Certain information in this presentation includes “forward-looking statements” within the meaning of federal securities laws, including financial projections of CoStar Group, Inc. (“CoStar Group” or the “Company”), addressable markets, statements about management’s plans, growth strategy, goals and objectives for future operations and similar statements regarding expected future events. These statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results to differ materially.

Factors that could cause or contribute to such differences include: general economic conditions; the risk that our projections about revenue, EBITDA, Adjusted EBITDA, net income per share, Non-GAAP net income, Non-GAAP net income per share, site traffic or the number of users on our sites are not as expected; product development and releases; planned sales and marketing activities and investments; the anticipated benefits of completed or proposed acquisitions; trends in customer behavior; effective tax rates; the anticipated benefits of cross-selling efforts; planned service enhancements; legal and regulatory issues; changes in accounting policies or practices and current economic conditions, including the potential impacts of the COVID-19 pandemic, on the commercial real estate industry and our customer base.

More information about potential risks that could cause actual results to differ from those contemplated by the forward-looking statements is included in our filings with the Securities Exchange Commission (the “SEC”), including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. All forward-looking statements are based on information available to us on the date of this presentation, and we assume no obligation to publicly update such statements whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures, including Organic Revenues, Acquired Revenues, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Non-GAAP Net Income and Non-GAAP Net Income per Share, 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.
### Third Quarter 2023 Highlights

- Third quarter 2023 revenue increased **12%** year-over-year. Commercial information and marketplace businesses grew **14%** year-over-year.

- 50 consecutive quarters of double-digit revenue growth.

- Homes.com traffic reached **100 million** unique visitors in September, up 1,290% from September 2022 to become the second most trafficked residential site in the U.S.

- Residential network traffic was **141 million** unique visitors, more than Realtor and Redfin combined.

- Apartments.com revenue growth accelerated to **24%** year-over-year.

- Strong net new bookings of **$65 million** in the third quarter.

- Offer to acquire OnTheMarket – the third most visited residential property portal in the United Kingdom.

---

Source: In September 2023, Homes.com surpassed 100 million monthly unique visitors, according to Google Analytics, exceeding Realtor.com’s 74 million monthly average unique visitors for its fiscal fourth quarter as reported in its earnings release on August 10, 2023, and Redfin’s 52 million monthly average unique visitors for the quarter ended June 30, 2023 as reported in its Form 10-Q filed August 3, 2023.
Homes.com Skyrockets Past 100M Unique Visitors in September Now #2 Most Trafficked U.S. Residential Site

Unique Visitors in Millions

Source: In September 2023, Homes.com surpassed 100 million monthly unique visitors, according to Google Analytics, exceeding Realtor.com’s 74 million monthly average unique visitors for its fiscal fourth quarter as reported in its earnings release on August 10, 2023, and Redfin’s 52 million monthly average unique visitors for the quarter ended June 30, 2023 as reported in its Form 10-Q filed August 3, 2023.
Our Websites Reached 160 Million Unique Visitors in September 2023

Source: Google Analytics Unique Visitors – All CoStar Sites
OnTheMarket is the third most visited residential property portal in the United Kingdom with approximately 20 million site visits per month\(^1\)

- Founded by agents in 2013 as an agent friendly competitive alternative to the existing UK property portals
- Over 13,000 agents advertise with OnTheMarket\(^2\)
- Revenue for the twelve-month period ending July 31, 2023, was approximately £35 million\(^3\), with adjusted EBITDA of £8 million\(^4\)
- Acquisition represents an attractive and efficient entry point into the £8 trillion United Kingdom residential property market
- Transaction multiples for trailing twelve month period are 2.5x revenue and 11x adjusted EBITDA
- Offer price £1.10 per share in cash or approximately £100 million
- Offer subject to shareholder approval and customary closing conditions. Transaction is expected to close in fourth quarter 2023

\(^1\) Calculated as 119 million visits over the period of February 2023-July 2023, divided by six months

\(^2\) Advertisers are defined as either estate and lettings agent branches or new home developments listed at OnTheMarket.com

\(^3\) Calculated as the sum of 1H FY2024 revenue of £17mm, per OnTheMarket’s FY2024 interim results announcement, and 2H FY2023 revenue, which is derived from Full Year FY2023 revenue of £35mm, per OnTheMarket’s FY2023 Annual Report, less 1H FY2023 revenue of £17mm, per the FY2024 interim results announcement.

