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# Third Quarter 2024 Investor Presentation

# Legal Disclaimer

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This news release and the Company's earnings conference call contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about CoStar Group's plans, objectives, expectations, beliefs and intentions and other statements including words such as "hope," "anticipate," "may," "believe," "expect," "intend," "will," "should," "plan," "estimate," "predict," "continue" and "potential" or the negative of these terms or other comparable terminology. Such statements are based upon the current beliefs and expectations of management of CoStar Group and are subject to many risks and uncertainties. Actual results may differ materially from the results anticipated in the forward-looking statements and the assumptions and estimates used as a basis for the forward-looking statements. The following factors, among others, could cause or contribute to such differences: risks associated with the ability to consummate the proposed transaction with Matterport, Inc. ("Matterport") and the timing of the closing of the proposed transaction; the ability to successfully integrate operations and employees; the ability to realize anticipated benefits and synergies of the proposed mergers as rapidly or to the extent anticipated by financial analysts or investors; the potential impact of announcement of the proposed mergers or consummation of the proposed Matterport transaction on business relationships, including with employees, customers, suppliers and competitors; unfavorable outcomes of any legal proceedings that have been or may be instituted against CoStar or Matterport; the ability to retain key personnel; costs, fees, expenses and charges related to the proposed Matterport transaction; the risk that the trends stated or implied by this release or in the earnings conference call cannot or will not be sustained at the current pace or may increase or decrease, including trends and expectations related to revenue, revenue growth, net income, non-GAAP net income, EBITDA, adjusted EBITDA, adjusted EBITDA margin, sales, net new bookings, site traffic and visitors, leads, and renewal rates; the risk that the Company is unable to sustain current Company-wide or Homes.com net new bookings; the risk that revenues for the fourth quarter and full year 2024 will not be as stated in this press release; the risk that net income for the fourth quarter and full year 2024 will not be as stated in this press release; the risk that EBITDA for the fourth quarter and full year 2024 will not be as stated in this press release; the risk that adjusted EBITDA for the fourth quarter and full year 2024 will not be as stated in this press release; the risk that non-GAAP net income and non-GAAP net income per diluted share for the fourth quarter and full year 2024 will not be as stated in this press release; the risk that we may not successfully integrate acquired businesses or assets and may not achieve anticipated benefits of an acquisition, including expected synergies; the risk that the tax rate estimates stated in this press release may change and the risk that we may experience declines in our revenues, revenue growth rates and profitability due to the impact of economic conditions on the real estate industry and our core customer base. More information about potential factors that could cause results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, those stated in CoStar Group's filings from time to time with the Securities and Exchange Commission (the "SEC"), including in CoStar Group's Annual Report on Form 10-K for the year ended December 31, 2023 and Quarterly Report for the quarterly periods ended March 31, 2024 and June 30, 2024, each of which is filed with the SEC, including in the "Risk Factors" section of those filings, as well as CoStar Group's other filings with the SEC (including Current Reports on Form 8-K) available at the SEC's website ([www.sec.gov](http://www.sec.gov)). All forward-looking statements are based on information available to CoStar Group on the date hereof, and CoStar Group assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Non-GAAP Net Income, Non-GAAP Net Income per Share, Organic Revenues and Acquired Revenues, which are used by our management and board of directors to measure operating performance and trends and to prepare our annual budget. You should not consider these measures in isolation or as a substitute for analysis of our results as reported under GAAP. Reconciliation tables and other important information about the Company's financial results and operating metrics used herein are included in the Appendix to this presentation. This presentation also contains estimates and statistical data made by independent parties and by CoStar Group related to market size, the housing rental market, agent users, site traffic, growth and other data about CoStar Group's industry and performance. These data involve a number of assumptions and limitations, which may significantly impact their accuracy, and you are cautioned not to give undue weight to such estimates. Projections, assumptions and estimates of future performance are necessarily subject to a high degree of uncertainty and risk.

This presentation is not an offer or a solicitation of an offer to purchase any securities.



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# Third Quarter 2024 Highlights



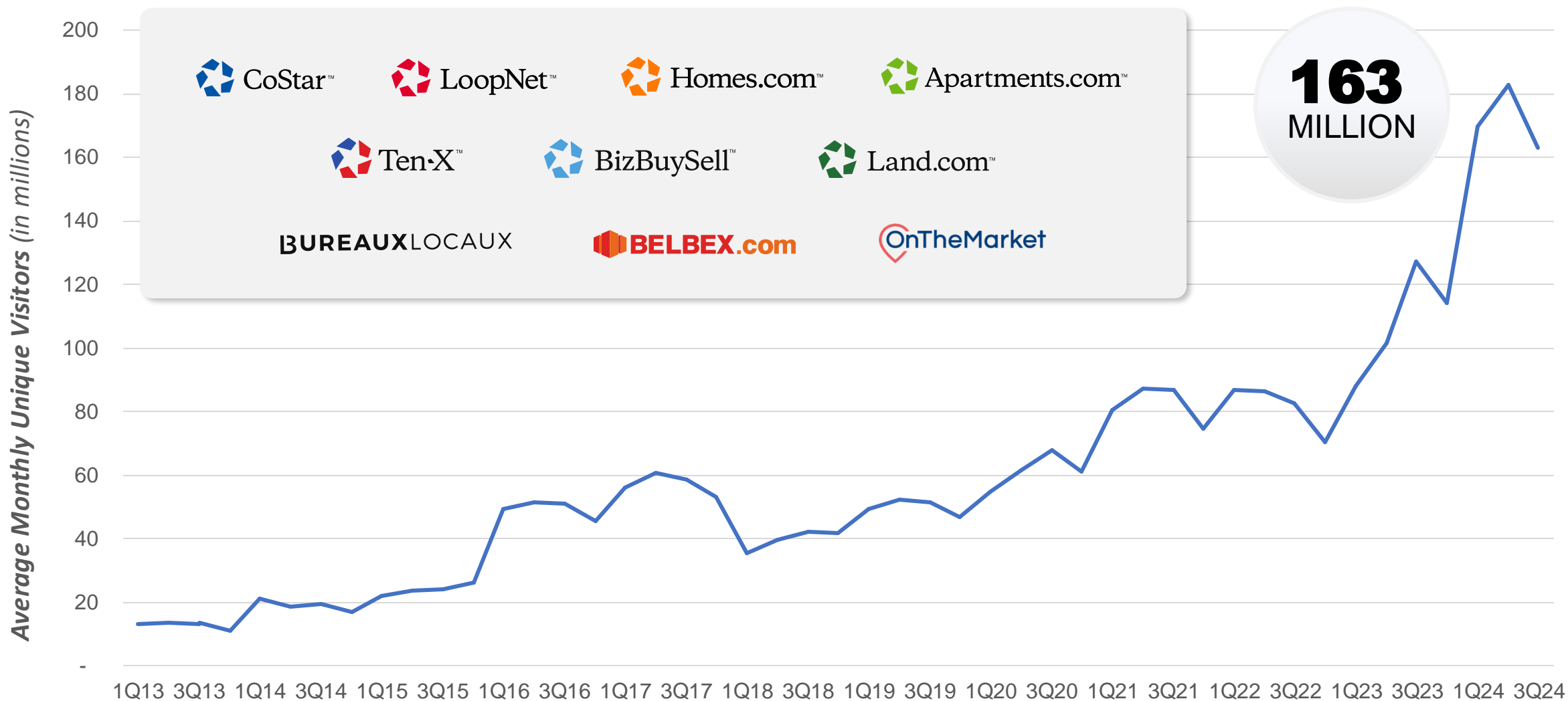
# Third Quarter 2024 Highlights

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- Third quarter 2024 revenue of **\$693 million** increased **11%** year-over-year for the 54<sup>th</sup> consecutive quarter of double-digit revenue growth
- Our two businesses with billion-dollar run rates delivered **double-digit** revenue growth
- Net Income of **\$53 million**, **EBITDA of \$51 million** and Adjusted EBITDA of **\$76 million** reflects significant consecutive increases and exceeded guidance
- Traffic to CoStar Group sites reached **163 million** average monthly unique visitors in the third quarter, an increase of **28%** year-over-year\*
- Homes.com Network traffic reached **130 million** average monthly unique visitors in the third quarter, an increase of **17%** year-over-year\*

\*Prior to June 1, 2024, we measured average monthly unique visitors for all CoStar Group sites using Google's Universal Analytics. Beginning June 1, 2024, average monthly unique visitors are measured using Google Analytics 4 (GA4), the replacement for Universal Analytics. Due to the change in methodologies, unique visitors reported prior to June 1, 2024 may not provide a meaningful comparison to unique visitors in subsequent periods.

# Year-over-Year Traffic Growth of 28% in Q3 2024



**163**  
MILLION

\*Prior to June 1, 2024, we measured average monthly unique visitors for all CoStar Group sites using Google's Universal Analytics. Beginning June 1, 2024, average monthly unique visitors are measured using Google Analytics 4 (GA4), the replacement for Universal Analytics. Due to the change in methodologies, unique visitors reported prior to June 1, 2024 may not provide a meaningful comparison to unique visitors in subsequent periods.

# Third Quarter and Year to Date 2024 Results

	Third Quarter	Year to Date
<b>Revenue</b>	\$693 million 11% year-over-year growth	\$2,027 million 12% year-over-year growth
<b>Net Income</b>	\$53 million \$0.13 per diluted share	\$79 million \$0.19 per diluted share
<b>Adjusted EBITDA</b>	\$76 million	\$129 million
<b>Net New Bookings</b>	\$44 million	\$191 million
<b>Non-GAAP Net Income</b>	\$88 million \$0.22 per diluted share	\$192 million \$0.47 per diluted share

# 2024 Fourth Quarter and Full Year Outlook

	Fourth Quarter	Full Year
<b>Revenue</b>	\$693 million to \$703 million 9% year-over-year growth	\$2.72 billion to \$2.73 billion 11% year-over-year growth
<b>Net Income</b>	\$43 million to \$49 million \$0.11 to \$0.12 per diluted share	\$122 million to \$128 million \$0.30 to \$0.31 per diluted share
<b>Adjusted EBITDA</b>	\$76 million to \$86 million 12% margin	\$205 million to \$215 million 8% margin
<b>Non-GAAP Net Income</b>	\$84 million to \$92 million \$0.21 to \$0.23 per diluted share	\$275 million to \$283 million \$0.67 to \$0.69 per diluted share



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# Company Overview





# MISSION STATEMENT

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We are digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.



