



EXPEDIA TO ACQUIRE HOMEAWAY, INC.

BELLEVUE, WA and AUSTIN, TX, November 4, 2015 – Expedia, Inc., (NASDAQ: EXPE) and HomeAway, Inc., (NASDAQ: AWAY) announced today that they have entered into a definitive agreement under which Expedia has agreed to acquire HomeAway, including all of its brands, for an equity value of approximately \$3.9 billion in cash and Expedia common stock, representing a per share price for HomeAway shares of \$38.31, based on Expedia’s closing price on November 3, 2015. Under the terms of the transaction, Expedia will offer to acquire each outstanding share of common stock of HomeAway in exchange for \$10.15 in cash and 0.2065 of a share of Expedia common stock.

The Boards of Directors of both companies unanimously approved the transaction, which remains subject to customary closing conditions, including regulatory approvals and the tender of a majority of the outstanding shares of HomeAway common stock. The companies expect the transaction to close in the first quarter of 2016.

“We have long had our eyes on the fast growing ~\$100 billion alternative accommodations space and have been building on our partnership with HomeAway, a global leader in vacation rentals, for two years. Bringing HomeAway into the Expedia, Inc. family and adding its leading brands to our portfolio of the most trusted brands in travel is a logical next step,” said Dara Khosrowshahi, Chief Executive Officer, Expedia, Inc. “We have tremendous respect for the HomeAway team and the business they have built. With our expertise in powering global transactional platforms and our industry-leading technology capabilities, we look forward to partnering with them to accelerate their shift from a classified marketplace to an online, transactional model to create even better experiences for HomeAway’s global traveler audience and the owners and managers of its 1.2 million properties around the world.”

“We could not be more excited about joining the Expedia family of leading travel brands and what this move means for our very bright future,” said Brian Sharples, Chief Executive Officer of HomeAway, Inc., noting that the company has been moving toward a fully online bookable marketplace and closer to the type of transactional business model with which Expedia has tremendous experience. “We’re eager to benefit from Expedia’s distribution, technology and expertise, which will allow us to provide an even better product and service experience for our owners, property managers and travelers. In this way, I believe our combination with Expedia will turbocharge our growth and industry leadership for many years to come.”

Conference Call to Discuss Transaction

Expedia, Inc., and HomeAway, Inc., will host a conference call to discuss the transaction on Wednesday, November 4, 2015 at 1:45 p.m. Pacific Time / 3:45 p.m. Central Time. Callers in the U.S. and Canada may dial 877-741-4244 and use passcode 4111332. All other international callers may dial 719-325-4784 and use passcode 4111332. A live webcast of the conference call will be available to the public at <http://ir.expediainc.com> and <http://investors.homeaway.com>. A replay of the call is expected to be available for at least three months.

About Expedia, Inc.

Expedia, Inc. (NASDAQ: EXPE) is one of the world's leading travel companies, with an extensive brand portfolio that includes leading online travel brands, such as:

- Expedia.com[®], a leading full service online travel agency with localized sites in 32 countries
- Hotels.com[®], the hotel specialist that offers Hotels.com[®] Rewards and Secret Prices through its mobile booking apps and localized websites in more than 65 countries
- [Hotwire](http://Hotwire.com)[®], a leading discount travel site that offers Hot Rate[®] Hotels, Hot Rate[®] Cars and Hot Rate[®] Airfares, as well as vacation packages
- [Orbitz Worldwide](http://Orbitz.com), a global travel portfolio including [Orbitz](http://Orbitz.com), [ebookers](http://ebookers.com), [HotelClub](http://HotelClub.com) and [CheapTickets](http://CheapTickets.com), brands and business-to-business offerings, including [Orbitz Partner Network](http://Orbitz.com) and [Orbitz for Business](http://Orbitz.com)
- [Travelocity](http://Travelocity.com)[®], a pioneer in online travel and a leading online travel agency in the US and Canada
- [Egencia](http://Egencia.com)[®], a leading corporate travel management company
- Venere.com[™], an online hotel reservation specialist in Europe
- [trivago](http://trivago.com)[®], a leading online hotel search with sites in 52 countries worldwide
- [Wotif Group](http://Wotif.com), a leading portfolio of travel brands operating in the Australia/New Zealand region, including Wotif.com[®], Wotif.co.nz, lastminute.com.au[®], lastminute.com.nz and travel.com.au[®]
- [Expedia Local Expert](http://Expedia.com)[®], a provider of online and in-market concierge services, activities, experiences and ground transportation in hundreds of destinations worldwide
- [Classic Vacations](http://ClassicVacations.com)[®], a top luxury travel specialist
- [Expedia[®] CruiseShipCenters](http://Expedia.com)[®], a provider of exceptional value and expert advice for travelers booking cruises and vacations through its network of 200 retail travel agency franchises across North America
- CarRentals.com[™], the premier car rental booking company on the web

The company delivers consumers value in leisure and business travel, drives incremental demand and direct bookings to travel suppliers and provides advertisers the opportunity to reach a highly valuable audience of in-market consumers through [Expedia[®] Media Solutions](http://Expedia.com). Expedia also powers bookings for thousands of affiliates, including some of the world's leading airlines, top consumer brands and high traffic websites through [Expedia[®] Affiliate Network](http://Expedia.com). For corporate and industry news and views, visit us at www.expediainc.com or follow us on Twitter @expediainc.

