



**Investor Presentation  
September 22, 2016**

**Non-GAAP Financial Measures.** This presentation contains references to certain non-GAAP measures. These measures should be considered in conjunction with, but not as a substitute for, financial information presented in accordance with GAAP. The location of reconciliations to GAAP measures of non-GAAP measures are referenced on the page on which such non-GAAP measure appears, or are included in the Appendix to this presentation.

**Forward-Looking Statements.** This presentation, dated September 22, 2016, may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "estimates," "expects" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: IAC's future financial performance, IAC's business prospects, strategy and anticipated trends in the industries in which IAC's businesses operate and other similar matters. These forward-looking statements are based on management's current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others: changes in senior management, changes in our relationship with, or policies implemented by, Google, adverse changes in economic conditions, adverse trends in any of the industries in which IAC's businesses operate, our dependence on third parties to drive traffic to our websites and distribute our services in a cost-effective manner, our ability to convert visitors to our various websites into users and customers, our ability to offer new or alternative services that resonate with consumers in a cost-effective manner, our ability to build, maintain and/or enhance our various brands, our ability to develop and monetize mobile versions of our various services, changes in industry standards, the integrity and scalability of our systems and infrastructure, our ability to protect our systems from cyberattacks, risks relating to acquisitions and our ability to expand successfully into international markets. Certain of these and other risks and uncertainties are discussed in IAC's filings with the Securities and Exchange Commission. Other unknown or unpredictable factors that could also adversely affect IAC's business, financial condition and results of operations may arise from time to time. In light of these risks and uncertainties, these forward-looking statements may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking statements, which only reflect the views of IAC management as of the date of this letter. IAC does not undertake to update these forward-looking statements.

Created 8 public companies worth ~\$40 billion in aggregate

LIVE NATION

*ticketmaster*<sup>(1)</sup>

 **Expedia**<sup>®</sup>

interval | leisure  
group

IAC

 HSN

matchgroup

 lendingtree<sup>SM</sup>

 tripadvisor<sup>®</sup>

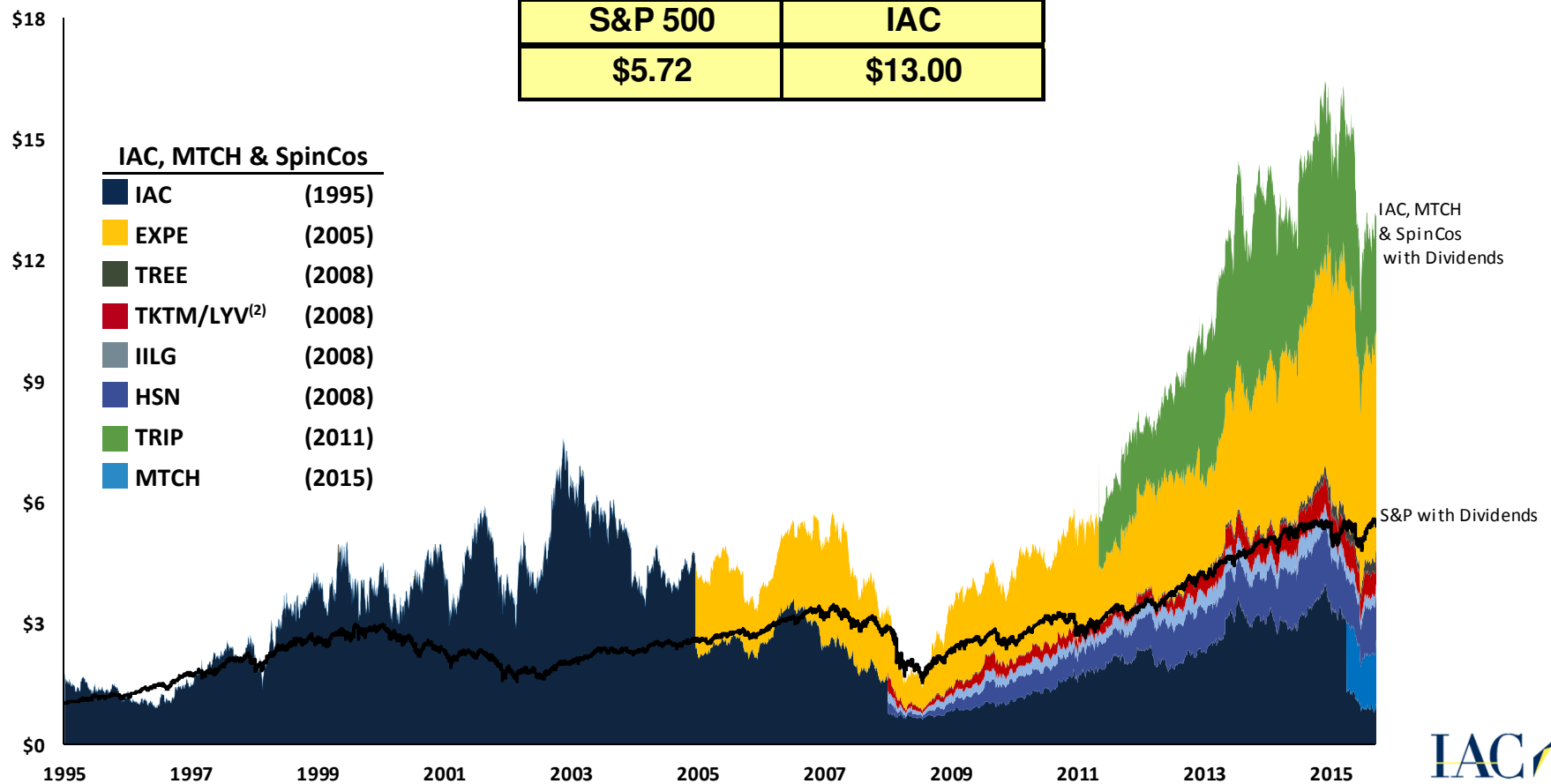
Value realized through operating growth, distribution of cash through dividends and share repurchases, and spin-offs

