INVESTOR PRESENTATION





February 10, 2016

Safe Harbor

Forward-Looking Statements. This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance. These forward-looking statements are based on management's expectations as of February 10, 2016 and assumptions which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The use of words such as "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 / (loss), 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: an increasingly competitive global environment; modifications to our current business models and practices or our adoption of new business models or practices in order to compete; changes in search engine algorithms and dynamics or other traffic-generating arrangements; our failure to maintain and expand our relationships and contractual agreements with travel suppliers or travel distribution partners; our failure to maintain and expand our brand awareness or increased costs to do so; our failure to adapt to technological developments or industry trends; risks related to our acquisitions, investments or significant commercial arrangements; risks relating to our operations in international markets; our failure to comply with current laws, rules and regulations, or changes to such laws, rules and regulations; adverse application of existing tax or unclaimed property laws, rules or regulations are subject to interpretation by taxing authorities; unfavorable amendment to existing tax laws, rules or regulations or enactment of new unfavorable laws, rules or regulations; adverse outcomes in legal proceedings to which we are a party; declines or disruptions in the travel industry; risks related to payments and fraud; fluctuations in foreign exchange rates; volatility in our stock price; liquidity constraints or our inability to access the capital markets when necessary or desirable; interruption, security breaches and lack of redundancy in our information systems; our failure to comply with governmental regulation and other legal obligations related to our processing, storage, use, disclosure and protection of personal information, payment card information and other consumer data; our failure to retain or motivate key personnel or hire, retain and motivate qualified personnel, including senior management; changes in control of the Company; management and director conflicts of interest; risks related to actions taken by our business partners and third party service providers, including failure to comply with our requirements or standards or the requirements or standards of governmental authorities, or any cessation of their operations; risks related to the failure of counterparties to perform on financial obligations; risks related to our long-term indebtedness, including our failure to effectively operate our businesses due to restrictive covenants in the agreements governing our indebtedness; our failure to protect our intellectual property and proprietary information from copying or use by others, including potential competitors; and other risks detailed in Expedia, Inc.'s public filings with the SEC, including our annual report on Form 10-K for the year ended December 31, 2015. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise.

Non-GAAP Measures. Reconciliations to GAAP measures of non-GAAP measures included in this presentation are included in the Appendix. These measures are intended to supplement, not substitute for, GAAP comparable measures. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.

Industry / Market Data. Industry and market data used in this presentation have been obtained from industry publications and sources as well as from research reports prepared for other purposes. We have not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness.

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Important Note

In May 2015, Expedia sold its 62.4% equity stake in eLong for approximately $671 million to several purchasers including Ctrip. Expedia and Ctrip also reached agreement on cooperation for certain travel products in specified geographic markets. Unless otherwise noted, due to Expedia's sale of its eLong stake, all discussion in these slides refers to results for Expedia, Inc. excluding eLong.

Investment Highlights

- A Leading Global Player in ~$1.4 Trillion[1] Travel Market
- Significant Growth Opportunities Across Geographies
- Rapid Expansion in Highly Fragmented Lodging Industry Supported by Multi-Product Offering
- Technology Platform Innovation Driving Higher Conversion
- Success in Growing Mobile Channels
- High Growth Advertising & Media Business
- Consistently Strong Financial Execution
- Solid Track Record of Disciplined Capital Allocation

expedia inc.

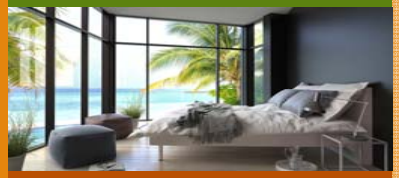
A Growth Company

[1]Travel market size estimates based on Phocuswright data for full year 2016.

One of the Largest Travel Companies in the World

Depth and Breadth of

SUPPLY



~269,000 Hotels & **1.2 Million** Vacation Rentals In **200+** Countries



400+ Airlines



7.1 Million Packages

VOLUME AND GLOBAL REACH

Diverse Demand: Geography AND Travel Type

Mutually Beneficial Supply Agreements

expedia inc.

Value to Travelers

Scale Enables Virtuous Circle

MULTI-CHANNEL, MULTI-PLATFORM GLOBAL MARKETPLACE

Volume and Diversity of Global Travel

DEMAND



8.6 Billion+ Flight Searches



Travelers in **~75 Countries**



Corporate **and** Leisure Travel; Online **and** Offline

Established Brands with Global Reach

expedia inc.

