

matchgroup

## Business Overview

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*March 2019*

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This presentation contains forward-looking statements. The use of words such as "anticipates," "estimates," "expects," "plans" and "believes," among others, generally identify forward-looking statements. Similarly, statements herein that describe Match Group's future financial performance, prospects, strategy, outlook, objectives, plans, intentions or goals, or anticipated trends and other similar matters are also forward-looking statements. 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, including, among others: competition, our ability to maintain user rates on our higher monetizing dating products, our ability to attract users to our dating products through cost-effective marketing and related efforts, foreign currency exchange rate fluctuations, our ability to distribute our dating products through third parties and offset related fees, the integrity and scalability of our systems and infrastructure (and those of third parties) and our ability to adapt ours to changes in a timely and cost-effective manner, our ability to protect our systems from cyberattacks and to protect personal and confidential user information, risks relating to certain of our international operations and acquisitions and certain risks relating to our relationship with IAC/InterActiveCorp, among other risks. Certain of these and other risks and uncertainties are discussed in Match Group's filings with the Securities and Exchange Commission. Other unknown or unpredictable factors that could also adversely affect our 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 Match Group management as of the date of this presentation. Match Group does not undertake to update these forward-looking statements.

This presentation includes certain non-GAAP financial measures in addition to financials measures presented in accordance with U.S. GAAP. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. See the Appendix for a reconciliation of the non-GAAP financial measures to their most comparable GAAP measure.

This presentation contains statistical data that we obtained from third party publications, surveys and reports. Although we have not independently verified the accuracy or completeness of the data contained in these industry publications, surveys and reports, we believe the publications, surveys and reports are generally reliable, although such information is inherently subject to uncertainties and imprecise.

"Average Subscribers" is the number of Subscribers at the end of each day in the relevant measurement period divided by the number of calendar days in that period. Subscribers as of any given time represent the number of users who purchased a subscription to one of our products at that time. Users who purchase only à la carte features are not included in Subscribers. Unless otherwise noted, Subscribers refers to Average Subscribers in this presentation. "Ending Subscribers" is the number of Subscribers at the end of the relevant measurement period. "ARPU" or Average Revenue per Subscriber, is Direct Revenue from Subscribers in the relevant measurement period (whether in the form of Subscription or à la carte) divided by the Average Subscribers in such period and further divided by the number of calendar days in such period. Direct Revenue from users who are not Subscribers and have purchased only à la carte features is not included in ARPU. Direct Revenue is revenue that is received directly from end users of our products and includes both subscription and à la carte revenue. "North America" or "NA" as used in this presentation refers to the United States and Canada.

# Who We Are

Global leader in dating products with a portfolio of well-recognized brands

tinder

match

PlentyOfFish

okcupid

Hinge

pairs

ship

ParPerfeito

meetic

matchaffinity

LOVE  
SCOUT24

TWO

lexa.nl  
als hier om daten gaat

DisonsDemain

Ourtime

lexamore.nl  
wij matchen, jij kiest

amoureux  
BY MEETIC

NEU.DE

partner.de

OurTime

BlackPeopleMeet

Chispa

BLK

- ✓ We offer products in over 40 languages to our users all over the world
- ✓ 8.2 million+ Average Subscribers<sup>1</sup>
- ✓ \$1.7 billion Revenue and \$654 million Adjusted EBITDA<sup>2</sup>
- ✓ 64% of relationships started on a dating site / app began on a Match Group product<sup>3</sup>
- ✓ **tinder** is the #1 downloaded and top grossing dating app worldwide<sup>4</sup>
- ✓ **tinder** is the 2nd highest grossing app overall worldwide<sup>5</sup>

<sup>1</sup> Average Subscribers as of Q4 2018

<sup>2</sup> For FY 2018

<sup>3</sup> For the last twelve months, per Quarterly Pulse U.S. Survey (August 2018)

<sup>4</sup> Per AppAnnie for the last twelve months through December 31, 2018

<sup>5</sup> Per AppAnnie for the last twelve months through December 31, 2018 across all apps, excluding games

# Our Largest Brands

## match

- Launched in 1995
- #1 in unaided brand awareness in the U.S.<sup>1</sup>
- Higher relationship intent

## meetic

- Operates a portfolio of leading online dating brands throughout Europe
- Higher relationship intent, similar to Match

## OurTime

- Largest brand within Match Affinity
- Largest community of singles over age 50 of any dating product in the U.S.

