

IAC
Q1 2020 Earnings
Supplemental Financial Information and Operating Metrics

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Financial Results and Reconciliations

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

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue											
Match Group	\$ 1,729.9	\$ 464.6	\$ 498.0	\$ 541.5	\$ 547.2	\$ 2,051.3	\$ 544.6				
ANGI Homeservices	1,132.2	303.4	343.9	357.4	321.5	1,326.2	343.6				
Vimeo	159.6	43.6	45.7	52.1	54.6	196.0	57.0				
Dotdash	131.0	34.0	37.7	40.3	55.6	167.6	44.1				
Applications	582.3	143.5	132.9	126.1	116.9	519.5	104.1				
Emerging & Other	528.3	116.7	128.5	129.6	122.0	496.8	135.3				
Inter-segment eliminations	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)				
Total revenue	\$ 4,262.9	\$ 1,105.8	\$ 1,186.7	\$ 1,246.9	\$ 1,217.7	\$ 4,757.1	\$ 1,228.8				
Operating income (loss)											
Match Group	\$ 553.3	\$ 118.8	\$ 172.9	\$ 176.6	\$ 180.2	\$ 648.5	\$ 134.7				
ANGI Homeservices (a)(b)	63.9	(3.6)	11.4	24.7	6.2	38.6	(16.3)				
Vimeo	(35.6)	(17.8)	(11.6)	(11.2)	(11.4)	(51.9)	(14.6)				
Dotdash	18.8	3.0	7.0	3.7	15.3	29.0	2.4				
Applications	94.8	25.4	21.0	39.1	28.1	113.6	(218.6)				
Emerging & Other	30.0	(2.5)	(1.8)	(1.8)	(6.9)	(13.0)	(19.8)				
Corporate	(160.0)	(43.4)	(44.6)	(45.3)	(50.2)	(183.5)	(45.6)				
Total operating income (loss)	\$ 565.1	\$ 79.9	\$ 154.3	\$ 185.9	\$ 161.3	\$ 581.3	\$ (177.8)				
Stock-based compensation expense											
Match Group	\$ (66.0)	\$ (28.0)	\$ (22.0)	\$ (20.8)	\$ (18.9)	\$ (89.7)	\$ (21.2)				
ANGI Homeservices (a)(b)	(97.1)	(19.3)	(17.5)	(8.8)	(22.7)	(68.3)	(25.6)				
Vimeo	-	-	-	-	-	-	-				
Dotdash	-	-	-	-	-	-	-				
Applications	-	-	-	-	-	-	-				
Emerging & Other	(0.9)	-	-	-	-	-	-				
Corporate	(74.4)	(20.2)	(22.9)	(20.5)	(19.3)	(82.8)	(11.7)				
Total stock-based compensation expense	\$ (238.4)	\$ (67.4)	\$ (62.4)	\$ (50.1)	\$ (60.9)	\$ (240.8)	\$ (58.5)				
Depreciation											
Match Group	\$ (33.0)	\$ (7.8)	\$ (8.2)	\$ (8.1)	\$ (8.3)	\$ (32.5)	\$ (9.2)				
ANGI Homeservices	(24.3)	(7.0)	(8.8)	(11.2)	(12.9)	(39.9)	(12.1)				
Vimeo	(1.2)	(0.2)	(0.1)	-	(0.1)	(0.5)	(0.1)				
Dotdash	(1.0)	(0.2)	(0.2)	(0.2)	(0.3)	(1.0)	(0.2)				
Applications	(2.6)	(0.4)	(0.4)	(0.3)	(0.3)	(1.4)	(0.2)				
Emerging & Other	(1.7)	(0.3)	(0.3)	(0.3)	(0.2)	(1.1)	(0.4)				
Corporate	(11.6)	(3.0)	(3.1)	(2.9)	(3.0)	(12.1)	(2.5)				
Total depreciation	\$ (75.4)	\$ (19.0)	\$ (21.1)	\$ (23.1)	\$ (25.2)	\$ (88.4)	\$ (24.7)				
Amortization of intangibles											
Match Group	\$ (1.3)	\$ (0.4)	\$ (0.4)	\$ (0.6)	\$ (7.3)	\$ (8.7)	\$ (6.4)				
ANGI Homeservices	(62.2)	(14.5)	(13.7)	(14.2)	(13.1)	(55.5)	(13.0)				
Vimeo	(6.3)	(1.4)	(2.0)	(3.1)	(3.1)	(9.7)	(3.1)				
Dotdash	(1.6)	(3.9)	(1.1)	(3.1)	(1.5)	(9.6)	(4.4)				
Applications	(33.3)	(2.4)	(2.3)	(2.1)	(1.4)	(8.3)	(22.8)				
Emerging & Other	(3.6)	(0.2)	-	-	(0.7)	(0.9)	(2.5)				
Corporate	-	-	-	-	-	-	-				
Total amortization of intangibles	\$ (108.4)	\$ (22.8)	\$ (19.6)	\$ (23.2)	\$ (27.0)	\$ (92.6)	\$ (52.2)				

