



Company Overview

Q1 2010

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about the future financial and operational performance of the Company. These statements are not guarantees of future performance. These forward-looking statements are based on management's expectations as of April 29, 2010, and assumptions which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The use of words such as "forecast," "opportunity," "intends" and "expects," among others, generally identifies forward-looking statements. However, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and may include statements relating to future revenues, expenses, margins, profitability, net income, earnings per share and other measures of results of operations and the prospects for future growth of Expedia, Inc.'s business.

Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others: continued or prolonged adverse economic conditions leading to decreased consumer and business spending; changes in our relationships and contractual agreements with travel suppliers or global distribution system partners; adverse changes in senior management; the rate of growth of online travel; our inability to recognize the benefits of our investment in technologies; changes in the competitive environment, the e-commerce industry and broadband access and our ability to respond to such changes; declines or disruptions in the travel industry (including those caused by adverse weather, bankruptcies, health risks, war and/or terrorism); the rate of online migration in the various geographies and markets in which Expedia, Inc. operates, including Eastern Europe and Asia; fluctuations in foreign exchange rates; risks related to our long term indebtedness, including the ability to access funds as and when needed; changing laws, rules and regulations and legal uncertainties relating to our business; Expedia, Inc.'s ability to expand successfully in international markets; possible charges resulting from, among other events, platform migration; failure to realize cost efficiencies; the successful completion of any future corporate transactions or acquisitions; the integration of current and acquired businesses; and other risks detailed in Expedia, Inc.'s public filings with the SEC, including Expedia, Inc.'s annual report on Form 10-K for the year ended December 31, 2009.

Except as required by law, Expedia, Inc. undertakes no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise.

Reconciliations of non-GAAP measures included in this presentation to the most comparable GAAP measures are included in Appendix B.

Global Opportunity

Sources: U.S. Online Travel Overview 8th Edition Update: 2009 – 2010 (April 2009); U.S. Corporate Travel Distribution 4th Edition (July 2009); European Online Travel Overview 5th Edition (October 2009); European figures assume Euro/USD exchange rate in each period of \$1.40; APAC data - PhoCusWright Asia Pacific Online Travel Overview – Third Edition, August 2009 & EyeForTravel APAC Overview April 2007. APAC data excludes managed travel.

Figures in \$billions

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009 (E)</u>	<u>2010 (E)</u>	<u>CAGR</u> <u>'06 – '10</u>
Travel Market Size:						
U.S.	251	264	271	241	236	-2%
Europe	320	337	334	300	299	-2%
APAC	238	244	215	202	212	-3%
3 Region Total	809	845	820	743	747	-2%



Sizeable markets

Online Bookings:

U.S.	123	138	137	135	139	3%
Europe	68	84	95	95	103	11%
APAC	21	26	31	36	44	20%
3 Region Online	212	248	263	266	286	8%
Europe & APAC	89	110	126	131	147	13%



Higher growth online

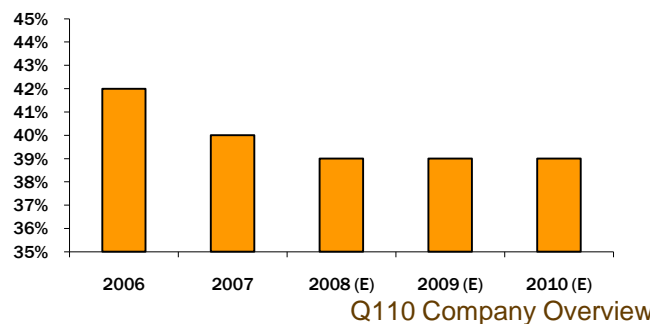
Online Penetration:

U.S.	49%	52%	51%	56%	59%
Europe	21%	25%	28%	32%	34%
APAC	9%	11%	14%	18%	21%
3 Region Online Pen.	26%	29%	32%	36%	38%



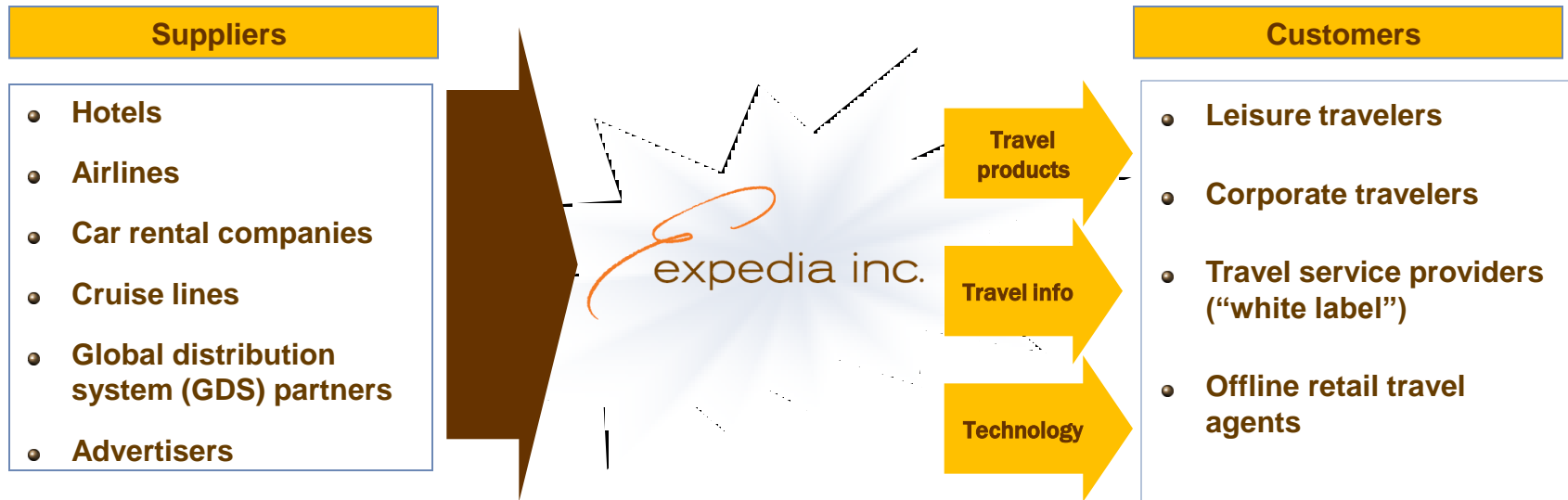
Penetration tailwinds

OTA Share of Online Bookings



OTA share stabilizing

World's Largest and Most Intelligent Travel Marketplace



- ☑ Secure superior quality supply & maintain price competitiveness
- ☑ Intelligently match supply & demand
- ☑ Empower and inspire travelers to find and build the right trip
- ☑ Enable suppliers to reach travelers in a unique & value-additive way
- ☑ Aggressively expand our global presence & demand footprint
- ☑ Achieve excellence in technology, people and processes to make quality, consistency & efficiency the foundation of our marketplace

Expedia - the Travel Sector Leader

¹Sources: comScore MediaMetrix, November, 2009 & company data; ² See Appendix B for reconciliation of non-GAAP to GAAP numbers. Adjusted EBITDA is calculated as operating income plus depreciation, restructuring charges, intangibles amortization, stock-based compensation, any impairments, and certain legal reserves and occupancy tax charges. Adj. EBITDA includes gains/(losses) from revenue hedges.