\(^4\) Calculated as the sum of 1H FY2024 EBITDA of £3mm, per OnTheMarket’s FY2024 interim results announcement, and 2H FY2023 EBITDA, which is derived from Full Year FY2023 EBITDA of £8mm, per OnTheMarket’s FY2023 Annual Report, less 1H FY2023 EBITDA of £3mm, per the FY2024 interim results announcement.
## Third Quarter and Year-to-Date 2023 Results

<table>
<thead>
<tr>
<th></th>
<th>Third Quarter</th>
<th>Year-To-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$625 million</td>
<td>$1.8 billion</td>
</tr>
<tr>
<td></td>
<td>12% year-over-year growth</td>
<td>13% year-over-year growth</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$112 million</td>
<td>$362 million</td>
</tr>
<tr>
<td></td>
<td>18% margin</td>
<td>20% margin</td>
</tr>
<tr>
<td><strong>Net new bookings</strong></td>
<td>$65 million</td>
<td>$228 million</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$91 million</td>
<td>$278 million</td>
</tr>
<tr>
<td></td>
<td>$0.22 per diluted share</td>
<td>$0.68 per diluted share</td>
</tr>
<tr>
<td><strong>Non-GAAP net income</strong></td>
<td>$120 million</td>
<td>$365 million</td>
</tr>
<tr>
<td></td>
<td>$0.30 per diluted share</td>
<td>$0.90 per diluted share</td>
</tr>
<tr>
<td></td>
<td>Fourth Quarter</td>
<td>Full Year</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----------------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$630 million to $635 million</td>
<td>$2.445 billion to $2.450 billion</td>
</tr>
<tr>
<td></td>
<td>10% year-over-year growth</td>
<td>12% year-over-year growth</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$123 million to $128 million</td>
<td>$485 million to $490 million</td>
</tr>
<tr>
<td></td>
<td>20% margin</td>
<td>20% margin</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$97 million to $101 million</td>
<td>$376 million to $380 million</td>
</tr>
<tr>
<td></td>
<td>$0.24 to $0.25 per diluted share</td>
<td>$0.92 to $0.93 per diluted share</td>
</tr>
<tr>
<td><strong>Non-GAAP net income</strong></td>
<td>$127 million to $130 million</td>
<td>$492 million to $496 million</td>
</tr>
<tr>
<td></td>
<td>$0.31 to $0.32 per diluted share</td>
<td>$1.21 to $1.22 per diluted share</td>
</tr>
</tbody>
</table>
MISSION STATEMENT

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

37 years of real estate experience

One billion+ annual visits to our websites

$5 billion+ investment in research and technology

5,700 employees

member of the STANDARD &POOR’S 500

FORTUNE 100 FASTEST GROWING COMPANIES

FUTURE 50

GLOBAL 2000 WORLD’S LARGEST PUBLIC COMPANIES

COMPANY OF THE YEAR

SABEW

FORBES

The World’s Most Innovative Companies

INGRAM 100 INDEX

SHORTY AWARDS Best Integrated Marketing Campaign

75 offices

14 countries

~$30 billion market capitalization

$5 billion+ in cash on hand

*All numerical data as of September 30, 2023
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 37 years with > $5 billion invested in research.

• **Leading Property Marketplaces**: Hundreds of millions shop our online real estate marketplaces.

• **Successful growth track record**: 50 consecutive quarters of double-digit revenue growth, both organic and through acquisitions.

• **Attractive financial model**: Over 95% subscription revenue. 90%+ renewal rates*. Strong margins, high free cash flow and a fortress balance sheet.

---

*All data as of September 30, 2023. Subscription revenue includes all contracts regardless of term. Renewal rate refers to 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)

Single Family Residential/ New Homes (2020)
Hotel (2019)
Apartment (2014)
Retail (2004)
Rural Land (2011)
Industrial (1994)
Office (1986)

GLOBAL REAL ESTATE
$300 TRILLION

United States
Canada
France
UK
India
Germany
China
CoStar Group Offices

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 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

**Total North American Addressable Market**

- **CoStar**: $4 Billion
- **Apartments.com**: $9 Billion
- **LoopNet**: $5 Billion
- **Ten-X**: $6 Billion
- **Homes.com**: >$15 Billion

