

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 1, 2017**

IAC/INTERACTIVE CORP

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction
of incorporation)

0-20570
(Commission
File Number)

59-2712887
(IRS Employer
Identification No.)

555 West 18th Street, New York, NY
(Address of principal executive offices)

10011
(Zip Code)

Registrant's telephone number, including area code: **(212) 314-7300**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events

On May 1, 2017, IAC/InterActiveCorp, a Delaware corporation ("**IAC**"), and Angie's List, Inc., a Delaware corporation ("**Angie's List**"), jointly issued a press release announcing that the parties had signed a definitive agreement to combine IAC's HomeAdvisor business and Angie's List into a new publicly traded company, to be called ANGI Homeservices Inc., subject to the terms and conditions set forth in the definitive agreement. A copy of the joint press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

IAC also provided supplemental information regarding the proposed transaction in connection with a presentation to investors. A copy of the investor presentation is attached hereto at Exhibit 99.2 and is incorporated by reference herein.

IAC further issued communications to employees of IAC and HomeAdvisor regarding the proposed transaction. A copy of the communications to IAC employees and HomeAdvisor employees are attached hereto as Exhibits 99.3 and 99.4, respectively.

Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description
99.1	Joint Press Release, dated as of May 1 2017.
99.2	Investor Presentation, dated as of May 1, 2017.
99.3	Email to IAC Employees, dated as of May 1, 2017.
99.4	Email to HomeAdvisor Employees, dated as of May 1, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IAC/INTERACTIVECORP

By: /s/ Gregg Winiarski

Name: Gregg Winiarski

Title: Executive Vice President, General Counsel and Secretary

Date: May 1, 2017

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EXHIBIT INDEX

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IAC's HomeAdvisor to Combine with Angie's List

- *Creates clear industry leader in \$400 billion home services marketplace*
- *On a pro forma basis, company generated an estimated \$17 billion in transaction value over the last 12 months for more than 200,000 paying service providers across the two platforms*

NEW YORK and INDIANAPOLIS — May 1, 2017 — IAC (NASDAQ: IAC) and Angie's List, Inc. (NASDAQ: ANGI) today announced they have entered into a definitive agreement to combine IAC's HomeAdvisor and Angie's List into a new publicly-traded company, to be called ANGI Homeservices Inc. The combined business, which will maintain both Angie's List and HomeAdvisor brands, will offer unparalleled scale and product breadth to match homeowners with service professionals in the \$400 billion domestic home services market. The transaction has been approved by the Boards of Directors of both companies, and is expected to close in the fourth quarter of 2017.

"This is now the 10th publicly traded company to emerge from what was one company, in 1995, with \$48 million in sales and a market capitalization of \$201 million — the beginning of IAC. Today, the equity value of the companies created is in excess of \$43 billion, with a compounded annual return of 13.3 percent. While it's hard to predict the future, I think we'll just keep going," said Barry Diller, Chairman of IAC and Expedia, Inc.

Under the terms of the agreement, Angie's List stockholders will have the right to elect to receive either one share of Class A common stock of ANGI Homeservices Inc. or \$8.50 per share in cash, for each share of Angie's List stock that they own, with the total amount of cash available in the transaction capped at \$130 million. Depending upon the number of Angie's List stockholders electing to receive cash, upon completion of the transaction, IAC will own between approximately 87 percent and approximately 90 percent of the equity value of the combined company.

The transaction combines the power of Angie's List's well-known brand and large audience with IAC's home services category leader HomeAdvisor. HomeAdvisor has the industry's largest network of paying, high quality service professionals and a consumer product driving seven consecutive quarters of domestic revenue growth in excess of 35 percent. The combined company will have a target five-year compound annual growth rate of revenue of 20 to 25 percent, and a target Adjusted EBITDA margin that will ramp to approximately 35 percent.

HomeAdvisor CEO Chris Terrill will assume the role of CEO of ANGI Homeservices Inc., whose headquarters will be based out of HomeAdvisor's Golden, Colorado location. IAC CEO Joey Levin will also serve as Chairman of the Board of Directors. Thomas R. Evans, current Chairman of the Board of Directors of Angie's List, and Angie Hicks, Angie's List co-founder and CMO, are expected to join the board of ANGI Homeservices Inc.

Key benefits of the combination include:

- **Scale:** Homeowners will be able to tap into North America's largest combined network of active, high quality service professionals between HomeAdvisor's network of more than 156,000 and Angie's List's network of more than 55,000, collectively up 24 percent year-over-year as of the first quarter of 2017.
- **Product innovation:** HomeAdvisor's state of the art technology and products — including Instant Booking and Instant Connect — will enhance the experience for the more than 22 million monthly users visiting both HomeAdvisor and Angie's List today.
- **Monetization:** The combination of Angie's List's nationally-recognized brand and directory monetization model with HomeAdvisor's performance-based on demand marketplace will provide a world class experience to the largest numbers of homeowners and service providers alike. Applying HomeAdvisor's existing operating model to Angie's List's direct audience will help drive incremental jobs to the combined service professional network and increase combined revenue.
- **Growth:** HomeAdvisor can accelerate growth with a giant leap in scale on both the supply and demand side of the home services marketplace, driving further innovation, customer satisfaction and deeper penetration in a fast growing — but relatively immature — market.
- **Synergies:** By the end of 2018, management expects to fully implement \$100 to \$250 million of annualized synergies.

