  | 693.1          | 244.9    | 274.5    | 293.9    | 229.4    | 855.1    |
| Amort. of non-cash distribution<br>and marketing expense                                    | 0.0            | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Depreciation  | 94.9           | 25.6     | 28.8     | 31.7     | 32.5     | 119.2    |
| Amortization of goodwill  | 226.3          | 62.8     | 78.4     | 91.8     | 106.0    | 374.0    |
| Total operating costs   | 2,709.0        | 738.0    | 850.3    | 912.1    | 1,025.7  | 3,650.1  |
| Operating income  | 170.6          | 55.2     | 39.0     | 12.8     | 62.7     | 165.4    |
| Interest expense, net   | (119.6)        | (13.0)   | (15.7)   | (12.4)   | (10.8)   | (50.2)   |
| Gain on disposition of television station   | 74.9           | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Gain on sale of securities  | 109.0          | 47.3     | 3.0      | 39.5     | 0.0      | 89.7     |
| Other, net  | (23.4)         | 7.3      | (8.8)    | (3.6)    | 0.6      | (4.9)    |
|   | 40.9           | 41.6     | (21.4)   | 23.4     | (10.2)   | 34.6     |
| Earnings before income taxes and<br>minority interest                                       | 211.5          | 96.8     | 17.6     | 36.2     | 52.5     | 200.1    |
| Income tax expense  | (118.4)        | (21.4)   | (13.7)   | (21.8)   | (28.1)   | (83.9)   |
| Minority interest   | (70.3)         | (74.1)   | (27.9)   | (33.9)   | (28.8)   | (136.7)  |
| Net income (loss) from continuing operations  | 22.8           | 1.3      | (24.0)   | (19.5)   | (4.3)    | (20.5)   |
| Weighted average diluted shares   | 318.4          | 361.2    | 388.9    | 357.8    | 360.7    | 352.6    |
| Weighted average fully converted shares   | 595.2          | 707.6    | 735.2    | 757.3    | 763.7    | 745.8    |
| Basic earnings per share  | \$ .07         | \$ .00   | \$ (.07) | \$ (.05) | \$ (.01) | \$ (.06) |
| Diluted earnings per share  | \$ .07         | \$ .00   | \$ (.07) | \$ (.05) | \$ (.01) | \$ (.06) |
| Fully converted earnings per share  | \$ .13         | \$ .07   | \$ (.00) | \$ .02   | \$ .02   | \$ .12   |
| EBITDA  | 491.9          | 143.6    | 146.2    | 136.3    | 201.3    | 658.7    |
| Excluding one-time charges and non-operating gains:<br>Basic and diluted earnings per share | \$ (.28)       | \$ (.03) | \$ (.08) | \$ (.08) | \$ (.01) | \$ (.11) |
| Fully converted earnings per share  | \$ (.04)       | \$ .03   | \$ (.01) | \$ (.01) | \$ .02   | \$ .05   |