**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
Consistent Double Digit Revenue Growth

16% TOTAL 5 YEAR REVENUE CAGR

2018: $1.2B
2019: $1.4B
2020: $1.7B
2021: $1.9B
2022: $2.2B
2023E: $2.5B

5 YEAR CAGR: 23%, 20%, 16%, 18%, 11%
50 Consecutive Quarters of Double-Digit Revenue Growth Regardless of Commercial Property Transaction Volumes

- Sustained double-digit revenue growth
- 95% subscription revenue
- 80% annual contracts\(^1\)
- Resilient through market cycles
- Single, integrated global platform

Quarterly Revenue (in millions)

Great Recession
2009 Revenue: -1%

Pandemic
2020-2021: +18% Growth

High Inflation
2022-2023: +12% Growth

\(^1\) As of September 30, 2023. Organic revenue excludes revenue from acquired companies at time of acquisition. 2022-2023 revenue growth rate based on full year 2022 and 2023 run rate revenue.
More Diversified with More Countercyclical Business Mix Since the Great Recession

2008 REVENUE

- CoStar 92%
- Information Services
- Other Revenue
- Information & Analytics 100%

2023E REVENUE

- CoStar 38%
- Information & Analytics 45%
- Marketplaces 55%
- Residential 5%
- LoopNet 11%
- Multifamily 37%
- Other Marketplaces 2%
- Information Services 7%

Since the Great Recession, the business mix has become more diversified and countercyclical.
Diversified Client Base with Minimal Concentration

REVENUE BY CLIENT SEGMENT

- Owners: 34%
- Brokers: 22%
- Property Management: 19%
- Other: 14%
- Lender: 4%
- Investors: 7%

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

TOP 1,000 CLIENTS: NONE MORE THAN 2%
2023 REVENUE COMPOSITION

Organic 78%
Acquired 22%

Successful Acquisition and Integration Track Record
## High Growth, High Margin Subscription Business Model

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Double-Digit Revenue and Adjusted EBITDA Growth</strong></td>
<td>23% Revenue CAGR since IPO 24 years ago</td>
</tr>
<tr>
<td></td>
<td>Net Income CAGR of 29% over the last 10 years</td>
</tr>
<tr>
<td></td>
<td>Adjusted EBITDA CAGR of 14% over the last 10 years</td>
</tr>
<tr>
<td><strong>Predictable Subscription Services Revenue</strong></td>
<td>95% subscription revenue with 82%+ annual contracts</td>
</tr>
<tr>
<td></td>
<td>96% renewal rate for clients &gt; 5 years</td>
</tr>
<tr>
<td></td>
<td>Double-digit revenue growth for 50 straight quarters</td>
</tr>
<tr>
<td><strong>Strong Operating Leverage</strong></td>
<td>80%+ gross margin</td>
</tr>
<tr>
<td></td>
<td>Commercial business approaching 40% margin</td>
</tr>
<tr>
<td><strong>Highly Cash Generative with Strong Balance Sheet</strong></td>
<td>Net cash provided by operating activities of <strong>$526M</strong> for trailing twelve months</td>
</tr>
<tr>
<td></td>
<td>$5.2B cash versus $1B of debt</td>
</tr>
</tbody>
</table>

*Note: All data as of 9/30/23.*
ESG Recent Accomplishments

• Calculated Greenhouse Gas baseline emissions in 2022

• Completed CDP Questionnaire

• Signed Net Zero Commitment with Science Based Target initiative

• ISS 50% Score Improvement

To read our full 2023 ESG Report visit: https://investors.costargroup.com/ESG
The global leader in commercial real estate information, analytics, and data-driven news
CoStar by the Numbers

$930M
Revenue Run Rate

180K+
Subscribers

890K+
Listings

7.1M+
Commercial Properties

14.8M+
Lease Transactions

5.2M+
Sale Transactions

*Data from CoStar internal database as of September 2023. Run Rate based on Q3 2023 annualized.
CoStar Product Investments Expand the Market Size, Resulting in Long-Term Double-Digit Growth

$4B U.S. MARKET SIZE

Owners / Investors
Brokers / Appraisers
Lenders
Hospitality
Tenants

Quarterly Revenue (in millions)

13% Revenue Growth Rate
Ten Year CAGR

Total addressable market for CoStar – CoStar estimate. CAGR based on trailing twelve-month revenue as of 9/30/23.
Unparalleled Research Methodology

