



## IAC REPORTS Q2 2024

*Dotdash Meredith Digital revenue growth of 12%*  
*Total IAC Q2 operating loss improves 78% to \$12 million*  
*Total IAC Q2 Adjusted EBITDA improves 24% to \$87 million*

NEW YORK— August 6, 2024—IAC (NASDAQ: IAC) released its second quarter results today and separately posted a letter to shareholders from IAC CEO Joey Levin on the Investor Relations section of its website at [ir.iac.com](http://ir.iac.com).

IAC SUMMARY RESULTS			
(\$ in millions except per share amounts)			
	Q2 2024	Q2 2023	Growth
Revenue	\$ 949.5	\$ 1,111.6	-15%
Operating loss	(12.0)	(55.5)	78%
Unrealized loss on investment in MGM Resorts International	(179.3)	(32.4)	-454%
Net loss	(142.2)	(89.0)	-60%
Diluted loss per share	(1.71)	(1.07)	-60%
Adjusted EBITDA	87.3	70.2	24%

*See reconciliations of GAAP to non-GAAP measures beginning on page [13](#).*

## Q2 2024 HIGHLIGHTS

- **Dotdash Meredith** Digital revenue increased 12% to \$238 million, the second consecutive quarter of double-digit growth, while Print revenue declined 7%, the smallest decline since the Meredith acquisition. Total operating income of \$18 million increased \$36 million and Adjusted EBITDA increased \$12 million to \$66 million, reflecting 25% Digital Adjusted EBITDA growth.
- **Angi Inc.** Operating income increased \$25 million to \$9 million and Adjusted EBITDA increased 115% to \$42 million driven by growth at Ads and Leads, International and Services.
  - Revenue was \$315 million, down 10% year-over-year driven by declines across the Domestic business from the heightened focus on profitability and customer experience, partially offset by 14% International growth.
  - Between May 3, 2024 and August 2, 2024, Angi Inc. repurchased 4.1 million common shares for an aggregate of \$8.6 million (average price of \$2.11).
    - Angi Inc. has repurchased 13.4 million shares since announcing the intent to fully utilize its share repurchase authorization in November 2023.
    - On August 2, 2024, the Angi Board of Directors approved a new stock repurchase authorization of 25 million shares.
- **Emerging & Other** Q2 2024 revenue decreased 38% year-over-year reflecting the sale of Roofing on November 1, 2023 and the sale of assets of Mosaic Group on February 15, 2024. Excluding Roofing and Mosaic Group revenue in the prior year period, Emerging & Other revenue was down 1% year-over-year.
- The Company net settled its Turo warrant on July 23, 2024 (the warrant expiration date) for 4.5 million shares of Series E-2 Preferred Stock, bringing ownership in Turo to 32%.
- For the six months ended June 30, 2024, net cash provided by operating activities increased \$21 million to \$149 million. Free Cash Flow increased \$97 million to \$117 million.
- IAC holds 64.7 million shares of MGM Resorts International (“MGM”), which was purchased for \$1.3 billion in 2020 and 2022 and is worth \$2.3 billion as of August 2, 2024. Net earnings (loss) and diluted earnings (loss) per share reflect changes in MGM’s share price as unrealized gains and losses and, as a result, can be very volatile, which reduces their ability to be effective measures to assess operating performance.

**DISCUSSION OF FINANCIAL AND OPERATING RESULTS**

(\$ in millions, rounding differences may occur)

	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>Growth</b>
<b>Revenue</b>			
Dotdash Meredith	\$ 425.2	\$ 414.0	3%
Angi Inc.	315.1	351.6	-10%
Search	101.8	177.0	-43%
Emerging & Other	107.5	172.4	-38%
Intersegment eliminations	(0.1)	(3.4)	98%
Total Revenue	<u>\$ 949.5</u>	<u>\$ 1,111.6</u>	-15%
<b>Operating income (loss)</b>			
Dotdash Meredith	\$ 18.3	\$ (17.8)	NM
Angi Inc.	9.2	(15.4)	NM
Search	4.6	14.0	-67%
Emerging & Other	(6.4)	2.1	NM
Corporate	(37.7)	(38.3)	2%
Total Operating loss	<u>\$ (12.0)</u>	<u>\$ (55.5)</u>	78%
<b>Adjusted EBITDA</b>			
Dotdash Meredith	\$ 66.4	\$ 54.1	23%
Angi Inc.	42.2	19.6	115%
Search	4.6	14.0	-67%
Emerging & Other	(3.8)	5.0	NM
Corporate	(22.2)	(22.5)	1%
Total Adjusted EBITDA	<u>\$ 87.3</u>	<u>\$ 70.2</u>	24%

**Dotdash Meredith***Revenue*

(\$ in millions, rounding differences may occur)

	Q2 2024	Q2 2023	Growth
Revenue			
Digital	\$ 238.1	\$ 212.0	12%
Print	191.7	206.8	-7%
Intersegment eliminations	(4.6)	(4.7)	3%
Total	\$ 425.2	\$ 414.0	3%

