

IAC
Q2 2023 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)

	2021	2022					2023				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue											
Dotdash Meredith	\$ 456.3	\$ 500.5	\$ 489.5	\$ 467.1	\$ 477.6	\$ 1,934.7	\$ 387.6	\$ 414.0			
Angi Inc.	1,685.4	436.2	515.8	498.0	441.5	1,891.5	392.4	375.1			
Search	873.3	223.4	198.2	156.7	153.1	731.4	152.5	177.0			
Emerging & Other	685.2	167.0	161.1	180.8	177.1	686.0	154.0	147.9			
Inter-segment eliminations	(0.6)	(1.7)	(2.0)	(1.8)	(2.9)	(8.3)	(2.2)	(2.4)			
Total revenue	\$ 3,699.6	\$ 1,325.3	\$ 1,362.6	\$ 1,300.9	\$ 1,246.5	\$ 5,235.3	\$ 1,084.3	\$ 1,111.6			
Operating income (loss)											
Dotdash Meredith (a) (b)	\$ 7.2	\$ (56.2)	\$ (27.5)	\$ (95.5)	\$ (8.8)	\$ (188.1)	\$ (111.2)	\$ (17.8)			
Angi Inc.	(76.5)	(34.0)	(20.9)	(11.1)	(60.4)	(126.3)	(10.5)	(16.7)			
Search	108.3	25.1	26.3	19.1	12.9	83.4	10.8	14.0			
Emerging & Other	(22.7)	(5.0)	(107.8)	(1.6)	8.2	(106.2)	11.4	3.4			
Corporate	(153.3)	(38.6)	(36.3)	(35.6)	(27.1)	(137.6)	(36.1)	(38.3)			
Total operating loss	\$ (137.1)	\$ (108.8)	\$ (166.1)	\$ (124.7)	\$ (75.1)	\$ (474.8)	\$ (135.6)	\$ (55.5)			
Stock-based compensation expense											
Dotdash Meredith	\$ (1.4)	\$ (4.3)	\$ (5.1)	\$ (6.3)	\$ (6.1)	\$ (21.8)	\$ (5.1)	\$ (5.6)			
Angi Inc.	(28.7)	(13.0)	(13.4)	(12.4)	(13.9)	(52.7)	(12.9)	(10.1)			
Search	-	-	(0.1)	(0.2)	(0.2)	(0.5)	(0.4)	(0.4)			
Emerging & Other	(0.1)	-	(0.1)	(0.2)	(0.2)	(0.5)	(0.4)	(0.4)			
Corporate	(49.2)	(12.4)	(13.0)	(12.3)	(10.8)	(48.5)	(10.6)	(14.1)			
Total stock-based compensation expense	\$ (79.5)	\$ (29.7)	\$ (31.7)	\$ (31.1)	\$ (31.0)	\$ (123.5)	\$ (28.9)	\$ (30.2)			
Depreciation											
Dotdash Meredith (b)	\$ (6.2)	\$ (13.3)	\$ (12.9)	\$ (7.0)	\$ (8.2)	\$ (41.4)	\$ (33.4)	\$ (16.9)			
Angi Inc.	(59.2)	(14.0)	(13.4)	(17.8)	(33.2)	(78.3)	(25.4)	(22.2)			
Search	-	-	-	-	-	(0.1)	-	-			
Emerging & Other	(1.5)	(0.4)	(0.3)	(0.3)	(0.7)	(1.7)	(0.7)	(0.6)			
Corporate	(8.1)	(2.5)	(2.5)	(2.5)	(2.0)	(9.6)	(1.7)	(1.7)			
Total depreciation	\$ (75.0)	\$ (30.2)	\$ (29.1)	\$ (27.6)	\$ (44.1)	\$ (131.0)	\$ (61.2)	\$ (41.3)			
Amortization of intangibles											
Dotdash Meredith	\$ (18.9)	\$ (47.9)	\$ (48.7)	\$ (113.5)	\$ (67.7)	\$ (277.7)	\$ (49.7)	\$ (49.5)			
Angi Inc.	(16.4)	(3.8)	(3.8)	(3.8)	(3.0)	(14.4)	(2.7)	(2.7)			
Search	-	-	-	-	-	-	-	-			
Emerging & Other	(39.6)	(5.5)	(3.6)	(3.5)	(2.9)	(15.6)	(2.3)	(2.0)			
Corporate	-	-	-	-	-	-	-	-			
Total amortization of intangibles	\$ (74.8)	\$ (57.2)	\$ (56.1)	\$ (120.8)	\$ (73.7)	\$ (307.7)	\$ (54.6)	\$ (54.2)			
Acquisition-related contingent consideration fair value adjustments											
Dotdash Meredith	\$ -	\$ 0.6	\$ -	\$ -	\$ -	\$ 0.6	\$ -	\$ -			
Angi Inc.	-	-	-	-	-	-	-	-			
Search	-	-	-	-	-	-	-	-			
Emerging & Other	(15.0)	-	-	-	-	-	-	-			
Corporate	-	-	-	-	-	-	-	-			
Total acquisition-related contingent consideration fair value adjustments	\$ (15.0)	\$ 0.6	\$ -	\$ -	\$ -	\$ 0.6	\$ -	\$ -			
Goodwill impairment											
Dotdash Meredith	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Angi Inc.	-	-	-	-	(26.0)	(26.0)	-	-			
Search	-	-	-	-	-	-	-	-			
Emerging & Other	-	-	(86.7)	-	-	(86.7)	-	-			
Corporate	-	-	-	-	-	-	-	-			
Total goodwill impairment	\$ -	\$ -	\$ (86.7)	\$ -	\$ (26.0)	\$ (112.8)	\$ -	\$ -			