- 300 In-market canvassers
- 1 Cessna capturing aerial insights
- 1,000+ Drones
- 70 Analysts and Economists
- 1,500 Researchers
- 1,000 Software Developers
- 50 Journalists Across North America & Europe
- Automated data extraction
- Data feeds and third-party data

1 Based on 8/31/23 Internal Data
Discover your new home. Helping 100 million renters find their perfect fit.
Apartments.com by the Numbers

- **$940M** Revenue Run Rate
- **24%** Year-over-Year Revenue Growth
- **#1** Rank in Brand Awareness
- **1M+** Rental Availabilities
- **1B** Annual Visits
- **45M** Average Monthly Unique Visitors

*All data as of September 2023. Revenue Run Rate based on Q3 2023 annualized. Brand awareness from Dynata, a leading market research sampling provider. Traffic data from Google Analytics.*
Apartments.com Beats Competition on the Metrics That Matter to Advertisers

- 2X more time per visit
- 2X higher conversion
- 3X more leases

Sources: Traffic from Comscore Media Metrix, YTD 2023; Lease data from Rent Dynamics, April - June 2023
Record Unaided Consumer Brand Awareness

Source: Dynata, a leading market research sampling provider
# Success of Apartments.com

## Growth Since Acquisition

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry Rank</strong></td>
<td>5th place in highly fragmented online rental search industry</td>
<td>The leading online rental marketplace*</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$86 million</td>
<td>$940 million revenue run rate</td>
</tr>
<tr>
<td><strong>Traffic</strong></td>
<td>4 million monthly uniques</td>
<td>45 million average monthly uniques</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>18,000 communities</td>
<td>69,000 communities</td>
</tr>
</tbody>
</table>

* 2023 #1 in Brand Awareness and Revenue. 2023 Revenue Run Rate based on Q3 2023 annualized. 2014 ComScore traffic data. 2023 Google Analytics traffic data. Customer data from internal database.
## Tremendous Opportunity Ahead in the Small to Medium Property Space

<table>
<thead>
<tr>
<th>Unit Range</th>
<th>Universe</th>
<th>Client Properties</th>
<th>Annual Revenue Run Rate</th>
<th>Revenue Penetration</th>
<th>TAM ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-49</td>
<td>23M</td>
<td>11K</td>
<td>$60M</td>
<td>1%</td>
<td>$6B</td>
</tr>
<tr>
<td>50-99</td>
<td>68K</td>
<td>11K</td>
<td>$108M</td>
<td>11%</td>
<td>$1B</td>
</tr>
<tr>
<td>100+</td>
<td>102K</td>
<td>43K</td>
<td>$772M</td>
<td>39%</td>
<td>$2B</td>
</tr>
<tr>
<td>Grand Total</td>
<td>23M</td>
<td>65K</td>
<td>$940</td>
<td>10%</td>
<td>$9B</td>
</tr>
</tbody>
</table>

Data as of September 2023

[$7B opportunity](#)
The #1 global commercial real estate marketplace
LoopNet by the Numbers

- $270M Revenue Run Rate
- 16% 5 Year Revenue CAGR
- 14M Monthly Unique Visitors Worldwide
- 93% #1 Position for CRE Terms in Google
- 370K+ CRE Brokers & Owners Advertising
- 97% Fortune 1000 Companies Active on Site

*All data as of September 2023. Run Rate based on Q3 2023 annualized. Traffic data from Google Analytics.
Commanding Share of Traffic vs. Marketplace Competitors

LoopNet Network vs. Competitors

<table>
<thead>
<tr>
<th>Competitor</th>
<th>Unique Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>LoopNet Network</td>
<td>8,000,000</td>
</tr>
<tr>
<td>crexi</td>
<td>1,000,000</td>
</tr>
<tr>
<td>propertyshark</td>
<td>500,000</td>
</tr>
<tr>
<td>commercialcafe</td>
<td>200,000</td>
</tr>
<tr>
<td>officespace</td>
<td>100,000</td>
</tr>
<tr>
<td>commercialexchange</td>
<td>50,000</td>
</tr>
<tr>
<td>commercialsearch</td>
<td>50,000</td>
</tr>
<tr>
<td>vts</td>
<td>50,000</td>
</tr>
<tr>
<td>buildout</td>
<td>50,000</td>
</tr>
<tr>
<td>Instantoffices</td>
<td>50,000</td>
</tr>
<tr>
<td>commercialmls</td>
<td>50,000</td>
</tr>
<tr>
<td>reonomy</td>
<td>50,000</td>
</tr>
<tr>
<td>myelisting</td>
<td>50,000</td>
</tr>
<tr>
<td>globallistings</td>
<td>50,000</td>
</tr>
<tr>
<td>propertycapsule</td>
<td>50,000</td>
</tr>
<tr>
<td>rcm1</td>
<td>50,000</td>
</tr>
<tr>
<td>Nearest Competitor</td>
<td>7x</td>
</tr>
<tr>
<td>Avg. CRE Competitor</td>
<td>50x</td>
</tr>
</tbody>
</table>