Premier Brand Portfolio



#1 Online Travel Agency (OTA) globally, with presence in 19 countries



Leading hotel specialist globally, with over 70 localized sites



Leading value-based travel provider



#1 online travel community, operating in North America, Europe & APAC



Key Statistics ¹

- Traffic (March 2010 unique visitors): 72mm
- TTM 3.31.10 number of transactions: 60mm

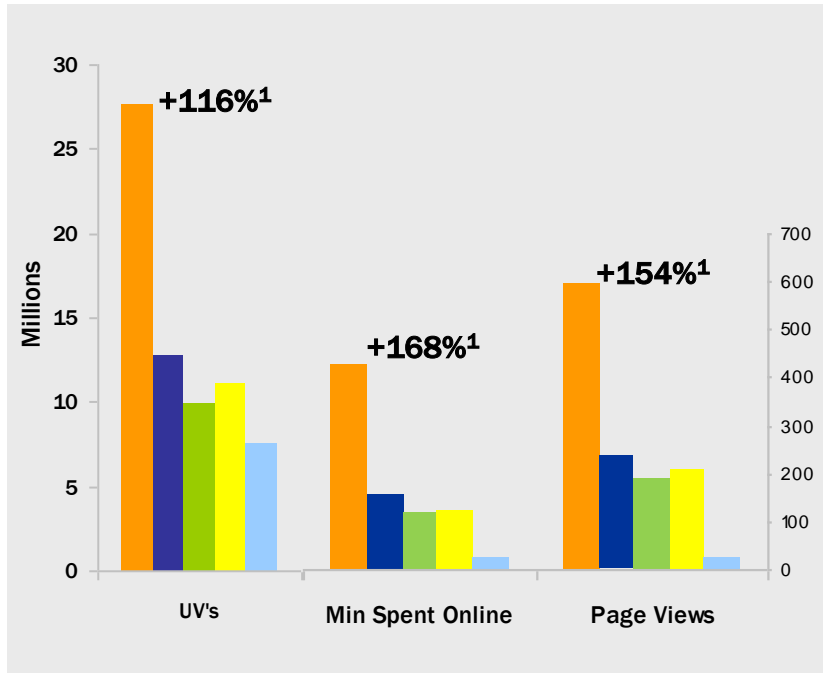
TTM 3.31.10

- Gross bookings: \$ 23.2b
- Revenue: \$ 3.0b
- OIBA²: \$774mm
- Adjusted EBITDA²: \$878mm
- \$7.1b market cap (April 16, 2010)
- Member of S&P 500 & NASDAQ 100 stock indices

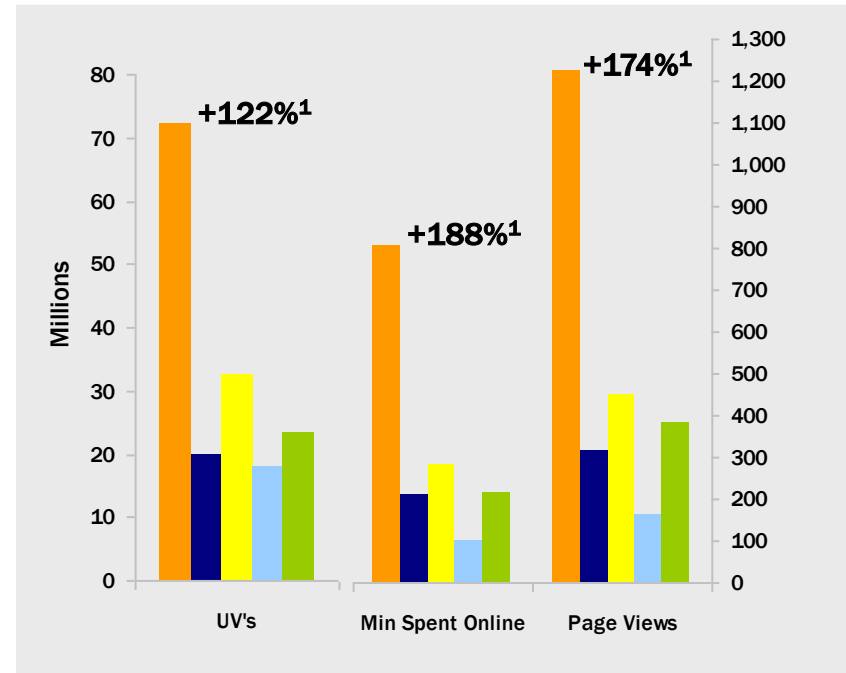
Global presence & portfolio of category leading brands

Largest Worldwide Audience

U.S.



