



Investor Day 2003

November 11, 2003

Overview of the Day

- Introduction
- IAC Operating B's
- Financial Presentation
- Strategy
- Q&A

IAC's Mission and Strategy

Mission:

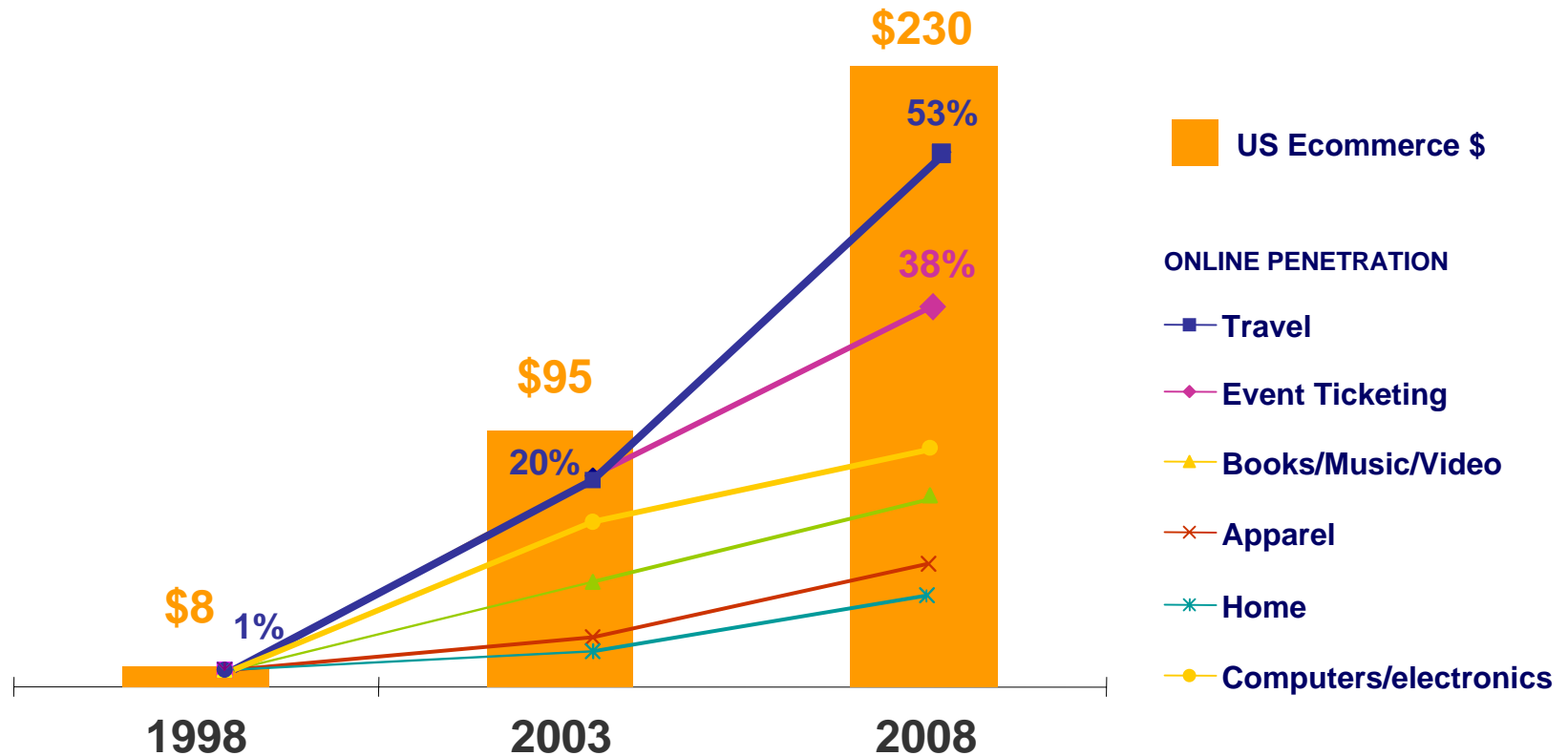
The largest, most profitable interactive commerce company in the world

Strategy:

By building a **diversified** portfolio of **leading, specialized** and **global e-commerce** brands

