

**IAC**  
Q1 2009 Earnings  
Supplemental Financial Information and Operating Metrics

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## IAC

### Financial Results and Reconciliations

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

|  | 2007              | 2008             |                  |                  |                  |                   | 2009             |    |    |    |           |
|--|-------------------|------------------|------------------|------------------|------------------|-------------------|------------------|----|----|----|-----------|
|  | FYE 12/31         | Q1               | Q2               | Q3               | Q4               | FYE 12/31         | Q1               | Q2 | Q3 | Q4 | FYE 12/31 |
| <b>Revenue</b>   |                   |                  |                  |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising  | \$ 758.5          | \$ 215.5         | \$ 186.3         | \$ 193.3         | \$ 183.7         | \$ 778.8          | \$ 167.6         |    |    |    |           |
| Match  | 348.7             | 90.5             | 93.3             | 93.5             | 88.1             | 365.5             | 90.1             |    |    |    |           |
| ServiceMagic   | 93.4              | 28.9             | 35.9             | 33.8             | 25.3             | 123.9             | 31.4             |    |    |    |           |
| Emerging Businesses  | 145.3             | 43.8             | 48.5             | 49.6             | 54.6             | 196.6             | 44.0             |    |    |    |           |
| Intercompany Elimination   | (13.4)            | (8.1)            | (9.9)            | (1.0)            | (0.8)            | (19.7)            | (1.0)            |    |    |    |           |
| <b>Total Revenue</b>   | <u>\$ 1,332.6</u> | <u>\$ 370.7</u>  | <u>\$ 354.2</u>  | <u>\$ 369.3</u>  | <u>\$ 351.0</u>  | <u>\$ 1,445.1</u> | <u>\$ 332.0</u>  |    |    |    |           |
| <b>Operating Income Before Amortization</b>                      |                   |                  |                  |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising  | \$ 88.2           | \$ 37.5          | \$ 35.8          | \$ 38.8          | \$ 27.4          | \$ 139.6          | \$ 10.1          |    |    |    |           |
| Match  | 78.4              | 10.1             | 22.9             | 30.3             | 28.0             | 91.3              | 9.9              |    |    |    |           |
| ServiceMagic   | 20.8              | 6.1              | 9.4              | 8.7              | 2.0              | 26.2              | 2.8              |    |    |    |           |
| Emerging Businesses  | (7.9)             | (7.8)            | (7.8)            | (6.1)            | (13.8)           | (35.5)            | (11.1)           |    |    |    |           |
| Corporate  | (98.9)            | (27.4)           | (37.4)           | (41.2)           | (15.5)           | (121.5)           | (15.0)           |    |    |    |           |
| <b>Total Operating Income Before Amortization</b>                | <u>\$ 80.5</u>    | <u>\$ 18.6</u>   | <u>\$ 22.9</u>   | <u>\$ 30.5</u>   | <u>\$ 28.1</u>   | <u>\$ 100.1</u>   | <u>\$ (3.2)</u>  |    |    |    |           |
| <b>Non-cash compensation expense</b>                             |                   |                  |                  |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising  | \$ -              | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              | \$ (0.1)         |    |    |    |           |
| Match  | -                 | -                | -                | -                | -                | -                 | (0.1)            |    |    |    |           |
| ServiceMagic   | (0.6)             | (0.2)            | (0.2)            | (0.2)            | (0.3)            | (0.7)             | (0.1)            |    |    |    |           |
| Emerging Businesses  | (1.5)             | (0.2)            | (0.3)            | (0.3)            | (0.3)            | (1.1)             | 0.1              |    |    |    |           |
| Corporate  | (71.5)            | (18.5)           | (18.2)           | (38.2)           | (9.8)            | (84.7)            | (18.3)           |    |    |    |           |
| <b>Total non-cash compensation expense</b>                       | <u>\$ (73.6)</u>  | <u>\$ (18.9)</u> | <u>\$ (18.6)</u> | <u>\$ (38.7)</u> | <u>\$ (10.4)</u> | <u>\$ (86.5)</u>  | <u>\$ (18.6)</u> |    |    |    |           |
| <b>Amortization of non-cash marketing</b>                        |                   |                  |                  |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising  | \$ (33.6)         | \$ -             | \$ -             | \$ -             | \$ (4.9)         | \$ (4.9)          | \$ (2.3)         |    |    |    |           |
| Match  | (11.1)            | (2.8)            | (3.1)            | (6.1)            | (3.1)            | (15.1)            | -                |    |    |    |           |
| ServiceMagic   | -                 | -                | -                | -                | -                | -                 | -                |    |    |    |           |
| Emerging Businesses  | (4.9)             | -                | -                | -                | -                | -                 | -                |    |    |    |           |
| Corporate  | -                 | -                | -                | -                | -                | -                 | -                |    |    |    |           |
| <b>Total amortization of non-cash marketing</b>                  | <u>\$ (49.7)</u>  | <u>\$ (2.8)</u>  | <u>\$ (3.1)</u>  | <u>\$ (6.1)</u>  | <u>\$ (8.0)</u>  | <u>\$ (20.0)</u>  | <u>\$ (2.3)</u>  |    |    |    |           |
| <b>Amortization of intangibles and goodwill impairment</b>       |                   |                  |                  |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising (a)  | \$ (24.7)         | \$ (6.2)         | \$ (6.1)         | \$ (6.7)         | \$ (14.9)        | \$ (34.0)         | \$ (6.6)         |    |    |    |           |
| Match  | (1.4)             | (0.2)            | (0.2)            | (0.2)            | (0.1)            | (0.7)             | (0.1)            |    |    |    |           |
| ServiceMagic   | (2.6)             | (0.4)            | (0.4)            | (0.4)            | (0.4)            | (1.5)             | (0.6)            |    |    |    |           |
| Emerging Businesses (a) (b)                                      | (7.1)             | (1.2)            | (1.0)            | (1.0)            | (16.0)           | (19.4)            | (1.7)            |    |    |    |           |
| Corporate  | -                 | -                | -                | -                | -                | -                 | -                |    |    |    |           |
| <b>Total amortization of intangibles and goodwill impairment</b> | <u>\$ (35.7)</u>  | <u>\$ (8.1)</u>  | <u>\$ (7.7)</u>  | <u>\$ (8.3)</u>  | <u>\$ (31.5)</u> | <u>\$ (55.5)</u>  | <u>\$ (9.1)</u>  |    |    |    |           |

