2Q26 Shareholder Letter

July 29, 2026

2Q26 Financial Highlights

$313.4M Revenue	**+25% YoY** Led by 42% growth in Insurance
$87.3M VMM	**+4% YoY** Driven by 25% Insurance segment profit growth
$35.2M AEBITDA	**+11% YoY** VMM growth and flat operating expenses YoY continue to generate positive operating leverage
40% AEBITDA/VMM	**+225bps** Long-term margin goal of 45%-50%

Q3 and Full Year 2026 Guidance*

($ millions)

Q3

	Low		High	YoY Change at Midpoint
Revenue	$325		$335	7%
VMM	$88		$93	(3)%
AEBITDA	$34		$36	(12)%
AEBITDA/VMM %		39%		-400bps

2026

	Low		High	YoY Change at Midpoint
Revenue	$1,300		$1,320	17%
VMM	$364		$374	6%
AEBITDA	$145		$152	12%
AEBITDA/VMM %		40%		+190bps

*LendingTree is not able to provide a reconciliation of projected variable marketing margin or adjusted EBITDA to the most directly comparable expected GAAP results due to the unknown effect, timing and potential significance of the effects of legal matters and tax considerations. Expenses associated with legal matters and tax considerations have in the past, and may in the future, significantly affect GAAP results in a particular period.

Fellow Shareholders,

Our company generated healthy growth in the second quarter, with Adjusted EBITDA increasing 11% year-over-year to $35.2 million led by continued strength in our Insurance segment. As we previewed last quarter, our small business lending product has faced headwinds from increasing energy prices and elevated macroeconomic uncertainty caused by events in the Middle East. We had expected a sequential decline in revenue and profit from SMB. Unfortunately, borrower demand was lower than we anticipated. The good news is that demand appears to have stabilized, and we have also seen favorable lender underwriting movements. As the various macro headwinds eventually subside, we expect SMB to fully recover and surpass the record revenue and profit recorded in the first quarter.

We accomplished a great deal on the product and AI front in the last three months, launching several new consumer-facing AI capabilities such as our ChatGPT app, expanding our marketplace into six new verticals, and continuing to see strong results from our homepage redesign. We remain laser focused as a team on executing our strategy to become the "#1 Destination to Shop For Financial Products."

Insurance remains a clear source of strength for us. Segment profit grew a strong 25% year-over-year and revenue grew double digits, even as margin was pressured in the quarter by a platform transition with our largest click-buying partner and a brief service disruption, both of which have normalized entering the third quarter. We remind you that our first quarter benefited from unusually strong, outsized carrier budgets as well as non-recurring growth in our Healthcare product due to the expiration of Covid-era government subsidies that we called out when reporting first quarter's results. Our guidance for the remainder of the year reflects a return to a more normal run rate rather than any erosion in our market position. Carrier demand for our network remains very strong, and we continue to view ourselves as one of the most important partners to the largest players in the industry.

Our Consumer segment performance reflected softer trends in SMB. Prior to this quarter, our SMB product generated nearly 40% year-over-year average quarterly revenue growth dating back to the start of 2024. As we noted on our first quarter earnings call, business owners grew markedly more cautious about taking on new financing early in Q2 as the conflict with Iran drove a sharp rise in energy prices and consumer sentiment fell to historic lows. We see early signs of improvement, including higher close rates and loan size requests. We will continue to monitor these trends closely as we move through the second half of the year.

Our Home business grew revenue high single digits year-over-year, though margin remained pressured by elevated search costs and continued investment in higher-quality traffic. We believe Home remains near a cyclical trough, and we are positioning the business to capture the upside we expect as mortgage rates and transaction volumes eventually normalize by growing our lender network and improving the product experience.

We continue to generate strong free cash flow which gives us the flexibility to prioritize debt reduction while remaining opportunistic in regards to share buybacks and accretive M&A. Although VMM growth slowed to 4% YoY in Q2, the operating leverage embedded in our business model allowed us to drive the aforementioned 11% growth in AEBITDA while we continue to invest in our strategy. We are increasingly using AI to improve efficiency across the organization, which enabled us to limit operating expense growth to less than 1% from the prior year period.

AI continues to be a central enabler of our North Star strategy, and this quarter reinforced our view that it will be a significant tailwind for our business. We launched a LendingTree app within ChatGPT, our Home Loan Rate Confidence App, which uses our proprietary database of thousands of daily mortgage rate offers to help consumers understand, in real time, whether a rate they are considering or have already received is competitive for their specific profile. We plan to bring a similar rate confidence experience to our Insurance products in the third quarter.