# CoStar Group is the Global Leader in Digitizing Real Estate

**38**

years of real estate  
experience

**3 billion+**

annual visits  
to our websites

**\$5 billion+**

investment in research  
and technology

**~6,450**

employees

member of the

**STANDARD  
& POOR'S 500**

FORTUNE® **FASTEST  
100 GROWING  
COMPANIES**



COMPANY OF THE YEAR



The ASSOCIATION  
for BUSINESS  
JOURNALISTS  
Innovator of the Year

**Forbes**  
The World's Most  
**Innovative Companies**



**72**

offices

**14**

countries

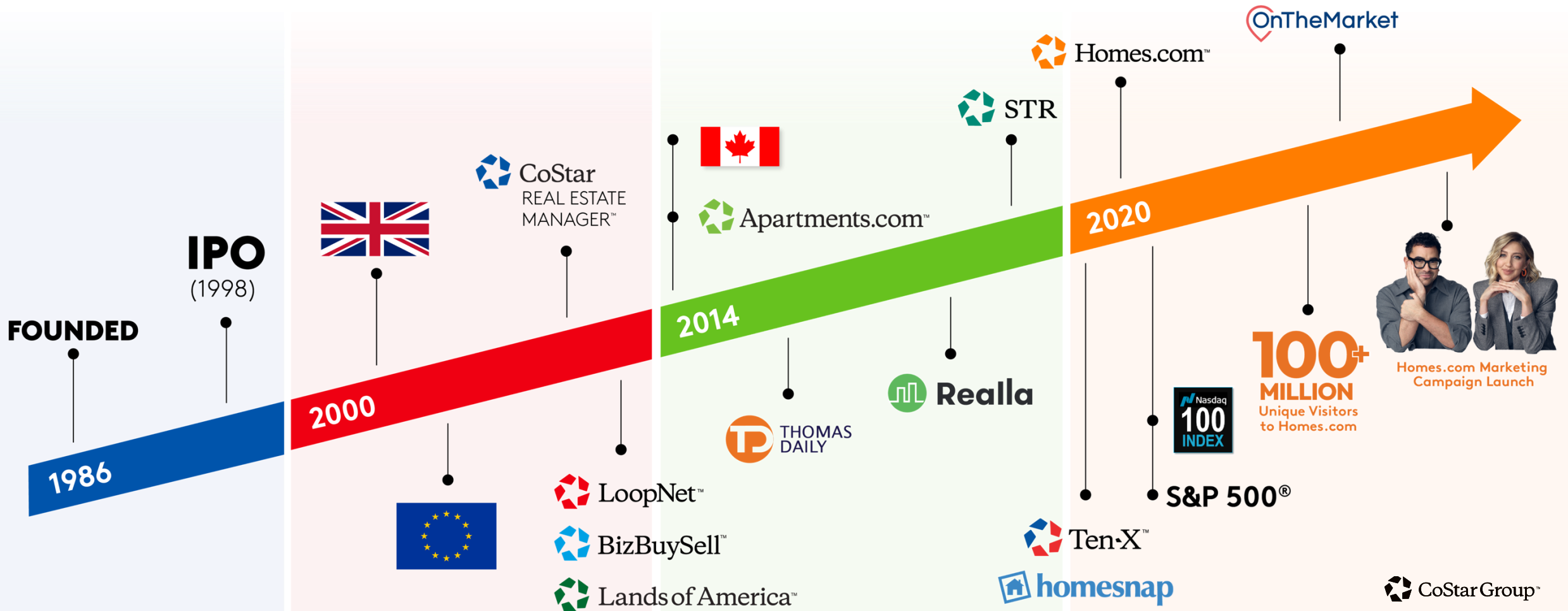
**~\$31 billion**

market capitalization

**~\$5 billion**

in cash on hand

# 38 Years of Growth and Innovation



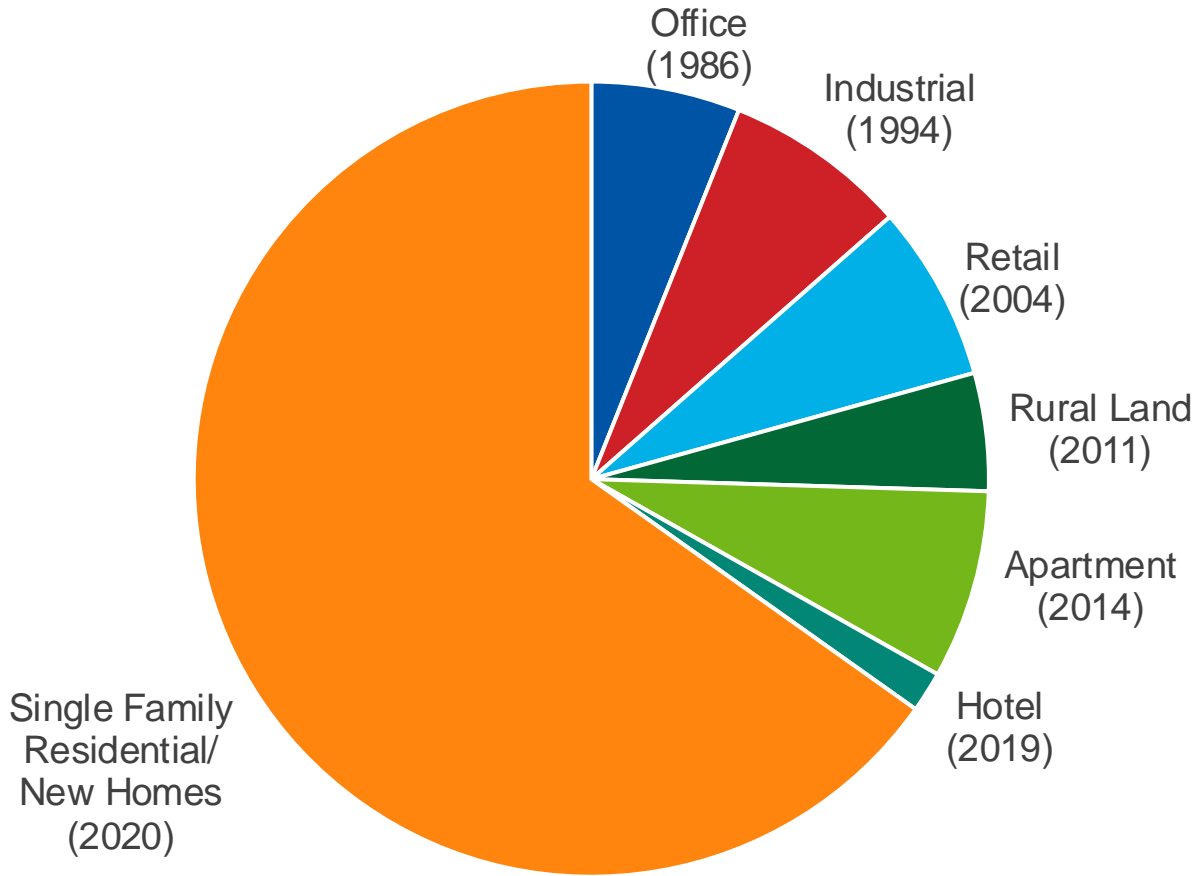
# A Global Leader in the Digital Transformation of the \$300+ Trillion Real Estate Industry

- **Long growth runway:** Global addressable market for real estate information and marketplaces estimated at > \$100 billion.
- **Strong competitive position:** Massive proprietary dataset built over 38 years with > \$5 billion invested in research.
- **Leading Property Marketplaces:** Hundreds of millions shop our online real estate marketplaces.
- **Successful growth track record:** 54 consecutive quarters of double-digit revenue growth, both organic and through acquisitions.
- **Attractive financial model:** 96% subscription revenue. 89% renewal rates. Strong margins, high free cash flow and a fortress balance sheet.

*\*All data as of September 30, 2024. Subscription revenue includes all contracts regardless of term for 3Q24. Renewal rate is for the trailing twelve months ending 9/30/24, for contracts with 12 month or longer terms.*

# Global Real Estate: A \$300 Trillion Asset Class

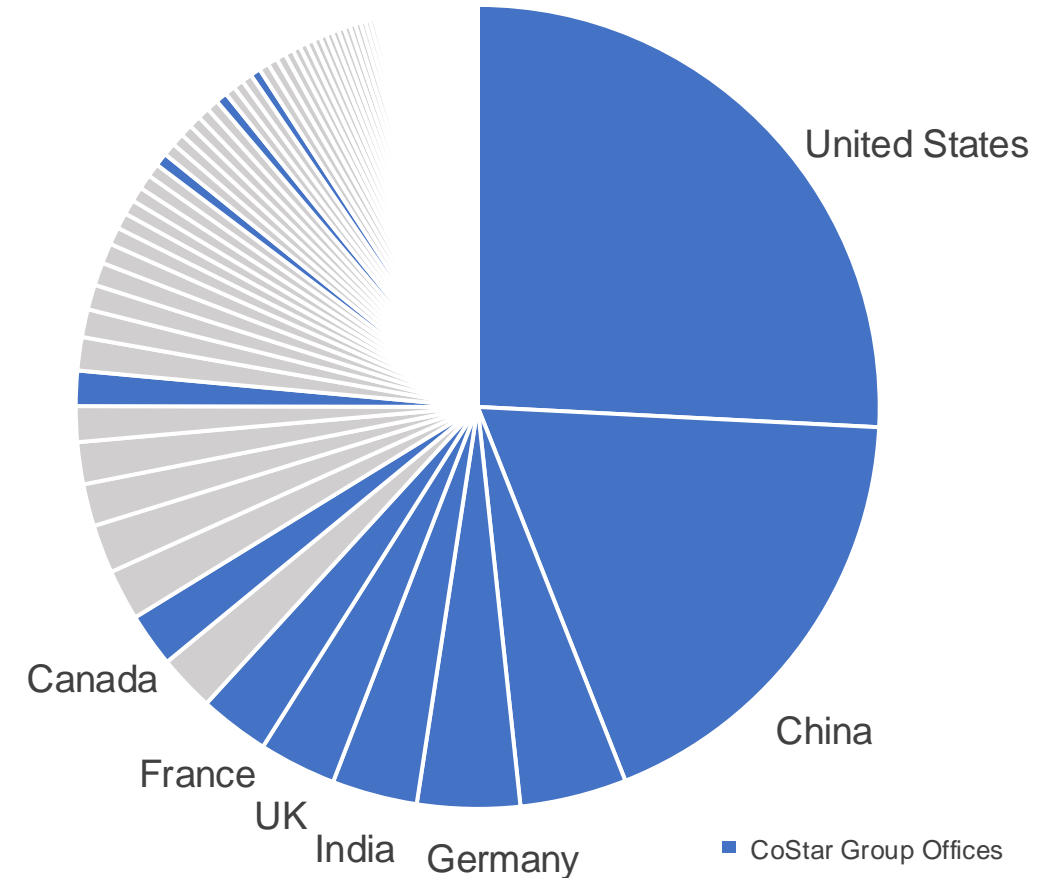
**U.S. REAL ESTATE  
\$70 TRILLION**  
(Year CoStar entered market)



U.S. Real Estate Sources:  
Office – CoStar estimate  
Industrial – CoStar estimate  
Retail – CoStar estimate  
Rural Land – U.S. Department of Agriculture

Apartment – CoStar estimate  
Hotel – CoStar estimate  
Single Family – Federal Reserve Flow of Funds and Urban Institute  
New Homes – Federal Reserve Economic Data (FRED)

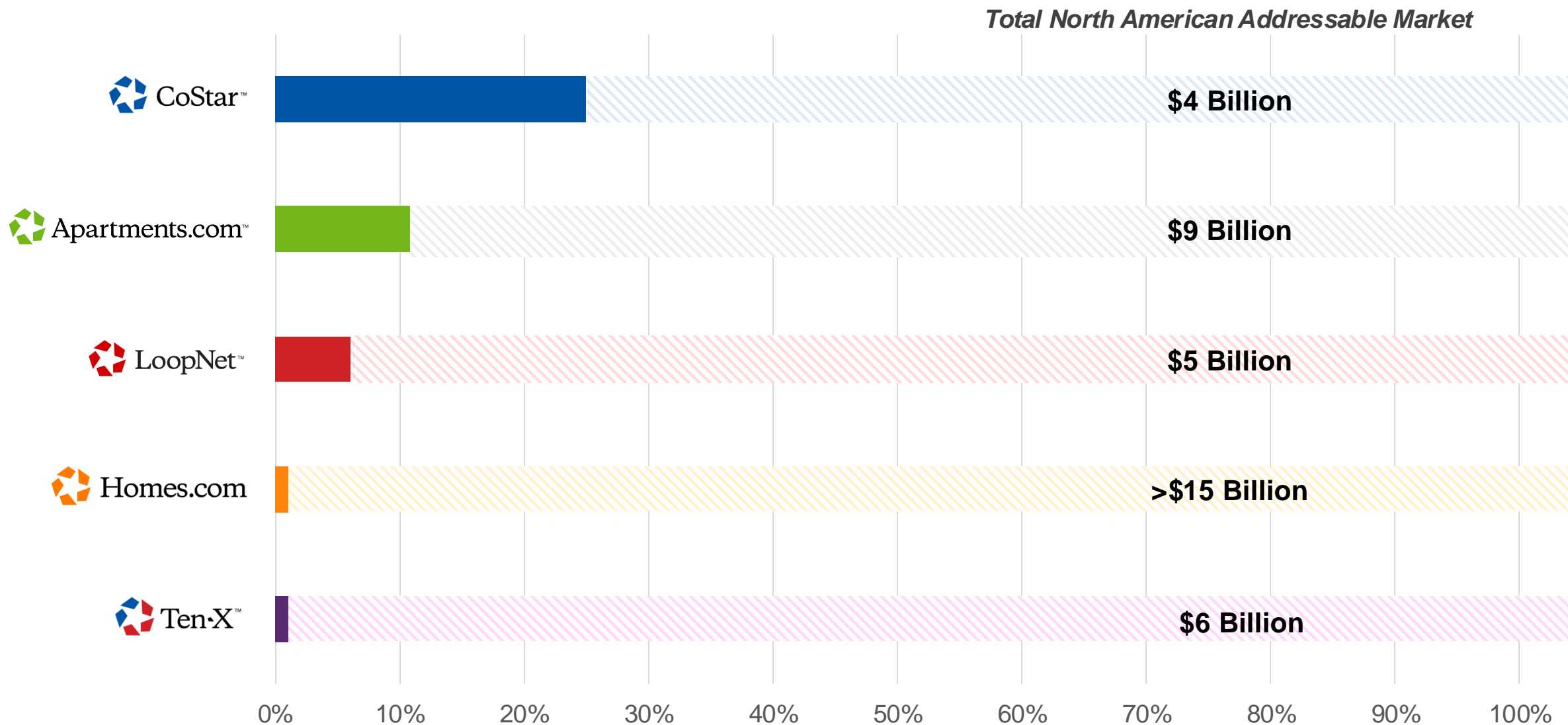
**GLOBAL REAL ESTATE  
\$300 TRILLION**



Global Real Estate Sources:  
Global real estate value calculated by scaling U.S. real estate value based on the U.S. share of global GDP, Global GDP data from The World Bank

