



Needham Interconnect Conference

August 2015

LendingTree, Inc.  
(Nasdaq: TREE)

# Forward-Looking Statements

## Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

The matters contained in this presentation may be considered to be "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Those statements include statements regarding the intent, belief or current expectations or anticipations of LendingTree and members of our management team. Factors currently known to management that could cause actual results to differ materially from those in forward-looking statements include the following: adverse conditions in the primary and secondary mortgage markets and in the economy, particularly interest rates; seasonality of results; potential liabilities to secondary market purchasers; changes in the Company's relationships with network lenders; breaches of network security or the misappropriation or misuse of personal consumer information; failure to provide competitive service; failure to maintain brand recognition; ability to attract and retain customers in a cost-effective manner; ability to develop new products and services and enhance existing ones; competition; allegations of failure to comply with existing or changing laws, rules or regulations, or to obtain and maintain required licenses; failure of network lenders or other affiliated parties to comply with regulatory requirements; failure to maintain the integrity of systems and infrastructure; liabilities as a result of privacy regulations; failure to adequately protect intellectual property rights or allegations of infringement of intellectual property rights; and changes in management. These and additional factors to be considered are set forth under "Risk Factors" in our Annual Report on Form 10-K for the period ended December 31, 2014, our Quarterly Report on Form 10-Q for the period ended March 31, 2015 and in our other filings with the Securities and Exchange Commission. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results or expectations.

## About LendingTree, Inc.

LendingTree, Inc. (NASDAQ: TREE) operates the nation's leading online loan marketplace and provides consumers with an array of online tools and information to help them find the best loans for their needs. LendingTree's online marketplace connects consumers with multiple lenders that compete for their business, empowering consumers as they comparison-shop across a full suite of loans and credit-based offerings. Since its inception, LendingTree has facilitated more than 55 million loan requests. LendingTree provides access to lenders offering home loans, home equity loans/lines of credit, reverse mortgages, personal loans, auto loans, small business loans, credit cards, student loans and more.

LendingTree, Inc. is headquartered in Charlotte, NC and maintains operations solely in the United States.

# A True Online Marketplace

Enabling consumers and lenders to shop for... each other



# Where Consumers Shop for Money

## "The Search Engine for Money"

### Your Free Personal Loan Offers

3-Year

Offers for the exact amount requested (2)

<b>Consolidated Bank &amp; Loan</b>  124 Reviews	APR <b>6.78%</b>	Est. Payments <b>\$152/mo.</b>	Loan Amount <b>\$5,000</b>
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<b>Northwest Loans</b>  76 Reviews	APR <b>11.55%</b>	Est. Payments <b>\$158/mo.</b>	Loan Amount <b>\$5,000</b>
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Offers for amounts different than requested (4)

<b>Hampton Lending</b>  240 Reviews	APR <b>9.07%</b>	Est. Payments <b>\$234/mo.</b>	Loan Amount <b>\$7,500</b>
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Similar to Other Marketplace Models in Travel, Retail, etc.

Hotel avg  
\$264
3 star avg  
\$236
4 star avg  
\$285

**04:38:59 Daily Deal**  
  
New York (Midtown - Times Sq)  
1-866-264-5744 • Expedia Rate w/Free Cancellation  
Booked in the last 10 minutes  
9 people viewing now

**W New York - Downtown**  
  
New York's Hidden Holiday Gateway  
Enjoy up to \$10 in New York City savings over the holiday season. Super savings on your holiday stay in New York City.  
Booked in the last 2 hours  
11 people viewing now

**The Paramount - A Times Square, New York Hotel**  
  
New York (Midtown - Times Square)  
1-866-267-0653 • Expedia Rate w/Free Cancellation  
Booked in the last 40 minutes  
17 people viewing now

**Hotel Chandler**  
  
New York (Midtown - Times Square)  
1-866-272-4856 • Expedia Rate w/Free Cancellation  
Booked in the last 30 minutes  
40 people viewing now

CLT ↔ CHI Dec 12 → Dec 15 Economy 1 traveler

**Check Rates Southwest Airlines**  
Our low fares online only at Southwest.com

**\$356**  
American Airlines  
6:35a CLT → 9:05a MKE 3h 30m 1 stop (ORD) nonstop  
2:55p ORD → 5:55p CLT 2h 30m nonstop  
Show details

**\$356**  
American Airlines  
6:35a CLT → 11:30a MKE 3h 55m 1 stop (ORD) nonstop  
2:55p ORD → 5:55p CLT 2h 30m nonstop  
Show details