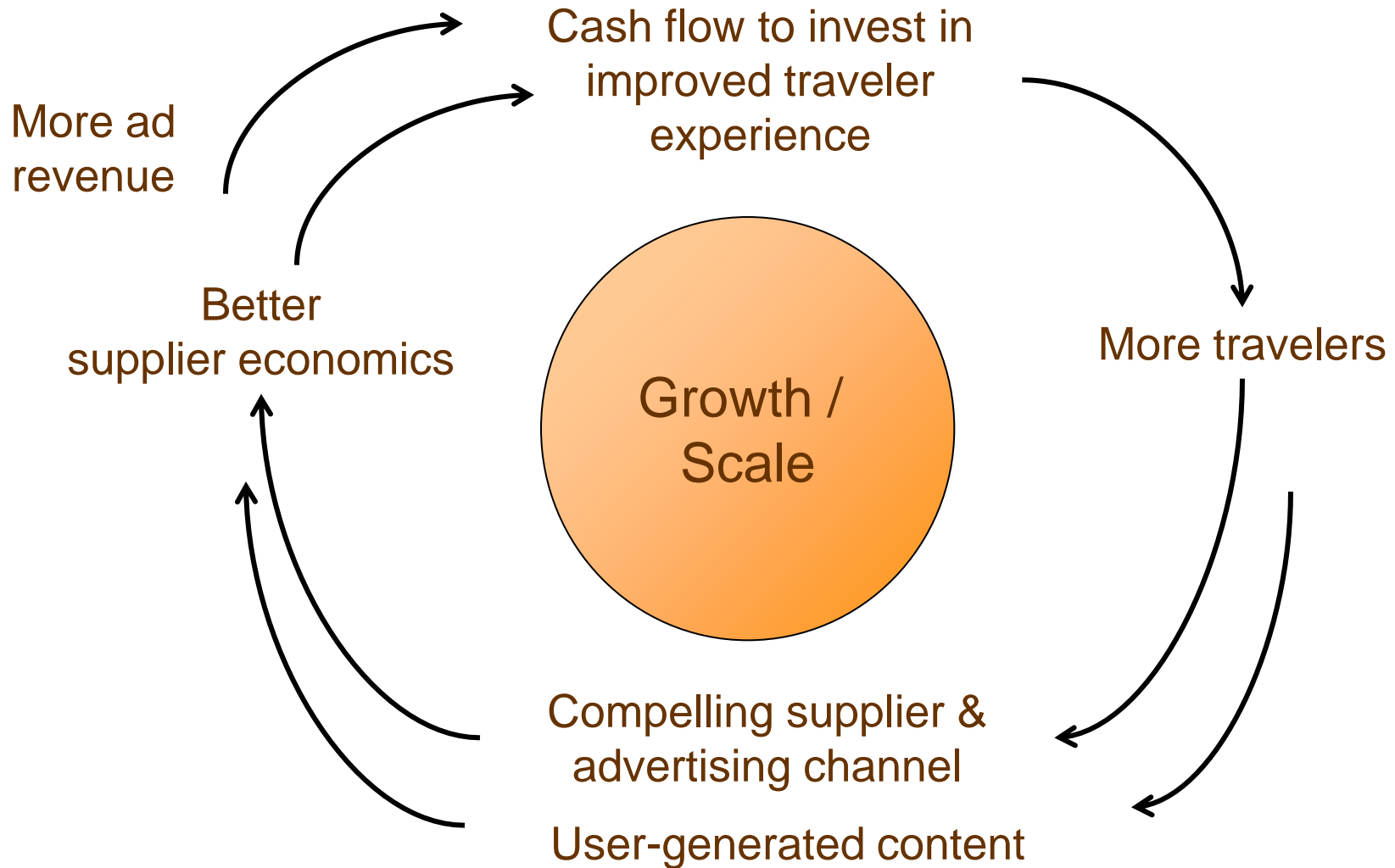
Worldwide



Source: comScore MediaMetrix, March 2010

¹ Denotes Expedia's percentage difference over next largest competitor

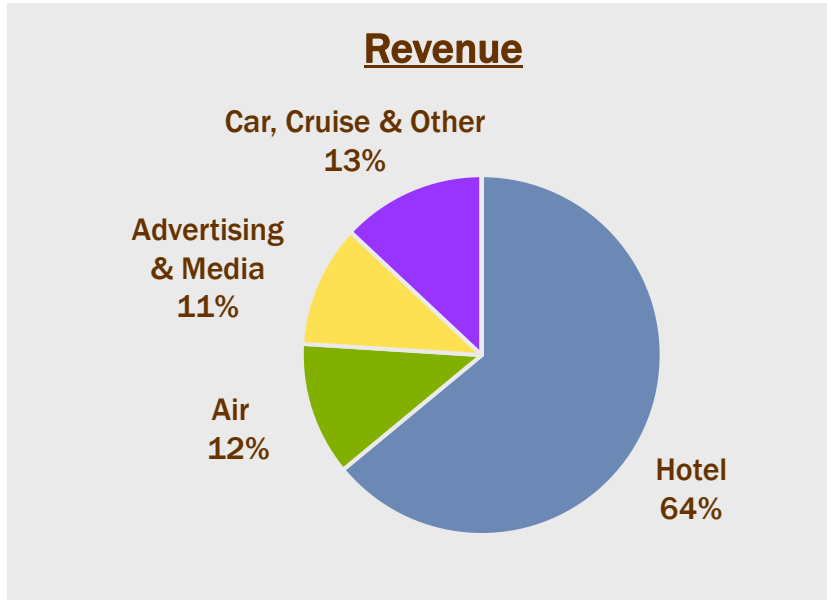
Expedia's Virtuous Cycle



Scale drives opportunity to enhance supplier, traveler & advertiser value propositions, reward stakeholders

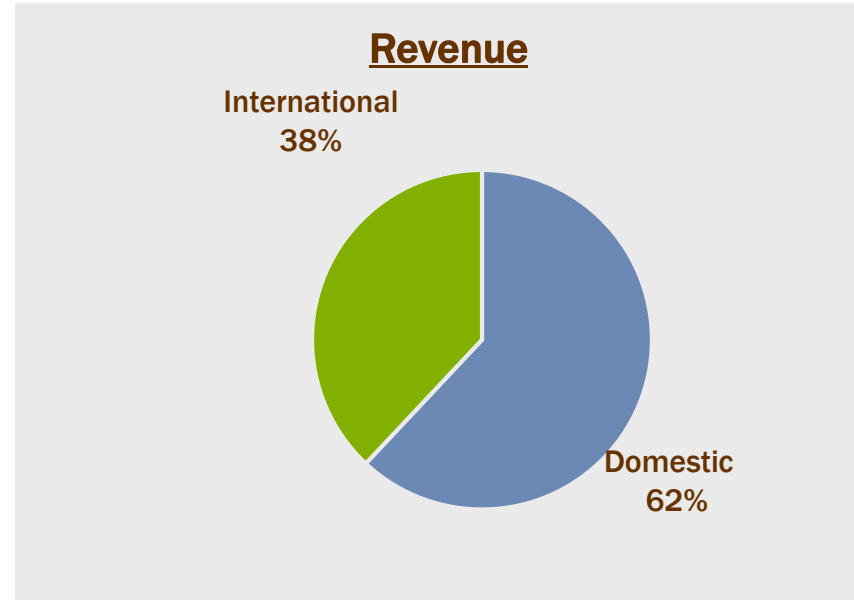
Revenue by Product & Geography

Product Categories (TTM 3.31.10)



* Hotel & Advertising – 75% of revenue base and key revenue / profitability drivers

Geographic Split (TTM 3.31.10)



* Europe & other international markets benefit from earlier stage online penetration

* Significant international growth anticipated, with a target of 50+% of total revenue from international

Business mix shifting to hotel & advertising, increasingly global

Source: Company financial reports; some numbers may not add due to rounding.

Product Category - Hotel

Business Overview

- Merchant hotel
 - Expedia merchant of record with no inventory risk
 - Expedia receives cash upfront from travelers, pays hoteliers several weeks later
 - Some control over pricing, higher margins & ability to package opaquely with other products
 - 1 - 3 year contracts with major chain lodging properties
 - Consultative account management brings industry leading intelligence to hoteliers
- Agency hotel small but growing in importance with acquisition of Venere & launch of Expedia Easy Manage

Merchant Model / Illustrative Transaction



Sample Expedia Revenue: \$350 night stay at luxury hotel	
Cost to Traveler	\$350
Cost to Expedia	\$280
Revenue to Expedia¹	\$70

¹ Includes service fee and spread

Revenues to Expedia:

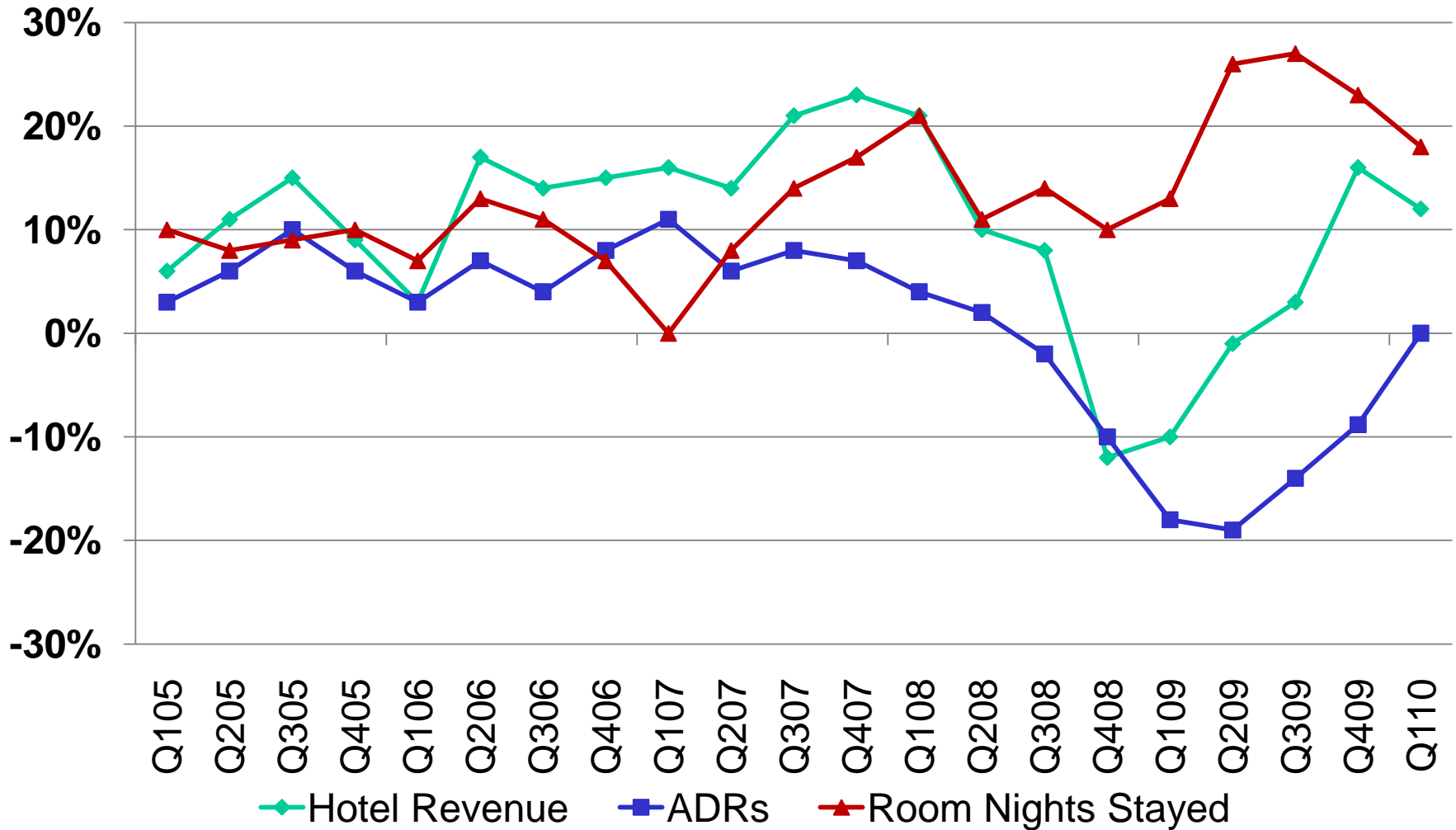
- Spread between the discounted rate provided by suppliers and sales price paid by travelers
- Service fees from travelers