## tinder

- Mobile app launched in 2012
- Available in 190+ countries
- Grew virally to become the largest dating app in the world

## PlentyOfFish

- Launched in 2003 and acquired in 2015
- Leads to more conversations than any other dating app
- Broad appeal in the central U.S., Canada, and the U.K.

## okcupid

- Launched in 2004 and acquired in 2011
- User base that values individuality
- Focuses on provocative Q&A and mathematical insights into potential matches

## Hinge

- Launched in 2011 and acquired in 2018
- Differentiated product focused on relationship-minded Millennials

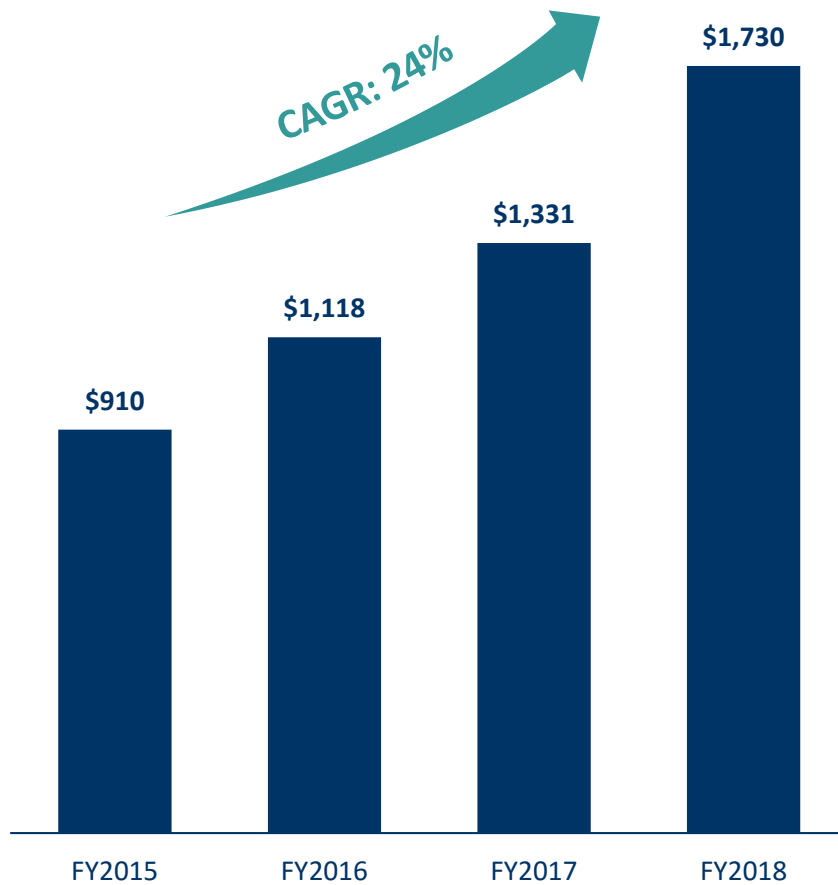
## epairs

- Launched in 2012 and acquired in 2015
- #1 dating app in Japan
- Higher relationship intent