(1) Ticketmaster merged with LiveNation, with TKTM shareholders receiving ~50.01% of the new entity

# Value creation has substantially outpaced the market

**\$1 Invested when Barry Diller took control is today worth<sup>(1)</sup>**

S&P 500	IAC
\$5.72	\$13.00



(1) IAC and Spinco returns assume \$1 invested on 8/24/1995 at an intraday price of \$22.63 and assumes dividends are re-invested. Share prices as of 9/20/16.

(2) Ticketmaster merged with LiveNation, with TKTM shareholders receiving ~50.01% of the new entity

## The market gives IAC little value for its high growth businesses

*(in millions except share prices)*

IAC Share Price <sup>(1)</sup>	\$60.60
x Shares Outstanding	81.8
<b>= IAC Equity Value</b>	<b>\$4,958</b>
MTCH Share Price <sup>(1)</sup>	\$15.96
x Shares Owned	211
<b>Less: MTCH Stake</b>	<b>(\$3,365)</b>
<b>Less: Net Cash (Q2'16)</b>	<b>(\$700)</b>
<b>IAC ex-Match Group EV</b>	<b>\$893M</b>
<b><i>LTM EBITDA Multiple</i></b>	<b>5.8x</b>



# matchgroup IAC owns ~84% of the undisputed leader in dating...

## Global leader in dating products...

- ✓ We operate 45+ brands
- ✓ We offer products in 38 languages in 190+ countries
- ✓ 5mm+(<sup>1</sup>) paid member count (“PMC”)
- ✓ 59mm(<sup>2</sup>) monthly active users (“MAU”)

**4 of 5**

Top dating brands by unaided awareness in NA(<sup>3</sup>)

**3 of 5**

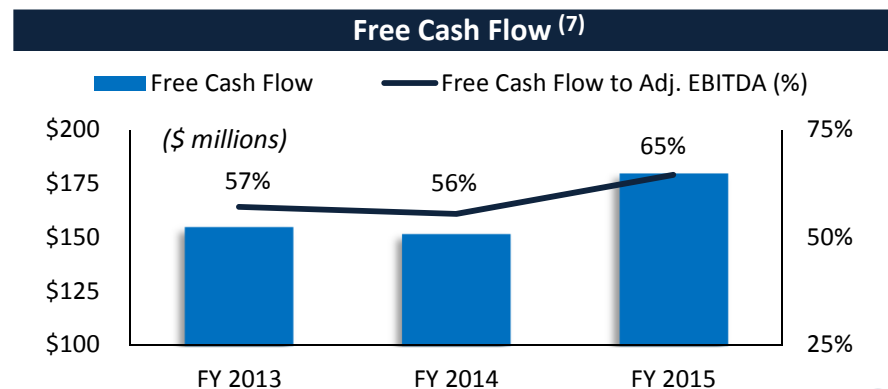
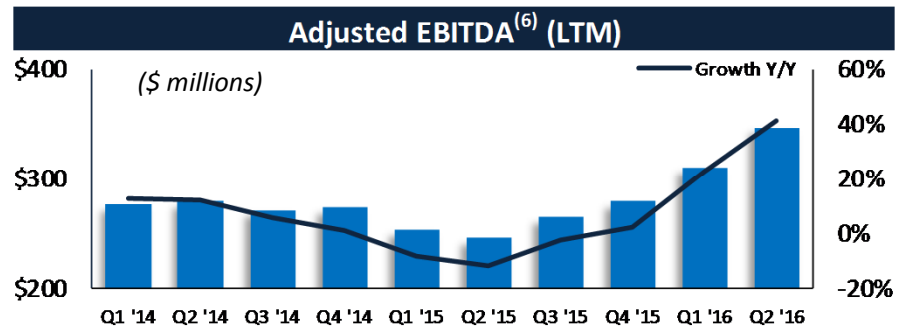
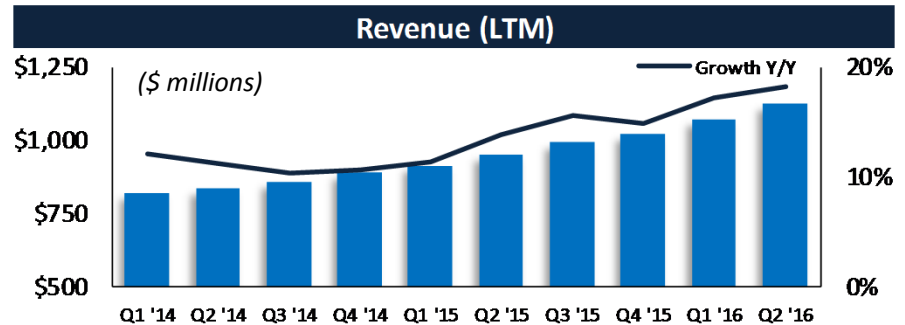
Top grossing mobile dating apps worldwide(<sup>4</sup>)

**4 of 5**

Top grossing mobile dating apps in NA(<sup>4</sup>)

**#1**

Downloaded dating app in US is **tinder**.(<sup>5</sup>)



(1) As of Q1 2016; (2) As of Q3 2015; (3) As per Research Now as of July 2015; (4) As per AppAnnie as of June 2015; (5) As per AppAnnie as of March 2016; (6) For reconciliations of Adjusted EBITDA, see Match Group IPO prospectus (Q1 '13 through Q3 '15) and IAC earnings releases (Q4 '15 through Q2 '16); (7) For reconciliations of Free Cash Flow, see Match Group Q2 2016 Investor Presentation available on the Investors section of its website at <http://ir.mtch.com>.

