



Company Overview

Q3 2009

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 October 29, 2009, 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, 2008, and subsequent quarterly reports on Form 10-Q.

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 4th Edition Electronic Market Data Sheet (January 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

	2006	2007	2008	2009 (E)	2010 (E)	CAGR 06 - 10
Travel Market Size:						
U.S.	251	264	271	241	236	-2%
Europe	314	332	344	354	367	4%
APAC	238	244	215	202	212	-3%
3 Region Total	803	840	830	797	815	0%



Sizeable markets

Online Bookings:

U.S.	123	138	137	135	139	3%
Europe	73	91	112	132	156	21%
APAC	21	26	31	36	44	20%
3 Region Online	217	255	280	303	339	12%
Europe & APAC	94	117	143	168	200	21%



Rapid online growth

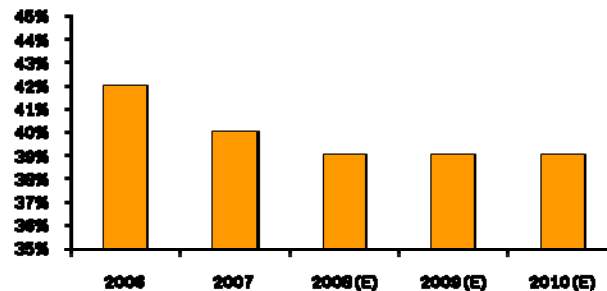
Online Penetration:

U.S.	49%	52%	51%	56%	59%
Europe	23%	27%	33%	37%	43%
APAC	9%	11%	14%	18%	21%
3 Region Online Pen.	27%	30%	34%	38%	42%



Penetration tailwind

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 and efficiency the foundation of our marketplace

Expedia - the Travel Sector Leader

Premier Brand Portfolio



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



Leading hotel specialist globally, with a presence in 60 countries



Leading value-based travel provider



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



Key Statistics ¹

- Traffic (August '09 unique visitors): 64mm
- TTM 9.30.09 number of transactions: 55mm

TTM (9.30.09)

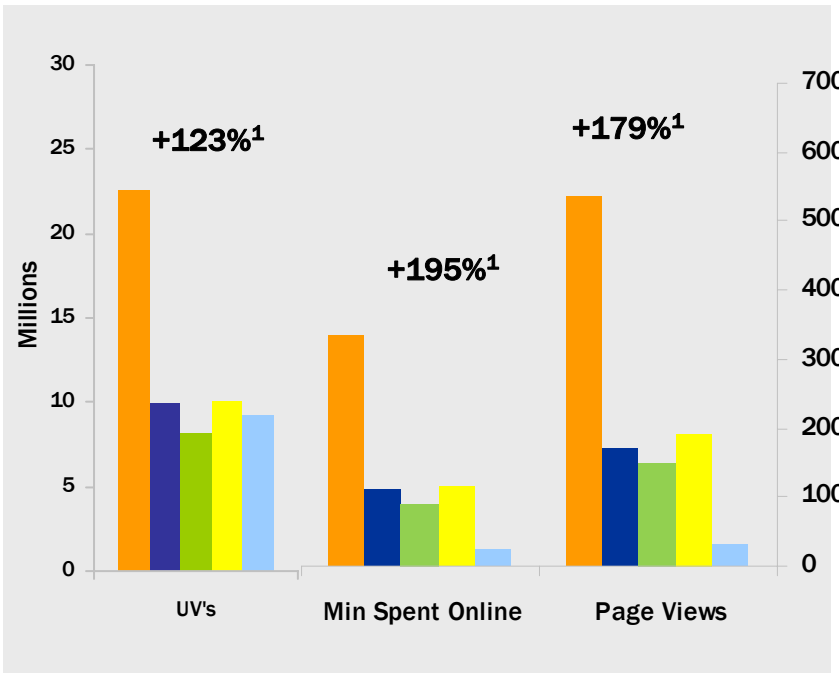
- Gross bookings: \$20,783mm
- Revenue: \$ 2,879mm
- OIBA²: \$ 736mm
- Adjusted EBITDA² \$ 833mm
- Market cap 10.23.09 \$7.7B
- Member of S&P 500 & Nasdaq stock indices

Global presence & portfolio of category leading brands

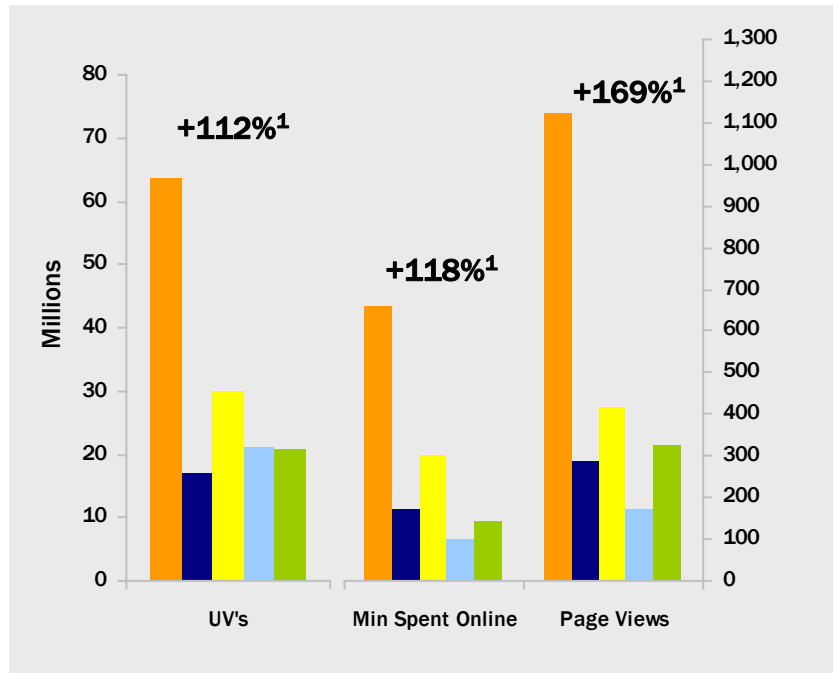
¹Sources: comScore MediaMetrix, August, 2009 & company data; ²See Appendix B for reconciliation of non-GAAP to GAAP numbers. Adjusted EBITDA is calculated as operating income plus depreciation, restructuring charges, intangibles amortization, stock-based compensation, any impairments, and certain legal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