"Both Angie's List and HomeAdvisor have built impressive businesses based on delivering homeowners and home service professionals incredible value," said Chris Terrill, CEO of HomeAdvisor. "We've only just scratched the surface of this tremendous market opportunity, given 90 percent of home improvement transactions are still generated via word-of-mouth. By combining HomeAdvisor and Angie's List's complementary strengths, the combined company will be able to leverage its joint models and resources to not only accelerate market penetration, but also continued online conversion of that marketplace."

Said Thomas R. Evans, Chairman of Angie's List, "After completing our comprehensive strategic review, we have found a true partner in IAC and HomeAdvisor that we believe will create tremendous shareholder value for Angie's List. Together, we uniquely benefit from the powerful combination of two market leaders, who, by joining forces, can drive incredible innovation, customer satisfaction and category growth."

"Since 1995, Angie's List has set the bar for enabling quality home services experiences for millions of consumers and service pros. I'm thrilled that IAC and HomeAdvisor share our vision for what's possible when it comes to the home services category's massive potential," said Angie Hicks, co-founder and CMO of Angie's List. "Together, we will relentlessly elevate home services experiences for an even broader base of customers."

“This transaction not only cements our category leadership, it also unlocks the value embedded in HomeAdvisor by effectively making HomeAdvisor public for the first time, joining the ranks of Match, Expedia, Ticketmaster, and others,” said Joey Levin, CEO of IAC. “We love these category leaders in big consumer verticals where we can ride an obvious offline to online migration with winning products and multiple brands. We did it in dating, travel, and ticketing, and we expect we’ll do the same with home services.”

Transaction Details

Under the terms of the merger agreement, Angie’s List will merge with a subsidiary of ANGI Homeservices Inc. In the merger, Angie’s List stockholders may elect to receive, in exchange for each share of Angie’s List owned, either one share of ANGI Homeservices Inc. Class A common stock, or \$8.50 in cash. Elections by Angie’s List stockholders will be subject to proration to the extent the total number of stockholders electing to receive cash would result in payment of more than \$130 million. The ANGI Homeservices Inc. Class A common stock issued in the merger will possess one vote per share and is expected to be listed for trading on Nasdaq at closing of the transaction. ANGI Homeservices Inc. will also issue shares of Class B common stock, possessing 10 votes per share, to IAC in exchange for the contribution by IAC of HomeAdvisor. Upon closing of the transaction, depending upon the number of Angie’s List stockholders electing to receive cash, IAC will hold between approximately 87 percent and approximately 90 percent of the combined company’s equity value and approximately 98 percent of the total voting power, and former Angie’s List stockholders will hold equity in the combined company representing between approximately 13 percent and approximately 10 percent of the combined company’s equity value. IAC will designate a majority of the initial members of the Board of Directors of the combined company. The transaction, which is subject to the satisfaction of customary closing conditions, including regulatory approvals and the approval by Angie’s List stockholders, is expected to close in the fourth quarter of 2017.

Representation

J.P. Morgan Securities LLC acted as financial advisor to IAC and HomeAdvisor, and Wachtell Lipton Rosen & Katz LLP acted as legal counsel. Allen & Company LLC and BofA Merrill Lynch acted as financial advisors to Angie’s List, and Sidley Austin LLP served as legal counsel.

Conference Call to Discuss Transaction

IAC will audiocast a conference call to answer questions regarding this transaction on Tuesday, May 2 at 8:30 a.m. Eastern Time (ET). An investor deck is available on the investor relations section of IAC’s website at <http://www.iac.com/Investors>. The live audiocast and replay will be open to the public at <http://www.iac.com/Investors>.

Company Conference Calls for Quarterly Earnings

IAC will audiocast a conference call to answer questions regarding its first quarter financial results and accompanying materials on Thursday, May 4, 2017 at 8:30 a.m. Eastern Time (ET). After the close of market trading on Wednesday, May 3, IAC will post its first quarter results and simultaneously publish a letter to shareholders, which may include certain forward-looking information, on the investor relations section of the company’s website at

<http://www.iac.com/Investors>.

The live audiocast and replay will be open to the public at <http://www.iac.com/Investors>.

About IAC

IAC (NASDAQ: IAC) is a leading media and Internet company comprised of widely known consumer brands such as HomeAdvisor, Vimeo, Dictionary.com, The Daily Beast, Investopedia, and Match Group’s online dating portfolio, which includes Match, Tinder, PlentyOfFish and OkCupid. The company is headquartered in New York City and has offices worldwide.

About HomeAdvisor

HomeAdvisor is the operator of the largest home services marketplace across the globe, providing homeowners the tools and resources for home repair, maintenance and improvement projects. HomeAdvisor’s marketplace lets homeowners view average project costs using True Cost Guide, find local prescreened home professionals and instantly book appointments online or through HomeAdvisor’s award-winning mobile app, compatible with all iOS, Android and smart home devices such as Amazon Echo. Globally, HomeAdvisor owns the market leaders in Canada (HomeStars), Germany (MyHammer), France (Travaux.com), Netherlands (Werkspot), Italy (Instapro) and the UK (MyBuilder). HomeAdvisor is based in Golden, Colo., and is an operating business of IAC (NASDAQ: IAC).

