

SUPPLEMENTAL FINANCIAL INFORMATION

USA INTERACTIVE  
REVENUE - OPERATING BUDGET

(PRO FORMA \$ IN MILLIONS)

Growth -----  
-----  
-----  
2001 2002  
2003 '01 -  
'02 '02 -  
'03 -----  
-----  
-----  
-----  
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OPERATING  
BUSINESSES  
HSN - US \$  
1,555 \$  
1,843 \$  
2,070 19%  
12% HSN -  
Germany 294  
374 450 27%  
20%  
Ticketing  
578 620 680  
7% 10% Hotel  
Reservations  
510 700 980  
37% 40%  
Expedia (a)  
280 360 470  
29% 31%  
Precision  
Response 303  
352 440 16%  
25%  
Match.com 45  
60 80 33%  
33% -----  
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-----  
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SUBTOTAL  
3,565 4,309  
5,170 21%  
20% EMERGING  
BUSINESSES  
Citysearch &  
related 47  
50 70 6% 40%  
HSN - Other  
International  
27 45 60 67%  
33% ECS/  
Styleclick  
45 74 117  
64% 58% ----  
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SUBTOTAL 119  
169 247 42%  
46% Non-  
recurring  
items (d) 0  
0 0 Foreign  
exchange  
conversion  
(b) (58)  
(91) (110)



Response 37  
41 61 9% 50%  
Match.com 14  
20 30 43%  
50%  
Corporate  
and other  
(33) (34)  
(36) -3% -6%

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SUBTOTAL 466  
622 802 32%  
29% EMERGING  
BUSINESSES  
Citysearch &  
related (45)

(30) (13)  
HSN - Other  
International  
(26) (20)

(20) READ  
IMPORTANT  
FOOTNOTES  
AND

DISCLAIMER.  
As furnished  
to the  
Securities  
and Exchange  
Commission  
on December  
17, 2001. 1

ECS/  
Styleclick  
(49) (19)  
(6) -----  
-----  
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SUBTOTAL  
(120) (69)  
(39) Non-  
recurring  
items (d)  
(17) 0 0  
Foreign  
exchange  
conversion  
(b) (4) (9)  
(11)

Disengaged  
HSN homes  
(c) 15 0 0 -  
-----  
-----  
-----

TOTAL \$ 340  
\$ 544 \$ 752  
60% 38%

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BY GROUP --  
Operating  
Businesses  
Electronic  
Retailing \$  
228 \$ 323 \$  
397 42% 23%  
Information  
& Services  
272 333 441  
22% 33%  
Corporate  
and other  
(33) (34)  
(36) -2% -6%

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-----  
\$ 467 \$ 622

\$ 802 33%  
29%

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- (a) EXPEDIA ESTIMATES ARE PRO FORMA FOR USA'S ACQUISITION OF EXPEDIA.  
 (b) TO PRESENT COMPARABLE RESULTS FOR HSN GERMANY, THE RESULTS HAVE BEEN TRANSLATED FROM EUROS TO U.S. DOLLARS AT A CONSTANT EXCHANGE RATE.  
 (c) REFLECTS RESULTS GENERATED BY HOMES LOST BY HSN FOLLOWING DISENGAGEMENT OF USA BROADCASTING TO UNIVISION.  
 (d) 2001 AND 2000 NON-RECURRING ITEMS REFLECT ONE-TIME INCOME AND EXPENSE ITEMS. FOR 2001, \$17 MILLION OF EXPENSE WAS RECORDED FOR NON-RECURRING COSTS RELATED TO RESTRUCTURING OPERATIONS, EMPLOYEE TERMINATIONS, AND BENEFITS. FOR 2000, \$6 MILLION OF EXPENSE RELATES TO ONE-TIME EXPENSES OF THE TICKETMASTER AND TMCS MERGER, AN EXECUTIVE CONSULTING ARRANGEMENT AS PART OF A RESIGNATION AGREEMENT, OFFSET BY A ONE-TIME CREDIT RECOGNIZED BY HSN IN CONNECTION WITH A FAVORABLE SETTLEMENT.