**\$412**  
Delta  
6:05a CLT → 8:47a MDW 3h 42m 1 stop (DTW) 1 stop (CVG)  
1:00p ORD → 5:31p CLT 3h 35m nonstop  
Show details

All Listings Auction Buy It Now

125,162 results for Golf Clubs Follow this search

**GET FESTIVE WITH UP TO 40% OFF**  
  
\$8.00  
\$14.00  
Buy It Now

**New Taylormade RocketBladez Irons Set 4-PW & AW Steel SSB Flex Mats**  
  
AUTHORIZED TAYLORMADE EBAY DEALERS FULL WARRANTY  
\$600.00  
Buy It Now  
Free shipping  
76 watching

**Cobra AMP Offset Driver Golf Club**  
  
\$31.00  
Buy It Now

1-48 of 658,000 results for Clothing, Shoes & Jewelry "Shoes"

Showing results for Clothing, Shoes & Jewelry  
Related Searches: Boots, Nike shoes, shoes sale















**Pollo Ralph Lauren Merit's Fashion Low**  
  
\$27.00 - \$36.33  
FREE Shipping  
Show only Polo Ralph Lauren items

**Cole Haan Merit's Fresh Weekend Fabric?**  
  
\$78.00  
FREE Shipping and 1 more promotion  
Show only Cole Haan items

**International Shipping**  
AmazonGlobal Shipper

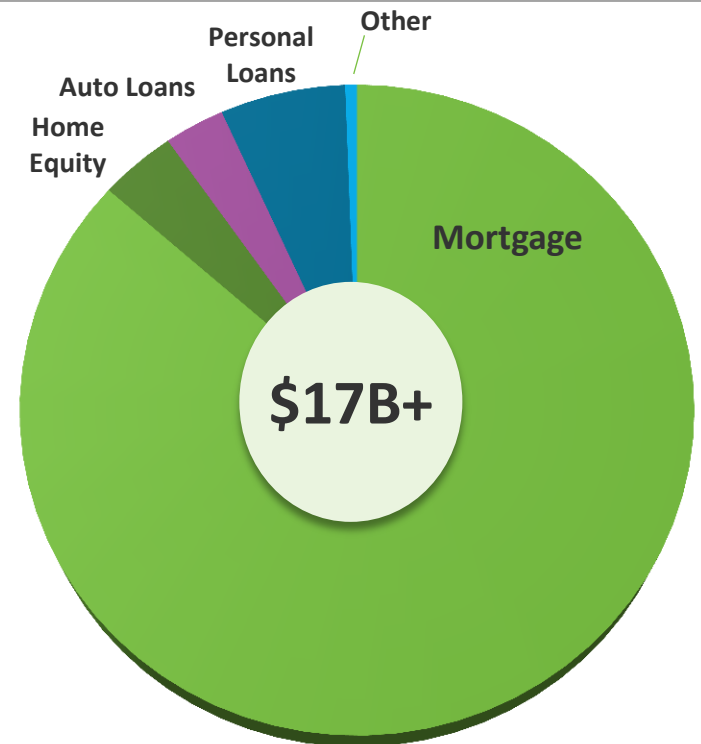
# Working With Top-Tier Lenders...

...of all models...

Retail Banks	  
Mortgage Lenders/ Brokers	  
P2P & Specialty Finance	   
Small Business	  
Student Loan Refi	  

...across all loan categories

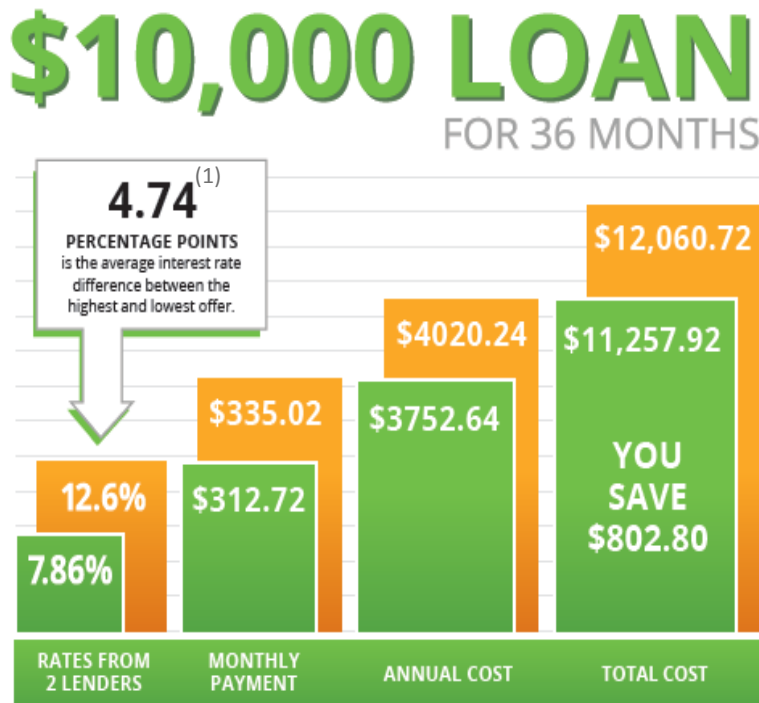
\$17B+ Annual Loan Originations<sup>(1)</sup>  
Facilitated by **lendingtree**