About Angie’s List

Finding a pro for a job well done is made easy online by visiting Angieslist.com. Nearly six million members nationwide use Angie’s List, a leading provider of reviews, offers and information in over 700 service categories, to help them improve their homes. Built on a foundation of more than 10 million verified reviews of local service, Angie’s List connects members directly to its online marketplace of services and offers unique tools and support designed to improve the local service experience for both members and service professionals.

Important Additional Information

Investors and security holders are urged to carefully review and consider each of IAC’s and Angie’s List’s public filings with the Securities and Exchange Commission (the “SEC”), including but not limited to, if applicable, their Annual Reports on Form 10-K, their proxy statements, their Current Reports on Form 8-K and their Quarterly Reports on Form 10-Q. The documents filed by IAC with the SEC may be obtained free of charge at IAC’s website at

The documents filed by Angie's List with the SEC may be obtained free of charge at Angie's List's website at http://www.angieslist.com or at the SEC's website at www.sec.gov. These documents may also be obtained free of charge from Angie's List by requesting them in writing to Investor Relations, Angie's List, Inc., 1030 East Washington Street, Indianapolis, Indiana 46202, or by telephone at 1-888-888-5478.

In connection with the proposed transaction, ANGI Homeservices Inc. intends to file a registration statement on Form S-4 with the SEC which will include a proxy statement of Angie's List and a prospectus of ANGI Homeservices Inc., and each party will file other documents regarding the proposed transaction with the SEC. **Before making any voting or investment decision, investors and security holders of Angie's List are urged to carefully read the entire registration statement and proxy statement/prospectus, when they become available, as well as any amendments or supplements to these documents and any other relevant documents filed with the SEC, because they will contain important information about the proposed transaction.** A definitive proxy statement/prospectus will be sent to the stockholders of Angie's List seeking the required stockholder approval. Investors and security holders will be able to obtain the registration statement and the proxy statement/prospectus free of charge from the SEC's website or from IAC or Angie's List as described in the paragraphs above.

Participants in the Solicitation

IAC, ANGI Homeservices Inc., Angie's List and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from Angie's List's stockholders in connection with the proposed transactions. Information about the directors and executive officers of IAC is set forth in the definitive proxy statement for IAC's 2017 annual meeting of stockholders, as previously filed with the SEC on May 1, 2017. Information about the directors and executive officers of Angie's List and their ownership of Angie's List common stock is set forth in the definitive proxy statement for Angie's List's 2017 annual meeting of stockholders, as previously filed with the SEC on April 28, 2017. Angie's List's stockholders may obtain additional information regarding the interests of such participants by reading the registration statement and the proxy statement/prospectus when they become available. Free copies of these documents may be obtained as described in the paragraphs above.

Cautionary Statement Regarding Forward-Looking Information

The information presented herein 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" and "plans" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: IAC's and/or ANGI Homeservices Inc.'s future financial performance, IAC's and/or ANGI Homeservices Inc.'s business prospects, strategy and anticipated trends in the industries in which IAC's and/or ANGI Homeservices Inc.'s businesses operate, or will operate, and other similar matters. These forward-looking statements are based on management's current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons. 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.

In addition to factors previously disclosed in IAC's and Angie's List's reports filed with the Securities and Exchange Commission and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements and historical performance: (1) the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the

merger agreement; (2) the outcome of any legal proceedings that may be instituted against any party to the merger agreement; (3) the failure to obtain the necessary stockholder approval or to satisfy any of the other conditions to the proposed transactions on a timely basis or at all; (4) the possibility that the anticipated cost savings and other benefits of the proposed transactions are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of HomeAdvisor and Angie's List or as a result of changes in the economy and competitive factors in the areas where they do business; (5) the possibility that the proposed transactions may be more expensive to complete than anticipated, including as a result of unexpected factors or events; (6) diversion of management's attention from ongoing business operations and opportunities; (7) potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the proposed transactions; (8) changes in asset quality and credit risk; (9) the potential liability for a failure to meet regulatory requirements; (10) potential changes to tax legislation; (11) the potential effect of the announcement of the proposed transactions or consummation of the proposed transactions on relationships, including with employees, customers and competitors; (12) the ability to retain key personnel; and (13) changes in local, national and international financial market, insurance rates and interest rates. Forward-looking statements speak only as of the date they are made and IAC, ANGI Homeservices Inc. and Angie's List do not intend, and undertake no obligation, to update any forward-looking statement.

Contact Us

IAC Investor Relations

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Angie's List Investor Relations

Leslie Arena
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IAC Corporate Communications

Isabelle Weisman
(212) 314-7361



Angie's list.

