

we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of Match Group, Inc. and Subsidiaries at December 31, 2013 and 2014, and the combined results of its operations and its cash flows for each of the three years in the period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic combined financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

New York, New York
August 11, 2015

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Match Group, Inc. and Subsidiaries Combined balance sheet

	December 31,		Pro forma
	2013	2014	December 31, 2014 (unaudited)
(In thousands, except share data)			
ASSETS			
Cash and cash equivalents	\$ 125,226	\$ 127,630	\$ —
Accounts receivable, net of allowance and reserves of \$856 and \$1,133, respectively	32,366	33,735	—
Other current assets	17,374	33,737	—
Total current assets	174,966	195,102	—
Property and equipment, net	35,090	42,997	—
Goodwill	767,746	793,763	—
Intangible assets, net	179,362	207,613	—
Long-term investments	60,393	62,979	—
Other non-current assets	74,565	5,580	—
TOTAL ASSETS	\$1,292,122	\$1,308,034	\$ —
LIABILITIES AND SHAREHOLDER EQUITY			
LIABILITIES:			
Accounts payable	\$ 14,194	\$ 11,797	\$ —
Deferred revenue	119,971	134,790	—
Dividend payable	—	—	1,484,382
Accrued expenses and other current liabilities	80,146	94,719	—
Total current liabilities	214,311	241,306	1,484,382
Long-term debt—related party	79,000	190,586	—
Income taxes payable	11,851	11,442	—
Deferred income taxes	49,162	47,800	—
Other long-term liabilities	36,524	13,446	—
Redeemable noncontrolling interests	24,248	3,678	—
Commitments and contingencies			—
SHAREHOLDER EQUITY:			
Common stock, \$0.001 par value; authorized 15,000,000 shares; issued and outstanding 10,070,625 shares, as of December 31, 2014 on a pro forma basis	—	—	—
Invested capital	851,749	877,635	(1,484,382)
Accumulated other comprehensive loss	(16,388)	(78,048)	—
Total Match Group, Inc. shareholder equity	835,361	799,587	(1,484,382)
Noncontrolling interests	41,665	189	—
Total shareholder equity	877,026	799,776	(1,484,382)
TOTAL LIABILITIES AND SHAREHOLDER EQUITY	\$1,292,122	\$1,308,034	\$ —