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Financial Results and Reconciliations

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

	2018	2019					2020				
	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	\$ (0.3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
ANGI Homeservices	-	-	-	-	-	-	-				
Vimeo	-	-	-	-	-	-	-				
Dotdash	-	-	-	-	-	-	-				
Applications	(1.1)	(1.5)	(1.6)	16.1	6.7	19.7	6.3				
Emerging & Other	-	-	-	-	-	-	-				
Corporate	-	-	-	-	-	-	-				
Total acquisition-related contingent consideration fair value adjustments	\$ (1.5)	\$ (1.5)	\$ (1.6)	\$ 16.1	\$ 6.7	\$ 19.7	\$ 6.3				
Goodwill impairment											
Match Group	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
ANGI Homeservices	-	-	-	-	-	-	-				
Vimeo	-	-	-	-	-	-	-				
Dotdash	-	-	-	-	-	-	-				
Applications	-	-	-	-	-	-	(212.0)				
Emerging & Other	-	-	-	-	(3.3)	(3.3)	-				
Corporate	-	-	-	-	-	-	-				
Total goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ (3.3)	\$ (3.3)	\$ (212.0)				
Adjusted EBITDA (e)											
Match Group	\$ 653.9	\$ 155.1	\$ 203.5	\$ 206.1	\$ 214.7	\$ 779.4	\$ 171.5				
ANGI Homeservices (a)(b)	247.5	37.2	51.4	58.9	54.8	202.3	34.4				
Vimeo	(28.0)	(16.2)	(9.5)	(8.0)	(8.1)	(41.8)	(11.4)				
Dotdash	21.4	7.1	8.4	7.0	17.1	39.6	7.0				
Applications	131.8	29.7	25.3	25.4	23.1	103.6	10.2				
Emerging & Other	36.2	(2.1)	(1.5)	(1.5)	(2.6)	(7.8)	(17.0)				
Corporate	(74.0)	(20.2)	(18.6)	(21.9)	(27.9)	(88.6)	(31.4)				
Total Adjusted EBITDA	\$ 988.8	\$ 190.6	\$ 259.1	\$ 266.0	\$ 271.0	\$ 986.7	\$ 163.3				
Net earnings (loss) attributable to IAC shareholders	\$ 627.0	\$ 88.7	\$ 113.5	\$ 128.5	\$ 100.4	\$ 431.1	\$ (211.0)				
Add back:											
Net earnings attributable to noncontrolling interests	130.8	24.3	33.3	31.2	23.8	112.7	28.4				
Income tax provision (benefit)	3.8	(63.6)	16.3	(14.8)	12.8	(49.3)	(89.9)				
Other (income) expense, net	(305.7)	(0.7)	(46.0)	(1.2)	(18.9)	(66.7)	49.9				
Interest expense	109.3	31.1	37.2	42.1	43.1	153.6	44.9				
Operating income (loss)	565.1	79.9	154.3	185.9	161.3	581.3	(177.8)				
Stock-based compensation expense	238.4	67.4	62.4	50.1	60.9	240.8	58.5				
Depreciation	75.4	19.0	21.1	23.1	25.2	88.4	24.7				
Amortization of intangibles	108.4	22.8	19.6	23.2	27.0	92.6	52.2				
Acquisition-related contingent consideration fair value adjustments	1.5	1.5	1.6	(16.1)	(6.7)	(19.7)	(6.3)				
Goodwill impairment	-	-	-	-	3.3	3.3	212.0				
Adjusted EBITDA	\$ 988.8	\$ 190.6	\$ 259.1	\$ 266.0	\$ 271.0	\$ 986.7	\$ 163.3				
Impact from public subsidiaries' dilutive securities (d)	\$ (25.2)	\$ (6.7)	\$ (6.1)	\$ (7.3)	\$ (5.9)	\$ (26.1)	\$ -				
GAAP diluted weighted average shares outstanding	91.3	90.3	90.1	89.5	90.3	90.0	84.8				
GAAP diluted earnings (loss) per share (e)	\$ 6.59	\$ 0.91	\$ 1.19	\$ 1.35	\$ 1.05	\$ 4.50	\$ (2.49)				