Accelerating Category Leadership

May 1, 2017



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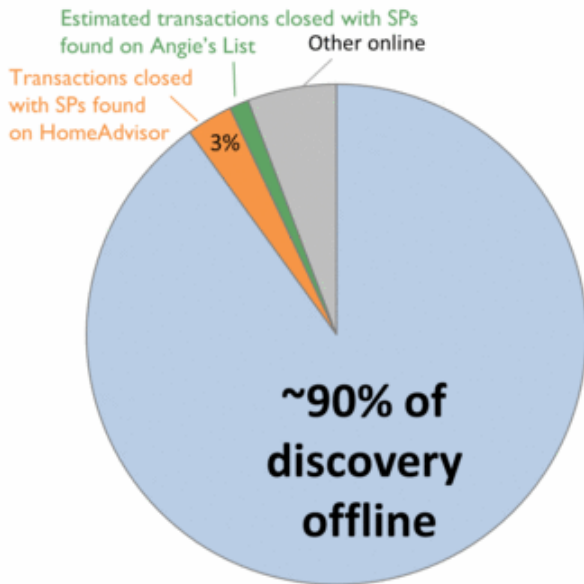
Power of the Combination | HomeAdvisor and Angie's List



Accelerates Clear Industry Leader in an Attractive Growing Market

U.S. Home Services⁽¹⁾

\$400 billion market



Vast majority of SPs still found offline through word of mouth and referrals

- Online migration of home service professionals (“SPs”) is accelerating
- Homeownership of digitally-minded millennials is increasing
- **Product innovations are removing friction and increasing the size of the market**

(1) Sources: J.P. Morgan equity research October 2016; HomeAdvisor user survey data fielded quarterly. Angie's List estimated closed transactions value calculated by applying HomeAdvisor business model metrics to Angie's List traffic.

The Next Multibillion Dollar Marketplace

Home Services marketplace has plenty of room to grow



Vertical	Home Services	Rentals	Ride Sharing	Vacation Rentals	Real Estate	Food Delivery	Restaurant Reservations	eCommerce
Total Addressable Market	\$400B	~\$185B	\$310B	\$100B	\$77B	\$54B	\$3T	\$1.7T
Gross Transaction Value	\$17B	\$9B	\$22B	\$4.7B	\$3.2B	\$2.4B	\$11B	\$82B
Market Share	4%	5%	7%	5%	4%	4%	<1%	5%
Take Rate	3-4%	10-12%	25%	10%	15%	15%	2-3%	8%

(1) Domestic metrics. Angie's List estimated Gross Transaction Value ("GTV") calculated by applying HomeAdvisor business model metrics to Angie's List traffic. Take rate reflects HomeAdvisor only.
 (2) Total Addressable Market ("TAM"): SunTrust equity research report 2015; GTV and take rate: Expedia presentation 2015.
 (3) TAM, GTV / take rate: Bloomberg, GTV calculated as annualized Q3 2016.
 (4) TAM: Skift (Global); all metrics 2014 pre-Expedia acquisition.
 (5) TAM represents total real estate agent commissions; equity research reports (BofA Merrill Lynch; Needham).
 (6) GrubHub reports; TAM: Euromonitor & MS 2013: Independent & Chain Delivery & Takeaway Market (Excl. Amazon Inventory Sales).
 (7) TAM: Analyst report "Restaurants: Global Industry Guide"; 2013 RBC equity research report.
 (8) ebay reports; eMarketer: Total Retail Sales Worldwide (Includes StubHub).

HomeAdvisor Business Overview

The Leading Marketplace for Home Services

Note: Metrics below reflect last twelve months as of March 31, 2017.

9M+

HOMEOWNERS SERVED



156K+

SERVICE PROVIDERS



**NATIONWIDE
MARKETPLACE**

400+ METROPOLITAN AREAS SERVED



\$12B+

VALUE OF PROJECTS COMPLETED

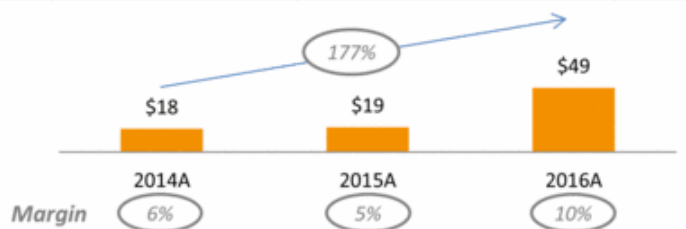
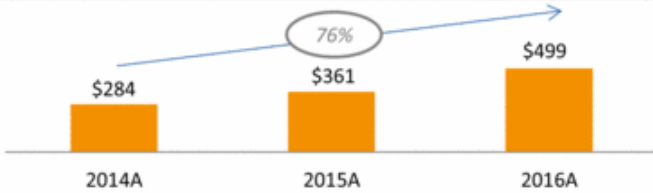
14M+

SERVICE REQUESTS ("SRs")

Strong Growth, Consistent Execution: Seven Straight Quarters of >35% Y-O-Y Domestic Revenue Growth

Revenue (\$M)