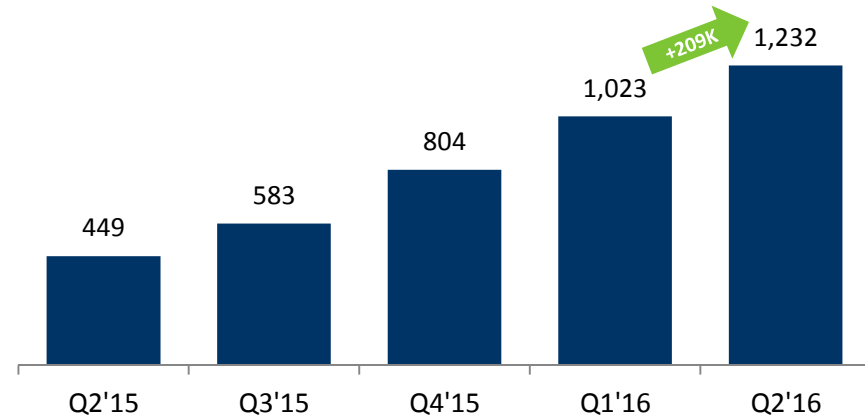


# matchgroup ...which includes Tinder

## Tinder Update

- On track to double PMC by year-end 2016 to ~1.6M, as previously stated
- Tinder Plus release in June continues to show monetization upside with:
  - Improvements to conversion
  - Increased ARPPU
- First-time renewal rates for 1-month Tinder Plus subscribers in NA higher than our other NA brands<sup>(1)</sup>
- Headcount (excluding ad business) more than doubled in last 12 months, predominantly in product and technology
- Rapid expansion expected to continue, particularly in product, technology and international headcount

## Tinder Ending PMC (in thousands)



## Rising Ranking Among Apps

Top Apps  
iOS & Google Play Combined - Applications - Worldwide - Jun 2016

#	By Revenue	Move
1	Spotify	--
2	LINE	--
3	HBO NOW	+1
4	Netflix	-1
5	Tinder	+2
6	Inke	--
7	Pandora Radio	-2
8	IGIYI	+4
9	Hulu	+1
10	LINE Manga	-2

In June 2016, Tinder ranked #5 among apps outside of games by worldwide iOS and Google Play revenue<sup>(2)</sup>



(1) Comparing Tinder North America versus North American segments of Match Group NA brands (Match, Match Affinity, OkC and POF).

(2) Source: AppAnnie. Combined iOS and Google Play worldwide revenue for all applications (ex-games), for the month of June 2016.

## Beyond Match, IAC owns:



The largest digital home services marketplace in the US, growing rapidly and profitably

**~130K**

Paying Service Providers in Domestic Network

**50%**

YoY Q2 LTM Domestic Revenue Growth

**~220%**

YoY Q2 Segment Adj. EBITDA Growth<sup>(1)</sup>



Largest open global ad-free video marketplace

**~250M**

Consumer Audience

**720K**

Paying Subscribers Sharing Content

**Over 300**

SVOD channels available to our audience



Creator of consumer utilities  
Growing Mobile & Subscription  
Generates substantial and stable cash flow

**\$150M**

LTM Adjusted EBITDA<sup>(2)</sup>

**~2 billion PCs**

Addressable Market with Single-digit Penetration

**80% - 90%**

EBITDA to free cash flow conversion



Top content publisher, recently restructured for future growth

**~100M**

Monthly Uniques at Premium Brands

**~50%**

Mobile Traffic

**Over \$300M**

Q2 runrate revenue



(1) For more information and reconciliation of non-GAAP measures to GAAP measures See Q2'16 IAC Earnings Release

