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; methods that we use to measure unique visitors to our portals, including Google Analytics, may misstate the actual number of unique persons who visit our network of mobile applications and websites for a given 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. Additionally, annualization of historical results from short periods of time or small sample sizes may differ materially from actual results realized in future periods and may not take into account other future market conditions that may negatively affect those results.

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 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.
Fourth Quarter and Full Year 2023 Highlights

- Full year 2023 revenue increased **13%** year-over-year and **12%** in the fourth quarter 2023, exceeding the high end of our guidance range.

- Commercial information and marketplace businesses grew revenue **14%** in 2023, with profit margins improving to **40%** for the full year.


- Costar Group’s residential network traffic reached **95 million** average monthly unique visitors in the fourth quarter of 2023 to become the second most trafficked network of residential sites in the U.S.

- Homes.com is the **fastest** growing residential property site in the U.S., with average monthly unique visitors increasing 600% year-over-year.

- Homes.com launched the industry's biggest brand campaign during Super Bowl LVIII. Subscription membership sales began ahead of schedule in February with almost **$4.5 million** in annualized net new bookings sold in the first week.

*Commercial information and marketplace businesses are our consolidated financial position and results excluding the impact of our Residential brands which are Homes.com and OnTheMarket, plc. Apartments network traffic as measured by Google Analytics; Zillow’s network as reported in its Earnings Press Releases and Shareholder letters posted to their website for the prior eight quarters. Rent. traffic per Comscore.*
## Fourth Quarter and Full Year 2023 Results

<table>
<thead>
<tr>
<th></th>
<th>Fourth Quarter</th>
<th>Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$640 million</td>
<td>$2.46 billion</td>
</tr>
<tr>
<td></td>
<td>12% year-over-year growth</td>
<td>13% year-over-year growth</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$96 million</td>
<td>$375 million</td>
</tr>
<tr>
<td></td>
<td>$0.24 per diluted share</td>
<td>$0.92 per diluted share</td>
</tr>
<tr>
<td><strong>Net new bookings</strong></td>
<td>$58 million</td>
<td>$286 million</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$130 million</td>
<td>$492 million</td>
</tr>
<tr>
<td></td>
<td>20% margin</td>
<td>20% margin</td>
</tr>
<tr>
<td><strong>Non-GAAP net income</strong></td>
<td>$133 million</td>
<td>$498 million</td>
</tr>
<tr>
<td></td>
<td>$0.33 per diluted share</td>
<td>$1.22 per diluted share</td>
</tr>
</tbody>
</table>
# 2024 Outlook

<table>
<thead>
<tr>
<th></th>
<th>First Quarter</th>
<th>Full Year</th>
</tr>
</thead>
</table>
| **Revenue**          | $645 million to $650 million  
10% to 11% year-over-year growth | $2.75 billion to $2.77 billion  
12% to13% year-over-year growth |
| **Net income**       | ($5) million to ($2) million  
($0.01) to $0.00 per diluted share | $115 million to $129 million  
$0.28 to $0.32 per diluted share |
| **Adjusted EBITDA**  | ($12) million to ($8) million  
(1) % margin | $170 million to $190 million  
7% margin |
| **Non-GAAP net income** | $26 million to $29 million  
$.06 to $.07 per diluted share | $232 million to $246 million  
$0.57 to $0.60 per diluted share |
Traffic Growth Accelerating to 62% Year over Year in Q4 2023

Source: Google Analytics Unique Visitors – All CoStar Sites. Growth rate based on 4Q23 vs 4Q22.
Company Overview
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
2 billion+ annual visits to our websites
$5 billion+ investment in research and technology
~6,200 employees

member of the
STANDARD & POOR’S 500

FORTUNE FASTEST GROWING COMPANIES

FUTURE 50

GLOBAL 2000 WORLD'S LARGEST PUBLIC COMPANIES

Forbes 2021

INMAN INNOVATOR AWARDS
COMPANY OF THE YEAR

SABEW
The ASSOCIATION for BUSINESS JOURNALISTS Innovator of the Year

Forbes
The World's Most Innovative Companies

Nasdaq 100 INDEX

SHORTY AWARDS
Best Integrated Marketing Campaign

74 offices
14 countries
~$35 billion market capitalization
$5 billion+ in cash on hand

*All numerical data as of December 31, 2023
Over 35 Years of Growth and Innovation

CoStar™
LoopNet™
Apartments.com™
Homes.com™

1986
1998
2000
2014
2020

CoStar
REAL ESTATE MANAGER™

OnTheMarket
Homes.com™

S&P 500®

100+ MILLION Unique Visitors to Homes.com
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: 51 consecutive quarters of double-digit revenue growth, both organic and through acquisitions.

