

IAC
Q3 2021 Earnings
Supplemental Financial Information and Operating Metrics

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Financial Results and Reconciliations (Unaudited)

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

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue											
Angi Inc.	\$ 1,326.2	\$ 343.6	\$ 375.1	\$ 389.9	\$ 359.3	\$ 1,467.9	\$ 387.0	\$ 421.0	\$ 461.6		
Dotdash	167.6	44.1	44.6	50.8	74.2	213.8	65.4	73.3	65.2		
Search	742.2	154.4	131.3	145.2	182.4	613.3	181.0	183.6	228.4		
Emerging & Other	274.1	85.0	108.1	127.4	149.2	469.8	153.2	151.7	168.9		
Inter-segment eliminations	(0.1)	(0.0)	(0.0)	(0.1)	(0.0)	(0.2)	(0.1)	(0.0)	(0.0)		
Total revenue	\$ 2,510.0	\$ 627.2	\$ 659.0	\$ 713.2	\$ 765.0	\$ 2,764.5	\$ 786.6	\$ 829.5	\$ 924.1		
Operating income (loss)											
Angi Inc.	\$ 38.6	\$ (16.3)	\$ 17.6	\$ (3.0)	\$ (4.7)	\$ (6.4)	\$ 0.1	\$ (32.7)	\$ (15.0)		
Dotdash	29.0	2.4	7.7	11.8	28.4	50.2	18.1	19.2	7.1		
Search	122.3	(220.6)	8.8	(53.0)	16.0	(248.7)	18.4	25.7	30.0		
Emerging & Other	(21.8)	(17.9)	(9.0)	(35.1)	(8.9)	(70.9)	1.0	(2.7)	(22.2)		
Corporate (a)	(162.5)	(43.6)	(122.6)	(42.9)	(52.9)	(261.9)	(44.8)	(37.8)	(31.9)		
Total operating income (loss)	\$ 5.7	\$ (295.9)	\$ (97.4)	\$ (122.2)	\$ (22.1)	\$ (537.7)	\$ (7.2)	\$ (28.4)	\$ (32.1)		
Stock-based compensation expense											
Angi Inc.	\$ (68.3)	\$ (25.6)	\$ (14.8)	\$ (14.7)	\$ (28.6)	\$ (83.6)	\$ (2.0)	\$ (9.5)	\$ (8.8)		
Dotdash	-	-	-	-	-	-	-	-	-		
Search	-	-	-	-	-	-	-	-	-		
Emerging & Other	-	-	-	-	-	(0.1)	-	-	-		
Corporate (a)	(62.0)	(9.8)	(63.1)	(13.9)	(18.5)	(105.2)	(16.3)	(14.5)	(6.6)		
Total stock-based compensation expense	\$ (130.2)	\$ (35.4)	\$ (77.9)	\$ (28.6)	\$ (47.1)	\$ (189.0)	\$ (18.3)	\$ (24.1)	\$ (15.4)		
Depreciation											
Angi Inc.	\$ (39.9)	\$ (12.1)	\$ (12.6)	\$ (13.9)	\$ (14.0)	\$ (52.6)	\$ (16.0)	\$ (15.1)	\$ (14.7)		
Dotdash	(1.0)	(0.2)	(0.6)	(0.7)	(0.2)	(1.8)	(0.5)	(0.6)	(0.5)		
Search	(1.8)	(0.3)	(0.7)	(0.9)	(0.8)	(2.7)	-	-	-		
Emerging & Other	(0.7)	(0.3)	(0.4)	(0.9)	(0.9)	(2.4)	(0.4)	(0.4)	(0.3)		
Corporate	(12.1)	(2.5)	(2.3)	(2.3)	(2.2)	(9.2)	(2.2)	(1.1)	(2.2)		
Total depreciation	\$ (55.5)	\$ (15.4)	\$ (16.5)	\$ (18.6)	\$ (18.2)	\$ (68.8)	\$ (19.2)	\$ (17.1)	\$ (17.8)		
Amortization of intangibles											
Angi Inc.	\$ (55.5)	\$ (13.0)	\$ (13.0)	\$ (12.9)	\$ (4.1)	\$ (42.9)	\$ (5.1)	\$ (3.7)	\$ (3.9)		
Dotdash	(9.6)	(4.4)	(3.8)	(3.7)	(2.3)	(14.2)	(1.2)	(0.7)	(0.6)		
Search	-	(21.4)	-	(10.8)	-	(32.2)	-	-	-		
Emerging & Other	(9.1)	(3.9)	(6.6)	(26.2)	(0.9)	(37.6)	(10.5)	(9.2)	(9.6)		
Corporate	-	-	-	-	-	-	-	-	-		
Total amortization of intangibles	\$ (74.2)	\$ (42.6)	\$ (23.4)	\$ (53.5)	\$ (7.3)	\$ (126.8)	\$ (16.8)	\$ (13.6)	\$ (14.1)		
Acquisition-related contingent consideration fair value adjustments											
Angi Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Dotdash	-	-	-	-	-	-	-	-	-		
Search	-	-	-	-	-	-	-	-	-		
Emerging & Other	19.7	6.3	0.6	-	-	6.9	-	-	(15.0)		
Corporate	-	-	-	-	-	-	-	-	-		
Total acquisition-related contingent consideration fair value adjustments	\$ 19.7	\$ 6.3	\$ 0.6	\$ -	\$ -	\$ 6.9	\$ -	\$ -	\$ (15.0)		
Goodwill impairment											
Angi Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Dotdash	-	-	-	-	-	-	-	-	-		
Search	-	(212.0)	-	(53.2)	-	(265.1)	-	-	-		
Emerging & Other	(3.3)	-	-	-	-	-	-	-	-		
Corporate	-	-	-	-	-	-	-	-	-		
Total goodwill impairment	\$ (3.3)	\$ (212.0)	\$ -	\$ (53.2)	\$ -	\$ (265.1)	\$ -	\$ -	\$ -		