We also rolled out AI-generated overviews that help consumers quickly understand the key differences across the multiple personal loan offers they typically receive, such as lowest APR, lowest monthly payment, or largest loan amount, and we have seen a meaningful increase in engagement and application rates among consumers who receive these overviews. In our Home business, we are in beta with an AI voice agent that can walk mortgage consumers through their offers, answer their questions, and connect them directly to the lender best suited to their needs; we plan to expand this to three lender clients by the end of the third quarter, and we believe it has the potential to meaningfully improve the mortgage shopping experience.

Beyond these consumer-facing tools, we have made substantial progress organizing our data to be readily usable by AI agents internally, and we are now deploying agents across Marketing, Sales, and Finance that deliver insights in real time that previously took our teams weeks to compile. Our homepage redesign, launched earlier this year, continues to perform well, driving an 11% increase in sessions and an 18% lift in form starts, and we are extending that redesign to our major product pages in the third quarter. We also continued to broaden our marketplace, adding six new verticals during the quarter, including Business Insurance, RV Insurance, Pet Insurance, Student Loans, Student Loan Refinance, and Financial Advising, with additional categories such as Earned Wage Access and Automated Investing planned for Q3.

As we look ahead, we remain confident in the underlying strength of our platform. Insurance continues to perform from a position of real strength, and we believe our scale and product breadth make us one of the most important partners to the carriers we work with. The softness we saw in Small Business this quarter was driven by macro conditions rather than any change in the long term growth outlook of that vertical, and we expect this pressure to ease as we move through the year. Across the business, we continue to make tangible progress against our North Star strategy of becoming the "#1 Destination to Shop For Financial Products," and we believe the investments we are making in product, brand, and AI-driven capabilities position us well to continue driving value for our customers, partners and our shareholders.

Sincerely,
Scott Peyree
President and CEO

SUMMARY FINANCIAL RESULTS

($ millions)	2025			2026		Y/Y
	Q2	Q3	Q4	Q1	Q2	% Change
Home [1]						
Revenue	$ 40.4	$ 38.1	$ 36.2	$ 39.1	$ 43.9	9 %
Segment profit	$ 13.1	$ 11.8	$ 10.4	$ 10.0	$ 11.3	(14)%
Segment profit % of revenue	*32 %*	*31 %*	*29 %*	*26 %*	*26 %*	
Consumer [2]						
Revenue	$ 62.5	$ 66.2	$ 68.6	$ 66.3	$ 60.3	(4)%
Segment profit	$ 32.1	$ 35.2	$ 35.0	$ 32.9	$ 27.6	(14)%
Segment profit % of revenue	*51 %*	*53 %*	*51 %*	*50 %*	*46 %*	
Insurance [3]						
Revenue	$147.2	$203.5	$214.6	$221.9	$ 209.3	42 %
Segment profit	$ 40.0	$ 47.6	$ 48.1	$ 57.9	$ 50.0	25 %
Segment profit % of revenue	*27 %*	*23 %*	*22 %*	*26 %*	*24 %*	
Other Category [4]						
Revenue	$ —	$ —	$ 0.3	$ —	$ —	— %
Loss	$ —	$ (0.1)	$ (0.1)	$ (0.1)	$ (0.1)	— %
Total						
Revenue	**$250.1**	**$307.8**	**$319.7**	**$327.3**	**$ 313.4**	**25 %**
Segment profit	**$ 85.1**	**$ 94.6**	**$ 93.4**	**$100.8**	**$ 88.8**	**4 %**
Segment profit % of revenue	*34 %*	*31 %*	*29 %*	*31 %*	*28 %*	
Brand marketing expense [5]	$ (1.5)	$ (1.4)	$ (1.4)	$ (1.2)	$ (1.5)	**— %**
Variable marketing margin [6]	**$ 83.6**	**$ 93.2**	**$ 92.0**	**$ 99.5**	**$ 87.3**	**4 %**
Variable marketing margin % of revenue [6]	*33 %*	*30 %*	*29 %*	*30 %*	*28 %*	
Adjusted EBITDA [6]	**$ 31.8**	**$ 39.8**	**$ 36.7**	**$ 42.0**	**$ 35.2**	**11 %**
Adjusted EBITDA % of variable marketing margin [6]	*38 %*	*43 %*	*40 %*	*42 %*	*40 %*	

(1) The Home segment includes the following products: purchase mortgage, refinance mortgage, and home equity loans.