## P&amp;L

|  | 2000     |          |          |          |          |
|--|----------|----------|----------|----------|----------|
|  | Q1 *     | Q2 *     | Q3 *     | Q4       | YE 12/31 |
| Date Reported:   | 04/27/00 | 07/26/00 | 10/26/00 | 02/01/01 | 02/01/01 |
| Revenues, net  | 1,002.8  | 1,098.1  | 1,115.2  | 1,315.9  | 4,673.0  |
| Operating costs and expenses:                            |          |          |          |          |          |
| Costs related to revenues                                | 574.7    | 638.8    | 673.6    | 801.3    | 2,812.4  |
| Other costs and expenses                                 | 243.8    | 280.1    | 281.8    | 278.6    | 1,064.4  |
| Amort. of non-cash distribution<br>and marketing expense | 0.8      | 1.6      | 2.7      | 7.1      | 11.5     |
| Depreciation   | 34.5     | 42.9     | 46.3     | 54.0     | 166.1    |
| Amortization of goodwill                                 | 81.8     | 96.7     | 108.9    | 135.1    | 467.3    |
| Total operating costs                                    | 935.5    | 1,060.0  | 1,113.3  | 1,276.1  | 4,521.7  |
| Operating income   | 67.3     | 38.0     | 1.9      | 39.8     | 151.3    |
| Interest expense, net                                    | (8.6)    | (8.8)    | (9.6)    | (10.3)   | (35.0)   |
| Gain on disposition of television station                | 0.0      | 0.0      | 0.0      | 0.0      |          |
| Gain on sale of securities                               | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Other, net   | (0.6)    | (1.9)    | 69.9     | (18.1)   | 49.3     |
| Earnings before income taxes and<br>minority interest    | 58.1     | 27.3     | 62.2     | 11.5     | 165.7    |
| Income tax expense                                       | (31.5)   | (19.0)   | (23.0)   | (26.3)   | (113.0)  |
| Minority interest  | (45.4)   | (36.9)   | (58.6)   | (14.4)   | (128.5)  |
| Net income (loss) from continuing operations             | (18.9)   | (28.6)   | (19.5)   | (29.2)   | (75.9)   |
| Weighted average diluted shares                          | 337.5    | 362.0    | 367.8    | 368.3    | 366.0    |
| Weighted average fully converted shares                  | 728.1    | 748.5    | 754.8    | 752.6    | 747.4    |
| Basic earnings per share                                 | \$ (.06) | \$ (.08) | \$ (.05) | \$ (.08) | \$ (.21) |
| Diluted earnings per share                               | \$ (.06) | \$ (.08) | \$ (.05) | \$ (.08) | \$ (.21) |
| Fully converted earnings per share                       | \$ .03   | \$ .01   | \$ .04   | \$ (.00) | \$ .05   |
| EBITDA   | 184.3    | 179.2    | 159.8    | 236.0    | 796.3    |
| Excluding one-time charges and non-operating gains:      |          |          |          |          |          |
| Basic and diluted earnings per share                     | \$ (.06) | \$ (.07) | \$ (.10) | \$ (.03) | \$ (.19) |
| Fully converted earnings per share                       | \$ .03   | \$ .01   | \$ (.02) | \$ .03   | \$ .03   |

\* AS REPORTED. MAY NOT AGREE WITH PROFORMA REVENUE AND EBITDA RESULTS ABOVE.  
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As filed with the Securities and Exchange Commission on February 1, 2001.

USA NETWORKS, INC.  
 OPERATING METRICS  
 IN MILLIONS EXCEPT PERCENTAGES AND RATINGS.

|                            | 1997 | 1998 | 1999 |      |      |      |      | 2000 |      |      |      |      |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
|                            | YE   | YE   | Q1   | Q2   | Q3   | Q4   | YE   | Q1   | Q2   | Q3   | Q4   | YE   |
| USA NETWORK                |      |      |      |      |      |      |      |      |      |      |      |      |
| Advertising revenue        | 53%  | 53%  | 54%  | 56%  | 59%  | 58%  | 56%  | 57%  | 58%  | 57%  | 55%  | 58%  |
| Affiliate revenue          | 47%  | 47%  | 46%  | 44%  | 41%  | 42%  | 44%  | 43%  | 42%  | 43%  | 45%  | 42%  |
| Average primetime rating   | 2.0  | 2.3  | 2.6  | 2.6  | 2.3  | 2.2  | 2.4  | 2.4  | 2.2  | 2.0  | 1.7  | 2.1  |
| Households (end of period) | 72.4 | 75.1 | 75.3 | 75.7 | 76.9 | 77.2 | 77.2 | 77.4 | 78.2 | 79.4 | 79.9 | 79.9 |

|                            | 1997 | 1998 | 1999 |      |      |      |      | 2000 |      |      |      |      |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
|                            | YE   | YE   | Q1   | Q2   | Q3   | Q4   | YE   | Q1   | Q2   | Q3   | Q4   | YE   |
| SCI FI CHANNEL             |      |      |      |      |      |      |      |      |      |      |      |      |
| Advertising revenue        | 56%  | 56%  | 55%  | 61%  | 57%  | 62%  | 59%  | 64%  | 66%  | 62%  | 67%  | 65%  |
| Affiliate revenue          | 44%  | 44%  | 45%  | 39%  | 43%  | 38%  | 41%  | 36%  | 34%  | 38%  | 33%  | 35%  |
| Average primetime rating   | 0.7  | 0.7  | 0.7  | 0.7  | 0.8  | 0.9  | 0.8  | 0.9  | 0.8  | 0.9  | 0.9  | 0.9  |
| Households (end of period) | 46.7 | 52.6 | 54.4 | 55.9 | 58.4 | 59.7 | 59.7 | 60.5 | 62.7 | 65.1 | 66.7 | 66.7 |