Expedia · ORBITZ WORLDWIDE · travelocity · Hotels.com The Obvious Choice · Expedia Affiliate Network

CarRentals.com · hotwire · venere · Expedia LocalExpert · Expedia CruiseShipCenters · Classic Vacations · wotif group

Dynamic portfolio of travel brands with more than 200 sites in over 60 countries featuring the world's broadest supply portfolio including 269,000 properties in 200 countries, 400 airlines, packages, rental cars, cruises and destination services and activities

trivago

A Leading Hotel Metasearch Company

Sites in 55 Countries

EGENCIA BUSINESS TRAVEL · EXPEDIA, INC.

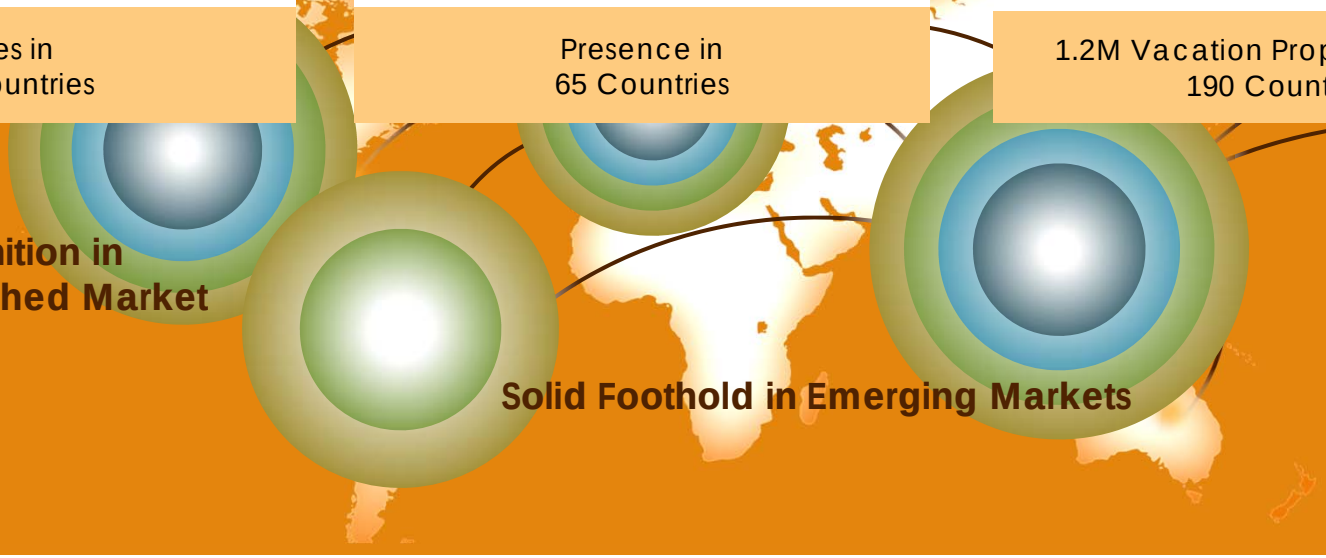
A Leader in Global Corporate Travel

Presence in 65 Countries

HomeAway

A Leader in Alternative Lodging

1.2M Vacation Properties across 190 Countries



Brand Recognition in *EVERY* Established Market

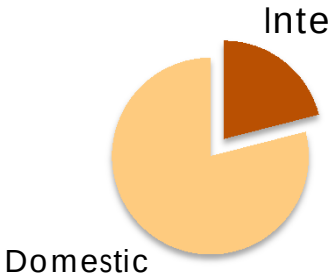
Solid Foothold in Emerging Markets

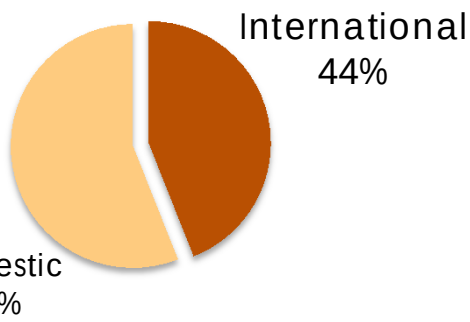
Diversifying Revenue Mix Reduces Risk and Positions the Business for Growth