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# IAC

## Financial Results and Reconciliations

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

|   | 2007              | 2008             |                   |                  |                  |                   | 2009             |    |    |    |           |
|---|-------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|----|----|----|-----------|
|   | FYE 12/31         | Q1               | Q2                | Q3               | Q4               | FYE 12/31         | Q1               | Q2 | Q3 | Q4 | FYE 12/31 |
| <b>Operating (Loss) Income</b>  |                   |                  |                   |                  |                  |                   |                  |    |    |    |           |
| Media & Advertising (a)   | \$ 29.9           | \$ 31.3          | \$ 29.8           | \$ 32.1          | \$ 7.6           | \$ 100.7          | \$ 1.1           |    |    |    |           |
| Match   | 65.8              | 7.1              | 19.6              | 24.0             | 24.8             | 75.5              | 9.7              |    |    |    |           |
| ServiceMagic  | 17.6              | 5.6              | 8.9               | 8.1              | 1.4              | 24.0              | 2.0              |    |    |    |           |
| Emerging Businesses (a) (b)   | (21.3)            | (9.3)            | (9.1)             | (7.4)            | (30.1)           | (56.0)            | (12.7)           |    |    |    |           |
| Corporate   | (170.4)           | (45.8)           | (55.6)            | (79.4)           | (25.3)           | (206.2)           | (33.3)           |    |    |    |           |
| Total operating loss  | <u>\$ (78.5)</u>  | <u>\$ (11.1)</u> | <u>\$ (6.4)</u>   | <u>\$ (22.6)</u> | <u>\$ (21.8)</u> | <u>\$ (62.0)</u>  | <u>\$ (33.1)</u> |    |    |    |           |
| Total other income (expense), net (c) (d) (e) (f) (g) (h)   | 74.4              | 11.7             | (100.5)           | (64.0)           | 308.2            | 155.4             | 0.6              |    |    |    |           |
| (Loss) earnings from continuing operations before income taxes  | (4.1)             | 0.6              | (106.9)           | (86.6)           | 286.4            | 93.5              | (32.6)           |    |    |    |           |
| Income tax (provision) benefit  | (2.3)             | (4.0)            | 22.3              | 85.3             | (65.9)           | 37.7              | 2.7              |    |    |    |           |
| (Loss) earnings from continuing operations  | (6.4)             | (3.5)            | (84.6)            | (1.3)            | 220.5            | 131.2             | (29.9)           |    |    |    |           |
| Gain on sale of discontinued operations, net of tax   | 33.5              | -                | 22.5              | 0.8              | -                | 23.3              | -                |    |    |    |           |
| Discontinued operations, net of tax (i)   | (173.2)           | 55.9             | (360.0)           | (14.7)           | 2.2              | (316.5)           | 1.2              |    |    |    |           |
| Net (loss) earnings   | (146.1)           | 52.5             | (422.1)           | (15.2)           | 222.8            | (162.0)           | (28.6)           |    |    |    |           |
| Net loss attributable to noncontrolling interest  | 2.0               | 0.3              | 0.5               | 0.4              | 4.7              | 5.8               | 0.3              |    |    |    |           |
| Net (loss) earnings attributable to IAC shareholders  | <u>\$ (144.1)</u> | <u>\$ 52.8</u>   | <u>\$ (421.6)</u> | <u>\$ (14.8)</u> | <u>\$ 227.4</u>  | <u>\$ (156.2)</u> | <u>\$ (28.4)</u> |    |    |    |           |
| GAAP Diluted weighted average shares outstanding  | 142.8             | 139.4            | 139.4             | 140.1            | 144.8            | 144.0             | 147.8            |    |    |    |           |
| Diluted (loss) earnings per share   | <u>\$ (1.01)</u>  | <u>\$ 0.38</u>   | <u>\$ (3.02)</u>  | <u>\$ (0.11)</u> | <u>\$ 1.57</u>   | <u>\$ (1.08)</u>  | <u>\$ (0.19)</u> |    |    |    |           |
| <b>Reconciliation of GAAP EPS to Adjusted EPS</b>   |                   |                  |                   |                  |                  |                   |                  |    |    |    |           |
| <b>Net (loss) earnings attributable to IAC shareholders</b>   | \$ (144.1)        | \$ 52.8          | \$ (421.6)        | \$ (14.8)        | \$ 227.4         | \$ (156.2)        | \$ (28.4)        |    |    |    |           |