See notes on page 3

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Financial Results and Reconciliations (Unaudited)

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

	2021	2022					2023				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Adjusted EBITDA (e)											
Dotdash Meredith (a)	\$ 33.6	\$ 8.5	\$ 39.2	\$ 31.2	\$ 73.3	\$ 152.1	\$ (23.1)	\$ 54.1			
Angi Inc.	27.9	(3.2)	9.7	22.9	15.7	45.1	30.5	18.3			
Search	108.4	25.1	26.3	19.1	13.0	83.5	10.8	14.0			
Emerging & Other	33.4	0.9	(17.1)	2.4	12.1	(1.6)	14.8	6.3			
Corporate	(96.0)	(23.7)	(20.7)	(20.8)	(14.3)	(79.5)	(23.8)	(22.5)			
Total Adjusted EBITDA	\$ 107.3	\$ 7.7	\$ 37.4	\$ 54.8	\$ 99.7	\$ 199.6	\$ 9.1	\$ 70.2			
Net earnings (loss) attributable to IAC shareholders	\$ 597.5	\$ (235.8)	\$ (869.1)	\$ (63.8)	\$ (1.4)	\$ (1,170.2)	\$ 417.8	\$ (89.0)			
Add back:											
Net loss attributable to noncontrolling interests	(8.6)	(5.1)	(6.3)	(2.0)	(8.9)	(22.3)	(2.5)	(2.6)			
Loss (earnings) from discontinued operations, net of tax (d)	1.8	-	-	-	(2.7)	(2.7)	-	-			
Income tax provision (benefit)	139.0	(70.5)	(229.0)	(26.1)	(5.6)	(331.1)	139.5	(24.3)			
Other (income) expense, net	(111.9)	(6.7)	89.4	(19.7)	154.7	217.8	(23.7)	(11.0)			
Unrealized (gain) loss on investment in MGM Resorts International	(789.3)	187.3	825.3	(42.5)	(246.6)	723.5	(704.8)	32.4			
Interest expense	34.3	21.9	23.5	29.4	35.3	110.2	38.2	39.1			
Operating loss	(137.1)	(108.8)	(166.1)	(124.7)	(75.1)	(474.8)	(135.6)	(55.5)			
Add back:											
Stock-based compensation expense	79.5	29.7	31.7	31.1	31.0	123.5	28.9	30.2			
Depreciation	75.0	30.2	29.1	27.6	44.1	131.0	61.2	41.3			
Amortization of intangibles	74.8	57.2	56.1	120.8	73.7	307.7	54.6	54.2			
Acquisition-related contingent consideration fair value adjustments	15.0	(0.6)	-	-	-	(0.6)	-	-			
Goodwill impairment	-	-	86.7	-	26.0	112.8	-	-			
Adjusted EBITDA	\$ 107.3	\$ 7.7	\$ 37.4	\$ 54.8	\$ 99.7	\$ 199.6	\$ 9.1	\$ 70.2			
Diluted weighted average shares outstanding	91.8	86.8	86.7	86.0	85.9	86.4	88.4	83.1			
Diluted earnings (loss) per share from continuing operations (e)	\$ 6.33	\$ (2.72)	\$ (10.02)	\$ (0.74)	\$ (0.05)	\$ (13.58)	\$ 4.57	\$ (1.07)			
Diluted (loss) earnings per share from discontinued operations (d)(e)	\$ (0.02)	\$ -	\$ -	\$ -	\$ 0.03	\$ 0.03	\$ -	\$ -			
Diluted earnings (loss) per share attributable to IAC shareholders (e)	\$ 6.31	\$ (2.72)	\$ (10.02)	\$ (0.74)	\$ (0.02)	\$ (13.55)	\$ 4.57	\$ (1.07)			