- Revenue of \$425.2 million increased 3% year-over-year reflecting:
  - 12% *Digital* revenue growth (second consecutive quarter of double-digit growth) reflecting:
    - Advertising revenue increasing 16%, driven by:
      - Higher programmatic advertising revenue due to higher programmatic rates and 9% growth in Core Sessions
      - Higher premium sold advertising revenue driven primarily by the Home/Consumer Packaged Goods, Retail and Travel categories
    - Licensing and other revenue increasing 19% due primarily to improved performance from content syndication partners including Apple News+ and the addition of OpenAI (partnership began in May 2024)
    - Performance marketing revenue was flat year-over-year driven by 17% affiliate commerce growth, offset by revenue declines from services, concentrated primarily in the Finance category
  - 7% *Print* revenue declines driven primarily by the ongoing migration of audience and advertising spend from Print to Digital. Q2 2024 was the smallest year-over-year decline in Print revenue since the Meredith acquisition

## Operating Income (Loss) and Adjusted EBITDA

(\$ in millions, rounding differences may occur)

	Q2 2024	Q2 2023	Growth
<b>Operating income (loss)</b>			
Digital	\$ 26.0	\$ 6.1	330%
Print	5.5	(0.9)	NM
Other	(13.2)	(22.9)	42%
<b>Total</b>	<b>\$ 18.3</b>	<b>\$ (17.8)</b>	<b>NM</b>
<b>Adjusted EBITDA</b>			
Digital	\$ 63.4	\$ 50.8	25%
Print	13.2	17.4	-24%
Other	(10.2)	(14.2)	28%
<b>Total</b>	<b>\$ 66.4</b>	<b>\$ 54.1</b>	<b>23%</b>

- Operating income of \$18.3 million increased \$36.2 million reflecting:
  - *Digital* operating income increased \$20.0 million to \$26.0 million reflecting:
    - Adjusted EBITDA increasing 25% to \$63.4 million due to higher revenue and continued operating expense leverage (48% incremental Adjusted EBITDA margins in Q2 2024)
    - \$5.0 million lower amortization of intangibles and \$3.7 million lower depreciation
  - *Print* operating income of \$5.5 million as compared to a loss of \$0.9 million in Q2 2023 reflecting:
    - \$9.0 million lower amortization of intangibles and \$2.0 million lower depreciation
    - Adjusted EBITDA decreasing 24% to \$13.2 million due to revenue declines, partially offset by lower operating expenses
  - *Other* operating loss decreased 42% to \$13.2 million reflecting:
    - \$5.2 million lower depreciation
    - Adjusted EBITDA loss decreasing 28% to \$10.2 million due primarily to lower legal-related costs

**Angi Inc.**

Please refer to the Angi Inc. Q2 2024 earnings release for further detail.

**Search**

- Revenue decreased 43% to \$101.8 million reflecting:
  - A 46% decrease at Ask Media Group due to a reduction in marketing driving fewer visitors to ad-supported search and content websites
  - An 11% decrease at Desktop (legacy desktop search software business)
- Operating income and Adjusted EBITDA both decreased \$9.3 million to \$4.6 million driven by lower revenue and a revenue mix shift to lower-margin channels due, in part, to the wind down of the Desktop direct-to-consumer business

**Emerging & Other**

- Revenue decreased 38% to \$107.5 million reflecting:
  - The sale of Mosaic Group on February 15, 2024 (\$39.0 million included in Q2 2023)
  - The sale of Roofing on November 1, 2023 (\$24.5 million included in Q2 2023)
  - Care.com revenue flat year-over-year at \$87.7 million
  - 6% growth from Vivian Health
- Operating loss was \$6.4 million compared to income of \$2.1 million in Q2 2023 reflecting:
  - Adjusted EBITDA loss of \$3.8 million compared to income of \$5.0 million in Q2 2023 reflecting:
    - Lower profits from Care.com due to \$9.5 million in legal accruals related to the anticipated resolution of certain legal matters
    - Mosaic Group profits in Q2 2023
  - \$0.7 million lower amortization of intangibles due primarily to Care.com

**Corporate**

Operating loss decreased \$0.6 million to \$37.7 million due to \$0.3 million lower Adjusted EBITDA losses, driven by lower legal fees and \$0.6 million lower stock-based compensation expense, partially offset by \$0.4 million higher depreciation.

**Income Taxes**

The Company recorded an income tax benefit of \$34.6 million in Q2 2024 for an effective tax rate of 20%, which is lower than the statutory rate due primarily to nondeductible compensation expense, partially offset by research credits and state taxes. The Company recorded an income tax benefit of \$24.3 million in Q2 2023 for an effective tax rate of 21%, which is the same as the statutory rate due primarily to nondeductible compensation expense, partially offset by research credits.

