UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d) of the
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 24, 2002

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

Delaware	0-20570	59-2712887
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

152 West 57th Street, New York, NY	10019
(Address of principal executive offices)	(Zip Code)

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

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

On October 24, 2002, the Registrant issued a press release announcing its results for the quarter ended September 30, 2002. The full text of this press release, appearing in Exhibit 99.1 hereto, and forward-looking financial information, appearing in Exhibit 99.2 hereto, is incorporated herein by reference.

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

(c) Exhibits.

99.1 Press Release of USA Interactive dated October 24, 2002.
99.2 Forward-Looking Financial Information.

SIGNATURES

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

USA NETWORKS, INC.

By: /s/ Julius Genachowski

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

Date: October 24, 2002

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release of USA Interactive dated October 24, 2002.
99.2	Forward-Looking Financial Information.

Exhibit 99.1

[LOGO OF USA INTERACTIVE]

FOR IMMEDIATE RELEASE OCTOBER 24, 2002

USA REPORTS THIRD QUARTER RESULTS

Cash Net Income from Operating Businesses Grows 56% to $83 Million
Margins Expand 490 Basis Points to 18.2% for Operating Businesses
Interactive Gross Transactions Increase 74% to $2.8 Billion
$469 Million in Free Cash Flow Generated Year-to-Date
Preliminary Budget Projects Cash EPS Growing 96% in 2003

	Pro forma		
	Q3 2002	Q3 2001	Growth
	$ in millions, except per share		
Gross Transaction Value:			
Interactive Businesses	$ 2,839	$ 1,632	74%
Total	$ 3,391	$ 2,135	59%
Revenue:			
Operating Businesses	$ 1,088	$ 825	32%
Total	$ 1,192	$ 917	30%
Operating Margins:			
Operating Businesses	18.2%	13.3%	490 bps
Total	15.5%	8.2%	730 bps
Cash Net Income:			
Operating Businesses	$ 83.4	$ 53.5	56%
Total	$ 65.7	$ 6.0	993%
Cash EPS:			
Operating Businesses	$ 0.18	$ 0.12	50%
Total	$ 0.14	$ 0.01	978%

NEW YORK, NY, October 24, 2002 - USA Interactive (NASDAQ: USAI) reported results today for its quarter ended September 30, 2002.

[ ] USA's interactive travel companies (Expedia, Hotels.com and TV Travel Group) grew combined gross bookings 107% to $1.9 billion. Merchant room nights were up 124% to 4.9 million.

[ ] HSN-U.S. continued to grow its bottom line, with gross margins up 380 bps from 34.3% to 38.1% despite a slight decline in sales.

[ ] Ticketmaster's ticketing business beat its budget by 33%, growing profits 91% year-over-year. Match.com grew subscribers 159% over the prior year to 653,182. Citysearch reduced its quarterly operating loss to its lowest level in over three years.

[ ] USA filed today its Preliminary Budget for 2003, projecting 28% growth in revenues, 66% growth in EBITA (see top of page 2 for definition) and 96% growth in Cash EPS for 2003 (see page 5 for further detail).

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DEFINITIONS:

- - INTERACTIVE BUSINESSES include HSN, HSN.com, Expedia, Hotels.com, Ticketmaster.com, Match.com and TV Travel Group.

- - OPERATING BUSINESSES include HSN-U.S., Ticketing, Match.com, Hotels.com, Expedia, Interval, PRC, Corporate and other.

- - OPERATING MARGINS refer to Adjusted EBITDA (see page 3) as a percentage of revenue.

- - CASH NET INCOME generally captures all income statement items that have been, or will ultimately be, settled in cash and is defined as net income available to common shareholders plus amortization of: (1) non-cash distribution and marketing expense (2) non-cash compensation expense and (3) intangibles (and goodwill in 2001), net of related tax and minority interest expense. All amounts are presented on a fully diluted, treasury method basis. See page 2 for more detail.

IMPORTANT: All results herein are presented on a comparative pro forma basis reflecting the Vivendi transaction and USA's acquisition of a majority stake in Expedia as if those transactions had been completed as of January 1, 2001, and reflect continuing operations and exclude one-time items, unless otherwise noted. 2001 data is not pro forma for the acquisitions of TV Travel Group and Interval. Read all footnotes and important disclaimer at the end of this release.

SEE IMPORTANT NOTES AT END OF DOCUMENT

FINANCIAL RESULTS

As USA has indicated in previous filings, the company has switched its focus from Adjusted EBITDA ("EBITDA") to Cash Net Income as its most relevant `bottom line' metric. In addition, for segment reporting purposes in USA's Preliminary Budget filed today, the company is replacing EBITDA with EBITA, defined as operating income plus amortization of (1) non-cash compensation, (2) distribution and marketing, and (3) other intangibles (and goodwill in 2001). Segment results in this release are presented on an EBITDA basis for purposes of comparison with prior periods.

CASH NET INCOME

Cash Net Income generally captures all income statement items that are ultimately settled in cash. The following table shows the reconciliation from Net Income to Cash Net Income. All results are pro forma for the Vivendi and Expedia transactions. See pages F-2 and F-3 for full details on actual and adjusted results.

		Q3 2002	Q3 2001	Growth
		$ in millions		
Diluted net income available to common shareholders		$ (5.2)	$ (28.6)	82%
One-time items	(a)	13.8	12.3	12%
Net Income before one-time items		8.6	(16.3)	153%
Amortization of non-cash compensation		3.0	4.8	-38%
Amortization of non-cash distribution and marketing		10.4	7.1	48%
Amortization of other intangibles (non-cash)		63.1	31.6	100%
Less: related tax and minority interest		(19.5)	(21.2)	8%
Cash Net Income		$ 65.7	$ 6.0	993%
Cash EPS		$ 0.14	$ 0.01	978%

(a) Includes restructuring and one-time items in 2002 related to the write-down of certain investments, costs of ECS contract terminations, and costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster. 2001 represents non-recurring costs related to restructuring operations, employee terminations and benefits.

FREE CASH FLOW

Free Cash Flow for the nine months ended September 30, 2002 is presented on an actual basis, excluding discontinued operations.

	2002 YTD
	$ in millions
Earnings before preferred dividend	$ (109.3)
Depreciation and amortization	340.5
5% PIK interest on Class A Preferred	(14.0)
Equity in losses of unconsolidated affiliates and other investment write-offs	132.8
Minority interest (benefit) / expense	18.0
Changes in working capital and other	243.2
Operating Cash Flow	611.1
Capital expenditures	(110.9)
Investments to fund HSN International	(31.3)
Free Cash Flow	$ 468.9

DEFINITIONS:

- FREE CASH FLOW is defined as operating cash flow from continuing operations, less capital expenditures and investments to fund HSN International continuing operations. Excludes tax payment of $156.9 million related to the sale of USA Broadcasting.

SEE IMPORTANT NOTES AT END OF DOCUMENT

SEGMENT RESULTS

USA reported the following segment results on a comparative pro forma basis reflecting the Vivendi transaction and USA's acquisition of a majority stake in Expedia as if those transactions had been completed as of January 1, 2001:

		Revenue			Adjusted EBITDA		
		Q3 2002	Q3 2001	Growth	Q3 2002	Q3 2001	Growth
		$ in millions			$ in millions		
Operating Businesses:							
HSN - U.S.		$ 370.7	$ 375.2	-1%	$ 67.4	$ 46.7	44%
Ticketing		162.1	133.9	21%	36.3	19.0	91%
Match.com		33.4	12.5	168%	7.0	5.8	20%
Hotels.com		277.4	151.2	83%	40.1	21.8	84%
Expedia		166.6	79.5	110%	48.9	16.4	198%
Interval	(a)	2.3	N/A	N/A	0.4	N/A	N/A
PRC		75.0	72.6	3%	9.6	7.9	22%
Corporate and other					(11.2)	(8.2)	-36%
Sub-total		1,087.6	824.9	32%	198.4	109.3	82%
Emerging Businesses:							
Citysearch and related		7.6	11.1	-31%	(8.5)	(10.7)	
International TV shopping and other	(b)	96.7	66.1	46%	0.4	(12.4)	
ECS / Styleclick		7.6	5.4	42%	(5.2)	(14.4)	
Sub-total		111.9	82.6	35%	(13.2)	(37.4)	
Foreign exchange rate fluctuation	(c)	(4.9)	(9.1)		(0.1)	0.9	
HSN Disengagement	(d)	-	21.3		-	2.2	
Intersegment Elimination		(2.2)	(2.3)		-	-	
Total		$ 1,192.5	$ 917.3	30%	$185.1	$ 75.0	147%
Attributable Adjusted EBITDA - Operating Businesses					$149.2	$ 86.6	72%
Supplemental disclosure:							
Total EBITDA					$185.1	$ 75.0	147%
Non-recurring items	(e)				(6.5)	(12.3)	
EBITDA including non-recurring items					$178.6	$ 62.8	185%