- (a) FYE 2018 operating income of \$63.9 million at ANGI Homeservices includes \$70.6 million in stock-based compensation expense related primarily to: (i) a modification charge related to previously issued and unvested HomeAdvisor equity awards and the expense related to the conversion of previously issued and unvested Angie's List equity awards, both in connection with the combination of HomeAdvisor and Angie's List on September 29, 2017 (the "Combination"), and (ii) expense related to the acceleration of converted ANGI Homeservices equity awards held by Angie's List employees upon the termination of their employment in connection with the Combination, as well as \$9.0 million in costs related to the Combination (including \$5.4 million of deferred revenue write-offs).
- (b) FY 2018 operating income of \$63.9 million at ANGI Homeservices includes \$3.7 million in transaction-related items (including \$0.4 million of deferred revenue write-offs) in connection with the acquisition of Handy on October 19, 2018. FY 2018 was further impacted by \$1.9 million in stock-based compensation expense.
- (c) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of (i) amortization of intangible assets and impairments of goodwill and intangible assets, if applicable, and (ii) gains and losses recognized on changes in the fair value of contingent consideration arrangements. We believe this measure is useful for analysts and investors as this measure allows a more meaningful comparison between our performance and that of our competitors. The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.
- (d) Represents the reduction in Match Group's and ANGI Homeservices' earnings attributable to IAC from the assumed exercise of Match Group and ANGI Homeservices dilutive securities under the if-converted method. Quarterly amounts may not add to the related annual amount based on the outcome of the if-converted method calculation for each respective period.
- (e) Quarterly per share amounts may not add to the related annual per share amount due to differences in the average common shares outstanding during each period.

**IAC
Match Group**

(rounding differences may occur)