**Free Cash Flow**

For the six months ended June 30, 2024, net cash provided by operating activities was \$149.1 million, a \$20.8 million increase year-over-year. Free Cash Flow increased \$97.1 million to \$117.3 million due primarily to higher Adjusted EBITDA and lower capital expenditures (\$80.3 million in 2023 for the purchase of the land under IAC headquarters).

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<i>(\$ in millions, rounding differences may occur)</i>		
Net cash provided by operating activities	\$ 149.1	\$ 128.3
Capital expenditures	(31.8)	(108.1)
Free cash flow	\$ 117.3	\$ 20.1

**CONFERENCE CALL**

IAC and Angi Inc. will host a conference call to answer questions regarding their second quarter results on Wednesday, August 7, 2024, at 8:30 a.m. Eastern Time. This conference call will include the disclosure of certain information, including forward-looking information, which may be material to an investor's understanding of IAC and Angi Inc.'s business. The conference call will be open to the public at [ir.iac.com](http://ir.iac.com) or [ir.angi.com](http://ir.angi.com).

*LIQUIDITY AND CAPITAL RESOURCES*

As of June 30, 2024:

- IAC had 86.1 million common and Class B common shares outstanding.
- The Company had \$1.7 billion in cash and cash equivalents and marketable securities of which IAC held \$1.0 billion, Angi Inc. held \$385 million and Dotdash Meredith, Inc. held \$259 million.
- The Company had \$2.0 billion in long-term debt, of which Dotdash Meredith, Inc. held \$1.5 billion and ANGI Group, LLC (a subsidiary of Angi Inc.) held \$500 million.
- IAC's economic interest in Angi Inc. was 84.9% and IAC's voting interest was 98.2%. IAC held 424.6 million shares of Angi Inc.
- IAC owned 64.7 million shares of MGM.

Dotdash Meredith Inc. has a \$150 million revolving credit facility, which had no borrowings as of June 30, 2024 and currently has no borrowings.

During the fourth quarter of 2023, Angi Inc. announced its intent to utilize the remaining 14.0 million shares in its stock repurchase authorization. Between May 3, 2024 and August 2, 2024, Angi Inc. repurchased 4.1 million common shares for an aggregate of \$8.6 million (average price of \$2.11). As of August 2, 2024, Angi Inc. had 0.6 million shares remaining in its previous stock repurchase authorization.

On August 2, 2024, the Angi Board of Directors approved a new stock repurchase authorization of 25 million shares.

At June 30, 2024, IAC had 3.7 million shares remaining in its stock repurchase authorization.

Pursuant to these authorizations, share repurchases can be made over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors management deems relevant at any particular time, including, without limitation, market conditions, price and future outlook.

**OPERATING METRICS**

(\$ in millions; rounding differences may occur)

	Q2 2024	Q2 2023	Growth
<b><u>Dotdash Meredith</u></b>			
Revenue			
Advertising revenue	\$ 153.4	\$ 132.2	16%
Performance marketing revenue	53.5	53.5	0%
Licensing and other revenue	31.1	26.2	19%
Total Digital Revenue	\$ 238.1	\$ 212.0	12%
Print Revenue	191.7	206.8	-7%
Intersegment eliminations	(4.6)	(4.7)	-3%
Total Revenue	\$ 425.2	\$ 414.0	3%
<i>Digital metrics</i>			
Total Sessions (in millions)	2,573	2,607	-1%
Core Sessions (in millions)	2,165	1,989	9%
<b><u>Angi Inc.</u></b>			
Revenue			
Ads and Leads	\$ 257.3	\$ 292.5	-12%
Services	24.6	29.9	-18%
Total Domestic	\$ 281.9	\$ 322.4	-13%
International	33.2	29.2	14%
Total Revenue	\$ 315.1	\$ 351.6	-10%
<i>Metrics</i>			
Service Requests (in thousands)	4,939	6,862	-28%
Monetized Transactions (in thousands)	6,749	7,805	-14%
Monetized Transactions per Service Request	1.37	1.14	20%
Transacting Service Professionals (in thousands)	187	207	-10%
<b><u>Search</u></b>			
Revenue			
Ask Media Group	\$ 84.3	\$ 157.3	-46%
Desktop	17.5	19.7	-11%
Total Revenue	\$ 101.8	\$ 177.0	-43%
<b><u>Emerging &amp; Other</u></b>			
Care.com Revenue	\$ 87.7	\$ 87.6	0%

See metric definitions on page [16](#)

**DILUTIVE SECURITIES**

IAC has various dilutive securities. The table below details these securities as well as potential dilution at various stock prices (shares in millions; rounding differences may occur).

