

Q4 2024 Earnings Presentation

February 20, 2025



Cautionary Note Regarding Forward-Looking Statements

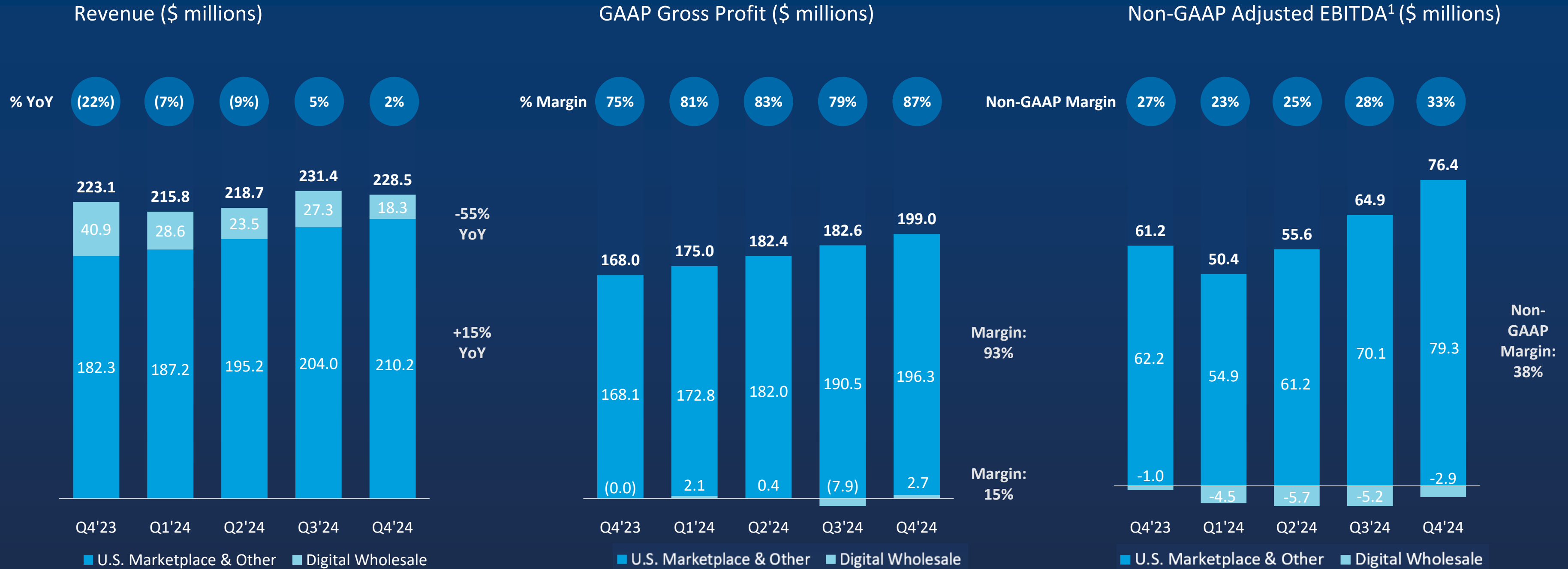
This presentation includes forward-looking statements. Other than statements of historical facts, all statements contained in this presentation, including statements regarding our transformation to a transaction-enabled platform; industry trends; our market and brand awareness; our business and growth strategy and our plans to execute on our growth strategy; our ability to grow our business profitably and efficiently; our expectation that we will continue to invest in growth initiatives; the growth levers we expect to drive our business; our ability to quickly make transformations necessary for our business to achieve long-term goals; the attractiveness and value proposition of our current offerings and other product opportunities; our ability to maintain existing and acquire new customers; addressable opportunities; synergies that can be created from our combined offerings, including our ability to help dealers optimize margins; the potential growth, scaling, and efficiency of CarOffer, LLC (CarOffer) as well as the value proposition of CarOffer's business and expected transaction synergies; our ability to grow the CarOffer business and return it to profitability; the potential growth and scaling of our various product opportunities; the impact of macro-level industry issues on our industry, business, and financial results; global and domestic economic conditions; statements regarding our future financial and business performance for the first quarter 2025, including guidance; and other statements regarding our plans, prospects, and expectations, are forward-looking statements. The words "aim," "anticipate," "believe," "could," "estimate," "expect," "goal," "guide," "intend," "may," "might," "plan," "potential," "predicts," "projects," "seeks," "should," "target," "will," "would," and similar expressions and their negatives are intended to identify forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from those reflected in such statements, including risks related to our growth and our ability to grow our revenue; our relationships with dealers; competition in the markets in which we operate; market growth; our ability to innovate; our ability to realize benefits from our acquisitions and successfully implement the integration strategies in connection therewith; impairment of the carrying value of our goodwill, intangible assets, right-of-use assets, or other assets; increased inflation and interest rates, global supply chain challenges, and other macroeconomic issues; changes in our key personnel; natural disasters, epidemics, or pandemics; and our ability to operate in compliance with applicable laws as well as other risks and uncertainties as may be detailed from time to time in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other reports we file with the U.S. Securities and Exchange Commission (SEC). These factors could cause actual results and developments to be materially different from those expressed in or implied by such statements. Forward-looking statements do not guarantee future performance and actual results may differ materially from those projected. The forward-looking statements are made only as of the date of this presentation, and we undertake no obligation to update such forward-looking statements to reflect subsequent events or circumstance.

This presentation also contains estimates and other statistical data, including those relating to our industry and the market in which we operate, that we have obtained or derived from internally-prepared studies and surveys, third-party studies, and industry publications and reports as well as other publicly available information prepared by a number of third-party sources. We rely on both internal data and Google Analytics for data relating to our own key business metrics and, for consistency, we rely on Similarweb, YipitData, Joreca, and, as applicable, third-party studies for data relating to comparisons with our competitors. Google Analytics, Similarweb, YipitData, Joreca, and applicable third-party studies use different methodologies to derive their data and therefore their data for similar statistics are not comparable. These third-party studies and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates, as there is no assurance that any of them will be reached. Based on our experience, we believe that these third-party studies and industry publications and reports are reliable and that the conclusions contained therein are reasonable. In addition, you are cautioned not to rely on our extrapolations of internally-prepared studies and surveys and/or third-party studies, as these are estimates involving a number of assumptions and limitations, which we are unable to ensure will be reached.

In addition to the financial measures contained in this presentation that are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP), this presentation includes certain non-GAAP financial measures and other business metrics. The presentation of non-GAAP financial information and other business metrics is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. While our non-GAAP financial measures and other business metrics are an important tool for financial and operational decision-making and for evaluating our own operating results over different periods of time, we urge investors to review the reconciliation of the non-GAAP financial measures to the comparable GAAP financial measure included in the Appendix to this presentation, and not to rely on any single financial measure to evaluate our business.

CarGurus® is a registered trademark of CarGurus, Inc., and CarOffer® is a registered trademark of CarOffer, LLC. All other product names, trademarks, and registered trademarks are property of their respective owners. We have omitted the ® and ™ designations, as applicable, for the trademarks used in this presentation.