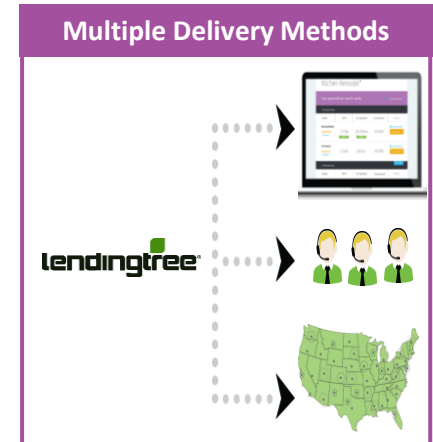
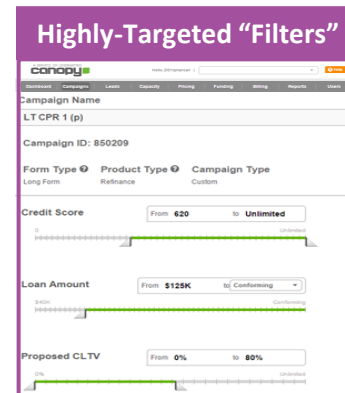
1) Annual run-rate based on lender-reported funding data and internal estimates.

## Providing Value to Both Borrowers and Lenders

## Borrowers save by comparison-shopping



**Lenders** receive predictable, targeted, cost-efficient borrower acquisition

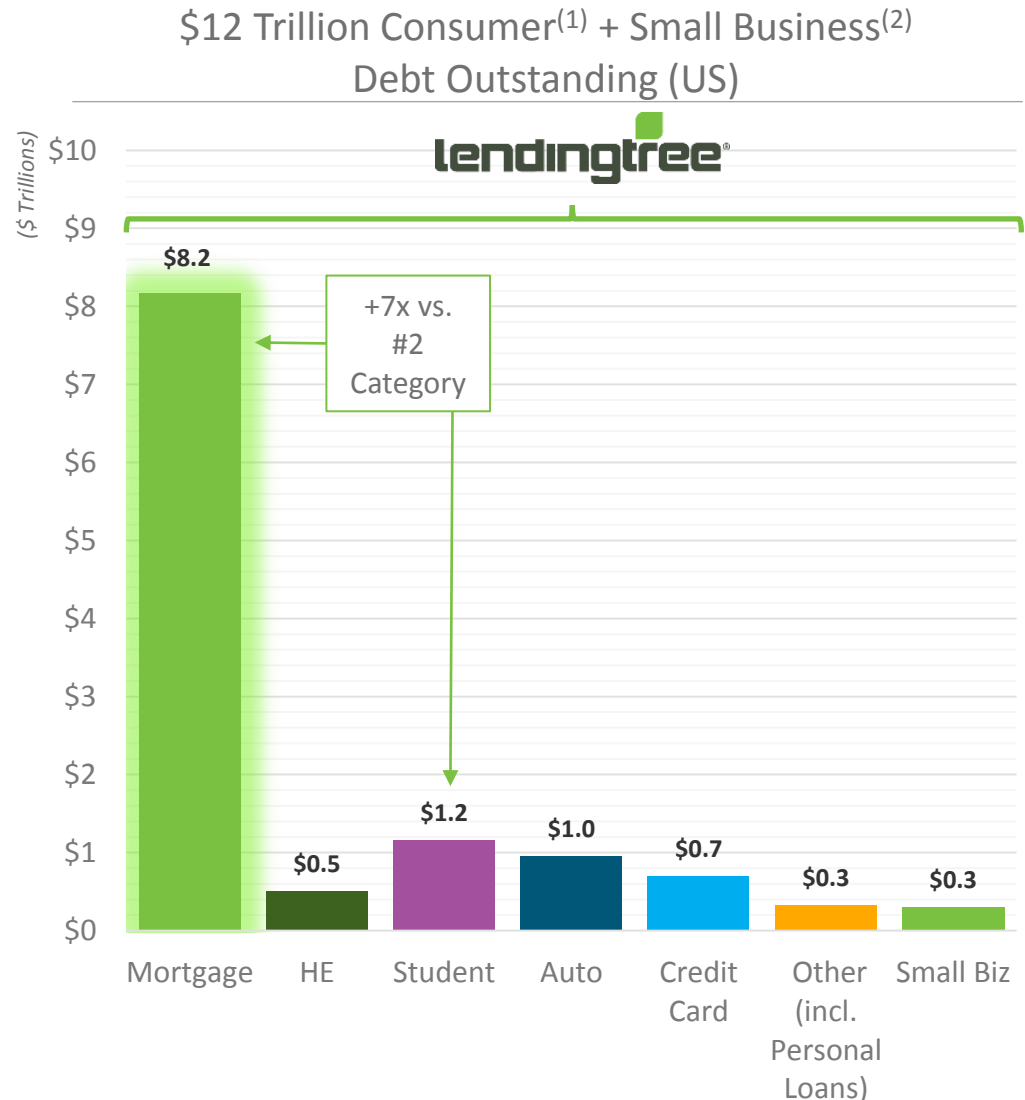


1) Source: LT press release (10/15/14) – “In the third quarter, borrowers with a ‘good’ credit rating (as measured by a credit score between 690 and 719) seeking a \$10,000, 36-month personal loan who received offers from at least two lenders experienced an average interest rate differential of 4.74 