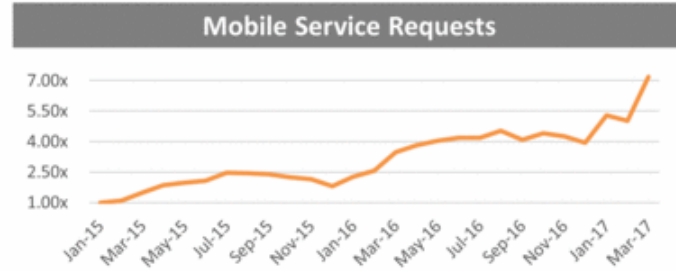
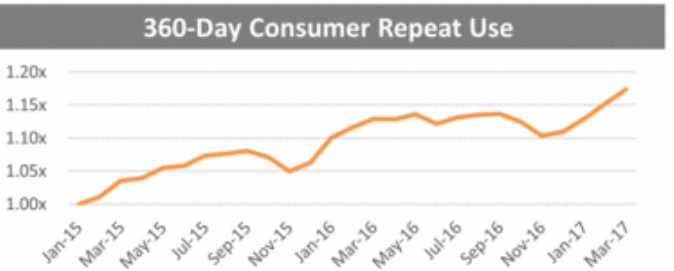
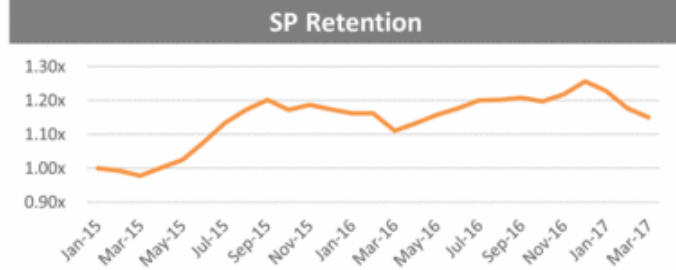
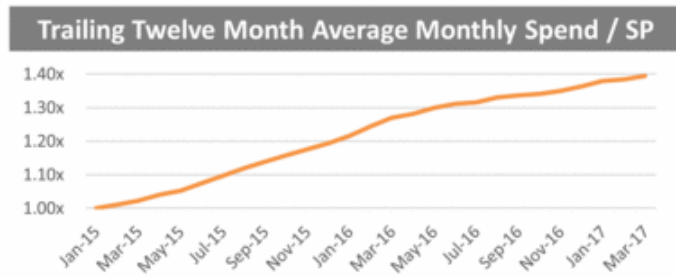
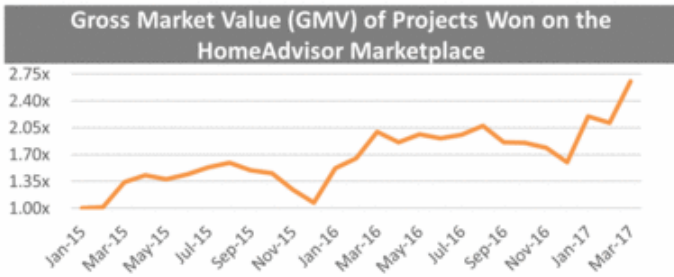
Adjusted EBITDA (\$M)¹



¹ Adjusted EBITDA defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items

HomeAdvisor's Metrics Show Strong Signs of Consumer and Service Provider Engagement

Note: All data indexed from January 2015.



GMV: Total project value won by HomeAdvisor SPs through HomeAdvisor's marketplace; **Average monthly spend / SP:** Average lead revenue per lead-paying SP in a given month; **Job Win Rate:** % of matches that any single HomeAdvisor SP wins; **SP Retention:** % of SPs that are still eligible to receive leads 91-days after they are sold HomeAdvisor lead product; **360-Day Consumer Repeat Use:** # of Service Requests submitted over 360 days by first-time consumers (consumers identified by their email address; limited to consumers who submit their first SR through HomeAdvisor website – desktop/mobile or mobile app); **Mobile SRs:** Service Requests submitted by homeowners through HomeAdvisor mobile website or mobile app.

Angie's List Business Overview

The Leading Brand in Home Services

5M+ MEMBERS



55K+ SERVICE PROFESSIONALS¹



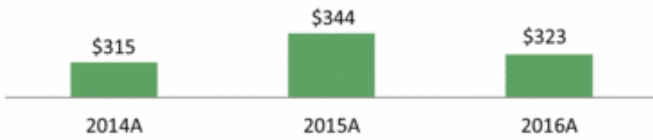
**BRAND
TRAFFIC
AUDIENCE
Angie's list.**

700+ SERVICE CATEGORIES

60K+ REVIEWS ADDED PER MONTH

10M+ REVIEWS

Revenue (\$M)



Adjusted EBITDA (\$M)



Source: Angie's List SEC filings

Note: Adjusted EBITDA defined as net income plus taxes, interest, depreciation & amortization, stock based compensation, legal settlement accrual and non-cash asset impairment

¹ Under contract for advertising, e-commerce or both



Largest SP Network



Leading Technology



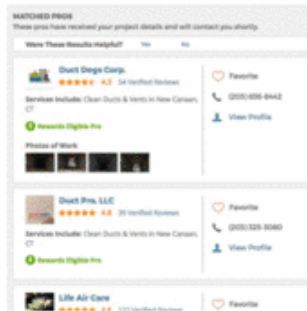
Biggest Brand⁽¹⁾

92% AIDED AWARENESS
46% UNAIDED AWARENESS

Sales Force Expertise



Best Monetization



Recurring Organic Traffic



(1) Source: Q4 2016 HomeAdvisor Brand Measurement Study

Monetizing Angie's List's Traffic with the HomeAdvisor Model

Angie's list. Anywhere, USA ✉ 🛒 👤

House ▾ Yard ▾ Health ▾ More ▾ New Pricing Guide Shop Offers Add Review

Showing results for: Electrical

Refine Your Search ▾

Reset all search options

Provider Distance From Your Address

- 0.5 Miles (0)
- 1 Mile (3)
- 5 Miles (38)
- 10 Miles (105)
- 25 Miles (213)
- 50 Miles (272)
- Any (304)

Begins With

0123456789ABCDEFGHIJKL MNOPQRST UVWXYZ

Help

What keeps us honest?
How are companies displayed?