Other:

- Cash received on booking, revenue recognized at stay
- Revenue margin higher than the agency model

Reduced E.com service fees beginning Apr-09

Trended Worldwide Hotel Growth Statistics (y/y)



Source: Company financial reports . 2005 - 2007 data is for merchant hotel only; 2008 - 2010 data is for both agency and merchant hotel.

Product Category - Advertising & Media

Business Overview

- Two primary businesses –
 - **TripAdvisor Media Network** (leading global collection of user-generated content sites)
 - **Expedia Media Solutions** (monetizing global Expedia, Hotels & Hotwire sites beyond transactions)
- TTM revenue of \$337mm, +15% y/y

Ad & Media Brand Portfolio

Travel supplier advertising on Expedia's ww sites

Reviews with social networking

Search tool for fares

Travel blogs

European holiday reviews

Destination services, hotels & vacation rentals

Editorial info and deals

Cruise reviews & community

UGC seat maps and airline info

Guides and bargains

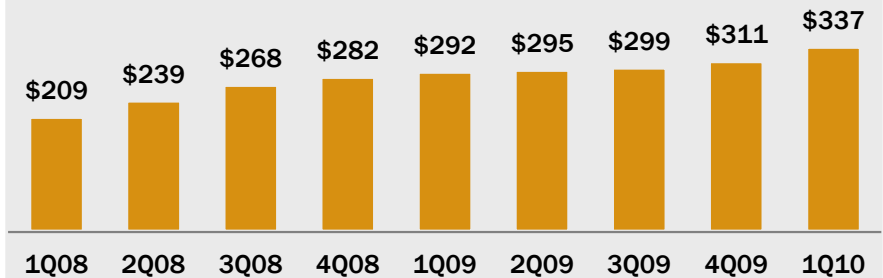
Vacation rental reviews



Revenue Drivers

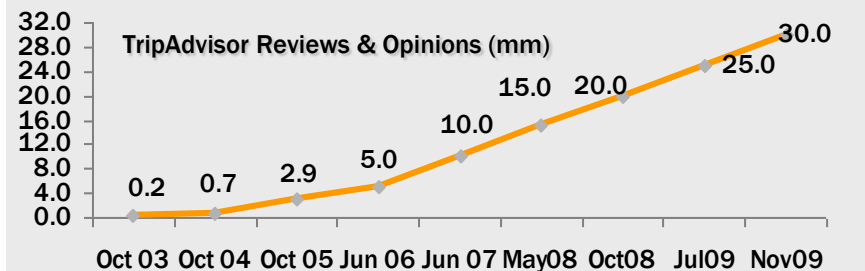
- Offer advertisers targeted audiences
- CPC, CPM & subscription based ad models
- TripAdvisor leverages industry-leading SEM & SEO capabilities
- Robust user-generated content and selection draws in users

Growth in TTM Net Advertising Revenues¹



¹ Trailing twelve months; growth due in part to acquisitions

TripAdvisor Reviews and Opinions - Robust Growth



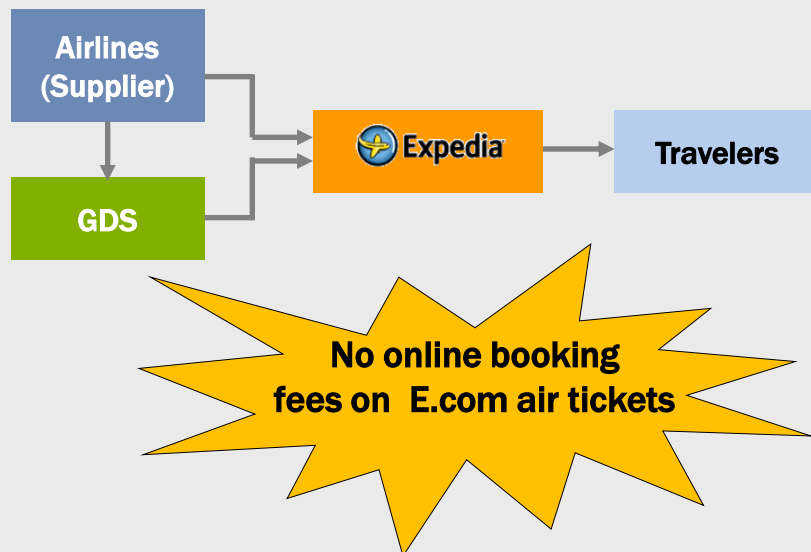
Sources: Company financial reports, TripAdvisor press releases.

Product Category - Air

Business Overview

- Air revenue = 12% of Expedia's worldwide annual revenue (TTM)
 - ~90% of airplane tickets sold over Expedia's online properties are agency transactions, in which Expedia acts as an agent on behalf of a supplier and collects a commission
 - Customer pays supplier directly, Expedia collects its remuneration after travel
 - Lower revenue margin business vs. hotel transactions
- OTAs in U.S. eliminated most consumer booking fees for air tickets in spring 2009, resulting in reduced revenue per ticket while taking share from offline & supplier direct