Based on 2023 Data

# \$40B+ North American Addressable Market, Global Market > \$100B

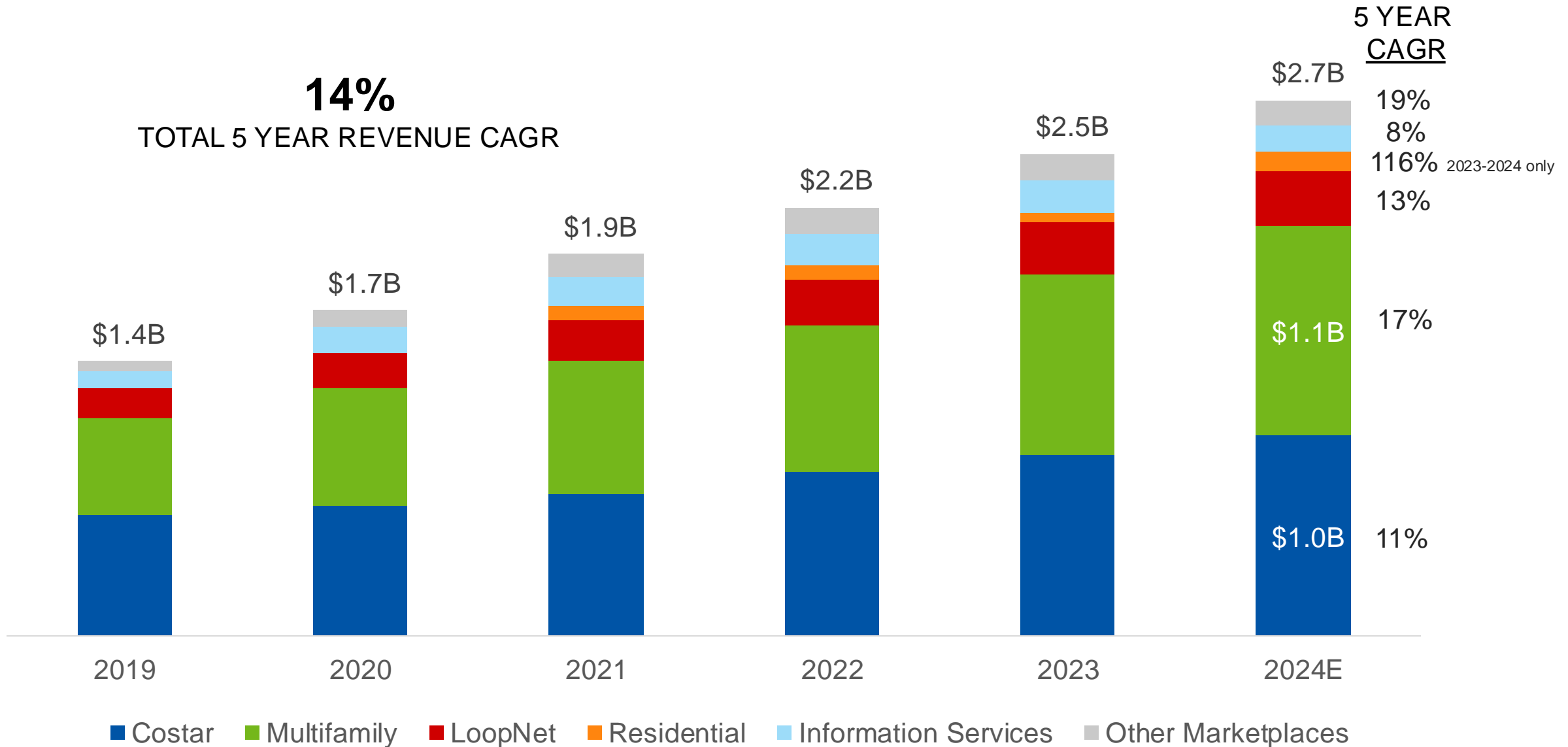


*TAM Sources:*

CoStar, Apartments, LoopNet and Ten-X – CoStar estimate

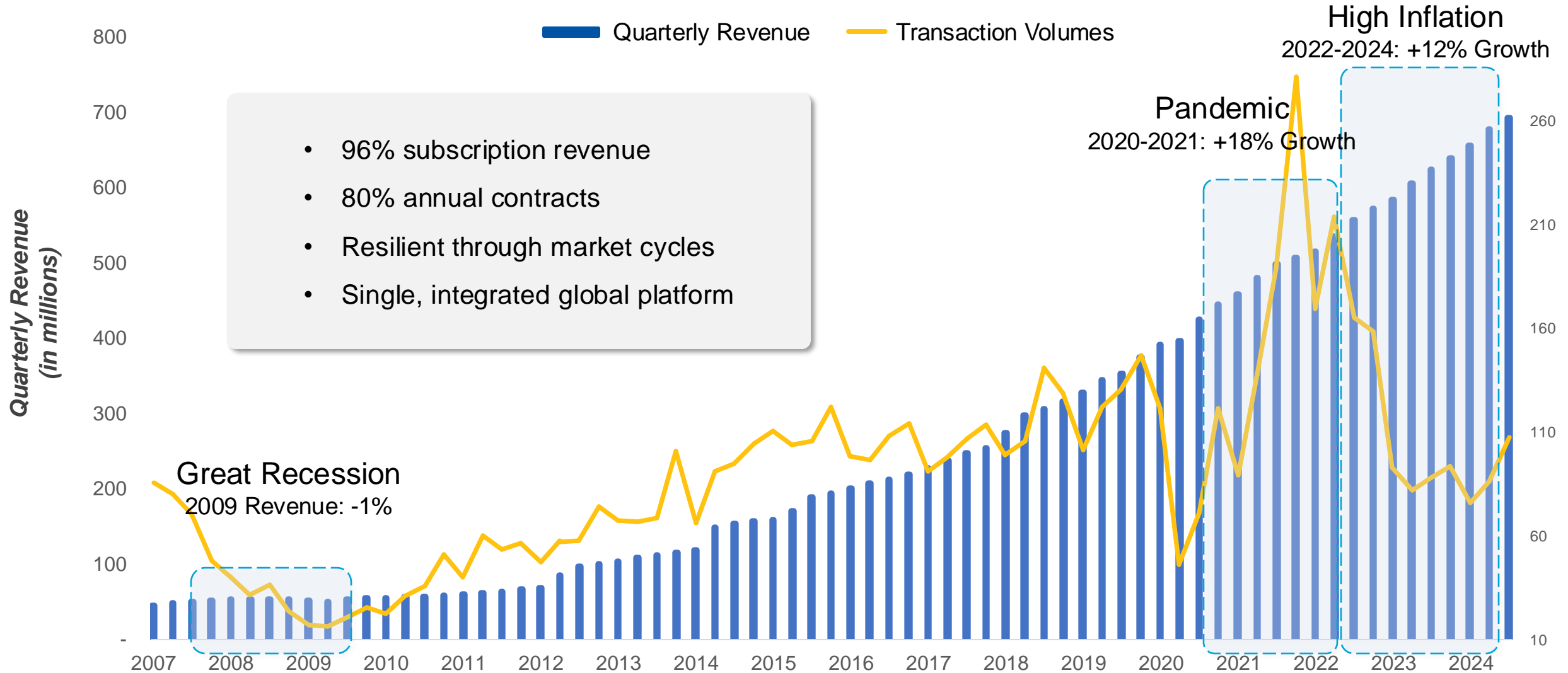
Homes.com – extrapolation of Borrell Associates "2019 Real Estate Advertisement Outlook" combined with CoStar estimate

# Strong Double-Digit Growth with Two Brands Over \$1 Billion in Revenue Run Rate



\*5 year revenue CAGR based on 2024 guidance estimates.

# 54 Consecutive Quarters of Double-Digit Revenue Growth Regardless of Commercial Property Transaction Volumes

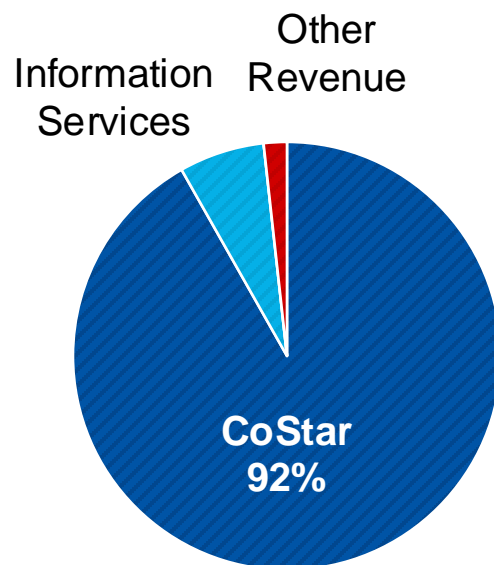


All data as of September 30, 2024.



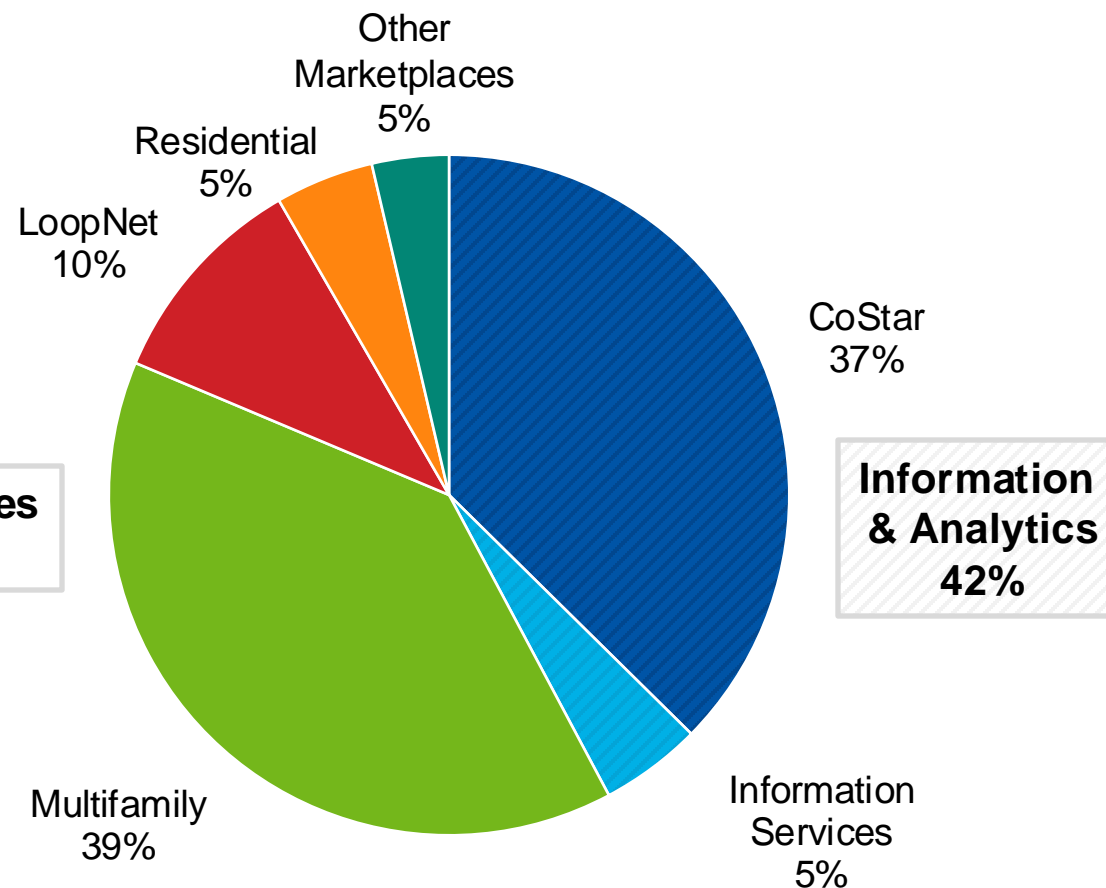
# More Diversified with More Countercyclical Business Mix Since the Great Recession