Financial Highlights: Q4 2024



Marketplace revenue growth accelerated for the seventh consecutive quarter

Drivers of Value Creation: Q4 2024 Progress

More Value to Dealers

- We recorded nearly 1M price changes¹ in Q4 to the inventory we recommended a change on¹
- In-person training team improved close and appointment rates
- 23% YoY increase in premium tier penetration

Better Consumer Experience

- Cross-platform syncing across desktop, mobile web, and App
- Leveraged AI and launched over 30K personalized car comparison pages
- Personalized recommendations based on search history

Transaction Enablement

- Digital Deal adoption +105% YoY to 9,570 dealers
- Dealer lender alignment with credit applications submitted directly into Finance Management Systems
- Strong consumer engagement with Top Dealer Offers

Rebuild & Integrate Digital Wholesale

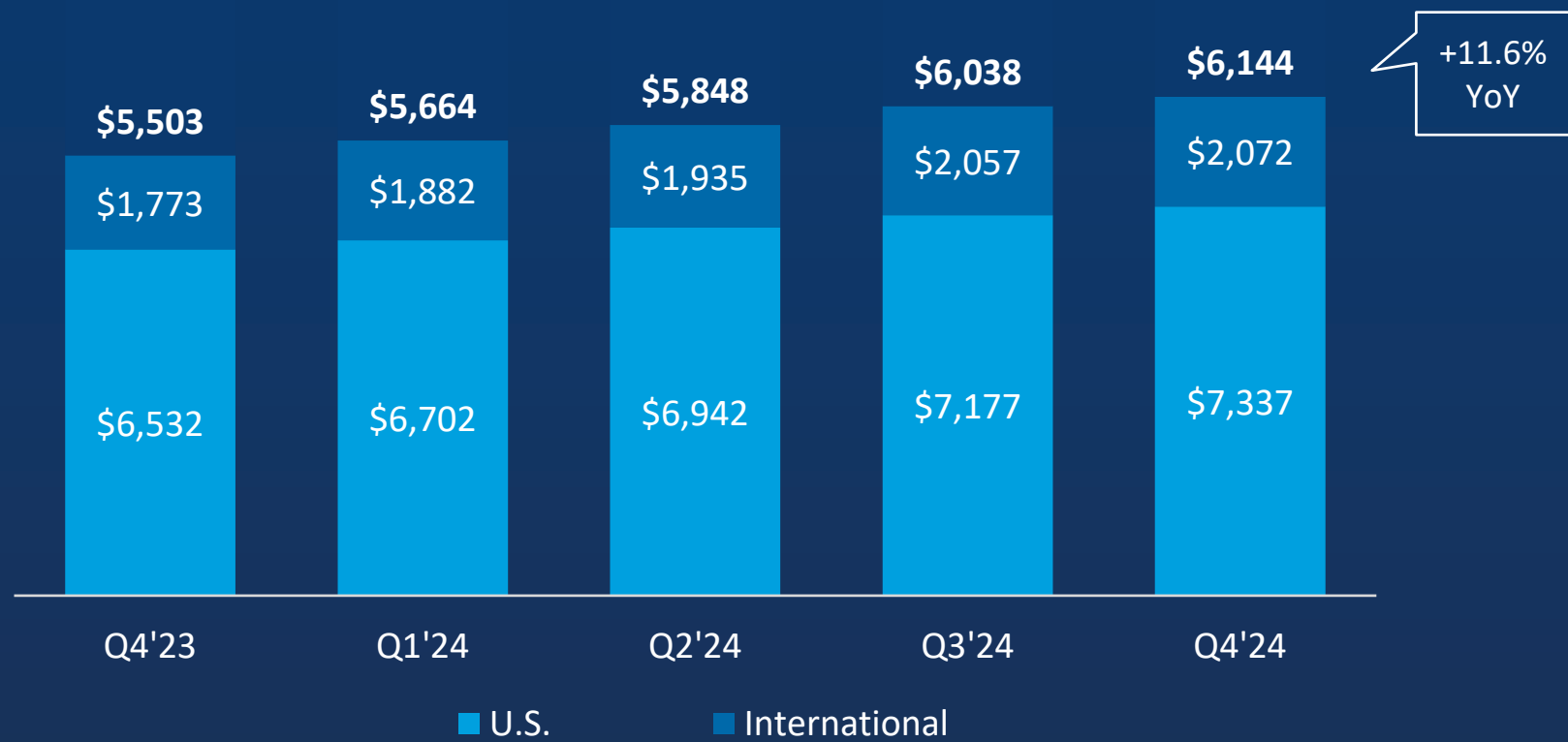
- Insights-driven functionality now available to all dealers
- Simplified onboarding process
- Easier matrix configuration encourages more frequent updates



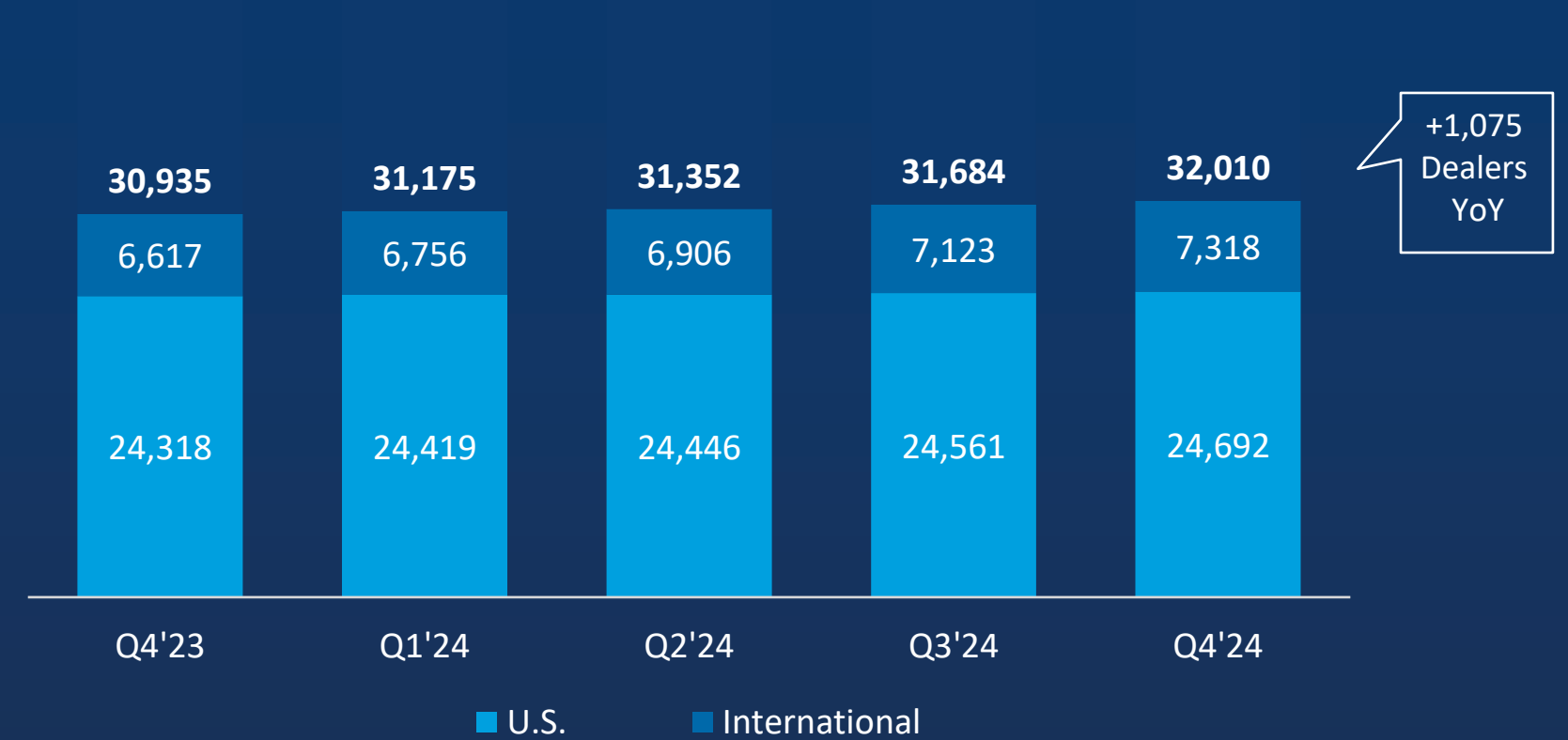
Intelligence-driven platform & consultative approach drove engagement and retention, and enhanced dealers' ROI

Double-digit YoY QARSD Growth; Strong Expansion of International Paying Dealer Base

QARSD¹



Paying Dealers¹



Drivers of QARSD¹

- Add and renew dealers at market rates
- Subscription upgrades to higher tiers
- New product adoption
- Lead quantity and quality