The Era of Ecommerce

US Ecommerce and Online Penetration by Category

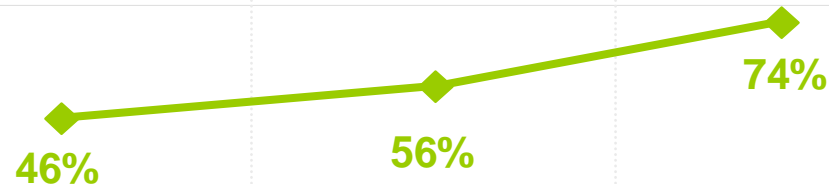


Drivers of Economic Growth

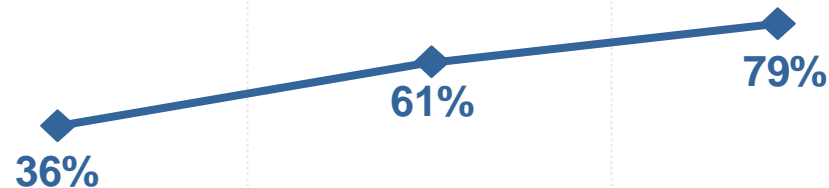
Amount spent
online in last 3
months



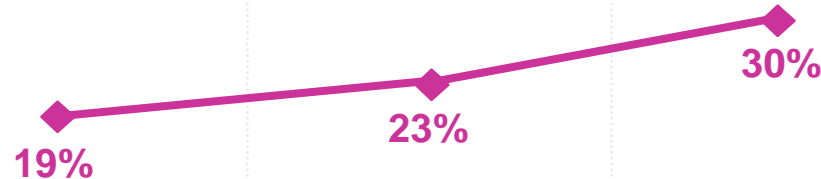
Have broadband



Have ever