	2005 Revenue[1]	2015 Revenue

GEOGRAPHY

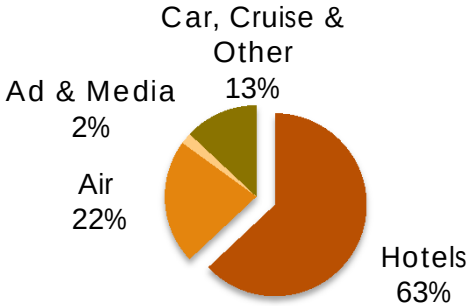


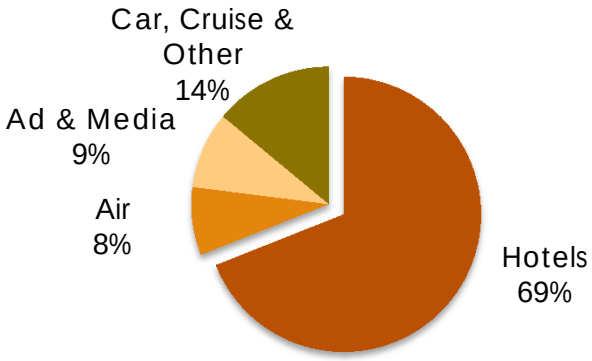




PRODUCT

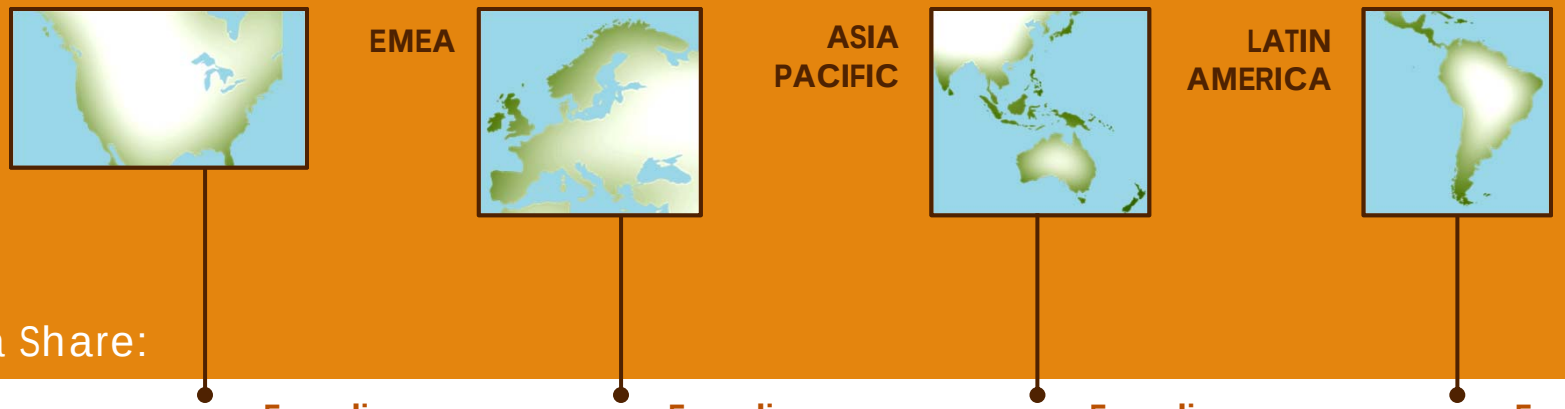






[1] 2005 Geography excludes eLong; Product includes eLong

Global Leader and Significant Headroom for Further Growth



Expedia Share:

ONLINE TRAVEL SEGMENT

	UNITED STATES + CANADA	EMEA	ASIA PACIFIC	LATIN AMERICA
Expedia	17%	5%	4%	5%
Other	56%	47%	35%	25%

45% of Total Travel Market

2016 TOTAL TRAVEL MARKET

	UNITED STATES + CANADA	EMEA	ASIA PACIFIC	LATIN AMERICA
Expedia	10%	2%	1%	1%
Other	$388B	$492B	$393B	$99B

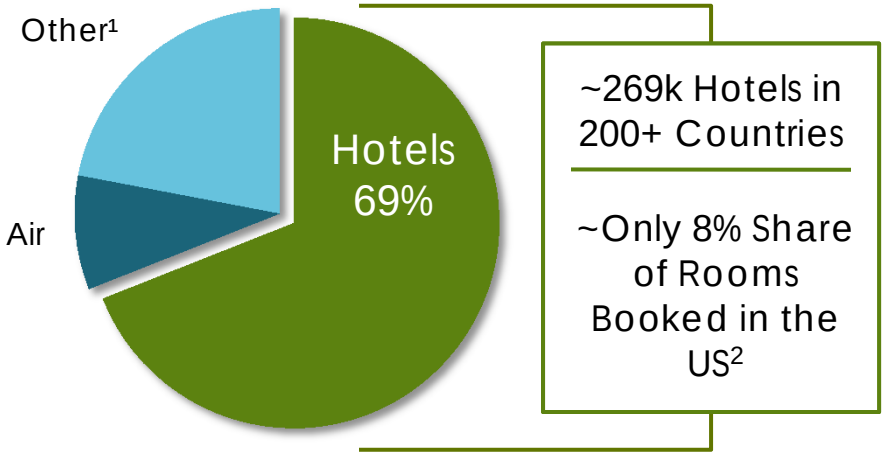
Total Travel Market ~$1.4T

Sources: Phocuswright estimates and Expedia data; travel market size estimates based on Phocuswright data for full year 2016.
Note: Expedia's share of travel market defined as gross bookings during FY15. Beginning in Q4 2014, total travel market definition was expanded to include Canada, Eastern Europe and Middle East.