Largest Worldwide Audience

U.S.



Worldwide

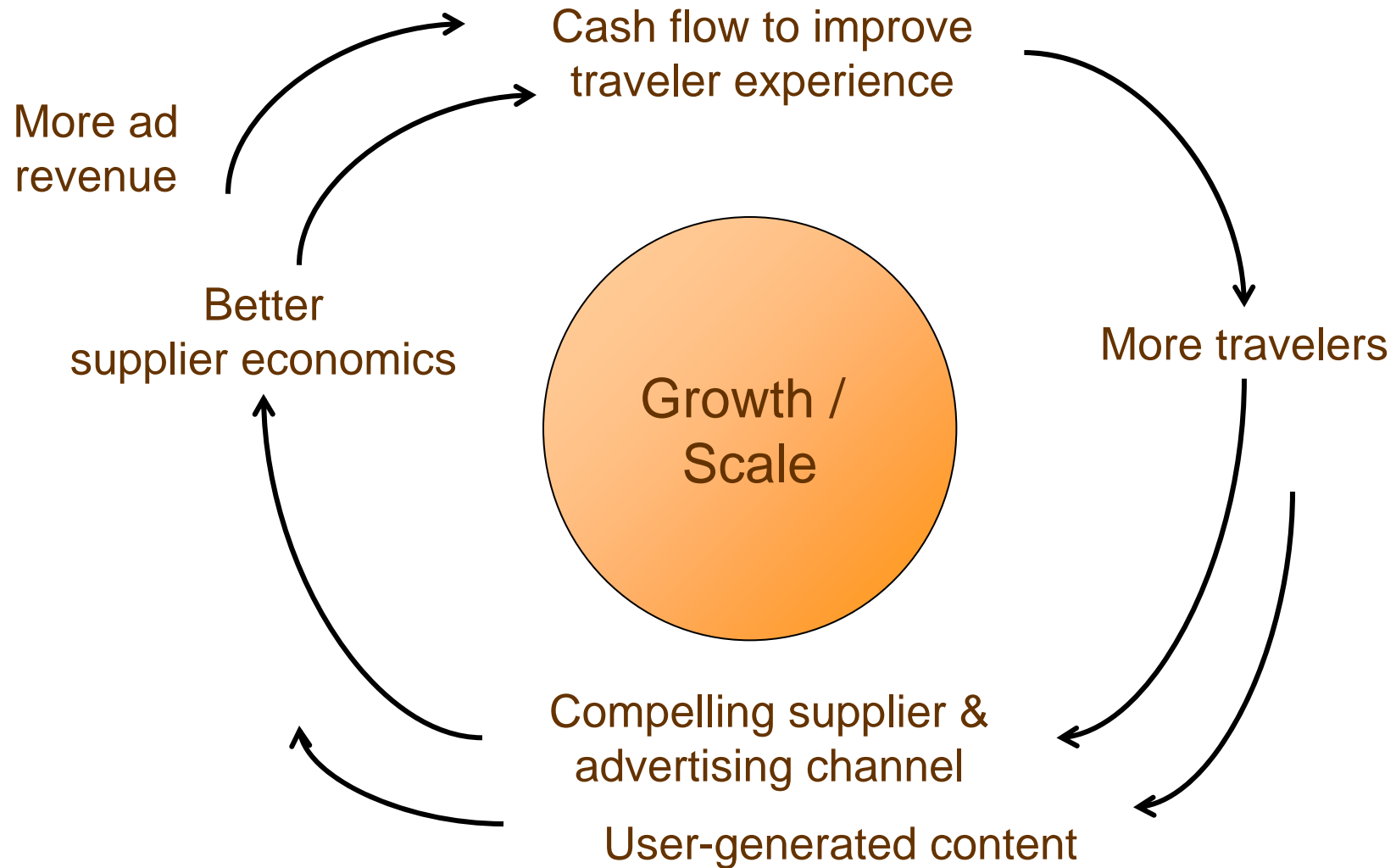


Source: comScore MediaMetrix, August 2009

¹ Denotes Expedia's percentage difference over next largest competitor



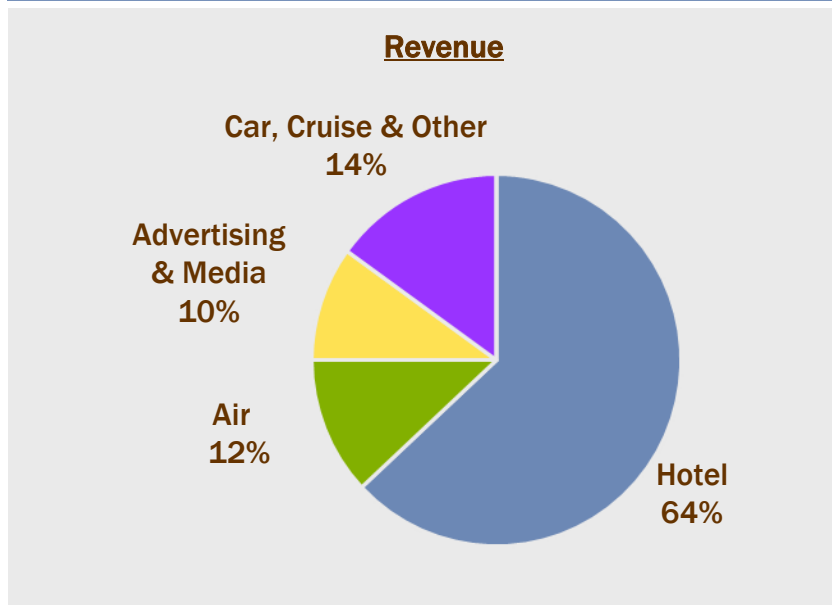
Expedia's Virtuous Cycle



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

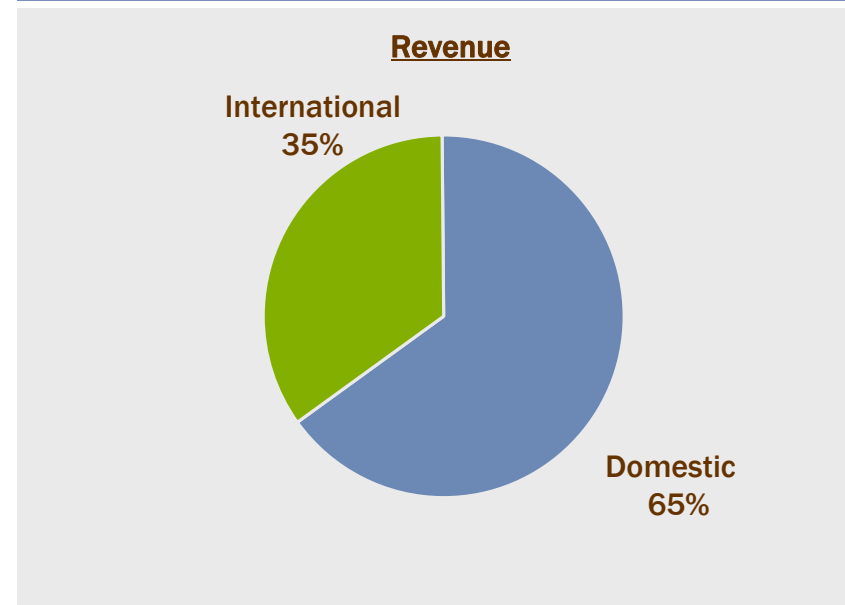
Revenue by Product & Geography

Product Categories (TTM 9.30.09)



* Hotel & Advertising - key revenue & profitability drivers

Geographic Segments (TTM 9.30.09)



* 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

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
 - Typically 1 - 2 year contracts with major chain lodging properties