	Shares	Avg Exercise Price	As of 08/02/24		Dilution at:		
Share Price			\$ 46.98	\$ 50.00	\$ 55.00	\$ 60.00	\$ 65.00
Absolute Shares as of 08/02/24	83.1		83.1	83.1	83.1	83.1	83.1
Restricted stock, RSUs and non-publicly traded subsidiary denominated equity awards	5.5		0.7	0.7	0.6	0.6	0.6
Options	2.5	\$ 14.25	0.5	0.5	0.5	0.5	0.5
Total Dilution			1.1	1.1	1.1	1.1	1.1
% Dilution			1.3 %	1.3 %	1.3 %	1.3 %	1.3 %
Total Diluted Shares Outstanding			84.2	84.2	84.2	84.2	84.3

The dilutive securities presentation is calculated using the methods and assumptions described below, which are different from those used for GAAP dilution, which is calculated based on the treasury stock method. In addition, the number of absolute shares excludes 3 million shares of restricted stock because this award was unvested as of August 2, 2024.

The Company currently settles all equity awards on a net basis; therefore, the dilutive effect is presented as the net number of shares expected to be issued upon vesting or exercise, and in the case of options, assuming no proceeds are received by the Company. Any required withholding taxes are paid in cash by the Company on behalf of the employees. In addition, the estimated income tax benefit from the tax deduction received upon the vesting or exercise of these awards is assumed to be used to repurchase IAC shares. Assuming all awards were exercised or vested on August 2, 2024, withholding taxes paid by the Company on behalf of the employees upon net settlement would have been \$99.9 million (of which approximately 65% would be payable for awards currently vested and those vesting on or before June 30, 2025), assuming a stock price of \$46.98 and a 50% withholding rate. The table above assumes no change in the fair value estimate of the non-publicly traded subsidiary denominated equity awards from the values used at June 30, 2024. The number of shares ultimately needed to settle these awards and the cash withholding tax obligation may vary significantly as a result of the determination of the fair value of the relevant subsidiary. In addition, the number of shares required to settle these awards will be impacted by movement in the stock price of IAC.

**Angi Inc. Equity Awards and the Treatment of the Related Dilutive Effect**

Certain Angi Inc. equity awards can be settled either in IAC or Angi Inc. common shares at IAC's election. For purposes of the dilution calculation above, these awards are assumed to be settled in shares of Angi Inc. common stock; therefore, no dilution from these awards is included.

**GAAP FINANCIAL STATEMENTS****IAC CONSOLIDATED STATEMENT OF OPERATIONS**  
(\$ in thousands except per share data)

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Revenue	\$ 949,527	\$ 1,111,589	\$ 1,879,207	\$ 2,195,860
Operating costs and expenses:				
Cost of revenue (exclusive of depreciation shown separately below)	267,503	353,078	539,467	696,007
Selling and marketing expense	335,708	413,954	679,633	817,251
General and administrative expense	209,998	218,166	422,667	491,242
Product development expense	78,159	86,398	165,158	171,185
Depreciation	33,448	41,283	70,021	102,455
Amortization of intangibles	36,710	54,183	73,438	108,789
<b>Total operating costs and expenses</b>	<b>961,526</b>	<b>1,167,062</b>	<b>1,950,384</b>	<b>2,386,929</b>
Operating loss	(11,999)	(55,473)	(71,177)	(191,069)
Interest expense	(39,515)	(39,077)	(79,233)	(77,249)
Unrealized (loss) gain on investment in MGM Resorts International	(179,284)	(32,362)	(15,533)	672,478
Other income, net	54,693	10,985	89,498	34,734
<b>(Loss) earnings before income taxes</b>	<b>(176,105)</b>	<b>(115,927)</b>	<b>(76,445)</b>	<b>438,894</b>
Income tax benefit (provision)	34,638	24,297	(20,050)	(115,205)
<b>Net (loss) earnings</b>	<b>(141,467)</b>	<b>(91,630)</b>	<b>(96,495)</b>	<b>323,689</b>
Net (earnings) loss attributable to noncontrolling interests	(765)	2,585	(706)	5,041
<b>Net (loss) earnings attributable to IAC shareholders</b>	<b>\$ (142,232)</b>	<b>\$ (89,045)</b>	<b>\$ (97,201)</b>	<b>\$ 328,730</b>
<b>Per share information attributable to IAC Common Stock and Class B common stock shareholders:</b>				
Basic (loss) earnings per share	\$ (1.71)	\$ (1.07)	\$ (1.17)	\$ 3.77
Diluted (loss) earnings per share	\$ (1.71)	\$ (1.07)	\$ (1.17)	\$ 3.64
<b>Stock-based compensation expense by function:</b>				
Cost of revenue	\$ 760	\$ 533	\$ 1,253	\$ 552
Selling and marketing expense	2,372	2,198	4,013	3,941
General and administrative expense	23,115	24,040	48,069	46,884
Product development expense	2,852	3,422	4,671	7,757
<b>Total stock-based compensation expense</b>	<b>\$ 29,099</b>	<b>\$ 30,193</b>	<b>\$ 58,006</b>	<b>\$ 59,134</b>