| Non-cash compensation expense   | 73.6              | 18.9             | 18.6              | 38.7             | 10.4             | 86.5              | 18.6             |    |    |    |           |
| Amortization of non-cash marketing  | 49.7              | 2.8              | 3.1               | 6.1              | 8.0              | 20.0              | 2.3              |    |    |    |           |
| Amortization of intangibles (a)   | 35.7              | 8.1              | 7.7               | 8.3              | 19.9             | 43.9              | 8.0              |    |    |    |           |
| Goodwill impairment (a) (b)   | -                 | -                | -                 | -                | 11.6             | 11.6              | 1.1              |    |    |    |           |
| Arcandor impairment (d)   | -                 | -                | 132.6             | -                | 34.1             | 166.7             | -                |    |    |    |           |
| Net other (income) expense related to fair value adjustment on derivatives (f)                        | (5.8)             | (2.3)            | 1.8               | -                | -                | (0.5)             | -                |    |    |    |           |
| Other (income) expense related to fair value adjustment of the derivative created in the HSE sale (f) | (24.1)            | (4.3)            | (6.6)             | 5.1              | -                | (5.8)             | -                |    |    |    |           |
| Gain on sale of VUE and related effects (c)   | (8.4)             | 1.6              | 1.8               | 1.8              | 1.5              | 6.8               | 1.5              |    |    |    |           |
| (Gain) on sale of discontinued operations, net of tax   | (33.5)            | -                | (22.5)            | (0.8)            | -                | (23.3)            | -                |    |    |    |           |
| Discontinued operations, net of tax (i)   | 173.2             | (55.9)           | 360.0             | 14.7             | (2.2)            | 316.5             | (1.2)            |    |    |    |           |
| Impact of income taxes and noncontrolling interest  | (46.3)            | (11.1)           | (49.3)            | (79.4)           | (61.1)           | (200.8)           | (4.9)            |    |    |    |           |
| <b>Adjusted Net Income</b>  | \$ 69.9           | \$ 10.6          | \$ 25.5           | \$ (20.2)        | \$ 249.6         | \$ 265.5          | \$ (3.0)         |    |    |    |           |
| <b>Adjusted EPS weighted average shares outstanding (j)</b>   | 152.9             | 146.5            | 146.2             | 140.1            | 147.9            | 147.2             | 147.8            |    |    |    |           |
| <b>Adjusted EPS</b>   | <u>\$ 0.46</u>    | <u>\$ 0.07</u>   | <u>\$ 0.17</u>    | <u>\$ (0.14)</u> | <u>\$ 1.69</u>   | <u>\$ 1.80</u>    | <u>\$ (0.02)</u> |    |    |    |           |
| <b>GAAP Basic weighted average shares outstanding</b>   | 142.8             | 139.4            | 139.4             | 140.1            | 140.5            | 139.9             | 147.8            |    |    |    |           |
| Options, warrants and RSUs, treasury method   | -                 | -                | -                 | -                | 4.3              | 4.1               | -                |    |    |    |           |
| Conversion of convertible preferred and convertible notes (if applicable)                             | -                 | -                | -                 | -                | -                | -                 | -                |    |    |    |           |
| <b>GAAP Diluted weighted average shares outstanding</b>   | 142.8             | 139.4            | 139.4             | 140.1            | 144.8            | 144.0             | 147.8            |    |    |    |           |
| Options, warrants, RSUs, treasury method not included in diluted shares above                         | 6.8               | 3.7              | 3.6               | -                | -                | -                 | -                |    |    |    |           |
| Impact of RSUs and convertible preferred and notes (if applicable), net                               | 3.2               | 3.4              | 3.2               | -                | 3.1              | 3.3               | -                |    |    |    |           |
| <b>Adjusted EPS shares outstanding (j)</b>  | <u>152.9</u>      | <u>146.5</u>     | <u>146.2</u>      | <u>140.1</u>     | <u>147.9</u>     | <u>147.2</u>      | <u>147.8</u>     |    |    |    |           |