# Exceptional Revenue Growth with Expanding Margins

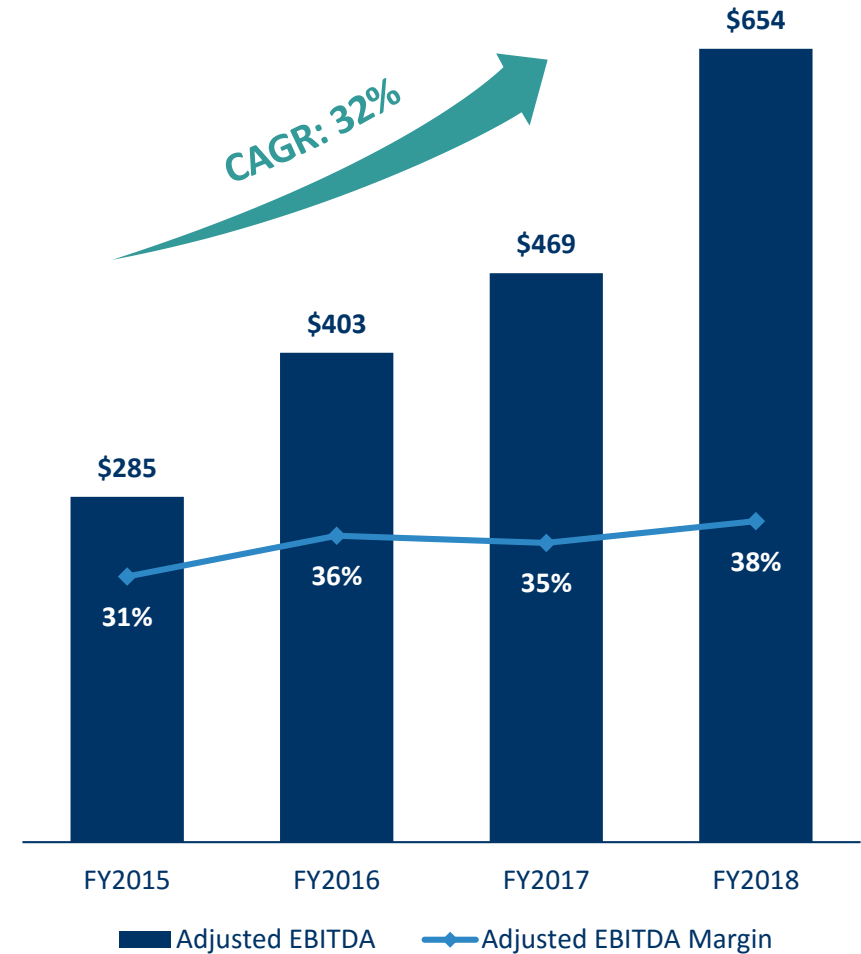
## Total Revenue

(As reported, in millions)