|                                 | 2000 |     |     |
|---------------------------------|------|-----|-----|
|                                 | Q3   | Q4  | YE  |
| TRIO Households (end of period) | 6.9  | 7.3 | 7.3 |
| NWI Households (end of period)  | 6.5  | 6.7 | 6.7 |

USA NETWORK AND SCI FI RATINGS AND HOUSEHOLD DELIVERY DATA ARE SOURCED FROM NMR GALAXY EXPLORER. SUBSCRIBER COUNTS ARE BASED ON NIELSEN PEOPLE METER INSTALLED SAMPLES. THE FINANCIAL, STATISTICAL AND OTHER INFORMATION CONTAINED HEREIN IS UNAUDITED. As filed with the Securities and Exchange Commission on February 1, 2001.

USA NETWORKS, INC.  
 OPERATING METRICS  
 IN MILLIONS EXCEPT PERCENTAGES.

|   | 1999  |       |       |       |       | 2000  |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|   | Q1    | Q2    | Q3    | Q4    | YE    | Q1    | Q2    | Q3    | Q4    | YE    |
| HSN - U.S.                                  |       |       |       |       |       |       |       |       |       |       |
| On air services:                            |       |       |       |       |       |       |       |       |       |       |
| On-air gross profit                         | 34.0% | 33.7% | 35.4% | 34.0% | 34.3% | 33.6% | 34.7% | 34.7% | 32.7% | 33.8% |
| Product mix:                                |       |       |       |       |       |       |       |       |       |       |
| Homegoods                                   | 47%   | 47%   | 47%   | 54%   | 49%   | 50%   | 46%   | 49%   | 55%   | 51%   |
| Jewelry                                     | 30%   | 28%   | 26%   | 23%   | 27%   | 25%   | 28%   | 27%   | 25%   | 26%   |
| Heath / Beauty                              | 10%   | 12%   | 11%   | 10%   | 11%   | 11%   | 13%   | 9%    | 8%    | 10%   |
| Apparel / Accessories                       | 13%   | 13%   | 16%   | 13%   | 13%   | 14%   | 13%   | 15%   | 12%   | 13%   |
| Units shipped                               | 7.7   | 7.8   | 7.8   | 8.7   | 32.0  | 8.2   | 7.8   | 8.2   | 9.2   | 33.4  |
| Return rate                                 | 22.8% | 20.4% | 19.1% | 19.1% | 20.3% | 20.9% | 19.6% | 20.2% | 19.2% | 19.9% |
| America's Store Total HH<br>(end of period) | 9.8   | 9.9   | 8.7   | 8.3   | 8.3   | 8.8   | 8.8   | 9.0   | 8.6   | 8.6   |
| HSN cable / DBS HH (end of period)          | 54.8  | 56.8  | 57.6  | 60.6  | 60.6  | 62.0  | 63.2  | 64.6  | 65.6  | 65.6  |
| HSN total HH (end of period)                | 71.0  | 72.7  | 73.0  | 73.7  | 73.7  | 75.2  | 76.4  | 75.9  | 76.8  | 76.8  |

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 As filed with the Securities and Exchange Commission on February 1, 2001.