(2) See Page 20 for reconciliations of non-GAAP measures to GAAP measures

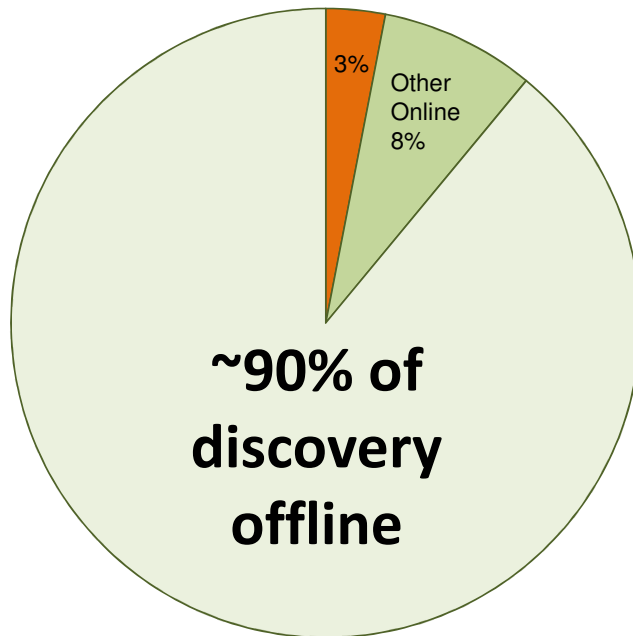


# HomeAdvisor Significant domestic market opportunity

## Domestic Home Services<sup>(1)</sup>

### \$400 billion market

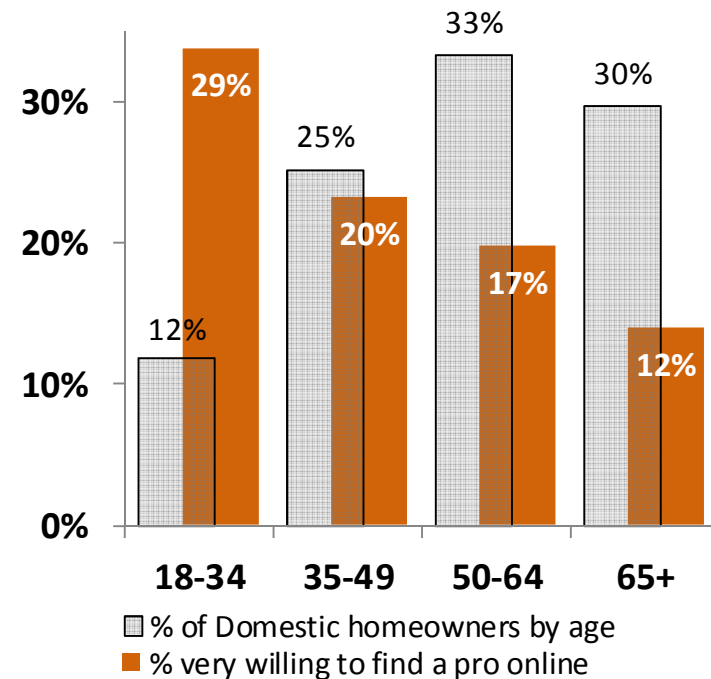
Transactions closed with SPs found on HomeAdvisor



Vast majority of service providers still found offline through word of mouth and referrals...

## Home ownership in the United States<sup>(2)</sup>

### 75 million homeowners



...but home owners skew older, and we expect the market to shift online as millennials buy homes



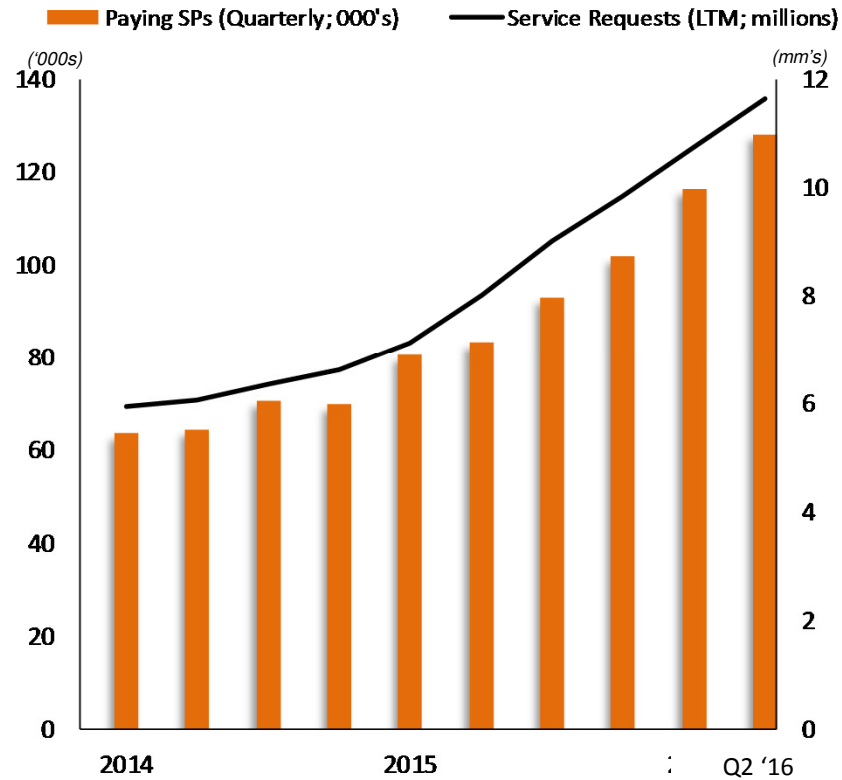
(1) Sources: Wall Street Journal; Internally sourced survey data