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Financial Results and Reconciliations (Unaudited)

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

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Adjusted EBITDA (b)											
Angi Inc.	\$ 202.3	\$ 34.4	\$ 57.9	\$ 38.5	\$ 42.0	\$ 172.8	\$ 23.2	\$ (4.4)	\$ 12.4		
Dotdash	39.6	7.0	12.1	16.2	30.9	66.2	19.9	20.5	8.2		
Search	124.2	13.1	9.4	11.9	16.9	51.3	18.4	25.7	30.0		
Emerging & Other	(28.4)	(20.0)	(2.6)	(8.1)	(7.1)	(37.7)	12.0	6.9	2.7		
Corporate (a)	(88.5)	(31.3)	(57.2)	(26.7)	(32.2)	(147.4)	(26.3)	(22.3)	(23.1)		
Total Adjusted EBITDA	\$ 249.2	\$ 3.2	\$ 19.7	\$ 31.8	\$ 50.6	\$ 105.2	\$ 47.1	\$ 26.4	\$ 30.2		
Net earnings (loss) attributable to IAC shareholders	\$ 22.9	\$ (328.2)	\$ (96.1)	\$ 184.9	\$ 509.1	\$ 269.7	\$ 329.1	\$ 194.8	\$ 60.7		
Add back:											
Net earnings (loss) attributable to noncontrolling interests	9.3	(2.4)	2.1	0.9	(1.8)	(1.1)	(0.2)	(3.2)	0.4		
Loss (earnings) from discontinued operations, net of tax (c)	49.5	12.1	8.1	1.9	(0.7)	21.3	(10.0)	11.8	-		
Income tax (benefit) provision	(47.3)	(37.0)	(34.4)	(25.1)	50.7	(45.7)	53.3	87.8	9.9		
Other (income) expense, net	(40.5)	57.4	(3.3)	(1.6)	(9.9)	42.6	(3.6)	(50.3)	(79.5)		
Unrealized loss (gain) on investment in MGM Resorts International	-	-	24.7	(289.1)	(576.2)	(840.5)	(382.5)	(275.1)	(29.5)		
Interest expense	11.9	2.2	1.6	5.8	6.6	16.2	6.6	5.8	6.0		
Operating income (loss)	5.7	(295.9)	(97.4)	(122.2)	(22.1)	(537.7)	(7.2)	(28.4)	(32.1)		
Add back:											
Stock-based compensation expense	130.2	35.4	77.9	28.6	47.1	189.0	18.3	24.1	15.4		
Depreciation	55.5	15.4	16.5	18.6	18.2	68.8	19.2	17.1	17.8		
Amortization of intangibles	74.2	42.6	23.4	53.5	7.3	126.8	16.8	13.6	14.1		
Acquisition-related contingent consideration fair value adjustments	(19.7)	(6.3)	(0.6)	-	-	(6.9)	-	-	15.0		
Goodwill impairment	3.3	212.0	-	53.2	-	265.1	-	-	-		
Adjusted EBITDA	\$ 249.2	\$ 3.2	\$ 19.7	\$ 31.8	\$ 50.6	\$ 105.2	\$ 47.1	\$ 26.4	\$ 30.2		
Diluted weighted average shares outstanding (d)	85.1	85.1	85.1	90.5	91.2	90.9	92.1	93.4	91.1		
Diluted earnings (loss) per share from continuing operations (e)	\$ 0.84	\$ (3.72)	\$ (1.04)	\$ 2.06	\$ 5.58	\$ 3.20	\$ 3.36	\$ 2.14	\$ 0.65		
Diluted (loss) earnings per share from discontinued operations (c)(e)	\$ (0.57)	\$ (0.14)	\$ (0.09)	\$ (0.02)	\$ 0.01	\$ (0.23)	\$ 0.10	\$ (0.12)	\$ -		
Diluted earnings (loss) per share attributable to IAC shareholders (e)	\$ 0.27	\$ (3.86)	\$ (1.13)	\$ 2.04	\$ 5.59	\$ 2.97	\$ 3.46	\$ 2.02	\$ 0.65		