2008 REVENUE



**Information & Analytics**  
100%

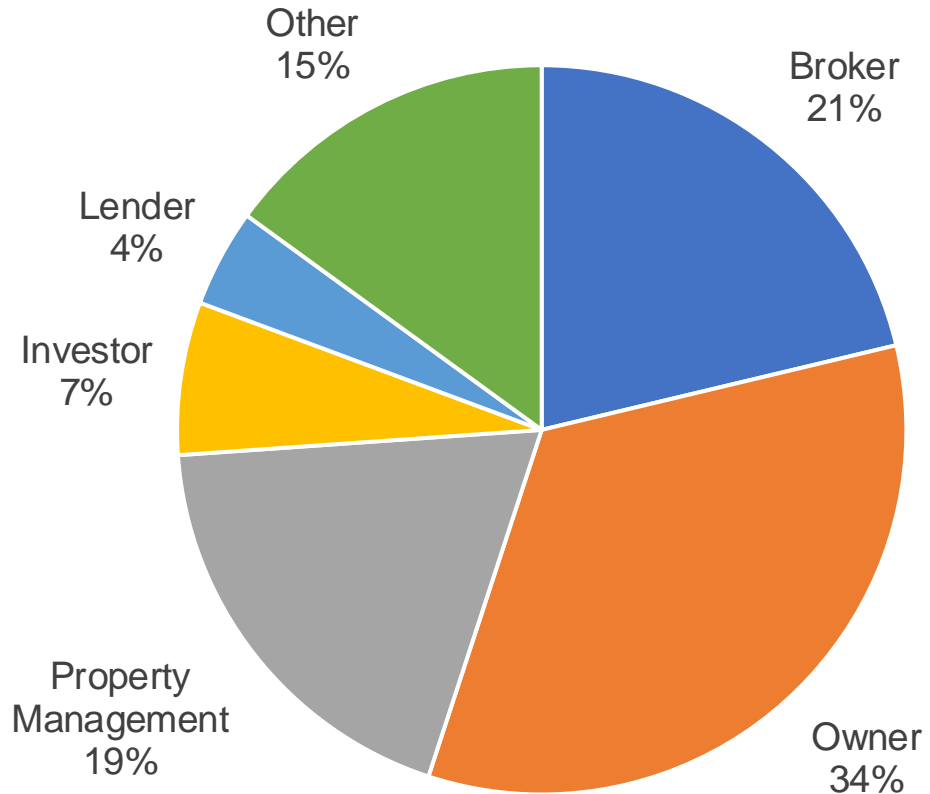
2024E REVENUE



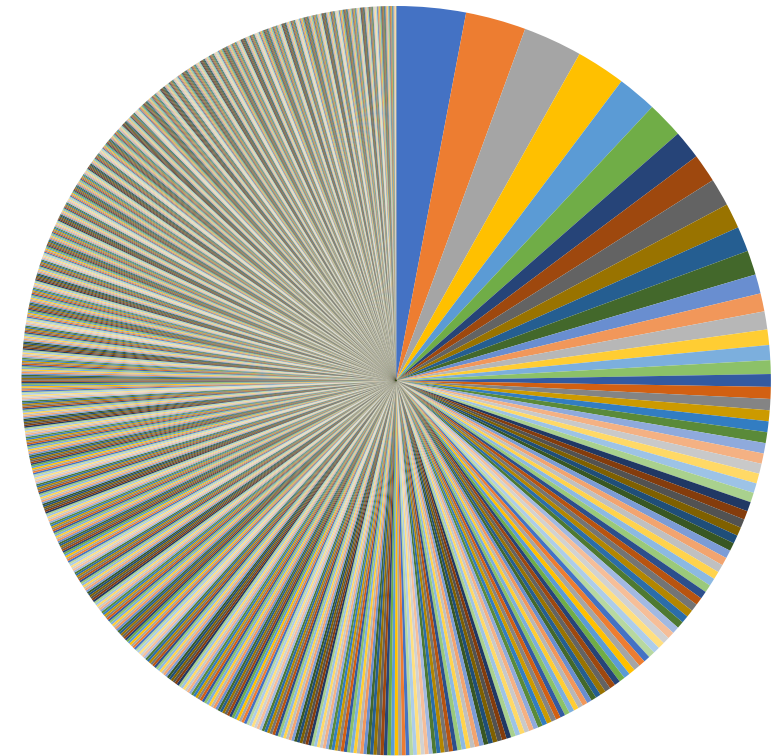
**Marketplaces**  
58%

# Diversified Client Base with Minimal Concentration

REVENUE BY CLIENT SEGMENT

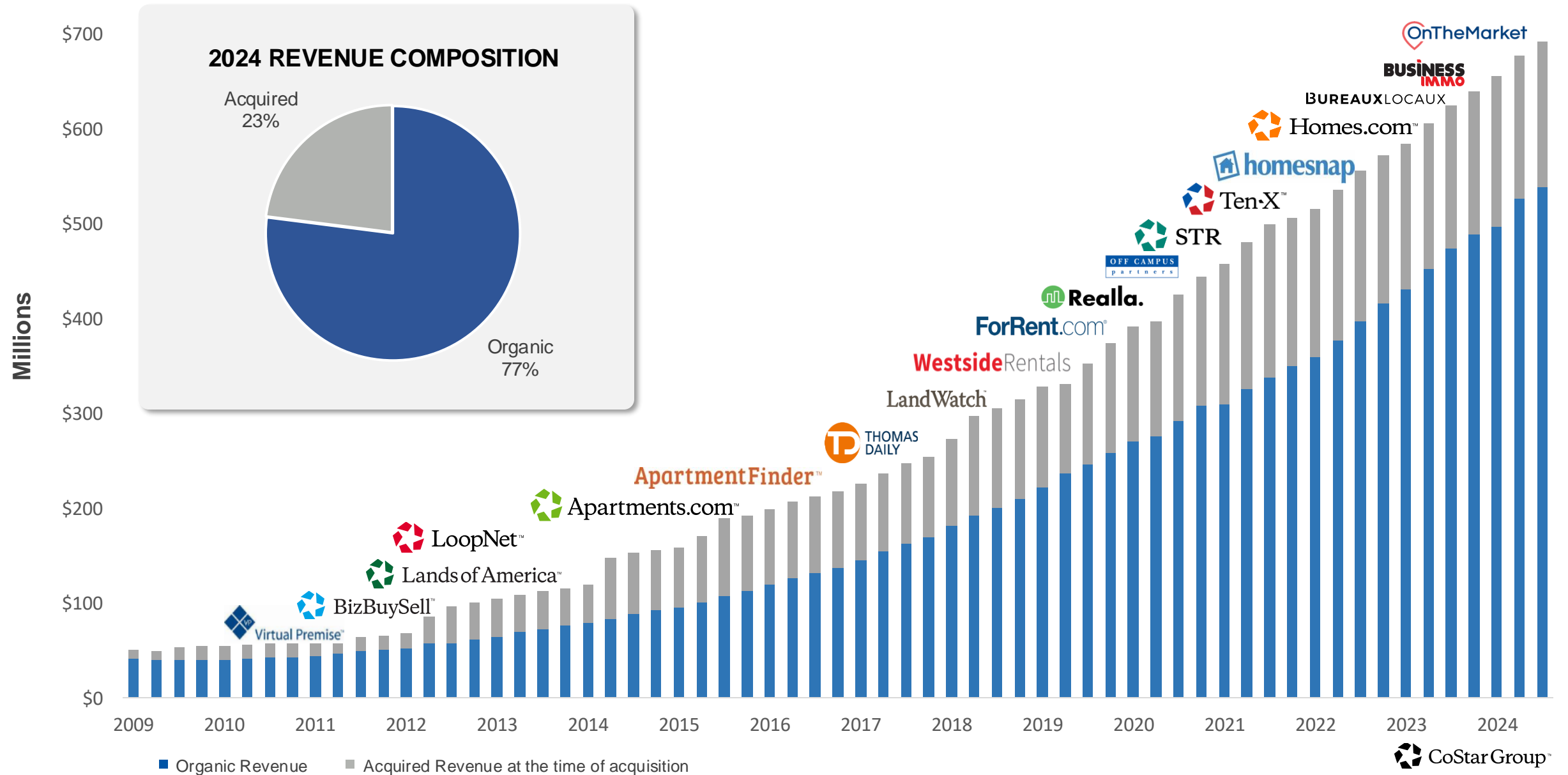


TOP 1,000 CLIENTS:  
NONE MORE THAN 2%



\*Revenue by client segment and by client extrapolated from December 2023 CoStar billing data.

# Successful Acquisition and Integration Track Record



# High-Growth, High-Margin Subscription Business Model

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## Double-Digit Revenue Growth

- ✓ **23%** Revenue CAGR since IPO 26 years ago
- ✓ Double-digit revenue growth for **54 straight quarters**

## Predictable Subscription Services Revenue

- ✓ **96%** subscription revenue with **80%** annual contracts
- ✓ **95%** renewal rate for clients > 5 years

## Strong Operating Leverage

- ✓ **80%** gross margin
- ✓ Commercial information and marketplace businesses **40%+** profit margins

## Highly Cash Generative with Strong Balance Sheet

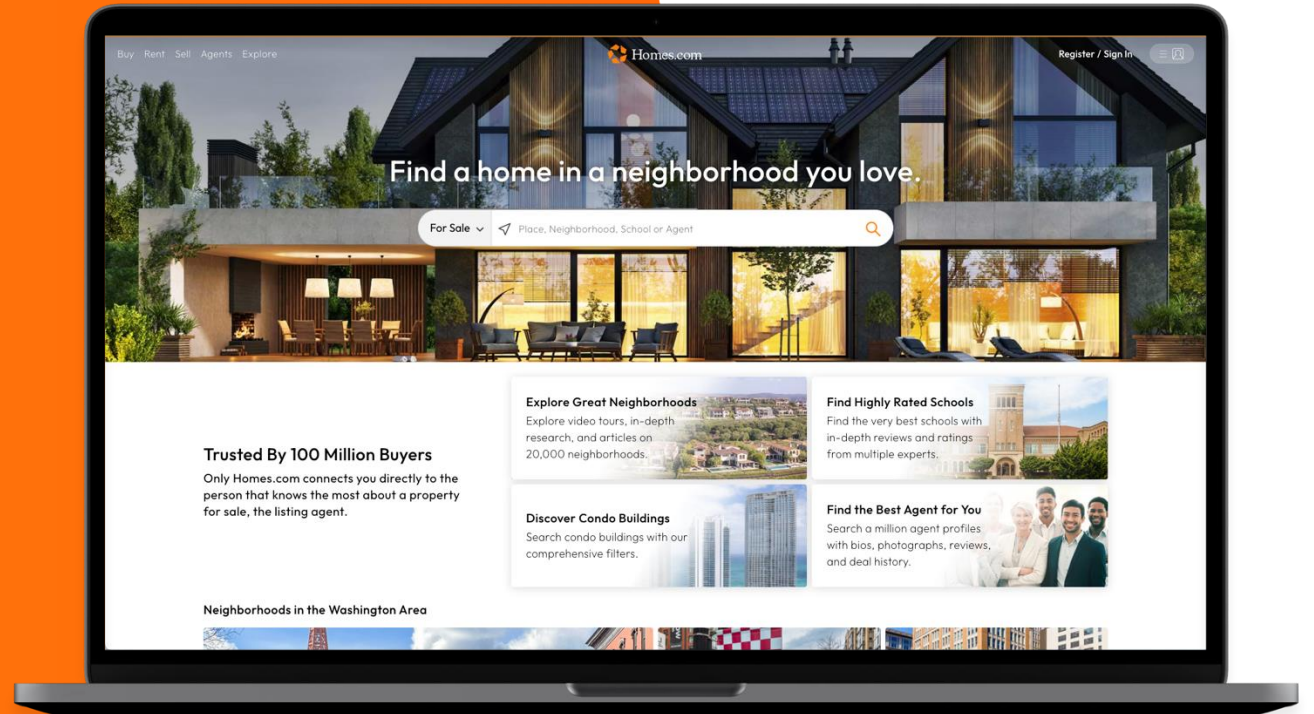
- ✓ Net cash provided by operating activities of **\$490 million** for 2023
- ✓ **~\$5 billion** cash versus **\$1 billion** of debt