Leading Position in Attractive Lodging Market

Expedia Already Has Scale in Hotels…

$6.6B
2015 Revenues

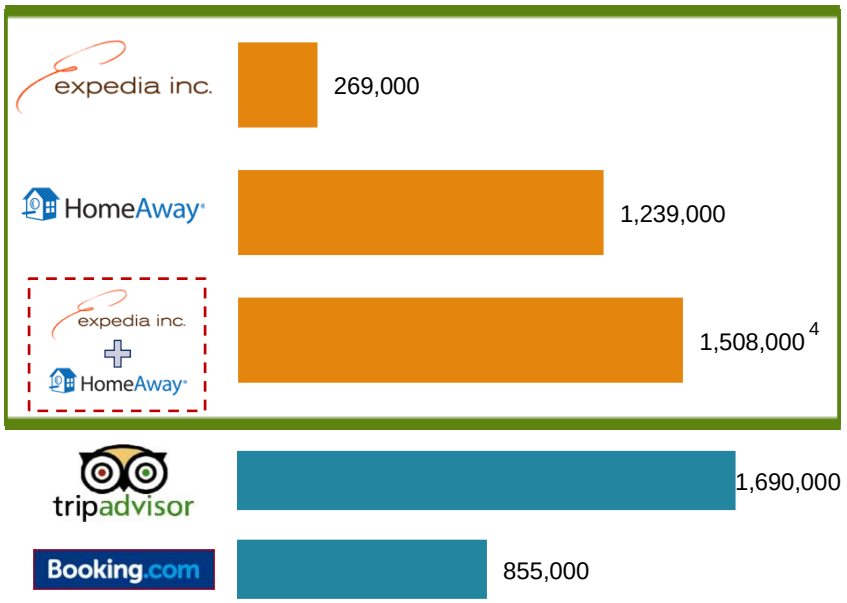


~269k Hotels in 200+ Countries

~Only 8% Share of Rooms Booked in the US[2]

… And HomeAway Adds Significantly More Lodging Alternatives

Number of Hotels / Lodging Alternatives[3]





[1]Other includes Car, Advertising, Destination Services, Insurance, Cruise, Agency Packages, and Other.
[2]Sources: Smith Travel Research and Expedia data.
[3]Hotel data for TripAdvisor and Booking.com obtained from respective company websites. TripAdvisor and Booking.com numbers include 740,000 and 393,000 vacation rental properties, respectively.
[4]Total assumes no overlap between HomeAway and Expedia properties.

Have Completed Significant Technology Investments That Fortify the Business



CUSTOMIZED Front-End Technology for Rapid Innovation and Powerful Analytics … **Improving Conversion**

CENTRALIZED Customer Operations Technology

CENTRALIZED Transactional Infrastructure:
Financials / Order Management / Inventory Management

Industry Leading Mobile Initiatives Drive Traffic and Revenue

The World Is Changing …



Opening Up Significant Opportunities in Travel

More than

One in Four

Room Nights[1]

Booked on a

Mobile Device

Over 40%

of Traffic Arrives

Via Mobile[2]

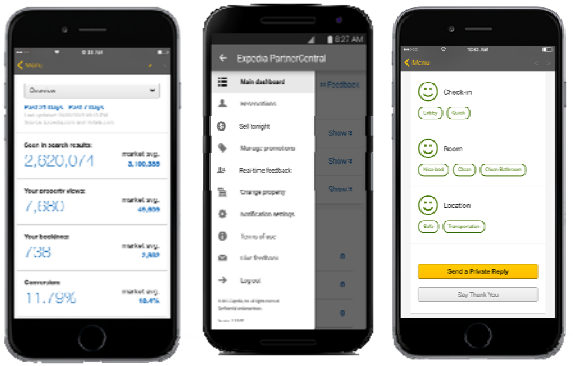
…Expedia, Inc. Leads the Way

Mobile Accolades

- Hotels.com recognized as the 2015 Travel Weekly Silver Magellan Award Winner in the Online Travel Services App category
- Hotwire included in the Top 10 Best Car Rental Apps for Android
- Hotwire included in the Best Apps for Booking Travel by CNET
- Hotwire ranked as one of the "Best Travel Apps of 2015" by PCMag

Expedia PartnerCentral App for Hoteliers

Helping hoteliers manage their Expedia business and solve everyday problems via Apple and Android mobile devices



[1]Based on global mobile bookings in Q4 2015. [2]Based on Brand Expedia, Hotels.com, Travelocity and Orbitz mobile traffic in Q4 2015.

