59 million MAU across our brands for the quarter

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ended September 30, 2015. We offer advertisers the ability to customize their advertisements based on analytics we collect about user interests and behavior. We believe that our scale and analytics-driven marketing make us more attractive to advertisers. Our products' target markets also provide advertisers with access to several highly coveted demographic groups, including the millennial generation that our Tinder product has penetrated effectively.

- *Commitment to product development:* Each of our brands has a robust product roadmap. Product development and innovation are generally brand-specific and significant resources are devoted to constant improvements of our various products. Accordingly, we have multiple product development teams working at any given time on a variety of features at a breadth that, we believe, could not be replicated by any of our single brands as standalone entities.

- *Shared learning:* While maintaining each brand's unique character, we facilitate knowledge and experience sharing across our portfolio in the areas of marketing and customer acquisition, monetization and product development. While each brand generally is responsible for its own progress in these areas, the ability for each to quickly leverage the successes of other brands and avoid their failures, substantially increases the success rates for each brand in each of these key drivers of business performance.

- *Demonstrated ability to incubate new businesses:* We have a history of successfully introducing new dating brands. For example, OurTime was launched in 2011 and Tinder in 2012. We expect to continue to devote resources to developing new dating products and believe our industry expertise and significant cash flow provide a unique ability to succeed in this endeavor.

- *Identifying opportunistic acquisitions:* We have developed a core competency for identifying, acquiring, integrating and scaling businesses. Since January 2009, we have invested approximately $1,284.0 million to acquire 25 new brands for our dating portfolio, including OkCupid, Meetic, Twoo and PlentyOfFish.

Our strategy

We are pursuing the following principal strategies to grow our dating business:

- *Focus on product development:* We devote substantial resources to developing new features and functionalities for our products. We believe there are meaningful improvements that can be made to the efficacy and appeal of products in our category, both through existing and emerging technologies. Increasing product efficacy and appeal are two of the major drivers of increased category adoption.

- *Become even more mobile:* We are increasingly concentrated on mobile development. For the quarter ended September 30, 2015, pro forma for PlentyOfFish, 73% of our new registrations were from a mobile device. We are currently allocating resources to more rapidly increase our mobile development, which we believe represents a significant growth opportunity for our business.

- *Improve customer acquisition efforts:* We continue to focus on building our traditional paid acquisition channels, including offline media, with the intent to reach new customers, increase the demand for dating products and drive repeat usage. Additionally, we are developing our expertise in paid mobile acquisition and digital video channels. Finally, we are focused on expanding the virality of our brands and maintaining a high rank in app stores. We believe we have the ability to expand our marketing reach over time.

- *Drive advertising revenue:* Generating advertising revenue has historically not been a principal focus for us. As a result, we believe our advertising revenue is substantially below what we should be able to

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achieve. Part of our strategy is to meaningfully increase the sell-through at our Tinder brand, which is currently below 2% of available ad inventory. We believe that Tinder's strong user engagement, with an average of approximately 9.6 million daily active users during the month ended September 30, 2015, each spending, on average, more than 35 minutes per day using the product and "swiping," on average, through 145 user profiles per day, makes it a very attractive platform for advertisers. We also intend to meaningfully increase the percentage of ad inventory on our other brands sold on a direct basis, which currently is below 2% of total ad inventory sold. We believe that there is meaningful upside to our current revenue levels if we achieve these objectives.

- *Dynamically monetize our brands:* We will continue to optimize pricing and the bundle of free and paid offerings for each brand. We also expect to continue to develop new features that will both improve the user experience and increase the number of people willing to pay for the use of our products. We believe that most of our products have the opportunity to increase both the percentage of users who are paid members and the amount