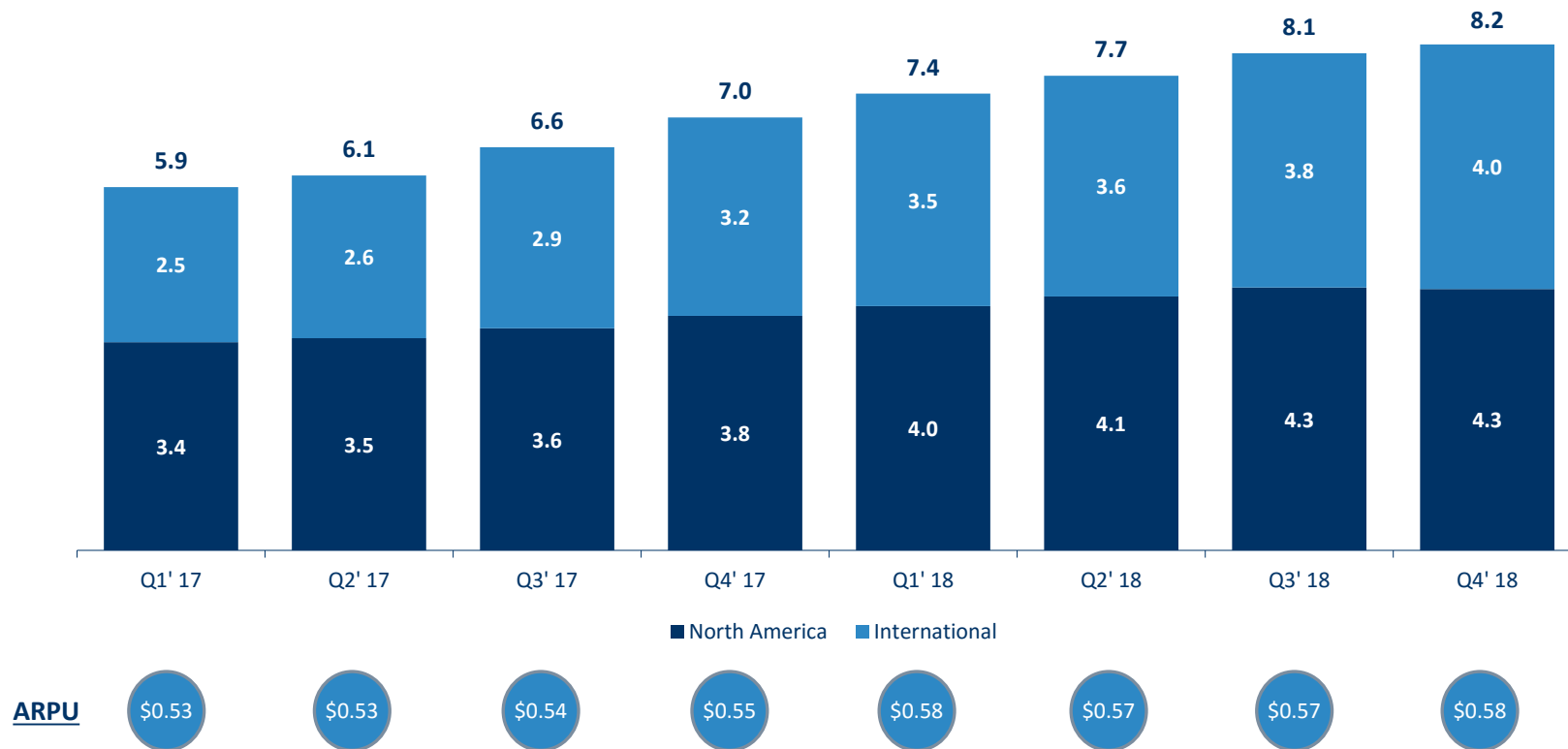
## EBITDA

(As reported, in millions)



# Revenue Driven by Global Growth in Subscribers and ARPU

## Average Subscribers (in millions)



39%+ growth since Q1'17, adding more than 2.3 million Average Subscribers

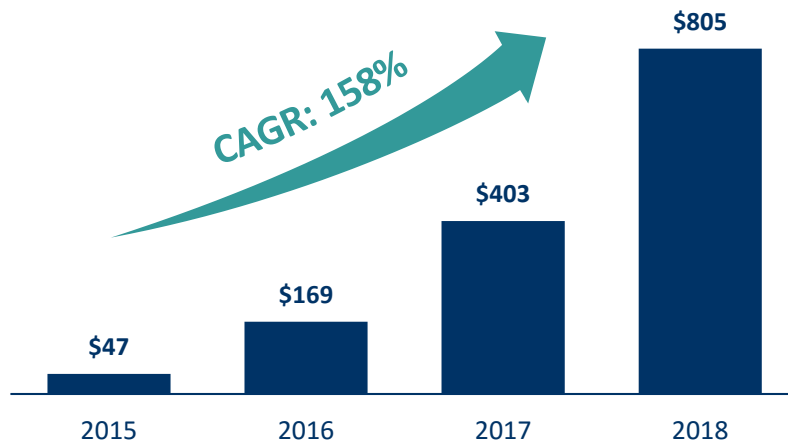
# Tinder: Global Success Story



- Incubated internally and launched in 2012
- Revolutionary dating product with unparalleled global organic adoption
- Launched as mobile-only product with unique user interface and swiping feature
- Monetization began in Q1 2015 and grew to over \$800 million annual revenue in 2018

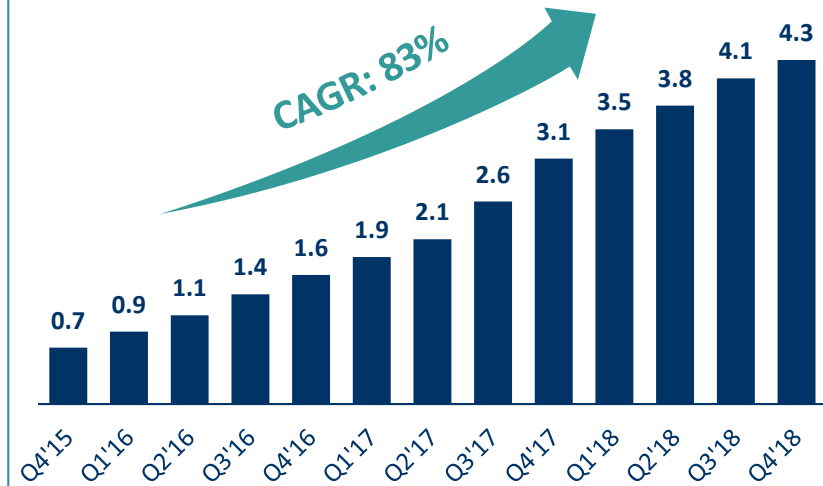
## Massive Revenue Growth

Direct Revenue (\$M)



## Driven by Subscribers and ARPU

Tinder Average Subscribers (mm)