DEFINITIONS:

- ADJUSTED EBITDA, also referred to as EBITDA in this release, is defined as operating income plus (1) depreciation ($47.7 million and $38.5 million in Q3 2002 and Q3 2001, respectively), (2) amortization of cable distribution fees ($12.6 million and $10.0 million, in Q3 2002 and 2001, respectively), (3) amortization of non-cash distribution, marketing, and compensation expense ($13.4 million and $11.9 million in Q3 2002 and Q3 2001, respectively), (4) amortization of other intangibles ($63.1 million and $31.6 million in Q3 2002 and Q3 2001, respectively), and (5) disengagement related payments to cable operators and marketing expenses ($4.6 million in Q3 2002) related to the transfer of HSN's distribution to cable (which has been accomplished).

- ATTRIBUTABLE ADJUSTED EBITDA - OPERATING BUSINESSES is defined as Adjusted EBITDA from Operating Businesses, less the percentage of Adjusted EBITDA attributable to minority shareholders of USA's public subsidiaries. This percentage is determined based on the Q3 weighted average of USA's fully diluted, treasury method ownership in each of its public subsidiaries (see page 4 for detail).

(a) Includes the results of Interval from September 24, 2002.

(b) International TV Shopping and Other includes HSE Germany, Euvia, HOT Networks, TV Travel Group, HSN emerging businesses and overhead costs related to HSN International.

(c) In order to present comparable results for International TV Shopping and other, results have been translated from foreign currencies to U.S. dollars at a constant exchange rate.

(d) 2001 amounts reflect estimated results generated by homes lost by HSN following the sale of USA Broadcasting to Univision.

(e) Please see footnotes on pages F-2 and F-3 for details on restructuring and one-time items.

CAPITALIZATION

USA reported capitalization of the following (amounts in millions) (a):

		As of 9/30/02
Cash and marketable securities:		
USA		$ 1,940
Expedia		525
Hotels.com		397
Ticketmaster		177
Total cash		$ 3,039
Attributable cash	(b)	$ 2,618
Securities in VUE	(c)	2,111
Long-term debt	(d)	(546)
Preferred stock	(e)	(656)
Net attributable cash and securities		$ 3,528
		As of 10/15/02
Fully diluted shares outstanding	(f)	473.1
Market capitalization		$ 9,841

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(a) Not pro forma for USA's pending merger with Ticketmaster.

(b) Includes attributable cash from USA's public subsidiaries, based on the Q3 weighted average of USA's fully diluted, treasury method ownership in each of its public subsidiaries, which was 66% for Ticketmaster, 67% for Hotels.com and 56% for Expedia. Excludes cash due to clients at Ticketmaster.

(c) Includes securities issued to USA in the Vivendi transaction, as follows: Class A and Class B preferred interests and 5.44% common interest in Vivendi Universal Entertainment ("VUE") at balance sheet carrying values, less the estimated present value of taxes on the above securities.

(d) Consists primarily of $500 million face value 6.75% Senior Notes due November 15, 2005. Subsequent to September 30, 2002, USA purchased approximately $47 million of its Senior Notes in the open market. Amounts exclude $115.7 million of redeemable equity interests issued by Euvia which are due in 2006. Euvia has the right to extend maturity to 2016, and the amount is only due to the holder to the extent sufficient funds at Euvia are available. Otherwise, the instrument is on par with Euvia's common equity interests.

(e) Represents face value of 1.99% convertible preferred stock issued in the Expedia transaction.

(f) Fully diluted shares includes treasury method options and warrants and restricted stock, and includes Vivendi's remaining 56.6 million shares that may be delivered to USA in connection with USA's Series B preferred interest in VUE.

EARNINGS PER SHARE

Cash EPS was $0.14 in Q3 of 2002, versus $0.01 in Q3 of 2001. 2001 data is pro forma for the adoption of FAS 141/142, the new accounting rules that eliminate amortization of goodwill. All amounts are pro forma for the Expedia and Vivendi transactions, and exclude one-time gains and losses.

On a GAAP EPS basis, before giving effect to all non-operating and one-time items (described above and in footnotes on pages F-2 and F-3) and discontinued operations (consisting principally of a gain from the sale of USA Broadcasting to Univision, the results of USA Entertainment, which had net income of $22.4 million in Q3 of 2001 and the results of electronic retailing operations in Italy, which has a net loss in 2002 of $31.4 million), diluted EPS available to common shareholders for Q3 of 2002 was $0.02 versus ($0.04) in Q3 of 2001.

ANTICIPATED PERFORMANCE VERSUS 2002 BUDGET

USA filed its 2002 budget with the SEC on January 29, 2002. Factors significantly impacting USA's currently anticipated performance versus its budget include: stronger than expected results for certain of its operating businesses (primarily Expedia, Hotels.com and Match.com); the inclusion of Interval International as of the acquisition closing date of September 24, 2002, and other factors listed below. As against its 2002 budget, USA currently expects to (a):

[ ] exceed OPERATING REVENUE by 4% and exceed TOTAL REVENUE by 2%; and

[ ] exceed OPERATING EBITDA by 15% and exceed TOTAL EBITDA by 10%.

Subsequent to the budget filing in January, certain items of a non-operating, non-cash nature offset the better than expected operating results. As such, against its 2002 budget, USA expects to (a):

[ ] exceed CASH NET INCOME by 9% and achieve CASH EPS of $0.41;

[ ] exceed OPERATING INCOME by 29%, not including a significant increase in non-cash amortization of intangibles relating to its acquisition of Expedia and as a result of a step up in certain of its assets for book purposes relating to the Vivendi transaction. Including these items, USA expects to perform below its budget for Operating Income by approximately 16%;

[ ] exceed NET INCOME by 11%, not including the impact of the non-cash items mentioned above. USA will also record lower non-cash interest income than budgeted due to the fact that the 1.4% PIK dividend related to USA's Class B Preferred interest in VUE had been budgeted as income on USA's P&L, which has been revised to exclude that item. Including the impact of those items, USA expects to be below its budget for Net Income by approximately 77%.

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(a) Presented on a comparative pro forma basis reflecting the Vivendi and Expedia transactions, reflecting continuing operations and excluding one-time items. Pro forma USA's pending merger with Ticketmaster, USA anticipates Operating Income of $149 million, Cash Net Income of $206 million, Cash EPS of $0.40 and Net Income of $26 million in 2002.

PRELIMINARY 2003 BUDGET AND 2004 OUTLOOK

USA is filing its Preliminary 2003 Budget with the SEC today, October 24, 2002. Based on that filing, pro forma for USA's pending merger with Ticketmaster, USA currently expects to:

[ ] grow REVENUE by 28% in 2003 and 24% in 2004;

[ ] grow EBITA by 66% in 2003 and 46% in 2004;

[ ] grow CASH NET INCOME by 105% in 2003 and approximately 35% in 2004, and CASH EPS by 96% in 2003 and approximately 35% in 2004; and

[ ] grow NET INCOME by 35% in 2003 and more than 400% in 2004, and DILUTED EPS by 33% in 2003 and more than 400% in 2004.

Please see Preliminary 2003 Budget and important related footnotes.

SEE IMPORTANT NOTES AT END OF DOCUMENT

OPERATING HIGHLIGHTS

HSN - U.S.

- [ ] HSN's gross margins increased 380 bps to 38.1% from 34.3% last year, driven by the continued shift in product mix towards higher margin products and improved margins in all of lines of business.

- [ ] Sales were slightly lower in Q3 compared to the prior year, due mainly to the challenging retail environment and the changing shift in product mix towards higher margin merchandise with less emphasis on higher priced electronics.

- [ ] HSN.com grew significantly, with sales up 25% over the prior year in Q3, while traffic on the site increased 29% year-over-year. HSN.com represented 11% of Q3 sales.