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## IAC

### Financial Results and Reconciliations

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

#### Supplemental: Depreciation by segment

Media & Advertising  
Match  
ServiceMagic  
Emerging Businesses  
Corporate  
Total Depreciation

| 2007<br>FYE 12/31 | 2008           |                |                |                |                | 2009           |    |    |    |           |
|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----|----|----|-----------|
|                   | Q1             | Q2             | Q3             | Q4             | FYE 12/31      | Q1             | Q2 | Q3 | Q4 | FYE 12/31 |
| \$ 30.8           | \$ 9.5         | \$ 9.2         | \$ 9.2         | \$ 10.3        | \$ 38.1        | \$ 8.5         |    |    |    |           |
| 7.6               | 2.1            | 2.2            | 2.2            | 2.3            | 8.8            | 2.4            |    |    |    |           |
| 2.6               | 0.8            | 0.8            | 0.8            | 0.8            | 3.2            | 0.8            |    |    |    |           |
| 5.4               | 1.6            | 1.9            | 2.0            | 2.5            | 8.0            | 1.7            |    |    |    |           |
| 13.5              | 3.3            | 3.4            | 3.2            | 3.0            | 12.8           | 2.8            |    |    |    |           |
| <u>\$ 59.9</u>    | <u>\$ 17.3</u> | <u>\$ 17.5</u> | <u>\$ 17.3</u> | <u>\$ 19.0</u> | <u>\$ 71.1</u> | <u>\$ 16.2</u> |    |    |    |           |

- (a) Q4 2008 includes a pre-tax \$9.2 million impairment charge at Media & Advertising related to the intangible assets of the Excite, iWon and MyWay portal businesses and a pre-tax \$15 million impairment charge at Emerging Businesses related to the goodwill and intangible assets of Connected Ventures (combined \$10.3 million after-tax impact).
- (b) Q1 2009 includes a pre-tax \$1.1 million impairment charge related to the goodwill of our gift card business (\$0.6 million after-tax impact).
- (c) Q4 2007 includes a pre-tax gain of \$16.7 million related to the Company's 2005 sale of its interest in VUE resulting from the resolution of certain contingencies related to the sale.
- (d) Q2 2008 and Q4 2008 include pre-tax losses of \$132.6 million and \$34.1 million respectively (\$92.7 million and \$7.6 million after-tax, respectively), related to other-than-temporary impairments of the Company's investment in the common stock of Arcandor AG.
- (e) Q4 2008 includes a pre-tax gain on the sale of Jupiter Shop Channel of \$352.0 million (\$242.5 million after-tax) and a pre-tax loss of \$18.8 million (\$18.8 million after-tax) relating to other investments.
- (f) Changes in the fair value of the derivatives created in the Expedia spin-off are recorded as gains or losses in other income for the appropriate period. These derivatives arise due to IAC's obligation to deliver both IAC and Expedia shares upon the conversion of the Ask Convertible Notes (through June 1, 2008) and the exercise of certain IAC warrants.
- (g) Changes in the fair value of the derivative asset created in connection with the HSE sale are recorded as gains or losses in other income for the appropriate period.
- (h) Q3 2008 includes a pre-tax loss of \$63.2 million arising from the extinguishment of a portion of the 7% Senior Notes due in 2013 (\$38.3 million after-tax).
- (i) Discontinued operations consists of the results of ECS/Styleclick, TVTS, Quiz TV Limited and iBuy for all periods presented, HSE through June 19, 2007, EPI through May 30, 2008 and HSNi, Ticketmaster, Interval Leisure Group and Tree.com through August 20, 2008.
- (j) For Adjusted EPS purposes, the impact of RSUs on shares outstanding is based on the weighted average number of RSUs outstanding, as compared with shares outstanding for GAAP purposes, which includes RSUs on a treasury method basis. In Q3 2008 and Q1 2009, the calculation of AEPS excludes the impact of all dilutive securities as the effect would be anti-dilutive.