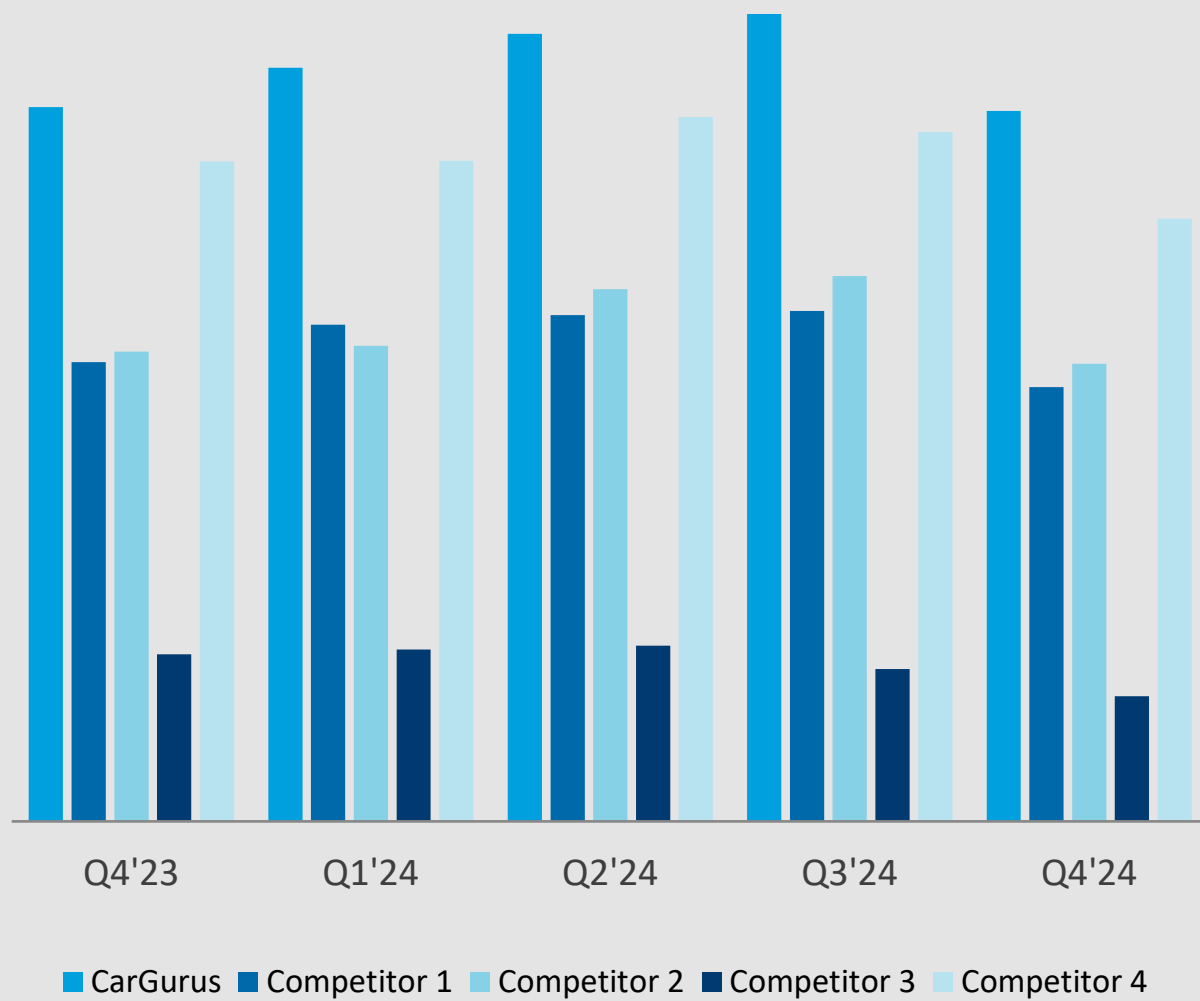
Paying Dealers¹ Commentary

- Ranked #1 ROI by dealers in independent survey²
- Increasing engagement and retention
- Longer average contract duration
- Increasing mix of U.S. franchise dealers

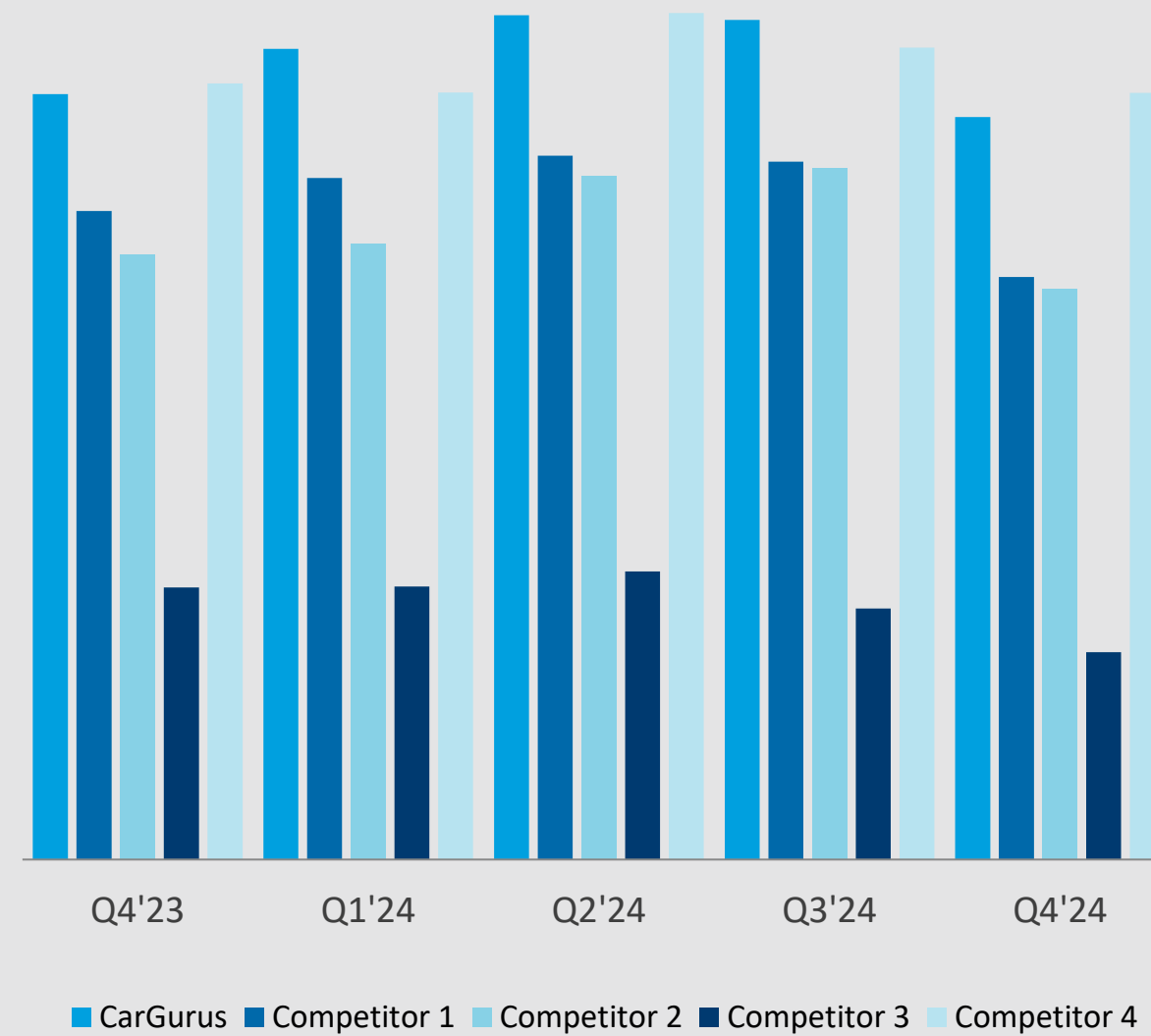
1. As defined in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025.
 2. Marketprobe, blinded survey of 600 dealers, Aug 2024. Based on 313 responding dealers who pay for at least two listings sites.