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

*All data as of December 31, 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)
- Rural Land (2011)
- Retail (2004)
- Industrial (1994)
- Office (1986)

**GLOBAL REAL ESTATE**
$300 TRILLION

Based on 2023 Data

**CoStar Group Offices**

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

**United States**
- China
- Germany
- UK
- India
- France
- Canada

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
Strong Double-Digit Growth with Two Brands Over $1 Billion

15%
TOTAL 5 YEAR REVENUE CAGR

2019 2020 2021 2022 2023 2024E

$1.4B $1.7B $1.9B $2.2B $2.5B $2.8B

TOTAL 5 YEAR REVENUE CAGR

5 YEAR CAGR
20% 9% 150% 2023-2024 only 13%
17%
11%
150% 2023-2024 only

Costar | Multifamily | LoopNet | Residential | Information Services | Other Marketplaces

CoStar Group
51 Consecutive Quarters of Double-Digit Revenue Growth Regardless of Commercial Property Transaction Volumes

- 95% subscription revenue
- 81% annual contracts
- Resilient through market cycles
- Single, integrated global platform

All data as of December 31, 2023. Organic revenue excludes revenue from acquired companies at time of acquisition.
More Diversified with More Countercyclical Business Mix Since the Great Recession

**2008 Revenue**

- Information Services: 100%
- Other Revenue: 92%

**2023 Revenue**

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

Based on internal CoStar data.
Diversified Client Base with Minimal Concentration

REVENUE BY CLIENT SEGMENT

- Broker: 21%
- Owner: 34%
- Property Management: 19%
- Investor: 7%
- Lender: 4%
- Other: 15%

TOP 1,000 CLIENTS: NONE MORE THAN 2%

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

- Acquired Revenue: 24%
- Organic Revenue: 76%

SUCCESSFUL ACQUISITION AND INTEGRATION TRACK RECORD
# High Growth, High Margin Subscription Business Model

| Double-Digit Revenue and Adjusted EBITDA Growth | ✓ 23% Revenue CAGR since IPO 24 years ago  
✓ Net Income CAGR of 29% over the last 10 years  
✓ Adjusted EBITDA CAGR of 14% over the last 10 years |
| ----------------------------------------------- |--------------------------------------------------------------------------------------------------|
| Predictable Subscription Services Revenue      | ✓ 95% subscription revenue with 81%+ annual contracts  
✓ 95% renewal rate for clients > 5 years  
✓ Double-digit revenue growth for 51 straight quarters |
| Strong Operating Leverage                      | ✓ 80%+ gross margin  
✓ Commercial information and marketplace businesses 40% margin |
| Highly Cash Generative with Strong Balance Sheet | ✓ Net cash provided by operating activities of $490M for 2023  
✓ $5.2B cash versus $1B of debt |

Note: All data as of 12/31/23.
Discover your new home.
Helping 100 million renters find their perfect fit.
Apartments.com by the Numbers

$1B
Revenue Run Rate

23%
Year-over-Year Revenue Growth

#1
Rank in Brand Awareness

1M+
Rental Availabilities

1B
Annual Visits

44M
Average Monthly Unique Visitors

*All data except revenue as of 12/31/23. Revenue Run Rate based on January 2024 annualized. Traffic data from Google Analytics FY 2023.
Multifamily Revenue Growth Fully Recovered in 2023 From the Post Pandemic Downturn

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 20</th>
<th>Q1 21</th>
<th>Q2 21</th>
<th>Q3 21</th>
<th>Q4 21</th>
<th>Q1 22</th>
<th>Q2 22</th>
<th>Q3 22</th>
<th>Q4 22</th>
<th>Q1 23</th>
<th>Q2 23</th>
<th>Q3 23</th>
<th>Q4 23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth</td>
<td>23%</td>
<td>21%</td>
<td>18%</td>
<td>10%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>11%</td>
<td>16%</td>
<td>20%</td>
<td>23%</td>
<td>24%</td>
<td>23%</td>
</tr>
</tbody>
</table>
Our Biggest Customer Count Ever!