(2) Sources: US Census Data; Farnsworth Online Home Services Study

# HomeAdvisor Rapid domestic growth fueled by organic investment

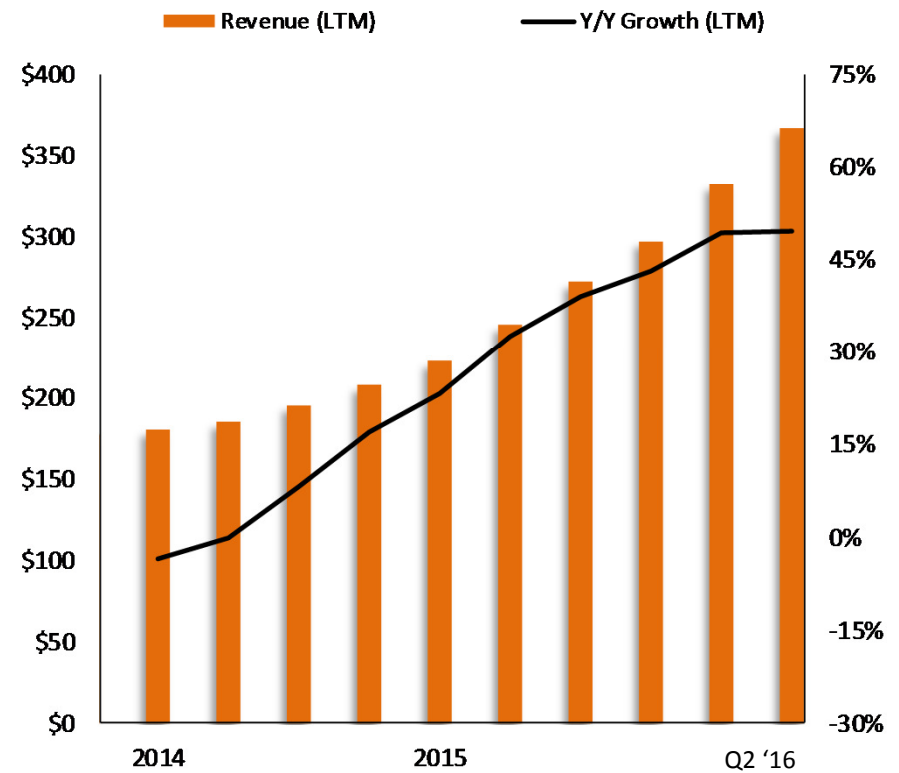
## Domestic Service Providers & LTM Service Requests

\* Quarterly through Q2 '16



## Domestic LTM Revenue (\$ in millions)

\* Quarterly through Q2 '16



 **HomeAdvisor** Getting it right domestically took time and money

We've invested over a billion dollars<sup>(1)</sup> in our domestic business in the 12 years since acquisition...