Market-leading Consumer Experience

U.S. Average Monthly Visitors^{1 2} (millions)



Average Monthly Unique Visits³ (millions)



64%

More average monthly visits than our closest competitor⁴

~37%

Of our average monthly unique visitors do not visit our competitors' sites⁵

49%

More minutes per unique visitor on average than our closest competitor⁶

~20%

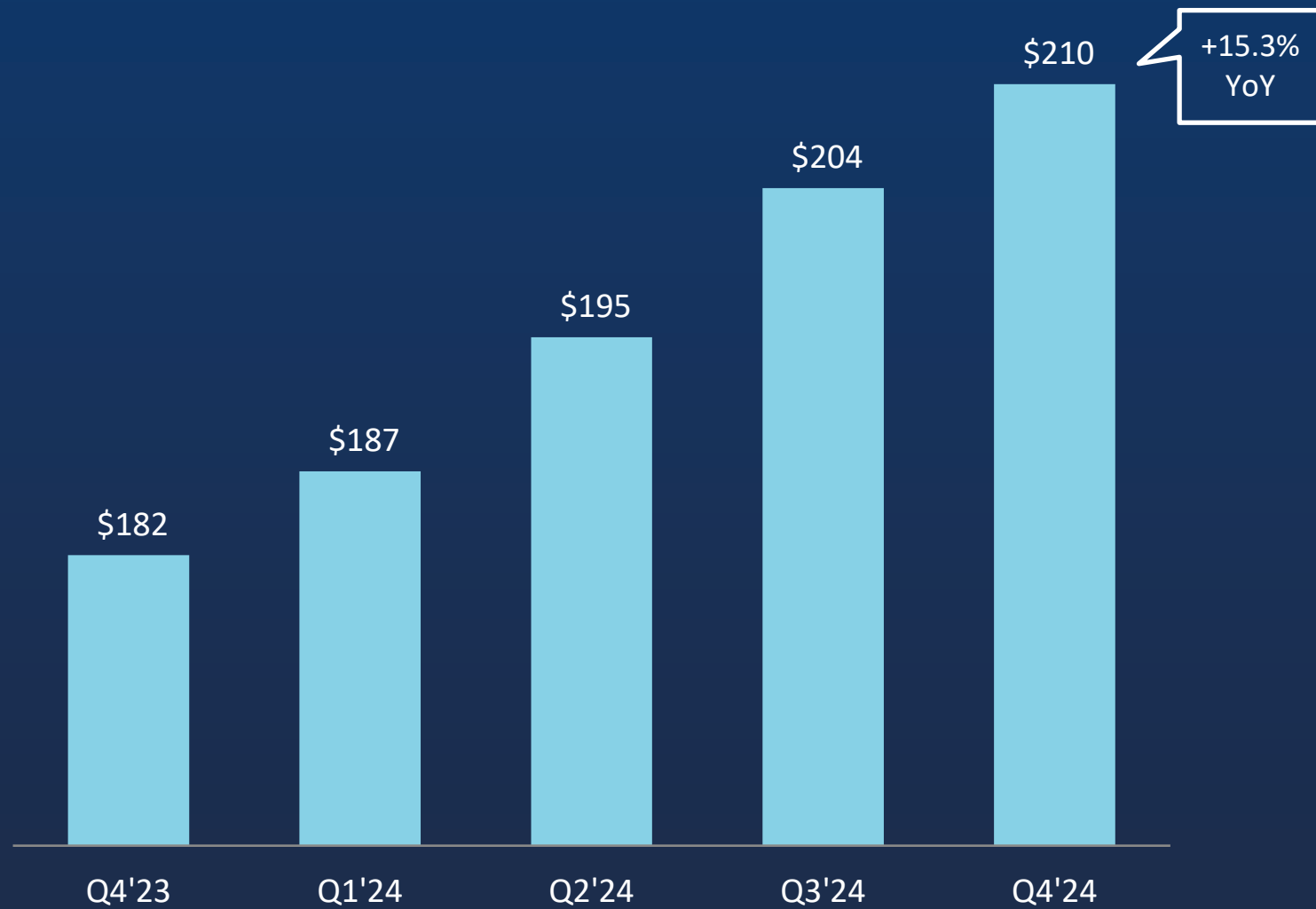
More inventory than our next competitor⁷

1. Historical average monthly visitors for CarGurus and competitors have been updated to match Similarweb's change in methodology as of 7/29/24.
 2. Similarweb, Traffic Report (Cars.com, Autotrader, TrueCar, CARFAX Listings (defined as CARFAX Total visits minus Vehicle History Reports traffic)), Q4'24.
 3. Similarweb, Audience Report (Cars.com, Autotrader, CARFAX Listings (defined as CARFAX Total visits minus Vehicle History Reports traffic), TrueCar, Q4'24.

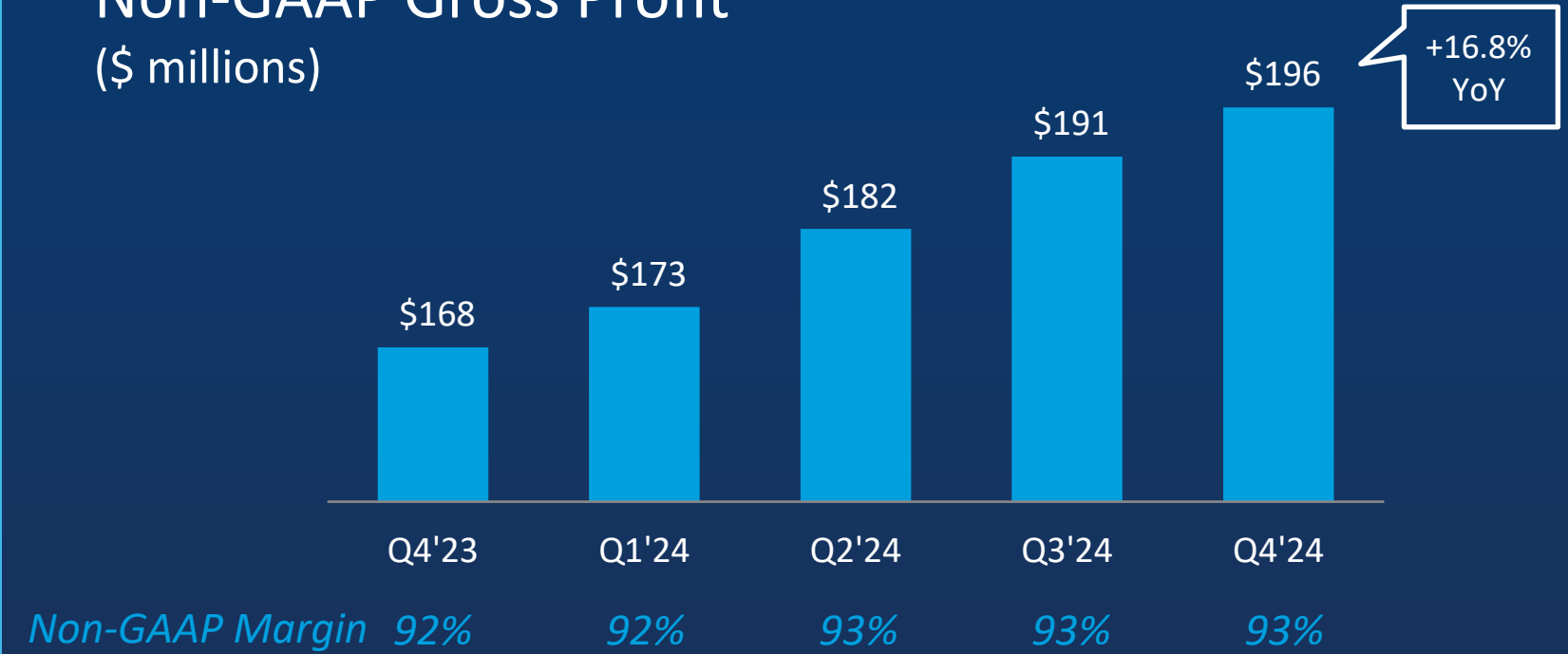
4. Similarweb, Traffic Report (Cars.com), Q4'24.
 5. Similarweb, Audience Report (Cars.com, Autotrader, TrueCar, CARFAX), Q4'24.
 6. Similarweb, Engagement Report (Cars.com), Q4'24.
 7. Compared to Autotrader.com (YipitData as of 12/31/24).