 - Consultative account management brings industry leading intelligence to hoteliers
- Agency hotel is small but growing in importance with acquisition of Venere & introduction of Expedia Easy Manage

Merchant Model



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

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 9.30.09 revenue of nearly \$300mm

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



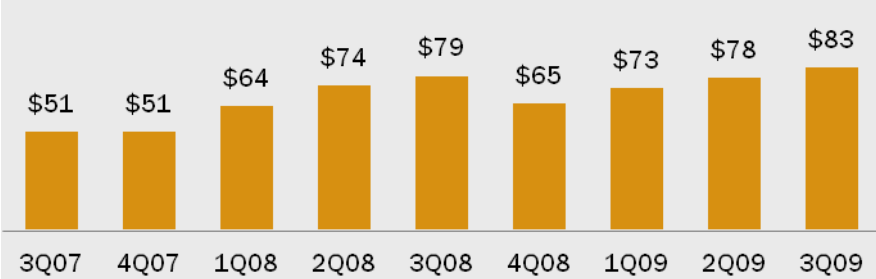
Vacation rental reviews



Revenue Drivers

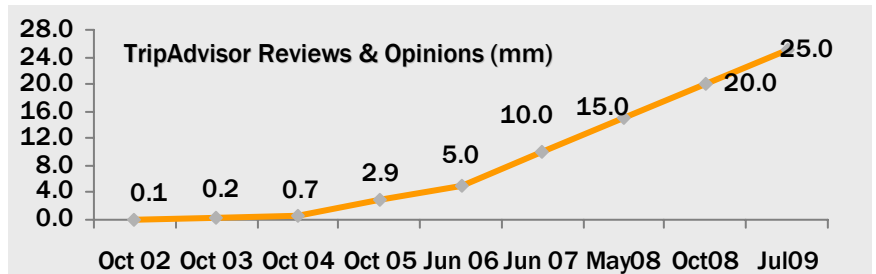
- Offer advertisers targeted audiences
- CPC & CPM based ad models
- TripAdvisor utilizes industry-leading SEM & SEO capabilities
- Robust user-generated content and selection draws in users

