

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 20, 2020

LendingTree, Inc.

(Exact name of registrant as specified in charter)

Delaware

(State or other jurisdiction
of incorporation)

001-34063

(Commission
File Number)

26-2414818

(IRS Employer
Identification No.)

11115 Rushmore Drive

Charlotte

NC

(Address of principal executive offices)

28277

(Zip Code)

Registrant's telephone number, including area code: **(704) 541-5351**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	TREE	Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

During the fourth quarter of 2019, LendingTree, Inc. (the "Company" or the "Registrant") realigned its reportable segments. The Company previously reported one segment. The Company now manages its business and reports its financial results through the following three operating and reportable segments: Home, Consumer and Insurance. Characteristics which were relied upon in making the determination of the reportable segments include the nature of the products, the organization's internal structure, and the information that is regularly reviewed by the CODM for the purpose of assessing performance and allocating resources. The Company changed its reportable segments in the fourth quarter of 2019 and previously reported segment results have been revised to conform to the Company's reportable segments at December 31, 2019.

The Home segment includes the following products: purchase mortgage, refinance mortgage, home equity loans and lines of credit, reverse mortgage loans, and real estate. The Consumer segment includes the following products: credit cards, personal loans, small business loans, student loans, auto loans, deposit accounts, and other credit products such as credit repair and debt settlement. The Insurance segment consists of insurance quote products. Revenue from the resale of online advertising space to third parties and revenue from home improvement referrals, and the related variable marketing and advertising expenses, are included within the Other category.

Attached and incorporated herein by reference as Exhibit 99.1 is certain historical financial information of the Company reflecting the changes in the Company's reportable segments. This supplemental financial information is being furnished by the Registrant pursuant to Regulation FD.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Supplemental financial information.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

LendingTree Segment Results						
(In millions)						
	Three Months Ended				Twelve Months Ended	
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017	
Home ⁽¹⁾						
Revenue	\$ 75.5	\$ 87.6	\$ 92.5	\$ 84.7	\$ 340.4	
Segment profit	\$ 30.3	\$ 34.9	\$ 39.8	\$ 31.3	\$ 136.2	
<i>Segment profit % of revenue</i>	40%	40%	43%	37%	40%	
Consumer ⁽²⁾						
Revenue	\$ 56.9	\$ 65.0	\$ 78.6	\$ 75.7	\$ 276.1	
Segment profit	\$ 22.0	\$ 25.6	\$ 34.3	\$ 33.8	\$ 115.7	
<i>Segment profit % of revenue</i>	39%	39%	44%	45%	42%	
Insurance ⁽³⁾						
Revenue	\$ —	\$ —	\$ —	\$ 0.1	\$ 0.1	
Segment profit	\$ —	\$ —	\$ —	\$ 0.1	\$ 0.1	
<i>Segment profit % of revenue</i>	—%	—%	—%	—%	—%	
Other Category ⁽⁴⁾						
Revenue	\$ 0.1	\$ 0.1	\$ 0.4	\$ 0.5	\$ 1.1	
Profit	\$ (0.1)	\$ (0.2)	\$ (0.1)	\$ (0.2)	\$ (0.6)	
Total revenue	\$ 132.5	\$ 152.8	\$ 171.5	\$ 161.0	\$ 617.7	
Total segment profit	\$ 52.2	\$ 60.3	\$ 74.0	\$ 65.0	\$ 251.4	
Brand marketing expense ⁽⁵⁾	\$ (8.7)	\$ (12.0)	\$ (14.9)	\$ (8.9)	\$ (44.4)	
Variable marketing margin ⁽⁶⁾	\$ 43.5	\$ 48.3	\$ 59.1	\$ 56.1	\$ 207.0	
<i>Variable marketing margin % of revenue ⁽⁶⁾</i>	33%	32%	34%	35%	34%	

- (1) The Home segment includes the following products: purchase mortgage, refinance mortgage, home equity loans and lines of credit, reverse mortgage loans, and real estate.
- (2) The Consumer segment includes the following products: credit cards, personal loans, small business loans, student loans, auto loans, deposit accounts, and other credit products such as credit repair and debt settlement.
- (3) The Insurance segment consists of insurance quote products.
- (4) The Other category includes revenue from the resale of online advertising space to third parties and revenue from home improvement referrals, and the related variable marketing and advertising expenses.
- (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 and variable marketing margin % of revenue are non-GAAP measures. Please see "LendingTree's Reconciliation of Non-GAAP Measures to GAAP" for more information.