- [ ] Off-air sales grew 34% over last year due to strong growth in upsells and the auto-ship program, which had its strongest quarter ever, propelled by the expansion of its enrollment programs.

- [ ] Customer Service calls are down by 19% from the same period last year, indicative of higher customer satisfaction.

- [ ] My Virtual Model launched on hsn.com in August, allowing customers to "try on" selected garments before purchasing. Over 40,000 models have been created and customers on average try on 22 garments per session, totaling over 1.7 million garments to date.

- [ ] HSN staged 32 major product launches during Q3, including new product lines from celebrity chef Rocco Dispirito and former supermodel Lauren Hutton, who both sold out during their first airings. The debut of former QVC show host Kathy Levine's "By Request" apparel line was a huge success, bringing in close to $2 million in revenue on its first outing.

TICKETMASTER / MATCH.COM / CITYSEARCH

- [ ] Ticketing revenue grew 21% in Q3, mainly due to increased tickets sold (also eased by the weakness in the prior period related to 9/11). International expansion, particularly in the U.K., Norway and The Netherlands, was also a key growth driver.

- [ ] Ticketmaster.com was relaunched this quarter, improving the overall look and feel of the site, enhancing localization and search, increasing performance and rolling out new content management tools that will provide greater value to our venue partners.

- [ ] Online ticket sales were 41% of total tickets during Q3, which reflects a slight traffic decrease at the beginning of the period due to the re-launch and a strong rebound towards the end of the quarter as consumers became more familiar with the site's new features.

- [ ] The Ticketmaster rollout and installation of new products continues to gain momentum with TicketFastTM now installed in 218 venues, eEntry in 79 and Access Manager in 155.

- [ ] Revenue growth at Match.com was strong, while bottom line growth reflected some carried over marketing costs from Q2, and other offline and online marketing spending in Q3, which management expects will drive revenues in future periods.

- [ ] Match.com added Earthlink's Romance Center to its growing list of distribution partners.

- [ ] Citysearch unveiled Best of Citysearch winners in a record 68 cities (21 more than in 2001), helping increase Consumer Ratings on the site by more than 177 percent.

- [ ] Citysearch recently signed a new distribution deal with Yahoo! Get Local.

- [ ] Evite was tapped to design and host custom invitations for ABC's fall lineup, including links to Evite from the shows' sites.

EXPEDIA

- [ ] Expedia, the world's leading online travel service, reached gross travel bookings of $1.47 billion, more than doubling year-over-year and up 10% sequentially.

- [ ] Merchant revenue nearly tripled year-over-year and rose 14% sequentially to $98.5 million, due mainly to increased revenue from Expedia(R) Special Rate hotels and the addition of the Classic Custom Vacations(R) business. Merchant room nights rose 22% sequentially and 168% year-over-year to 2.6 million. Despite a decline in revenue per ticket, agency revenue rose 59% year-over-year to $62.5 million.

- [ ] International revenue nearly tripled year-over-year, as Expedia's international points of sale gained market share and introduced new content, including packages, driving additional sales.

- [ ] Expedia recently announced the acquisition of Newtrade Technologies Inc. to provide enhanced connectivity to hotels and improve Expedia's efficiency and reliability as a merchant of hotel rooms.

- [ ] Enhanced content, including 360-degree videos of rooms and grounds, was added to Expedia's hotel displays, giving consumers more information by which to choose from the more than 6,000 merchant hotels on its sites.

- [ ] Expedia expects to launch its corporate product launch in Q4 2002. This will be the first such corporate travel solution to fully integrate customer service, reporting and policy management tools, and an online booking tool.

HOTELS.COM

- [ ] Hotels.com grew revenue 83% year-over-year, driven mainly by the huge success of the hotels.com marketing campaign. The company spent $12.6 million on advertising in Q3, up from $8.9 million in Q2. 20% of Q3 revenue was attributable to WWW.HOTELS.COM.

- [ ] Hotels.com sold over 2.3 million merchant room nights in Q3, up 22% sequentially and 89% over the prior year.

- [ ] International expansion continues to be an area of strong growth. The company added 31 new international destinations during Q3, to a total of 120. Revenue from hotels and vacation properties outside the U.S. was 15.7% of total revenue in the quarter, up from 12.2% in Q2 and 10.2% in the prior year's period.

- [ ] Hotels.com and Administaff, the nation's leading Professional Employer Organization (PEO), announced a new 5-year strategic alliance. The agreement provides Internet and telephone access to Hotels.com's discount lodging properties for Administaff's more than 4,400 corporate clients and 75,000 worksite employees.

- [ ] On October 9, 2002, Hotels.com announced the acquisition of Turbotrip, a New Orleans-based hotel consolidator, including a ten-year exclusive affiliate agreement with NewOrleans.com.

SEE IMPORTANT NOTES AT END OF DOCUMENT

PRECISION RESPONSE CORPORATION

- [ ] PRC's business environment continued to improve. The company grew revenue 3% vs. last year while at the same time expanding margins, and had positive sequential growth for the third consecutive quarter. The improved results reflect the operating efficiency initiatives implemented earlier in the year that have improved profitability substantially despite modest revenue growth.

- [ ] PRC launched PRC Energy, a new operating unit dedicated to providing energy specific outsourcing services to handle the unique customer care needs of the energy industry.

INTERNATIONAL TV SHOPPING AND OTHER

- [ ] International TV Shopping and Other consists primarily of HSN International (HSE Germany and Euvia) and TV Travel Group.

- [ ] HSE Germany is making progress, with growth in sales and gross margins, and decreased return rates as compared to last year. HSE Germany reported revenue and EBITDA of $72.9 million and $1.1 million, respectively, in Q3 2002, vs. revenue and EBITDA of $60.0 million and ($5.6) million, respectively, in the prior year.

- [ ] During the quarter, USA decided to discontinue its active majority interest in Italy and wrote down its investment in Italy, resulting in a non-recurring charge of $31.4 million.

OTHER HIGHLIGHTS

- [ ] On September 24, USA closed its acquisition of Interval International for $533 million in cash.

- [ ] On October 10, USA and Ticketmaster announced an agreement by which Ticketmaster would be merged into USA. The deal is expected to close by the end of 2002 and would result in USA issuing approximately 45.1 million new USA common shares to former Ticketmaster shareholders. At the same time, USA announced it has ended the processes to acquire 100% of Expedia and Hotels.com.

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

- [ ] USA maintained its rank as the 8th largest group in terms of online reach, with 26.2 million unduplicated unique visitors (source: comScore Media Metrix). (a)

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

SEE IMPORTANT NOTES AT END OF DOCUMENT

OPERATING METRICS

All household numbers as of end of period.		Q3 2002	Q3 2001	Growth
HSN - U.S.				
Units Shipped (mm)		9.1	9.5	-4.2%
Gross Profit %		38.1%	34.3%	
Return Rate		18.5%	19.0%	
Average price point		$44.46	$46.21	
Product mix:				
Home Licensing	(a)	29%	36%	
Home Fashions		8%	5%	
Jewelry		25%	25%	
Health / Beauty		23%	20%	
Apparel / Accessories		15%	14%	
HSN total FTEs (mm)	(b)	77.8	82.8	-6.0%
America's Store total FTEs (mm)	(c)	8.7	11.0	-20.9%

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(a) Home Licensing includes electronics, computers, and other homegoods.

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

(c) The decline in homes from the prior year reflects the disengagement of broadcast-only homes following the sale of USA Broadcasting to Univision which was completed in January 2002.

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INTERNATIONAL TV SHOPPING AND OTHER - Households (mm)				Avg.	9/30/02
HSN International:				Hrs. Daily	Stake
HSE - Germany (includes Austria/Switzerland)		30.4	29.5	16	90%
TVSN (China) (HH airing at least 14 hrs/week)		12.9	23.8	10	21%
Shop Channel (Japan)		13.6	10.9	16	30%
Euvia:	(a)				
Euvia Travel	(b)	28.7	28.8	2	49%
Neun Live	(b)	26.1	28.8	9	49%
TV Travel Shop U.K.	(a)	10.8	10.2	24	100%

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(a) Not owned by USA in prior year's period.

(b) It is expected that HOT Networks will convey a 3% interest in Euvia to a former shareholder, in which case HSN's effective stake in Euvia would be reduced to 45.6%.

