IAC’s Local Connection
# Market Opportunity

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. National Advertising $</td>
<td>$163B</td>
<td>$189B</td>
</tr>
<tr>
<td>Online Search $</td>
<td>$2B</td>
<td>$4B</td>
</tr>
<tr>
<td>U.S. Local Advertising $</td>
<td>$96B</td>
<td>$109B</td>
</tr>
<tr>
<td>Online Local Search Potential</td>
<td>&gt;$1B</td>
<td>&gt;$2B</td>
</tr>
</tbody>
</table>

Sources: Thomas Weisel, 10/03  
Jupiter Research 8/03
Pay-For-Performance Merchant Model

1. Create Offer
2. Distribute Online
3. Offline Transaction
4. ROI Calculation
5. Offer Optimization
Customer Trend

# Paying Account Locations

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>5,000</td>
<td>5,000</td>
<td>3,000</td>
<td>4,000</td>
<td>15,000</td>
<td>20,000</td>
</tr>
</tbody>
</table>
Positioned to Win

Key Product Attributes:
- Informed Decision Making
- Local Relevancy
- Consumer Oriented Information
Evite: Strong Core Growth; Expanding Service Offering
The Destination for Local Events, Activities, and People

- Recommending events and activities based on user’s interests
IAC’s Brands

IAC Electronic Retailing
- HSN
- America’s Store
- LIVE

IAC Ticketing
- ticketmaster
- TicketWeb
- reserveamerica

IAC Personals
- match.com
- udate.com

IAC Local Services
- Citysearch
- entertainment
- Evite

IAC Travel
- .Expedia, Inc.
- hotels.com
- Hotwire

IAC Personal Finance
- LendingTree
- LendingTree Realty Services
- getsmart

IAC InterActiveCorp