(2) The Consumer segment includes the following products: credit cards, personal loans, small business loans, auto loans, deposit accounts, and debt settlement.

(3) The Insurance segment consists of insurance quote products and sales of insurance policies. We closed the insurance agency business and ceased the sale of insurance policies in the second quarter of 2025.

(4) The Other category primarily includes marketing revenue and related expenses not allocated to a specific segment.

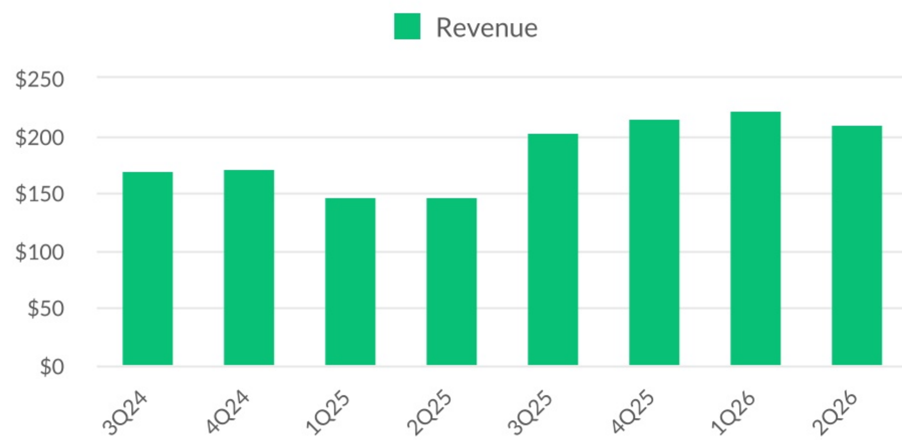
(5) Brand marketing expense represents the portion of selling and marketing expense attributable to variable costs paid for advertising, direct marketing and related expenses that are not assignable to the segments' products. This measure excludes overhead, fixed costs and personnel-related expenses.

(6) Variable marketing margin, variable marketing margin % of revenue, adjusted EBITDA, and adjusted EBITDA % of variable marketing margin are non-GAAP measures. Please see "LendingTree's Reconciliation of Non-GAAP Measures to GAAP" and "LendingTree's Principles of Financial Reporting" below for more information.

Insurance Performance

($millions)

Insurance segment revenue of $209M in Q2 was up 42% versus the prior year period. Carriers continue to broadly generate strong underwriting results. Auto rate decreases in numerous states has led to increased competition for market share and an increase in customer volumes to our sites.

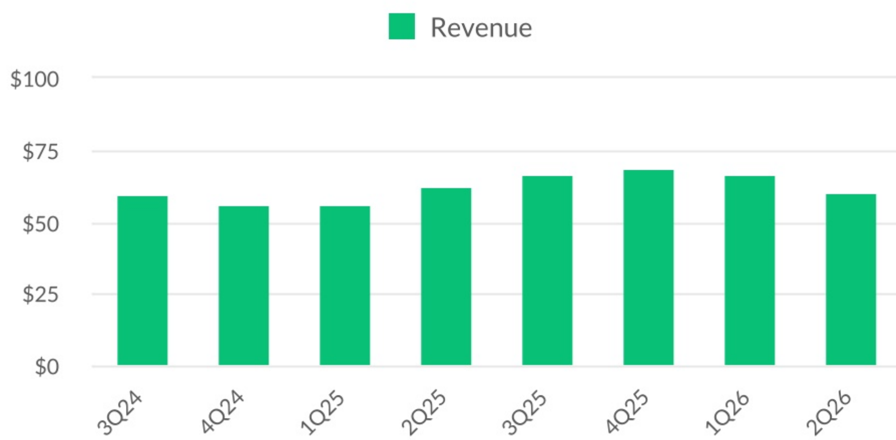


Insurance segment profit of $50M increased 25% YoY. Media costs have continued to increase as carrier demand for new customers remains very strong. Although we expect advertising costs to remain elevated for the remainder of this year, the tailwind provided by strong carrier profitability and consumer awareness of decreasing auto insurance costs in many states provides a favorable environment for continued YoY growth in segment profit for the remainder of 2026.