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TICKETMASTER			
Number of tickets sold (mm)	22.8	19.3	18.1%
Gross value of tickets sold (mm)	$1,041	$788	32.2%
Share of tickets sold online	40.8%	31.9%	890 bps

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MATCH.COM	(a)			
Paid Subscribers		653,182	252,700	158.5%
New Registrations		3,422,594	1,216,035	181.5%
New Subscriptions		328,516	154,159	113.1%
Conversion rate - registrations to subscriptions		9.6%	12.7%	

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(a) The operating metrics and financial results presented for Match.com include the impact of Soulmates, acquired on April 12, 2002. The 2001 operating metrics and financial information do not include Soulmates.

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HOTELS.COM			
Merchant hotel room nights (net of cancels) (000s)	2,320	1,227	89.0%
Average daily rate	$115.88	$120.64	-3.9%
Cities served:	285	171	66.7%
U.S.	165	119	38.7%
International	120	52	130.8%
Properties under contract	6,571	3,890	68.9%

Affiliates (including TravelNow)	30,646	22,793	34.5%

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EXPEDIA

Gross bookings (mm)	(a)	$1,470	$720	104.2%
Total transactions (000s)	(b)	4,238	2,222	90.7%
Average Media Metrix reach (000s)	(c)	12,615	9,410	34.1%
Expedia.com conversion	(d)	6.7%	5.5%	120 bps
New purchasing customers (000s)	(e)	1,693	918	84.4%
Cumulative purchasing customers (000s)	(f)	10,832	5,424	99.7%
Unique purchasing customers (000s)	(g)	2,492	1,393	78.9%

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(a) Gross bookings represents the total value of travel booked through the Expedia, VacationSpot, and WWTE sites.

(b) Transactions represents the number of reservations and purchases transacted through the Expedia and WWTE sites.

(c) Average monthly Media Metrix reach represents the unduplicated reach for the Expedia and VacationSpot sites.

(d) Conversion represents the monthly average Expedia.com unique monthly purchasers divided by the monthly average Media Metrix reach for the Expedia.com site.

(e) Expedia new purchasing customers represents the number of new customers transacting through the Expedia sites in a quarter.

(f) Expedia cumulative purchasing customers represents the cumulative number of customers that have ever transacted through the Expedia sites as of the end of a quarter.

(g) Expedia quarterly unique purchasing customers represents the number of unique customers transacting through the Expedia sites over the course of a quarter.

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INTERVAL

Active members	166,771	154,565	7.9%
Exchange transactions	1,470,582	1,292,668	13.8%

SEE IMPORTANT NOTES AT END OF DOCUMENT

ANALYST CONFERENCE CALL

USA Interactive will audiocast its conference call with analysts and investors discussing the company's third quarter financial results on Thursday, October 24, 2002, at 11:00 a.m. Eastern Time (ET). The live audiocast is open to the public, and a replay will be available for 48 hours, beginning approximately one hour after completion of the call, at www.usainteractive.com/investor.relations.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

IN CONNECTION WITH THE PROPOSED TRANSACTION WITH TICKETMASTER, USA WILL FILE A REGISTRATION STATEMENT WITH A PROSPECTUS, WHICH ALSO WILL CONTAIN AN INFORMATION STATEMENT OF TICKETMASTER, WITH THE SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROSPECTUS AND INFORMATION STATEMENT CAREFULLY WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. INVESTORS AND SECURITY HOLDERS MAY OBTAIN FREE COPIES THE PROSPECTUS AND INFORMATION STATEMENT, ONCE AVAILABLE, AND OTHER DOCUMENTS FILED BY USA AND TICKETMASTER WITH THE SEC, AT THE SEC'S WEB SITE AT WWW.SEC.GOV. FREE COPIES OF THE PROSPECTUS AND INFORMATION STATEMENT, ONCE AVAILABLE, AND OTHER FILINGS MADE BY USA OR TICKETMASTER WITH THE SEC, MAY ALSO BE OBTAINED FROM USA BY DIRECTING A REQUEST TO USA INTERACTIVE, 152 WEST 57TH STREET, NEW YORK, NEW YORK 10019, ATTENTION: INVESTOR RELATIONS.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995
This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to USA's anticipated financial performance, business prospects, new developments, new merchandising strategies and similar matters, and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. These forward-looking statements are necessarily estimates reflecting the best judgment of USA's senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions that could have a material adverse effect on USA's business, financial condition or results of operations. You should understand that the following important factors could affect USA's future results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) the risk that USA's and Ticketmaster's businesses will not be integrated successfully; (2) costs related to the proposed transaction; (3) material adverse changes in economic conditions generally or in USA's markets or industries; (4) future regulatory and legislative actions and conditions affecting USA's operating areas; (5) competition from others; (6) successful integration of our divisions' management structures; (7) product demand and market acceptance; (8) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (9) the ability to expand into and successfully operate in foreign markets; and (10) obtaining and retaining skilled workers and key executives. In addition, investors should consider the other information contained in or incorporated by reference into USA's filings with the U.S. Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the fiscal year ended 2001, especially in the Management's Discussion and Analysis section, its most recent Quarterly Report on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on USA's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release.

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

ABOUT USA INTERACTIVE

USA Interactive (Nasdaq: USAI), via the Internet, the television and the telephone, engages worldwide in the business of interactivity across electronic retailing, travel services, ticketing services, personals services, local information services and teleservices. USA is comprised of HSN; Expedia, Inc. (Nasdaq: EXPE); Hotels.com (Nasdaq: ROOM); Interval International; TV Travel Group; Ticketmaster (Nasdaq: TMCS), which operates Match.com and Citysearch; Precision Response Corporation; Electronic Commerce Solutions; and Styleclick, Inc. (OTCBB: IBUYA).

CONTACTS:	USA COMMUNICATIONS:	USA INVESTOR RELATIONS:
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	212-314-7254	212-314-7400

USA INTERACTIVE
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USA INTERACTIVE
UNAUDITED BUSINESS SEGMENT INFORMATION - CONTINUING OPERATIONS
($ in thousands)

	THREE Months Ended September 30,		NINE Months Ended September 30,	
	Actual 2002	Pro Forma 2001	Pro Forma 2002	Pro Forma 2001
Revenues - Operating Businesses				
HSN - U.S.	$ 370,742	$ 375,185	$ 1,143,070	$ 1,080,732
Ticketing	162,140	133,897	490,925	447,903
Match.com	33,394	12,478	88,182	31,687
Hotels.com	277,386	151,241	672,814	394,829
Expedia	166,619	79,478	425,352	215,174
Interval (a)	2,319	0	2,319	0
PRC	75,001	72,610	217,212	228,926
Sub-total	1,087,601	824,889	3,039,874	2,399,251
Revenues - Emerging Businesses				
Citysearch and related	7,617	11,078	22,479	35,851
International TV shopping and other (b)	96,695	66,146	266,077	237,218
ECS / Styleclick	7,615	5,379	30,386	21,783
Sub-total	111,927	82,603	318,942	294,852
Foreign exchange rate fluctuation (c)	(4,856)	(9,134)	(31,520)	(36,600)
HSN disengagement (d)		21,250	(1,800)	82,898
Intersegment elimination	(2,176)	(2,291)	(7,773)	(4,873)
Total Revenue	$ 1,192,496	$ 917,317	$ 3,317,723	$ 2,735,528
EBITDA - Operating Businesses (e)				
HSN - U.S.	$ 67,400	$ 46,652	$ 187,738	$ 144,106
Ticketing	36,279	19,021	113,643	84,775
Match.com	6,950	5,801	23,522	8,908
Hotels.com	40,067	21,775	98,717	58,591
Expedia	48,853	16,374	126,686	38,659
Interval (a)	431	0	431	0
PRC	9,607	7,879	23,441	28,079
Corporate and other	(11,184)	(8,196)	(29,560)	(24,440)
Sub-total	198,403	109,306	544,618	338,678
EBITDA - Emerging Businesses				
Citysearch and related	(8,469)	(10,659)	(27,817)	(33,328)
International TV shopping and other (b)	424	(12,366)	(10,499)	(14,792)
ECS / Styleclick	(5,162)	(14,412)	(19,777)	(45,784)
Sub-total	(13,207)	(37,437)	(58,093)	(93,904)
Foreign exchange rate fluctuation (c)	(74)	900	(493)	(1,000)
HSN disengagement (d)	0	2,247	0	11,734
Total Adjusted EBITDA	$ 185,122	$ 75,016	$ 486,032	$ 255,508
Supplemental disclosure:				
Non-recurring items (f)	(6,532)	(12,250)	(49,115)	(17,023)
EBITDA less non-recurring items	$ 178,590	$ 62,766	$ 436,917	$ 238,485
Attributable Adjusted EBITDA - Operating Businesses (g)	$ 149,210	$ 86,552	$ 410,306	$ 270,715

(a) Includes the results of Interval from September 24, 2002.