ARPU increased ~50% since 2016

# Tinder: Monetization

## Subscription

### Tinder Plus

- First subscription product launched in March 2015
- Unlimited right swipes, rewind, incognito mode, passport to any location, no ads and additional Boosts / Super Likes

### Tinder Gold

- Global rollout on iOS on 8/31/2017 and on Android on 9/20/2017
- Includes all Tinder Plus functions in addition to new 'Likes You' feature
- Priced at premium to Tinder Plus
- Net effect is higher ARPU, higher conversion

Focus remains on overall revenue maximization

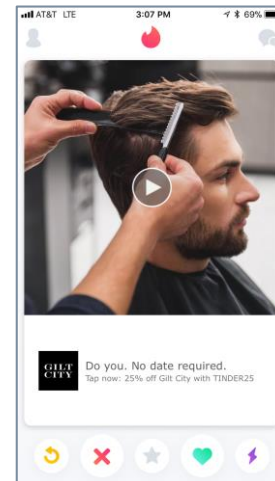
## À la carte

- Super Like, Boost and Picks
- Super Like and Boost available for purchase to all users (subscribers and non-subscribers)
- Non-subscribers a relatively small portion of à la carte purchasers



## Advertising

- Direct premium sales
- Third party programmatic





# Exceptional Competitive Position

## Match Group owns 4 of the top 5 brands in the US

Based on respondents who used dating products over the past 90 days (US)<sup>1</sup>

tinder™

Founded in 2012

PlentyOfFish

Founded in 2003

match♥

Founded in 1995

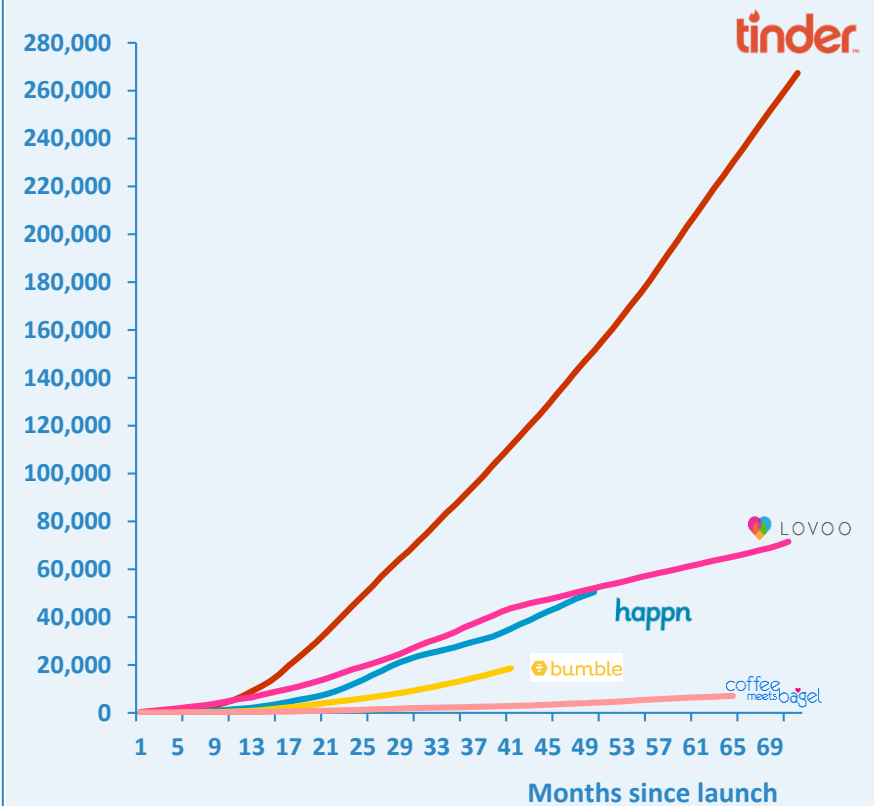
okcupid

Founded in 2004

## Tinder: Unparalleled viral growth

Global cumulative downloads (benchmarked to launch date)

Downloads ('000s)