bought online



Have decreased TV
consumption
since going online



< 1 Year

1-3 Years

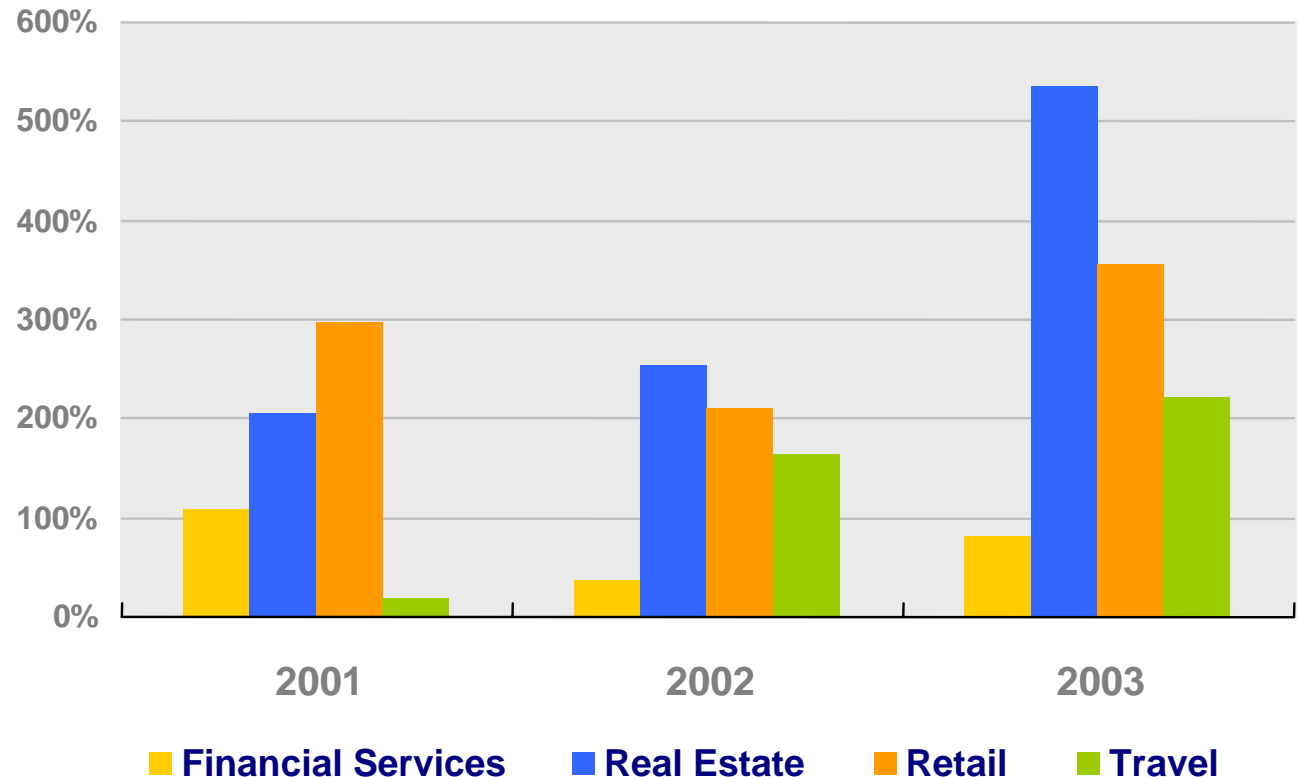
> 3 Years

ONLINE TENURE

The Power of Specialization

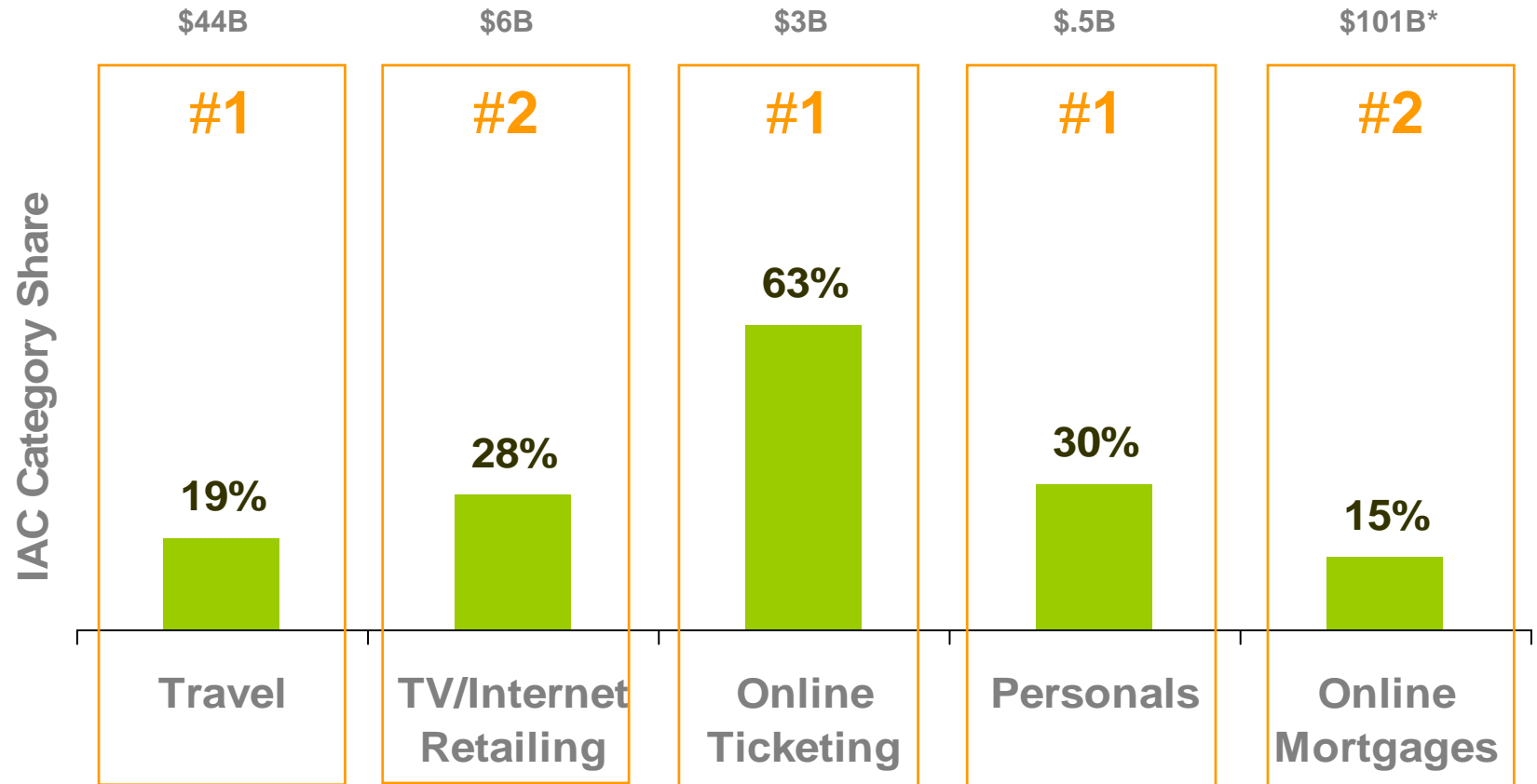
Time Spent % Differential (Vertical Brands over Portals)