Marketplace (U.S. Segment & Other) Q4 2024 Results

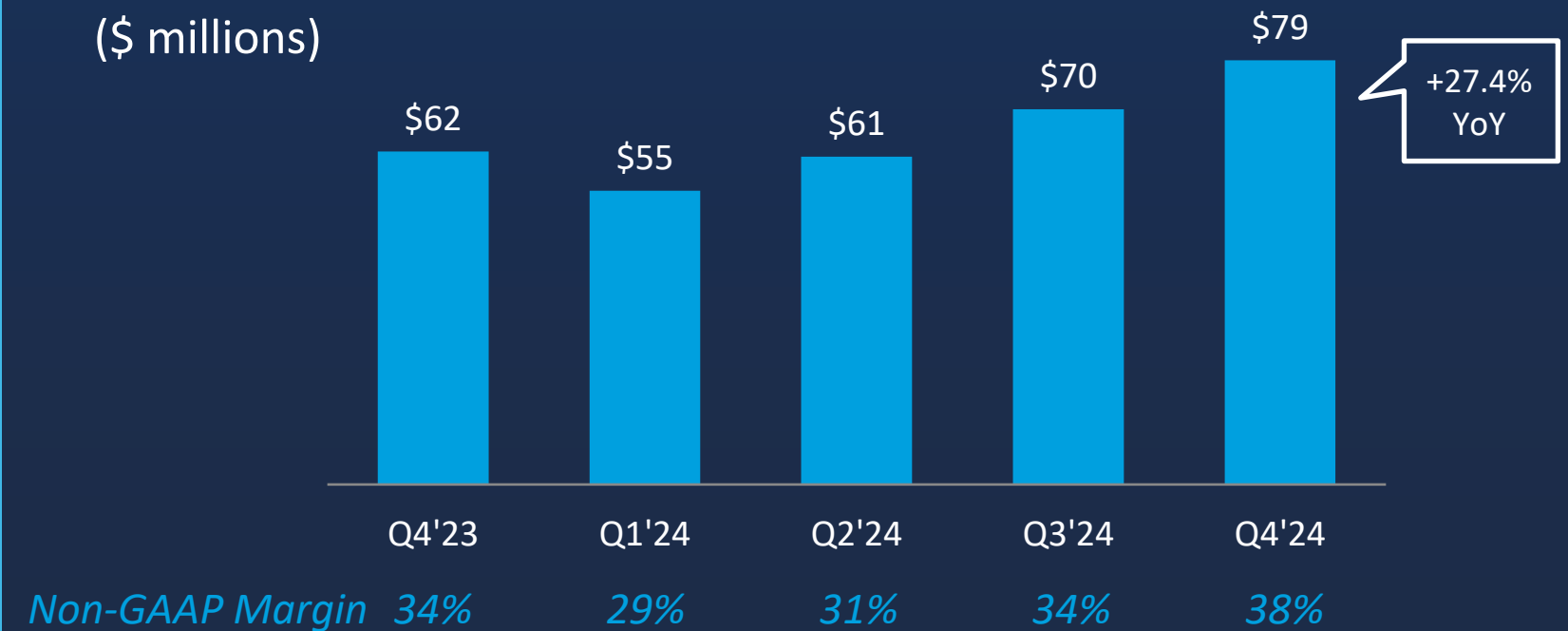
Revenue (\$ millions)



Non-GAAP Gross Profit¹ (\$ millions)

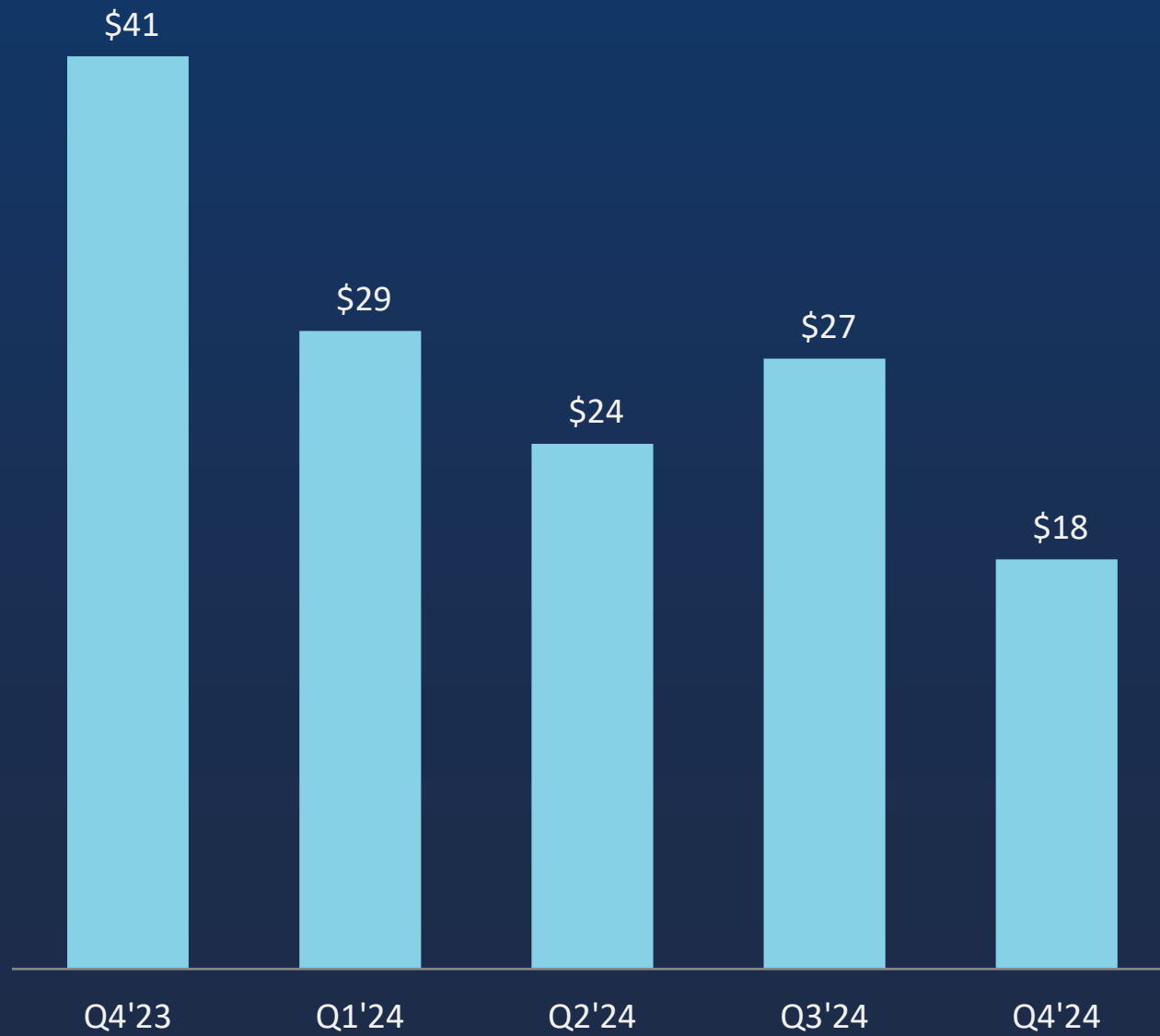


Adjusted EBITDA¹ (\$ millions)