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About Homeaway, Inc.

HomeAway, Inc. based in Austin, Texas, is the world leader in vacation rentals, with sites representing over one million paid listings of vacation rental homes in 190 countries. Through HomeAway, owners and property managers offer an extensive selection of vacation homes that provide travelers with memorable experiences and benefits, including more room to relax and added privacy, for less than the cost of traditional hotel accommodations. The company also makes it easy for vacation rental owners and property managers to advertise their properties and manage bookings online. The HomeAway portfolio includes the leading vacation rental websites HomeAway.com, VRBO.com and VacationRentals.com in the United States; HomeAway.co.uk and OwnersDirect.co.uk in the United Kingdom; HomeAway.de in Germany; Abritel.fr and Homelidays.com in France; HomeAway.es and Toprural.es in Spain; AlugueTemporada.com.br in Brazil; HomeAway.com.au and Stayz.com.au in Australia; Bookabach.co.nz in New Zealand, and Asia Pacific short-term rental site, travelmob.com.

HomeAway also operates BedandBreakfast.com, the most comprehensive global site for finding bed-and-breakfast properties, providing travelers with another source for unique lodging alternatives to chain hotels. For more information about HomeAway, please visit www.HomeAway.com.

Additional Information and Where to Find It

The exchange offer referenced in this communication has not yet commenced. This communication is for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell shares, nor is it a substitute for any offer materials that Expedia, Inc. ("Expedia") and its acquisition subsidiary will file with the U.S. Securities and Exchange Commission ("SEC"). At the time the exchange offer is commenced, Expedia and its acquisition subsidiary will file a tender offer statement on Schedule TO, Expedia will file a registration statement on Form S-4, and HomeAway will file a Solicitation/Recommendation Statement on Schedule 14D-9 with the SEC with respect to the exchange offer. THE EXCHANGE OFFER MATERIALS (INCLUDING AN OFFER TO EXCHANGE, A RELATED LETTER OF TRANSMITTAL AND CERTAIN OTHER EXCHANGE OFFER DOCUMENTS) AND THE SOLICITATION/RECOMMENDATION STATEMENT WILL CONTAIN IMPORTANT INFORMATION. HOMEAWAY STOCKHOLDERS ARE URGED TO READ THESE DOCUMENTS CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION THAT HOLDERS OF HOMEAWAY SECURITIES SHOULD CONSIDER BEFORE MAKING ANY DECISION REGARDING EXCHANGING THEIR SECURITIES. The Offer to Exchange, the related Letter of Transmittal and certain other exchange offer documents, as well as the Solicitation/Recommendation Statement, will be made available to all holders of HomeAway stock at no expense to them. The exchange offer materials and the Solicitation/Recommendation Statement will be made available for free at the SEC's website at www.sec.gov. Additional copies may be obtained for free by contacting Expedia's Investor Relations department at (425) 679-3759.

In addition to the Offer to Exchange, the related Letter of Transmittal and certain other exchange offer documents, as well as the Solicitation/Recommendation Statement, Expedia and HomeAway file annual, quarterly and current reports and other information with the SEC. You may read and copy any reports or other information filed by Expedia and HomeAway at the SEC public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Expedia and HomeAway's filings with the SEC are also available to the public from commercial document-retrieval services and at the website maintained by the SEC at <http://www.sec.gov>.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally can be identified by phrases such as "will," "expects," "anticipates," "foresees," "forecasts," "estimates" or other words or phrases of similar import. Similarly, statements herein that describe the proposed transaction, including its financial and operational impact, and other statements of management's beliefs, intentions or goals also are forward-looking statements. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the combined companies or the price of Expedia or HomeAway stock. These forward-looking statements involve certain risks and uncertainties, many of which are beyond the parties' control, that could cause actual results to differ materially from those indicated in such forward-looking statements, including but not limited to the ability of the parties to consummate the proposed transaction on a timely basis or at all and the satisfaction of the conditions precedent to consummation of the proposed transaction, including majority of HomeAway's shares being validly tendered into the exchange offer, the ability to secure regulatory approvals on the terms expected, at all or in a timely manner; the ability of Expedia to successfully integrate HomeAway's operations; the ability of Expedia to implement its plans, forecasts and other expectations with respect to HomeAway's business after the completion of the transaction and realize expected synergies; business disruption following the merger; the proposed transaction may not be completed on the timeframe expected or at all; and the other risks and important factors contained and identified in Expedia's and HomeAway's filings with the Securities and Exchange Commission (the "SEC"), such as their respective Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K, any of which could cause actual results to differ materially from the forward-looking statements, the Tender Offer Statement on Schedule TO (including the offer to purchase, the letter of transmittal and other documents relating to the tender offer) to be filed by Expedia and its acquisition subsidiary, the registration statement on Form S-4 to be filed by Expedia, and the Solicitation/Recommendation Statement on Schedule 14D-9 to be filed by HomeAway. As a result of these and other risks, the proposed transaction may not be completed on the timeframe expected or at all. The forward-looking statements included in this press release are made only as of the date hereof. Neither Expedia nor HomeAway undertakes any obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.

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