The fastest growing U.S. residential marketplace

# Our Vision

Establish Homes.com  
as the #1 residential  
real estate marketplace



# Homes.com by the Numbers

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**85M**

Homes.com  
Average Monthly  
Unique Visitors

**130M**

Homes.com Network  
Average Monthly  
Unique Visitors

**2.4M**

Residential For Sale  
and Rental Listings

**\$56M**

Annualized Net New  
Bookings

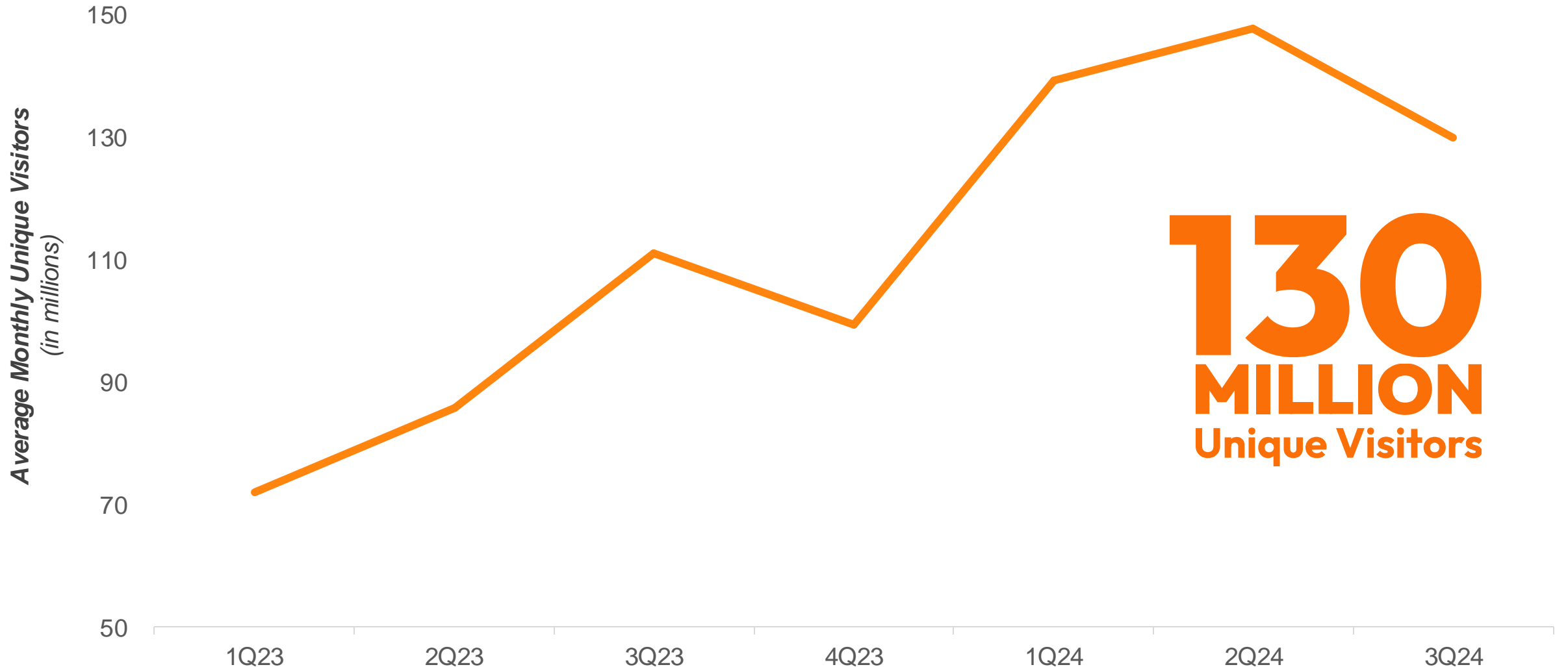
**~11K**

Member Agents

**Millions**

of Leads

# Homes.com Network Traffic Reaches 130M Average Monthly Unique Visitors in Q3



**130**  
**MILLION**  
Unique Visitors



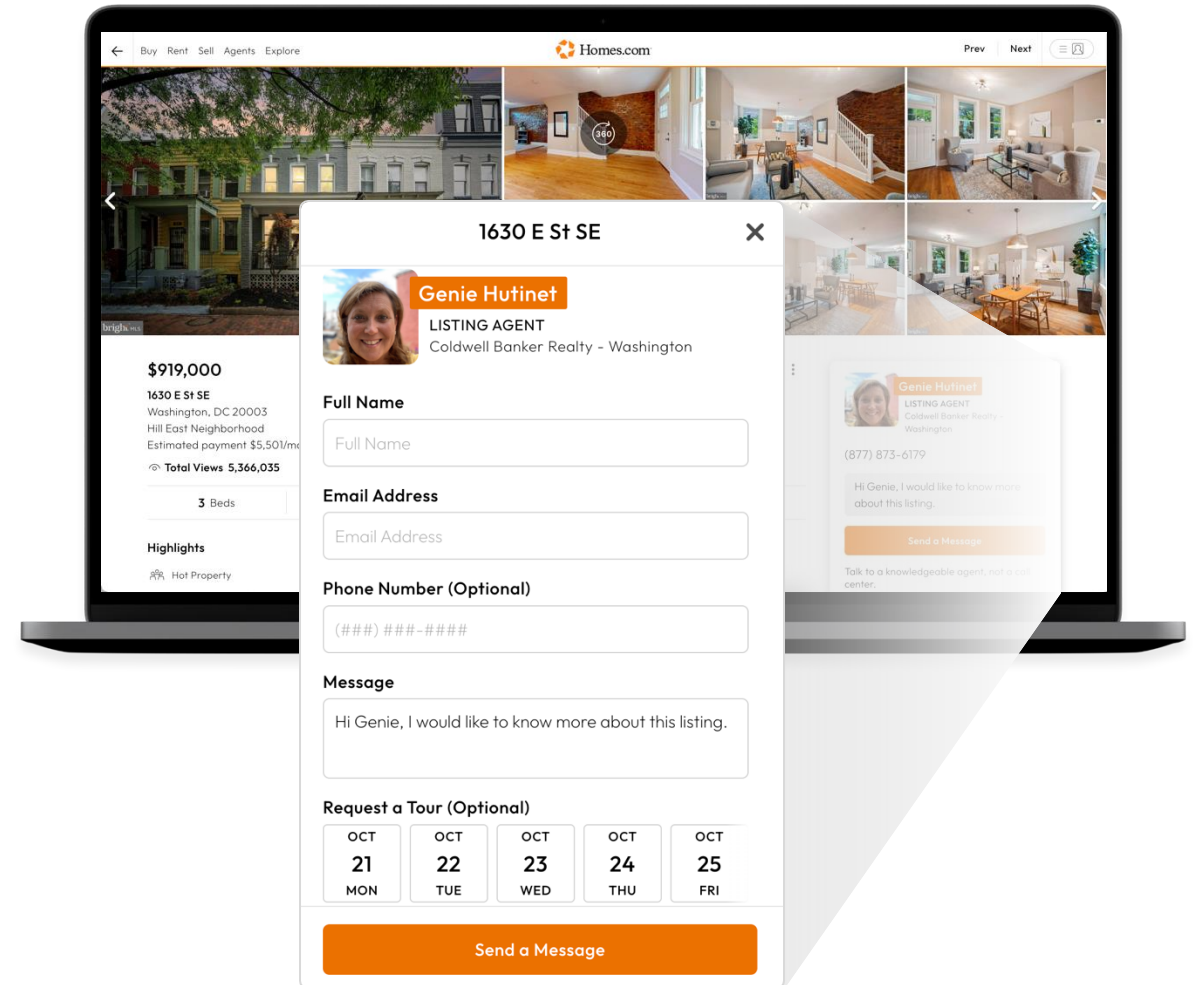
Homes.com Network traffic according to Google Analytics. \*Prior to June 1, 2024, we measured average monthly unique visitors for all CoStar Group sites using Google's Universal Analytics. Beginning June 1, 2024, average monthly unique visitors are measured using Google Analytics 4 (GA4), the replacement for Universal Analytics. Due to the change in methodologies, unique visitors reported prior to June 1, 2024 may not provide a meaningful comparison to unique visitors in subsequent periods.





# A Better Business Model – “Your Listing, Your Lead”

- The most powerful real estate digital marketing solution to sell a home
- Agents are using Homes.com to sell homes faster, win more listings and grow their brands
- Only Homes.com prominently displays the listing agent on the listing and connects you directly to the listing agent who knows the home best\*
- Competitor models divert leads from agents and their brands; taking buyer and seller leads from your listings



# Homes.com Displays the Listing Agent, Firm & Buyer Agent Directory



## Find an Agent

**\$1,025,000**  
11340 Dorchester Ln  
Frisco, TX 75033  
Frisco Neighborhood  
Estimated payment \$6,693/month

5 Beds | 4 Baths | 4,392 Sq Ft | \$233 Price per Sq Ft

**Highlights**  
Hot Property | Heated Pool and Spa | Community Lake  
Pink Elementary School Rated A | Open Floorplan | Deck

**About This Home**  
Stunning K. Hovnanian home in highly sought-after Shaddock Creek Estates in FRISCO ISD. Grand two-story entryway—hand-scraped hardwood flrs—sophisticated study enclosed w-French drs. Formal dining area effortlessly transitions to fam rm w-stone & shiplap FP—wall of windows w-views of bkyrd—covered patio—outdoor kitchen—sparkling pool—spa & secure gated driveway. Gourmet kitchen w-SS apps, including gas cooktop & double ovens—rich wd cabinetry—seated island. Breakfast nook w-banquette seating. Primary suite w-sitting area—soaker tub—separate shower—dual sinks—his & her closets. First flr guest suite w-full bath. Updated mudroom w-abundant storage. Upstairs m rm w-surround sound—sunken seating—seated bar—serving areas. Game rm—three generously sized bdrms—built-in study. Car garage converted to mud r

**Jan Chavoya**  
LISTING AGENT  
COMPASS  
(469) 599-2389  
Hi Jan, I would like to know more about this listing.  
[Send a Message](#)  
Talk to a knowledgeable agent, not a call center.

## Listing Agent

Jan Chavoya • 972-965-6689

Compass RE Texas, LLC

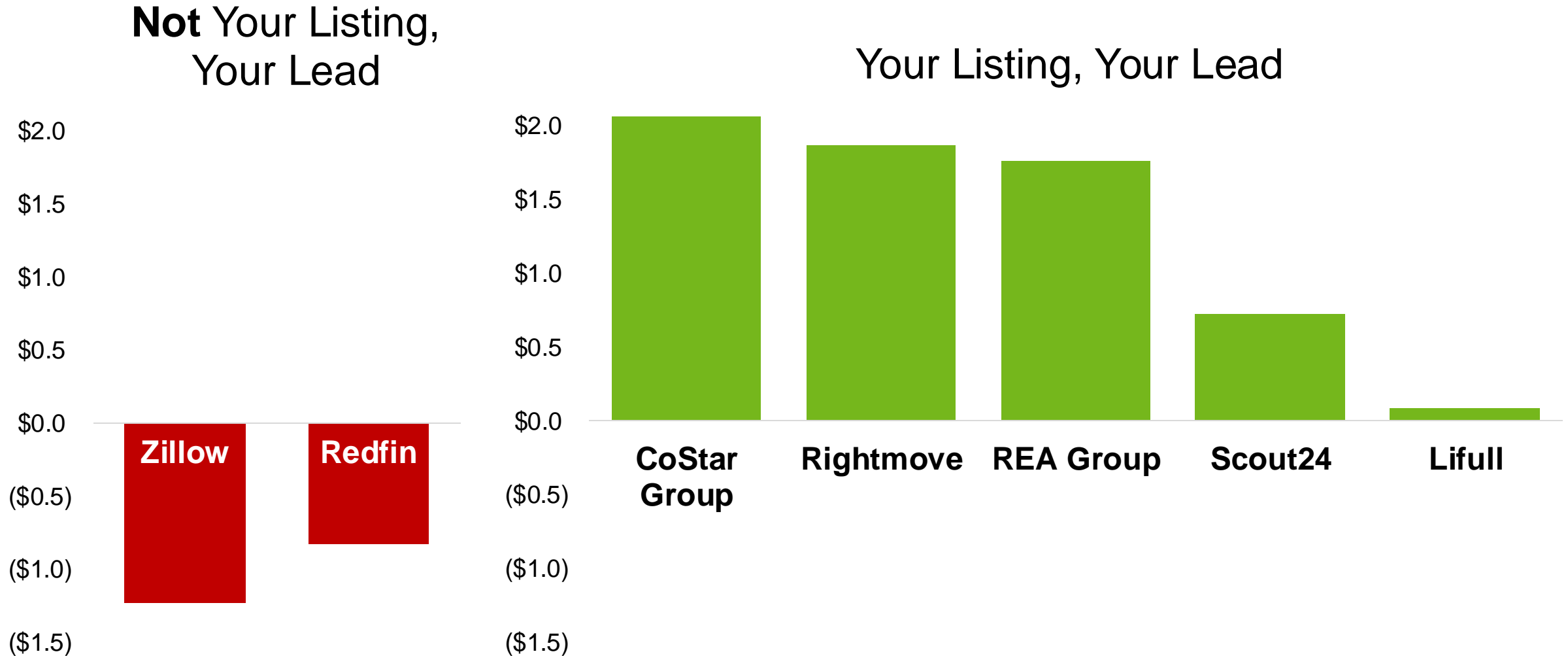


**\$1,025,000**  
11340 Dorchester Ln, Frisco, TX 75033  
5 beds  
Est.: \$7,316/mo | Get pre-qualified

Single Family Residence | Built in 2006  
7,361 sqft lot | \$987,200 Zestimate  
\$233/sqft | \$55/mo HOA