Significant Acceleration in the Advertising and Media Business

trivago®

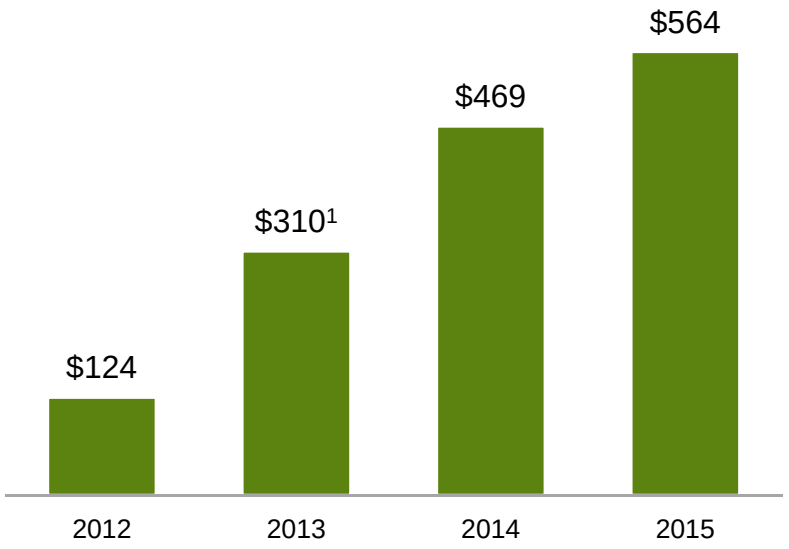
#1 hotel metasearch in Europe

+

Expedia® MediaSolutions

ADVERTISING & MEDIA REVENUE

$ Millions



’12-’15 CAGR : **65.8%**

Note: Reported numbers are net of any intercompany revenue

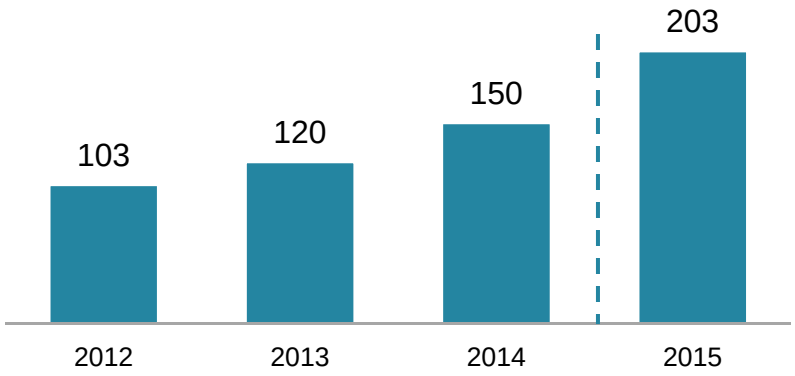
[1] Controlling interest in trivago GmbH (”trivago”) acquired in March 2013