Growth in Quarterly Net Advertising Revenues¹



¹ Growth due in part to acquisitions

TripAdvisor Reviews and Opinions - Robust Growth

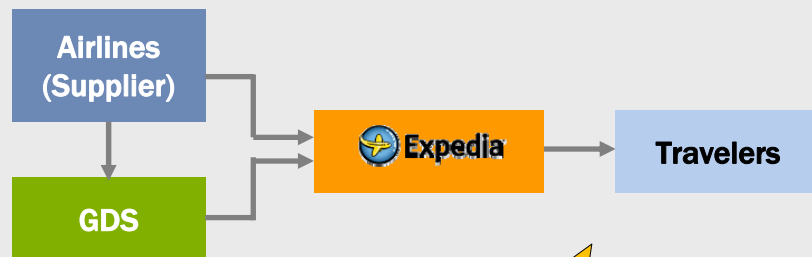


Product Category - Air

Business Overview

- Air revenue < 15% of Expedia's worldwide annual revenue
 - ~90% of airplane tickets sold over Expedia's online properties are agency transactions, in which Expedia acts as agent on behalf of a supplier and collects a commission
 - Customer pays supplier directly, Expedia collects its remuneration after travel
 - Lower revenue margin v. hotel transactions
- OTAs in the U.S. eliminated most consumer booking fees for air tickets in spring 2009, resulting in reduced air revenue and unit share shift from offline & supplier direct

Agency Model / Illustrative Transaction



Revenue to Expedia:

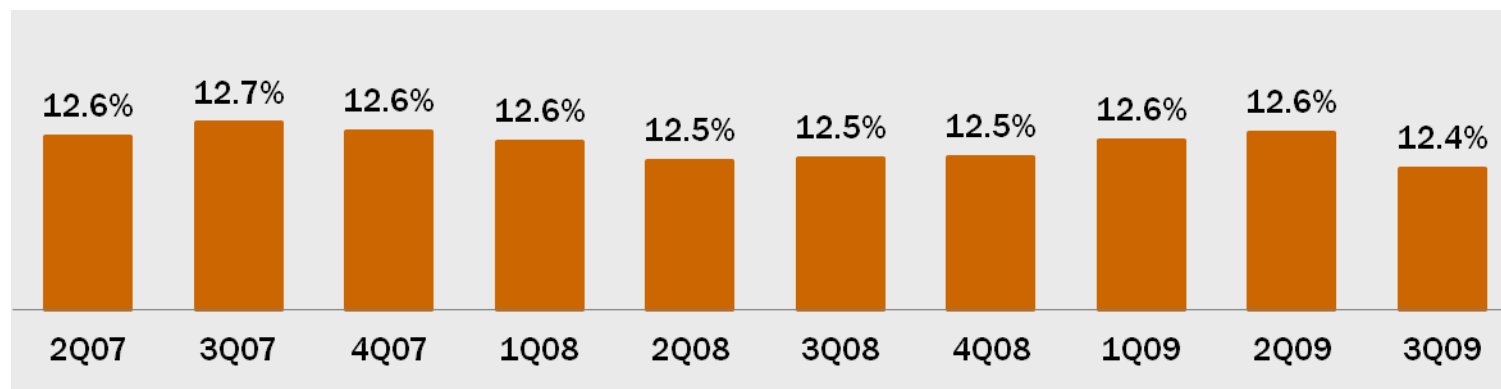
- Portion of GDS fee
- Commission from suppliers
- Booking fees (some sites)

Other:

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

Stable Supplier Relationships & Economics

Trended Revenue Margin, excluding ad & media revenue (TTM)



- Strong, stable revenue margin driven by:
 - Long-term agreements with airlines and GDS providers
 - Growth in merchant hotel mix offsets fee cut activity
 - Better hotel relationships through PSG investment
 - Recent fee reductions / eliminations put some pressure on revenue margins