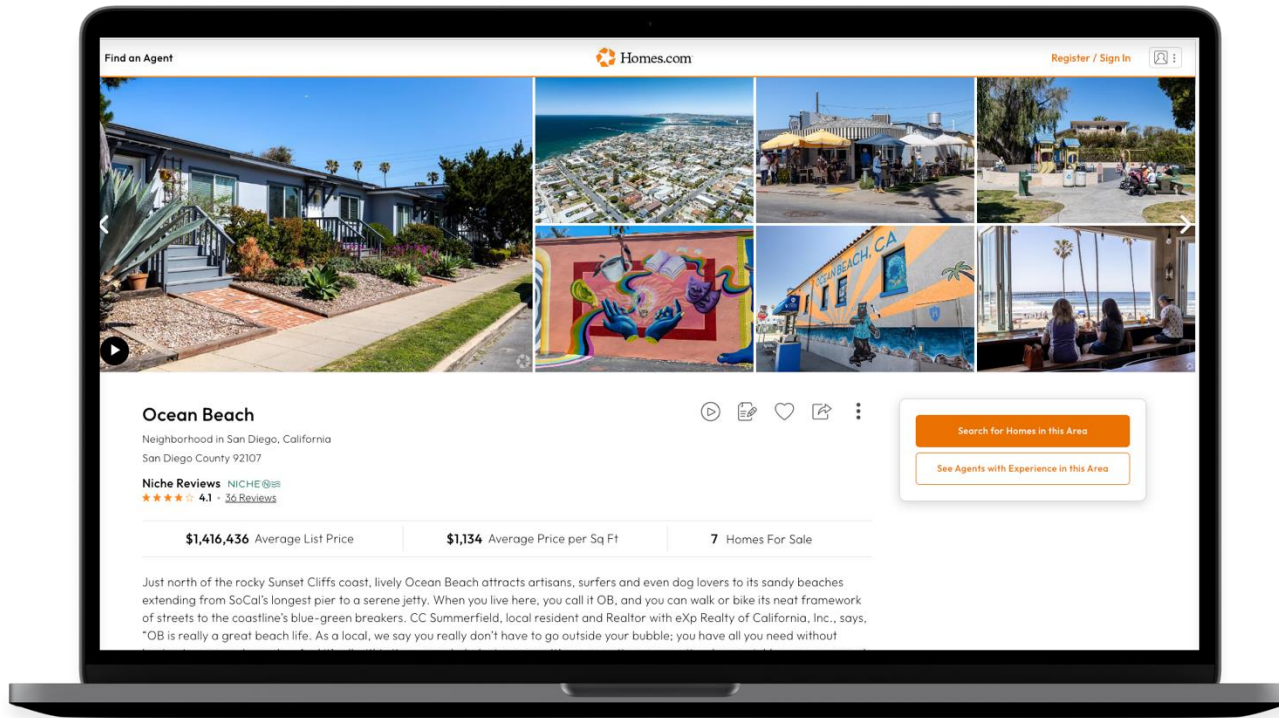
**Request a tour**  
as early as today at 1:00 pm  
[Contact Zillow](#)

# The Real Estate Portals Adhering to the Your Listing, Your Lead Principal are the Most Successful



# Our Proprietary Content Sets Us Apart. Consumers Aren't Just Looking for a Home, They're Looking for a Community

Homes.com is digitizing rich content for communities across the U.S.



Completed 20,000+ Neighborhoods

5,000+  
Cities

40,000+  
Parks

125,000+  
Schools

65,000+  
Condo Buildings

Launched Matterport 3D Virtual Tours on  
Homes.com Members Listings in 94 Markets

**“We’ve done your home work.”**



**Homes.com™**



**2024 Supercharged  
Marketing Campaign**



# BIGGEST Real Estate Campaign Ever

Working on behalf of the industry to help agents sign more buyer and seller agreements, drive demand for their listings and close more transactions.

Over a  
**BILLION  
DOLLARS**  
invested

**80**  
**BILLION**  
impressions

Reaching  
**90%**  
of households



# Homes.com is *EVERYWHERE*

No other competitors come close to our investment to drive leads to *all agents*



# Homes.com Unaided Brand Awareness Up 8x to 33%



UP  
8X

4%

Sept '23

33%

Sept '24



# Member Agent Listings Sell Homes Faster and For More Money Than Non-Member Agents

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**34X**

more listing shares

**62X**

more favorites

**20%**

more likely to go under contract  
within first 10 days

**\$11K**

average higher sales price

**50%**

more listings won in  
a month on average

## Investing to Create the #1 Residential Portal in the UK

Traffic

**+212%**

Unique Visitors

**+348%**

Total Stock on Site

**+45%**

Listing Estate Agents

**+27%**

Sales Leads

**+76%**



Discover your new home.  
Helping 100 million renters find their perfect fit.

# Apartments.com by the Numbers

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**\$1.1B**

Revenue Run Rate

**16%**

Year-over-Year  
Revenue Growth



**Apartments.com™**

**67%**

Unaided Brand  
Awareness

**1M+**

Rental  
Availabilities

**1B**

Annual Visits

**43M**

Average Monthly  
Unique Visitors

# More Apartment Communities Advertise on Apartments.com



~75,000

APARTMENT  
COMMUNITIES

now advertise on  
Apartments.com

# Owners & Operators Rank **Apartments.com** #1 in Metrics that Matter

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- ✓ Best brand awareness
- ✓ Highest-quality leads
- ✓ Highest lead-to-lease conversion rate
- ✓ Generating the most applications

# Tremendous Opportunity Ahead in the Small to Medium Property Space

Unit Range	Universe (Properties)	Clients (Properties)	Annual Subscription Revenue Run Rate (\$M)	Revenue Penetration	TAM (\$M)
1-49	22M	18K	\$66M	1%	\$6B
50-99	71K	12K	\$119M	17%	\$1B
100+	107K	45K	\$880M	42%	\$2B
<b>Grand Total</b>	<b>23M</b>	<b>75K</b>	<b>\$1B</b>	<b>12%</b>	<b>\$9B</b>

**\$7B**  
opportunity

# Ten Years of Success for Apartments.com

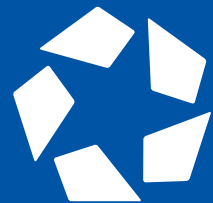
THE WALL STREET JOURNAL.  
CoStar to Acquire Apartments.com for \$585 Million

## Growth Since Acquisition

	2014	2024
Industry Rank	5 <sup>th</sup> place in highly fragmented online rental search industry	The leading online rental marketplace
Revenue	\$75 million	\$1 billion annual revenue run rate
Traffic	4 million average monthly unique visitors	43 million average monthly unique visitors
Customers	18,000 communities	~75,000 communities

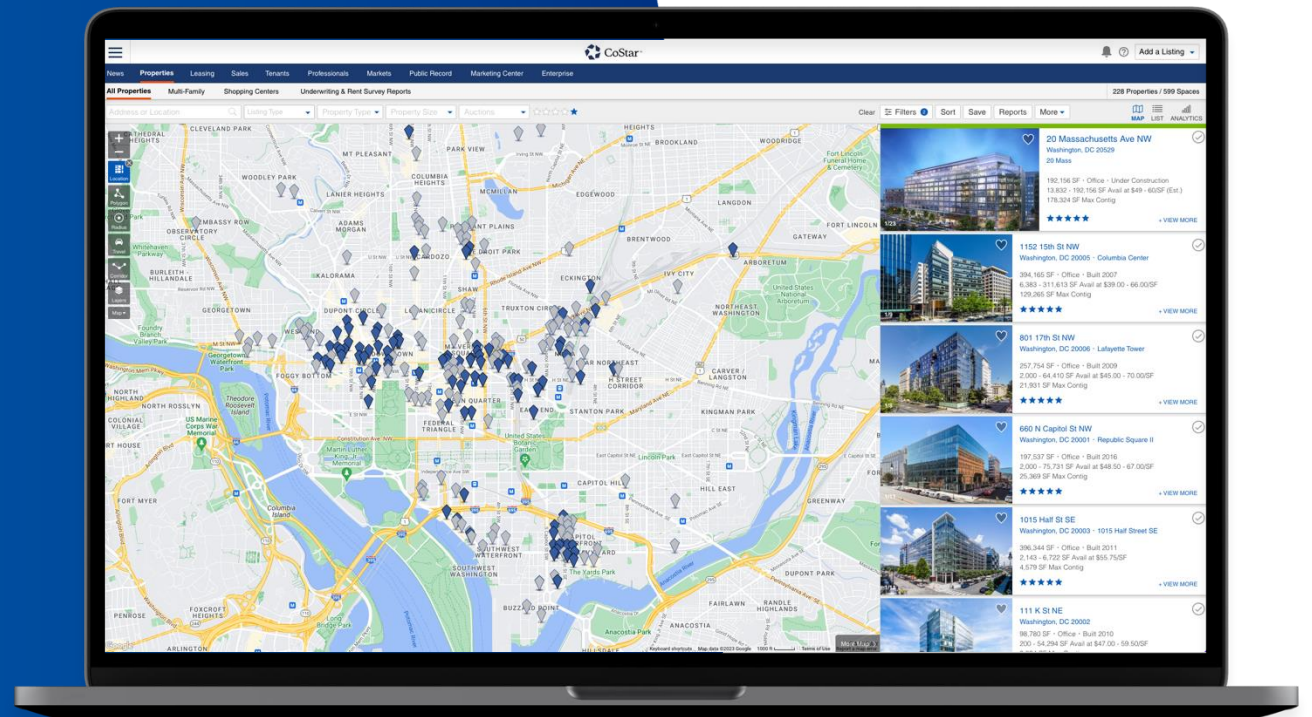






# CoStar™

A global leader in commercial  
real estate information, analytics,  
and data-driven news



