

EXPEDIA INC  
Form 4  
December 27, 2002

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

OMB APPROVAL

**FORM 4**

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**

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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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www.section16.net

1. Name and Address of Reporting Person* <b>STANGER GREGORY S.</b> (Last) (First) (Middle)		2. Issuer Name and Ticker or Trading Symbol <b>EXPEDIA, INC. (EXPE)</b>		6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director — <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) — Other (specify below) <b>Senior Vice President and Chief Financial Officer</b>	
13810 S.E. EASTGATE WAY SUITE 400		3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)	4. Statement for Month/Day/Year <b>12/26/2002</b>		7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(Street) <b>BELLEVUE, WA 98005</b>			5. If Amendment, Date of Original (Month/Day/Year)		

Table I Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned			3. Trans- action Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)			5. Amount of Securities Beneficially Owned Follow- ing Reported Transactions(s) (Instr. 3 & 4)		6. Owner- ship Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)
1. Title of Security (Instr. 3)	2. Trans- action Date (Month/ Day/ Year)	2A. Deemed Execution Date, if any (Month/Day/ Year)	Code	V	Amount	(A) or (D)	Price					
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. Conver- sion or Exercise Price of	3. Trans- action Date	3A. Deemed Execution Date,	4. Trans- action Code	5. Number of Derivative	6. Date Exercisable and Expiration Date (Month/Day/	7. Title and Amount of Underlying Securities	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially	10. Owner- ship Form	11. Nature of Indirect Beneficial Ownership
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(Instr. 3)	Derivative Security	(Month/Day/Year)	if any (Month/Day/Year)	Securities (Instr. 8)		Year	(Instr. 3 & 4)		Owned Following Reported Transaction(s) (Instr. 4)	of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	(Instr. 4)			
				Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)	Code V		Date Exer-cisable	Expira-tion Date				Title	Amount or Number of Shares	
<b>Options (Right to Buy)</b>	<b>\$8.45</b>	<b>12/26/02</b>		<b>M</b>		<b>2,500</b>	<sup>(1)</sup>	<b>07/02/05</b>	<b>Common Stock</b>	<b>2,500</b>	<b>\$8.45</b>	<b>105,524</b>	<b>D</b>	

Explanation of Responses:

<sup>(1)</sup> 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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