Higher usage
at vertical specialist
sites compared to
portal offerings



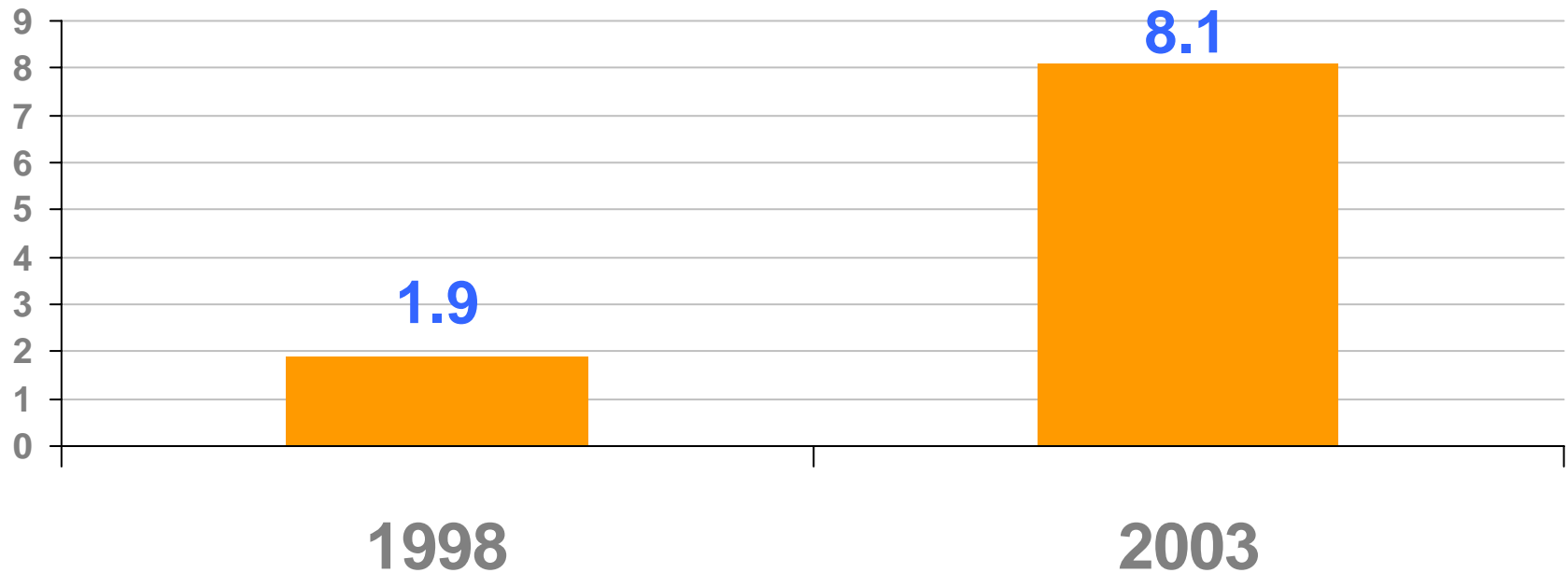
The Importance of Category Leaders

Category Size



The Benefits of Diversification

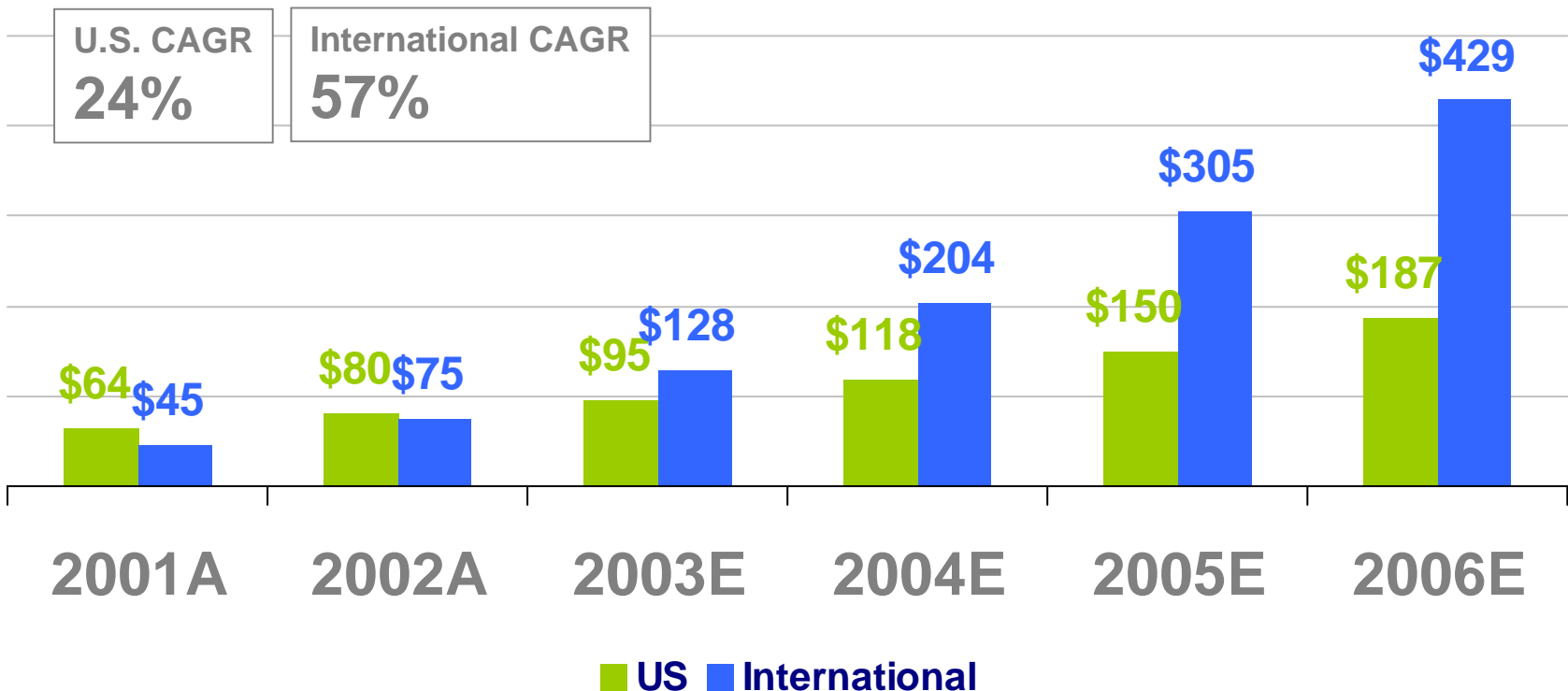
Average # of Categories Purchased



The Global Opportunity

B2C ECommerce Spending

\$ in billions



IAC's Brands

IAC/Electronic Retailing



AMERICA'S STORE



IAC/Ticketing

ticketmaster

TICKET WEB

reserve 
america

IAC/Personals

match.com

update 
.com

IAC/Local Services

 **Citysearch**

 *entertainment*

e *vite*

IAC/Travel

 **Expedia, Inc.**

hotels.com 

Hotwire.com

INTERVAL
INTERNATIONAL
THE QUALITY VACATION EXCHANGE NETWORK