~71,000 APARTMENT COMMUNITIES now advertise on Apartments.com
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 Matrix, January - December 2023; Lease data from Rent Dynamics, January - September 2023
Unaided Brand Awareness at All Time Highs

Source: Dynata, a leading market research sampling provider
## Tremendous Opportunity Ahead in the Small to Medium Property Space


<table>
<thead>
<tr>
<th>Unit Range</th>
<th>Universe (Properties)</th>
<th>Clients (Properties)</th>
<th>Annual Revenue Run Rate ($M)</th>
<th>Revenue Penetration</th>
<th>TAM ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-49</td>
<td>23M</td>
<td>17K</td>
<td>$61M</td>
<td>1%</td>
<td>$6B</td>
</tr>
<tr>
<td>50-99</td>
<td>69K</td>
<td>11K</td>
<td>$112M</td>
<td>11%</td>
<td>$1B</td>
</tr>
<tr>
<td>100+</td>
<td>104K</td>
<td>43K</td>
<td>$792M</td>
<td>40%</td>
<td>$2B</td>
</tr>
<tr>
<td>Grand Total</td>
<td>23M</td>
<td>71K</td>
<td>$965M</td>
<td>11%</td>
<td>$9B</td>
</tr>
</tbody>
</table>
# Success of Apartments.com

## Growth Since Acquisition

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2024</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>$75 million</td>
<td>$1 billion revenue run rate</td>
</tr>
<tr>
<td><strong>Traffic</strong></td>
<td>4 million average monthly unique visitors</td>
<td>44 million monthly unique visitors</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>18,000 communities</td>
<td>71,000 communities</td>
</tr>
</tbody>
</table>

#1 in Brand Awareness per Dynata for 2023. #1 in revenue in 2023 vs. competitors. Revenue Run Rate based on January 2024 annualized including transactional revenue. 2014 ComScore traffic data. 01/24 Google Analytics traffic data. Customer data from internal database.
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 Leads per Quarter**
- **2M+ Residential For Sale and Rental Listings**
- **20K+ Neighborhood Content**
- **512K Agents with 1+ Listing**
- **1M+ Registered Agents**

*Sources: Homes.com surpassed 100 million monthly unique visitors, according to Google Analytics for September 2023. All other based on internal data as of February 2024.*
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
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
The Real Estate Portals Adhering to the Your Listing Your Lead Principal are the Most Successful

Billions in Net income (loss) for 10-year period from 2014-2023 from publicly filed financial statements. When full year 2023 was not available, trailing twelve months was used.
“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
We Kicked Off The Biggest Advertising Stage In America

4 QUARTERS, 4 Commercials

Invasion  Launch  Mascot  Salon
Homes.com will be **EVERYWHERE**.

No other competitors come close to our investment to drive leads to *all agents*.
Our Residential Network Is Now the Second Most Visited Real Estate Portal...

“Average unique monthly users for the latest fiscal quarter ending December 31, 2023 for: (i) CoStar residential network as measured by Google Analytics; (ii) Zillow’s network as reported in its Earnings Press Release filed 2/13/24(iii) Redfin as reported in its third quarter Form 10-Q filed on November 2, 2023; and (iv) Realtor.com as reported in News Corp earnings call dated 2/7/24.”
Investing to Create the #1 Residential Portal in the UK

- Average monthly unique visitors since acquisition up 143%
- Listings up 57,000 since acquisition
- Agent advertisers up 1,000 since acquisition
- Leads have grown 81% since acquisition
- 2024 Revenue Forecast of $40 million
The global leader in commercial real estate information, analytics, and data-driven news
CoStar by the Numbers

- **$1B** 2024 Forecast Revenue
- **193K+** Subscribers
- **895K** Listings
- **7M** Commercial Properties
- **15M** Lease Transactions
- **5M** Sale Transactions

*Revenue Run Rate based on December 2023 annualized. Subscriber count as of February 2024. All other data from CoStar internal database as of December 2023.*
CoStar Product Investments Expand the Market Size, Resulting in Long-Term Double-Digit Growth

$4B U.S. MARKET SIZE

Quarterly Revenue (in millions)

Owners / Investors
Brokers / Appraisers
Lenders
Hospitality
Tenants

12% Revenue Growth Rate
Ten Year CAGR

Total addressable market for CoStar – CoStar estimate. CAGR based on trailing twelve-month revenue as of 12/31/23.
Unparalleled Research Methodology