**IAC CONSOLIDATED BALANCE SHEET**  
**(\$ in thousands)**

	June 30, 2024	December 31, 2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,601,775	\$ 1,297,445
Marketable securities	87,210	148,998
Accounts receivable, net	489,853	536,650
Other current assets	189,450	257,499
Total current assets	2,368,288	2,240,592
Buildings, capitalized software, land, equipment and leasehold improvements, net	409,097	455,281
Goodwill	2,878,672	3,024,266
Intangible assets, net of accumulated amortization	793,523	874,705
Investment in MGM Resorts International	2,876,317	2,891,850
Long-term investments	401,491	411,216
Other non-current assets	476,759	473,267
<b>TOTAL ASSETS</b>	<b>\$ 10,204,147</b>	<b>\$ 10,371,177</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Current portion of long-term debt	\$ 38,750	\$ 30,000
Accounts payable, trade	76,908	105,514
Deferred revenue	120,592	143,449
Accrued expenses and other current liabilities	648,769	671,527
Total current liabilities	885,019	950,490
Long-term debt, net	1,971,107	1,993,154
Deferred income taxes	172,307	164,612
Other long-term liabilities	450,504	474,540
Redeemable noncontrolling interests	29,132	33,378
Commitments and contingencies		
<b>SHAREHOLDERS' EQUITY:</b>		
Common stock, \$0.0001 par value	8	8
Class B common stock, \$0.0001 par value	1	1
Additional paid-in-capital	6,363,548	6,340,312
(Accumulated deficit) retained earnings	(96,278)	923
Accumulated other comprehensive loss	(6,473)	(10,942)
Treasury stock	(252,441)	(252,441)
Total IAC shareholders' equity	6,008,365	6,077,861
Noncontrolling interests	687,713	677,142
Total shareholders' equity	6,696,078	6,755,003
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 10,204,147</b>	<b>\$ 10,371,177</b>

**IAC CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(\$ in thousands)**

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Net (loss) earnings	\$ (96,495)	\$ 323,689
Adjustments to reconcile net (loss) earnings to net cash provided by operating activities:		
Amortization of intangibles	73,438	108,789
Depreciation	70,021	102,455
Stock-based compensation expense	58,006	59,134
Non-cash lease expense (including right-of-use asset impairments)	31,270	72,506
Provision for credit losses	29,648	48,608
Unrealized loss (gain) on investment in MGM Resorts International	15,533	(672,478)
Deferred income taxes	6,452	101,451
Gains on sales of businesses and investments in equity securities (including upward and downward adjustments), net	(28,203)	(1,460)
Unrealized (increase) decrease in the estimated fair value of a warrant	(20,393)	7,731
Other adjustments, net	(350)	(7,202)
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
Accounts receivable	13,167	30,325
Other assets	65,974	45,688
Operating lease liabilities	(34,764)	(39,576)
Accounts payable and other liabilities	(50,519)	(57,504)
Income taxes payable and receivable	7,512	2,453
Deferred revenue	8,780	3,645
<b>Net cash provided by operating activities</b>	<b>149,077</b>	<b>128,254</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(31,804)	(108,107)
Net proceeds from sales of assets	12,759	28,890
Proceeds from maturities of marketable debt securities	262,500	325,000
Purchases of marketable debt securities	(197,117)	(197,017)
Net proceeds from the sales of businesses and investments	162,179	3,491
Decrease in notes receivable	10,083	14,197
Purchases of investments	—	(103,555)
Other, net	—	9,901
<b>Net cash provided by (used in) investing activities</b>	<b>218,600</b>	<b>(27,200)</b>
<b>Cash flows from financing activities:</b>		
Principal payments on Dotdash Meredith Term Loans	(15,000)	(15,000)
Withholding taxes paid on behalf of IAC employees on net settled stock-based awards	(8,928)	(5,250)
Withholding taxes paid on behalf of Angi Inc. employees on net settled stock-based awards	(4,743)	(4,124)
Purchases of Angi Inc. treasury stock	(18,201)	(3,397)
Purchases of IAC treasury stock	—	(165,622)
Other, net	(170)	41
<b>Net cash used in financing activities</b>	<b>(47,042)</b>	<b>(193,352)</b>
<b>Total cash provided (used)</b>	<b>320,635</b>	<b>(92,298)</b>
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(875)	1,724
<b>Net increase (decrease) in cash and cash equivalents and restricted cash</b>	<b>319,760</b>	<b>(90,574)</b>
Cash and cash equivalents and restricted cash at beginning of period	1,306,241	1,426,069
<b>Cash and cash equivalents and restricted cash at end of period</b>	<b>\$ 1,626,001</b>	<b>\$ 1,335,495</b>

**RECONCILIATIONS OF GAAP TO NON-GAAP MEASURES***(\$ in millions; rounding differences may occur)***IAC RECONCILIATION OF OPERATING INCOME (LOSS) TO ADJUSTED EBITDA****For the three months ended June 30, 2024**

