

IAC
Q3 2015 Earnings
Supplemental Financial Information and Operating Metrics

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Financial Results and Reconciliations

(\$ in millions, except per share amounts; rounding differences may exist)

	2013	2014					2015				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue											
Search & Applications	\$ 1,604.9	\$ 398.0	\$ 395.7	\$ 394.7	\$ 407.8	\$ 1,596.3	\$ 382.9	\$ 351.4	\$ 377.1		
The Match Group	805.4	211.2	214.3	230.2	241.5	897.2	239.2	254.7	274.2		
Media	191.4	36.4	36.7	49.9	58.9	181.8	43.6	36.2	57.3		
eCommerce	422.1	94.8	109.9	107.8	122.7	435.4	107.0	129.0	130.0		
Intercompany Elimination	(0.9)	(0.2)	(0.3)	(0.3)	(0.3)	(1.1)	(0.2)	(0.1)	(0.1)		
Total revenue	<u>\$ 3,023.0</u>	<u>\$ 740.2</u>	<u>\$ 756.3</u>	<u>\$ 782.2</u>	<u>\$ 830.8</u>	<u>\$ 3,109.5</u>	<u>\$ 772.5</u>	<u>\$ 771.1</u>	<u>\$ 838.6</u>		
Adjusted EBITDA											
Search & Applications	\$ 385.9	\$ 82.1	\$ 91.3	\$ 93.1	\$ 95.6	\$ 362.0	\$ 78.9	\$ 72.9	\$ 74.4		
The Match Group	266.9	47.4	69.4	61.4	86.6	264.7	25.9	64.8	84.3		
Media	(17.0)	(7.9)	(8.9)	(7.7)	(12.2)	(36.7)	(14.6)	(15.5)	(7.7)		
eCommerce	22.9	2.8	4.5	3.9	6.1	17.3	(3.1)	2.7	7.7		
Corporate	(60.4)	(16.3)	(14.8)	(16.1)	(16.0)	(63.3)	(11.9)	(16.3)	(17.6)		
Total Adjusted EBITDA	<u>\$ 598.3</u>	<u>\$ 108.1</u>	<u>\$ 141.4</u>	<u>\$ 134.6</u>	<u>\$ 160.0</u>	<u>\$ 544.1</u>	<u>\$ 75.2</u>	<u>\$ 108.7</u>	<u>\$ 141.1</u>		
Stock-based compensation expense											
Search & Applications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
The Match Group	(1.1)	-	(0.2)	(0.1)	0.6	0.3	(0.6)	(2.1)	(1.1)		
Media	(0.6)	(0.2)	(0.2)	(0.2)	(0.2)	(0.6)	(0.1)	(0.1)	-		
eCommerce	-	-	-	(0.1)	(0.4)	(0.6)	(0.4)	(0.4)	(0.4)		
Corporate	(51.3)	(9.4)	(16.2)	(16.9)	(16.2)	(58.7)	(17.7)	(23.3)	(25.4)		
Total stock-based compensation expense	<u>\$ (53.0)</u>	<u>\$ (9.6)</u>	<u>\$ (16.6)</u>	<u>\$ (17.3)</u>	<u>\$ (16.1)</u>	<u>\$ (59.6)</u>	<u>\$ (18.9)</u>	<u>\$ (25.9)</u>	<u>\$ (27.0)</u>		
Depreciation											
Search & Applications	\$ (18.2)	\$ (4.5)	\$ (5.1)	\$ (3.6)	\$ (3.3)	\$ (16.5)	\$ (3.6)	\$ (3.7)	\$ (3.8)		
The Match Group	(20.2)	(5.8)	(5.6)	(5.8)	(8.4)	(25.6)	(7.1)	(6.6)	(6.2)		
Media	(2.1)	(0.3)	(0.2)	(0.2)	(0.2)	(0.9)	(0.2)	(0.2)	(0.3)		
eCommerce	(8.9)	(1.7)	(1.9)	(2.0)	(2.4)	(8.0)	(2.0)	(2.1)	(2.2)		
Corporate	(9.5)	(2.5)	(2.5)	(2.6)	(2.6)	(10.1)	(2.7)	(2.9)	(3.2)		
Total depreciation	<u>\$ (58.9)</u>	<u>\$ (14.8)</u>	<u>\$ (15.3)</u>	<u>\$ (14.1)</u>	<u>\$ (16.9)</u>	<u>\$ (61.2)</u>	<u>\$ (15.6)</u>	<u>\$ (15.5)</u>	<u>\$ (15.6)</u>		
Amortization of intangibles											
Search & Applications	\$ (27.6)	\$ (7.3)	\$ (8.4)	\$ (9.1)	\$ (9.1)	\$ (33.9)	\$ (7.0)	\$ (6.9)	\$ (6.7)		
The Match Group	(17.1)	(1.8)	(1.7)	(3.3)	(4.6)	(11.4)	(3.9)	(5.9)	(4.4)		
Media	(1.1)	(0.3)	(0.7)	(0.6)	(0.5)	(2.1)	(0.4)	(0.4)	(0.4)		
eCommerce	(14.1)	(2.6)	(2.6)	(3.3)	(1.9)	(10.5)	(1.3)	(1.2)	(0.9)		
Corporate	-	-	-	-	-	-	-	-	-		
Total amortization of intangibles	<u>\$ (59.8)</u>	<u>\$ (12.0)</u>	<u>\$ (13.4)</u>	<u>\$ (16.5)</u>	<u>\$ (16.1)</u>	<u>\$ (57.9)</u>	<u>\$ (12.6)</u>	<u>\$ (14.4)</u>	<u>\$ (12.3)</u>		
Acquisition-related contingent consideration fair value adjustments											
Search & Applications	\$ -	\$ -	\$ -	\$ -	\$ (0.3)	\$ (0.3)	\$ (4.0)	\$ 6.3	\$ 1.5		
The Match Group	(0.3)	-	(0.7)	14.3	(0.7)	12.9	11.0	1.2	(0.8)		
Media	-	-	0.2	-	-	0.2	-	2.4	0.2		
eCommerce	-	-	-	-	0.6	0.6	-	-	-		
Corporate	-	-	-	-	-	-	-	-	-		
Total acquisition-related contingent consideration fair value adjustments	<u>\$ (0.3)</u>	<u>\$ -</u>	<u>\$ (0.5)</u>	<u>\$ 14.3</u>	<u>\$ (0.4)</u>	<u>\$ 13.4</u>	<u>\$ 7.0</u>	<u>\$ 10.0</u>	<u>\$ 1.0</u>		