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Match Group											
Revenue (\$ in millions)											
Direct Revenue (a)											
North America (b)	\$ 902.5	\$ 237.8	\$ 251.5	\$ 268.9	\$ 266.0	\$ 1,024.2	\$ 263.3				
International (c)	774.7	216.2	235.8	262.1	268.9	983.0	271.5				
Total Direct Revenue (a)	<u>\$ 1,677.2</u>	<u>\$ 454.0</u>	<u>\$ 487.3</u>	<u>\$ 530.9</u>	<u>\$ 535.0</u>	<u>\$ 2,007.2</u>	<u>\$ 534.8</u>				
Indirect Revenue	52.7	10.7	10.7	10.5	12.2	44.1	9.8				
Total Revenue	<u><u>\$ 1,729.8</u></u>	<u><u>\$ 464.6</u></u>	<u><u>\$ 498.0</u></u>	<u><u>\$ 541.5</u></u>	<u><u>\$ 547.2</u></u>	<u><u>\$ 2,051.3</u></u>	<u><u>\$ 544.6</u></u>				
Average Subscribers (d) (in thousands)											
North America (b)	4,161	4,361	4,518	4,695	4,637	4,554	4,570				
International (c)	3,712	4,252	4,562	4,917	5,172	4,729	5,344				
Total Average Subscribers	<u>7,873</u>	<u>8,613</u>	<u>9,080</u>	<u>9,612</u>	<u>9,809</u>	<u>9,283</u>	<u>9,914</u>				
ARPU (e)											
North America (b)	\$ 0.59	\$ 0.60	\$ 0.60	\$ 0.62	\$ 0.62	\$ 0.61	\$ 0.63				
International (c)	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.57	\$ 0.56	\$ 0.56	\$ 0.55				
Total ARPU	\$ 0.57	\$ 0.58	\$ 0.58	\$ 0.59	\$ 0.59	\$ 0.58	\$ 0.59				

(a) Direct Revenue includes both subscription and à la carte revenue that is received directly from an end user of our products.

(b) North America consists of our businesses for users located in the United States and Canada.

(c) International consists of our businesses for users located outside of the United States and Canada.

(d) Average Subscribers is calculated by summing the number of Subscribers at the end of each day in the relevant measurement period and dividing it by the number of calendar days in that period. A Subscriber is a user who purchases a subscription to one of our products. Users who purchase only à la carte features do not qualify as Subscribers.

(e) ARPU, or Average Revenue per Subscriber, is Direct Revenue from Subscribers in the relevant measurement period (whether in the form of subscription or à la carte revenue from Subscribers) divided by the Average Subscribers in such period divided by the number of calendar days in such period. Direct Revenue from users who are not Subscribers and have purchased only à la carte features is not included in ARPU.

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ANGI Homeservices

(rounding differences may occur)

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
ANGI Homeservices											
<i>Revenue (\$ in millions)</i>											
As Reported											
Marketplace (a)	\$ 774.5	\$ 220.5	\$ 261.3	\$ 273.5	\$ 237.4	\$ 992.7	\$ 258.8				
Advertising & Other (b)	287.7	61.5	63.1	65.7	66.9	257.2	65.4				
Total North America	\$ 1,062.2	\$ 282.0	\$ 324.4	\$ 339.1	\$ 304.4	\$ 1,249.9	\$ 324.1				
Europe	70.1	21.4	19.5	18.2	17.2	76.3	19.5				
Total ANGI Homeservices Revenue	\$ 1,132.2	\$ 303.4	\$ 343.9	\$ 357.4	\$ 321.5	\$ 1,326.2	\$ 343.6				
<i>Other ANGI Homeservices Metrics</i>											
Marketplace Service Requests (in thousands) (c)	23,488	5,797	7,925	7,593	6,061	27,376	5,911				
Marketplace Monetized Transactions (in thousands) (d)	14,068	3,575	4,421	4,367	3,705	16,068	3,590				
Marketplace Revenue per Monetized Transaction (e)		62	59	63	64		72				
Marketplace Transacting Service Professionals (in thousands) (f)		182	188	190	186		191				
Marketplace Revenue per Transacting Service Professional (g)		\$ 1,212	\$ 1,390	\$ 1,440	\$ 1,273		\$ 1,352				
Advertising Service Professionals (in thousands) (h)	36	36	36	37	37	37	37				

(a) Reflects the HomeAdvisor, Handy and Fixd Repair domestic marketplace, including consumer connection revenue for consumer matches, revenue from jobs sourced through the HomeAdvisor, Handy and Fixd Repair platforms and membership subscription revenue from service professionals. It excludes revenue from Angie's List, mHelpDesk and HomeStars. Fixd Repair has been moved to Marketplace from Advertising & Other and prior year amounts have been reclassified to conform to the current year presentation.