Consistent Financial Execution

ROOM NIGHTS

Millions

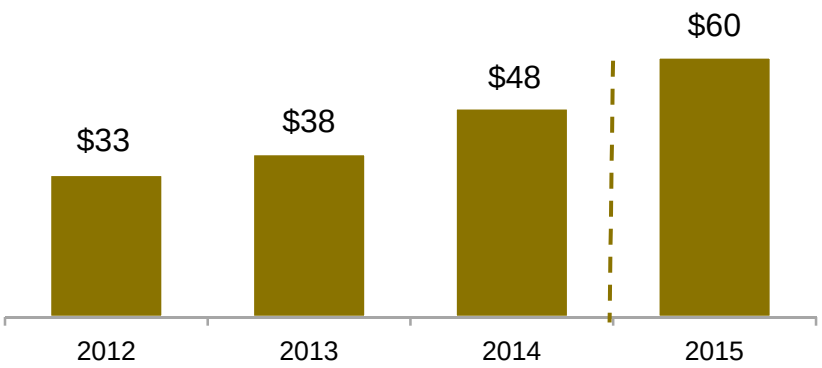
'12-'15 CAGR: 25.3%



GROSS BOOKINGS

$ Billions

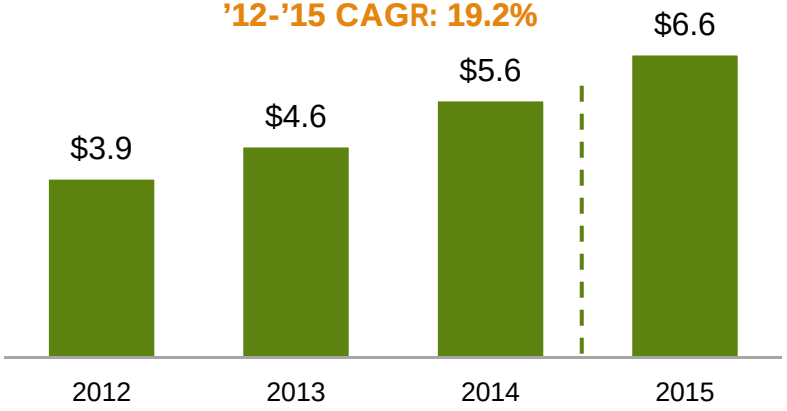
'12-'15 CAGR: 22.2%



REVENUE[1]

$ Billions

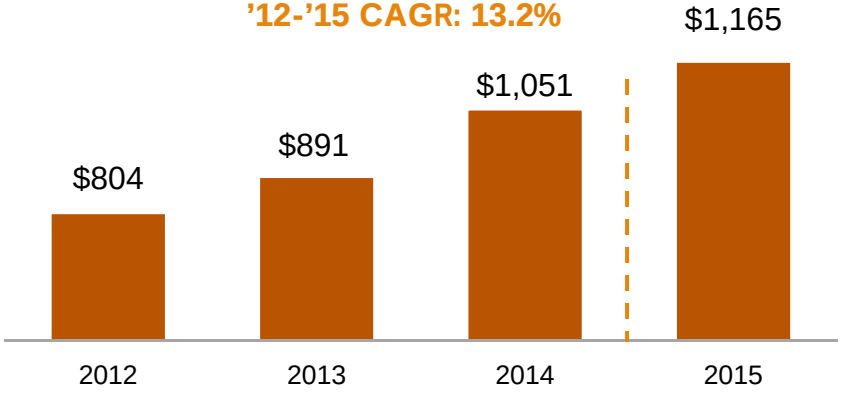
'12-'15 CAGR: 19.2%



ADJUSTED EBITDA[1]

$ Millions

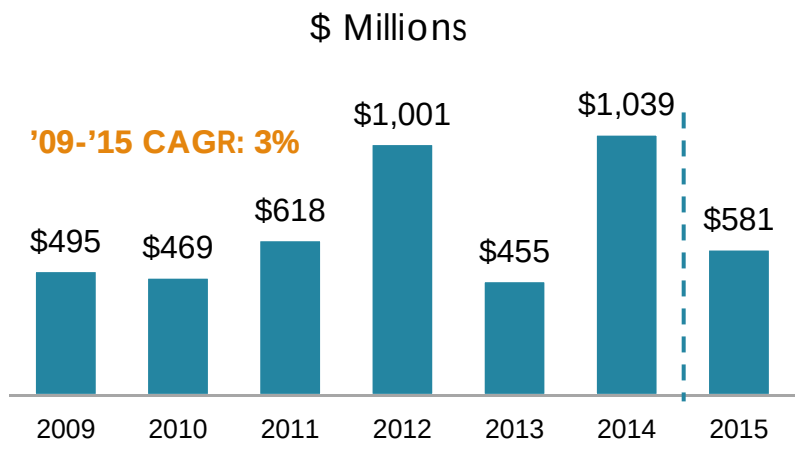
'12-'15 CAGR: 13.2%



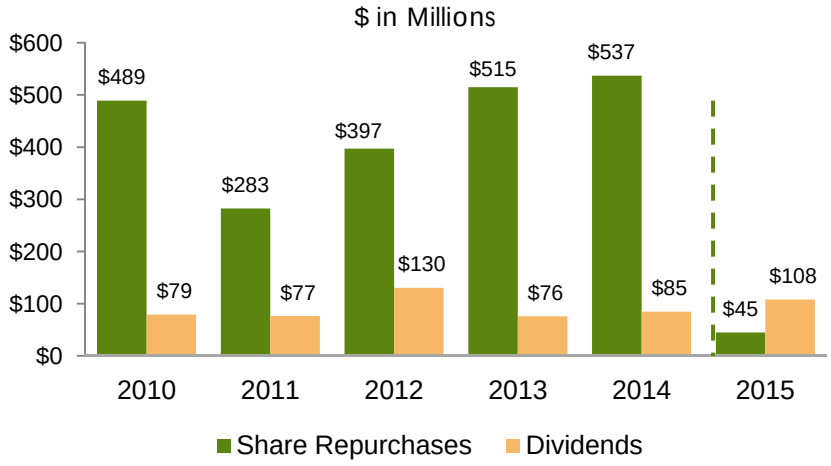
[1] Non-GAAP measure. See Appendix A for Non-GAAP to GAAP Reconciliation