Agency Model / Illustrative Transaction



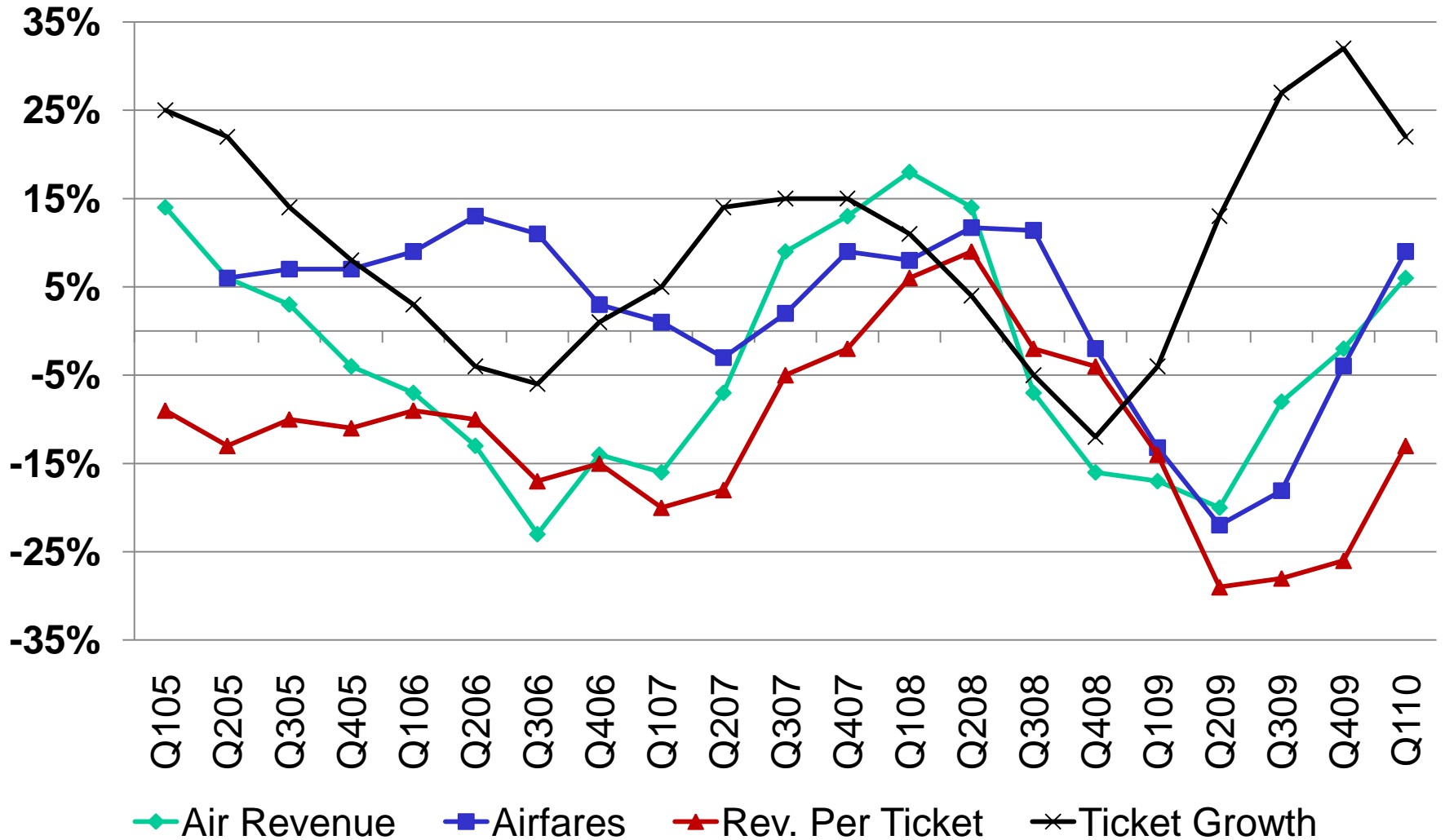
Revenue to Expedia:

- Largely unit / volume driven and includes:
 - Portion of GDS fee
 - Commissions & incentives from carriers
 - Booking fees (some sites)

Other:

- Supplier is merchant of record
- Expedia bears no inventory risk
- Revenue recognized at booking, cash received within weeks
- Agency model is used in other product categories, including hotel
- Multi-GDS strategy

Trended Worldwide Air Growth Statistics (y/y)

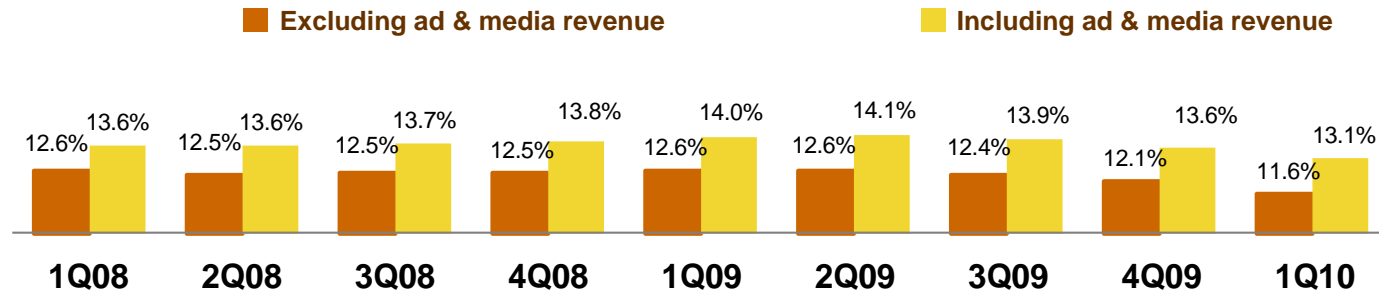


Source: Company financial reports



Stable Supplier Relationships & Economics

Trended Revenue Margin (TTM)



- Recent reductions driven by traveler fee cuts
- Supplier margins largely stable driven by:
 - Long-term agreements with airlines and GDS providers
 - Better hotel relationships through PSG investment
- Growth in advertising business helping offset fee cut impact

Stable supplier margins indicate healthy supplier relationships

Q110 Results

* Excludes stock-based compensation. ** OIBA includes realized gain/(loss) from revenue hedges *** Adjusted EBITDA is calculated as operating income plus depreciation, restructuring charges, intangibles amortization, stock-based compensation, any impairments and certain legal reserves and occupancy tax charges. Adj. EBITDA includes realized gains/(losses) from revenue hedges. ¹ See Appendix B for reconciliation of non-GAAP to GAAP numbers.

Figures in \$mm unless otherwise noted

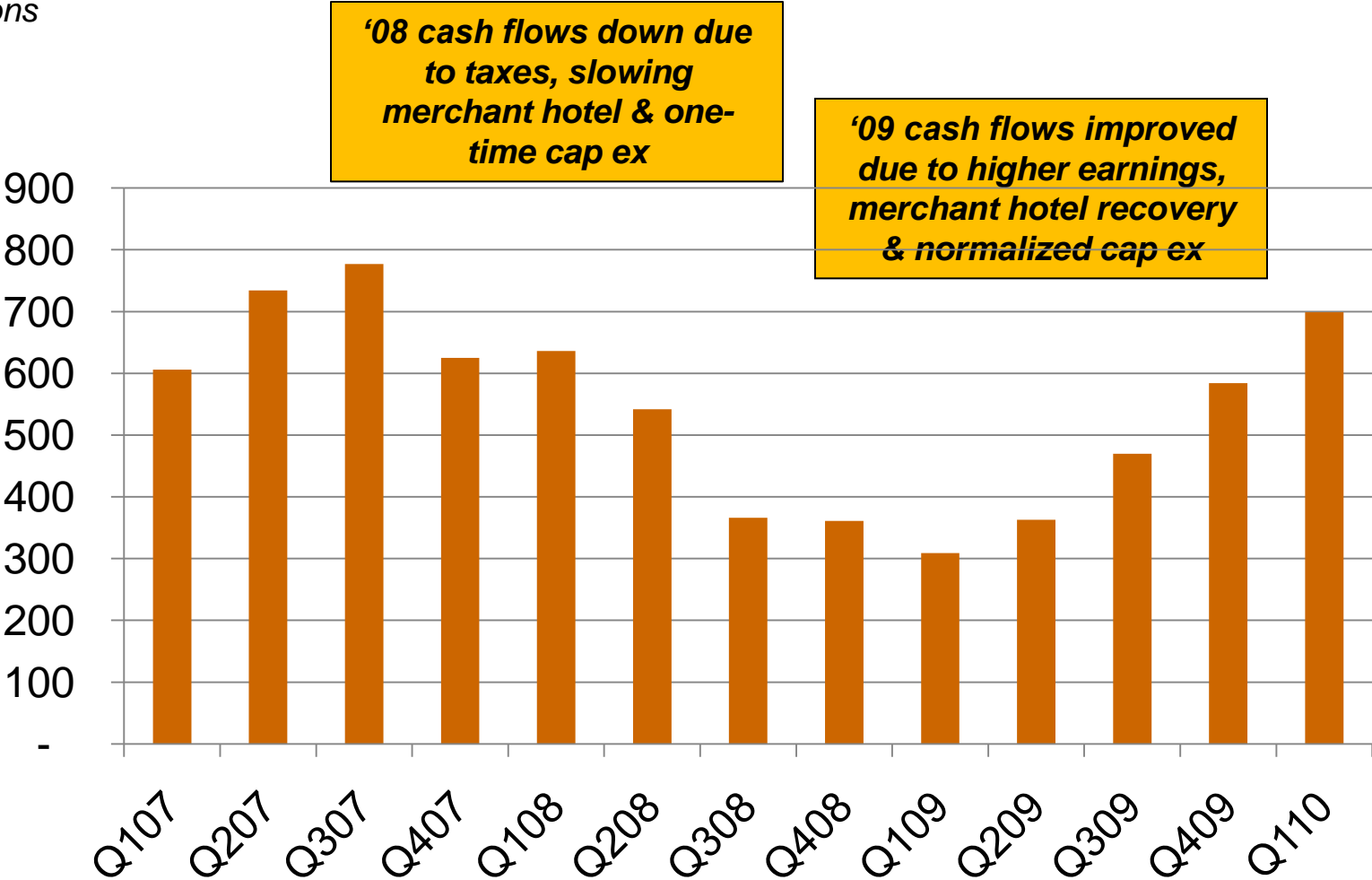
	<u>Q110</u>	<u>Q109</u>	<u>y/y</u>
Transactions (mm)	15.8	13.5	18%
Gross Bookings	\$6,632	\$5,225	27%
Revenue	718	636	13%
Cost of Revenue ¹ *	157	143	10%
Selling & Marketing ¹ *	277	232	19%
Tech & Content ¹ *	82	72	14%
General & Administrative ¹ *	<u>62</u>	<u>59</u>	4%
Total Costs and Expenses ¹ *	578	506	14%
OIBA ¹ **	143	130	10%
OIBA Margin ¹	20%	20%	(56bps)
Adjusted EBITDA ¹ ***	168	154	9%
Adj. EBITDA Margin ¹	23%	24%	(87bps)
Free Cash Flow ¹	590	479	23%