- (a) The 2021 operating income of \$7.2 million and Adjusted EBITDA of \$33.6 million at Dotdash Meredith include \$78.5 million of transaction-related costs, including charges related to double-trigger change-in-control payments, associated with the acquisition of Meredith Holding Corporation ("Meredith"). Q1 2022 operating loss of \$56.2 million and Adjusted EBITDA of \$8.5 million at Dotdash Meredith include \$22.4 million of restructuring costs related to the discontinuation of certain print publications, the shutdown of PeopleTV, and the voluntary retirement program announced in the first quarter of 2022, and \$4.0 million of transaction-related costs associated with the acquisition of Meredith. Q2 2022 operating loss of \$27.5 million and Adjusted EBITDA of \$39.2 million at Dotdash Meredith include \$13.7 million of restructuring costs primarily related to the activities announced in the first quarter of 2022 and actions taken to improve efficiencies following the Meredith acquisition, and \$1.2 million of transaction-related costs associated with the acquisition of Meredith. Q3 2022 operating loss of \$95.5 million and Adjusted EBITDA of \$31.2 million at Dotdash Meredith include \$17.7 million of restructuring costs primarily related to the impairment of a right-of-use asset ("ROU") related to the consolidation of certain leased spaces following the Meredith acquisition, and \$0.8 million of transaction-related costs associated with the acquisition of Meredith. Q4 2022 operating loss of \$8.8 million and Adjusted EBITDA of \$73.3 million at Dotdash Meredith include \$19.4 million of restructuring costs primarily related to the reduction in force plan announced in January 2023 and \$1.1 million of transaction-related costs associated with the acquisition of Meredith. Q1 2023 operating loss of \$111.2 million and Adjusted EBITDA loss of \$23.1 million at Dotdash Meredith include \$44.7 million of impairment charges of a ROU asset related to unoccupied leased office space.
- (b) Q3 2022 operating loss of \$95.5 million and depreciation of \$7.0 million at Dotdash Meredith include \$7.0 million of restructuring costs primarily related to the impairment of leasehold improvements and furniture and equipment related to the consolidation of certain leased spaces following the Meredith acquisition. Q1 2023 operating loss of \$111.2 million and depreciation of \$33.4 million at Dotdash Meredith include \$25.3 million of impairment charges related to leasehold improvements and furniture and equipment related to unoccupied leased office space. Q2 2023 operating loss of \$17.8 million and depreciation of \$16.9 million at Dotdash Meredith include a \$4.2 million write-off of certain leasehold improvements and furniture and equipment.
- (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. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.
- (d) 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 financial statements for all periods prior to May 25, 2021. Q4 2022 includes \$2.7 million of income tax benefit related to the Company's allocation of certain federal and state net operating losses to Vimeo based on the filing of its 2021 tax returns.
- (e) Quarterly per share amounts for 2022 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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Dotdash Meredith

(\$ in millions; rounding differences may occur)

