

(a) Net earnings has been adjusted by \$33.1 million to reflect additional interest expense (net of tax) assumed to be incurred to finance the portion of the dividend that exceeds both the gross proceeds from this offering and the previous twelve month's net earnings.

The following sets forth the pro forma shareholders' equity

### Common stock, Class B common stock and Class C common stock

The rights of holders of our common stock, Class B common stock and Class C common stock will be identical, except as discussed below. Any authorized but unissued shares of our common stock, Class B common stock and Class C common stock will be available for issuance by our board of directors without any further stockholder action.

**Voting rights.** On all matters voted upon by our stockholders, holders of our common stock will be entitled to one vote per share, holders of Class B common stock will be entitled to ten votes per share, and holders of Class C common stock will not be entitled to any votes per share (except as otherwise required by the laws of the State of Delaware, in which case holders of Class C common stock will be entitled to one one-hundredth (1/100) of a vote per share).

**Dividend rights.** Holders of all classes of common stock will be entitled to ratably receive dividends if, as and when declared by our board of directors. In a share distribution of our capital stock or the securities of another entity, we may choose to distribute: (i) identical securities, on an equal per share basis, to holders of our common stock, Class B common stock and Class C common stock or (ii) a class or series of securities to the holders of one class of our capital stock and a different class or series of securities to the holders of another class of our capital stock, in each case on an equal per share basis, provided that, in the case of clause (ii), the different classes or series to be distributed are not different in any respect other than their relative voting rights (and any related differences in designation, conversion and share distribution provisions, as applicable), with holders of shares of our Class B common stock receiving the securities having the higher voting rights.

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**Conversion rights.** Shares of our Class B common stock will be convertible into shares of our common stock at the option of the holder thereof at any time on a share for share basis. Such conversion ratio will in all events be equitably preserved in the event of any recapitalization of Match by means of a stock dividend on, or a stock split or combination of, our outstanding common stock or Class B common stock, or in the event of any merger, consolidation or other reorganization of Match with another corporation. Upon the conversion of a share of our Class B common stock into a share of our common stock, the applicable share of Class B common stock will be retired and will not be subject to reissue. Shares of common stock and Class C common stock will have no conversion rights.

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### Schedule II

## Match Group, Inc. and Subsidiaries Valuation and qualifying accounts

Description	Balance at beginning of period	Charges to earnings	Charges to other accounts	Deductions	Balance at end of period
	(In thousands)				
<b>2012</b>					
Allowance for doubtful accounts and revenue reserves	\$ 119	\$ 159 <sup>(1)</sup>	\$ 2	\$ (40) <sup>(4)</sup>	\$ 240
Deferred tax valuation allowance	8,945	18,460 <sup>(2)</sup>	(3,030) <sup>(3)</sup>	—	24,375
Other reserves	2,095				1,901
<b>2013</b>					
Allowance for doubtful accounts and revenue reserves	\$ 240	\$ 86 <sup>(1)</sup>	\$ 533	\$ (3) <sup>(4)</sup>	\$ 856
Deferred tax valuation allowance	24,375	(915) <sup>(2)</sup>	(258) <sup>(3)</sup>	—	23,202
Other reserves	1,901				2,203
<b>2014</b>					
Allowance for doubtful accounts and revenue reserves	\$ 856	\$ 114 <sup>(1)</sup>	\$ 384	\$ (221) <sup>(4)</sup>	\$ 1,133
Deferred tax valuation allowance	23,202	879 <sup>(5)</sup>	724 <sup>(6)</sup>	—	24,805
Other reserves	2,203				2,098

(1) Additions to the allowance for doubtful accounts are charged to expense. Additions to the revenue reserves are charged against revenue.

(2) Amount is primarily related to foreign net operating losses.