	<b>Operating Income (Loss)</b>	<b>Stock-based Compensation Expense</b>	<b>Depreciation</b>	<b>Amortization of Intangibles</b>	<b>Adjusted EBITDA</b>
<b>Dotdash Meredith</b>					
Digital	\$ 26.0	\$ 3.4	\$ 3.7	\$ 30.3	\$ 63.4
Print	5.5	0.7	1.9	5.1	13.2
Other	(13.2)	2.5	0.5	—	(10.2)
<b>Total Dotdash Meredith</b>	<b>18.3</b>	<b>6.7</b>	<b>6.0</b>	<b>35.4</b>	<b>66.4</b>
<b>Angi Inc.</b>					
Ads and Leads	24.8	6.0	18.2	—	49.0
Services	(4.5)	1.1	5.4	—	2.0
Other	(15.2)	1.3	—	—	(13.9)
International	4.1	0.3	0.8	—	5.1
<b>Total Angi Inc.</b>	<b>9.2</b>	<b>8.7</b>	<b>24.3</b>	<b>—</b>	<b>42.2</b>
Search	4.6	—	—	—	4.6
Emerging & Other	(6.4)	0.3	1.1	1.3	(3.8)
Corporate	(37.7)	13.5	2.0	—	(22.2)
<b>Total</b>	<b>\$ (12.0)</b>	<b>\$ 29.1</b>	<b>\$ 33.4</b>	<b>\$ 36.7</b>	<b>\$ 87.3</b>

**For the three months ended June 30, 2023**

	<b>Operating Income (Loss)</b>	<b>Stock-based Compensation Expense</b>	<b>Depreciation</b>	<b>Amortization of Intangibles</b>	<b>Adjusted EBITDA</b>
<b>Dotdash Meredith</b>					
Digital	\$ 6.1	\$ 2.1	\$ 7.3	\$ 35.4	\$ 50.8
Print	(0.9)	0.4	3.9	14.1	17.4
Other	(22.9)	3.1	5.7	—	(14.2)
<b>Total Dotdash Meredith</b>	<b>(17.8)</b>	<b>5.6</b>	<b>16.9</b>	<b>49.5</b>	<b>54.1</b>
<b>Angi Inc.</b>					
Ads and Leads	4.8	5.3	15.4	2.7	28.2
Services	(5.2)	1.2	5.7	—	1.7
Other	(16.6)	3.5	—	—	(13.1)
International	1.6	0.3	0.9	—	2.8
<b>Total Angi Inc.</b>	<b>(15.4)</b>	<b>10.3</b>	<b>22.0</b>	<b>2.7</b>	<b>19.6</b>
Search	14.0	—	—	—	14.0
Emerging & Other	2.1	0.2	0.7	2.0	5.0
Corporate	(38.3)	14.1	1.7	—	(22.5)
<b>Total</b>	<b>\$ (55.5)</b>	<b>\$ 30.2</b>	<b>\$ 41.3</b>	<b>\$ 54.2</b>	<b>\$ 70.2</b>

## IAC RECONCILIATION OF OPERATING INCOME (LOSS) TO ADJUSTED EBITDA (continued)

For the six months ended June 30, 2024

	Operating Income (Loss)	Stock-based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA
Dotdash Meredith					
Digital	\$ 25.8	\$ 5.6	\$ 8.5	\$ 60.4	\$ 100.4
Print	0.4	1.2	4.4	10.2	16.2
Other	(28.8)	7.2	1.6	—	(19.9)
Total Dotdash Meredith	(2.5)	14.0	14.6	70.6	96.7
Angi Inc.					
Ads and Leads	44.6	10.5	35.1	—	90.2
Services	(12.0)	2.5	11.5	—	2.0
Other	(30.3)	4.5	—	—	(25.8)
International	9.6	0.7	1.6	—	11.8
Total Angi Inc.	11.9	18.1	48.2	—	78.1
Search	9.0	—	—	—	9.0
Emerging & Other	(14.5)	0.7	2.9	2.9	(8.0)
Corporate	(75.1)	25.2	4.3	—	(45.5)
Total	\$ (71.2)	\$ 58.0	\$ 70.0	\$ 73.4	\$ 130.3

For the six months ended June 30, 2023

	Operating (Loss) Income	Stock-based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA
Dotdash Meredith					
Digital	\$ (11.8)	\$ 3.8	\$ 12.6	\$ 70.7	\$ 75.2
Print	(6.7)	0.5	6.5	28.4	28.7
Other	(110.5)	6.4	31.2	—	(73.0)
Total Dotdash Meredith	(129.1)	10.7	50.2	99.1	31.0
Angi Inc.					
Ads and Leads	18.3	10.8	33.6	5.3	68.0
Services	(17.6)	5.4	11.8	—	(0.5)
Other	(31.5)	6.0	—	—	(25.5)
International	4.6	0.8	1.8	—	7.2
Total Angi Inc.	(26.3)	23.0	47.2	5.3	49.3
Search	24.7	—	—	—	24.8
Emerging & Other	13.9	0.7	1.7	4.3	20.6
Corporate	(74.4)	24.8	3.3	—	(46.3)
Total	\$ (191.1)	\$ 59.1	\$ 102.5	\$ 108.8	\$ 79.3