USA NETWORKS, INC.  
 OPERATING METRICS  
 IN MILLIONS EXCEPT REVENUE PER TICKET AND PERCENTAGES.

|                                  | 1997     | 1998     | 1999    |         |         |         |          |
|----------------------------------|----------|----------|---------|---------|---------|---------|----------|
|                                  | YE       | YE       | Q1      | Q2      | Q3      | Q4      | YE       |
| TICKETMASTER                     |          |          |         |         |         |         |          |
| Number of tickets sold (mm)      | 65.8     | 68.6     | 19.1    | 19.9    | 17.6    | 18.4    | 75.0     |
| Gross value of tickets sold (mm) | \$ 2,168 | \$ 2,340 | \$ 615  | \$ 756  | \$ 651  | \$ 759  | \$ 2,781 |
| Share of tickets sold online     | 1.6%     | 4.3%     | 8.7%    | 13.5%   | 15.0%   | 18.4%   | 13.4%    |
| Revenue per ticket- Combined     | \$ 4.50  | \$ 4.66  | \$ 4.69 | \$ 5.36 | \$ 5.34 | \$ 5.62 | \$ 5.25  |
| Revenue per ticket- Online       | \$ 5.06  | \$ 5.45  | \$ 5.62 | \$ 6.68 | \$ 6.45 | \$ 6.46 | \$ 6.38  |

|                                  | 2000    |         |         |         |          |
|----------------------------------|---------|---------|---------|---------|----------|
|                                  | Q1      | Q2      | Q3      | Q4      | YE       |
| TICKETMASTER                     |         |         |         |         |          |
| Number of tickets sold (mm)      | 21.8    | 22.3    | 20.2    | 18.7    | 83.0     |
| Gross value of tickets sold (mm) | \$ 812  | \$ 881  | \$ 782  | \$ 781  | \$ 3,256 |
| Share of tickets sold online     | 20.5%   | 25.8%   | 25.2%   | 26.2%   | 24.3%    |
| Revenue per ticket- Combined     | \$ 5.44 | \$ 5.89 | \$ 5.67 | \$ 5.87 | \$ 5.71  |
| Revenue per ticket- Online       | \$ 6.49 | \$ 7.08 | \$ 6.72 | \$ 6.75 | \$ 6.78  |

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USA NETWORKS, INC.  
OPERATING METRICS

|   | 1999 |     |     |     |       | 2000 |     |     |     |       |
|---|------|-----|-----|-----|-------|------|-----|-----|-----|-------|
|   | Q1   | Q2  | Q3  | Q4  | YE    | Q1   | Q2  | Q3  | Q4  | YE    |
| HOTEL RESERVATIONS NETWORK                |      |     |     |     |       |      |     |     |     |       |
| Hotel room nights sold (thousands)        | 181  | 291 | 374 | 383 | 1,229 | 429  | 587 | 717 | 700 | 2,433 |
| Portion of revenues generated online      | 69%  | 81% | 85% | 87% | 81%   | 91%  | 92% | 94% | 96% | 93%   |
| Affiliated revenues as % of total revenue | 27%  | 41% | 44% | 43% | 40%   | 53%  | 52% | 53% | 56% | 54%   |
| Cities served                             | 27   | 37  | 38  | 40  | 40    | 49   | 60  | 83  | 97  | 97    |

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USA NETWORKS, INC.  
 OPERATING METRICS  
 IN MILLIONS

CAPITALIZATION  
 (AS OF 1/29/01)

| Ticker (NASDAQ)                                 | USAI           |
|---|----------------|
| USAi Common Stock                               | 305.5          |
| USAi Class B                                    | 63.0           |
| USAi Exchangeable                               | 361.2          |
|   | -----          |
| Total Shares Outstanding                        | 729.7          |
|   |                |
| Estimated dilutive options<br>(treasury method) | 32.0           |
|   | -----          |
| Fully diluted shares                            | 761.7          |
|   | =====          |
|   |                |
| Outstanding equity cap                          | \$14.2 billion |
| Fully diluted equity cap                        | \$14.8 billion |

BUSINESS MIX

|                                  |       |
|----------------------------------|-------|
| Revenue sources (Q4 '00):        |       |
| Merchandise                      | 41%   |
| Ticketing                        | 9%    |
| Teleservices / ECS               | 6%    |
| Hotel rooms                      | 8%    |
|                                  | ----- |
| Commerce                         | 64%   |
|                                  | ===== |
|                                  |       |
| Advertising                      | 15%   |
| Affiliate fees and subscriptions | 10%   |
| Production and distribution      | 11%   |
|                                  | ----- |
| Media                            | 36%   |
|                                  | ===== |
|                                  |       |
| Online (% of total)              | 15%   |
| International (% of total)       | 6%    |

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USA Networks, Inc. (the "Company" or "USAi") is a holding company, the subsidiaries of which are engaged in diversified media and electronic commerce businesses.

