

New TV Ad Campaign Leads To Record \$3 Million Revenue Day And Business Unit Sales Records At Priceline.com

Airline service also sets 7-day sales record of 80,000 tickets Hotel service sets 7-day sales record of over 20,000 room nights

NORWALK, Conn.--(BUSINESS WIRE)--January 11, 2000--

Priceline.com (Nasdaq: PCLN), the Internet pricing system, said that it had a record \$3 million revenue day yesterday. The Company also said that its airline service set a 7-day sales record, selling 80,000 airline tickets, while its hotel service also set a 7-day record, selling over 20,000 room nights. Meanwhile, Priceline WebHouse Club, a priceline.com licensee, reported record sales (see separate release) and had its first 10,000-customer day on Sunday, January 9th.

The new revenue and business unit sales records come one week after the launch of a new national TV advertising campaign created by Hill Holiday for priceline.com featuring William Shatner singing a variety of pop hits from the '60s and '70s. The ads have generated the most consumer response ever to a priceline.com advertising campaign, with many consumers even asking to purchase video copies of the ads.

"We expected the first quarter to be strong," said Daniel H. Schulman, priceline.com's president and COO. "Supported by our new advertising and the support of our new airline partners, we definitely got the new year off to the right start."

Last week, priceline.com said that it expected to report total revenues for 1999, its first full year of operations, of almost half a billion dollars. For the fourth quarter 1999, the Company said it expects to report revenues of approximately \$168 million and gross profit of approximately \$22.7 million, excluding \$381,000 in non-cash supplier warrant charges. The Company said that it expected to report a 4th quarter gross margin of approximately 13.5%, the highest in priceline.com's history. Priceline.com also said at the time that it expects the 1st quarter of 2000 to be a very strong quarter for many of the Company's services and one in which many of the initiatives begun in the 4th quarter will start to have an impact.

About priceline.com

Priceline.com is the patented Internet pricing system that enables consumers to achieve significant savings by using their personal brand flexibility as a way to get goods and services at well below publicly advertised prices. Priceline.com takes consumers' price requests and then presents them to participating sellers, who can fill as much of that guaranteed demand as they wish at price points determined by the buyers. Priceline.com's "virtual" business model allows for rapid scaling using the Internet. Because the Company electronically collects consumer demand, it can fill this demand directly with sellers or by using proprietary databases.

Priceline.com's business system currently sells multiple services to customers across three product categories: Priceline Travel Services that offer leisure airline tickets, hotel rooms and rental cars; Priceline Personal Finance Services that offer home mortgages, refinancing and home equity loans, Priceline Automotive Services that lets consumers make purchase offers for new cars.

Priceline.com also licensed its business model to a privately owned company, Priceline WebHouse Club, which offers Name-Your-Own-Price retail goods, beginning with groceries in the New York metro and greater Philadelphia areas. In return for the WebHouse Club license, priceline.com has received warrants allowing it to purchase a majority equity stake in the WebHouse Club under certain contingent conditions. Prior to the exercise of those warrants, the results of WebHouse Club operations will not be included in priceline.com's financial statements.

This press release may contain forward-looking statements that are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Expressions of future goals and similar expressions including, without limitation, "may," "will," "believes," "should," "could," "hope," "expects," "expected," "does not currently expect," "anticipates," "predicts," "potential," and "forecast," reflecting something other than historical fact are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. These forward-looking statements involve a number of risks and uncertainties, including the timely development and market acceptance of products and technologies and other factors described in the Company's filings with the Securities and Exchange Commission. The actual results may differ materially from any forward-looking statements due to such risks and uncertainties. The Company undertakes no obligations to revise or

update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

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