Stabilized revenue margins indicate healthy supplier relationships

YTD 2009 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

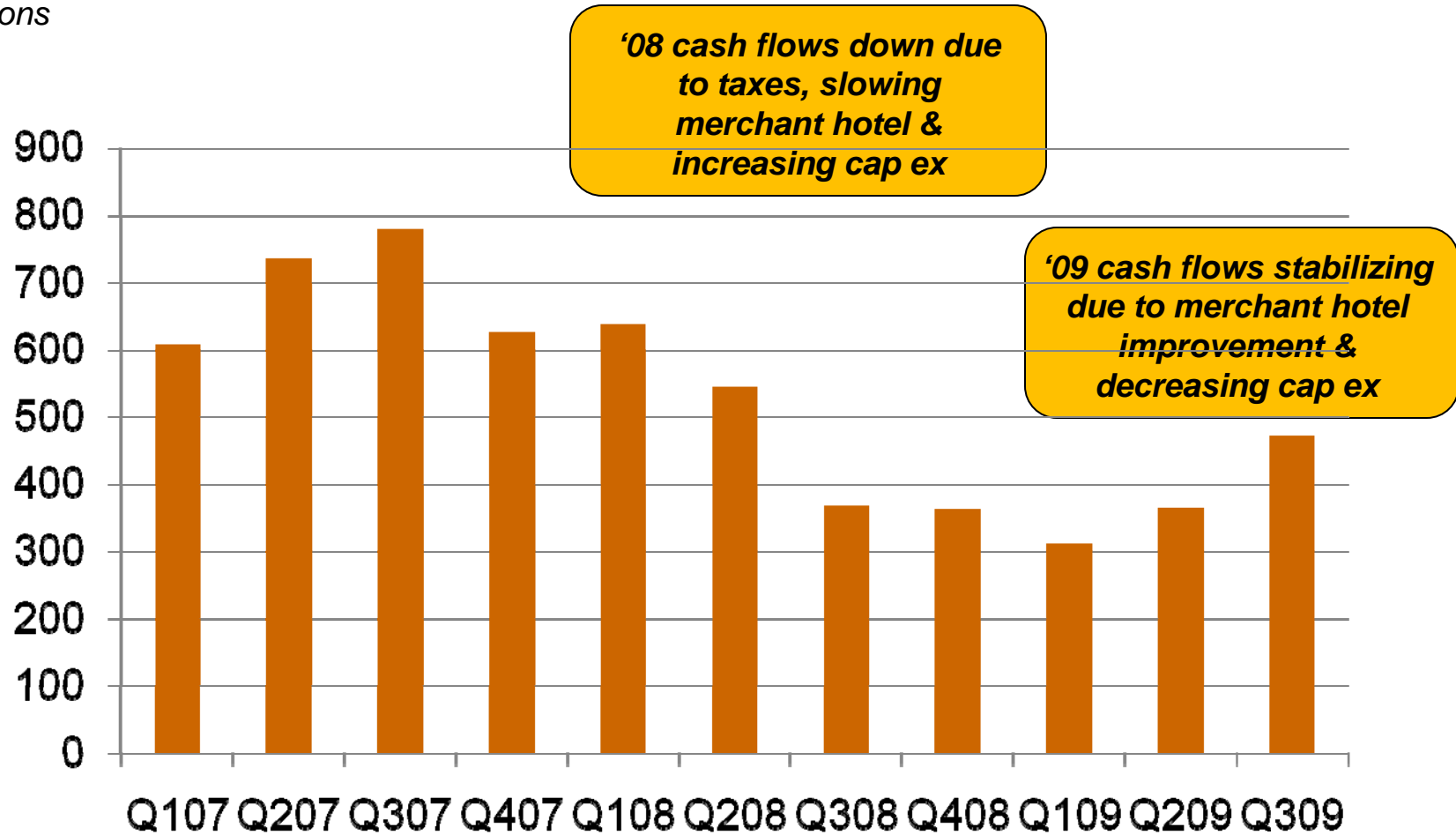
	<u>Q309</u>	<u>Q308</u>	<u>y/y</u>	<u>YTD09</u>	<u>YTD08</u>	<u>y/y</u>
Transactions (mm)	15.9	12.6	26%	44.7	38.2	17%
Gross Bookings	5,914	5,413	9%	16,762	17,249	(3%)
Revenue	852	833	2%	2,258	2,316	(3%)
Cost of Revenue ¹ *	169	177	(5%)	460	498	(8%)
Selling & Marketing ¹ *	282	297	(5%)	782	879	(11%)
Tech & Content ¹ *	75	69	9%	222	204	9%
General & Administrative ¹ *	65	59	11%	185	174	7%
Total Costs & Expenses ¹ *	592	603	(2%)	1,650	1,756	(6%)
OIBA ¹ **	256	231	11%	599	561	7%
OIBA Margin ¹	30%	28%	+239bps	27%	24%	+231bps
Adjusted EBITDA ¹ ***	282	250	13%	674	616	9%
Adj. EBITDA Margin ¹	33%	30%	+308bps	30%	27%	+327bps
Free Cash Flow ¹	(45)	(152)	70%	757	649	17%

Unit Acceleration & Share Gains –

- Q309 room night growth of 27% v. 26% Q209; Q3 US room demand off (5%) per Smith Travel
- Air ticket growth improved to +27% in Q309 v. 13% Q209; Global RPMs off (2.5%)

Trended Free Cash Flow (TTM)