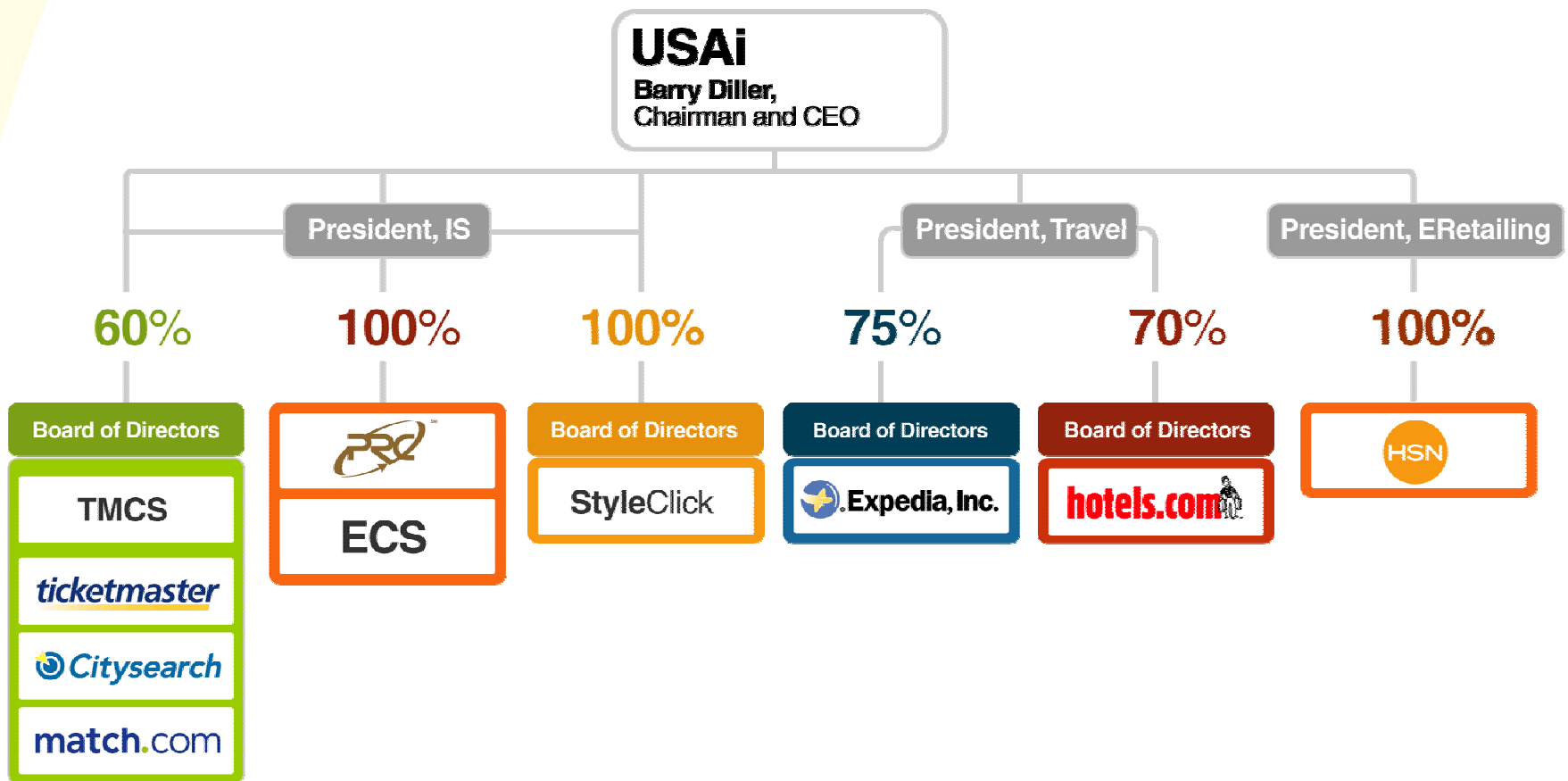
IAC/Personal Finance

LendingTree

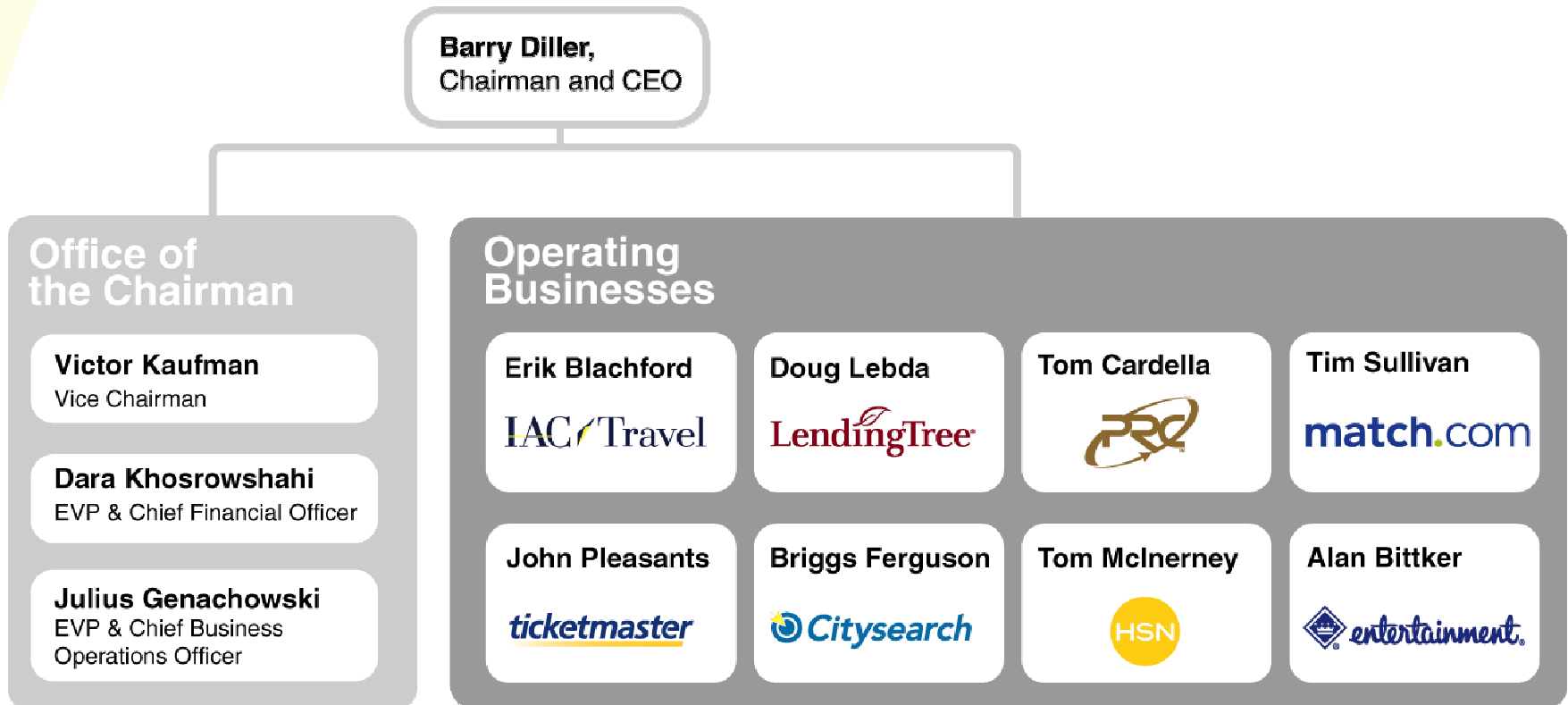
LendingTree
Realty Services

 **getsmart**

Organization: Before



Organization: After



Operating Principles

- **Push responsibility down to talented executives at the B's**
- **Clear communication between the B's and Corporate**
- **Concise list of key items requiring Corp approval**
 - E.g. budget, capex, M&A, non-routine accounting & legal
 - Non-bureaucratic
- **Compensation is performance-based**

Business Intelligence

Distribution
Unique Users

Transactions
Total Transactions

Spending / Mix
Ads - Offline
Ads - Online