In the third quarter of 1997, the Company acquired a controlling interest in Ticketmaster through the issuance of Common Stock to Paul G. Allen and purchases of Ticketmaster shares in the open market for total consideration of \$210.0 million (the "Ticketmaster Acquisition"). In connection with the issuance of new shares to Mr. Allen, the Company also issued shares of the Company's Class B common stock in accordance with Liberty's contingent right to receive such shares as part of the Home Shopping Merger in 1996.

In connection with the Ticketmaster tax-free merger, as of June 24, 1998, the Company issued 31,934,400 shares of Common Stock to the public shareholders of Ticketmaster and converted 3.6 million options to acquire Ticketmaster common stock into options to acquire Common Stock for a total consideration of \$467.7 million. The acquisition of the controlling interest in Ticketmaster and the tax-free merger are collectively referred to as the "Ticketmaster Transaction."

On July 16, 1998, the Company sold the assets of SF Broadcasting, which owned and operated four television stations (the "SF Broadcasting Transaction").

On February 12, 1998, the Company acquired USA Networks, a New York general partnership, consisting of cable television networks USA Network and Sci-Fi Channel ("Networks"), as well as the domestic television production and distribution businesses of Universal Studios ("Studios USA") from Universal Studios, Inc. ("Universal"), an entity controlled by The Seagram Company Ltd. ("Seagram"), and the Company changed its name to USA Networks, Inc. (the "Universal Transaction").

On September 28, 1998, pursuant to an Amended and Restated Agreement and Plan of Reorganization among CitySearch, Inc. ("CitySearch"), the Company, Ticketmaster and certain of its subsidiaries, the Company merged the online ticketing operations of Ticketmaster (Ticketmaster.com) into a subsidiary of CitySearch, a publisher of local city guides on the Web (the "CitySearch Merger"), to create Ticketmaster Online-CitySearch, Inc. ("TMCS").

On May 10, 1999, the Company acquired substantially all of the assets and assumed substantially all of the liabilities of two entities which operate Hotel Reservations Network (the "Hotel Reservations Network Transaction").

On May 28, 1999, the Company acquired October Films, Inc. ("October Films"), in which Universal owned a majority interest, and the domestic film distribution and development business of Universal previously operated by Polygram Filmed Entertainment, Inc. ("PFE") (the "October Films/PFE Transaction").

On April 5, 2000, the Company acquired Precision Response Corporation ("PRC") (the "PRC Transaction").

On July 27, 2000 USAi and Styleclick.com Inc., a leading enabler of e-commerce for manufacturers and retailers, completed the merger of Internet Shopping Network ("ISN") and Styleclick.com (the "Styleclick Transaction").

On December 7, 2000, the Company announced that Univision Communications Inc. will acquire USA Broadcasting, the television station group of the Company.

On January 31, 2001, the combination of the businesses of Ticketmaster Online-CitySearch, Inc. and Ticketmaster Corporation was completed.

For additional information on each of these transactions, see the Company's filings on Form 10-K for the year ended December 31, 1999, on Form 10-Q for the three months ended September 30, 2000 and other filings that the Company and its subsidiaries have made with the Securities and Exchange Commission.

The following unaudited pro forma operating results of USAi present combined results of operations as if the Universal Transaction, Ticketmaster Transaction, CitySearch Merger, the SF Broadcasting Transaction, the Hotel Reservations Network Transaction, the October Films/ PFE Transaction, the PRC Transaction and the Styleclick Transaction and the consolidation of HOT Germany all had occurred at the beginning of the periods presented.

The unaudited combined condensed pro forma statements of operations of USAi are presented below for illustrative purposes only and are not necessarily indicative of the results of operations that would have actually been reported had any of the transactions occurred at the beginning of the periods presented, nor are they necessarily indicative of future results of operations.

As filed with the Securities and Exchange Commission on February 1, 2000.