

EXPEDIA INC  
Form 4  
December 27, 2002

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE  
COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

☐ Check this box if no  
longer subject to Section  
16. Form 4 or Form 5  
obligations may continue.  
See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL  
OWNERSHIP**

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden  
hours per response. . .0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or  
Section 30(h) of the Investment Company Act of 1940

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|                                          |                                      |                                                    |                                                                                       |                                                                 |                                                                                                                                                                                                                |                                                          |                                                                  |  |  |
|------------------------------------------|--------------------------------------|----------------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------|--|--|
| 1. Name and Address of Reporting Person* |                                      |                                                    | 2. Issuer Name and Ticker or Trading Symbol                                           |                                                                 |                                                                                                                                                                                                                |                                                          | 6. Relationship of Reporting Person(s)                           |  |  |
| <b>STANGER GREGORY S.</b>                |                                      |                                                    | <b>EXPEDIA, INC. (EXPE)</b>                                                           |                                                                 |                                                                                                                                                                                                                |                                                          | to Issuer (Check all applicable)                                 |  |  |
| (Last) (First) (Middle)                  |                                      |                                                    | 3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)         |                                                                 | 4. Statement for Month/Day/Year<br><b>12/26/2002</b>                                                                                                                                                           |                                                          | <input checked="" type="checkbox"/> Director —                   |  |  |
| 13810 S.E. EASTGATE WAY<br>SUITE 400     |                                      |                                                    |                                                                                       |                                                                 |                                                                                                                                                                                                                |                                                          | <input checked="" type="checkbox"/> 10% Owner —                  |  |  |
| (Street)                                 |                                      |                                                    | 5. If Amendment, Date of Original (Month/Day/Year)                                    |                                                                 | 7. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person |                                                          | <input checked="" type="checkbox"/> Officer (give title below) — |  |  |
| BELLEVUE, WA 98005                       |                                      |                                                    |                                                                                       |                                                                 |                                                                                                                                                                                                                |                                                          | <u>Senior Vice President and Chief Financial Officer</u>         |  |  |
| (City) (State) (Zip)                     |                                      |                                                    | <b>Table I Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b> |                                                                 |                                                                                                                                                                                                                |                                                          |                                                                  |  |  |
| 1. Title of Security (Instr. 3)          | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8)                                                        | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5) | 5. Amount of Securities Beneficially Owned Following Reported Transactions(s) (Instr. 3 & 4)                                                                                                                   | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4)            |  |  |
| COMMON STOCK                             | 12/26/02                             |                                                    | M                                                                                     | 2,500 A                                                         | \$8.45                                                                                                                                                                                                         |                                                          |                                                                  |  |  |
| COMMON STOCK                             | 12/26/02                             |                                                    | S                                                                                     | 2,500 D                                                         | \$67.56                                                                                                                                                                                                        | 12,239                                                   | D                                                                |  |  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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**FORM 4 (continued) Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise Price of | 3. Transaction Date | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially | 10. Ownership Form | 11. Nature of Indirect Beneficial Ownership |
|---------------------------------|------------------------------------|---------------------|-----------------------------------|---------------------|-------------------------|----------------------------------------------------------|----------------------------------------------|--------------------------------------------|-------------------------------------------------|--------------------|---------------------------------------------|
|---------------------------------|------------------------------------|---------------------|-----------------------------------|---------------------|-------------------------|----------------------------------------------------------|----------------------------------------------|--------------------------------------------|-------------------------------------------------|--------------------|---------------------------------------------|

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| (Instr. 3)             | Derivative Security | (Month/Day/Year) | if any (Month/Day/Year) | (Instr. 8) |   | Securities Acquired (A) or Disposed of (D) |       | Year             |                 | (Instr. 3 & 4) |                            | Owned Following Reported Transaction(s) (Instr. 4) | of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | (Instr. 4) |
|------------------------|---------------------|------------------|-------------------------|------------|---|--------------------------------------------|-------|------------------|-----------------|----------------|----------------------------|----------------------------------------------------|---------------------------------------------------------------|------------|
|                        |                     |                  |                         | Code       | V | (A)                                        | (D)   | Date Exercisable | Expiration Date | Title          | Amount or Number of Shares |                                                    |                                                               |            |
| Options (Right to Buy) | \$8.45              | 12/26/02         |                         | M          |   |                                            | 2,500 | <sup>(1)</sup>   | 07/02/05        | Common Stock   | 2,500                      | \$8.45                                             | 105,524                                                       | D          |

Explanation of Responses:

(1) 15,871 shares vested on 01/02/00, and 15,871 shares vest every six month period thereafter, being fully vested on 01/02/03

By: /s/ **Gregory S. Stanger** **12/27/2002**  
by Maja D. Chaffe, his attorney-in-fact Date  
\*\*Signature of Reporting Person

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations.  
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.  
If space is insufficient, See Instruction 6 for procedure.

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