Unit Growth

- Q110 worldwide room night growth of 18%
- Q110 worldwide air ticket growth of 22%

Trended Free Cash Flow (TTM)

\$millions

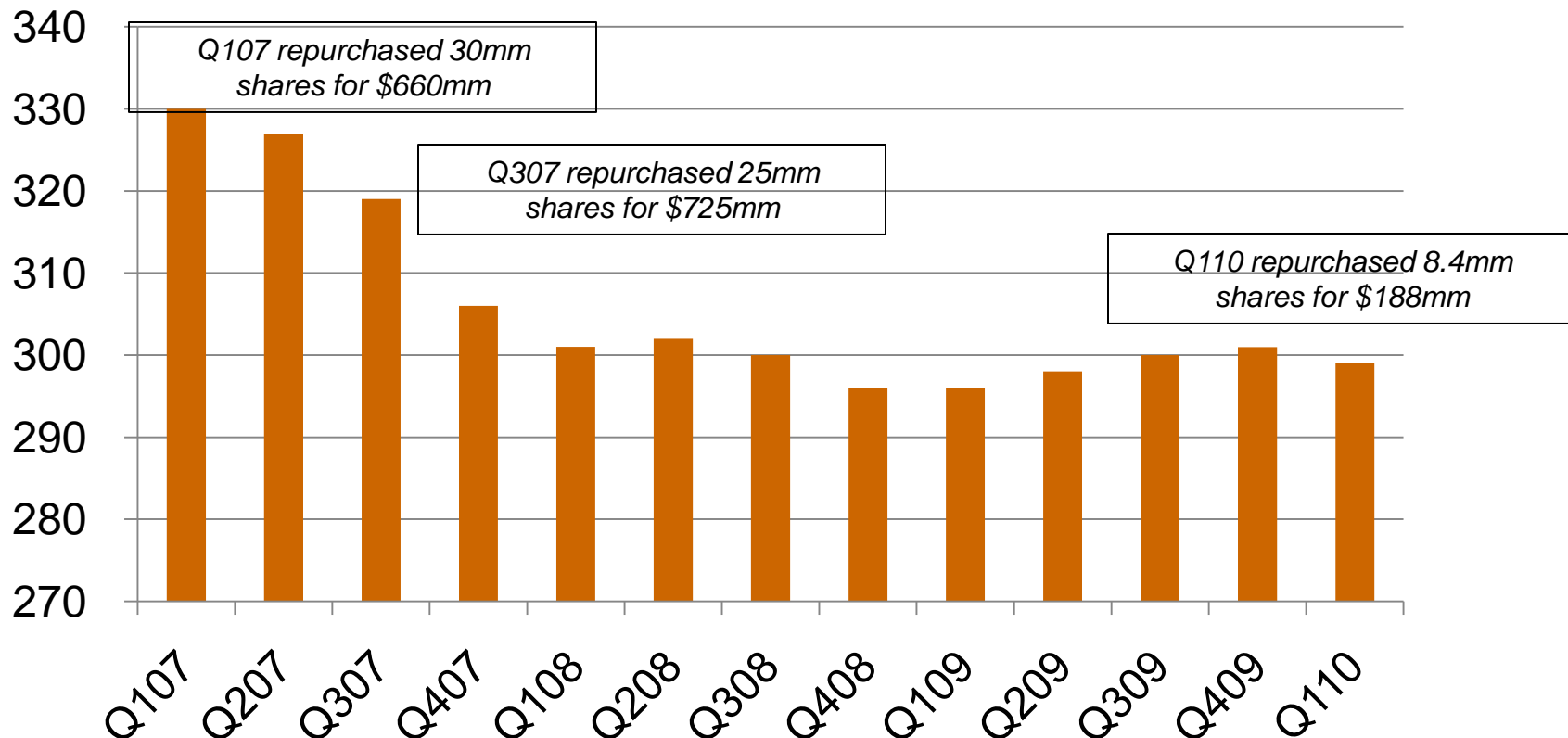


Over \$1.5B in free cash flow generated in past 3 years

Efficiently Managing Dilution

millions of adjusted diluted shares

Q2 / Q3 '06 repurchased 20mm shares for \$288mm



9% reduction in share base since Q107

Capitalization

	3/31/10
Cash and Cash Equivalents ¹	\$997
Revolving Credit Facility ²	–
7.456% Notes due 2018	500
8.500% Notes due 2016	<u>395</u>
Total Debt	\$895
Net Debt	(102)
Market Value of Equity ³	\$7,058
Total Capitalization	\$6,956
Adjusted EBITDA TTM ⁴	\$878
Total Debt / Adj. EBITDA ⁴	1.0
Net Debt / Adj. EBITDA ⁴	NA

**2 debt issues with long-term maturities
(2018 Notes have 2013 investor put)**

**Modest leverage;
minimal net debt**

¹ Does not include restricted cash, short-term investments and corporate bond investments that are included in long-term assets.

² Total size of revolving credit facility closed in February 2010 is \$750 million; available capacity reduced by \$30mm in outstanding letters of credit as of March 31, 2010.

³ Based on 284mm outstanding shares & April 16th, 2010 closing share price of \$24.85.

⁴ Adjusted EBITDA is calculated as operating income plus depreciation, intangibles expense, restructuring charges, stock-based compensation, any impairments, certain legal reserves and occupancy tax charges. Adjusted EBITDA includes any realized gains/(losses) from revenue hedges. See Appendix B for reconciliation of non-GAAP to GAAP numbers

Source: Company financial reports. Some numbers may not add due to rounding.