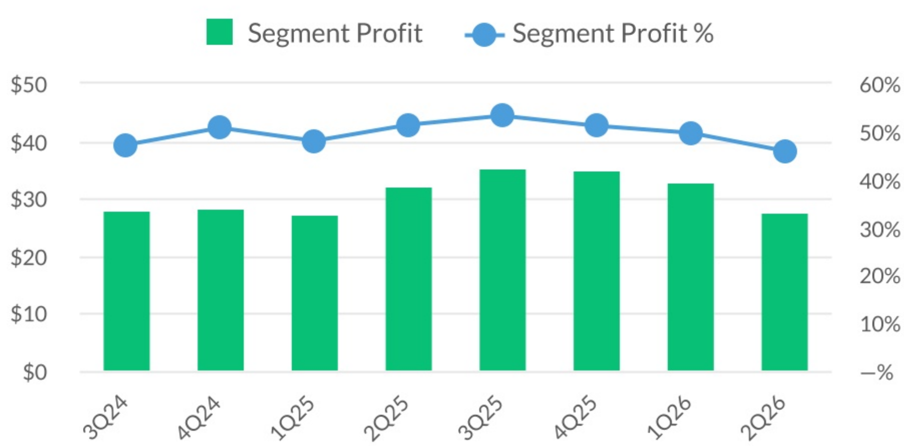
Consumer Performance

($millions)

Consumer revenue decreased by 4% from the prior year period. Small business revenue was flat YoY as merchant demand for new borrowing slowed during the quarter due to broader macro economic issues. Personal loan revenue was also flat YoY.



Profit for the Consumer segment decreased 14% YoY. The decrease in segment margin from the prior year period was driven by lower close rates and smaller loan sizes in SMB. After the initial shock from middle east hostilities and spiking oil prices, demand from small business owners has been stable and lender approval rate has normalized.



Home Performance

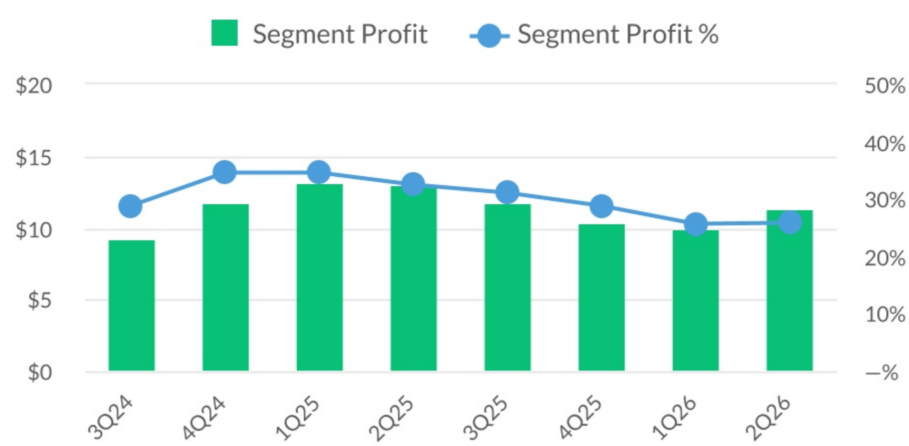
($millions)

Revenue in the Home segment grew 9% YoY to $44 million. Home equity lending continues to drive this strong growth, as higher mortgage rates have surpressed refi activity and existing home sales track around the 4 million annual level in the U.S., which has been steady for the last three years and is similar to transactions recorded during the depths of the financial crisis in 2008/2009.

As more homeowners choose to stay put and home equity levels remain near record highs, consumers are increasingly tapping into the value of their homes to fund renovations and other large ticket expenses, which we expect will continue in the current interest rate environment.

Segment profit declined 14% from the prior year period to $11 million, but did grow 13% sequentially. We have seen direct-to-consumer lenders continue to expand their own marketing budgets to make up for subdued consumer demand for new mortgage products, pressuring media costs and keeping our segment margin towards the low end of the historic range.

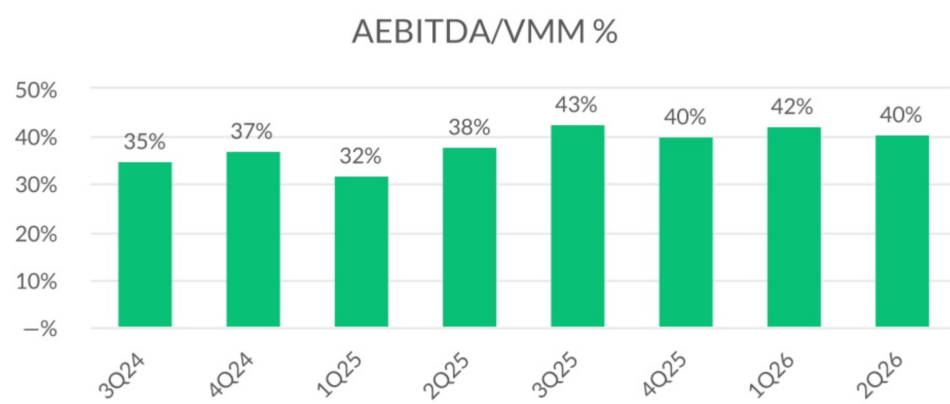
Mortgage brokers have continued to take origination share from DTC lenders nationally, which has informed our strategy to increase the sales effort to bring more brokers onto our marketplace. Our small lender sales team added 88 new mortgage partners to our network in Q2.