Source: SEMRush 7/31/23
LoopNet Revenue Up 5x Since Acquisition

Early Stages of a Massive Global Opportunity

$5 Billion
North American TAM

$15 Billion
Global TAM
## LoopNet International Expansion Underway

<table>
<thead>
<tr>
<th>LoopNet Country</th>
<th>Website Domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>LoopNet Canada</td>
<td>loopnet.ca</td>
</tr>
<tr>
<td>LoopNet UK</td>
<td>loopnet.co.uk</td>
</tr>
<tr>
<td>LoopNet Spain</td>
<td>loopnet.es</td>
</tr>
<tr>
<td>LoopNet France</td>
<td>loopnet.fr</td>
</tr>
</tbody>
</table>

LoopNet International Expansion Underway:

- **LoopNet Canada**: loopnet.ca
- **LoopNet UK**: loopnet.co.uk
- **LoopNet Spain**: loopnet.es
- **LoopNet France**: loopnet.fr
The fastest growing U.S. residential marketplace
Our Vision

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

100M+
Monthly Unique Visitors

Millions
Free Leads per Quarter

2.1M+
Residential For Sale and Rental Listings

15K+
Neighborhood Content

630K
Agents with 1+ Listing

1M+
Registered Agents

Sources: Homes.com surpassed 100 million monthly unique visitors, according to Google Analytics. All other based on internal data as of September 30, 2023.
A Better Business Model – “Your Listing, Your Lead”

- Only Homes.com connects you to the listing agent who knows the home best
- No cold calls, robocalls, or spam from random agents
- Competitor models monetize buyer agency, taking one third of agent’s commissions
- Homes.com is providing millions of free leads to listing agents to help sell the home
“Your Listing, Your Lead” Delivering Real Value to Agents

- MILLIONS of FREE LEADS
- BILLIONS in COMMISSION VALUE
- SAVING BILLIONS in REFERRAL FEES
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.

- 20,000+ Neighborhoods
- 40,000+ Parks
- 125,000+ Schools
- 65,000+ Condo Buildings
Marketing the Property is the Superior Financial Model

Companies that Market the Agent

($1.8) Billion Cumulative Net Loss

Source: Aggregate of publicly disclosed data for competitors in the industry.

Companies that Market the Property

$2.5 Billion Cumulative Net Income
The global leader in hospitality information, analytics and benchmarking
STR by the Numbers

- **22%** YoY Subscription Revenue Growth
- **78K** Hotels Worldwide
- **10M** Guest Rooms
- **190** Countries
- **$300M** Total Addressable Market
- **97%** Renewal Rate

*Based on internal CoStar data as of September 2023.*
STR Data Includes 78,000+ Hotels Across 190 Countries
The leading platform for lease accounting and management
Real Estate Manager by the Numbers

- **17%**: 5 Year Revenue CAGR
- **97%**: Customer Retention Rate
- **$4B**: Monthly Lease Payments Managed
- **625K**: Real Estate Leases
- **33K**: System Users

*CAGR and Retention Rate based on 9/30/23 trailing twelve-month period. All other data from internal database as of August 2023.*
Platform for Managing the Tenant’s Entire Lease Lifecycle

The Most Comprehensive Portfolio Management Platform with Integrated CoStar Real Estate Data

Drive Cost Savings
Optimize Real Estate Portfolios
Achieve Lease Accounting Compliance
The SMARTER, BETTER, FASTER way to transact commercial real estate
Ten-X by the Numbers

- **$31B** Assets Sold
- **90%** Properties Sold in 90 Days or Less
- **63%** Trade Rate Since 2020
- **93%** Close Rate
- **84%** Non-Distressed Assets