- **1,000+ Drones**
- **400 In-market canvassers**
- **1,600 Researchers**
- **1,200 Software Developers**
- **70 Analysts and Economists**
- **50 Journalists Across North America & Europe**
- **1 Cessna capturing aerial insights**
- **1,200 Data feeds and third-party data**
- **Automated data extraction**

*Based on 12/31/23 Internal Data*
The #1 global commercial real estate marketplace
LoopNet by the Numbers

$277M
Revenue Run Rate

16%
5 Year Revenue CAGR

14M
Monthly Unique Visitors Worldwide

~370K
CRE Brokers & Owners Advertising

18X
#1 Google keywords than closest competitor

96%
Fortune 1000 Companies Active on Site

*All data as of December 2023. Run Rate based on December 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 of the Avg. CRE Marketplace Competitor</th>
<th>Unique Visitors of the Nearest Competitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>LoopNet Network</td>
<td></td>
<td>64x</td>
</tr>
<tr>
<td>crexi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>propertyshark</td>
<td></td>
<td></td>
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<tr>
<td>commercialcafe</td>
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<tr>
<td>officespace</td>
<td></td>
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<tr>
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<tr>
<td>commercialsearch</td>
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<td>reonomy</td>
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<td>buildout</td>
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<td>commercialexchange</td>
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<tr>
<td>Instantoffices</td>
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<td>propertycapsule</td>
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<td>rcm1</td>
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<tr>
<td>catylist</td>
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<tr>
<td>realnex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>thebrokerlist</td>
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<td></td>
</tr>
</tbody>
</table>

Source: SEMRush unique visitors for calendar month ending 12/31/23
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

LoopNet Canada  loopnet.ca

LoopNet UK  loopnet.co.uk

LoopNet Spain  loopnet.es

LoopNet France  loopnet.fr
The global leader in hospitality information, analytics and benchmarking
STR by the Numbers

17% YoY Subscription Revenue Growth
81K Hotels Worldwide
10M Guest Rooms
190 Countries
$300M Total Addressable Market
98% Renewal Rate

*Based on internal CoStar data as of December 2023.
STR Data Includes 81,000+ Hotels Across 190 Countries
The leading platform for lease accounting and management
Real Estate Manager by the Numbers

- 12% 5 Year Revenue CAGR
- 97% Customer Retention Rate
- $10B Monthly Lease Payments Managed
- 625K Real Estate Leases
- 33K System Users

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

92%
Properties Sold in 90 Days or Less

58%
Trade Rate Since 2020

94%
Close Rate

85%
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 for the full year of 2023.
Ten-X Platform Closes Deals 2-3x Faster than Offline Transactions

- Asset Evaluation: ±10 Days
- Asset Marketing & Bidder Qualification: ±45 Days
- Contracts & Closing: 2 Days ±30 Days

Onboarding & Due Diligence
Online Auction

List to close in under 100 Days
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>1.5%</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>

Current Revenue opportunity based on CoStar estimates.
Commercial Property Sales Transaction Volumes Up 6.4% Year-Over-Year in January; First Year over Year Gain in 14 Months
The largest rural real estate marketplace in the country
Land.com by the Numbers

- 15% 5 Year Revenue CAGR
- 10M Average Monthly Visitors
- 8K+ Paid Clients
- 450K Land Sale Comps in Database
- 50K Paid Listings

Land.com Leads All Competitors in Traffic Share

- **7.7M** visits per month
- **3.3X** our largest competitor

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

- **10%**
  - 5 Year Revenue CAGR

- **38M**
  - Annual Visits

- **2.8M**
  - Annual Leads Delivered

- **120K**
  - Annual Paid Listings

- **150K**
  - Sold Business Comps in Database

*CAGR based on 12/31/23. Traffic data for 2023 from Google Analytics. Listing, Lead and Comp data from internal database as of 12/31/23.*
Our Network Has More Traffic Than All Competitors Combined

