

Match Group, Inc. Shareholder Equity

	Redeemable noncontrolling interests	Common Stock \$0.001 Par Value		Accumulated other comprehensive loss	Total Match Group, Inc. shareholder equity	Noncontrolling interests	Total shareholder equity
		Shares (Pro forma)	Invested capital				
(In thousands)							
Balance as of December 31, 2014	\$ 3,678	10,071	\$ 877,635	\$ (78,048)	799,587	\$ 189	\$ 799,776
Net earnings (loss) for the nine months ended September 30, 2015	(42)	—	84,790	—	84,790	—	84,790
Other comprehensive loss, net of tax	(193)	—	—	(51,152)	(51,152)	—	(51,152)
Stock-based compensation expense	3,816	—	22,974	—	22,974	—	22,974
Purchase of redeemable noncontrolling interests	(557)	—	—	—	—	—	—
Net increase in IAC/InterActiveCorp's investment in Match Group, Inc.	—	792	105,970	—	105,970	—	105,970
Transfer from noncontrolling interests to redeemable noncontrolling interests	189	—	—	—	—	(189)	(189)
Other	23	—	(23)	—	(23)	—	(23)
Balance as of September 30, 2015	\$ 6,914	10,863	\$ 1,091,346	\$ (129,200)	962,146	\$ —	\$ 962,146

The accompanying Notes to Combined Financial Statements are an integral part of these statements.

F-5

[Table of Contents](#)

**Match Group, Inc. and Subsidiaries
Combined statement of cash flows
(Unaudited)**

	Nine months ended September 30,	
	2014	2015
(In thousands)		
Cash flows from operating activities:		
Net earnings	\$ 100,009	\$ 84,748
Adjustments to reconcile earnings to net cash provided by operating activities:		
Stock-based compensation expense	16,610	30,982
Depreciation	17,122	19,804
Amortization of intangibles	6,841	14,130
Excess tax benefits from stock-based awards	(5,283)	(31,285)
Deferred income taxes	2,453	(8,646)
Acquisition-related contingent consideration fair value adjustments	(13,581)	(11,479)
Other adjustments, net	(5,445)	(11,274)
Changes in assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(5,624)	(25,116)
Other current assets	(4,511)	(7,447)
Accounts payable and accrued expenses and other current liabilities	(6,178)	20,834
Income taxes payable	5,329	26,993
Deferred revenue	21,482	23,997
Net cash provided by operating activities	129,224	126,241