Assets sold since inception in 2009. Trade rate since acquisition in 2020. Close rate, time to close and non-distressed assets sold are YTD 2023.
Ten-X Platform Closes Deals 2-3x Faster than Offline Transactions

- Asset Evaluation
  - Onboarding & Due Diligence
  - Online Auction

- Asset Marketing & Bidder Qualification

- Contracts & Closing
  - List To Close In Under 100 Days

START ±10 DAYS Asset Evaluation

±45 DAYS Asset Marketing & Bidder Qualification

2 DAYS Contracts & Closing

±30 DAYS

CoStar Group
Ten-X Revenue Opportunity is >$3 Billion at Current Transaction Levels

**Market Penetration %**
($1M - $10M Property Size)

<table>
<thead>
<tr>
<th>Market Penetration %</th>
<th>Revenue Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current 1%</td>
<td>$50 Million</td>
</tr>
<tr>
<td>5%</td>
<td>$155 Million</td>
</tr>
<tr>
<td>10%</td>
<td>$310 Million</td>
</tr>
<tr>
<td>25%</td>
<td>$775 Million</td>
</tr>
<tr>
<td>33%</td>
<td>$1 Billion</td>
</tr>
<tr>
<td>100%</td>
<td>$3.1 Billion</td>
</tr>
</tbody>
</table>

**Revenue Opportunity based on CoStar estimates.**
The largest rural real estate marketplace in the country
Land.com by the Numbers

- 16% 5 Year Revenue CAGR
- 10M Average Monthly Visitors
- 8K+ Paid Clients
- 430K+ Land Sale Comps in Database
- 50K+ Paid Listings

*CAGR and leads based on 9/30/23 trailing twelve-month period. Traffic data from Google Analytics for Q3 23. Paid listing and client data from internal database as of 8/31/23.
Land.com Leads All Competitors in Traffic Share

7.6M visits per month

2.6X our largest competitor

Source: SimilarWeb, Monthly Visits, August 2023
The largest business-for-sale marketplace in the U.S.
BizBuySell by the Numbers

- **10%** 5 Year Revenue CAGR
- **35M** Annual Visits
- **2.5M** Annual Leads Delivered
- **120K** Annual Paid Listings
- **150K** Sold Business Comps in Database

*CAGR based on trailing twelve-month revenue from 9/30/23. Run Rate based on Q3 2023 annualized. Traffic data from Google Analytics. Listing, Lead and Comp data from internal database as of 8/31/23.
Our Network Has More Traffic Than All Competitors Combined

4M visits per month

14x our largest competitor

* BizBuySell Network traffic vs similar sites; SimilarWeb, August 2023
Non-GAAP Measures

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” or “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.

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.

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 2023, 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.
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.

<table>
<thead>
<tr>
<th>(in thousands) except per share amounts</th>
<th>For the Year Ended December 31,</th>
<th>December 31, 2023 - Low(1)</th>
<th>December 31, 2023 - High(1)</th>
<th>For the Nine Months Ended September 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net income</strong></td>
<td>$ 376,000</td>
<td>$ 97,000</td>
<td>$ 101,000</td>
<td>$ 492,100</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>123,000</td>
<td>33,000</td>
<td>34,000</td>
<td>29,907</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>499,000</td>
<td>130,000</td>
<td>135,000</td>
<td>120,481</td>
</tr>
<tr>
<td><strong>Amortization of acquired intangible assets</strong></td>
<td>73,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,707</td>
</tr>
<tr>
<td><strong>Stock-based compensation expense</strong></td>
<td>86,000</td>
<td>22,000</td>
<td>22,000</td>
<td>21,899</td>
</tr>
<tr>
<td><strong>Acquisition and integration related costs</strong></td>
<td>3,000</td>
<td>1,000</td>
<td>1,000</td>
<td>796</td>
</tr>
<tr>
<td><strong>Restructuring and related costs</strong></td>
<td>4,000</td>
<td>-</td>
<td>-</td>
<td>509</td>
</tr>
<tr>
<td><strong>Settlements and impairments</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Non-GAAP income before income taxes</strong></td>
<td>665,000</td>
<td>171,000</td>
<td>176,000</td>
<td>162,392</td>
</tr>
<tr>
<td><strong>Assumed provision for income tax expense</strong></td>
<td>26%</td>
<td>26%</td>
<td>26%</td>
<td>26%</td>
</tr>
<tr>
<td><strong>Assumed provision for income tax expenses</strong></td>
<td>(172,900)</td>
<td>(44,500)</td>
<td>(45,800)</td>
<td>(42,222)</td>
</tr>
<tr>
<td><strong>Non-GAAP income before income taxes</strong></td>
<td>492,100</td>
<td>126,500</td>
<td>130,200</td>
<td>120,170</td>
</tr>
<tr>
<td><strong>Net income per share - diluted</strong></td>
<td>$ 0.92</td>
<td>$ 0.24</td>
<td>$ 0.25</td>
<td>$ 0.22</td>
</tr>
<tr>
<td><strong>Non-GAAP net income per share - diluted</strong></td>
<td>$ 1.21</td>
<td>$ 0.31</td>
<td>$ 0.32</td>
<td>$ 0.30</td>
</tr>
<tr>
<td><strong>Weighted average outstanding shares - diluted</strong></td>
<td>406,800</td>
<td>407,400</td>
<td>407,400</td>
<td>407,229</td>
</tr>
</tbody>
</table>