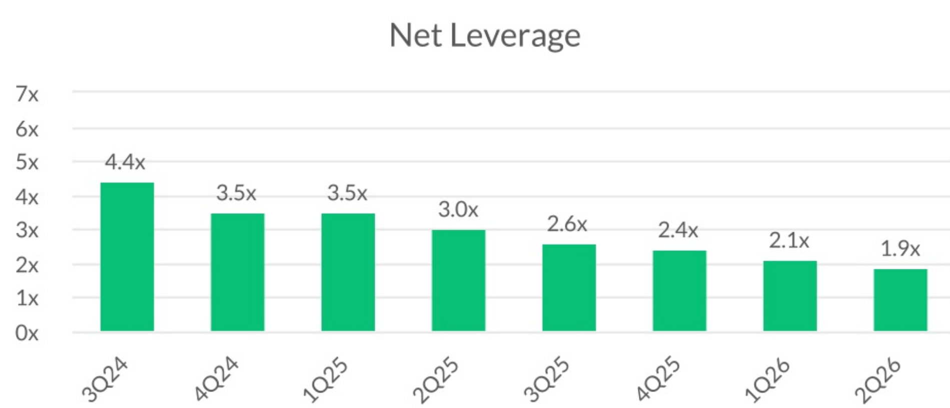
Durable Growth and Flexible Financial Position

Consistent AEBITDA growth led by a recovery in our Insurance and Consumer segments, even as Home remains at trough levels due to historically low mortgage activity.

Operating efficiency continues to steadily improve, evidence of the scalability of our marketplace platform.



Our leverage position has steadily declined from strong AEBITDA growth and retained free cashflow. This comfortable leverage profile increases our options to use our capital to drive shareholder value through opportunistic share repurchase and accretive acquisitions.



North Star Strategy

Be the #1 Destination to Shop for Financial Products

Accelerate the Core Business

Focus on growth areas in our existing business such as expansion of SMB concierge sales, creation of an Auto loan refinance concierge team and expansion of the business development platform.

Improve Consumer Experience

Resolve consumer pain points in our transaction funnels using AI and other tools. Create seamless log-in experience to allow for better personalization of offers and locating existing offers easily. Personal Loans rate table using proprietary data from our network of offers.

Expand Product Offerings

Increase product options for consumers by partnering with leading service providers across products such as commercial insurance, pet insurance, boat and RV insurance, wealth management and student loans

Rebuild & Reposition our Brand

Activate consumers' strong aided awareness of our brand with targeted investments, introduce our improved CX functions and features and broadened marketplace

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in thousands, except per share amounts)			
Revenue	**$ 313,422**	**$ 250,116**	**$ 640,689**	**$ 489,844**
Costs and expenses:				
Cost of revenue *(exclusive of depreciation and amortization shown separately below)* [1]	11,269	10,029	22,965	19,937
Selling and marketing expense [1]	236,453	176,753	475,021	349,504
General and administrative expense [1]	25,710	25,034	53,700	55,694
Product development [1]	10,032	11,473	21,499	23,377
Depreciation	4,277	4,241	8,462	8,538
Amortization of intangibles	1,288	1,307	2,576	2,614
Restructuring and severance [1]	1,839	357	2,778	1,155
Litigation settlements and contingencies	756	(2)	776	15,210
Total costs and expenses	**291,624**	**229,192**	**587,777**	**476,029**
Operating income	**21,798**	**20,924**	**52,912**	**13,815**
Other income (expense), net:				
Interest expense, net	(8,483)	(10,402)	(17,049)	(19,486)
Other income	832	248	1,201	1,636
Income (loss) before income taxes	**14,147**	**10,770**	**37,064**	**(4,035)**
Income tax (expense) benefit	(4,573)	(1,908)	(10,224)	522
Net income (loss) and comprehensive income (loss)	**$ 9,574**	**$ 8,862**	**$ 26,840**	**$ (3,513)**
Weighted average shares outstanding:				
Basic	13,965	13,549	13,895	13,495
Diluted	14,054	13,650	14,156	13,495
Net income (loss) per share:				
Basic	$ 0.69	$ 0.65	$ 1.93	$ (0.26)
Diluted	$ 0.68	$ 0.65	$ 1.90	$ (0.26)
[1] Amounts include non-cash compensation, as follows:				
Cost of revenue	$ 169	$ 58	$ 274	$ 28
Selling and marketing expense	925	678	1,526	1,335
General and administrative expense	3,282	3,492	6,003	11,863
Product development	828	739	1,461	1,608
Restructuring and severance	1,012	195	1,012	255