Tech, Infrastructure, Other

>\$500 Million

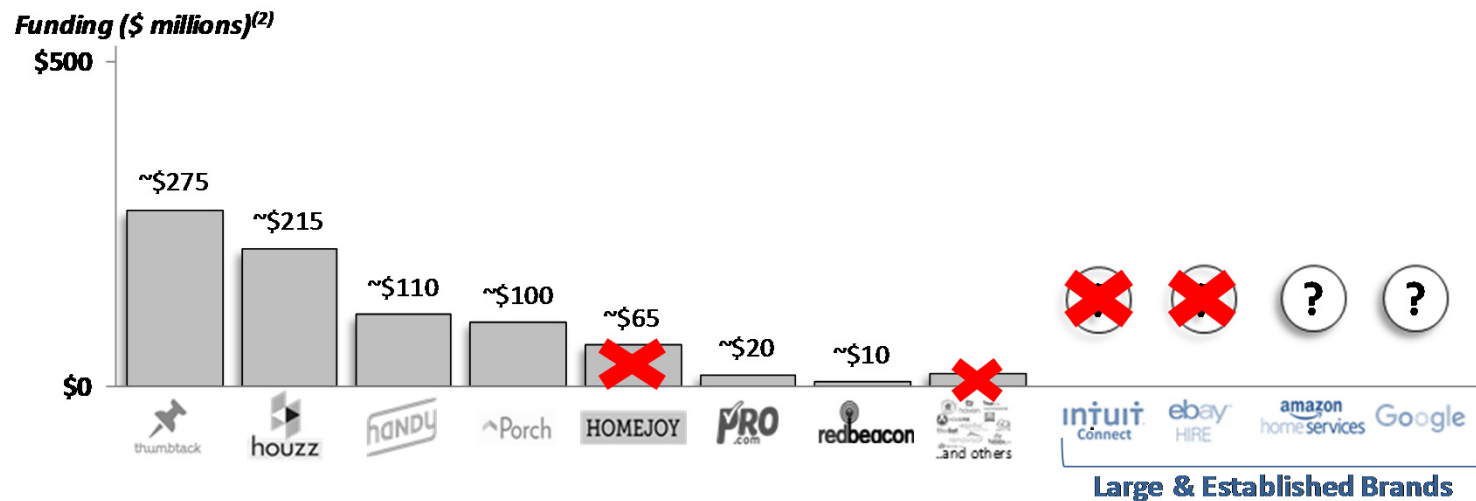
Sales Force

>\$350 Million

Offline Marketing

>\$140 Million

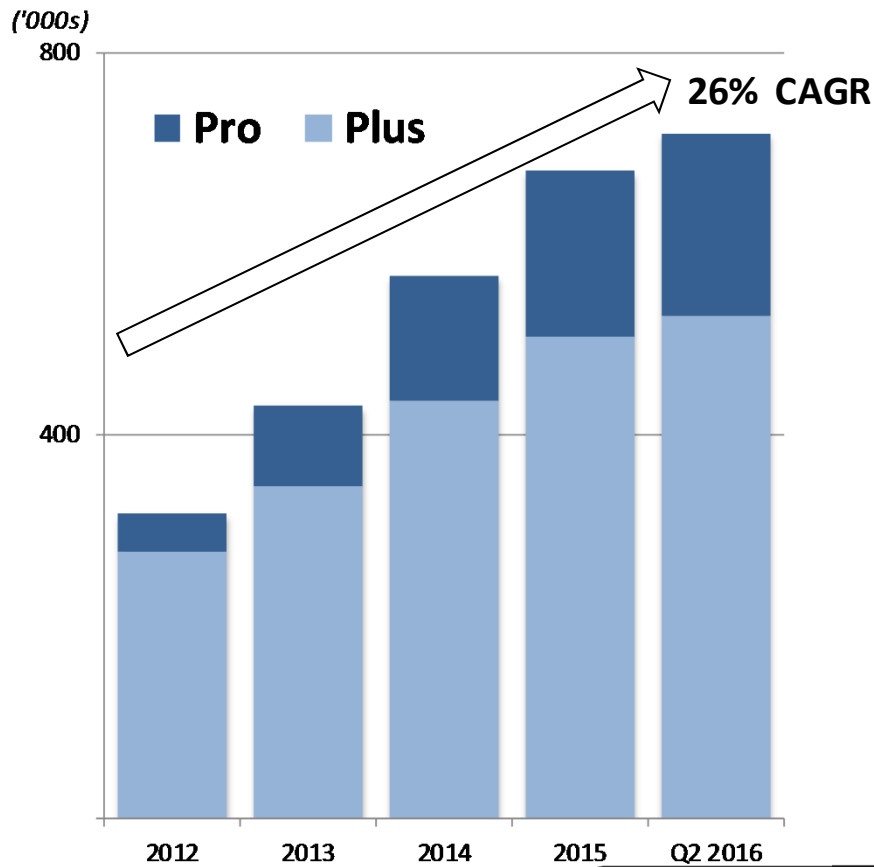
...an amount that dwarfs recent entrants in the market, many of whom have already failed or withdrawn



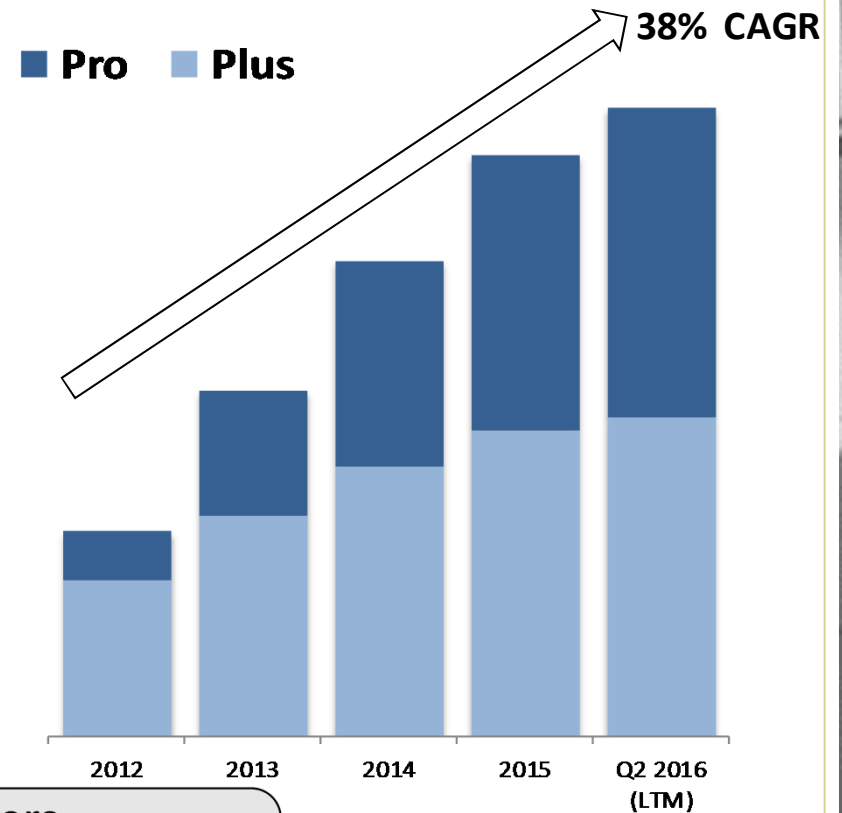
(1) HomeAdvisor investment figures include operating expenses and offline marketing  
 (2) Source: Crunchbase

