

IAC
Q1 2016 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)

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue											
Match Group	\$ 888.3	\$ 235.1	\$ 248.8	\$ 269.0	\$ 267.6	\$ 1,020.4	\$ 285.3				
HomeAdvisor	283.5	75.8	94.2	99.4	91.8	361.2	111.5				
Publishing	791.5	179.0	154.4	178.7	179.5	691.7	166.0				
Applications	776.7	197.5	190.8	193.3	179.2	760.7	159.8				
Video	182.5	46.5	40.7	60.1	66.0	213.3	55.1				
Other	187.8	38.9	42.3	38.2	64.8	184.1	41.6				
Intercompany Elimination	(0.8)	(0.2)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)				
Total revenue	<u>\$ 3,109.5</u>	<u>\$ 772.5</u>	<u>\$ 771.1</u>	<u>\$ 838.6</u>	<u>\$ 848.7</u>	<u>\$ 3,230.9</u>	<u>\$ 819.2</u>				
Adjusted EBITDA											
Match Group	\$ 273.4	\$ 33.3	\$ 63.4	\$ 82.7	\$ 99.3	\$ 278.7	\$ 64.6				
HomeAdvisor	17.7	(0.8)	4.7	8.9	5.8	18.5	5.0				
Publishing	151.0	26.7	17.3	21.1	22.7	87.8	11.4				
Applications	186.2	45.5	49.1	47.9	41.7	184.3	31.1				
Video	(39.9)	(19.7)	(12.1)	(5.1)	(1.4)	(38.4)	(16.9)				
Other	13.1	0.7	0.9	1.6	7.4	10.6	1.1				
Corporate	(57.4)	(10.5)	(14.6)	(15.9)	(14.7)	(55.7)	(10.3)				
Total Adjusted EBITDA	<u>\$ 544.1</u>	<u>\$ 75.2</u>	<u>\$ 108.7</u>	<u>\$ 141.1</u>	<u>\$ 160.8</u>	<u>\$ 485.8</u>	<u>\$ 85.9</u>				
Stock-based compensation expense											
Match Group	\$ (20.9)	\$ (6.3)	\$ (11.6)	\$ (13.1)	\$ (19.1)	\$ (50.1)	\$ (17.5)				
HomeAdvisor	(0.6)	(0.4)	(0.4)	(0.4)	(0.4)	(1.6)	(0.4)				
Publishing	-	-	-	-	-	-	-				
Applications	-	-	-	-	-	-	-				
Video	(0.6)	(0.1)	(0.1)	-	-	(0.4)	-				
Other	-	-	-	-	-	-	-				
Corporate	(37.6)	(12.0)	(13.8)	(13.5)	(14.1)	(53.4)	(13.3)				
Total stock-based compensation expense	<u>\$ (59.6)</u>	<u>\$ (18.9)</u>	<u>\$ (25.9)</u>	<u>\$ (27.0)</u>	<u>\$ (33.6)</u>	<u>\$ (105.4)</u>	<u>\$ (31.2)</u>				
Depreciation											
Match Group	\$ (25.5)	\$ (7.0)	\$ (6.6)	\$ (6.1)	\$ (6.2)	\$ (26.0)	\$ (6.5)				
HomeAdvisor	(6.5)	(1.6)	(1.6)	(1.6)	(1.8)	(6.6)	(1.9)				
Publishing	(11.9)	(2.5)	(2.4)	(2.4)	(2.3)	(9.6)	(2.2)				
Applications	(4.4)	(1.0)	(1.2)	(1.3)	(1.1)	(4.6)	(1.1)				
Video	(0.9)	(0.2)	(0.2)	(0.3)	(0.4)	(1.1)	(0.4)				
Other	(1.8)	(0.5)	(0.6)	(0.7)	(0.6)	(2.5)	(0.7)				
Corporate	(10.1)	(2.7)	(2.9)	(3.2)	(3.1)	(11.9)	(3.0)				
Total depreciation	<u>\$ (61.2)</u>	<u>\$ (15.6)</u>	<u>\$ (15.5)</u>	<u>\$ (15.6)</u>	<u>\$ (15.5)</u>	<u>\$ (62.2)</u>	<u>\$ (15.8)</u>				
Amortization of intangibles											
Match Group	\$ (11.4)	\$ (3.9)	\$ (5.9)	\$ (4.4)	\$ (6.0)	\$ (20.1)	\$ (8.3)				
HomeAdvisor	(9.6)	(1.2)	(1.1)	(0.8)	(0.8)	(3.8)	(0.8)				
Publishing	(28.6)	(4.8)	(4.8)	(4.6)	(90.8)	(104.9)	(2.4)				
Applications	(2.5)	(1.6)	(1.6)	(1.6)	(1.5)	(6.3)	(1.5)				
Video	(2.1)	(0.4)	(0.4)	(0.4)	(0.4)	(1.6)	(0.4)				
Other	(3.8)	(0.7)	(0.7)	(0.7)	(1.2)	(3.3)	(0.4)				
Corporate	-	-	-	-	-	-	-				
Total amortization of intangibles	<u>\$ (57.9)</u>	<u>\$ (12.6)</u>	<u>\$ (14.4)</u>	<u>\$ (12.3)</u>	<u>\$ (100.6)</u>	<u>\$ (140.0)</u>	<u>\$ (13.8)</u>				

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Financial Results and Reconciliations

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

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Acquisition-related contingent consideration fair value adjustments											
Match Group	\$ 12.9	\$ 11.0	\$ 1.2	\$ (0.8)	\$ (0.4)	\$ 11.1	\$ (3.2)				
HomeAdvisor	-	-	-	-	-	-	-				
Publishing	-	-	-	-	-	-	-				
Applications	(0.3)	(4.0)	6.3	1.5	(2.0)	1.8	(0.7)				
Video	0.2	-	2.4	0.2	-	2.6	0.2				
Other	0.6	-	-	-	-	-	-				
Corporate	-	-	-	-	-	-	-				
Total acquisition-related contingent consideration fair value adjustments	<u>\$ 13.4</u>	<u>\$ 7.0</u>	<u>\$ 10.0</u>	<u>\$ 1.0</u>	<u>\$ (2.4)</u>	<u>\$ 15.5</u>	<u>\$ (3.7)</u>				
Goodwill impairment											
Match Group	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
HomeAdvisor	-	-	-	-	-	-	-				
Publishing	-	-	-	-	-	-	-				
Applications	-	-	-	-	-	-	-				
Video	-	-	-	-	-	-	-				
Other	-	-	-	-	(14.1)	(14.1)	-				
Corporate	-	-	-	-	-	-	-				
Total goodwill impairment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14.1)</u>	<u>\$ (14.1)</u>	<u>\$ -</u>				
Operating income (loss)											
Match Group	\$ 228.6	\$ 27.0	\$ 40.5	\$ 58.4	\$ 67.6	\$ 193.6	\$ 29.2				
HomeAdvisor	1.1	(4.0)	1.6	6.1	2.8	6.5	1.9				
Publishing	110.5	19.4	10.2	14.1	(70.4)	(26.7)	6.8				
Applications	179.0	38.9	52.6	46.5	37.1	175.1	27.7				
Video	(43.3)	(20.5)	(10.5)	(5.7)	(2.2)	(38.8)	(17.5)				
Other	8.1	(0.5)	(0.4)	0.2	(8.4)	(9.2)	(0.1)				
Corporate	(105.1)	(25.2)	(31.3)	(32.5)	(31.9)	(120.9)	(26.6)				
Total operating income (loss)	<u>\$ 378.7</u>	<u>\$ 35.1</u>	<u>\$ 62.8</u>	<u>\$ 87.1</u>	<u>\$ (5.4)</u>	<u>\$ 179.6</u>	<u>\$ 21.4</u>				
Interest expense	(56.3)	(14.1)	(15.2)	(16.0)	(28.4)	(73.6)	(27.9)				
Other (expense) income, net	(52.5)	7.0	(1.6)	34.4	(2.8)	36.9	15.9				
Earnings (loss) from continuing operations before income taxes	269.9	28.0	45.9	105.5	(36.6)	142.9	9.5				
Income tax (provision) benefit	(35.4)	(6.2)	12.0	(40.5)	5.2	(29.5)	(1.5)				
Earnings (loss) from continuing operations	234.6	21.9	57.9	65.0	(31.4)	113.4	7.9				
Earnings (loss) from discontinued operations, net of tax	174.7	0.1	(0.2)	-	-	-	-				
Net earnings (loss)	409.2	22.0	57.7	65.0	(31.4)	113.4	7.9				
Net loss (earnings) attributable to noncontrolling interests	5.6	4.4	1.6	0.6	(0.5)	6.1	0.3				
Net earnings (loss) attributable to IAC shareholders	<u>\$ 414.9</u>	<u>\$ 26.4</u>	<u>\$ 59.3</u>	<u>\$ 65.6</u>	<u>\$ (31.8)</u>	<u>\$ 119.5</u>	<u>\$ 8.3</u>				
GAAP diluted weighted average shares outstanding	88.6	88.8	87.1	88.9	83.0	88.3	84.8				
GAAP diluted earnings (loss) per share	<u>\$ 4.68</u>	<u>\$ 0.30</u>	<u>\$ 0.68</u>	<u>\$ 0.74</u>	<u>\$ (0.38)</u>	<u>\$ 1.33</u>	<u>\$ 0.09</u>				

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Financial Results and Reconciliations

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

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Reconciliation of GAAP EPS to Adjusted EPS											
Net earnings (loss) attributable to IAC shareholders	\$ 414.9	\$ 26.4	\$ 59.3	\$ 65.6	\$ (31.8)	\$ 119.5	\$ 8.3				
Stock-based compensation expense	59.6	18.9	25.9	27.0	33.6	105.4	31.2				
Amortization of intangibles	57.9	12.6	14.4	12.3	100.6	140.0	13.8				
Acquisition-related contingent consideration fair value adjustments	(13.4)	(7.0)	(10.0)	(1.0)	2.4	(15.5)	3.7				
Goodwill impairment	-	-	-	-	14.1	14.1	-				
Gain on sale of VUE interests and related effects	(48.6)	-	-	-	-	-	-				
Discontinued operations, net of tax	(174.7)	(0.1)	0.2	-	-	-	-				
Impact of income taxes and noncontrolling interests	(69.3)	(12.4)	(15.2)	(13.6)	(54.2)	(95.4)	(20.8)				
Adjusted Net Income	\$ 226.5	\$ 38.4	\$ 74.6	\$ 90.3	\$ 64.7	\$ 268.0	\$ 36.1				
Adjusted EPS weighted average shares outstanding (a)	88.9	89.1	87.5	89.4	86.2	88.1	85.4				
Adjusted EPS	<u>\$ 2.55</u>	<u>\$ 0.43</u>	<u>\$ 0.85</u>	<u>\$ 1.01</u>	<u>\$ 0.75</u>	<u>\$ 3.04</u>	<u>\$ 0.42</u>				
GAAP Basic weighted average shares outstanding	83.3	83.5	82.4	82.9	83.0	82.9	82.0				
Options, RSUs and subsidiary denominated equity, treasury method	5.3	5.3	4.7	6.0	-	5.3	2.8				
GAAP Diluted weighted average shares outstanding	88.6	88.8	87.1	88.9	83.0	88.3	84.8				
Options, RSUs and subsidiary denominated equity, treasury method not included in diluted shares above	-	-	-	-	2.6	-	-				
Impact of RSUs and other (a)	0.4	0.3	0.4	0.5	0.6	(0.2)	0.6				
Adjusted EPS weighted average shares outstanding (a)	<u>88.9</u>	<u>89.1</u>	<u>87.5</u>	<u>89.4</u>	<u>86.2</u>	<u>88.1</u>	<u>85.4</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. If Match Group subsidiary denominated equity is included in GAAP diluted weighted average shares outstanding, they are backed out of Adjusted EPS as they are assumed to be settled with shares of Match Group common stock.

**IAC
Match Group**

(rounding differences may exist)

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Match Group											
Revenue (in millions)											
North America (a)	\$ 525.9	\$ 138.5	\$ 146.8	\$ 148.7	\$ 149.2	\$ 583.2	\$ 164.4				
International (b)	273.6	63.4	66.6	75.8	77.6	283.4	84.6				
Total Direct Revenue (c)	\$ 799.5	\$ 201.9	\$ 213.4	\$ 224.5	\$ 226.8	\$ 866.6	\$ 249.0				
Indirect Revenue	36.9	8.3	9.5	10.6	14.7	43.1	11.4				
Total Dating Revenue	\$ 836.5	\$ 210.1	\$ 222.9	\$ 235.1	\$ 241.5	\$ 909.7	\$ 260.4				
Non-dating Revenue	51.8	24.9	25.9	33.8	26.1	110.7	24.9				
Total Revenue	\$ 888.3	\$ 235.1	\$ 248.8	\$ 269.0	\$ 267.6	\$ 1,020.4	\$ 285.3				
Dating Average PMC (d) (in thousands)											
North America (a)	2,404	2,553	2,699	2,676	2,916	2,712	3,221				
International (b)	1,097	1,179	1,366	1,491	1,697	1,435	1,862				
Total Dating Average PMC	3,501	3,732	4,065	4,167	4,613	4,147	5,083				
Dating ARPPU (e)											
North America (a)	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.56	\$ 0.59	\$ 0.56				
International (b)	\$ 0.68	\$ 0.60	\$ 0.54	\$ 0.55	\$ 0.50	\$ 0.54	\$ 0.50				
Total Dating ARPPU	\$ 0.63	\$ 0.60	\$ 0.58	\$ 0.59	\$ 0.53	\$ 0.57	\$ 0.54				

(a) North America consists of our Dating businesses for customers located in the United States and Canada.

(b) International consists of our Dating businesses for customers located outside of the United States and Canada.

(c) Direct Revenue is revenue that is directly received from an end user of our products.

(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.

(e) ARPPU, or Average Revenue per Paying User, is Direct Revenue in the relevant measurement period divided by the Average PMC in such period divided by the number of calendar days in such period.

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HomeAdvisor

(rounding differences may exist)

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
HomeAdvisor											
Domestic Revenue (in millions)	\$ 207.3	\$ 59.3	\$ 78.2	\$ 83.7	\$ 75.6	\$ 296.9	\$ 94.3				
Domestic Service Requests (000s) (a)	6,591	1,811	2,804	2,908	2,308	9,831	2,732				
Domestic Paying Service Professionals (in 000s) (b)	70	80	83	93	102	102	116				

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

(b) The number of service professionals that had an active membership or paid for leads in the last month of the period.

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Publishing**

(rounding differences may exist)

	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Publishing (in millions)											
<i>Revenue</i>											
Premium Brands (a)	\$ 239.2	\$ 80.1	\$ 72.4	\$ 74.7	\$ 82.4	\$ 309.6	\$ 82.6				
Ask & Other (b)	552.3	98.9	82.0	104.0	97.1	382.1	83.4				
Total Publishing	\$ 791.5	\$ 179.0	\$ 154.4	\$ 178.7	\$ 179.5	\$ 691.7	\$ 166.0				

(a) Premium Brands revenue is composed of About.com, Dictionary.com, Investopedia and The Daily Beast.

(b) Ask & Other revenue is principally composed of Ask.com, CityGrid and ASKfm.

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Applications**

(rounding differences may exist)

Applications (in millions)	2014	2015					2016				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
<i>Revenue</i>											
Consumer (a)	\$ 455.4	\$ 132.2	\$ 131.4	\$ 135.6	\$ 128.4	\$ 527.6	\$ 117.7				
Partnerships (b)	321.3	65.2	59.4	57.7	50.8	233.2	42.1				
Total Applications	<u>\$ 776.7</u>	<u>\$ 197.5</u>	<u>\$ 190.8</u>	<u>\$ 193.3</u>	<u>\$ 179.2</u>	<u>\$ 760.7</u>	<u>\$ 159.8</u>				

(a) Consumer revenue is composed of the direct-to-consumer downloadable desktop applications, including SlimWare, and Apalon, which houses our mobile operations.

(b) Partnerships revenue is composed of our business-to-business partnership operations.

**IAC
Video**

(rounding differences may exist)

	2014	2015					2016				
Vimeo (in thousands)	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Ending Subscribers	566	599	629	654	676	676	0				