

# Expedia, Inc. to Acquire Activity World

## Acquisition Expands Expedia's Strategy of Offering Destination Services to Help Customers Plan the Whole Trip

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Expedia, Inc. today announced it would acquire Activity World, one of the largest resellers of tours and activities in Hawaii. With the acquisition, Expedia will significantly expand the destination services offerings available through its Web sites and will become the first online travel company to offer customers the option of booking in-destination activities online or on location at their vacation property. Activity World will be a wholly managed subsidiary of Expedia, Inc. Terms of the deal are confidential and the transaction is expected to close in early April 2004.

Founded in 1986, Activity World is a Maui, Hawaii-based company that operates more than two dozen kiosks in hotels and other locations on Maui. At these locations, travelers can choose dozens of popular tours and activities such as luaus, helicopter sightseeing tours, and snorkeling excursions. With more than 80 employees, Activity World provides upwards of 154,000 destination service packages per year in the multi-million dollar destination services market in Hawaii.

"The average vacationer to Hawaii spends \$209 per trip on tours and activities, according to Hawaii Visitors and Conventions Bureau, and the large majority of this spending is captured in the destination. Expedia is investing in Activity World to expand our destination services strength in one of the most popular vacation spots in the world, and to offer our customers the best tours and activities no matter when or how they want to plan and purchase them," said Erik Blachford, CEO, Expedia, Inc. "Activity World's specialized expertise will be a tremendous asset as we continue to pursue our strategy of offering customers everything they need to book the whole trip."

According to Craig Hill, President, Activity World, "Our primary mission is to provide an exciting and memorable experience for visitors to the Hawaiian Islands. As part of the Expedia family, we'll be able to offer that experience to more travelers than ever before, either when they book their trips online or on the 'spur of the moment,' after they have arrived."

For more information on Expedia's destination services, please visit <http://expedia.com/daily/guides/> or call 1-800-EXPEDIA [1-800-397-3342].

About Expedia, Inc.

Expedia, Inc. is the world's leading online travel service and the fourth largest travel agency in the U.S. Expedia's award-winning Expert Searching and Pricing (ESP) technology delivers the most comprehensive flight options available online. ESP also allows customers to dynamically build complete trips that combine flights, Expedia(R) Special Rate hotels and other lodging, ground transportation, and destination activities. Expedia operates Classic Custom Vacations(R), a leading wholesaler of premiere vacation packages to destinations such as Hawaii, Mexico, Europe and the Caribbean; and Expedia(R) Corporate Travel, a full-service corporate travel agency. Expedia, Inc.'s wholly owned subsidiary, Travelscape, Inc., operates WWTE(TM), bringing complementary cross-sell and dynamic packaging booking functionality to third parties on a private-label basis. Expedia can be found at [www.expedia.com](http://www.expedia.com). Expedia can be found on the Web at [www.expedia.com](http://www.expedia.com). Expedia is a wholly-owned subsidiary of IAC/InterActiveCorp . CST: 2029030-40

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