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2026	December 31, 2025
	(in thousands, except par value and share amounts)	
ASSETS:		
Cash and cash equivalents	$ 110,766	$ 81,073
Accounts receivable, net	149,287	110,582
Prepaid and other current assets	39,751	38,053
Total current assets	**299,804**	**229,708**
Property and equipment, net	30,384	32,834
Operating lease right-of-use assets	29,973	31,655
Goodwill	381,539	381,539
Intangible assets, net	35,516	38,092
Deferred income tax assets	114,737	124,867
Other non-current assets	19,678	16,997
Total assets	**$ 911,631**	**$ 855,692**
LIABILITIES:		
Current portion of long-term debt	$ 3,932	$ 3,926
Accounts payable, trade	47,351	6,735
Accrued expenses and other current liabilities	111,086	126,803
Total current liabilities	**162,369**	**137,464**
Long-term debt	386,351	387,694
Operating lease liabilities	41,996	43,597
Other non-current liabilities	143	140
Total liabilities	**590,859**	**568,895**
Commitments and contingencies		
SHAREHOLDERS' EQUITY:		
Preferred stock $0.01 par value; 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock $0.01 par value; 50,000,000 shares authorized; 17,389,706 and 17,124,837 shares issued, respectively, and 14,034,240 and 13,769,371 shares outstanding, respectively	174	171
Additional paid-in capital	1,288,035	1,280,903
Accumulated deficit	(701,259)	(728,099)
Treasury stock; 3,355,466 and 3,355,466 shares, respectively	(266,178)	(266,178)
Total shareholders' equity	**320,772**	**286,797**
Total liabilities and shareholders' equity	**$ 911,631**	**$ 855,692**

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	2026	**2025**
	(in thousands)	
Net cash provided by operating activities	**$ 40,717**	**$ 27,743**
Cash flows from investing activities		
Capital expenditures	(5,935)	(6,158)
Other investing activities	52	—
Net cash used in investing activities	**(5,883)**	**(6,158)**
Cash flows from financing activities		
Proceeds from term loan	—	50,000
Repayment of term loan	(2,000)	(6,563)
Payments related to net-share settlement of stock-based compensation, net of proceeds from exercise of stock options	(3,141)	(2,285)
Repurchase of 0.50% Convertible Senior Notes	—	(19,700)
Payment of debt issuance costs	—	(500)
Net cash (used in) provided by financing activities	**(5,141)**	**20,952**
Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents	**29,693**	**42,537**
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	81,073	106,594
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	**$ 110,766**	**$ 149,131**

LENDINGTREE'S RECONCILIATION OF NON-GAAP MEASURES TO GAAP

Variable Marketing Expense

Below is a reconciliation of selling and marketing expense, the most directly comparable GAAP measure, to variable marketing expense. See "Lending Tree's Principles of Financial Reporting" for further discussion of the Company's use of this non-GAAP measure.

	Three Months Ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(in thousands)				
Selling and marketing expense	**$ 236,453**	**$ 238,568**	**$ 238,349**	**$ 225,051**	**$ 176,753**
Non-variable selling and marketing expense [1]	(10,370)	(10,848)	(10,706)	(10,483)	(10,285)
Variable marketing expense	**$ 226,083**	**$ 227,720**	**$ 227,643**	**$ 214,568**	**$ 166,468**

(1) Represents the portion of selling and marketing expense not attributable to variable costs paid for advertising, direct marketing and related expenses. Includes overhead, fixed costs and personnel-related expenses.

LENDINGTREE'S RECONCILIATION OF NON-GAAP MEASURES TO GAAP

Variable Marketing Margin

Below is a reconciliation of net income, the most directly comparable GAAP measure, to variable marketing margin and net income % of revenue to variable marketing margin % of revenue. See "LendingTree's Principles of Financial Reporting" for further discussion of the Company's use of these non-GAAP measures.