Trended Credit Metrics

	<u>12.31.05</u>	<u>12.31.06</u>	<u>12.31.07</u>	<u>12.31.08</u>	<u>12.31.09</u>	<u>TTM</u> <u>3.31.10</u>
<u>Leverage Measures</u>						
Total Debt / TTM Adjusted EBITDA ¹	0.3	0.8	1.5	2.0	1.0	1.0
Net Debt / TTM Adjusted EBITDA ¹	N/A	N/A	0.6	1.1	0.3	N/A
<u>Coverage Measures</u>						
TTM Adj. EBITDA / TTM Interest Expense ¹	N/A	37.5	13.8	10.8	10.3	10.5
TTM Free Cash Flow / TTM Int. Expense ¹	N/A	30.4	11.8	5.0	6.9	8.3

¹ See Appendix B for reconciliation of non-GAAP to GAAP numbers

Demonstrated strong credit metrics, consistent with investment grade rating

Rating Agency Snapshot

- S&P (Analyst: Andy Liu)
 - Rating Raised To 'BBB-' From 'BB'; Outlook Stable
 - Oct 14, 2009 Note:
 - *"The ratings upgrade is based on Expedia's revised financial policy, solid operating performance, and strong financial measures."*
 - *"BBB- rating reflects the company's leading market share, strong brands, good discretionary cash flow, and solid credit measures. These positive factors offset the intense competitiveness of the online travel agency market, Expedia's concentration of earnings from this market, varying supplier dynamics, and some cyclicalilty."*
- Moody's (Analyst: Stephen Sohn)
 - Rating Raised from Ba2 to Ba1 / Stable / SGL-1
 - Oct 30, 2009 Credit Opinion:
 - *"The upgrade is based on Expedia's solid operating performance amidst the global recession and management's commitment to more conservative financial policies."*
 - *"Management has publicly committed to financial policies commensurate with an investment grade rated company, specifically 2 to 3 times (gross debt to EBITDA)."*
 - *"We anticipate that modest acquisition and share buyback activity will be funded through the company's free cash flow generation and that balance sheet liquidity will remain robust through 2010. In addition, we expect leverage...to remain consistent with management targets."*
- Fitch Rates Expedia, Inc.'s 'BBB-'; Outlook Stable
 - Issuer Default Rating (IDR) 'BBB-'; Senior unsecured notes 'BBB-'; Senior unsecured bank credit facility 'BBB-'; Rating Outlook is Stable.
 - *"Fitch expects Expedia to exhibit modest revenue growth and stable EBITDA margins in 2010. Results should benefit from a stabilization of industry travel trends and be positively impacted by continued share gains at Expedia as consumers increasingly utilize online travel agents (OTAs). Additionally, while EBITDA margin pressure continues to exist in the core hotel and airline travel booking business, Expedia's advertising revenue stream, the growth of which has outpaced overall corporate revenue growth, carries substantially higher margins and should add stability to current profitability metrics."*

Solid execution & adequate liquidity in a challenging environment

Summary

- Attractive macro tailwind as travel industry shifts online
- World's #1 online provider of travel-related services
 - Leading traffic, supply, scale, bookings, revenue & cash flows
 - Strong and complementary portfolio of brands and products
 - Critical partner to airlines, hotels and other travel suppliers
- Countercyclical elements
 - Low exposure to airline industry (12% of revenue base - TTM)
 - Promotional hotel supply improves in downturn
 - Diversified brands, business models and geographic reach
 - Roughly 60% variable / 40% fixed cost base
- Compelling platforms for travel suppliers, travelers & advertisers
- Strong business model, execution & credit metrics
 - Substantial free cash flow ¹(FY09: \$584mm; TTM \$695)
 - Modest leverage (1.0x)
 - Strong interest coverage (10.5x)
 - High operating margins and modest ongoing cap-ex (~4% revenue)
- Proven management

¹ See Appendix B for reconciliation of non-GAAP to GAAP numbers

Appendix A

Business Model – Income Statement (FY 2009)

	<i>(Figures in \$millions)</i>		
Customer books travel product or service; total retail value (incl taxes and fees) constitutes “Gross Bookings.”	→	Gross bookings	\$21,811
Expedia’s portion of the gross booking gets recorded as revenue (inc. commissions, fees, etc.). Also includes advertising & media revenue. Revenue = 13.5% of ‘09 bookings.	→	Revenue	2,955
		Cost of revenue *	605
		Selling and marketing *	1,015
(1) Personnel–related costs, including executive leadership, finance, legal, tax and HR functions. (2) Fees for professional services typically related to legal, tax and accounting engagements.	→	General and administrative *	259
		Technology and content *	<u>304</u>
		“OIBA” * (incl. \$11mm hedge loss)	762
		<i>OIBA margin*</i>	26%
Annual employee awards granted each Q1 ; company switched to options from RSUs in 2009.	→	Stock-based compensation	62
Amortization of M&A activity	→	Amortization of intangibles	38
		Occ tax, legal reserves & restructuring	<u>102</u>
		Operating income (GAAP)	<u>571</u> (excl. \$11mm hedge loss)

- customer operations
- credit card & fraud expense
- data center & other costs

Consists of **direct** (74%) advertising expenses (search engine marketing & other online advertising, TV, etc.) and **indirect**, personnel-related costs (26%), including our supplier relationship function (PSG).

Principally relates to payroll and related expenses, hardware & software, licensing & maintenance and software development cost amortization.

* Excludes stock-based compensation. See Appendix B for reconciliation of non-GAAP with GAAP numbers.

Trended Historical Results

(Figures in \$millions)

						Growth			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Gross Bookings	\$15,336	\$16,882	\$19,632	\$21,269	\$21,811	10%	16%	8%	3%
Revenue	2,119	2,238	2,665	2,937	2,955	6%	19%	10%	1%
Cost of Goods Sold & Operating Expenses *	<u>1,492</u>	<u>1,639</u>	<u>1,996</u>	<u>2,239</u>	<u>2,183</u>	10%	22%	12%	(3%)
OIBA***	627	599	670	698	762	(5%)	12%	4%	9%
OIBA Margin***	30%	27%	25%	24%	26%	(283bps)	(165bps)	(136bps)	201bps
Adj. EBITDA**	678	648	729	775	864	(4%)	13%	6%	12%
EBITDA Margin***	32%	29%	27%	26%	29%	(303bps)	(160bps)	(98bps)	287bps
Free Cash Flow	807	525	625	361	584	(35%)	19%	(42%)	62%

- **Positive top-line growth**
- **Despite difficult environment in 2009 were able to generate substantial OIBA margins**
- **\$3.4B in cumulative OIBA & \$2.9B in cumulative free cash flow**

* Excludes stock-based compensation. See reconciliation of non-GAAP measure in appendix B.