LendingTree Segment Results
(In millions)

	Three Months Ended				Twelve Months Ended
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	December 31, 2018
Home					
Revenue	\$ 92.8	\$ 88.0	\$ 75.1	\$ 63.3	\$ 319.2
Segment profit	\$ 31.7	\$ 27.3	\$ 24.1	\$ 21.6	\$ 104.7
<i>Segment profit % of revenue</i>	34%	31%	32%	34%	33%
Consumer					
Revenue	\$ 87.9	\$ 94.0	\$ 115.5	\$ 98.2	\$ 395.6
Segment profit	\$ 39.0	\$ 43.8	\$ 57.2	\$ 47.8	\$ 187.7
<i>Segment profit % of revenue</i>	44%	47%	50%	49%	47%
Insurance					
Revenue	\$ —	\$ —	\$ —	\$ 31.3	\$ 31.4
Segment profit	\$ —	\$ —	\$ —	\$ 11.3	\$ 11.4
<i>Segment profit % of revenue</i>	—%	—%	—%	36%	36%
Other Category					
Revenue	\$ 0.3	\$ 2.1	\$ 6.5	\$ 9.9	\$ 18.7
Profit	\$ (0.3)	\$ 0.6	\$ 0.2	\$ 0.8	\$ 1.4
Total revenue	\$ 181.0	\$ 184.1	\$ 197.1	\$ 202.7	\$ 764.9
Total segment profit	\$ 70.4	\$ 71.7	\$ 81.5	\$ 81.5	\$ 305.1
Brand marketing expense	\$ (7.4)	\$ (4.0)	\$ (4.7)	\$ (3.0)	\$ (19.0)
Variable marketing margin	\$ 63.0	\$ 67.7	\$ 76.8	\$ 78.6	\$ 286.1
<i>Variable marketing margin % of revenue</i>	35%	37%	39%	39%	37%

LendingTree Segment Results
(In millions)

	Three Months Ended		
	March 31, 2019	June 30, 2019	September 30, 2019
<u>Home</u>			
Revenue	\$ 63.4	\$ 71.8	\$ 77.3
Segment profit	\$ 23.9	\$ 24.2	\$ 28.1
<i>Segment profit % of revenue</i>	38%	34%	36%
<u>Consumer</u>			
Revenue	\$ 120.7	\$ 129.0	\$ 151.9
Segment profit	\$ 54.0	\$ 50.8	\$ 65.2
<i>Segment profit % of revenue</i>	45%	39%	43%
<u>Insurance</u>			
Revenue	\$ 67.1	\$ 71.9	\$ 74.8
Segment profit	\$ 27.9	\$ 28.8	\$ 30.0
<i>Segment profit % of revenue</i>	42%	40%	40%
<u>Other Category</u>			
Revenue	\$ 11.1	\$ 5.8	\$ 6.6
Profit	\$ 0.8	\$ 0.3	\$ 0.4
Total revenue	\$ 262.4	\$ 278.4	\$ 310.6
Total segment profit	\$ 106.5	\$ 104.1	\$ 123.6
Brand marketing expense	\$ (14.1)	\$ (10.3)	\$ (8.1)
Variable marketing margin	\$ 92.5	\$ 93.8	\$ 115.6
<i>Variable marketing margin % of revenue</i>	35%	34%	37%

LENDINGTREE'S RECONCILIATION OF NON-GAAP MEASURES TO GAAP

Variable Marketing Margin

Below is a reconciliation of net income (loss) from continuing operations to variable marketing margin and net income (loss) from continuing operations % of revenue to variable marketing margin % of revenue.