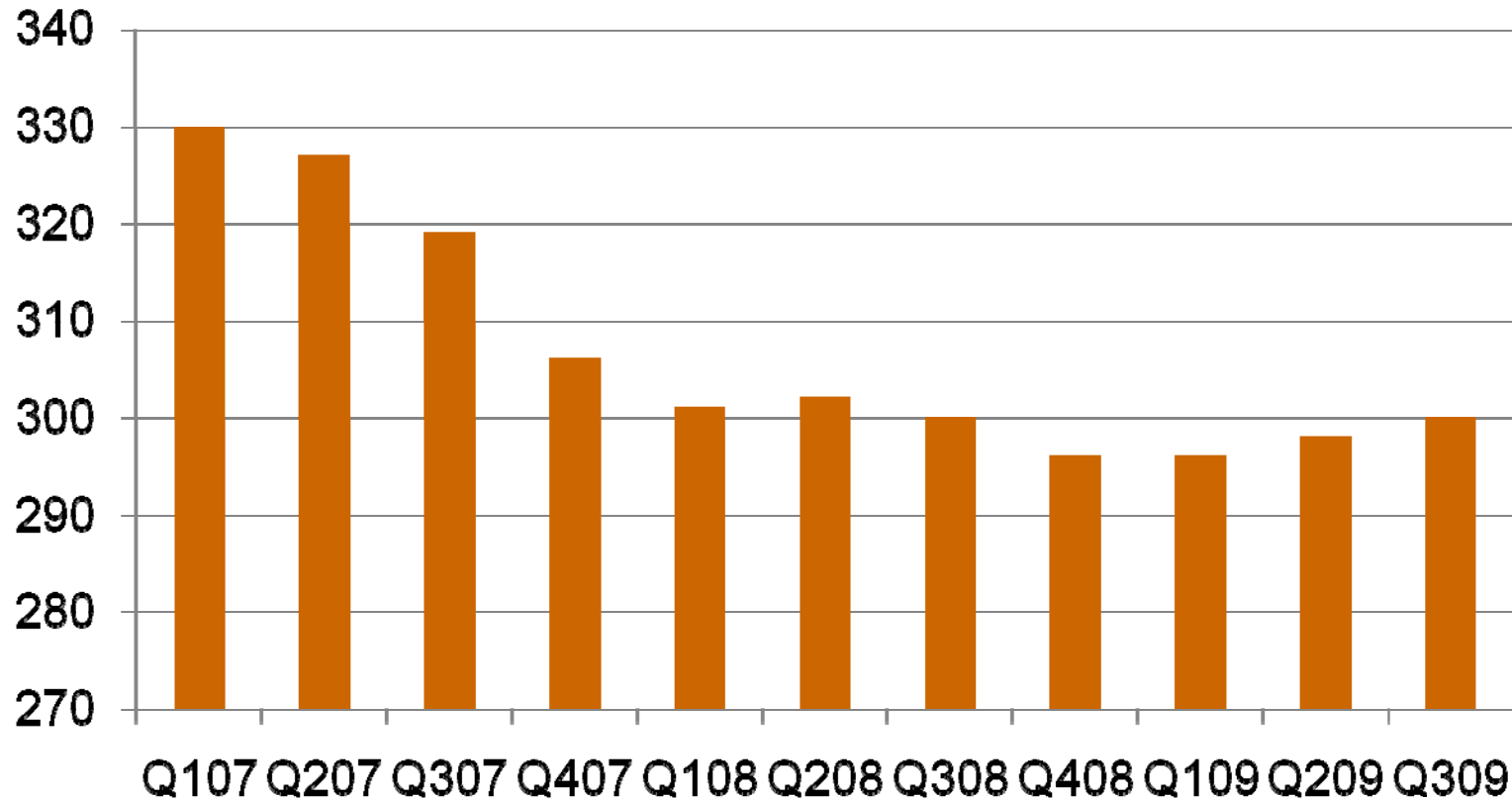
\$millions



Over \$2B in free cash flow generated in past 4 years

Efficiently Managing Dilution

millions of adjusted diluted shares



9% reduction in share base since Q107

Capitalization

	9/30/2009
Cash and Cash Equivalents ¹	\$839
Revolving Credit Facility ²	–
7.456% Notes due 2018	500
8.500% Notes due 2016	<u>395</u>
Total Debt	\$895
Net Debt	56
Market Value of Equity ³	\$7,742
Total Capitalization	\$7,798
Adjusted EBITDA ⁴ – TTM Q309	\$833
Total Debt / Adj. EBITDA⁴	1.1x
Net Debt / Adj. EBITDA⁴	0.1x

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

**Modest leverage;
minimal net debt**

¹ Does not include eLong cash invested in time deposits, Reserve Fund investment or restricted cash

² Total size of facility is \$1bn; available capacity reduced by \$42mm in outstanding letters of credit; \$650mm of revolver was repaid in Q109

³ Based on 293.7mm diluted shares & 10/23/09 share price \$26.36

⁴ 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 realized gains/(losses) from revenue hedges. See Appendix B for reconciliation of non-GAAP to GAAP numbers

Source: Company financial reports & forecasts

Trended Credit Metrics

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TTM 9.30.09</u>
Total Debt / Adjusted EBITDA ¹	0.3	0.8	1.5	2.0	1.1
Net Debt / Adjusted EBITDA ¹	N / A	N / A	0.6	1.1	0.1
Adj. EBITDA / Interest Expense ¹	N / A	37.5	13.8	10.8	9.6
Free Cash Flow / Int. Expense ¹	N / A	30.4	11.8	5.0	5.4

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)
 - ➔ Expedia Inc. Rating Raised To 'BBB-' From 'BB'; Outlook Stable
 - ➔ Oct 14, 2009
 - *"The ratings upgrade is based on Expedia's revised financial policy, solid operating performance, and strong financial measures. The '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 cyclicalities."*
- Moody's (Analyst: Stephen Sohn)
 - ➔ Ba2 / Stable / SGL-1
 - ➔ Nov 26, 2008 Credit Opinion:
 - *"The company's financial leverage, as measured by debt to EBITDA, of 1.6x adjusted for leases, is similar to business services peers rated in the Aa category."*
 - *"The stable outlook reflects the company's strong operating performance amidst the current economic slowdown in the U.S. While Moody's expects air and hotel bookings to remain under pressure into 2009 as a result of increased airfares (driven by airline capacity reductions) and declining hotel rates, we believe Expedia will still generate free cash flow at levels which would comfortably position the company at the Ba2 rating level. Furthermore, given the current credit climate, we believe that event risk arising from significant acquisition activity and additional shareholder friendly actions will be limited in the near to intermediate term. Accordingly, we expect leverage (debt to EBITDA on a Moody's adjusted basis) to remain well below the 2.5x threshold that could trigger downward rating pressure."*