(b) Includes HSE Germany, Euvia, HOT Networks, TV Travel Group, HSN emerging businesses and overhead costs related to HSN International.

(c) In order to present comparable results fo for International TV Shopping and other, results have been translated from foreign currencies to U.S. dollars at a constant exchange rate.

(d) 2001 amounts reflect estimated results generated by homes lost by HSN following disengagement of USA Broadcasting to Univision. 2002 amounts reflect disengagement related sales rebates offered to customers impacted by disengagement. The coupon program was discontinued in Q3 2002.

(e) Adjusted EBITDA is defined as operating income plus (1) depreciation, (2) amortization, (3) amortization of cable distribution fees ($12.6 million and $10.0 million, in Q3 2002 and 2001, respectively), (4) amortization of non-cash distribution and marketing expense and non-cash compensation expense and (5) disengagement related payments to cable operators, marketing expenses and sales rebates ($4.6 million in Q3 2002) related to the transfer of HSN's distribution to cable (which has been accomplished).

(f) Non-recurring items in 2002 include the write-down of certain investments, costs of ECS contract terminations and costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster. 2001 represents non-recurring costs related to restructuring operations, employee terminations and benefits.

(g) Attributable Adjusted EBITDA - Operating Businesses is defined as Adjusted EBITDA from Operating Businesses less the percentage of Adjusted EBITDA attributable to minority shareholders of USA's public subsidiaries. This percentage is determined based on Q3 weighted average of USA's fully diluted, treasury method ownership in each of its public subsidiaries as of September 30, 2002.

USA INTERACTIVE
RECONCILIATION FROM ACTUAL TO ADJUSTED RESULTS
($ in thousands except per share amounts)

	For THREE Months Ended September 30, 2002:		
	Actual	Adjustments: One-time items (a)	Adjusted
Revenues, net	$ 1,192,496	0	$ 1,192,496
Costs related to revenues	713,157	0	713,157
Gross Profit	479,339	0	479,339
Other operating costs	300,748	(6,532)	294,216
EBITDA	178,591	6,532	185,123
Depreciation	47,679	0	47,679
HSN cable distribution fees	12,615	0	12,615
Amortization of non-cash items:			0
Distribution and marketing	10,416	0	10,416
Compensation expense	2,998	0	2,998
Other intangibles	63,149	0	63,149
HSN disengagement costs	4,560	0	4,560
Operating income	37,174	6,532	43,706
Interest and other	27,958	0	27,958
Equity losses in affiliates and other	(18,082)	11,464	(6,618)
Earnings before income taxes and minority interest	47,050	17,996	65,046
Income taxes	(31,849)	(2,004)	(33,853)
Minority interest	(17,155)	(1,036)	(18,191)
Earnings before preferred dividend	(1,954)	14,956	13,002
Preferred dividend	(3,264)	0	(3,264)
Basic Net income available to common shareholders	(5,218)	14,956	9,738
Impact of dilutive securities	0	(1,122)	(1,122)
Diluted Net income available - continuing operations	(5,218)	13,834	8,616
Discontinued operations (b)	(31,411)	31,411	0
Diluted Net income	$ (36,629)	$ 45,245	$ 8,616
Basic and Diluted EPS - continuing operations	$ (0.01)		$ 0.02
Basic and Diluted EPS	$ (0.08)		$ 0.02
Diluted Net income available - continuing operations			8,616
Amortization of non-cash items			76,563
Less: related tax and minority interest			(19,482)
Cash Net Income			$ 65,697
Cash EPS			$ 0.14
Shares Outstanding:			
Weighted average basic - continuing operations	448,383		448,383
Weighted average diluted - continuing operations	448,383		468,700
Weighted average diluted	448,383		468,700
Weighted average - cash net income			468,700

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(a) Non-recurring items include the write-down of certain investments, costs of ECS contract terminations and costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster.

(b) Discontinued operations relates to an international TV shopping venture in Italy.

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

	FOR THREE MONTHS ENDED SEPTEMBER 30, 2001:				
	ACTUAL ACTUAL	PRO FORMA ADJUSTMENTS (a)	PRO FORMA	ADJUSTMENTS: ONE-TIME ITEMS (b)	PRO FORMA ADJUSTED
Revenues, net	$ 837,839	$ 79,478	$ 917,317		$ 917,317
Costs related to revenues	570,526	26,287	596,813		596,813
Gross Profit	267,313	53,191	320,504	0	320,504
Other operating costs	220,921	36,817	257,738	(12,250)	245,488
EBITDA	46,392	16,374	62,766	12,250	75,016
Depreciation	35,876	2,644	38,520	0	38,520
HSN cable distribution fees	9,986	0	9,986	0	9,986
Amortization of non-cash items:					
Distribution and marketing	5,218	1,837	7,055	0	7,055
Compensation expense	1,268	3,564	4,832	0	4,832
Other intangibles	19,342	12,278	31,620	0	31,620
Amortization of goodwill	54,633	(54,633)	0	0	0
Operating income	(79,931)	50,684	(29,247)	12,250	(16,997)
Interest and other	(3,217)	26,529	23,312		23,312
Equity losses in affiliates and other	(12,937)	(6,341)	(19,278)	6,678	(12,600)
Earnings before income taxes and minority interest	(96,085)	70,872	(25,213)	18,928	(6,285)
Income taxes	878	(11,303)	(10,425)	(4,423)	(14,848)
Minority interest	32,332	(22,030)	10,302	(2,160)	8,142
Earnings before preferred dividend	(62,875)	37,539	(25,336)	12,345	(12,991)
Preferred dividend	0	(3,264)	(3,264)	0	(3,264)
Basic Net income available to common shareholders	(62,875)	34,275	(28,600)	12,345	(16,255)
Impact of dilutive securities	0	0	0	0	0
Diluted Net income available - continuing operations	(62,875)	34,275	(28,600)	12,345	(16,255)
Discontinued operations (c)	490,450	(490,450)	0	0	0
Impact of dilutive securities	23,346	(23,346)	0	0	0
Diluted Net income	$ 450,921	$ (479,521)	$ (28,600)	$ 12,345	$ (16,255)
Basic and Diluted EPS - continuing operations	$ (0.17)		$ (0.07)		$ (0.04)
Basic and Diluted EPS	$ 0.59		$ (0.07)		$ (0.04)
Diluted Net income available - continuing operations					(16,255)
Amortization of non-cash items					43,507
Less: related tax and minority interest					(21,242)
Cash Net Income					$ 6,010
Cash EPS					$ 0.01
Shares Outstanding:					
Weighted average basic - continuing operations	376,415	60,880	437,295		437,295
Weighted average diluted - continuing operations	376,415	60,880	437,295		437,295
Weighted average diluted	762,361	(325,066)	437,295		437,295
Weighted average - cash net income					462,088

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(a) Pro forma adjustments represent the impacts of the Expedia transaction which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal and the roll-up of Home Shopping Network, Inc., which occurred in June 2002, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include restructuring and one-time items related to restructuring operations, employee terminations and benefits and a write-down of investments.

(c) Discontinued operations relates to a gain on sale of USAB to Univision of $468.0 million and the results of USA Entertainment of $22.4 million.