percentage points, or 474 basis points, between the highest and lowest offers presented to them in their My LendingTree accounts.”

# Consumer Lending: A Massive Market Ripe for Disruption

LendingTree is well-positioned to capture market-share across all consumer lending categories

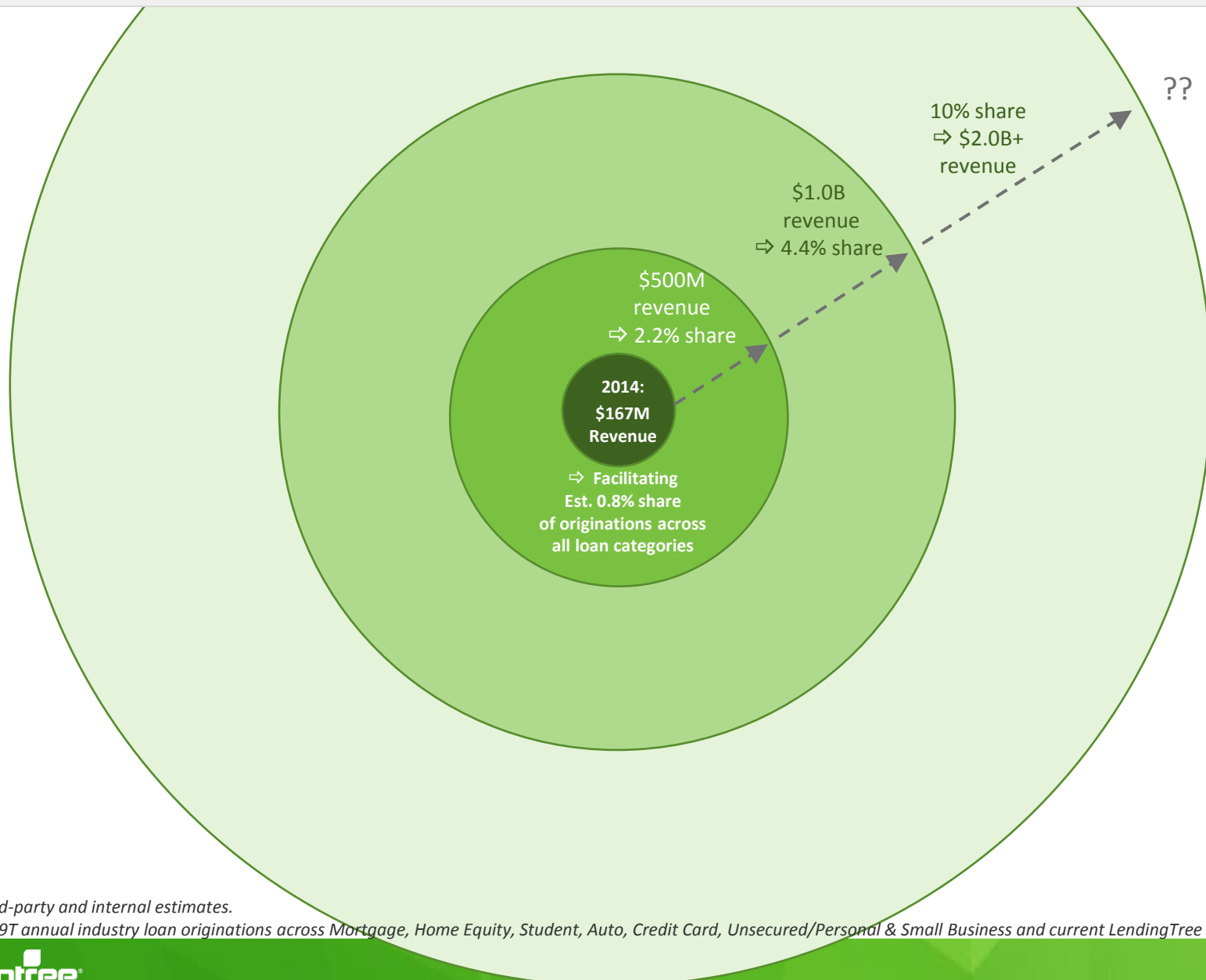
- Lenders tell us:  
**Borrower acquisition is the key constraint to growth**
- Unique in driving customer acquisition across full spectrum of loan categories
- Mortgage: +7x the #2 loan category
- Alternative lending platforms driving growth/innovation in previously underserved markets
  - Personal Loans
  - Small Business Loans
  - Student Loan Refinancing