4M visits per month
15X our largest competitor

* BizBuySell Network traffic vs similar sites; Google Analytics; SimilarWeb, December 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 millions) except per share amounts</th>
<th>For the Year Ended December 31,</th>
<th>For the Three Months Ended</th>
<th>For the Year Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low 2024(1)</td>
<td>High 2024(1)</td>
<td>January 31, 2024 - Low(1)</td>
</tr>
<tr>
<td>Net income</td>
<td>$ 115.0</td>
<td>$ 129.0</td>
<td>$ (5.0)</td>
</tr>
<tr>
<td>Income tax (benefit) expense</td>
<td>40.0</td>
<td>46.0</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>155.0</td>
<td>175.0</td>
<td>(7.0)</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets</td>
<td>59.0</td>
<td>59.0</td>
<td>18.0</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>99.0</td>
<td>99.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Acquisition and integration related costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Settlements and impairments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP income before income taxes</td>
<td>313.0</td>
<td>333.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Assumed rate for income tax expense(2)</td>
<td>26%</td>
<td>26%</td>
<td>26%</td>
</tr>
<tr>
<td>Assumed provision for income tax expenses</td>
<td>(81.0)</td>
<td>(87.0)</td>
<td>(9.0)</td>
</tr>
<tr>
<td>Non-GAAP net income</td>
<td>$ 232.0</td>
<td>$ 246.0</td>
<td>$ 26.0</td>
</tr>
<tr>
<td>Net income per share - diluted</td>
<td>$ 0.28</td>
<td>$ 0.32</td>
<td>$ (0.01)</td>
</tr>
<tr>
<td>Non-GAAP net income per share - diluted</td>
<td>$ 0.57</td>
<td>$ 0.60</td>
<td>$ 0.06</td>
</tr>
<tr>
<td>Weighted average outstanding shares - diluted</td>
<td>409.4</td>
<td>409.4</td>
<td>409.0</td>
</tr>
</tbody>
</table>

(1) 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 for the full year ending December 31, 2023, to the most directly comparable GAAP financial measure, net income.

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>2013</th>
<th>2023</th>
<th>Low 2024(^{1})</th>
<th>High 2024(^{1})</th>
<th>For the Three Months Ended January 31, 2024 - Low(^{1})</th>
<th>For the Three Months Ended January 31, 2024 - High(^{1})</th>
<th>For the Three Months Ended December 31, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$29.7</td>
<td>$374.7</td>
<td>$115.0</td>
<td>$129.0</td>
<td>$,(5.0))</td>
<td>$,(2.0))</td>
<td>$96.4</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets</td>
<td>27.1</td>
<td>73.7</td>
<td>59.0</td>
<td>59.0</td>
<td>18.0</td>
<td>18.0</td>
<td>19.3</td>
</tr>
<tr>
<td>Depreciation and other amortization</td>
<td>13.0</td>
<td>33.8</td>
<td>53.0</td>
<td>53.0</td>
<td>12.0</td>
<td>12.0</td>
<td>9.4</td>
</tr>
<tr>
<td>Interest income, net</td>
<td>6.6</td>
<td>(213.6)</td>
<td>(198.0)</td>
<td>(198.0)</td>
<td>(56.0)</td>
<td>(56.0)</td>
<td>(59.7)</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>-</td>
<td>(5.4)</td>
<td>2.0</td>
<td>2.0</td>
<td>(3.0)</td>
<td>(3.0)</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Income tax (benefit) expense</td>
<td>17.8</td>
<td>126.6</td>
<td>40.0</td>
<td>45.0</td>
<td>(2.0)</td>
<td>(1.0)</td>
<td>36.3</td>
</tr>
<tr>
<td>EBITDA</td>
<td>94.2</td>
<td>389.8</td>
<td>71.0</td>
<td>90.0</td>
<td>(36.0)</td>
<td>(32.0)</td>
<td>98.0</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>41.5</td>
<td>85.0</td>
<td>99.0</td>
<td>99.0</td>
<td>24.0</td>
<td>24.0</td>
<td>21.2</td>
</tr>
<tr>
<td>Acquisition and integration related costs</td>
<td>0.6</td>
<td>12.9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10.7</td>
</tr>
<tr>
<td>Restructuring and related costs</td>
<td>0.4</td>
<td>4.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td>Settlements and impairments</td>
<td>-</td>
<td>(0.1)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$136.7</td>
<td>$491.7</td>
<td>$170.0</td>
<td>$190.0</td>
<td>$,(12.0))</td>
<td>$,(8.0))</td>
<td>$130.1</td>
</tr>
</tbody>
</table>

\(^{1}\) Represents forward-looking guidance.
Use of Operating Metrics and Other Definitions

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, plc.

Our “Residential Network” consists of the following list of brands: Apartments.com, ApartmentFinder, FinderSites, ApartmentHomeLiving, WestSideRentals, ForRent, After55, CorporateHousing, ForRentUniversity, Cozy.com, Off Campus Partners, Homes.com, Homesnap, CitySnap, and OnTheMarket, plc (beginning in January 2024).