** Adjusted EBITDA is calculated as operating income plus depreciation, intangibles expense, restructuring charges, stock-based compensation, any impairments and certain legal reserves and occupancy tax charges. Adjusted EBITDA includes any gains/(losses) from revenue hedges. See Appendix B for reconciliation of non-GAAP to GAAP numbers

*** See Appendix B for reconciliation of non-GAAP numbers.

Appendix B

Tabular Reconciliations For Non-GAAP Data

Operating Income Before Amortization

	Three months ended March 31,	
	2010	2009
	(In thousands)	
OIBA	\$ 142,544	\$ 129,787
Amortization of intangible assets	(9,028)	(9,069)
Stock-based compensation	(18,892)	(18,572)
Restructuring charges	-	(8,718)
Realized gain on revenue hedges	<u>(2,450)</u>	<u>(481)</u>
Operating income	112,174	92,947
Interest expense, net	(20,608)	(18,974)
Other, net	568	(6,947)
Provision for income taxes	(31,535)	(27,272)
Net income attributable to noncontrolling interests	<u>(1,204)</u>	<u>(370)</u>
Net income attributable to Expedia, Inc.	<u><u>\$ 59,395</u></u>	<u><u>\$ 39,384</u></u>

Source: Company financial reports

Tabular Reconciliations For Non-GAAP Data

Operating Income Before Amortization

	Year Ended Dec. 31, 2005	Year Ended Dec. 31, 2006	Year Ended Dec. 31, 2007	Year Ended Dec. 31, 2008	Year Ended Dec. 31, 2009
<i>(figures in \$000s)</i>					
OIBA	\$ 627,441	\$ 599,018	\$ 669,487	\$ 697,774	\$ 761,532
OIBA margin	30%	27%	25%	24%	26%
Amortization of intangible assets	(126,067)	(110,766)	(77,569)	(69,436)	(37,681)
Amortization of non-cash distribution and marketing	(12,597)	(9,638)	-	-	-
Stock-based compensation	(91,725)	(80,285)	(62,849)	(61,291)	(61,661)
Restructuring charges	-	-	-	-	(34,168)
Occupancy tax assessments and legal reserves	-	-	-	-	(67,658)
Impairment of goodwill	-	-	-	(2,762,100)	-
Impairment of intangible & other long-lived assets	-	(47,000)	-	(233,900)	-
Realized loss on revenue hedges	-	-	-	-	11,050
Operating income / (loss)	397,052	351,329	529,069	(2,428,953)	571,414
Operating income margin	19%	16%	20%	n/a	19%
Interest income (expense), net	48,673	14,799	(13,478)	(41,573)	(78,027)
Other, net	(8,428)	18,770	(18,607)	(44,178)	(35,364)
Write-off of long-term investment	(23,426)				
Provision for income taxes	(185,977)	(139,451)	(203,114)	(5,966)	(154,400)
Net (income) loss attributable to noncontrolling interests	836	(513)	1,994	2,907	(4,097)
Net income / (loss) attributable to Expedia, Inc.	<u>\$ 228,730</u>	<u>\$ 244,934</u>	<u>\$ 295,864</u>	<u>\$(2,517,763)</u>	<u>\$ 299,526</u>

Source: Company financial reports

Tabular Reconciliations For Non-GAAP Data

Costs & Expenses

(figures in \$000s)

	Year Ended Dec. 31, 2005	Year Ended Dec. 31, 2006	Year Ended Dec. 31, 2007	Year Ended Dec. 31, 2008	Year Ended Dec. 31, 2009
Total costs and expenses*	\$ 1,583,739	\$ 1,718,853	\$ 2,058,694	\$ 2,300,530	\$ 2,244,505
Less: stock-based compensation	<u>(91,725)</u>	<u>(80,285)</u>	<u>(62,849)</u>	<u>(61,291)</u>	<u>(61,661)</u>
Costs and expenses excluding stock-based compensation	1,492,014	1,638,568	1,995,845	2,239,239	2,182,844

(figures in \$000s)

	Quarter Ended March 31, 2009	Quarter Ended March 31, 2010
Total costs and expenses*	\$ 524,978	\$ 596,717
Less: stock-based compensation	<u>(18,572)</u>	<u>(18,892)</u>
Costs and expenses excluding stock-based compensation	506,406	577,825

* Includes cost of revenue, selling and marketing, general and administrative and technology and content expenses.

Source: Company financial reports



Tabular Reconciliations For Non-GAAP Data

Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization

<i>(figures in \$000s)</i>	Year Ended Dec. 31, 2005	Year Ended Dec. 31, 2006	Year Ended Dec. 31, 2007	Year Ended Dec. 31, 2008	Year Ended Dec. 31, 2009
Adjusted EBITDA	677,886	647,797	729,013	774,574	864,314
<i>Adjusted EBITDA margin</i>	32%	29%	27%	26%	29%
Depreciation	(50,445)	(48,779)	(59,526)	(76,800)	(102,782)
OIBA	627,441	599,018	669,487	697,774	761,532

<i>(figures in \$000s)</i>	Qtr Ended March 31, 2010	Qtr Ended March 31, 2009
Adjusted EBITDA	168,159	154,423
<i>Adjusted EBITDA margin</i>	23%	24%
Depreciation	(25,615)	(24,636)
OIBA	142,544	129,787

Tabular Reconciliations For Non-GAAP Data

Costs & Expenses

	12 Months Ended 12.31.08	12 Months Ended 12.31.09	3 Months Ended 3.31.09	3 Months Ended 3.31.10
<i>(figures in \$000s)</i>				
Cost of revenue	638,709	607,251	143,513	158,030
Less: stock-based compensation	<u>(2,252)</u>	<u>(2,285)</u>	<u>(711)</u>	<u>(789)</u>
Cost of revenue excluding stock-based compensation	636,457	604,966	142,802	157,241
Selling and marketing	1,105,337	1,027,062	235,884	280,838
Less: stock-based compensation	<u>(10,198)</u>	<u>(12,440)</u>	<u>(3,991)</u>	<u>(4,317)</u>
Selling and marketing excluding stock-based compensation	1,095,139	1,014,622	231,893	276,521
Technology and content	287,763	319,708	77,672	86,791
Less: stock-based compensation	<u>(15,111)</u>	<u>(15,700)</u>	<u>(5,176)</u>	<u>(4,381)</u>
Technology and content excluding stock-based compensation	272,652	304,008	72,496	82,410
General and administrative	268,721	290,484	67,909	71,058
Less: stock-based compensation	<u>(33,730)</u>	<u>(31,236)</u>	<u>(8,694)</u>	<u>(9,405)</u>
General and administrative excluding stock-based compensation	234,991	259,248	59,215	61,653

Source: Company financial reports

Tabular Reconciliations For Non-GAAP Data

Free Cash Flow

(figures in \$000s)

	<u>3 months ended</u> <u>March 31, 2009</u>	<u>3 months ended</u> <u>March 31, 2010</u>
Net cash provided by operating activities	619,527	502,004
Less: capital expenditures	<u>(29,675)</u>	<u>(23,386)</u>
Free cash flow	589,852	478,618

Tabular Reconciliations For Non-GAAP Data

Free Cash Flow

<i>(figures in \$000s)</i>	<u>TTM 12.05</u>	<u>TTM 12.06</u>	<u>TTM 3.07</u>	<u>TTM 6.07</u>	<u>TTM 9.07</u>	<u>TTM 12.07</u>	<u>TTM 3.08</u>	<u>TTM 6.08</u>
Net cash provided by operating activities	859,187	617,440	703,569	831,140	859,228	712,069	737,792	660,510
Less: capital expenditures	<u>(52,315)</u>	<u>(92,631)</u>	<u>(97,925)</u>	<u>(97,576)</u>	<u>(82,671)</u>	<u>(86,658)</u>	<u>(101,514)</u>	<u>(118,417)</u>
Free cash flow	806,872	524,809	605,644	733,564	776,557	625,411	636,278	542,093
	<u>TTM 9.08</u>	<u>TTM 12.08</u>	<u>TTM 3.09</u>	<u>TTM 6.09</u>	<u>TTM 9.09</u>	<u>TTM 12.09</u>	<u>TTM 3.10</u>	
Net cash provided by operating activities	514,242	520,688	458,913	494,184	573,491	676,004	793,527	
Less: capital expenditures	<u>(148,022)</u>	<u>(159,827)</u>	<u>(150,025)</u>	<u>(131,146)</u>	<u>(103,775)</u>	<u>(92,017)</u>	<u>(98,306)</u>	
Free cash flow	366,220	360,861	308,888	363,038	469,715	583,987	695,221	

TTM = Trailing Twelve Month periods ended

Source: Company financial reports. Numbers may not add due to rounding.