1) FRB of NY – Quarterly Report on Household Debt & Credit, February 2015.

2) FDIC Statistics on Depository Institutions Report (C&I loans of \$1.0M or less to U.S. addressees) as of 12/31/14.

# Market Share & Long-Term Revenue Opportunity



Source: Third-party and internal estimates.

Assumes \$1.9T annual industry loan originations across Mortgage, Home Equity, Student, Auto, Credit Card, Unsecured/Personal & Small Business and current LendingTree economics.



# A Culture of Continuous Product Innovation

## Reverse Mortgage – Q1 '13

The screenshot shows the LendingTree website for Reverse Mortgage Loans. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with a yellow egg icon and the text "Start Enjoying Retirement". Below this, there's a section titled "Put the Gold in Your Golden Years" and another titled "Reverse Mortgage Benefits" with a list of bullet points. A "Start Request" button is prominently displayed.

## Credit Cards – Q2 '13

The screenshot shows the LendingTree website for Compare Credit Cards. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Compare Credit Cards". Below this, there's a section titled "What do you use your card for?" with icons for Travel, Dining, Entertainment, Gas, and Groceries. There are also sections for "Barclaycard Arrival™ World MasterCard®" and "Starwood Preferred Guest® Credit Card from American Express".

## Mobile Experience – Q2 '13



## Personal Loans – Q3 '13

The screenshot shows the LendingTree website for Personal Loans. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Personal Loans". Below this, there's a section titled "Compare Personal Loans and Save!" with a "Start Loan Request" button. There's also a section titled "Need Cash Fast? Get a Personal Loan!" and another titled "Personal Loan Benefits" with a list of bullet points.

## Loan Officer Directory – Q1 '14

The screenshot shows the LendingTree website for a Loan Officer Profile. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Loan Officer Profile". Below this, there's a section titled "Ryan Miller" with a photo and a "Write a Review" button. There's also a section titled "About Me" and another titled "LendingTree Network Rates" with a table of rates.

## Local Introductions – Q1 '14

The screenshot shows the LendingTree website for Local Introductions. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Local Introductions". Below this, there's a section titled "You have matches!" with a list of loan offers. There's also a section titled "Local Lender: Charlotte, NC" with a map and a "Contact Us" button.

## Small Biz Loans – Q3 '14

The screenshot shows the LendingTree website for Small Biz Loans. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Introducing Business Loans". Below this, there's a section titled "Choose the loan that best fits your financing needs." with two columns: "Business Loans" and "Personal Loans".