## ***PRINCIPLES OF FINANCIAL REPORTING***

IAC reports Adjusted EBITDA and Free Cash Flow, which are supplemental measures to U.S. generally accepted accounting principles (“GAAP”). Adjusted EBITDA is considered our primary segment measure of profitability and is one of the metrics, along with Free Cash Flow, by which we evaluate the performance of our businesses and our internal budgets are based and may also impact management compensation. We believe that investors should have access to, and we are obligated to provide, the same set of tools that we use in analyzing our results. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. IAC endeavors to compensate for the limitations of the non-GAAP measures presented by providing the comparable GAAP measures with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measures. We encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measures, which are included in this release. Interim results are not necessarily indicative of the results that may be expected for a full year.

### ***Definitions of Non-GAAP Measures***

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, if applicable. 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.

Free Cash Flow is defined as net cash provided by operating activities, less capital expenditures. We believe Free Cash Flow is useful to analysts and investors because it represents the cash that our operating businesses generate, before taking into account non-operational cash movements. Free Cash Flow has certain limitations in that it does not represent the total increase or decrease in the cash balance for the period, nor does it represent the residual cash flow for discretionary expenditures. For example, it does not take into account stock repurchases. Therefore, we think it is important to evaluate Free Cash Flow along with our consolidated statement of cash flows.

### **Non-Cash Expenses That Are Excluded from Adjusted EBITDA**

Stock-based compensation expense consists of expense associated with awards that were granted under various IAC stock and annual incentive plans and expense related to awards issued by certain subsidiaries of the Company. These expenses are not paid in cash, and we view the economic costs of stock-based awards to be the dilution to our share base; we also include the related shares in our fully diluted shares outstanding for GAAP earnings per share using the treasury stock method. The Company is currently settling all stock-based awards on a net basis; IAC remits the required tax-withholding amounts for net-settled awards from its current funds.

Please see page 9 for a summary of our dilutive securities, including stock-based awards as of August 2, 2024, and a description of the calculation methodology.

Depreciation is a non-cash expense relating to our buildings, capitalized software, equipment and leasehold improvements and is computed using the straight-line method to allocate the cost of depreciable assets to operations over their estimated useful lives, or, in the case of leasehold improvements, the lease term, if shorter.

Amortization of intangible assets and impairments of goodwill and intangible assets are non-cash expenses related primarily to acquisitions. At the time of an acquisition, the identifiable definite-lived intangible assets of the acquired company, such as advertiser relationships, technology, licensee relationships, trade names, content, customer lists and user base, service professional relationships and subscriber relationships, are valued and amortized over their estimated lives. Value is also assigned to acquired indefinite-lived intangible assets, which comprise trade names and trademarks, and goodwill that are not subject to amortization. An impairment is recorded when the carrying value of an intangible asset or goodwill exceeds its fair value. We believe that intangible assets represent costs incurred by the acquired company to build value prior to acquisition and the related amortization and impairments of intangible assets or goodwill, if applicable, are not ongoing costs of doing business.

Gains and losses recognized on changes in the fair value of contingent consideration arrangements are accounting adjustments to report liabilities for the portion of the purchase price of acquisitions, if applicable, that is contingent upon the financial performance and/or operating targets of the acquired company at fair value that are recognized in “General and administrative expense” in the statement of operations. These adjustments can be highly variable and are excluded from our assessment of performance because they are considered non-operational in nature and, therefore, are not indicative of current or future performance or the ongoing cost of doing business.

## **Metric Definitions**

### *Dotdash Meredith*

**Digital Revenue** – Includes Advertising revenue, Performance Marketing revenue and Licensing and Other revenue.

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

(b) *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.

(c) *Licensing and Other revenue* – primarily includes revenue generated through brand and content licensing and similar 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 use and distribution relationships, including utilization in large-language models and other artificial intelligence-related activities.

**Print Revenue** – Primarily includes subscription, advertising, newsstand and performance marketing revenue.

**Total Sessions** – Represents unique visits to all sites that are part of Dotdash Meredith’s network and sourced from Google Analytics.

**Core Sessions** – Represents a subset of Total Sessions that comprises unique visits to Dotdash Meredith’s most significant (in terms of investment) owned and operated sites as follows:

People	InStyle	Simply Recipes
allrecipes	FOOD & WINE	Serious Eats
Investopedia	Martha Stewart	EatingWell
Better Homes & Gardens	Byrdie	Parents
Verywell Health	REAL SIMPLE	Verywell Mind
The Spruce	Southern Living	Health
TRAVEL + LEISURE		

### *Angi Inc.*

**Ads and Leads Revenue** - Primarily comprises domestic revenue from consumer connection revenue for consumer matches, revenue from service professionals under contract for advertising and membership subscription revenue from service professionals and consumers.