USA INTERACTIVE  
IMPLIED VALUE OF HSN, PRC, ECS

(ALL FIGURES ASSUME COMPLETION OF THE EXPEDIA TRANSACTION)  
(\$ IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

PRO FORMA SHARE PRICE		----- \$ 24.00 -----	----- \$ 28.00 -----	----- \$ 30.00 -----
Pro Forma shares outstanding calculation (using treasury dilution method)				
Shares outstanding prior to transaction		804.6	808.4	810.3
Shares retired		(320.9)	(320.9)	(320.9)
Shares underlying Partnership Series B Preferred		(56.6)	(56.6)	(56.6)
Dilution from new warrants issued to VU		--	0.4	2.0
PRO FORMA SHARES OUTSTANDING		----- 427.1 -----	----- 430.9 -----	----- 434.9 -----
Market Capitalization		\$ 10,251	\$ 12,065	\$ 13,046
Net debt prior to transaction (a)		56	56	56
ENTERPRISE VALUE		----- \$ 10,307 -----	----- \$ 12,121 -----	----- \$ 13,102 -----
PUBLIC COMPANY VALUES				
	PRICE (b)	SHARES	VALUE	
Ticketmaster	\$ 16.16	95.5	1,543	
HRN	\$ 38.23	39.0	1,491	
Expedia	\$ 36.76	37.5	1,379	
			----- \$ 4,413 -----	----- \$ 4,413 -----
SECURITIES RECEIVED IN TRANSACTION:				
Cash from partnership distribution			1,619	
Series A Preferred			750	
5.4% Partnership Interest (c)			1,000	
			----- \$ 3,369 -----	----- \$ 3,369 -----
VALUE OF PUBLIC SUBSIDIARIES AND SECURITIES			\$ 7,781	\$ 7,781
IMPLIED VALUE OF HSN, PRC AND ECS			\$ 2,526	\$ 4,339

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2002 EBITDA Multiple (d) \$ 364 6.9 x 11.9 x 14.6 x

- (a) INCLUDES FACE VALUE OF PREFERRED STOCK TO BE ISSUED AS PART OF EXPEDIA TRANSACTION.  
 (b) CLOSING PRICES AS OF 12/14/01.  
 (c) THE VALUE OF USAI'S INTEREST IN THE PARTNERSHIP IS BASED ON AN ASSUMED \$22 BILLION PRIVATE MARKET VALUE FOR THE ASSETS.  
 (d) INCLUDES CONSOLIDATED EBITDA FROM HSN GERMANY. DOES NOT INCLUDE EMERGING BUSINESSES.

USA INTERACTIVE  
TRANSACTION VALUE BUILDUP

(ALL FIGURES ASSUME COMPLETION OF THE EXPEDIA TRANSACTION)  
(\$ IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

TRANSACTION  
VALUE





- (a) BORROWING CAPACITY BASED ON NOT HAVING DEBT EXCEED 2 TIMES OPERATING EBITDA.
- (b) DOES NOT INCLUDE EXPEDIA PREFERRED, WHICH IS CONVERTIBLE EQUITY INSTRUMENT.
- (c) USA INTERACTIVE BELIEVES IT WILL BE ABLE TO MONETIZE THE PREFERRED AT FULL FACE VALUE.

IMPORTANT

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USA Networks, Inc. ("USA") and Expedia, Inc. ("Expedia") have filed a joint prospectus/proxy statement and will file other relevant documents concerning USA's acquisition of Expedia with the Securities and Exchange Commission ("SEC"). INVESTORS ARE URGED TO READ THE JOINT PROSPECTUS/PROXY AND INFORMATION STATEMENT AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED IN THE FUTURE WITH THE SEC BECAUSE THOSE DOCUMENTS CONTAIN IMPORTANT INFORMATION. Investors will be able to obtain such documents free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, such documents may also be obtained free of charge by contacting USA Networks, Inc., 152 West 57th Street, New York, New York, 10019, Attention: Investor Relations, or Expedia, Inc., 13810 SE Eastgate Way, Suite 400, Bellevue, WA 98005, Attention: Investor Relations.

USA will file a proxy statement and other relevant documents concerning USA's contribution of its Entertainment Group to a joint venture with Vivendi Universal with the Securities and Exchange Commission ("SEC"). INVESTORS ARE URGED TO READ THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED IN THE FUTURE WITH THE SEC BECAUSE THOSE DOCUMENTS CONTAIN IMPORTANT INFORMATION. Investors will be able to obtain such documents free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, such documents may also be obtained free of charge by contacting USA Networks, Inc., 152 West 57th Street, New York, New York, 10019, Attention: Investor Relations.

USA and its directors and officers may be deemed to be participants in the solicitation of proxies from USA shareholders to adopt the agreement providing for USA's contribution of its Entertainment Group to a joint venture with Vivendi Universal. A detailed list of the names and interests of USA's directors and executive officers is contained in the definitive proxy statement on Schedule 14A filed by USA with the SEC on April 9, 2001. Copies of USA filings may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov).