

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 9, 2007**

**IAC/INTERACTIVECORP**

(Exact name of registrant as specified in charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-20570**  
(Commission  
File Number)

**59-2712887**  
(IRS Employer  
Identification No.)

**555 West 18th Street, New York, NY**  
(Address of principal executive offices)

**10011**  
(Zip Code)

Registrant's telephone number, including area code: **(212) 314-7300**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 7.01 Regulation FD Disclosure.**

As disclosed in a press release issued today and attached hereto as Exhibit 99.1, IAC has entered into an agreement with KarstadtQuelle AG to sell its Home Shopping Europe GmbH & Co. KG (HSE) division and its affiliated station HSE24. In consideration for the sale, IAC will receive shares of KarstadtQuelle with an initial value of approximately \$196 million (EUR 145 million), plus additional consideration designed to ensure that the stock received in the transaction has a value equal to at least \$270 million (EUR 200 million) within three years. IAC will report HSE as a Discontinued Operation in the second quarter. Accordingly, it is expected the transaction will reduce the Company's Adjusted Earnings Per Share for the second quarter by approximately \$0.01 per share; Net Earnings Per Share on a GAAP basis will not be affected. Any effects beyond the second quarter are not yet determinable and will be a function of IAC's strategy with respect to selling and re-deploying the consideration received. Adjusted Earnings Per Share is defined on page 16 of Exhibit 99.1 to the report on Form 8-K filed by IAC on May 3, 2007. Both the information set forth above and the attached press release are being furnished to the Commission under Item 7.01 "Regulation FD Disclosure."

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IAC/INTERACTIVECORP

By: /s/ Gregory R. Blatt  
Name: Gregory R. Blatt  
Title: Executive Vice President and  
General Counsel

Date: May 9, 2007

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u>               |
|--------------------|----------------------------------|
| 99.1               | Press Release dated May 9, 2007. |

**KarstadtQuelle AG to Acquire  
Home Shopping Europe GmbH & Co. KG from IAC**

**NEW YORK — May 9, 2007** — IAC (Nasdaq: IACI) and KarstadtQuelle AG (XETRA: KAR), Europe's leading retail and tourism group, announced today that they have entered into an agreement for KarstadtQuelle to acquire the German TV and internet retailer Home Shopping Europe GmbH & Co. KG (HSE-Germany), and its affiliated station HSE24, from IAC.

In consideration for the sale, IAC will receive shares of KarstadtQuelle stock with an initial value of approximately \$196 million (EUR 145 million), plus additional consideration designed to ensure that under certain circumstances the stock received in the transaction has a value of up to \$270 million (EUR 200 million) within three years.

"The sale of HSE24 to KarstadtQuelle allows us to strengthen our focus on our core domestic retail market, and demonstrates IAC's continuing commitment to redeploy its capital into strategic growth areas," said Doug Lebda, President and Chief Operating Officer of IAC.

HSE-Germany operates a German-language television home shopping business that is broadcast 24 hours a day, seven days a week, in Germany, Austria and Switzerland, and also operates the website <http://www.hse24.de>. HSE-Germany's management team will remain in place following the transaction, with Dr. Konrad Hilbers continuing in his role as Chief Executive Officer.

"I am excited about the purchase of HSE 24," said Thomas Middelhoff, CEO, KarstadtQuelle. "Home-Shopping is the ideal distribution channel for our mail order business and offers a wide range of options for future expansion, especially in Eastern Europe."

"Joining the KarstadtQuelle group presents HSE24 with the opportunity for continued growth and profitability improvement" says Dr. Konrad Hilbers, CEO of Home Shopping Europe. "I am confident that leveraging KQ's retail expertise and product offerings will best position us for future success."

IAC was advised on the transaction by JPMorgan and Skadden Arps. The transaction, which is subject to customary closing conditions, is expected to close during the second or third quarter of 2007.

#### **About KarstadtQuelle AG**

KarstadtQuelle AG headquartered in Essen/Germany is Europe's leading retail and tourism group. Its core activities include Karstadt department stores at prime locations in German cities, domestic and international mail order companies, and the Tourism business (Thomas Cook). To learn more about KarstadtQuelle please visit <http://www.karstadtquelle.com>.

#### **About IAC**

IAC is an interactive conglomerate operating more than 60 diversified brands in sectors being transformed by the internet, online and offline... our mission is to harness the power of

interactivity to make daily life easier and more productive for people all over the world. To learn more about IAC please visit <http://www.iac.com>.

#### **About HSE24**

HSE24, Germany's first shopping channel, went on air in 1996, laying the foundation for a new branch of trade in Germany: Home Shopping. The Munich based company combines TV and online shopping under one roof. HSE24 broadcasts throughout Germany by cable and satellite. The TV department store reaches a total of more than 39 million households in Germany, Austria and Switzerland. It is wholly owned by HSN, a company of IAC (NASDAQ: IACI). For more information on HSE24 please visit <http://www.hse24.net>.

#### **Safe Harbor Statement under The Private Securities Litigation Reform Act Of 1995**

*This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements relating to IAC's anticipated financial performance, business prospects, new developments and similar matters, and/or statements preceded by, followed by or that include the words "believes," "expects," "anticipates," "intends," "plans," "seeks," or similar expressions. These forward-looking statements are based on management's current expectations and assumptions, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results may differ materially from those suggested by the forward-looking statements due to a variety of factors described in IAC's filings with the Securities and Exchange Commission. Other unknown or unpredictable factors also could have material adverse effects on IAC's future results. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release. IAC does not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this press release.*

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