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

	FOR NINE MONTHS ENDED SEPTEMBER 30, 2002:				
	ACTUAL	PRO FORMA ADJUSTMENTS(a)	PRO FORMA	ADJUSTMENTS: ONE-TIME ITEMS(b)	PRO FORMA ADJUSTED
Revenues, net	$ 3,282,236	$ 35,487	$ 3,317,723		$ 3,317,723
Costs related to revenues	2,012,856	10,586	2,023,442		2,023,442
Gross Profit	1,269,380	24,901	1,294,281		1,294,281
Other operating costs	843,441	15,723	859,164	(49,115)	810,049
Disengagement coupons included as net revenues (c)	(1,800)		(1,800)		(1,800)
EBITDA	427,739	9,178	436,917	49,115	486,032
Depreciation	128,042	919	128,961		128,961
HSN cable distribution fees	38,679	0	38,679		38,679
Amortization of non-cash items:					
Distribution and marketing	27,485	4,059	31,544	0	31,544
Compensation expense	10,199	930	11,129	0	11,129
Other intangibles	136,122	6,746	142,868	(22,247)	120,621
Non-recurring items -- non-EBITDA	5,497	0	5,497	(5,497)	0
HSN disengagement costs (c)	22,326	0	22,326		22,326
Operating income	59,389	(3,476)	55,913	76,859	132,772
Interest and other	39,629	35,857	75,486		75,486
Equity losses in affiliates and other	(131,975)	(120)	(132,095)	99,792	(32,303)
Earnings before income taxes and minority interest	(32,957)	32,261	(696)	176,651	175,955
Income taxes	(58,407)	(9,735)	(68,142)	(21,631)	(89,773)
Minority interest	(17,964)	(21,796)	(39,760)	(1,036)	(40,796)
Earnings before preferred dividend	(109,328)	730	(108,598)	153,984	45,386
Preferred dividend	(8,495)	(1,297)	(9,792)		(9,792)
Basic Net income available to common shareholders	(117,823)	(567)	(118,390)	153,984	35,594
Impact of dilutive securities	0	0	0	(5,258)	(5,258)
Diluted Net income available - continuing operations	(117,823)	(567)	(118,390)	148,726	30,336
Discontinued operations (d)	1,914,314	(1,914,314)	0	0	0
Impact of dilutive securities	33,660	(33,660)	0	0	0
Diluted Net income	$ 1,830,151	$(1,948,541)	$ (118,390)	$ 148,726	$ 30,336
Basic EPS - continuing operations	$ (0.28)		$ (0.27)		$ 0.08
Diluted EPS - continuing operations	$ (0.28)		$ (0.27)		$ 0.06
Diluted EPS	$ 3.96		$ (0.27)		$ 0.06
Diluted Net income available - continuing operations					30,336
Amortization of non-cash items					163,294
Less: related tax and minority interest					(56,415)
Cash Net Income					$ 137,215
Cash EPS					$ 0.29
Shares Outstanding:					
Weighted average basic - continuing operations	418,559	27,590	446,149		446,149
Weighted average diluted - continuing operations	418,559	27,590	446,149		470,500
Weighted average diluted	462,344	(16,195)	446,149		470,500
Weighted average - cash net income					470,500

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(a) Pro forma adjustments represent the impacts of the Expedia transaction which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal and the roll-up of Home Shopping Network, Inc., which occurred in June 2002, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include the write-down of certain investments, costs of ECS contract terminations, costs to shut-down HSN Espanol, a write-down of goodwill for PRC as well as costs to shut-down certain PRC call centers, and costs incurred by the special committees of Expedia, Hotels.com and Ticketmaster.

(c) Costs relate to marketing and related activities in the disengagement markets. In addition to this amount, the Company incurred $1.8 mm of disengagement expense related to coupon redemptions by customers impacted by disengagement which is recorded as net revenue.

(d) Discontinued operations relates to the gain on the contribution of USA Entertainment to VUE of $2.4 billion, the results of USA Entertainment prior to May 7, 2002 of $28.8 million, the cumulative effect of accounting change for the new goodwill rules of $(461.4) million and the impact of the electronic retailing operations in Italy of $(31.4) million.

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

	FOR NINE MONTHS ENDED SEPTEMBER 30, 2001:				
	ACTUAL	PRO FORMA ADJUSTMENTS(a)	PRO FORMA	ADJUSTMENTS: ONE-TIME ITEMS(b)	PRO FORMA ADJUSTED
Revenues, net	$ 2,520,354	$ 215,174	$ 2,735,528		$2,735,528
Costs related to revenues	1,698,663	67,535	1,766,198		1,766,198
Gross Profit	821,691	147,639	969,330	0	969,330
Other operating costs	616,086	108,980	725,066	(17,023)	708,043
EBITDA	205,605	38,659	244,264	17,023	261,287
Depreciation	106,746	7,300	114,046		114,046
Amortization of non-cash items:					
Distribution and marketing	19,866	5,786	25,652	0	25,652
Compensation expense	5,431	13,980	19,411	0	19,411
HSN cable distribution fees	29,384	0	29,384		29,384
Other intangibles	219,545	(124,265)	95,280	0	95,280
Non-recurring items -- non-EBITDA	5,779	0	5,779	(5,779)	0
Operating income	(181,146)	135,858	(45,288)	22,802	(22,486)
Interest and other	(13,008)	78,709	65,701		65,701
Equity losses in affiliates and other	(25,406)	(6,341)	(31,747)	6,678	(25,069)
Earnings before income taxes and minority interest	(219,560)	208,226	(11,334)	29,480	18,146
Income taxes	(3,563)	(42,970)	(46,533)	(4,423)	(50,956)
Minority interest	82,765	(60,780)	21,985	(5,082)	16,903
Earnings before preferred dividend	(140,358)	104,476	(35,882)	19,975	(15,907)
Preferred dividend	0	(9,792)	(9,792)	0	(9,792)
Basic Net income available to common shareholders	(140,358)	94,684	(45,674)	19,975	(25,699)
Impact of dilutive securities	0	0	0	0	0
Diluted Net income available - continuing operations	(140,358)	94,684	(45,674)	19,975	(25,699)
Discontinued operations (c)	580,914	(580,914)	0		
Impact of dilutive securities	84,131	(84,131)	0		
Diluted Net income	$ 524,687	$ (570,361)	$ (45,674)	$ 19,975	$ (25,699)
Basic and Diluted EPS - continuing operations	$ (0.38)		$ (0.11)		$ (0.06)
Diluted EPS	$ 0.69		$ (0.11)		$ (0.06)
Diluted Net income available - continuing operations					(25,699)
Amortization of non-cash items					140,343
Less: related tax and minority interest					(61,949)
Cash Net Income					$ 52,695
Cash EPS					$ 0.11
Shares Outstanding:					
Weighted average basic - continuing operations	373,227	60,880	434,107		434,107
Weighted average diluted - continuing operations	373,227	60,880	434,107		434,107
Weighted average diluted	759,661	(325,554)	434,107		434,107
Weighted average - cash net income					459,388

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(a) Pro forma adjustments represent the impacts of the Expedia transaction which occurred in February 2002, the contribution of USA Entertainment to VUE which occurred in May 2002, the roll-up of USANi LLC which occurred in conjunction with the VUE deal, the roll-up of Home Shopping Network, Inc., which occurred in June 2002, and the merger of TM and TMCS, which occurred on January 31, 2001, as if the transactions occurred as of the beginning of the period presented. Also included is the impact of these transactions on shares outstanding.

(b) Non-recurring items include one-time items related to restructuring operations, employee terminations and benefits and a write-down of investments.

(c) Discontinued operations relates to a gain on sale of USAB to Univision of $517.8 million, the results of USA Entertainment of $72.3 million and the cumulative effect of accounting change for the new rules on film accounting of $(9.2) million.

[USA INTERACTIVE LOGO]

USA PROVIDES PRELIMINARY BUDGET TO INVESTMENT COMMUNITY

As filed with the Securities and Exchange Commission on October 24, 2002

In connection with our decision last year to do away with the system of `guidance,' we instituted the process of releasing our internal budgets for the next year. We spend a good part of the fall months rigorously analyzing each area of USA's operations, each profit and cost center, and then roll them up into operating budgets for the following year. Today we are providing our preliminary budget for 2003. In January, we will release our final budget along with the release of our final year 2002 results.

This communication is meant to explain the evolution of our financial reporting, an evolution that will continue as our still young company grows - as we give shape to our policies and values, adapting in a fairly dynamic way as we gain strength and fiber. Our goal is for our financial reporting to represent our core values to help our shareholders come to fully understand our business and how it is conducted with increasing consistency. Our belief is we serve our shareholders well by the fullest and most forthcoming explanation of our actions.

Now for the important changes we have made since our last report:

CLASSIFICATION OF OPERATING BUSINESSES AND EMERGING BUSINESSES ELIMINATED

Since our company was formed seven years ago, USA and its subsidiaries have completed more than five-dozen acquisitions and launched several new business projects. Some of these were for already `going' businesses and some were in their infancy, yet to prove themselves as sustainable businesses. For reporting purposes, we thought it appropriate therefore to distinguish `operating' businesses from `emerging' businesses. Now that we have some size and experience, we no longer believe this selective distinction is necessary. We'll of course continue investing in new interactive ideas - that's part of our DNA, but we've reached a level of maturity that gives us the discipline to do that and be confident we'll also be growing total profits for the enterprise.