## Student Loan Refi – Q4 '14

The screenshot shows the LendingTree website for Student Loan Refi. It features a green header with the LendingTree logo and navigation links. The main content area has a green background with the text "Student Loan Refi". Below this, there's a section titled "Make sure you always have a great student loan" with a "Start" button. There's also a section titled "Student Accounts" with a table of accounts.

# All-New My LendingTree

## 100% free credit score...“with a brain”

### ■ Free credit score for consumers enables:

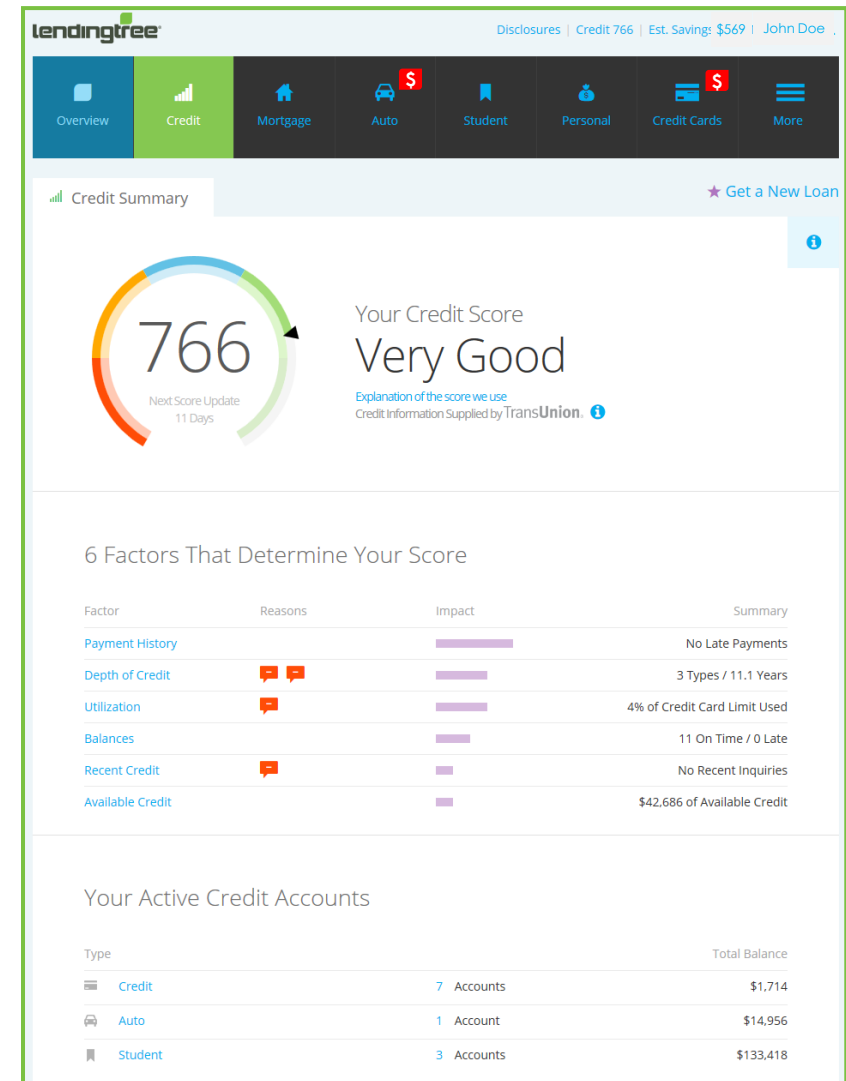
- Proactive, market-based savings alerts to consumers
  - Timely
  - Relevant
  - Quantifiable
- Exposure to broader set of LT offerings