	2021	2022					2023				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Dotdash Meredith											
<i>Revenue as Reported</i>											
Digital Revenue (a)	\$ 367.1	\$ 216.2	\$ 234.5	\$ 220.7	\$ 260.1	\$ 931.5	\$ 184.8	\$ 212.0			
Print Revenue (b)	92.0	290.0	260.3	251.5	224.4	1,026.1	207.0	206.8			
Intersegment eliminations	(2.9)	(5.7)	(5.3)	(5.1)	(6.8)	(22.9)	(4.2)	(4.7)			
Total Dotdash Meredith Revenue	\$ 456.3	\$ 500.5	\$ 489.5	\$ 467.1	\$ 477.6	\$ 1,934.7	\$ 387.6	\$ 414.0			
<i>Meredith Revenue for Periods Prior to its Acquisition (c)</i>											
Digital Revenue	\$ 664.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Print Revenue	1,257.2	-	-	-	-	-	-	-			
Intersegment eliminations	(22.1)	-	-	-	-	-	-	-			
Total	\$ 1,899.7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
<i>Pro Forma Revenue (d)</i>											
Pro Forma Digital Revenue	\$ 1,031.8	\$ 216.2	\$ 234.5	\$ 220.7	\$ 260.1	\$ 931.5	\$ 184.8	\$ 212.0			
Pro Forma Print Revenue	1,349.2	290.0	260.3	251.5	224.4	1,026.1	207.0	206.8			
Pro Forma Intersegment eliminations	(25.0)	(5.7)	(5.3)	(5.1)	(6.8)	(22.9)	(4.2)	(4.7)			
Total Pro Forma Dotdash Meredith Revenue	\$ 2,356.0	\$ 500.5	\$ 489.5	\$ 467.1	\$ 477.6	\$ 1,934.7	\$ 387.6	\$ 414.0			

(a) Includes Advertising revenue, Performance Marketing revenue and Licensing and Other revenue.

- Advertising revenue – primarily includes revenue generated from display advertisements sold both directly through our sales team and via programmatic exchanges.

- Performance Marketing revenue – primarily includes revenue generated through affiliate commerce, affinity marketing channels, and performance marketing commissions. Affiliate commerce commission revenue is generated when Dotdash Meredith refers users to commerce partner websites resulting in a purchase or transaction. Affinity marketing programs market and place magazine subscriptions for both Dotdash Meredith and third-party publisher titles. Performance marketing commissions are generated on a cost-per-click or cost-per-action basis.

- Licensing and Other revenue – primarily includes revenue generated through brand and content licensing agreements. Brand licensing generates royalties from multiple long-term trademark licensing agreements with retailers, manufacturers, publishers and service providers. Content licensing royalties are earned from our relationship with Apple News + as well as other content distribution relationships.

(b) Primarily includes subscription, advertising, newsstand and performance marketing revenue.

(c) Reflects programmatic advertising revenue on a net basis.

(d) Reflects the inclusion of Meredith revenue for all periods prior to the Meredith acquisition. Meredith's programmatic advertising revenue has been presented on a net basis to conform to IAC's accounting policies.

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Angi Inc.

(rounding differences may occur)