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 and cash flow
 - Strong and complementary portfolio of brands and products
 - Critical partner to airlines, hotels and other travel suppliers
 - Leading consumer travel destination sites
- Countercyclical elements
 - Low exposure to airline industry (<15% of revenue)
 - Inventory availability & pricing improve in downturn
 - Diversified brands, business models and geographic reach
 - Approximately 60% variable / 40% fixed cost base
- Compelling platforms for travel suppliers, travelers & advertisers
- Strong business model, execution & credit metrics
 - Substantial free cash flow ¹(Q309 TTM: \$470mm)
 - Modest leverage (1.1x TTM)
 - Strong coverage (9.6x TTM)
 - High operating margins and modest ongoing capex (< 5% revenue)
- Proven management

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



Appendix A

Business Model – income statement (TTM 9.30.09)

		(\$MM)	
Customer books travel product or service; total retail value (incl taxes and fees) constitutes "Gross Bookings"	→	Gross bookings	\$20,783
Expedia's portion of the gross booking gets recorded as revenue (fees, commissions, etc.) Revenue = 13.9% of TTM bookings.	→	Revenue	2,879
		Cost of revenue *	598
		Selling and marketing *	998
(1) Personnel costs for support functions - exec leadership, finance, legal, tax & HR. (2) Fees for professional services that include legal, tax and accounting.	→	General and administrative *	246
		Technology and content *	<u>291</u>
		"OIBA" * (inc. \$9mm hedge loss)	736
		<i>OIBA margin</i> *	26%
Annual awards in Q1	→	Stock-based compensation	60
Amortization of acquisition activity	→	Amortization of intangibles	45
		Occ tax, legal & restructuring	103
		Goodwill & Intang. Impairment	<u>2,996</u>
		Operating loss (GAAP)	(2,459)

- Credit Card & Fraud expense
- "Fulfillment" Costs, incl. tickets
- Call Centers (Traveler Service)
- Costs for destination services

More than \$1 of every \$3 in revenue, consisting of advertising & distribution expense, as well as personnel-related costs, including PSG market managers. Distribution channels include portals, search engines and our affiliate programs.

Includes product development expenses such as payroll and related expenses, information technology costs and depreciation of website development costs.

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

Trended Historical Results

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	y/y growth		
					<u>2006</u>	<u>2007</u>	<u>2008</u>
Gross Bookings	15,336	16,882	19,632	21,269	10%	16%	8%
Revenue	2,119	2,238	2,665	2,937	6%	19%	10%
Cost of goods sold & operating expenses *	<u>1,492</u>	<u>1,639</u>	<u>1,996</u>	<u>2,239</u>	10%	22%	12%
OIBA***	627	599	670	698	(5%)	12%	4%
OIBA Margin***	30%	27%	25%	24%	(283bps)	(165bps)	(136bps)
Adj. EBITDA **	678	648	729	775	(4%)	13%	6%
EBITDA Margin***	32%	29%	27%	26%	(303bps)	(160bps)	(98bps)
Free Cash Flow ***	807	525	625	361	(35%)	19%	(42%)

- **Positive top-line growth**
- **Expense ramp to support independent public company & technology revamp pressured margins**
- **Despite difficult environment, generating substantial OIBA margins**
- **Over \$2.5B in cumulative OIBA & over \$2B 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.

Q3 2009 Company Overview



Appendix B

Tabular Reconciliations For Non-GAAP Data

Operating Income Before Amortization

	12 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2009	3 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2008	3 Months Ended Sept 30, 2008
OIBA	\$ 735,713	\$ 598,629	\$ 256,426	\$ 560,690	\$ 230,780
Amortization of intangible assets	(44,857)	(27,959)	(9,588)	(52,538)	(15,827)
Stock-based compensation	(59,931)	(46,667)	(14,519)	(48,027)	(15,367)
Restructuring charges	(28,597)	(28,597)	(13,781)	-	-
Occupancy tax assessments and legal reserves	(74,211)	(74,211)	-	-	-
Impairment of goodwill	(2,762,100)	-	-	-	-
Impairment of intangible and other long-lived assets	(233,900)	-	-	-	-
Realized loss on revenue hedges	9,368	9,368	4,436	-	-
Operating income / (loss)	(2,458,515)	430,563	222,974	460,125	199,586
<i>Operating income margin</i>	<i>na</i>	<i>19%</i>	<i>26%</i>	<i>20%</i>	<i>24%</i>
Interest income (expense), net	(75,475)	(58,389)	(20,027)	(24,487)	(12,633)
Other, net	(42,933)	(30,769)	(4,749)	(32,014)	(23,243)
Provision for income taxes	16,178	(141,995)	(80,385)	(164,139)	(69,223)
Net (income) loss attributable to noncontrolling interests	(1,937)	(2,110)	(799)	2,734	337
Net income / (loss) attributable to Expedia, Inc.	<u>\$ (2,562,682)</u>	<u>\$ 197,300</u>	<u>\$ 117,014</u>	<u>\$ 242,219</u>	<u>\$ 94,824</u>