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Financial Results and Reconciliations

(\$ in millions, except per share amounts; rounding differences may exist)

	2013	2014					2015				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Operating income (loss)											
Search & Applications	\$ 340.1	\$ 70.3	\$ 77.8	\$ 80.4	\$ 82.8	\$ 311.3	\$ 64.3	\$ 68.6	\$ 65.4		
The Match Group	228.2	39.8	61.2	66.4	73.5	240.9	25.3	51.4	71.9		
Media	(20.8)	(8.6)	(9.8)	(8.7)	(13.1)	(40.2)	(15.4)	(13.8)	(8.3)		
eCommerce	(0.1)	(1.6)	0.0	(1.6)	1.9	(1.3)	(6.9)	(1.0)	4.2		
Corporate	(121.2)	(28.3)	(33.5)	(35.5)	(34.8)	(132.1)	(32.3)	(42.5)	(46.2)		
Total operating income	<u>\$ 426.2</u>	<u>\$ 71.7</u>	<u>\$ 95.7</u>	<u>\$ 101.0</u>	<u>\$ 110.4</u>	<u>\$ 378.7</u>	<u>\$ 35.1</u>	<u>\$ 62.8</u>	<u>\$ 87.1</u>		
Equity in (losses) earnings of unconsolidated affiliates	(6.6)	(1.9)	(6.9)	(0.6)	(0.3)	(9.7)	(0.3)	(0.2)	0.4		
Interest expense	(33.6)	(14.1)	(14.0)	(14.0)	(14.2)	(56.3)	(14.1)	(15.2)	(16.0)		
Other income (expense), net	30.3	-	(62.9)	4.1	16.0	(42.8)	7.3	(1.4)	34.0		
Earnings from continuing operations before income taxes	416.3	55.7	11.9	90.4	111.9	269.9	28.0	45.9	105.5		
Income tax (provision) benefit	(134.5)	(21.4)	(29.9)	59.8	(43.9)	(35.4)	(6.2)	12.0	(40.5)		
Earnings (loss) from continuing operations	281.8	34.3	(18.0)	150.3	68.0	234.6	21.9	57.9	65.0		
Earnings (loss) from discontinued operations, net of tax	1.9	(0.8)	(0.9)	175.7	0.6	174.7	0.1	(0.2)	-		
Net earnings (loss)	283.7	33.5	(18.9)	326.0	68.6	409.2	22.0	57.7	65.0		
Net loss attributable to noncontrolling interests	2.1	2.4	0.9	0.8	1.6	5.6	4.4	1.6	0.6		
Net earnings (loss) attributable to IAC shareholders	<u>\$ 285.8</u>	<u>\$ 35.9</u>	<u>\$ (18.0)</u>	<u>\$ 326.8</u>	<u>\$ 70.2</u>	<u>\$ 414.9</u>	<u>\$ 26.4</u>	<u>\$ 59.3</u>	<u>\$ 65.6</u>		
GAAP diluted weighted average shares outstanding	86.7	87.2	83.2	88.8	89.5	88.6	88.8	87.1	88.9		
GAAP diluted earnings (loss) per share	<u>\$ 3.29</u>	<u>\$ 0.41</u>	<u>\$ (0.22)</u>	<u>\$ 3.68</u>	<u>\$ 0.78</u>	<u>\$ 4.68</u>	<u>\$ 0.30</u>	<u>\$ 0.68</u>	<u>\$ 0.74</u>		