Solid Track Record of Disciplined Capital Allocation

FREE CASH FLOW[1]



SHARE REPURCHASES AND DIVIDENDS



KEY TRANSACTIONS

tripadvisor
trivago
wotif group
travelocity
ORBITZ
HomeAway
AirAsia
Expedia[2]
VIA EGENCIA
BUSINESS TRAVEL · EXPEDIA, INC.
decolar.com
Autoescape Group
艺龙 eLong[3]

2011 | 2012 | 2013 | 2014 | 2015

[1] Non-GAAP measure, including eLong. See Appendix for Non-GAAP to GAAP Reconciliation. [2] Expedia acquired an additional 25% equity interest in the former joint venture in March 2015.
[3] On May 22, Expedia sold its 62.4% ownership in eLong to a group of purchasers based in China

Orbitz and HomeAway Impact to Adjusted EBITDA

	Q4 2015 $ millions	FY 2015 $ millions	Q4 2015 Y/Y Growth	FY 2015 Y/Y Growth
Expedia (excluding eLong) Adjusted EBITDA*	280	1,165	1%	11%
Total impact from Orbitz Worldwide (including deal & integration costs)	2	(25)	n/a	n/a
Total impact from HomeAway (including deal & integration costs)	(14)	(14)	n/a	n/a
Expedia Adjusted EBITDA (excluding eLong, Orbitz Worldwide and HomeAway)*	292	1,204	6%	15%

- 2016 Guidance:
  - Full Year 2016 Expedia (excluding eLong) Adjusted EBITDA y/y growth of 35% to 45%.
  - We expect a full year Adjusted EBITDA contribution from Orbitz Worldwide and HomeAway combined of $275 million to $325 million.
  - In terms of the shape of the year, we are not expecting any adjusted EBITDA dollar growth in the first half, with particular pressure on Q1.

* Non-GAAP measure. See Appendix A for Non-GAAP to GAAP Reconciliation.

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expedia inc.

A Growth Company

APPENDICES

Non-GAAP Definitions

Expedia, Inc. (excluding eLong). Expedia sold its ownership interest in eLong, Inc. on May 22, 2015. In order to allow comparison with prior periods for the ongoing Expedia businesses, Expedia, Inc. (excluding eLong) gross bookings, revenue, adjusted EBITDA, operating income (loss), adjusted net income (loss), adjusted EPS, Net income (loss) attributable to the Company, Diluted EPS and free cash flow each exclude the impact of eLong.

Adjusted EBITDA is defined as operating income plus: (1) stock-based compensation expense, including compensation expense related to certain subsidiary equity plans; (2) acquisition-related impacts, including (i) amortization of intangible assets and goodwill and intangible asset impairment, (ii) gains (losses) recognized on changes in the value of contingent consideration arrangements; and (iii) upfront consideration paid to settle employee compensation plans of the acquiree; (3) certain infrequently occurring items, including restructuring; (4) items included in Legal reserves, occupancy tax and other, which includes reserves for potential settlement of issues related to transactional taxes (e.g. hotel and excise taxes), related to court decisions and final settlements, and charges incurred, if any, for monies that may be required to be paid in advance of litigation in certain transactional tax proceedings; (5) gains (losses) realized on revenue hedging activities that are included in other, net; and (6) depreciation.

The above items are excluded from our Adjusted EBITDA measure because these items are noncash in nature, or because the amount and timing of these items is unpredictable, not driven by core operating results and renders comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA is a useful measure for analysts and investors to evaluate our future on-going performance as this measure allows a more meaningful comparison of our performance and projected cash earnings with our historical results from prior periods and to the results of our competitors. Moreover, our management uses this measure internally to evaluate the performance of our business as a whole and our individual business segments. In addition, we believe that by excluding certain items, such as stock-based compensation and acquisition-related impacts, Adjusted EBITDA corresponds more closely to the cash operating income generated from our business and allows investors to gain an understanding of the factors and trends affecting the ongoing cash earnings capabilities of our business, from which capital investments are made and debt is serviced.