Customers
Recurring Usage
% Increase / Decrease

US Markets
Total US channel - online
Total US channel - offline

Int'l Markets
Total int'l channel - online
Total int'l channel - offline

IAC InterActiveCorp

Step 1: Select a Company

Match.com

Step 2: Select a Region

Match US

Step 3: Select Report Type

Monthly - Metrics

Step 3: Select Report Type

Monthly - Metrics

Select...

Company Page

Daily - Metrics

Daily - P&L

Weekly - Metrics

Weekly - P&L

Monthly - Metrics

Monthly - P&L

Quarterly - Metrics

Quarterly - P&L

Company Reports

Main Page

Print Page

A+

A-

Company / Mix

Go

▲ Increase
▼ Decrease

	TM	HSN	Expedia	Hotels	Interval	LendingTree	Match	Citysearch	EPI
unique Users	0	0	0	0	0	0	0	0	0
ue users/direct domain	0	0	0	0	0	0	0	0	0
ue users/ad	0	0	0	0	0	0	0	0	0
ue users/affiliate	0	0	0	0	0	0	0	0	0
Total US (point of origin) customers	0	0	0	0	0	0	0	0	0
Int'l (point of origin) customers	0	0	0	0	0	0	0	0	0

	TM	HSN	Expedia	Hotels	Interval	LendingTree	Match	Citysearch	EPI
Total Transactions	0	0	0	0	0	0	0	0	0
re revenues per customer	0	0	0	0	0	0	0	0	0
crease / Decrease	0	0	0	0	0	0	0	0	0
er transaction	0	0	0	0	0	0	0	0	0

Themes You Will Hear Today

- **The era of e-commerce**
- **The power of specialization**
- **The importance of category leadership**
- **The global opportunity**
- **The benefits of diversification**