(b) Includes Angie's List revenue (revenue from service professionals under contract for advertising and membership subscription fees from consumers) as well as revenue from mHelpDesk and HomeStars.

(c) Fully completed and submitted domestic customer service requests to HomeAdvisor and jobs sourced through the HomeAdvisor, Handy and Fixd Repair platforms.

(d) Fully completed and submitted domestic customer service requests to HomeAdvisor that were matched to and paid for by a service professional and jobs sourced through the HomeAdvisor, Handy and Fixd Repair platforms in the period.

(e) Marketplace quarterly revenue divided by Marketplace Monetized Transactions.

(f) The number of HomeAdvisor, Handy and Fixd Repair domestic service professionals that paid for consumer matches or performed a job sourced through the HomeAdvisor, Handy and Fixd Repair platforms in the quarter.

(g) Marketplace quarterly revenue divided by Marketplace Transacting service professionals.

(h) The number of Angie's List service professionals under contract for advertising at the end of the period.

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Vimeo

(rounding differences may occur)

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Vimeo											
<i>Revenue (\$ in millions)</i>											
Platform (a)	\$ 146.7	\$ 41.3	\$ 45.7	\$ 52.1	\$ 54.6	\$ 193.7	\$ 57.0				
Hardware (b)	13.0	2.3	-	-	-	2.3	-				
Total Vimeo Revenue	\$ 159.6	\$ 43.6	\$ 45.7	\$ 52.1	\$ 54.6	\$ 196.0	\$ 57.0				
Ending Subscribers (in thousands) (c)	952	973	1,204	1,214	1,236	1,236	1,272				

(a) Platform Revenue primarily includes subscription SaaS and other related revenue from Vimeo subscribers.

(b) Hardware Revenue included sales of live streaming accessories. Vimeo sold the hardware business in Q1 2019.

(c) The number of subscribers to Vimeo's SaaS video tools at the end of the period (including Magisto which was acquired on May 28, 2019).

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Dotdash

(rounding differences may occur)

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Dotdash											
<i>Revenue (\$ in millions)</i>											
Display Advertising (a)	\$ 103.7	\$ 26.0	\$ 29.0	\$ 29.2	\$ 42.3	\$ 126.5	\$ 29.9				
Performance Marketing (b)	27.3	8.0	8.7	11.1	13.3	41.1	14.2				
Total Dotdash Revenue	\$ 131.0	\$ 34.0	\$ 37.7	\$ 40.3	\$ 55.6	\$ 167.6	\$ 44.1				

(a) Display Advertising consists primarily of revenue generated from display advertisements sold both directly through our sales team and via programmatic exchanges.

(b) Performance Marketing primarily includes affiliate commerce and performance marketing commissions generated when consumers are directed from our properties to third-party service providers.

Affiliate commerce commissions are generated when a consumer completes a transaction. Performance marketing commissions are generated on a cost-per-click or cost-per-new account basis.

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Applications

(rounding differences may occur)

	2018	2019					2020				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Applications											
<i>Revenue (\$ in millions)</i>											
Desktop (a)	\$ 458.8	\$ 96.0	\$ 84.8	\$ 74.9	\$ 64.5	\$ 320.2	\$ 53.5				
Mosaic Group (b)	123.5	47.6	48.1	51.2	52.4	199.2	50.7				
Total Applications Revenue	\$ 582.3	\$ 143.5	\$ 132.9	\$ 126.1	\$ 116.9	\$ 519.5	\$ 104.1				

(a) Desktop consists of revenue generated by applications distributed through both direct-to-consumer marketing and business-to-business partnerships.

(b) Mosaic Group includes Apalon, iTranslate and TelTech and its revenue is primarily generated by mobile applications distributed through iOS and Android.