Reconciliation of GAAP EPS to Adjusted EPS											
Net earnings (loss) attributable to IAC shareholders	\$ 285.8	\$ 35.9	\$ (18.0)	\$ 326.8	\$ 70.2	\$ 414.9	\$ 26.4	\$ 59.3	\$ 65.6		
Stock-based compensation expense	53.0	9.6	16.6	17.3	16.1	59.6	18.9	25.9	27.0		
Amortization of intangibles	59.8	12.0	13.4	16.5	16.1	57.9	12.6	14.4	12.3		
Acquisition-related contingent consideration fair value adjustments	0.3	-	0.5	(14.3)	0.4	(13.4)	(7.0)	(10.0)	(1.0)		
Gain on sale of VUE interests and related effects	4.0	1.0	1.0	(50.5)	-	(48.6)	-	-	-		
Discontinued operations, net of tax	(1.9)	0.8	0.9	(175.7)	(0.6)	(174.7)	(0.1)	0.2	-		
Impact of income taxes and noncontrolling interests	(43.0)	(7.6)	(11.2)	(38.1)	(12.5)	(69.3)	(12.4)	(15.2)	(13.6)		
Adjusted Net Income	<u>\$ 358.1</u>	<u>\$ 51.6</u>	<u>\$ 3.2</u>	<u>\$ 82.0</u>	<u>\$ 89.7</u>	<u>\$ 226.5</u>	<u>\$ 38.4</u>	<u>\$ 74.6</u>	<u>\$ 90.3</u>		
Adjusted EPS weighted average shares outstanding (a)	87.2	87.5	89.1	89.2	89.9	88.9	89.1	87.5	89.4		
Adjusted EPS	<u>\$ 4.11</u>	<u>\$ 0.59</u>	<u>\$ 0.04</u>	<u>\$ 0.92</u>	<u>\$ 1.00</u>	<u>\$ 2.55</u>	<u>\$ 0.43</u>	<u>\$ 0.85</u>	<u>\$ 1.01</u>		
GAAP Basic weighted average shares outstanding	83.5	82.5	83.2	83.6	83.9	83.3	83.5	82.4	82.9		
Options, warrants and RSUs, treasury method	3.3	4.7	-	5.2	5.6	5.3	5.3	4.7	6.0		
GAAP Diluted weighted average shares outstanding	86.7	87.2	83.2	88.8	89.5	88.6	88.8	87.1	88.9		
Options, warrants and RSUs, treasury method not included in diluted shares above	-	-	5.6	-	-	-	-	-	-		
Impact of RSUs	0.4	0.3	0.3	0.4	0.4	0.4	0.3	0.4	0.5		
Adjusted EPS weighted average shares outstanding (a)	<u>87.2</u>	<u>87.5</u>	<u>89.1</u>	<u>89.2</u>	<u>89.9</u>	<u>88.9</u>	<u>89.1</u>	<u>87.5</u>	<u>89.4</u>		

(a) For Adjusted EPS purposes, the impact of RSUs on shares outstanding is based on the weighted average number of RSUs outstanding, including performance-based RSUs outstanding that the Company believes are probable of vesting. For GAAP diluted EPS purposes, RSUs, including performance-based RSUs for which the performance criteria have been met, are included on a treasury method basis.