# vimeo Professional creator base loves Vimeo's platform and player

## Vimeo Subscribers



## Vimeo Subscription Revenue

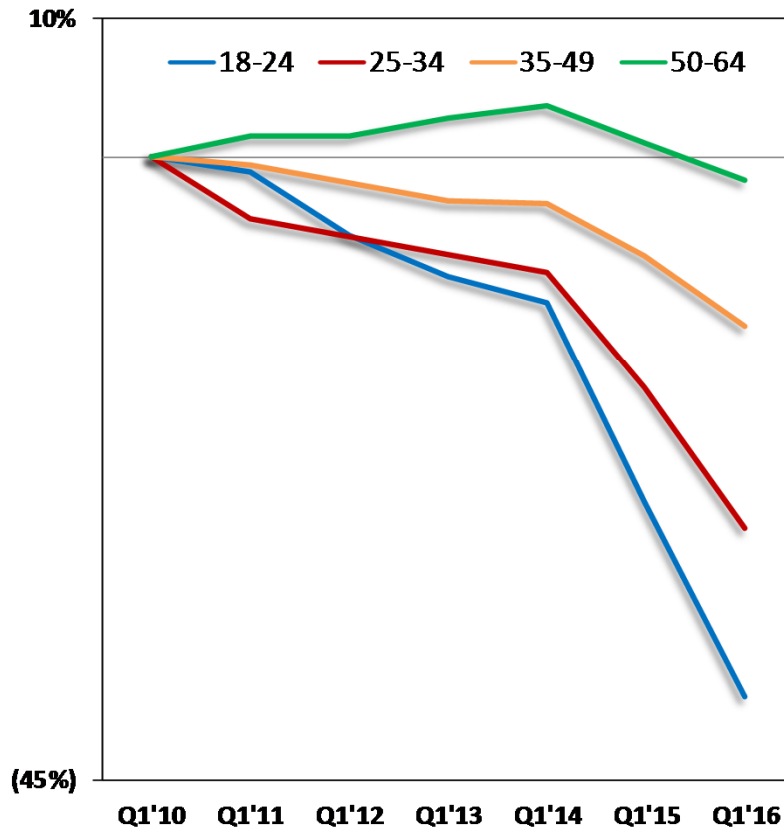


**Pro users**  
~25% of subscribers  
~50% of subscription revenue

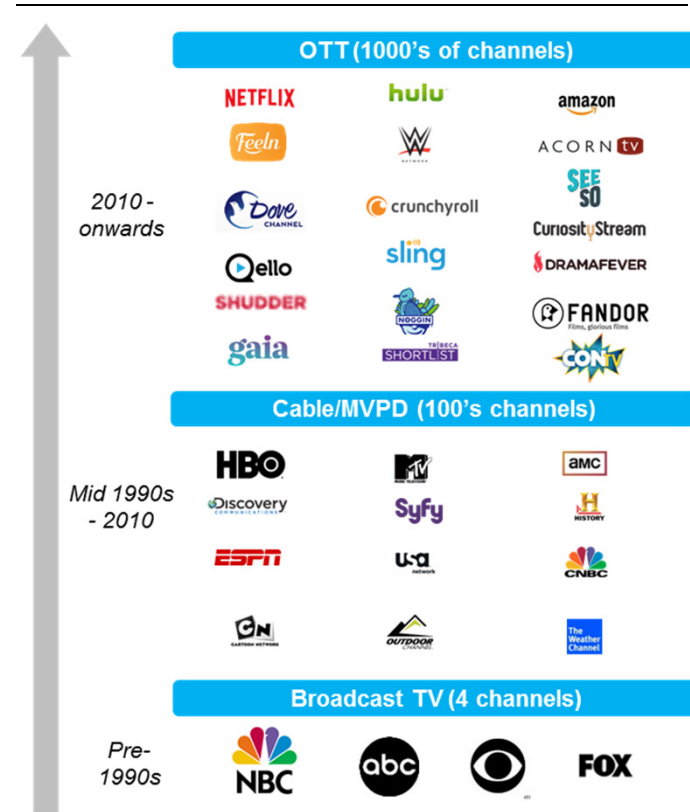


# vimeo Significant opportunity in powering the OTT revolution

**Linear TV Viewing Hours by Age<sup>(1)</sup>**  
(Aggregate % change indexed to Q1'10)



...as the proliferation of OTT channels has begun



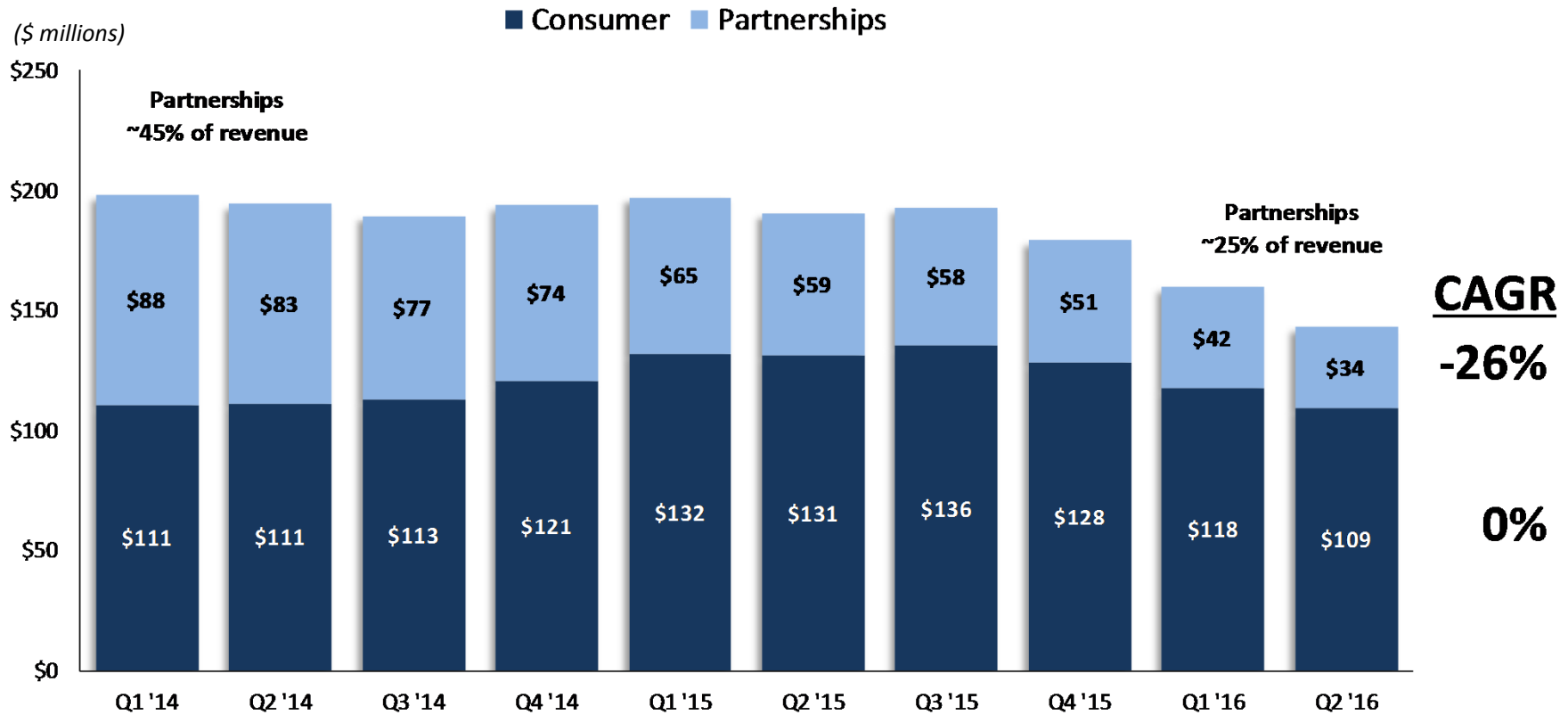
~\$250 billion global paid video market<sup>(2)</sup>  
**Quickly moving online**