- (a) Q1 2020 operating loss of \$43.6 million and Adjusted EBITDA loss of \$31.3 million at Corporate includes \$7.6 million in costs related to the Match Separation. Q2 2020 operating loss of \$122.6 million and Adjusted EBITDA loss of \$57.2 million at Corporate includes \$25.0 million in costs related to the IAC Fellows endowment and \$11.2 million in costs related to the Match Separation. Q2 2020 operating loss at Corporate was further impacted by \$52.2 million in stock-based compensation expense due to a modification charge related to the Match Separation.
- (b) 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. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.
- (c) On May 25, 2021, the Company completed the separation of its Vimeo business from the remaining businesses of the Company through a series of transactions that resulted in the transfer of its Vimeo business to Vimeo, Inc., (formerly named Vimeo Holdings, Inc., "Vimeo"), and Vimeo becoming an independent, separately traded public company through a spin-off from IAC. Vimeo is presented as discontinued operations within IAC's consolidated and combined financial statements for all periods prior to May 25, 2021.
- (d) The Company computed diluted earnings per share for periods prior to the Match Separation using the shares issued on June 30, 2020 in connection with the Match Separation.
- (e) Quarterly per share amounts for 2020 may not add up to the related annual per share amount due to differences in the number of average common shares outstanding during each period.

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Angi Inc.

(rounding differences may occur)

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Angi Inc.											
<i>Revenue (\$ in millions)</i>											
Angi Ads and Leads (a)	\$ 1,198.4	\$ 291.2	\$ 325.2	\$ 327.1	\$ 289.4	\$ 1,232.9	\$ 306.3	\$ 327.1	\$ 326.2		
Angi Services (b)	51.5	32.9	32.2	45.1	52.3	162.5	54.7	72.8	117.4		
Total North America	\$ 1,249.9	\$ 324.1	\$ 357.4	\$ 372.2	\$ 341.7	\$ 1,395.4	\$ 361.0	\$ 399.9	\$ 443.5		
Europe	76.3	19.5	17.6	17.7	17.6	72.5	26.0	21.0	18.0		
Total Angi Inc. Revenue	\$ 1,326.2	\$ 343.6	\$ 375.1	\$ 389.9	\$ 359.3	\$ 1,467.9	\$ 387.0	\$ 421.0	\$ 461.6		
Angi Service Requests (in thousands) (c)	27,553	5,968	9,381	9,837	7,226	32,412	7,709	9,419	8,707		
Angi Monetized Transactions (in thousands) (d)	16,068	3,590	4,514	4,716	3,851	16,672	4,193	5,006	4,783		
Angi Transacting Service Professionals (in thousands) (e)		191	194	207	208		212	225	222		
Angi Advertising Service Professionals (in thousands) (f)	37	37	37	39	39	39	40	40	39		

(a) Primarily reflects domestic ads and leads revenue, including consumer connection revenue for consumer matches, revenue from service professionals under contract for advertising and membership subscription revenue from service professionals and consumers.

(b) Primarily reflects domestic revenue from pre-priced offerings by which the consumer purchases services directly from Angi Inc. and Angi Inc. engages a service professional to perform the service and includes revenue from Total Home Roofing, Inc. ("Angi Roofing"), which was acquired on July 1, 2021.

(c) Fully completed and submitted domestic customer service requests and includes Angi Services requests in the period.

(d) Fully completed and submitted domestic customer service requests that were matched to and paid for by a service professional and includes completed and in-process Angi Services jobs in the period.

(e) The number of service professionals that paid for consumer matches through Angi Leads or performed an Angi Services job in the quarter.

(f) The number of service professionals under contract for advertising at the end of the period.

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Dotdash**

(rounding differences may occur)

	2019	2020					2021				
	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)	\$ 126.3	\$ 29.9	\$ 26.6	\$ 31.8	\$ 49.1	\$ 137.5	\$ 37.2	\$ 44.9	\$ 42.9		
Performance Marketing (b)	41.2	14.2	18.0	18.9	25.1	76.3	28.3	28.4	22.3		
Total Dotdash Revenue	\$ 167.6	\$ 44.1	\$ 44.6	\$ 50.8	\$ 74.2	\$ 213.8	\$ 65.4	\$ 73.3	\$ 65.2		

- (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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Search

(rounding differences may occur)

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Search											
<i>Revenue (\$ in millions)</i>											
Ask Media Group (a)	\$ 421.9	\$ 100.9	\$ 87.4	\$ 102.9	\$ 141.4	\$ 432.7	\$ 143.9	\$ 150.2	\$ 193.3		
Desktop (b)	320.2	53.5	43.9	42.3	41.0	180.6	37.2	33.4	35.2		
Total Search Revenue	<u>\$ 742.2</u>	<u>\$ 154.4</u>	<u>\$ 131.3</u>	<u>\$ 145.2</u>	<u>\$ 182.4</u>	<u>\$ 613.3</u>	<u>\$ 181.0</u>	<u>\$ 183.6</u>	<u>\$ 228.4</u>		

(a) Ask Media consists of revenue generated from advertising principally through the display of paid listings in response to search queries, as well as from display advertisements appearing alongside content on its various websites, and, to a lesser extent, affiliate commerce commission revenue.

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