



PRESS RELEASE

Freeborders and Expedia, Inc. Announce Partnership

Venture creates largest application development and maintenance services relationship in China IT industry history

SAN FRANCISCO, Calif., Oct. 17, 2007 --Freeborders Inc., the leading provider of information technology outsourcing solutions developed in China and delivered to global clients based in North America, today announced it has partnered with Expedia®, Inc. (NASDAQ: EXPE), the world's leading online travel agency, to create a technology development center for Expedia in China. This relationship will enable Expedia to enhance its core platforms and services and increase its technical agility as the company continues to expand its global footprint.

With this partnership, Freeborders and Expedia are working together to build a global delivery team that could expand the Freeborders' organization by more than 400 China-based IT professionals over approximately four years.

"As we carry out our competitive strategy for global growth, Expedia selected Freeborders because of the organization's expertise leveraging China's infrastructure and vast talent pool," said Pierre Samec, chief technology officer at Expedia. "The expansion of global development resources speeds our delivery of products and services and provides flexible staffing that rapidly adapts to our needs. In addition, our early position in China gives us immediate access to the top talent in the region."

This multi-year contract marks the largest application development and maintenance (ADM) transaction being led and delivered by IT professionals and infrastructure based in China, noted Freeborders leader Jean Cholka. Deal terms were not disclosed.

"We've focused exclusively on developing people and facilities located in China because we see technical and operational advantages not available in other global venues," said Cholka, chief executive officer for the San Francisco-based IT service provider. "Our partnership will expand the technology resources available to Expedia, helping the company deliver 24/7 IT solutions with shorter development windows for global projects."

As the global demand for trained and capable IT professionals continues to rapidly expand, Freeborders believes that China becomes both a strategic and a smart choice for Fortune 1000 companies seeking application development in China. Data compiled by Freeborders demonstrates that the nation leads the world in the number of engineering students graduating from college annually, with 352,000 versus 184,000 in India and 84,000 in the United States. A nearly equal number of Chinese students - 350,000 - are graduating with technology-related degrees, nearly 25 percent more than produced by colleges and universities in India.

According to Freeborders officials, the scale and scope of the Expedia engagement signals a paradigm shift away from India as the primary destination for scaleable IT services. Freeborders' attention to delivering world-class processes with advanced maturity levels (CMMI Level 5) and IT security (ISO 27001) is creating an environment that is expected to result in a greater geographic balance between China and India for major ADM assignments.



While the availability of highly capable and experienced professionals working in a productive venue is one critical success factor, Freeborders officials believe this aspect is matched in importance by the creation of true, collaborative client-service provider relationships.

"While we view the people and the place where we deliver solutions as important, the creation of trust and value are essential to establishing and advancing a high performance relationship," said Mike Keating, a vice president with Freeborders. "Collaboration is central to ensuring real cultural fit, building effective communications and establishing a seamless, globally integrated delivery team. The resulting high-order relationships are the ones best positioned for conducting strategic, transformational IT work, such as the projects that Expedia and Freeborders are collaborating upon in this partnership. We look forward to building on our relationship with Expedia to add further value within their organization."

Various academic and professional organizations have identified that significant loss of value (such as productivity) - projected at between 27 and 45 percent - can occur due to problems encountered from lack of cultural fit and miscommunications between client and the global delivery IT partner. According to Keating, the Freeborders organization has carefully focused resources on developing a unique customer intimacy relationship model that drives seamless relationships between executives, business and delivery team members, blurring the lines between clients and service provider to create a unified global team.

About Expedia, Inc.

Expedia, Inc. is the world's leading online travel company, empowering business and leisure travelers with the tools and information they need to easily research, plan, book, and experience travel. Expedia, Inc. also provides wholesale travel to offline retail travel agents. Expedia, Inc.'s portfolio of brands includes: Expedia.com®, hotels.com®, Hotwire®, Expedia® Corporate Travel, TripAdvisor® and Classic Vacations®. Expedia, Inc.'s companies also operate internationally with sites in Australia, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, Spain, Sweden, the United Kingdom, and China, through its investment in eLongT. For more information, visit <http://www.expediainc.com/> (NASDAQ: EXPE).

About Freeborders

Freeborders is a U.S.-based, global provider of outsourcing solutions with development centers in China. The company specializes in a broad spectrum of information technology and information technology enabled services. Its state-of-the-art infrastructure, proven global delivery model, experienced management team, and highly skilled colleagues deliver to its clients award-winning customer support and quality. Freeborders is assessed at Level 5 of the SEI's CMMI, and is ISO 27001 as well as ISO 9901-2000 certified. To learn more, visit www.freeborders.com.

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