Get quotes from up to three pros

Where? ▾ Get Started

powered by HomeAdvisor

304 Search Results

Ace Plumbers ★★★★★

Ace Plumbers is the plumbing repair expert, serving the entire metro area for over 20 years. Every plumbing repair and installation come with a lifetime warranty. Ace Plumbing has been making customers happy sincesee more >

[VIEW PROFILE](#)

[BOOK ONLINE via HomeAdvisor](#)

Master Drains ★★★★★

For the best sewer and drain cleaning services look no further. Our only goal at Master Drains, is to correct all your drainage issues and leave your sewer system functioning better than it ever has before you can count on us ...see more >

[VIEW PROFILE](#)

[BOOK ONLINE via HomeAdvisor](#)

AI's Plumbing ★★★★★


AI's Plumbing is the expert for all plumbing installation and repair. 5 star rated and dependable for 3 decades, you can count on AI's Plumbing for all your plumbing needs..see more >

[VIEW PROFILE](#)

IN A HURRY?

Get instantly connected to available pros

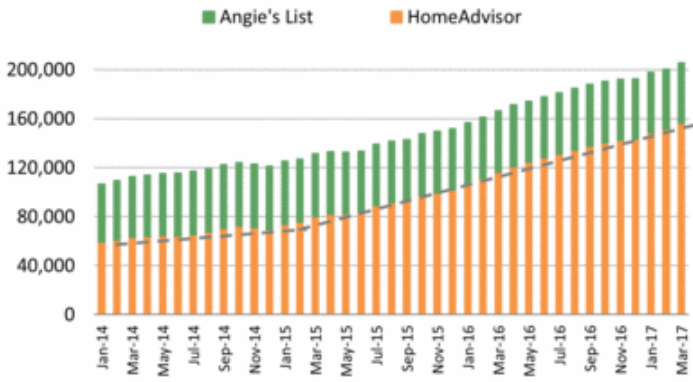
powered by HomeAdvisor



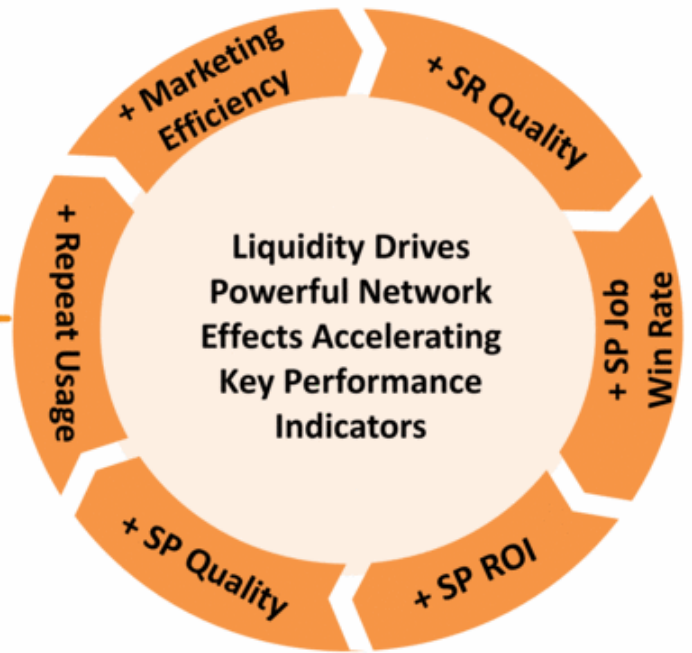
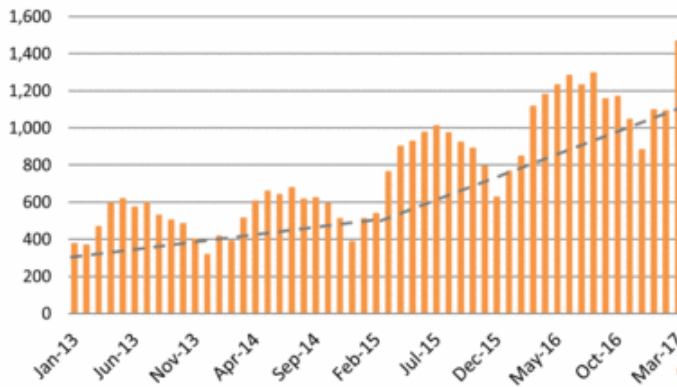
[START NOW](#)

Enhanced Liquidity Drives Quality and Accelerates Growth of On Demand Services

Total Paying SPs



Total Service Requests (000s)