	Three Months Ended				Twelve Months Ended
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017
<i>(in thousands, except percentages)</i>					
Net income from continuing operations	\$ 7,798	\$ 8,007	\$ 10,131	\$ (6,518)	\$ 19,418
<i>Net income from continuing operations % of revenue</i>	6%	5%	6%	(4)%	3%
Adjustments to reconcile to variable marketing margin:					
Cost of revenue	3,591	4,164	4,388	5,080	17,223
Non-variable selling and marketing expense ⁽¹⁾	4,249	4,681	6,118	6,953	22,001
General and administrative expense	11,547	12,094	17,920	29,980	71,541
Product development	3,623	4,064	4,805	5,433	17,925
Depreciation	1,703	1,808	1,798	1,776	7,085
Amortization of intangibles	2,609	2,608	3,817	3,958	12,992
Change in fair value of contingent consideration	8,746	9,393	2,501	3,291	23,931
Severance	157	247	—	—	404
Litigation settlements and contingencies	404	285	272	(243)	718
Interest expense, net	165	1,079	2,804	2,980	7,028
Other (income) expense	—	(13)	228	181	396
Income tax (benefit) expense	(1,079)	(104)	4,292	3,182	6,291
Variable marketing margin	\$ 43,513	\$ 48,313	\$ 59,074	\$ 56,053	\$ 206,953
<i>Variable marketing margin % of revenue</i>	33%	32%	34%	35 %	34%

(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.

	Three Months Ended				Twelve Months Ended
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	December 31, 2018
	<i>(in thousands, except percentages)</i>				
Net income from continuing operations	\$ 35,857	\$ 44,849	\$ 28,362	\$ 251	\$ 109,319
<i>Net income from continuing operations % of revenue</i>	20%	24%	14%	—%	14%
Adjustments to reconcile to variable marketing margin:					
Cost of revenue	5,696	6,043	10,838	13,822	36,399
Cost of advertising re-sold to third parties ⁽¹⁾	—	—	(3,628)	(5,184)	(8,812)
Non-variable selling and marketing expense ⁽²⁾	8,016	7,571	7,770	6,985	30,343
General and administrative expense	22,814	24,759	22,980	30,666	101,219
Product development	6,260	5,967	6,608	8,123	26,958
Depreciation	1,671	1,633	1,895	2,186	7,385
Amortization of intangibles	3,963	3,964	5,701	9,840	23,468
Change in fair value of contingent consideration	(741)	(167)	2,105	9,591	10,788
Severance	—	3	2,328	21	2,352
Litigation settlements and contingencies	(22)	(170)	(88)	94	(186)
Interest expense, net	2,988	2,924	2,393	4,132	12,437
Other (income) expense	(34)	71	69	(96)	10
Income tax (benefit) expense	(23,461)	(29,721)	(10,534)	(1,859)	(65,575)
Variable marketing margin	\$ 63,007	\$ 67,726	\$ 76,799	\$ 78,572	\$ 286,105
<i>Variable marketing margin % of revenue</i>	35%	37%	39%	39%	37%

(1) Represents the portion of cost of revenue attributable to costs paid for advertising re-sold to third parties. Excludes overhead, fixed costs, and personnel-related expenses.

(2) 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.

	Three Months Ended		
	March 31, 2019	June 30, 2019	September 30, 2019
	<i>(in thousands, except percentages)</i>		
Net income from continuing operations	\$ 550	\$ 12,981	\$ 24,463
<i>Net income from continuing operations % of revenue</i>	—%	5%	8%
Adjustments to reconcile to variable marketing margin:			
Cost of revenue	17,670	16,310	17,671
Cost of advertising re-sold to third parties ⁽¹⁾	(7,336)	(5,053)	(5,809)
Non-variable selling and marketing expense ⁽²⁾	12,305	12,079	11,580
General and administrative expense	31,117	27,951	30,323
Product development	10,166	10,175	10,200
Depreciation	2,482	2,559	2,696
Amortization of intangibles	13,427	14,280	13,778
Change in fair value of contingent consideration	14,592	2,790	3,839
Severance	54	403	179
Litigation settlements and contingencies	(207)	8	(92)
Interest expense, net	5,468	5,095	4,845
Other (income) expense	(68)	(71)	(4)
Income tax (benefit) expense	(7,752)	(5,689)	1,889
Variable marketing margin	\$ 92,468	\$ 93,818	\$ 115,558
<i>Variable marketing margin % of revenue</i>	35%	34%	37%

(1) Represents the portion of cost of revenue attributable to costs paid for advertising re-sold to third parties. Excludes overhead, fixed costs, and personnel-related expenses.

(2) 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.