Free Cash Flow is defined as net cash flow provided by operating activities less capital expenditures. Management believes Free Cash Flow is useful to investors because it represents the operating cash flow that our operating businesses generate, less capital expenditures but before taking into account other cash movements that are not directly tied to the core operations of our businesses, such as financing activities, foreign exchange or certain investing activities. Free Cash Flow has certain limitations in that it does not represent the total increase or decrease in the cash balance for the period, nor does it represent the residual cash flow for discretionary expenditures. Therefore, it is important to evaluate Free Cash Flow along with the consolidated statements of cash flows.

Non-GAAP / GAAP Reconciliation: Revenue

$ Millions	2012	2013	2014	2015
Revenue excluding eLong	$3,912	$4,607	$5,585	$6,631
eLong Revenue	118	164	178	42
Revenue Attributable to Expedia, Inc.	$4,030	$4,771	$5,763	$6,672

Note: Numbers may not sum due to rounding and include eLong

Non-GAAP / GAAP Reconciliation: Adjusted EBITDA

$ Millions	2012	2013	2014	2015
Adjusted EBITDA excluding eLong	$804	$891	$1,051	$1,165
eLong Adjusted EBITDA	(1)	(12)	(27)	(62)
Adjusted EBITDA	**$803**	**$879**	**$1,025**	**$1,103**
Depreciation	(164)	(212)	(266)	(337)
Amortization of Intangible Assets	(32)	(72)	(80)	(164)
Legal Reserves , Occupancy Tax and Other	(117)	(78)	(42)	105
Stock-Based Compensation	(65)	(130)	(85)	(178)
Acquisition-related and Other	-	(10)	-	-
Restructuring Charges	-	-	(26)	(72)
Realized Loss (Gain) on Revenue Hedges	6	(11)	(9)	(44)
Operating Income (Loss)	**$432**	**$366**	**$518**	**$414**
Gain on Sale of Business	-	-	-	509
Total Other Expense, Net	(82)	(65)	(53)	4
Income (Loss) from Continuing Operations before Income Taxes	**350**	**301**	**465**	**926**
Provision for Income Taxes	(47)	(84)	(92)	(203)
Income (Loss) from Continuing Operations	**303**	**216**	**373**	**723**
Discontinued Operations, Net of Taxes	(23)	-	-	-
Net Income (Loss)	**280**	**216**	**373**	**723**
Net (Income) Loss Attributable to Noncontrolling Interests	-	16	25	42
Net Income (Loss) Attributable to Expedia, Inc.	**$280**	**$233**	**$398**	**$764**

Note: Numbers may not sum due to rounding

Non-GAAP / GAAP Reconciliation: Free Cash Flow

$ Millions	2009	2010	2011	2012	2013	2014	2015
Cash provided by operations	$574	$605	$826	$1,237	$763	$1,367	$1,368
Capital expenditures	(79)	(136)	(208)	(236)	(309)	(328)	(787)
Free cash flow	$495	$469	$618	$1,001	$455	$1,039	$581

Note: Numbers may not sum due to rounding and include eLong

Non-GAAP / GAAP Reconciliation: Adjusted EBITDA

$ Millions	4Q15	FY15
Expedia (excluding eLong) Adjusted EBITDA excluding the Impacts of Orbitz Worldwide and HomeAway	$292	$1,204
Total Impact from Orbitz Worldwide	2	(25)
Total Impact from HomeAway	(14)	(14)
Expedia (excluding eLong) Adjusted EBITDA	**$280**	**$1,165**
eLong Adjusted EBITDA	-	**(62)**
Adjusted EBITDA	**$280**	**$1,103**
Depreciation	(96)	(337)
Amortization of Intangible Assets	(80)	(164)
Legal Reserves , Occupancy Tax and Other	(2)	105
Stock-Based Compensation	(44)	(178)
Restructuring Charges	(19)	(72)
Realized Loss (Gain) on Revenue Hedges	(9)	(44)
Operating Income (Loss)	**$29**	**$414**
Interest Expense, Net	(34)	(110)
Gain on Sale of Business	-	509
Other Expense, Net	(1)	113
Income (Loss) from Continuing Operations before Income Taxes	**(6)**	**926**
Provision for Income Taxes	(7)	(203)
Income (Loss) from Continuing Operations	**(13)**	**723**
Net (Income) Loss Attributable to Noncontrolling Interests	-	42
Net Income (Loss) Attributable to Expedia, Inc.	**($13)**	**$764**

Note: Numbers may not sum due to rounding