High Confidence, Straightforward Synergies

~\$50-75M

Specific identified cost savings net of estimated revenue foregone

Shared expense base provides opportunity for cost synergies



~\$50-100M

Simply applying HomeAdvisor's existing operating model

Monetizing the Angie's List audience using HomeAdvisor's existing SP network



Up to \$75M

More revenue across combined SP and consumer network

Expanded product portfolio, salesforce efficiency gains, conversion improvements, marketing efficiencies and email database



~\$100-250M Potential annualized synergies



2018 Target Pro Forma Adjusted EBITDA¹

- \$270M
- Excludes transaction-related one time costs (up to \$100M) and deferred revenue write off

Long Term Targets Growth and Margin²

- 5-year revenue CAGR of 20-25%
- Adjusted EBITDA margin ramping to ~35%

Significant opportunity for immediate, near and long term value creation

(1) Assumes closing date of October 1, 2017.

(2) As synergies are realized, near term growth rates in excess of 5-year CAGR.

Summary of Terms

<p>Transaction</p>	<ul style="list-style-type: none"> ● IAC to combine HomeAdvisor and Angie's List into ANGI Homeservices Inc., a new, publicly traded company, with ANGI Homeservices Inc. Class A shares expected to be listed on NASDAQ ● Approved by the Boards of Directors of both companies ● Final pro forma economic ownership of the combined company (varies based on cash election feature)⁽¹⁾: <ul style="list-style-type: none"> – 87-90% IAC – 10-13% Angie's List security holders – Approximately 492 million shares outstanding
<p>Structure</p>	<ul style="list-style-type: none"> ● Angie's List stockholders can elect to receive, for each share of Angie's List stock, either: <ul style="list-style-type: none"> – One share of Class A common stock of ANGI Homeservices Inc. (one vote per share); or – \$8.50 per share in cash – subject to overall cap of \$130M in cash for transaction ● IAC to receive Class B common stock of ANGI Homeservices Inc. (ten votes per share) ● Stock portion of transaction expected to be tax free to Angie's List stockholders ● IAC to appoint a majority of Board of Directors; two current Angie's List directors to serve on Board <ul style="list-style-type: none"> – IAC CEO Joey Levin to serve as Chairman; current HomeAdvisor CEO Chris Terrill to serve as CEO
<p>Process and timing</p>	<ul style="list-style-type: none"> ● Subject to customary closing conditions, including Angie's List stockholder approval, HSR clearance and registration and listing of ANGI Homeservices Inc. Class A common stock ● Angie's List stockholder vote expected in Q3 2017 ● Expected transaction close in early Q4 2017
<p>Summary Financial impact</p>	<ul style="list-style-type: none"> ● Combination creates a clear industry leader ● Significantly improved growth and earnings profile: will accelerate and extend HomeAdvisor growth ● Multiple substantial sources of synergies, targeting \$100-250M in annualized synergies <ul style="list-style-type: none"> – Expect to fully implement synergies by the end of 2018 – One-time costs of approximately \$100M ● Expect to update guidance at closing of transaction

(1) See appendix for important explanatory notes

IAC Going Forward

- Diverse portfolio of premium internet assets
- Substantial ownership stake in #1 players in two large categories (Dating and Home Services), each considerably underpenetrated
 - Home Services – \$400B domestic total addressable market
 - Match – over 500M singles globally
- Significant growth potential in rest of portfolio, including Vimeo
- Healthy balance sheet with \$1B of cash (ex-Match Group)
- Optimizing capital allocation and enhancing strategic flexibility





Angie's list.

Accelerating Category Leadership

Appendix



Explanatory Notes

The numbers reflected on page 15 and in the table below are illustrative. Actual number of shares of ANGI Homeservices Inc. common stock to be issued to Angie's List security holders and IAC to be calculated at the closing of the transaction and will vary based on the fully diluted number of Angie's List shares outstanding at closing (utilizing the treasury stock method) and the number of Angie's List shares making a cash election.

IAC equity ownership	87%	88%	89%	90%
Shares issued to IAC ^{1,2}	428	433	438	443
Cash consideration (\$ millions)	-	\$43	\$87	\$130
Shares electing cash @ \$8.50 ³	-	5	10	15
Angie's List equity ownership	13%	12%	11%	10%
Shares issued to Angie's List security holders ⁴	64	59	54	49
Total Shares Outstanding	492	492	492	492

¹ Consists of ANGI Homeservices Inc. Class B shares to be issued to IAC and ANGI Homeservices Inc. Class A shares that will be reserved for issuance with respect to certain equity awards issued and outstanding under HomeAdvisor's equity incentive plan immediately prior to the closing (which awards will be converted into awards of ANGI Homeservices Inc. at the closing).

² The number of ANGI Homeservices Inc. Class B shares to be issued to IAC is subject to adjustment one year after the closing based on the treatment of certain equity awards held by Angie's List employees at the closing. The adjustment is not expected to result in a material change to IAC's ownership levels in ANGI Homeservices Inc.

³ Total cash consideration in the merger is capped at \$130 million and therefore cash elections are subject to proration to the extent cash is oversubscribed.