**IAC****International Revenue**

*(\$ in millions, rounding differences may exist)*

|                       | <b>2007</b>      | <b>2008</b> |           |           |           |                  | <b>2009</b> |           |           |           |                  |
|-----------------------|------------------|-------------|-----------|-----------|-----------|------------------|-------------|-----------|-----------|-----------|------------------|
|                       | <b>FYE 12/31</b> | <b>Q1</b>   | <b>Q2</b> | <b>Q3</b> | <b>Q4</b> | <b>FYE 12/31</b> | <b>Q1</b>   | <b>Q2</b> | <b>Q3</b> | <b>Q4</b> | <b>FYE 12/31</b> |
| International Revenue | \$ 204           | \$ 72       | \$ 70     | \$ 71     | \$ 62     | \$ 276           | \$ 60       |           |           |           |                  |
| % of Total            | 15%              | 19%         | 20%       | 19%       | 18%       | 19%              | 18%         |           |           |           |                  |

*The financial, statistical and other information contained herein is unaudited.*

**IAC**  
**MEDIA & ADVERTISING**

*(rounding differences may exist)*

|  | 2007      | 2008 |     |     |     |           | 2009 |    |    |    |           |
|--|-----------|------|-----|-----|-----|-----------|------|----|----|----|-----------|
|  | FYE 12/31 | Q1   | Q2  | Q3  | Q4  | FYE 12/31 | Q1   | Q2 | Q3 | Q4 | FYE 12/31 |
| <b>Media &amp; Advertising - Revenue by Traffic Source (a)</b> |           |      |     |     |     |           |      |    |    |    |           |
| Proprietary  | 55%       | 62%  | 75% | 71% | 71% | 69%       | 70%  |    |    |    |           |
| Network  | 45%       | 38%  | 25% | 29% | 29% | 31%       | 30%  |    |    |    |           |

(a) Proprietary includes (but is not limited to) Ask.com, Fun Web Products, Dictionary.com, and Evite. Network includes (but is not limited to) distributed search, sponsored listings and toolbars.

*The financial, statistical and other information contained herein is unaudited.*

**IAC  
MATCH**

*(rounding differences may exist)*

|                         | <u>2007</u>      | <u>2008</u> |           |           |           |                  | <u>2009</u> |           |           |           |                  |
|-------------------------|------------------|-------------|-----------|-----------|-----------|------------------|-------------|-----------|-----------|-----------|------------------|
|                         | <u>FYE 12/31</u> | <u>Q1</u>   | <u>Q2</u> | <u>Q3</u> | <u>Q4</u> | <u>FYE 12/31</u> | <u>Q1</u>   | <u>Q2</u> | <u>Q3</u> | <u>Q4</u> | <u>FYE 12/31</u> |
| <b>Match</b>            |                  |             |           |           |           |                  |             |           |           |           |                  |
| Paid Subscribers (000s) | 1,287            | 1,352       | 1,327     | 1,342     | 1,347     | 1,347            | 1,438       |           |           |           |                  |

*The financial, statistical and other information contained herein is unaudited.*

**IAC**  
**SERVICEMAGIC**

*(rounding differences may exist)*

|                             | 2007      | 2008  |       |       |       |           | 2009  |    |    |    |           |
|-----------------------------|-----------|-------|-------|-------|-------|-----------|-------|----|----|----|-----------|
|                             | FYE 12/31 | Q1    | Q2    | Q3    | Q4    | FYE 12/31 | Q1    | Q2 | Q3 | Q4 | FYE 12/31 |
| <b>ServiceMagic</b>         |           |       |       |       |       |           |       |    |    |    |           |
| Service Requests (000s) (a) | 3,338     | 881   | 1,315 | 1,201 | 854   | 4,250     | 996   |    |    |    |           |
| Accepts (000s) (b)          | 4,023     | 1,176 | 1,505 | 1,411 | 1,114 | 5,206     | 1,319 |    |    |    |           |

(a) Fully completed and submitted customer requests for service on ServiceMagic.

(b) The number of times "Service Requests" are accepted by Service Professionals. A "Service Request" can be transmitted to and accepted by more than one Service Professional.

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