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
OIBA	\$ 627,441	\$ 599,018	\$ 669,487	\$ 697,774
<i>OIBA margin</i>	30%	27%	25%	24%
Amortization of intangible assets	(126,067)	(110,766)	(77,569)	(69,436)
Amortization of non-cash distribution and marketing	(12,597)	(9,638)	-	-
Stock-based compensation	(91,725)	(80,285)	(62,849)	(61,291)
Impairment of goodwill	-	-	-	(2,762,100)
Impairment of intangible and other long-lived assets	-	(47,000)	-	(233,900)
Operating income / (loss)	397,052	351,329	529,069	(2,428,953)
<i>Operating income margin</i>	19%	16%	20%	na
Interest income (expense), net	48,673	14,799	(13,478)	(41,573)
Other, net	(8,428)	18,770	(18,607)	(44,178)
Write-off of long-term investment	(23,426)	-	-	-
Provision for income taxes	(185,977)	(139,451)	(203,114)	(5,966)
Net (income) loss attributable to noncontrolling interests	836	(513)	1,994	2,907
Net income / (loss) attributable to Expedia, Inc.	\$ 228,730	\$ 244,934	\$ 295,864	\$(2,517,763)

Tabular Reconciliations For Non-GAAP Data

Costs & Expenses

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

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

Tabular Reconciliations For Non-GAAP Data

Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization

	12 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2009	3 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2008	3 Months Ended Sept 30, 2008
Adjusted EBITDA	832,918	673,969	282,337	615,625	250,350
<i>Adjusted EBITDA Margin</i>	29%	30%	33%	27%	30%
Depreciation	(97,205)	(75,340)	(25,911)	(54,935)	(19,570)
OIBA (see page 24)	\$ 735,713	\$ 598,629	\$ 256,426	\$ 560,690	\$ 230,780
<i>OIBA Margin</i>	26%	27%	30%	24%	28%

Tabular Reconciliations For Non-GAAP Data

Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization

	Year Ended Dec. 31, 2005	Year Ended Dec. 31, 2006	Year Ended Dec. 31, 2007	Year Ended Dec. 31, 2008
Adjusted EBITDA	677,886	647,797	729,013	774,574
<i>Adjusted EBITDA margin</i>	32%	29%	27%	26%
Depreciation	(50,445)	(48,779)	(59,526)	(76,800)
Amortization of intangible assets	(126,067)	(110,766)	(77,569)	(69,436)
Amortization of non-cash distribution and marketing	(12,597)	(9,638)	-	-
Stock-based compensation	(91,725)	(80,285)	(62,849)	(61,291)
Impairment of goodwill	-	-	-	(2,762,100)
Impairment of intangible and other long-lived assets	-	(47,000)	-	(233,900)
Operating income / (loss)	397,052	351,329	529,069	(2,428,953)
<i>Operating income margin</i>	19%	16%	20%	na
Interest income (expense), net	48,673	14,799	(13,478)	(41,573)
Other, net	(8,428)	18,770	(18,607)	(44,178)
Write-off of long-term investment	(23,426)	-	-	-
Provision for income taxes	(185,977)	(139,451)	(203,114)	(5,966)
Net (income) loss attributable to noncontrolling interests	836	(513)	1,994	2,907
Net income / (loss) attributable to Expedia, Inc.	\$ 228,730	\$ 244,934	\$ 295,864	\$(2,517,763)

Tabular Reconciliations For Non-GAAP Data

Free Cash Flow (\$000's)

	<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	831,140	859,228	712,069	737,792	660,510
Less: capital expenditures	<u>(97,576)</u>	<u>(82,671)</u>	<u>(86,658)</u>	<u>(101,514)</u>	<u>(118,417)</u>
Free cash flow	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>
Net cash provided by operating activities	514,242	520,688	458,913	494,184	573,491
Less: capital expenditures	<u>(148,022)</u>	<u>(159,827)</u>	<u>(150,025)</u>	<u>(131,146)</u>	<u>(103,775)</u>
Free cash flow	366,220	360,861	308,888	363,038	469,715

TTM = Trailing Twelve Month periods ended



Tabular Reconciliations For Non-GAAP Data

Costs & Expenses

	12 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2009	3 Months Ended Sept 30, 2009	9 Months Ended Sept 30, 2008	3 Months Ended Sept 30, 2008
Cost of revenue	600,398	461,711	169,436	500,022	177,735
Less: stock-based compensation	(2,229)	(1,730)	(505)	(1,753)	(510)
Cost of revenue excluding stock-based compensation	598,169	459,981	168,931	498,269	177,225
Selling and marketing	1,009,285	792,223	284,847	888,275	299,919
Less: stock-based compensation	(10,975)	(9,745)	(2,974)	(8,968)	(2,497)
Selling and marketing excluding stock-based compensation	998,310	782,478	281,873	879,307	297,422
Technology and content	306,268	234,190	78,637	215,685	72,195
Less: stock-based compensation	(15,522)	(11,903)	(3,315)	(11,492)	(3,264)
Technology and content excluding stock-based compensation	290,746	222,287	75,322	204,193	68,931
General and administrative	277,618	208,454	73,165	199,557	68,075
Less: stock-based compensation	(31,205)	(23,289)	(7,725)	(25,814)	(9,096)
General and administrative excluding stock-based compensation	246,413	185,165	65,440	173,743	58,979