⁴ Consists of ANGI Homeservices Inc. Class A shares to be issued to Angie's List stockholders in the merger and Class A shares that will be reserved for issuance with respect to certain equity awards issued and outstanding under Angie's List equity incentive plan immediately prior to the closing (which awards will be converted into awards of ANGI Homeservices Inc. at the closing).

Text of email to all IAC employees, sent on May 1, 2017:

Today IAC announced a transaction that combines our HomeAdvisor with Angie's List into a single, publicly traded company, ANGI Homeservices Inc., to create the undisputed leading home services marketplace in North America. To give you a sense of the size of these businesses, on a pro forma basis, the combined entity generated an estimated \$17 billion worth of home improvement jobs over the last 12 months for more than 200,000 U.S.-based paying service providers across the two platforms.

The benefit of a combination with Angie's List has been obvious to us for a while, and this was not our first attempt at coupling. But we were only able to pull it off now because of the tremendous execution of the HomeAdvisor team, led by Chris Terrill, delivering consistently robust growth over the last two years and a crisp, clear and exciting vision for the next few years. Building a marketplace as HomeAdvisor has done, with enough consumers and service professionals on the platform to make the experience compelling for both groups, is a remarkable achievement. Many other businesses in the category have died trying, yet HomeAdvisor succeeded because we simply built a product that makes it easier to get jobs done. And Angie's List, including co-founder Angie Hicks, has done a wonderful job building the leading brand in the category, with 46% unaided brand awareness and 92% aided awareness — a very rare achievement for any brand in any category.

The opportunity ahead for the combined business is a piece of the \$400 billion spent annually on home services in the U.S., 90% of which is still happening via word-of-mouth referrals — a staggering opportunity for online migration. We'll win with continued product innovation, a relentless focus on customer satisfaction, and delivering clear and measurable value to service professionals.

But this transaction does more than create a category winner, it also effectively takes HomeAdvisor public, making another public company from IAC. From what was one singular public IAC in 2005, with the completion of this transaction there will be 10 thriving individual public companies. HomeAdvisor now joins the ranks of Match, Expedia, Ticketmaster, and others, all of whom are proof positive of IAC's ability to spot categories on the verge of the transformative leap from offline to online, and ride that transition with winning products and multiple brands. We did it in dating, travel and ticketing, and I have no doubt we'll do the same with home services. I hope it's our biggest one yet.

Many thanks to every person who has worked tirelessly to make this deal a reality, and to the entire HomeAdvisor team for executing flawlessly to make it a possibility. This is a tremendous milestone both for us and the category, and the beginning of a long and rewarding ride.

Joey

Important Additional Information and Where to Find It

In connection with the proposed transactions, ANGI Homeservices Inc. intends to file a registration statement on Form S-4 with the Securities and Exchange Commission (the "SEC"), which investors should read carefully before making any voting or investment decision. Investors will be able to obtain

this document, as well as all other filings by IAC, ANGI Homeservices Inc. and Angie's List with the SEC, free of charge at the SEC's website at www.sec.gov. IAC, ANGI Homeservices, Angie's List, and certain of their respective directors and executive officers may be deemed participants in the solicitation of proxies from Angie's List stockholders in connection with the proposed transactions. Information about the directors and executive officers of IAC and Angie's List is set forth in the 2017 annual meeting proxy statements for the companies, as previously filed with the SEC and available on their respective websites, and will be included in the registration statement and related joint proxy statement/prospectus when filed.

Text of email to all HomeAdvisor employees, sent on May 1, 2017:

To All -

Today IAC announced that it will combine HomeAdvisor and Angie's List, Inc. into a new, publicly-traded company called ANGI Homeservices Inc. This is an exciting combination of the two biggest brands in the home services space and as a combined entity we will truly be the number one home services marketplace in the world.

Even though we have each taken different approaches to solving home owner needs, there are strong similarities and synergies that make the combined company more powerful and stronger together. While we have challenged each other in the marketplace for dominance in the past, I have nothing but respect and admiration for the brand the Angie's List team has built over the years. More importantly, a unique and powerful merging of these two companies was only possible because of the hard work and effort on your part to build such an amazing and strong company in HomeAdvisor. I look forward to the tremendous opportunities ahead for the combined company as we continue to innovate and lead in the home services space.

We will set up meetings shortly to provide more details and answer your questions.

Best,

Chris

Important Additional Information and Where to Find It

In connection with the proposed transactions, ANGI Homeservices Inc. intends to file a registration statement on Form S-4 with the Securities and Exchange Commission (the "SEC"), which investors should read carefully before making any voting or investment decision. Investors will be able to obtain this document, as well as all other filings by IAC, ANGI Homeservices Inc. and Angie's List with the SEC, free of charge at the SEC's website at www.sec.gov. IAC, ANGI Homeservices, Angie's List, and certain of their respective directors and executive officers may be deemed participants in the solicitation of proxies from Angie's List stockholders in connection with the proposed transactions. Information about the directors and executive officers of IAC and Angie's List is set forth in the 2017 annual meeting proxy statements for the companies, as previously filed with the SEC and available on their respective websites, and will be included in the registration statement and related joint proxy statement/prospectus when filed.