# CoStar by the Numbers

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**\$1B**

Revenue Run Rate

**240K**

Subscribers



**CoStar™**

**950K**

Listings

**7M**

Commercial  
Properties

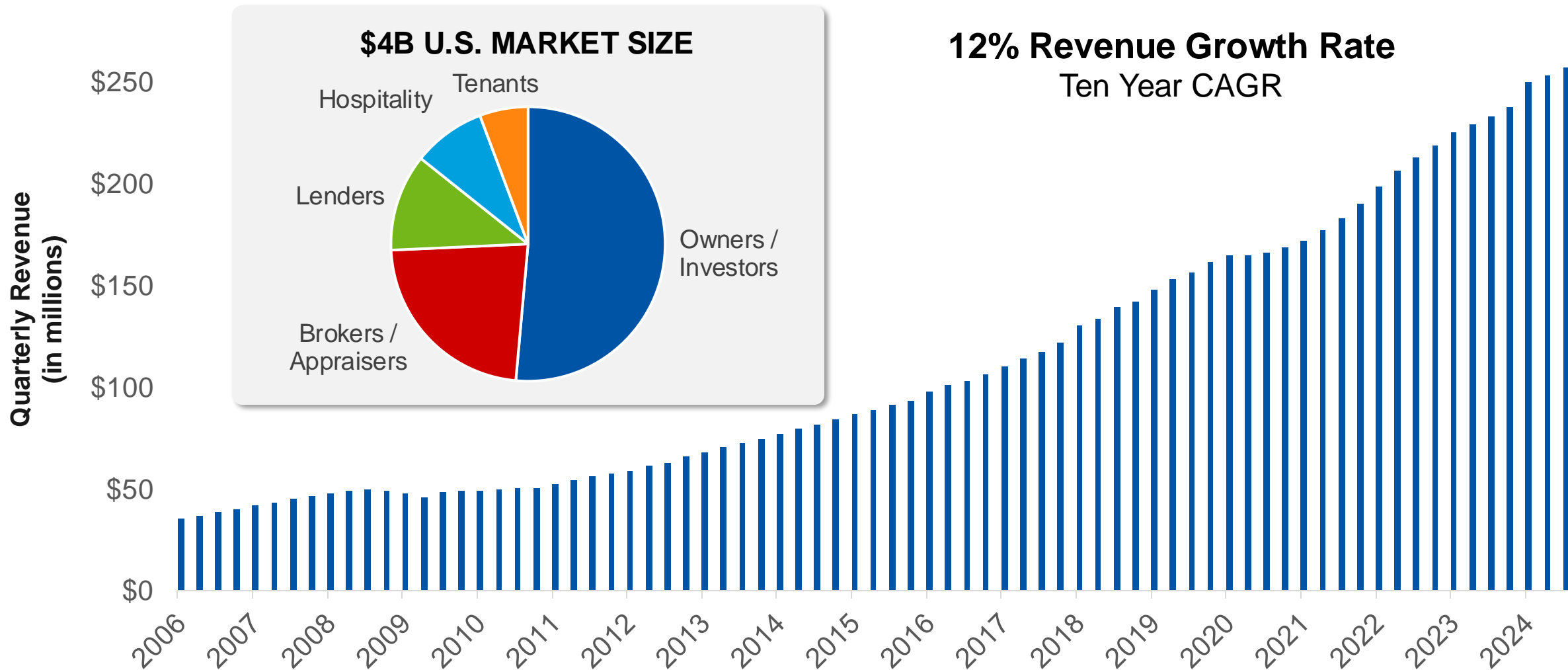
**15M**

Lease  
Transactions

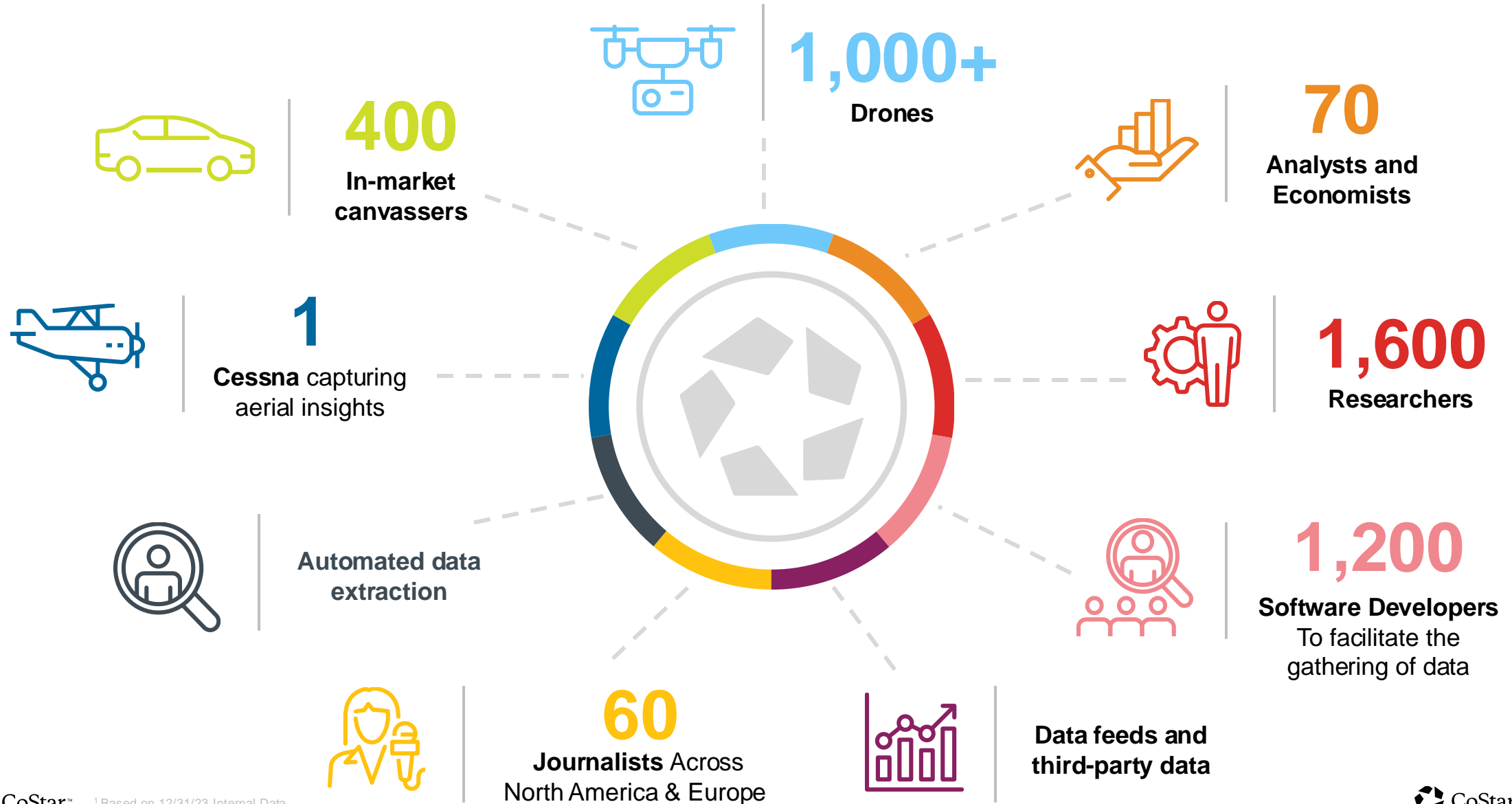
**5M**

Sale Transactions

# CoStar Product Investments Expand the Market Size, Resulting in Long-Term Double-Digit Growth

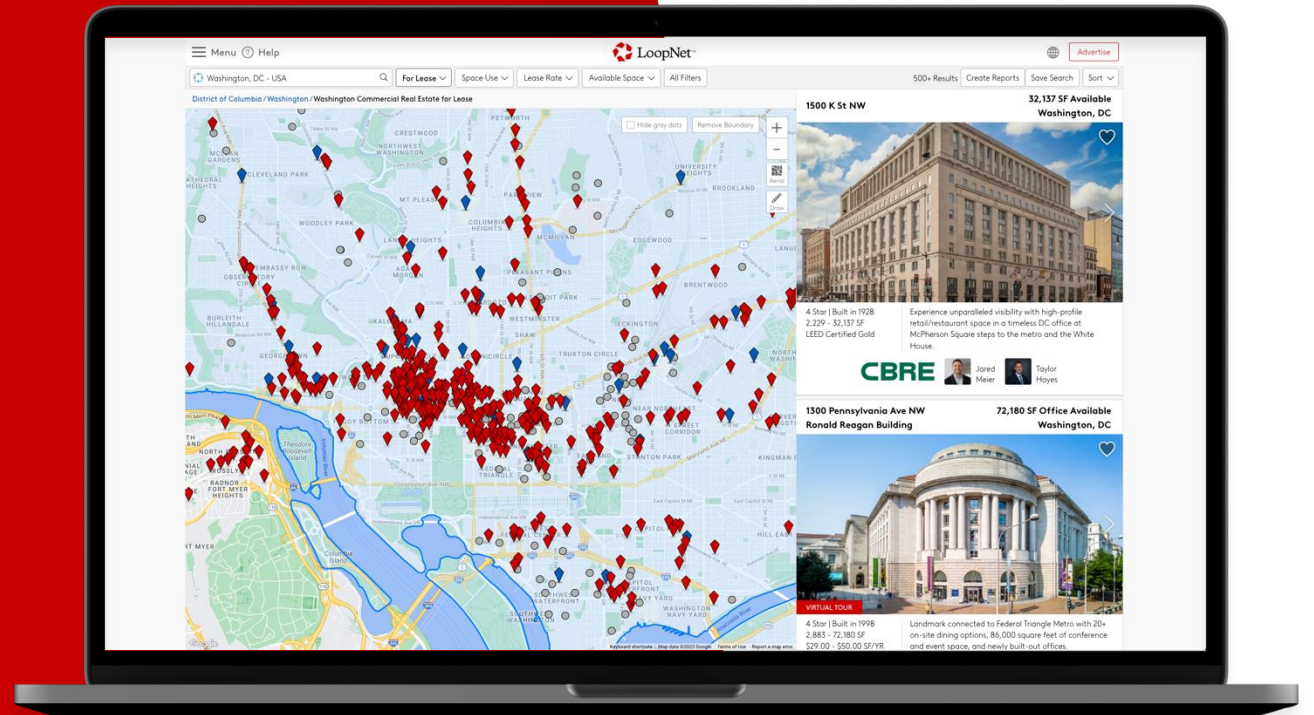


# Unparalleled Research Methodology





The #1 global commercial  
real estate marketplace



# LoopNet by the Numbers



LoopNet™

**\$284M**

Revenue Run Rate

**14%**

5 Year Revenue  
CAGR

**13M**

Average Monthly  
Unique  
Visitors Worldwide

**390K**

CRE Brokers &  
Owners Advertising

**11X**

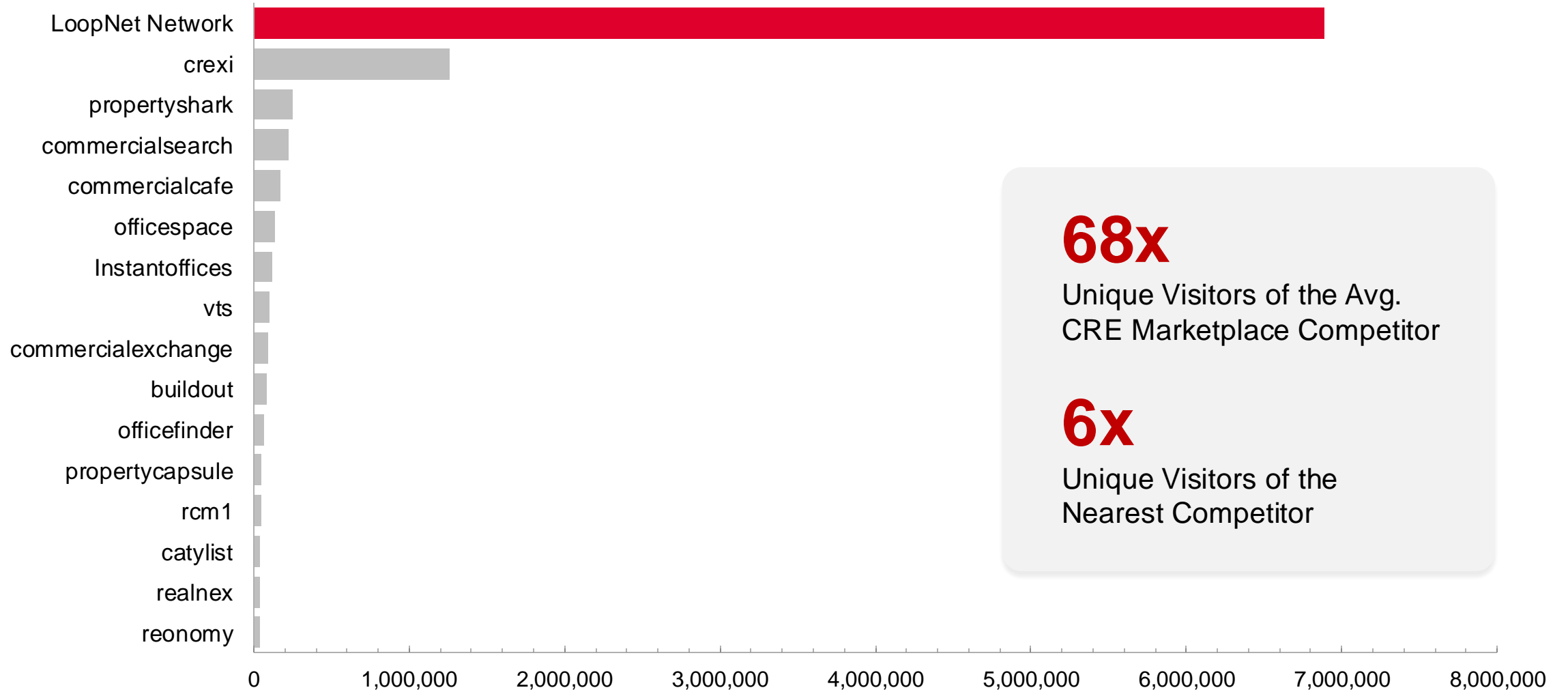
#1 Google  
keywords than  
closest competitor

**98%**

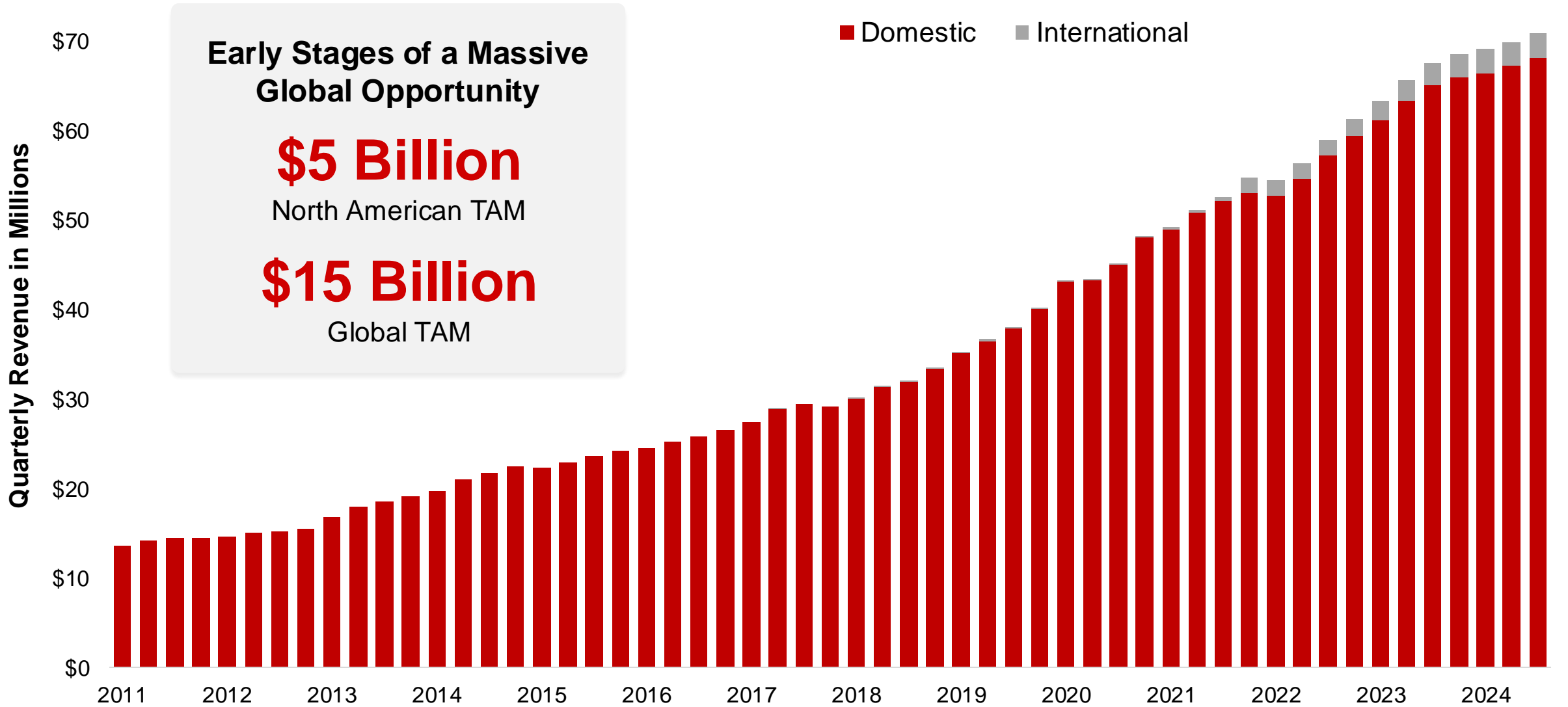
Fortune 1000  
Companies  
Active on Site