	2021	2022					2023				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Angi Inc.											
<i>Revenue (\$ in millions)</i>											
Ads and Leads (a)	\$ 1,227.1	\$ 294.7	\$ 341.9	\$ 345.5	\$ 299.9	\$ 1,282.1	\$ 293.5	\$ 292.5			
Services (b)	289.9	76.4	108.2	105.9	90.7	381.3	32.1	29.9			
Roofing (c)	68.0	36.7	42.6	26.0	32.2	137.5	38.4	24.5			
Intersegment eliminations	(1.9)	(1.7)	(1.9)	(2.8)	(3.9)	(10.3)	(1.5)	(1.0)			
Total Domestic	1,583.1	406.2	490.8	474.6	418.9	1,790.5	362.5	345.8			
International (d)	102.3	30.0	25.0	23.4	22.6	101.0	29.9	29.2			
Total Angi Inc. Revenue	\$ 1,685.4	\$ 436.2	\$ 515.8	\$ 498.0	\$ 441.5	\$ 1,891.5	\$ 392.4	\$ 375.1			
<i>Reported to Pro Forma Net Revenue Reconciliations (e)</i>											
Services (f)											
Reported Revenue	\$ 289.9	\$ 76.4	\$ 108.2	\$ 105.9	\$ 90.7	\$ 381.3	\$ 32.1	\$ 29.9			
Impact of net revenue reporting (e)	(180.7)	(51.7)	(71.1)	(64.8)	(55.1)	(242.6)	(3.7)	0.5			
Pro Forma Services Net Revenue	\$ 109.3	\$ 24.8	\$ 37.1	\$ 41.1	\$ 35.6	\$ 138.7	\$ 28.4	\$ 30.4			
Total Angi Inc. (g)											
Reported Revenue	\$ 1,685.4	\$ 436.2	\$ 515.8	\$ 498.0	\$ 441.5	\$ 1,891.5	\$ 392.4	\$ 375.1			
Impact of Services net revenue reporting (e)	(180.7)	(51.7)	(71.1)	(64.8)	(55.1)	(242.6)	(3.7)	0.5			
Pro Forma Angi Inc. Net Revenue	\$ 1,504.8	\$ 384.5	\$ 444.7	\$ 433.3	\$ 386.5	\$ 1,648.9	\$ 388.7	\$ 375.6			
<i>Metrics</i>											
Service Requests (in thousands) (h)	33,513	6,818	8,631	7,901	6,109	29,459	6,004	6,862			
Monetized Transactions (in thousands) (i)	31,510	6,799	8,303	7,779	6,057	28,938	6,451	7,805			
Transacting Service Professionals (in thousands) (j)		249	264	245	220		206	207			

(a) 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) Reflects domestic revenue from pre-priced offerings by which the consumer requests services through an Angi Inc. platform and Angi Inc. connects them with a service professional to perform the service.

(c) Reflects revenue from the roof replacement business offering by which the consumer purchases services directly from Angi Inc. and Angi Inc. engages a service professional to perform the service.

(d) Reflects revenue generated within the International segment (consisting of businesses in Europe and Canada), including consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.

(e) From January 1, 2020 through December 31, 2022, Services recorded revenue on a gross basis. Effective January 1, 2023, Angi Inc. modified the Services terms and conditions so that the service professional, rather than Angi Inc., has the contractual relationship with the consumer to deliver the service and our performance obligation to the consumer is to connect them with the service professional. This change in contractual terms requires revenue to be reported as the net amount of what is received from the consumer after deducting the amounts owed to the service professional providing the service effective for all arrangements entered into after December 31, 2022. There is no impact to operating (loss) income or Adjusted EBITDA from the change in revenue recognition.

(f) Reflects Services revenue on a net basis for all periods presented.

(g) Reflects Services revenue on a net basis for all periods presented and as reported revenue for the other segments, none of which had changes to their revenue recognition reporting.

(h) Reflects (i) fully completed and submitted domestic service requests for connections with Ads and Leads service professionals, (ii) contacts to Ads and Leads service professionals generated via the service professional directory from unique users in unique categories (such that multiple contacts from the same user in the same category in the same day are counted as one Service Request) and (iii) requests to book Services jobs in the period.

(i) Reflects (i) Service Requests that are matched to a paying Ads and Leads service professional in the period and (ii) completed and in-process Services jobs in the period; a single Service Request can result in multiple monetized transactions.

(j) The number of (i) Ads and Leads service professionals that paid for consumer matches or advertising and (ii) Services service professionals that performed a Services job, during the most recent quarter.

**IAC
Search**

(rounding differences may occur)

	2021	2022					2023				
	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)	\$ 733.6	\$ 193.9	\$ 171.6	\$ 134.7	\$ 132.0	\$ 632.2	\$ 132.4	\$ 157.3			
Desktop (b)	139.7	29.5	26.6	22.0	21.2	99.3	20.0	19.7			
Total Search Revenue	\$ 873.3	\$ 223.4	\$ 198.2	\$ 156.7	\$ 153.1	\$ 731.4	\$ 152.5	\$ 177.0			

(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.