(1) Source: Nielsen; (2) Source: PwC

# Partnership business of decreasing importance; Consumer business stabilizing

Revenue Mix: Consumer vs. Partnerships





## Mix of growth assets and those we are stabilizing

 INVESTOPEDIA

**Growth Asset**



**Growth potential  
with verticalization**



**Growth Asset**

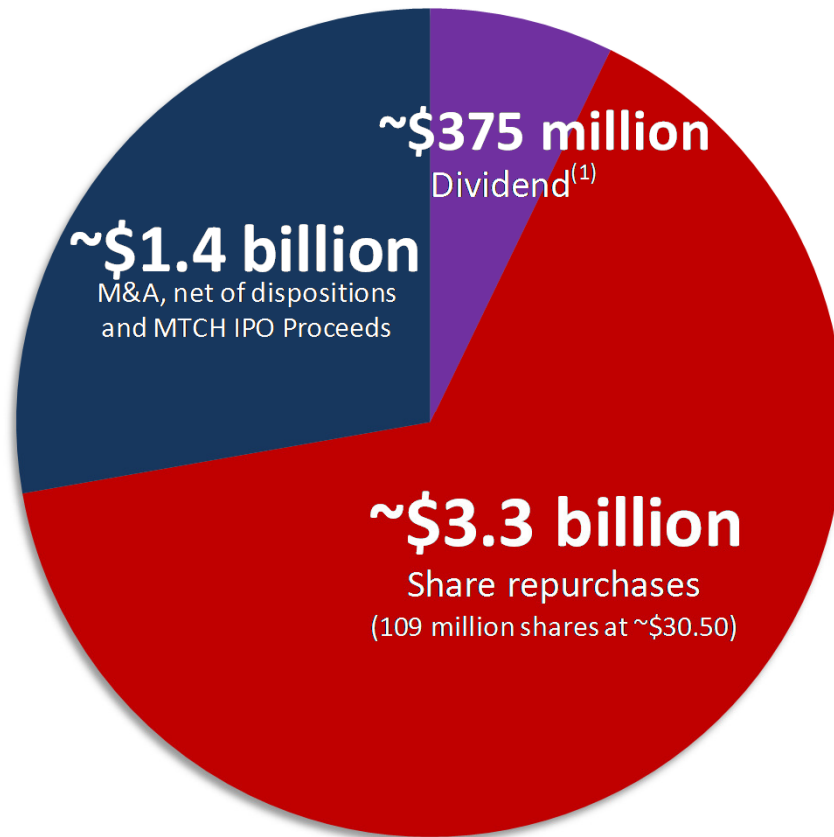
 **Dictionary.com**

**Cash Cow**



**Stabilizing for Cash Flow**

## IAC is an astute and responsible steward of capital



### IAC uses its capital to:

- Drive growth of our businesses through prudent yet aggressive investment
- Opportunistic share repurchases
- Disciplined M&A (new categories and tuck-ins)

\*Chart shows Capital Allocation since spins of LendingTree, HSN, Interval Leisure Group and Ticketmaster in 2008



(1) Suspended following Match IPO

# Appendix

## Q2'16 LTM Adjusted EBITDA: GAAP to Non-GAAP Reconciliation

(\$ '000s)	Match Group	HomeAdvisor	Video	Applications	Publishing
<b>Operating Income</b>	\$ 228,850	\$ 22,684	\$ (30,354)	\$ 130,207	\$ (366,386)
Depreciation	26,893	7,251	1,542	4,618	8,984
Amortization of Intangibles	24,994	3,088	1,721	6,164	125,402
Stock-based Compensation Expense	62,354	1,624	66	-	-
Acquisition-related Contingent Consideration Fair Value Adjustments	3,584	-	(394)	8,765	-
Goodwill Impairment	-	-	-	-	275,367
<b>Adjusted EBITDA</b>	\$ 346,675	\$ 34,647	\$ (27,419)	\$ 149,754	\$ 43,367