# Commanding Share of Traffic vs. Marketplace Competitors

## LoopNet Network vs. Competitors



# LoopNet Revenue Up 5x Since Acquisition





# LoopNet International Expansion Underway

## LoopNet Canada

loopnet.ca

Menu LoopNet Log In Sign Up Advertise

Find your next commercial property

For Sale For Lease Businesses For Sale

Enter a property type Enter a location Search

Advanced Search

Trends

- CRE Sales Plummet in Q1 as Expected; Here's What to Focus on Next
- Are More Apartments in Store for America's Malls?
- Deconstructing the Deal: Here Are All of LoopNet's Deals of the

## LoopNet UK

loopnet.co.uk

Menu LoopNet Log In Sign Up Advertise

Find your next commercial property

For Sale For Lease

Enter a property type Enter a location Search

Advanced Search

Trends

- Set Piece: How Brentford FC's New Pitch Is Changing West London
- Here's Where London Office Tenants Are Rapidly Letting Space
- Overcoming the Challenges (and Stigma) in an Office to

## LoopNet Spain

loopnet.es

Menú LoopNet Iniciar Sesión Inscribirse Anunciar

Encuentre su próxima propiedad comercial

Venta Aquilar

Buscar zona Buscar una ubicación Buscar

Busqueda Avanzada

Tendencias

- Clínicas de fertilidad, spas para mascotas y otros conceptos minoristas emergentes

## LoopNet France

loopnet.fr

Menu LoopNet Connectez-vous S'inscrire Annoncer

Trouvez votre prochaine propriété commerciale

À vendre À louer

Entrer un type de propriété Paris Rechercher

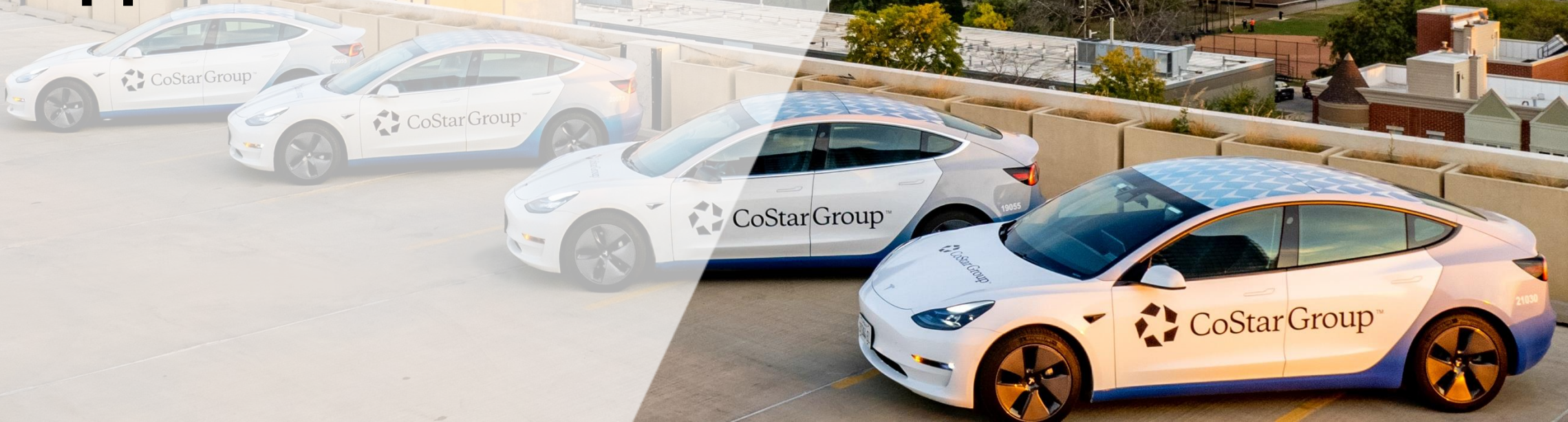
Recherche Avancée

Les tendances

- Vous voulez un accord avec « Le profit » ? Marcus Lemonis A Vendre Une Propriété



# Appendix



# Non-GAAP Measures

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For information regarding the purpose for which management uses the non-GAAP financial measures disclosed in this release and why management believes they provide useful information to investors regarding the CoStar Group Inc.'s (the "Company" of "CoStar Group") financial condition and results of operations, please refer to the Company's latest periodic report filed with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

EBITDA is a non-GAAP financial measure that represents GAAP net income attributable to CoStar Group before interest income or expense, net and other income or expense, net; loss on debt extinguishment; income taxes; depreciation and amortization expense.

Adjusted EBITDA is a non-GAAP financial measure that represents EBITDA before stock-based compensation expense, acquisition- and integration-related costs, restructuring costs, and settlements and impairments incurred outside the Company's ordinary course of business. Adjusted EBITDA margin represents adjusted EBITDA divided by revenues for the period.

Non-GAAP net income is a non-GAAP financial measure determined by adjusting GAAP net income attributable to CoStar Group for stock-based compensation expense, acquisition- and integration-related costs, restructuring costs, settlement and impairment costs incurred outside the Company's ordinary course of business and loss on debt extinguishment, as well as amortization of acquired intangible assets and other related costs, and then subtracting an assumed provision for income taxes. In 2024, the Company is assuming a 26% tax rate in order to approximate its statutory corporate tax rate excluding the impact of discrete items.

Non-GAAP net income per diluted share is a non-GAAP financial measure that represents non-GAAP net income divided by the number of diluted shares outstanding for the period used in the calculation of GAAP net income per diluted share. For periods with GAAP net losses and non-GAAP net income, the weighted average outstanding shares used to calculate non-GAAP net income per share includes potentially dilutive securities that were excluded from the calculation of GAAP net income per share as the effect was anti-dilutive.

Organic revenues and acquired revenues are non-GAAP measures for reporting financial performance of the business. Organic revenues represent total company revenues excluding net revenues from acquired companies for the first four full quarters since the entities' acquisition date. Acquired revenues represents revenues from acquired companies for the first four full quarters since the entities' acquisition date. After the completion of four full fiscal quarters, changes in revenues of acquired is treated as organic for future periods. For products discontinued after an acquisition, the lesser of the reported revenues or the actual revenues reported is included in acquired revenues.

# Reconciliation of Net Income to Non-GAAP Net Income - Unaudited

The following table presents a reconciliation of CoStar Group's Non-GAAP Net Income, including forward-looking guidance Non-GAAP Net Income, to the most directly comparable GAAP financial measure, net income.

<i>(in millions) except per share amounts</i>	For the Year Ending December 31,		For the Three Months Ended			For the Nine Months Ended
	2024 - Low <sup>(1)</sup>	2024 - High <sup>(1)</sup>	December 31, 2024 - Low <sup>(1)</sup>	December 31, 2024 - High <sup>(1)</sup>	September 30, 2024	September 30, 2024
Net income	\$ 122.0	\$ 128.0	\$ 43.0	\$ 49.0	\$ 53.0	\$ 78.9
Income tax (benefit) expense	63.0	67.0	17.0	21.0	24.7	46.2
Income before income taxes	185.0	195.0	60.0	70.0	77.7	125.1
Amortization of acquired intangible assets	71.0	71.0	17.0	17.0	16.5	54.4
Stock-based compensation expense	93.0	93.0	26.0	26.0	21.8	67.3
Acquisition and integration costs	24.0	24.0	11.0	11.0	4.4	12.7
Restructuring and related costs	—	—	—	—	0.2	0.2
Settlements and impairments	(1.0)	(1.0)	—	—	(1.3)	(1.3)
Non-GAAP income before taxes	372.0	382.0	114.0	124.0	119.3	258.4
Assumed rate for income tax expense	26 %	26 %	26 %	26 %	26 %	26 %
Assumed provision for income tax expense	(96.7)	(99.3)	(29.6)	(32.2)	(31.0)	(67.2)
Non-GAAP net income per share - diluted	\$ 275.0	\$ 283.0	\$ 84.0	\$ 92.0	\$ 88.3	\$ 191.2
Net income per share - diluted	\$ 0.30	\$ 0.31	\$ 0.11	\$ 0.12	\$ 0.13	\$ 0.19
Non-GAAP net income per share - diluted	\$ 0.67	\$ 0.69	\$ 0.21	\$ 0.23	\$ 0.22	\$ 0.47
Weighted average outstanding shares - diluted	407.8	407.8	408.3	408.3	408.0	407.6

<sup>(1)</sup> Represents forward-looking guidance

# Reconciliation of Net Income to Adjusted EBITDA - Unaudited

The following table presents a reconciliation of CoStar Group's Adjusted EBITDA, including forward-looking guidance range Adjusted EBITDA, to the most directly comparable GAAP financial measure, net income.

<i>(in millions)</i>	For the Year Ending December 31,		For the Three Months Ended			For the Nine Months Ended
	2024 - Low <sup>(1)</sup>	2024 - High <sup>(1)</sup>	December 31, 2024 - Low <sup>(1)</sup>	December 31, 2024 - High <sup>(1)</sup>	September 30, 2024	September 30, 2024
Net income	\$ 122.0	\$ 128.0	\$ 43.0	\$ 49.0	\$ 53.0	\$ 78.9
Amortization of acquired intangible assets	71.0	71.0	17.0	17.0	16.5	54.4
Depreciation and other amortization	42.0	42.0	11.0	11.0	10.6	31.0
Interest income, net	(216.0)	(216.0)	(51.0)	(51.0)	(55.6)	(165.3)
Other (income) expense, net	7.0	7.0	2.0	2.0	1.6	4.9
Income tax expense	63.0	67.0	17.0	21.0	24.7	46.2
EBITDA	89.0	99.0	39.0	49.0	50.8	50.1
Stock-based compensation expense	93.0	93.0	26.0	26.0	21.8	67.3
Acquisition and integration related costs	24.0	24.0	11.0	11.0	4.4	12.7
Restructuring and related costs	—	—	—	—	0.2	0.2
Settlements and impairments	(1.0)	(1.0)	—	—	(1.3)	(1.3)
Adjusted EBITDA	\$ 205.0	\$ 215.0	\$ 76.0	\$ 86.0	\$ 75.9	\$ 129.0

<sup>(1)</sup> Represents forward-looking guidance

# Use of Operating Metrics and Other Definitions

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CoStar Group reviews a number of operating metrics to evaluate its business, measure performance, identify trends, formulate business plans and make strategic decisions. This presentation includes Net New Bookings. Going forward, CoStar Group expects to use these operating metrics on a periodic basis to evaluate and provide investors with insight into the performance of the Company's subscription-based services.

Net New Bookings are calculated based on the annualized amount of change in the Company's sales bookings, resulting from new subscription-based contracts, changes to existing subscription-based contracts and cancellations of subscription-based contracts for the period reported. Information regarding net new bookings is not comparable to, nor should it be substituted for, an analysis of the Company's revenues over time.

## Other Definitions

References to “commercial information and marketplace businesses” refer to our consolidated financial position and results excluding the impact of our Residential brands, which are Homes.com and OnTheMarket.

Our “Homes.com Network” consists of the following list of U.S. only brands: Apartments.com, ApartmentFinder, FinderSites, ApartmentHomeLiving, WestSideRentals, ForRent, After55, CorporateHousing, ForRentUniversity, Cozy.com, Off Campus Partners, Homes.com, Homesnap, CitySnap, Land.com, Landandfarm.com, and LandWatch.com.

Our “Apartments.com Network” consists of the following list of U.S. only brands: Apartments.com, ApartmentFinder, FinderSites, ApartmentHomeLiving, WestSideRentals, ForRent, After55, CorporateHousing, ForRentUniversity, Cozy.com, Off Campus Partners, rental-only listings on Homes.com.

Our “Land.com Network” consists of the following U.S. only brands: Land.com, Landandfarm.com, and LandWatch.com.