**Services Revenue** –Primarily comprises 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.

**International Revenue** – Primarily comprises 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.

**Other** – Reflects costs for corporate initiatives, shared costs, such as executive and public company costs, and other expenses not allocated to the operating segments.

### *Metrics*

**Service Requests** - Reflect (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.

**Monetized Transactions** – 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.

**Monetized Transactions per Service Request** – Monetized Transactions divided by Service Requests.

**Transacting Service Professionals** – 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.

*Search*

**Ask Media Group Revenue** - 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.

**Desktop Revenue** - Consists of revenue generated by applications distributed through both direct-to-consumer marketing and business-to-business partnerships.

*Emerging & Other*

**Care.com Revenue** - Consists of revenue primarily through subscription fees from families and caregivers for its suite of products and services, as well as through annual contracts with employers who provide access to Care.com's suite of products and services as an employee benefit and through contracts with businesses that recruit employees through its platform.

## **OTHER INFORMATION**

### **Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995**

This press release and the IAC and Angi Inc. conference call, which will be held at 8:30 a.m. Eastern Time on Wednesday, August 7, 2024, may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "estimates," "expects," "plans" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: IAC's future financial performance, business prospects and strategy, anticipated trends and prospects in the industries in which IAC's businesses operate and other similar matters. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others: (i) our ability to market our products and services in a successful and cost-effective manner, (ii) the display of links to websites offering our products and services in a prominent manner in search results, (iii) changes in our relationship with (or policies implemented by) Google, (iv) our ability to compete with generative artificial intelligence technology and the related disruption to marketing technologies, (v) the failure or delay of the markets and industries in which our businesses operate to migrate online and the continued growth and acceptance of online products and services as effective alternatives to traditional products and services, (vi) our continued ability to develop and monetize versions of our products and services for mobile and other digital devices, (vii) adverse economic events or trends that adversely impact advertising spending levels, (viii) the ability of our Digital business to successfully expand the digital reach of our portfolio of publishing brands, (ix) our continued ability to market, distribute and monetize our products and services through search engines, digital app stores, advertising networks and social media platforms, (x) risks related to our Print business (declining revenue, increased paper and postage costs, reliance on a single supplier to print our magazines and potential increases in pension plan obligations), (xi) our ability to establish and maintain relationships with quality and trustworthy service professionals and caregivers, (xii) the ability of Angi Inc. to expand its pre-priced offerings, while balancing the overall mix of service requests and directory services on Angi platforms, (xiii) the ability of Angi Inc. to continue to generate leads for service professionals given changing requirements applicable to certain communications with consumers, (xiv) our ability to access, collect and use personal data about our users and subscribers, (xv) our ability to engage directly with users, subscribers, consumers, service professionals and caregivers on a timely basis, (xvi) the ability of our Chairman and Senior Executive, certain members of his family and our Chief Executive Officer to exercise significant influence over the composition of our board of directors, matters subject to stockholder approval and our operations, (xvii) risks related to our liquidity and indebtedness (the impact of our indebtedness on our ability to operate our business, our ability to generate sufficient cash to service our indebtedness and interest rate risk), (xviii) our inability to freely access the cash of Dotdash Meredith and /or Angi Inc. and their respective subsidiaries, (xix) dilution with respect to investments in IAC and Angi Inc., (xx) our ability to compete, (xxi) adverse economic events or trends (particularly those that adversely impact consumer confidence and spending behavior), either generally and/or in any of the markets in which our businesses operate, as well as geopolitical conflicts, (xxii) our ability to build, maintain and/or enhance our various brands, (xxiii) our ability to protect our systems, technology and infrastructure from cyberattacks and to protect personal and confidential user information (including credit card information), as well as the impact of cyberattacks experienced by third parties, (xxiv) the occurrence of data security breaches and/or fraud, (xxv) increased liabilities and costs related to the processing, storage, use and disclosure of personal and confidential user information, (xxvi) the integrity, quality, efficiency and scalability of our systems, technology and infrastructure (and those of third parties with whom we do business) and (xxvii) changes in key personnel. 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's management as of the date of this document. IAC does not undertake to update these forward-looking statements.

### **About IAC**

IAC (NASDAQ: IAC) builds companies. We are guided by curiosity, a questioning of the status quo, and a desire to invent or acquire new products and brands. From the single seed that started as IAC over two decades ago have emerged 11 public companies and generations of exceptional leaders. We will always evolve, but our basic principles of financially-disciplined opportunism will never change. IAC is today comprised of category-leading businesses including Angi Inc. (NASDAQ: ANGI), Dotdash Meredith and Care.com, among many others ranging from early stage to established businesses. IAC is headquartered in New York City with business locations worldwide.

### **Contact Us**

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