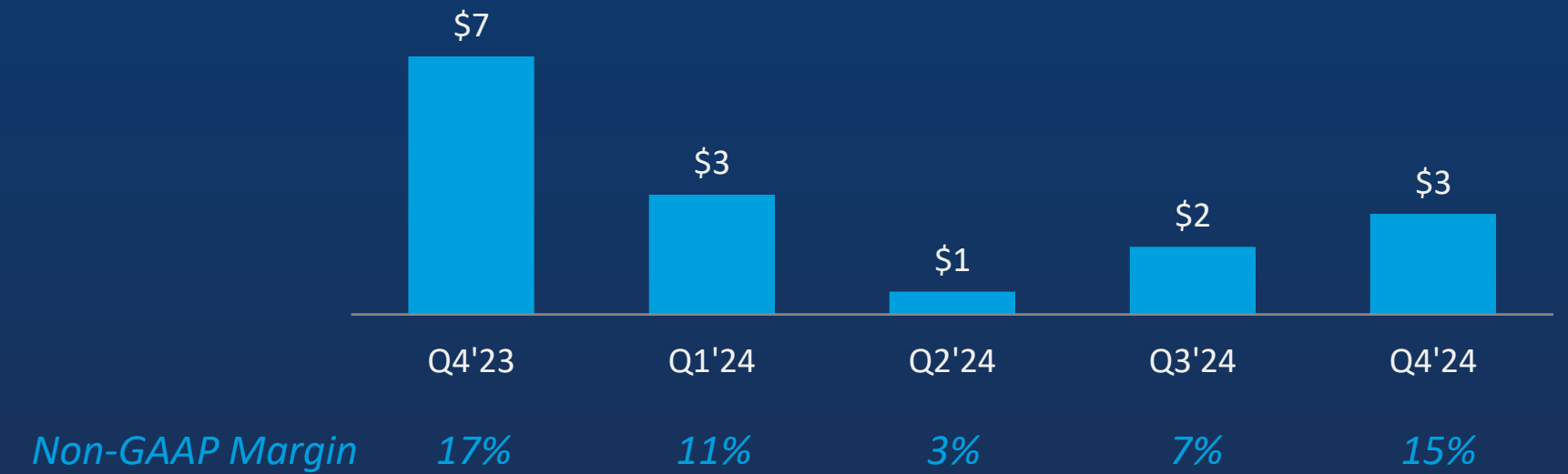


Digital Wholesale Q4 2024 Results

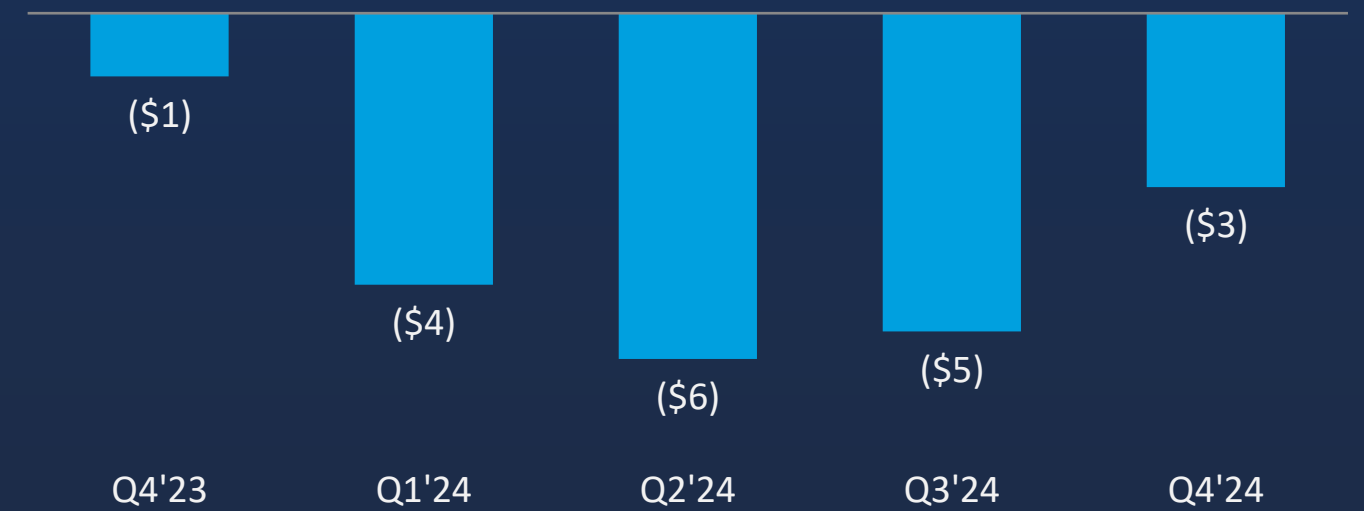
Revenue (\$ millions)



Non-GAAP Gross Profit¹ (\$ millions)



Adjusted EBITDA¹ (\$ millions)



First Quarter 2025 Outlook

	Q1'25
Total Revenue	\$216 million - \$236 million
Marketplace Revenue	\$209 million - \$214 million
Non-GAAP Consolidated Adjusted EBITDA	\$60 million - \$68 million
Non-GAAP Earnings Per Share	\$0.41 - \$0.47

The first quarter 2025 non-GAAP EPS calculation assumes 107.0 million diluted weighted-average common shares outstanding.

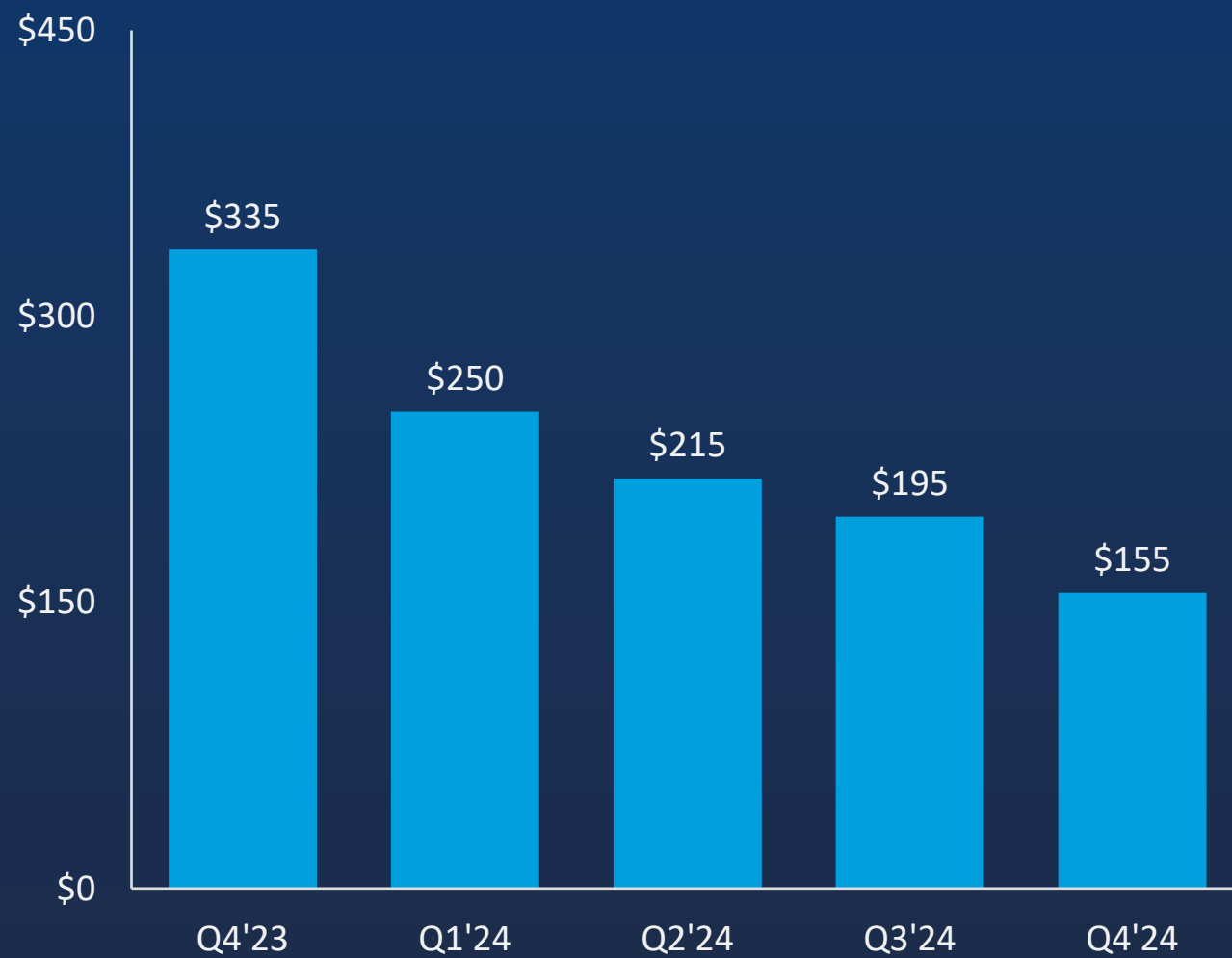
The assumptions that are built into guidance for the first quarter 2025 regarding our pace of paid dealer acquisition, churn, and expansion activity for the relevant period are based on recent market trends and industry conditions. Guidance for the first quarter 2025 excludes macro-level industry issues that result in dealers and consumers materially changing their recent market trends or that cause us to enact measures to assist dealers. Guidance also excludes any potential impact of future foreign currency exchange gains or losses.