CASH EPS IS NEW PRIMARY BOTTOM LINE METRIC

Our flow of acquisitions created goodwill and other intangibles (e.g., distribution agreements and customer lists) that resulted in significant charges against earnings. Accounting rules have recently changed to eliminate goodwill charges on the income statement, but amortization of other intangibles and other non-cash expenses are still recognized for GAAP purposes. To us, bottom line earnings on a cash basis is more relevant than traditional GAAP because it captures all items that have been, or ultimately will be, settled in cash. We therefore adopted earlier this year Cash EPS as our primary metric.

EBITA REPLACES EBITDA FOR SEGMENT REPORTING PURPOSES

We also concluded that EBITDA was not the best way to look at divisional performance because it does not include certain operating costs such as depreciation and can be subject to manipulation. As much as we believe this EBITDA is a bad business, we have continued to report it with respect to 2002 results in order to compare segment results against our 2002 budget and prior periods. Beginning with this 2003 budget, we have forever removed EBITDA from our vocabulary. We are instead using EBITA, which includes depreciation for segment reporting purposes. And in order for analysts to change their financial models from EBITDA to EBITA, the budget also reflects depreciation expense by segment.

FREE CASH FLOW PRESENTATION CONFORMS WITH GAAP STATEMENT OF CASH FLOWS

Free Cash Flow is also a key metric for us. It measures the cash generated from continuing operations during the period, net of capital expenditures and other investments relating to operations. In terms of presentation, we are now conforming Free Cash Flow more closely with our GAAP statement of cash flows per our 10-Q filings.

RESTRICTED STOCK TO REPLACE STOCK OPTIONS

We announced in July that newly issued stock options will be expensed beginning in 2003. However, going forward we intend to issue restricted stock instead of stock options in order to more align the interests of executives with those of long-term investors. Accounting for restricted stock is also more straightforward than it is for stock options. Restricted stock is amortized over the vesting period based on the market value at the time of grant, whereas stock options can be valued based on any number of subjective measures.

We are still planning our compensation program for next year and therefore our budget in this regard will likely change, albeit not materially. In our final budget and in future earnings announcements, we will disclose very clearly the impact of restricted stock on both diluted GAAP EPS and Cash EPS.

Now, with what we hope is the background for shared understanding, to the numbers...

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

		PRO FORMA 2001	FORECAST 2002	BUDGET 2003	GROWTH '01 - '02	GROWTH '02 - '03
REVENUE						
HSN - U.S.		$ 1,557	$ 1,623	$ 1,818	4%	12%
Ticketing	(a)	580	642	679	11%	6%
Match.com	(b)	49	126	186	155%	47%
Hotels.com		536	958	1,401	79%	46%
Expedia		297	585	819	97%	40%
PRC		299	293	316	-2%	8%
Interval	(c)	N/A	39	226	N/A	N/A
Citysearch		46	31	42	-33%	37%
International TV shopping and other	(d)	319	365	486	14%	33%
ECS / Styleclick		34	39	32	15%	-19%
Foreign exchange conversion		(47)	(36)	(36)	24%	-1%
Disengaged HSN homes		102	(2)	-		
Intersegment elimination		(7)	(11)	(16)		
TOTAL REVENUE	(e)	$ 3,766	$ 4,653	$ 5,952	24%	28%
EBITA	(f)					
HSN - U.S.		$ 126	$ 172	$ 209	36%	22%
Ticketing	(a)	83	113	124	36%	10%
Match.com	(b)	15	28	38	93%	35%
Hotels.com		80	135	205	70%	52%
Expedia		50	149	199	200%	33%
PRC		(6)	(6)	7	N/A	N/A
Interval	(c)	N/A	(2)	58	N/A	N/A
Citysearch		(39)	(30)	(13)	24%	57%
International TV shopping and other	(d)	(31)	(33)	(21)	-8%	38%
ECS / Styleclick		(73)	(26)	(12)	64%	55%
USA corporate and other *		(39)	(49)	(54)	-25%	-10%
TMCS corporate *		(12)	(14)	(15)	-20%	-4%
Foreign exchange conversion		(1)	0	(1)		
Disengaged HSN homes		14	-	-		
TOTAL EBITA	(e)	$ 167	$ 437	$ 725	162%	66%
ATTRIBUTABLE EBITA EXCLUDING INTERVAL	(c)(g)	$ 119	$ 330	$ 513	178%	56%

For 2004, USA currently anticipates growth in revenue and EBITA of approximately 24% and 46%, respectively.

* USA is currently determining whether to subsume TMCS corporate costs into USA's own corporate group or within the operating subsidiaries, to the extent applicable. This determination is expected to be made when USA files its final budget in January 2003.

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

		PRO FORMA 2001	FORECAST 2002	BUDGET 2003	GROWTH '01 - '02	GROWTH '02 - '03
DEPRECIATION						
HSN - U.S.		$ 42	$ 52	$ 48	25%	-7%
Ticketing		23	29	31	24%	8%
Match.com		2	8	12	323%	53%
Hotels.com		2	4	6	113%	38%
Expedia		11	17	25	52%	46%
PRC		32	38	26	18%	-31%
Interval	(c)	N/A	2	9	N/A	N/A
Citysearch		6	4	5	-30%	29%
International TV shopping and other	(d)	3	11	20	267%	79%
ECS / Styleclick		15	3	3	-80%	6%
USA corporate and other		5	7	6	47%	-13%
TMCS corporate		1	2	2	47%	-2%
Cable distribution amortization		42	51	48	23%	-6%
Foreign exchange conversion		(1)	(1)	(1)		
TOTAL DEPRECIATION		$ 183	$ 228	$ 239	25%	5%

FREE CASH FLOW	(h)	FORECAST 2002	BUDGET 2003	GROWTH '02 - '03
GAAP Net Income		$ (109)	$ 48	
Depreciation and amortization		480	685	
Noncash interest income		(23)	(37)	
Equity losses of unconsolidated affiliates		133	(3)	
Minority interest (benefit) / expense		32	79	
Changes in working capital and other		273	285	
Operating Cash Flow		$ 785	$ 1,056	35%
Capital expenditures		(157)	(207)	
Investments in HSN International		(31)	-	
FREE CASH FLOW		$ 597	$ 848	42%

For 2004, USA currently anticipates growth in Free Cash Flow of approximately 25% to approximately $1 billion.

CAPITALIZATION

In connection with the Expedia transaction which was completed in February 2002, USA issued $656 million face value 1.99% convertible preferred stock, which is initially convertible at $33.75 into approximately 19.4 million shares. The company anticipates that the preferred stock will have a dilutive impact in 2003, thus 19.4 million shares will be treated on an as converted basis for purposes of Cash EPS in 2003 (see "Shares outstanding calculation" on next page for further detail). Therefore, the schedule below of USA's capitalization as of September 30, 2002, is pro forma for the conversion of the convertible preferred and for USA's pending merger with Ticketmaster:

Cash and marketable securities:		
USA		$ 2,117
Expedia		525
Hotels.com		397
Total cash		$ 3,039
Attributable cash	(i)	$ 2,679
Securities in VUE	(j)	2,111
Long-term debt	(k)	(546)
Net attributable cash and securities		$ 4,244

USA INTERACTIVE
PRELIMINARY BUDGET
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($ IN MILLIONS EXCEPT PER SHARE AMOUNTS)

		FORECAST 2002	BUDGET 2003	GROWTH '02 - '03
P&L				
Revenue		$ 4,653	$ 5,952	
Operating expenses		(4,215)	(5,226)	
EBITA		$ 437	$ 725	66%
Amortization of non-cash compensation, distribution and marketing		(66)	(104)	
Amortization of other intangibles (non-cash)	(l)	(191)	(336)	
Disengagement costs		(31)	(21)	
Operating income		149	265	78%
Interest and dividend income		105	106	
Equity losses of unconsolidated affiliates and other	(m)	(33)	(20)	
Income before taxes and minority interest		221	352	59%
Income tax expense		(133)	(225)	
Minority interest expense	(n)	(49)	(79)	
Net income before preferred dividend		39	48	23%
Preferred dividend		(13)	(13)	
Net income available to common shareholders		$ 26	$ 35	35%
Diluted EPS		$ 0.05	$ 0.07	33%
Cash Net Income calculation:				
Net income before preferred dividend		$ 39	$ 48	
Preferred dividend		(13)	-	
Amortization of non-cash items		257	439	
Less: related tax and minority interest		(77)	(63)	
CASH NET INCOME	(o)	$ 206	$ 424	105%
CASH EPS		$ 0.40	$ 0.78	96%
Shares outstanding calculation:				
Basic shares outstanding		494	494	
Treasury method options, warrants and restricted stock	(p)	23	28	
Diluted shares outstanding		517	521	
Common shares issuable for convertible preferred		-	19	
Cash EPS shares outstanding		517	541	

* For 2004, USA currently anticipates growth in Cash Net Income and Cash EPS of approximately 35%, and growth in Net Income and Diluted EPS of more than 400%.