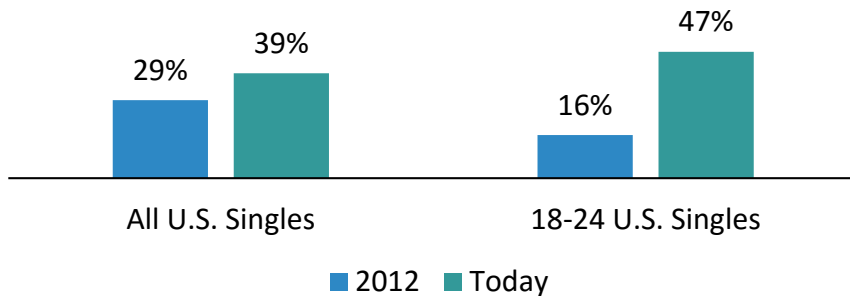
Fragmented competitive landscape globally, but no brands approach the scale of Match Group

# Underpenetrated Category Provides Secular Tailwinds

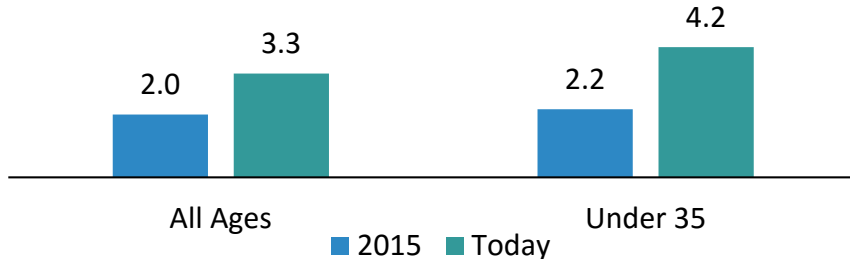
## North America and Europe

- Significant runway remains – **more than half of singles have never tried dating products**
- Category usage continues to grow
  - More singles using dating products
  - Increasing multiple-app usage

**Dating Product Usage<sup>1</sup>**



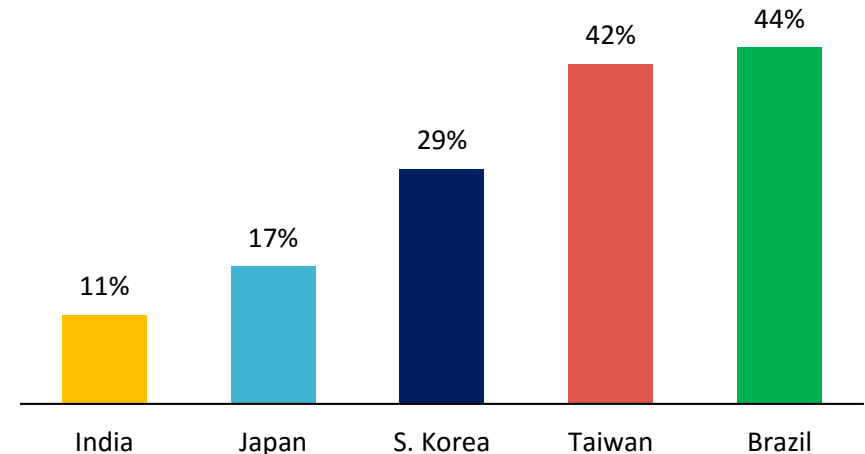
**# of Apps Used – U.S.<sup>2</sup>**



## APAC / Africa / Middle East / LatAm

- Massive opportunity, ~75% of global singles
- **2/3 of singles have never tried dating products**
  - Comparable to US and Europe usage prior to 2012
- Young and very mobile-savvy population

**Dating Product Usage in 2018<sup>1</sup>**



## Match Group Highlights

- ✓ A leading provider of dating products with global footprint of marquee assets
- ✓ Significant global opportunity with strong growth drivers
- ✓ Unique portfolio approach caters to a broad spectrum of users
- ✓ Proven, highly sophisticated monetization strategy
- ✓ Strong top and bottom-line growth with expanding margins
- ✓ Robust free cash flow generation and natural deleveraging
- ✓ Proven management team with strong focus on shared learning