CarGurus has not reconciled its guidance of non-GAAP consolidated adjusted EBITDA to GAAP consolidated net income or non-GAAP EPS to GAAP EPS because reconciling items between such GAAP and non-GAAP financial measures, which include, as applicable, stock-based compensation, amortization of intangible assets, impairment, depreciation expenses, non-intangible amortization, transaction-related expenses, other income, net, the provision for income taxes, and income tax effects, cannot be reasonably predicted due to, as applicable, the timing, amount, valuation, and number of future employee equity awards and the uncertainty relating to the timing, frequency, and effect of acquisitions and the significance of the resulting transaction-related expenses, and therefore cannot be determined without unreasonable effort.

Appendix

Digital Wholesale Platform Transaction Volume

Gross Merchandise Sales (GMS)¹ (\$ millions)



Total Transactions²



1. We define Gross Merchandise Sales (GMS) as the aggregate recorded vehicle cost remitted to the selling entity, excluding all fees and other charges associated with the Transactions, as separately defined, within the applicable period. GMS figures are rounded down to the closest \$5 million increment.

2. We define Transactions within the Digital Wholesale segment as the number of vehicles processed from car dealers, consumers, and other marketplaces through the CarOffer website within the applicable period. For additional information, please see the definition in our Annual Report on Form 10-K for the year ended December 31, 2024, filed on February 20, 2025.

Marketplace (U.S. Marketplace Segment & Other) GAAP to Non-GAAP Gross Profit and Non-GAAP Gross Margin Reconciliation

(\$ thousands)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
GAAP U.S. Marketplace Segment Revenue	\$ 168,897	\$ 172,988	\$ 180,052	\$ 187,253	\$ 193,395
GAAP Other Revenue	13,353	14,231	15,115	16,766	16,799
GAAP Marketplace Revenue	\$ 182,250	\$ 187,219	\$ 195,167	\$ 204,019	\$ 210,194
GAAP U.S. Marketplace Segment Cost of Revenue	13,179	13,437	12,058	11,984	12,599
GAAP Other Cost of Revenue	1,011	948	1,087	1,537	1,300
GAAP Marketplace Cost of Revenue	14,190	14,385	13,145	13,521	13,899
GAAP Marketplace Gross Profit	\$ 168,060	\$ 172,834	\$ 182,022	\$ 190,498	\$ 196,295
Impact of Stock-Based Compensation Expense in GAAP Marketplace Cost of Revenue	77	75	45	63	72
Non-GAAP Marketplace Gross Profit ^{1,2}	\$ 168,137	\$ 172,909	\$ 182,067	\$ 190,561	\$ 196,367
GAAP Marketplace Gross Profit Margin ³	92%	92%	93%	93%	93%
Non-GAAP Marketplace Gross Profit Margin ⁴	92%	92%	93%	93%	93%

1. We define Non-GAAP Marketplace Gross Profit as the difference between GAAP Marketplace Revenue and GAAP Marketplace Cost of Revenue adjusted for the impact of Stock-Based Compensation Expense in GAAP Marketplace Cost of Revenue.
2. Non-GAAP Marketplace Gross Profit plus Non-GAAP Digital Wholesale Gross Profit may not equal Non-GAAP Gross Profit in the applicable earnings release due to rounding.
3. We define GAAP Marketplace Gross Profit Margin as GAAP Marketplace Gross Profit divided by GAAP Marketplace Revenue.
4. We define Non-GAAP Marketplace Gross Profit Margin as Non-GAAP Marketplace Gross Profit divided by GAAP Marketplace Revenue.

Digital Wholesale GAAP to Non-GAAP Gross Profit (Loss) and Non-GAAP Gross Margin Reconciliation

(\$ thousands)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
GAAP Wholesale Revenue	\$ 22,035	\$ 16,125	\$ 13,119	\$ 12,107	\$ 9,850
GAAP Product Revenue	18,838	12,452	10,406	15,232	8,494
GAAP Digital Wholesale Revenue	\$ 40,873	\$ 28,577	\$ 23,525	\$ 27,339	\$ 18,344
GAAP Wholesale Cost of Revenue	22,286	14,224	12,633	20,415	7,068
GAAP Product Cost of Revenue	18,612	12,226	10,470	14,871	8,582
GAAP Digital Wholesale Cost of Revenue	40,898	26,450	23,103	35,286	15,650
GAAP Digital Wholesale Gross (Loss) Profit	\$ (25)	\$ 2,127	\$ 422	\$ (7,947)	\$ 2,694
Impact of Stock-Based Compensation Expense in Digital Wholesale Cost of Revenue	1,780	156	14	33	33
Impact of Amortization of Intangible Assets in Digital Wholesale Cost of Revenue	5,250	875	-	-	-
Impact of Transaction-Related Expense in Digital Wholesale Cost of Revenue	-	92	-	-	-
Impact of Impairment in Digital Wholesale Cost of Revenue	-	-	180	9,750	-
Non-GAAP Digital Wholesale Gross Profit ^{1,2}	\$ 7,005	\$ 3,250	\$ 616	\$ 1,836	\$ 2,727
GAAP Digital Wholesale Gross (Loss) Profit Margin ³	(0%)	7%	2%	(29)%	15%
Non-GAAP Digital Wholesale Gross Profit Margin ⁴	17%	11%	3%	7%	15%

1. We define Non-GAAP Digital Wholesale Gross Profit as the difference between GAAP Digital Wholesale Revenue and GAAP Digital Wholesale Cost of Revenue adjusted for the impacts of Stock-Based Compensation Expense, Amortization of Intangible Assets, Transaction-Related Expenses, and Impairment in GAAP Digital Wholesale Cost of Revenue.

2. Non-GAAP Marketplace Gross Profit plus Non-GAAP Digital Wholesale Gross Profit may not equal Non-GAAP Gross Profit in the applicable earnings release due to rounding.

3. We define GAAP Digital Wholesale Gross Profit Margin as GAAP Digital Wholesale Gross Profit divided by GAAP Digital Wholesale Revenue.

4. We define Non-GAAP Digital Wholesale Gross Profit Margin as Non-GAAP Digital Wholesale Gross Profit divided by GAAP Digital Wholesale Revenue.

Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA Reconciliation

(\$ thousands)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
U.S. Marketplace Segment Income from Operations	\$ 43,281	\$ 34,217	\$ 42,043	\$ 50,410	\$ 56,068
Other Income from Operations	1,653	2,407	2,531	2,341	2,710
GAAP Marketplace (U.S. Marketplace Segment & Other) Income from Operations	\$ 44,934	\$ 36,624	\$ 44,574	\$ 52,751	\$ 58,778
Impact of Depreciation and Amortization	3,224	3,200	2,227	2,892	5,652
Impact of Stock-Based Compensation Expense	13,334	14,989	14,434	14,476	14,830
Impact of Transaction-Related Expenses	704	58	14	7	-
Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA ^{1,2}	\$ 62,196	\$ 54,871	\$ 61,249	\$ 70,126	\$ 79,260
GAAP Marketplace Operating Income Margin ³	25%	20%	23%	26%	28%
Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA Margin ⁴	34%	29%	31%	34%	38%

(\$ thousands)	2023	2024
U.S. Marketplace Segment Income from Operations	\$ 127,724	\$ 182,738
Other Income from Operations	1,286	9,989
GAAP Marketplace (U.S. Marketplace Segment & Other) Income from Operations	\$ 129,010	\$ 192,727
Impact of Depreciation and Amortization	12,209	13,971
Impact of Impairment	9	-
Impact of Stock-Based Compensation Expense	55,402	58,729
Impact of Transaction-Related Expenses	704	79
Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA ^{1,2}	\$ 197,334	\$ 265,506
GAAP Marketplace Operating Income Margin ³	18%	24%
Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA Margin ⁴	28%	33%

1. We define Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA as GAAP Marketplace (U.S. Marketplace Segment & Other) Income from Operations, adjusted to exclude: Depreciation and Amortization; Stock-Based Compensation Expense; and Transaction-Related Expenses.

2. Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA plus Non-GAAP Digital Wholesale Adjusted EBITDA may not equal Non-GAAP Consolidated Adjusted EBITDA due to rounding.

3. We define GAAP Marketplace Adjusted EBITDA margin as GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA divided by GAAP Marketplace Revenue.

4. We define Non-GAAP Marketplace Adjusted EBITDA margin as Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA divided by GAAP Marketplace Revenue.

Non-GAAP Digital Wholesale Adjusted EBITDA Reconciliation

(\$ thousands)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
GAAP Digital Wholesale Loss from Operations	\$ (67,199)	\$ (10,340)	\$ (138,158)	\$ (25,317)	\$ (5,500)
Impact of Depreciation and Amortization	9,537	4,281	3,436	2,286	1,386
Impact of Impairment	-	-	127,655	16,776	-
Impact of Stock-Based Compensation Expense	737	833	1,123	979	828
Impact of Stock-Based Compensation Expense for CarOffer, LLC Units ¹	55,543	-	-	-	-
Impact of Transaction-Related Expenses	340	753	250	32	421
Non-GAAP Digital Wholesale Adjusted EBITDA ^{2,3}	\$ (1,042)	\$ (4,473)	\$ (5,694)	\$ (5,244)	\$ (2,865)

(\$ thousands)	2023	2024
GAAP Digital Wholesale Loss from Operations	\$ (96,383)	\$ (179,315)
Impact of Depreciation and Amortization	36,265	11,389
Impact of Impairment	175	144,431
Impact of Stock-Based Compensation Expense	2,510	3,763
Impact of Stock-Based Compensation Expense for CarOffer, LLC Units ¹	55,543	-
Impact of Transaction-Related Expenses	340	1,456
Non-GAAP Digital Wholesale Adjusted EBITDA ^{2,3}	\$ (1,550)	\$ (18,276)

1. As defined in Note 2 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025.

2. We define Non-GAAP Digital Wholesale Adjusted EBITDA as GAAP Digital Wholesale Loss from Operations, adjusted to exclude: Depreciation and Amortization; Impairment; Stock-Based Compensation Expense; Stock-Based Compensation Expense for CarOffer, LLC Units; and Transaction-Related Expenses.

3. Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA plus Non-GAAP Digital Wholesale Adjusted EBITDA may not equal Non-GAAP Consolidated Adjusted EBITDA due to rounding.

Non-GAAP Consolidated Adjusted EBITDA Reconciliation

(\$ thousands)	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
GAAP Consolidated Net (Loss) Income	\$ (22,603)	\$ 21,301	\$ (68,721)	\$ 22,511	\$ 45,881
Impact of Depreciation and Amortization	12,761	7,481	5,663	5,178	7,038
Impact of Impairment	-	-	127,655	16,776	-
Impact of Stock-Based Compensation Expense	14,071	15,822	15,557	15,455	15,658
Impact of Stock-Based Compensation Expense for CarOffer, LLC Units ¹	55,543	-	-	-	-
Impact of Transaction-Related Expenses	1,044	811	265	39	421
Impact of Other Income, Net	(5,875)	(3,401)	(3,161)	(2,623)	(2,060)
Impact of Provision for (Benefit from) Income Taxes	6,213	8,384	(21,702)	7,546	9,457
Non-GAAP Consolidated Adjusted EBITDA ^{2,3}	\$ 61,154	\$ 50,398	\$ 55,556	\$ 64,882	\$ 76,395
Consolidated Net (Loss) Income Margin ⁴	(10)%	10%	-31%	10%	20%
Non-GAAP Consolidated Adjusted EBITDA Margin ⁵	27%	23%	25%	28%	33%

1. As defined in Note 2 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025.

2. We define Non-GAAP Consolidated Adjusted EBITDA as GAAP Consolidated Net Income, adjusted to exclude: Depreciation and Amortization; Impairment; Stock-Based Compensation Expense; Stock-Based Compensation Expense for CarOffer, LLC Units; Transaction-Related Expenses; Other Income, Net; and Provision for (Benefit From) Income Taxes.

3. Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA plus Non-GAAP Digital Wholesale Adjusted EBITDA may not equal Non-GAAP Consolidated Adjusted EBITDA due to rounding.

4. We define Consolidated Adjusted Net (Loss) Income Margin as GAAP Consolidated Net (Loss) Income divided by GAAP Consolidated Revenue.

5. We define Non-GAAP Consolidated Adjusted EBITDA Margin as non-GAAP Adjusted EBITDA divided by GAAP Consolidated Revenue.

Non-GAAP Consolidated Adjusted EBITDA Reconciliation

(\$ thousands)	FY2020	FY2021	FY2022	FY2023	FY2024
GAAP Consolidated Net Income	\$ 77,553	\$ 110,373	\$ 78,954	\$ 22,053	\$ 20,972
Impact of Depreciation and Amortization	10,191	40,476	45,334	48,474	25,360
Impact of Impairment	1,151	3,128	165	184	144,431
Impact of Stock-Based Compensation Expense	45,321	55,387	54,777	57,913	62,492
Impact of Stock-Based Compensation Expense for CarOffer, LLC Units ^{1,2}	-	22,323	(21,095)	55,543	-
Impact of Transaction-Related Expenses	2,906	709	-	1,044	1,536
Impact of Restructuring Expenses	3,514	-	-	-	-
Impact of Other Income, Net	(1,354)	(1,092)	(2,884)	(19,060)	(11,245)
Impact of Provision for Income Taxes	21,557	38,987	32,408	29,634	3,685
Non-GAAP Consolidated Adjusted EBITDA ^{3,4}	\$ 160,839	\$ 270,291	\$ 187,659	\$ 195,785	\$ 247,231
Consolidated Net Income Margin ⁵	14%	12%	5%	2%	2%
Non-GAAP Consolidated Adjusted EBITDA Margin ⁶	29%	28%	11%	21%	28%

1. During the year ended December 31, 2023, we updated the table to separately disclose the stock-based compensation expense for CarOffer, LLC Units; the years ended December 31, 2022, 2021 and 2020, have been updated for comparison purposes.

2. As defined in Note 2 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025.

3. We define Non-GAAP Consolidated Adjusted EBITDA as GAAP Consolidated Net Income, adjusted to exclude: Depreciation and Amortization; Impairment; Stock-Based Compensation Expense; Stock-Based Compensation Expense for CarOffer, LLC Units; Transaction-Related Expenses; Other Income, Net; and Provision for Income Taxes.

4. Non-GAAP Marketplace (U.S. Marketplace Segment & Other) Adjusted EBITDA plus Non-GAAP Digital Wholesale Adjusted EBITDA may not equal Non-GAAP Consolidated Adjusted EBITDA due to rounding.

5. We define Consolidated Adjusted Net Income Margin as GAAP Consolidated Net Income (Loss) divided by GAAP Consolidated Revenue.

6. We define Non-GAAP Consolidated Adjusted EBITDA Margin as non-GAAP Adjusted EBITDA divided by GAAP Consolidated Revenue.