NET INCOME BY SEGMENT	(q)	FORECAST 2002	BUDGET 2003
HSN - U.S.		$ 49	$ 14
Ticketing		46	101
Match.com		11	32
Hotels.com		50	78
Expedia		9	11
PRC		3	0
Interval		(10)	4
Citysearch		(34)	(60)
International TV shopping and other		(90)	(33)
ECS / Styleclick		(23)	(7)
USA corporate and other adjustments		35	(85)
TMCS corporate		(9)	(7)
Net income before non-recurring items and preferred dividend		$ 39	$ 48

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

FOOTNOTES

(a) USA expects Ticketing growth in 2003 to be slower than 2002 due mainly to investment in new products, which it believes will begin to positively impact results in 2004.

(b) USA expects Match.com growth in 2003 to be slower than 2002 due mainly to increased consumer marketing to grow the subscriber base, which it believes will begin to positively impact results in 2004.

(c) 2002 and 2001 data is not pro forma for USA's acquisition of Interval on September 24, 2002. Excluding the effects of that transaction, revenues and EBITA are expected to grow by 24% and 52%, respectively, in 2003.

(d) International TV Shopping and Other includes HSE Germany, Euvia, Hot Networks, HSN emerging businesses, TV Travel Group and overhead costs related to HSN International.

(e) USA has eliminated the distinction between its "Operating" and "Emerging" businesses for segment reporting purposes. (Operating businesses had consisted of HSN-U.S., Ticketing, Match.com, Hotels.com, Expedia, PRC, Interval and Corporate; Emerging businesses had consisted of Citysearch, International TV shopping and other, and ECS/Styleclick.) Revenue and EBITA from Operating businesses is expected to grow 29% and 50%, respectively, in 2002 and 28% and 45%, respectively, in 2003.

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

(g) Attributable EBITA is defined as EBITA, less the percentage of EBITA attributable to minority shareholders of USA's public subsidiaries. This percentage is determined based on the Q3 2002 weighted average of USA's fully diluted, treasury method ownership in USA's public subsidiaries, which was 67% for Hotels.com and 56% for Expedia.

(h) Free cash flow is defined as operating cash flow from continuing operations, less capital expenditures and other investments relating to operations. Free cash flow also includes cash received and tax payment related to the VUE securities. Free cash flow excludes tax payments of $157 million in 2002 and $172 million in 2003 related to the sale of USA Broadcasting to Univision, which closed in August 2001.

(i) Includes attributable cash from USA's public subsidiaries, based on the Q3 2002 weighted average of USA's fully diluted, treasury method ownership in each of its public subsidiaries (see note g above). Excludes cash due to clients at Ticketmaster.

(j) Includes securities issued to USA in connection with the Vivendi transaction, as follows: Class A and Class B preferred interests and 5.44% common interest in Vivendi Universal Entertainment ("VUE") at balance sheet carrying values, less the estimated present value of taxes on the above securities.

(k) Consists primarily of $500 million face value 6.75% Senior Notes due November 15, 2005. Subsequent to September 30, 2002, USA purchased approximately $47 million of its Senior Notes in the open market.

(l) The increase in amortization of intangibles relates primarily to the step-up in basis of HSN related to the Vivendi transaction, which closed in May 2002. The company is in the process of evaluating the intangibles related to this and other acquisitions completed in 2002, including Interval and TV Travel Group, and expects to be completed by year end. To the extent additional acquisitions are completed in the future, amortization of intangibles could increase.

(m) Assumes no impact from 5.44% investment in Vivendi Universal Entertainment ("VUE").

(n) Ownership in public subsidiaries is calculated on a fully diluted basis (see note g above).

(o) Cash Net Income is defined as net income available to common shareholders plus: amortization of (1) non-cash distribution and marketing expense, (2) non-cash compensation, and (3) other intangibles (and goodwill in 2001), net of related tax and minority interest expense. Excludes non-recurring items, such as restructuring charges. All amounts are presented on a fully diluted, treasury method basis.

(p) For purposes of calculating Diluted EPS, restricted stock will be treated on a treasury method basis. For purposes of calculating Cash EPS, restricted stock will include all restricted shares issued. USA is still in the process of planning its compensation program for next year and will disclose the final projected impact of restricted stock to both Diluted EPS and Cash EPS when it issues its final budget in January and in future earnings releases.

(q) Net income by segment is net of amortization of (1) non-cash distribution and marketing expense, (2) non-cash compensation expense, and (3) other intangibles, including purchase accounting adjustments, net of related taxes; and minority interest. Excludes non-recurring items such as restructuring charges. All amounts are presented on a fully diluted, treasury method basis. Taxes have been allocated to wholly-owned subsidiaries, and the amounts may not be representative as if the subsidiary operated on a standalone basis.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

IN CONNECTION WITH THE PROPOSED TRANSACTION WITH TICKETMASTER, USA WILL FILE A REGISTRATION STATEMENT WITH A PROSPECTUS, WHICH ALSO WILL CONTAIN AN INFORMATION STATEMENT OF TICKETMASTER, WITH THE SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROSPECTUS AND INFORMATION STATEMENT CAREFULLY WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. INVESTORS AND SECURITY HOLDERS MAY OBTAIN FREE COPIES THE PROSPECTUS AND INFORMATION STATEMENT, ONCE AVAILABLE, AND OTHER DOCUMENTS FILED BY USA AND TICKETMASTER WITH THE SEC, AT THE SEC'S WEB SITE AT WWW.SEC.GOV. FREE COPIES OF THE PROSPECTUS AND INFORMATION STATEMENT, ONCE AVAILABLE, AND OTHER FILINGS MADE BY USA OR TICKETMASTER WITH THE SEC, MAY ALSO BE OBTAINED FROM USA BY DIRECTING A REQUEST TO USA INTERACTIVE, 152 WEST 57TH STREET, NEW YORK, NEW YORK 10019, ATTENTION: INVESTOR RELATIONS.

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

This business outlook contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to USA's anticipated financial performance, business prospects, new developments, new merchandising strategies and similar matters, and/or statements preceded by, followed by or that include the words "believes," "could," "expects," "anticipates," "estimates," "intends," "plans," "projects," "seeks," or similar expressions. These forward-looking statements are necessarily estimates reflecting the best judgment of USA's senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions that could have a material adverse effect on USA's business, financial condition or results of operations. You should understand that the following important factors could affect USA's future results and could cause those results to differ materially from those expressed in the forward-looking statements: (1) the risk that USA's and Ticketmaster's businesses will not be integrated successfully; (2) costs related to the proposed transaction; (3) material adverse changes in economic conditions generally or in USA's markets or industries; (4) future regulatory and legislative actions and conditions affecting USA's operating areas; (5) competition from others; (6) successful integration of our divisions' management structures; (7) product demand and market acceptance; (8) the ability to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms; (9) the ability to expand into and successfully operate in foreign markets; and (10) obtaining and retaining skilled workers and key executives. In addition, investors should consider the other information contained in or incorporated by reference into USA's filings with the U.S. Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the fiscal year ended 2001, especially in the Management's Discussion and Analysis section, its most recent Quarterly Report on Form 10-Q and its Current Reports on Form 8-K. Other unknown or unpredictable factors also could have material adverse effects on USA's future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this business outlook may not occur. These forward-looking statements should not be regarded as an indication that USA considers them to be a reliable prediction of future events. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this business outlook.

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