# Appendix

# GAAP to Non-GAAP Reconciliation (FY2015 – FY2018)

	As Reported			
	Years Ended December 31,			
	2015	2016	2017	2018
<b>Net earnings attributable to Match Group, Inc. shareholders</b>	<b>\$120.4</b>	<b>\$171.5</b>	<b>\$350.1</b>	<b>\$477.9</b>
Add back:				
Net earnings (loss) attributable to noncontrolling interests	\$0.1	\$0.6	\$0.2	(\$5.3)
Loss from discontinued operations, net of tax	\$12.7	\$6.3	\$5.7	\$0.4
Income tax provision (benefit)	\$65.5	\$62.9	(\$103.9)	\$14.7
Other (income) expense, net	(\$11.6)	(\$7.9)	\$30.8	(\$7.8)
Interest expense	\$25.9	\$82.2	\$77.6	\$73.4
<b>Operating Income</b>	<b>\$213.0</b>	<b>\$315.5</b>	<b>\$360.5</b>	<b>\$553.3</b>
Stock-based compensation expense	\$49.4	\$52.4	\$69.1	\$66.0
Depreciation	\$19.8	\$27.7	\$32.6	\$33.0
Amortization of intangibles	\$13.4	\$16.9	\$1.5	\$1.3
Acquisition-related contingent consideration fair value adjustments	(\$11.1)	(\$9.2)	\$5.3	\$0.3
<b>Adjusted EBITDA</b>	<b>\$284.6</b>	<b>\$403.4</b>	<b>\$468.9</b>	<b>\$653.9</b>
Direct Revenue	\$866.6	\$1,067.4	\$1,281.2	\$1,677.2
Indirect Revenue	\$43.1	\$50.7	\$49.4	\$52.7
<b>Revenue</b>	<b>\$909.7</b>	<b>\$1,118.1</b>	<b>\$1,330.7</b>	<b>\$1,729.9</b>
Operating income margin	23%	28%	27%	32%
Adjusted EBITDA margin	31%	36%	35%	38%

Note: Rounding differences may occur

# Trended Key Metrics

	2016	2017					2018				
	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Average Subscribers (000s)</b>											
North America	3,268	3,386	3,452	3,615	3,816	3,569	3,976	4,131	4,278	4,254	4,161
International	2,140	2,525	2,649	2,944	3,228	2,839	3,457	3,592	3,812	3,980	3,712
<b>Total</b>	<b>5,408</b>	<b>5,911</b>	<b>6,101</b>	<b>6,559</b>	<b>7,044</b>	<b>6,408</b>	<b>7,433</b>	<b>7,723</b>	<b>8,090</b>	<b>8,234</b>	<b>7,873</b>
<b>ARPU</b>											
North America	\$0.56	\$0.57	\$0.56	\$0.56	\$0.57	\$0.56	\$0.58	\$0.58	\$0.59	\$0.59	\$0.59
International	\$0.50	\$0.48	\$0.49	\$0.52	\$0.54	\$0.51	\$0.57	\$0.56	\$0.55	\$0.56	\$0.56
<b>Total</b>	<b>\$0.54</b>	<b>\$0.53</b>	<b>\$0.53</b>	<b>\$0.54</b>	<b>\$0.55</b>	<b>\$0.54</b>	<b>\$0.58</b>	<b>\$0.57</b>	<b>\$0.57</b>	<b>\$0.58</b>	<b>\$0.57</b>
<b>Revenue (as reported, \$Ms)</b>											
North America Direct	\$673.9	\$175.3	\$178.5	\$186.9	\$200.6	\$741.3	\$211.4	\$222.2	\$233.6	\$235.3	\$902.5
International Direct	\$393.4	\$112.4	\$120.9	\$143.2	\$163.3	\$539.9	\$181.4	\$185.6	\$197.9	\$209.8	\$774.7
<b>Total Direct</b>	<b>\$1,067.4</b>	<b>\$287.8</b>	<b>\$299.4</b>	<b>\$330.1</b>	<b>\$364.0</b>	<b>\$1,281.2</b>	<b>\$392.7</b>	<b>\$407.7</b>	<b>\$431.5</b>	<b>\$445.2</b>	<b>\$1,677.2</b>
Indirect Revenue	\$50.7	\$11.0	\$10.1	\$13.3	\$14.9	\$49.4	\$14.6	\$13.5	\$12.4	\$12.2	\$52.7
<b>Total Revenue</b>	<b>\$1,118.1</b>	<b>\$298.8</b>	<b>\$309.6</b>	<b>\$343.4</b>	<b>\$378.9</b>	<b>\$1,330.7</b>	<b>\$407.4</b>	<b>\$421.2</b>	<b>\$443.9</b>	<b>\$457.3</b>	<b>\$1,729.9</b>

Note: Rounding differences may occur