	Three Months Ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(in thousands, except percentages)				
Net income	**$ 9,574**	**$ 17,266**	**$ 144,656**	**$ 10,165**	**$ 8,862**
Net income % of revenue	*3 %*	*5 %*	*45 %*	*3 %*	*4 %*
Adjustments to reconcile to variable marketing margin:					
Cost of revenue	11,269	11,696	11,571	11,017	10,029
Non-variable selling and marketing expense (1)	10,370	10,848	10,706	10,483	10,285
General and administrative expense	25,710	27,990	30,965	26,229	25,034
Product development	10,032	11,467	10,577	11,297	11,473
Depreciation	4,277	4,185	3,926	3,995	4,241
Amortization of intangibles	1,288	1,288	1,288	1,288	1,307
Restructuring and severance	1,839	939	398	80	357
Litigation settlements and contingencies	756	20	382	69	(2)
Interest expense, net	8,483	8,566	9,394	17,907	10,402
Other income	(832)	(369)	(630)	(732)	(248)
Income tax expense (benefit)	4,573	5,651	(131,188)	1,426	1,908
Variable marketing margin	**$ 87,339**	**$ 99,547**	**$ 92,045**	**$ 93,224**	**$ 83,648**
Variable marketing margin % of revenue	*28 %*	*30 %*	*29 %*	*30 %*	*33 %*

(1) Represents the portion of selling and marketing expense not attributable to variable costs paid for advertising, direct marketing and related expenses. Includes overhead, fixed costs and personnel-related expenses.

LENDINGTREE'S RECONCILIATION OF NON-GAAP MEASURES TO GAAP

Adjusted EBITDA

Below is a reconciliation of net income, the most directly comparable GAAP measure, to adjusted EBITDA and net income % of revenue to adjusted EBITDA % of revenue. See "LendingTree's Principles of Financial Reporting" for further discussion of the Company's use of these non-GAAP measures.

	Three Months Ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(in thousands, except percentages)				
Net income	**$ 9,574**	**$ 17,266**	**$ 144,656**	**$ 10,165**	**$ 8,862**
Net income % of revenue	*3 %*	*5 %*	*45 %*	*3 %*	*4 %*
Adjustments to reconcile to adjusted EBITDA:					
Amortization of intangibles	1,288	1,288	1,288	1,288	1,307
Depreciation	4,277	4,185	3,926	3,995	4,241
Restructuring and severance	1,839	939	398	80	357
Loss (gain) on impairments and disposal of assets	—	3	(918)	593	—
Loss on investments	—	359	—	—	1,225
Non-cash compensation	5,204	4,060	9,366	5,002	4,967
Contribution to LendingTree Foundation	—	400	—	—	—
Litigation settlements and contingencies	756	20	382	69	(2)
Interest expense, net	8,483	8,566	9,394	17,907	10,402
Dividend income	(832)	(728)	(631)	(730)	(1,474)
Income tax expense (benefit)	4,573	5,651	(131,188)	1,426	1,908
Adjusted EBITDA	**$ 35,162**	**$ 42,009**	**$ 36,673**	**$ 39,795**	**$ 31,793**
Adjusted EBITDA % of revenue	*11 %*	*13 %*	*11 %*	*13 %*	*13 %*

LENDINGTREE'S PRINCIPLES OF FINANCIAL REPORTING

LendingTree reports the following non-GAAP measures as supplemental to GAAP:

- Variable marketing expense
- Variable marketing margin
- Variable marketing margin % of revenue
- Earnings Before Interest, Taxes, Depreciation and Amortization, as adjusted for certain items discussed below ("Adjusted EBITDA")
- Adjusted EBITDA % of revenue
- Adjusted EBITDA % of variable marketing margin

Variable marketing expense, variable marketing margin and variable marketing margin % of revenue are related measures of the effectiveness of the Company's marketing efforts. Variable marketing expense represents the portion of selling and marketing expense attributable to variable costs paid for advertising, direct marketing, and related expenses, and excludes overhead, fixed costs, and personnel-related expenses. Variable marketing margin is a measure of the efficiency of the Company's operating model, measuring revenue after subtracting variable marketing expense. The Company's operating model is highly sensitive to the amount and efficiency of variable marketing expenditures, and the Company's proprietary systems are able to make rapidly changing decisions concerning the deployment of variable marketing expenditures (primarily but not exclusively online and mobile advertising placement) based on proprietary and sophisticated analytics.