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Search & Applications

(rounding differences may exist)

	2013	2014					2015				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Search & Applications (in millions)											
<i>Revenue</i>											
Websites (a)	\$ 786.9	\$ 203.7	\$ 205.2	\$ 209.1	\$ 217.8	\$ 835.8	\$ 189.7	\$ 164.8	\$ 188.1		
Applications (b)	818.0	194.3	190.5	185.6	190.1	760.5	193.2	186.5	189.0		
Total Search & Applications	<u>\$ 1,604.9</u>	<u>\$ 398.0</u>	<u>\$ 395.7</u>	<u>\$ 394.7</u>	<u>\$ 407.8</u>	<u>\$ 1,596.3</u>	<u>\$ 382.9</u>	<u>\$ 351.4</u>	<u>\$ 377.1</u>		
Websites Page Views (c)	32,077	8,276	7,731	7,103	6,917	30,027	6,385	5,448	5,437		
Applications Queries (b)	22,983	5,183	5,076	4,456	4,631	19,346	5,081	5,501	5,706		

(a) Websites revenue is principally composed of Ask.com, About.com, CityGrid, Dictionary.com, Investopedia, PriceRunner and Ask.fm.

(b) Applications includes B2C, including SlimWare and Apalon, and B2B.

(c) Websites page views include Ask.com, About.com, CityGrid, Dictionary.com, Investopedia.com and PriceRunner.com.

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The Match Group

(rounding differences may exist)

	2013	2014					2015				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
The Match Group											
Dating Revenue (in millions)											
North America (a)	\$ 523.7	\$ 134.5	\$ 138.1	\$ 142.5	\$ 142.1	\$ 557.2	\$ 145.2	\$ 155.0	\$ 158.6		
International (b)	264.5	70.5	69.5	68.9	70.4	279.3	64.9	67.9	76.6		
Total Dating Revenue	<u>\$ 788.2</u>	<u>\$ 205.0</u>	<u>\$ 207.6</u>	<u>\$ 211.4</u>	<u>\$ 212.5</u>	<u>\$ 836.5</u>	<u>\$ 210.1</u>	<u>\$ 222.9</u>	<u>\$ 235.1</u>		
Dating Paid Subscribers ^(c) (in thousands)											
North America (a)	2,286	2,389	2,430	2,462	2,398	2,398	2,702	2,691	2,641		
International (b)	1,071	1,079	1,070	1,149	1,108	1,108	1,310	1,439	1,534		
Total Dating Paid Subscribers	<u>3,357</u>	<u>3,468</u>	<u>3,500</u>	<u>3,611</u>	<u>3,507</u>	<u>3,507</u>	<u>4,012</u>	<u>4,130</u>	<u>4,175</u>		
Dating Average PMC ^{(c) (d)} (in thousands)											
North America (a)	2,169	2,356	2,373	2,457	2,429	2,404	2,553	2,699	2,676		
International (b)	1,020	1,086	1,074	1,101	1,127	1,097	1,179	1,366	1,491		
Total Dating Average PMC	<u>3,189</u>	<u>3,442</u>	<u>3,447</u>	<u>3,558</u>	<u>3,556</u>	<u>3,501</u>	<u>3,732</u>	<u>4,065</u>	<u>4,167</u>		

(a) North America includes Match, Chemistry, People Media, OkCupid, Tinder and other dating businesses operating within the United States and Canada.

(b) International includes Meetic, Tinder and all dating businesses operating outside of the United States and Canada.

(c) In the registration statement on Form S-1 filed by Match Group, Inc. on October 16, 2015, Match Group, Inc. refers to "paid subscribers" as "paid members". Beginning in Q4 2015, we will no longer disclose "paid subscribers" and will continue to disclose Average PMC.

(d) Average PMC is calculated by summing the number of paid subscribers, or paid member count (PMC), at the end of each day in the relevant measurement period and dividing it by the number of calendar days in that period.

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HomeAdvisor

(rounding differences may exist)

	2013	2014					2015				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
HomeAdvisor (in thousands)											
Domestic Service Requests (a)	5,824	1,310	1,887	1,903	1,491	6,591	1,811	2,804	2,908		
Domestic Accepts (b)	7,151	1,635	2,118	2,164	1,871	7,788	2,233	2,978	3,034		
International Service Requests (a)	896	234	266	237	261	998	284	298	273		
International Accepts (b)	1,633	518	538	423	491	1,970	548	454	406		

(a) Fully completed and submitted customer service requests on HomeAdvisor.

(b) The number of times service requests are accepted by service professionals. A service request can be transmitted to and accepted by more than one service professional.