(1) Represents forward-looking guidance.

(2) The assumed tax rate approximates our statutory federal and state corporate tax rate for the applicable period.
Reconciliation of Net Income to Adjusted EBITDA

The following table presents a reconciliation of CoStar Group’s Adjusted EBITDA, including forward-looking guidance range Adjusted EBITDA for the full year ending December 31, 2023, to the most directly comparable GAAP financial measure, net income.

<table>
<thead>
<tr>
<th>(in thousands)</th>
<th>2012</th>
<th>2022</th>
<th>Low 2023(^{(1)})</th>
<th>High 2023(^{(1)})</th>
<th>For the Three Months Ended December 31, 2023 - Low(^{(1)})</th>
<th>For the Three Months Ended December 31, 2023 - High(^{(1)})</th>
<th>For the Three Months Ended September 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$ 9,915</td>
<td>$369,453</td>
<td>$376,000</td>
<td>$380,000</td>
<td>$97,000</td>
<td>$101,000</td>
<td>$90,574</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets</td>
<td>22,241</td>
<td>102,579</td>
<td>73,000</td>
<td>73,000</td>
<td>18,000</td>
<td>18,000</td>
<td>8,453</td>
</tr>
<tr>
<td>Depreciation and other amortization</td>
<td>10,511</td>
<td>29,127</td>
<td>34,000</td>
<td>34,000</td>
<td>10,000</td>
<td>10,000</td>
<td>18,672</td>
</tr>
<tr>
<td>Interest income, net</td>
<td>(526)</td>
<td>(32,125)</td>
<td>(212,000)</td>
<td>(212,000)</td>
<td>(58,000)</td>
<td>(58,000)</td>
<td>(58,422)</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>4,832</td>
<td>(3,383)</td>
<td>(2,000)</td>
<td>(2,000)</td>
<td>-</td>
<td>-</td>
<td>(465)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>13,219</td>
<td>117,004</td>
<td>123,000</td>
<td>124,000</td>
<td>33,000</td>
<td>34,000</td>
<td>29,907</td>
</tr>
<tr>
<td>EBITDA</td>
<td>60,192</td>
<td>582,655</td>
<td>392,000</td>
<td>397,000</td>
<td>100,000</td>
<td>105,000</td>
<td>88,719</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>12,282</td>
<td>75,207</td>
<td>86,000</td>
<td>86,000</td>
<td>22,000</td>
<td>22,000</td>
<td>21,899</td>
</tr>
<tr>
<td>Acquisition and integration related costs</td>
<td>13,924</td>
<td>5,405</td>
<td>3,000</td>
<td>3,000</td>
<td>1,000</td>
<td>1,000</td>
<td>796</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>-</td>
<td>2,175</td>
<td>4,000</td>
<td>4,000</td>
<td>-</td>
<td>-</td>
<td>509</td>
</tr>
<tr>
<td>Settlements and impairments</td>
<td>-</td>
<td>6,069</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 86,398</td>
<td>$671,511</td>
<td>$485,000</td>
<td>$490,000</td>
<td>$123,000</td>
<td>$128,000</td>
<td>$111,923</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Represents forward-looking guidance.
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.