Adjusted EBITDA, adjusted EBITDA % of revenue, and adjusted EBITDA % of variable marketing margin are primary metrics by which LendingTree evaluates the operating performance of its businesses, on which its marketing expenditures and internal budgets are based and, in the case of adjusted EBITDA, by which management and many employees are compensated in most years.

These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. LendingTree provides and encourages investors to examine the reconciling adjustments between the GAAP and non-GAAP measures set forth above.

Definition of LendingTree's Non-GAAP Measures

Variable marketing margin is defined as revenue less variable marketing expense. Variable marketing expense is defined as the expense attributable to variable costs paid for advertising, direct marketing and related expenses, and excluding overhead, fixed costs and personnel-related expenses. The majority of these variable advertising costs are expressly intended to drive traffic to our websites and these variable advertising costs are included in selling and marketing expense on the Company's consolidated statements of operations and consolidated income.

EBITDA is defined as net income excluding interest, income taxes, amortization of intangibles and depreciation.

Adjusted EBITDA is defined as EBITDA excluding (1) non-cash compensation expense, (2) non-cash impairment charges, (3) gain/loss on disposal of assets, (4) gain/loss on investments, (5) restructuring and severance expenses, (6) litigation settlements and contingencies, (7) acquisitions and dispositions income or expense (including with respect to changes in fair value of contingent consideration), (8) contributions to the LendingTree Foundation, (9) dividend income, and (10) one-time items.

LendingTree endeavors to compensate for the limitations of these non-GAAP measures by also providing the comparable GAAP measures with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measures. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

One-Time Items

Adjusted EBITDA is adjusted for one-time items, if applicable. Items are considered one-time in nature if they are non-recurring, infrequent or unusual, and have not occurred in the past two years or are not expected to recur in the next two years, in accordance with SEC rules. For the periods presented in this report, there are no adjustments for one-time items.

Non-Cash Expenses That Are Excluded From LendingTree's Adjusted EBITDA

Non-cash compensation expense consists principally of expense associated with the grants of restricted stock, restricted stock units and stock options. These expenses are not paid in cash and LendingTree includes the related shares in its calculations of fully diluted shares outstanding. Upon settlement of restricted stock units, exercise of certain stock options or vesting of restricted stock awards, the awards may be settled on a net basis, with LendingTree remitting the required tax withholding amounts from its current funds. Cash expenditures for employer payroll taxes on non-cash compensation are included within adjusted EBITDA.

Amortization of intangibles are non-cash expenses relating primarily to acquisitions. At the time of an acquisition, the intangible assets of the acquired company, such as purchase agreements, technology and customer relationships, are valued and amortized over their estimated lives.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

The matters contained in the discussion above may be considered to be "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Those statements include statements regarding the intent, belief or current expectations or anticipations of LendingTree and members of our management team. Factors currently known to management that could cause actual results to differ materially from those in forward-looking statements include the following: adverse conditions in the primary and secondary mortgage markets and in the economy, particularly interest rates and inflation; default rates on loans, particularly unsecured loans; demand by investors for unsecured personal loans; the effect of such demand on interest rates for personal loans and consumer demand for personal loans; seasonality of results; potential liabilities to secondary market purchasers; changes in the Company's relationships with network partners, including dependence on certain key network partners; breaches of network security or the misappropriation or misuse of personal consumer information; failure to provide competitive service; our ability to compete effectively and adapt to competitive pressures in each of our businesses, including from disintermediation as well as technological change, digital disruption and other types of innovation such as artificial intelligence; failure to maintain brand recognition; ability to attract and retain consumers in a cost-effective manner; the effects of potential acquisitions of other businesses, including the ability to integrate them successfully with LendingTree's existing operations; accounting rules related to excess tax benefits or expenses on stock-based compensation that could materially affect earnings in future periods; ability to develop new products and services and enhance existing ones; effects of changing laws, rules or regulations on our business model; allegations of failure to comply with existing or changing laws, rules or regulations, or to obtain and maintain required licenses; failure of network partners or other affiliated parties to comply with regulatory requirements; failure to maintain the integrity of systems and infrastructure; liabilities as a result of privacy regulations; failure to adequately protect intellectual property rights or allegations of infringement of intellectual property rights; and changes in management. These and additional factors to be considered are set forth under "Risk Factors" in our Annual Report on Form 10-K for the period ended December 31, 2025, in our Quarterly Report on Form 10-Q for the period ended March 31, 2026, and in our other filings with the Securities and Exchange Commission. LendingTree undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results or expectations.

Thank You