### ■ Reduces dependence on paid marketing

- Drives repeat engagement & lifetime value

### ■ 1.4+ million users enrolled<sup>(1)</sup>

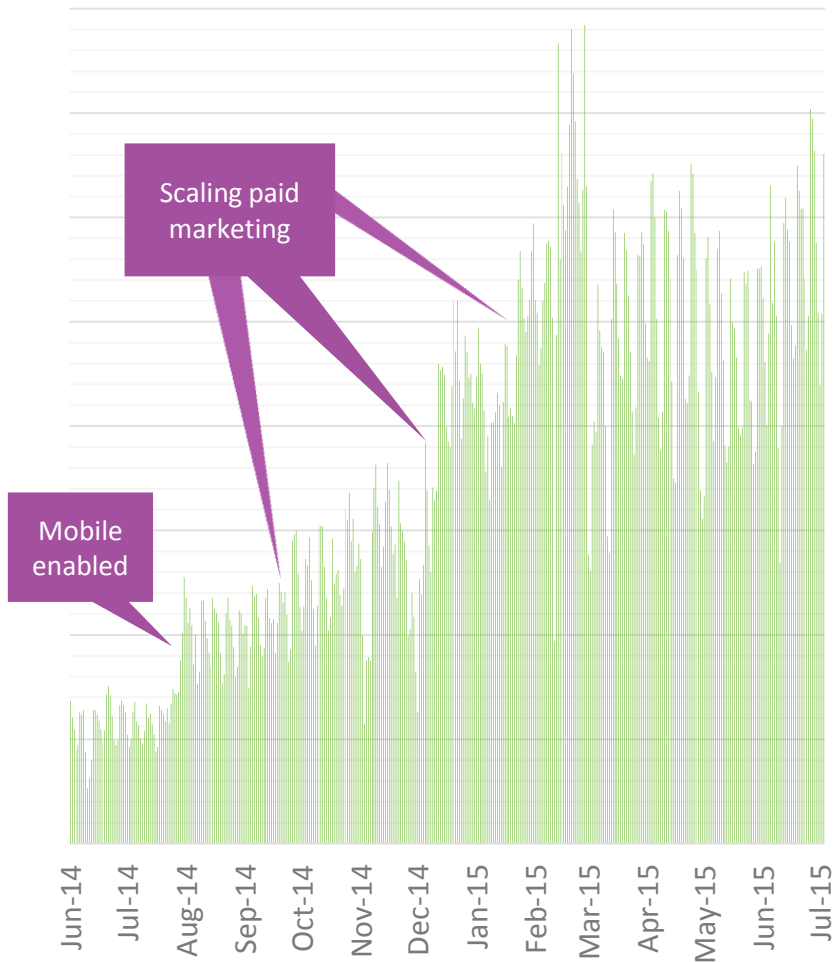
### ■ Launched late Q2 '14



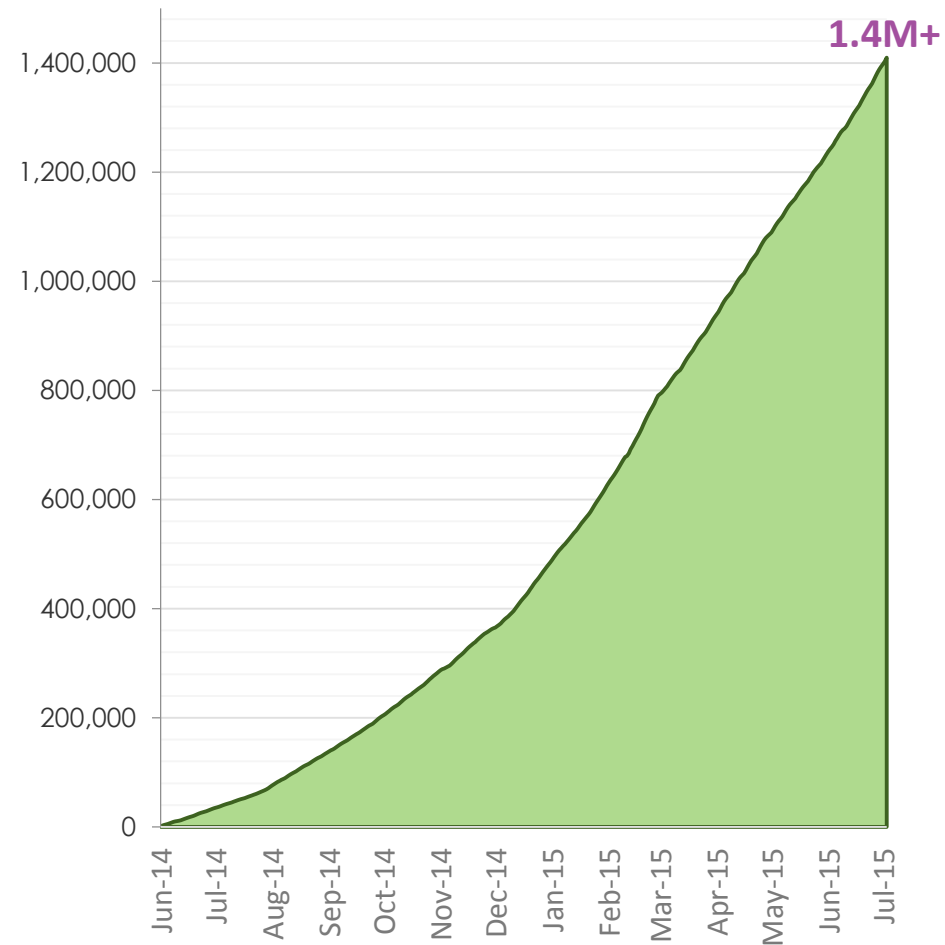
1) As of 7/31/15

# My LendingTree: 1.4+ Million Users Enrolled

## Daily New Users



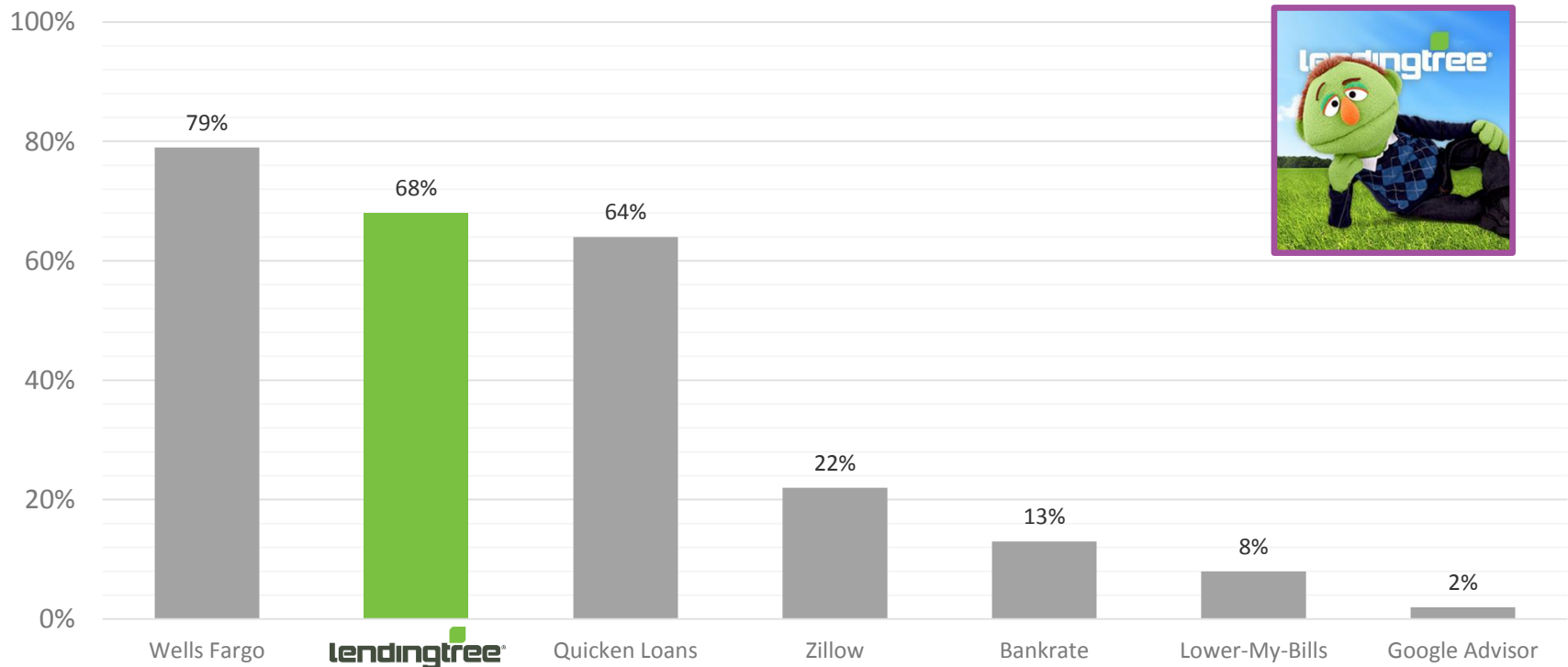
## Cumulative New Users



# The Iconic **lendingtree**® Brand

- 68% brand awareness
- \$1+ billion lifetime investment

## Aided Brand Awareness<sup>(1)</sup>



Source: LendingTree Consumer Research Study conducted by S. Radoff Associates, LLC, February 2015. 1,722 online surveys. Prospects defined as creditworthy current or prospective homeowners who are in the market for either a primary mortgage or refinancing.

1) Awareness and familiarity of selected companies within category defined by companies that offer mortgages online.

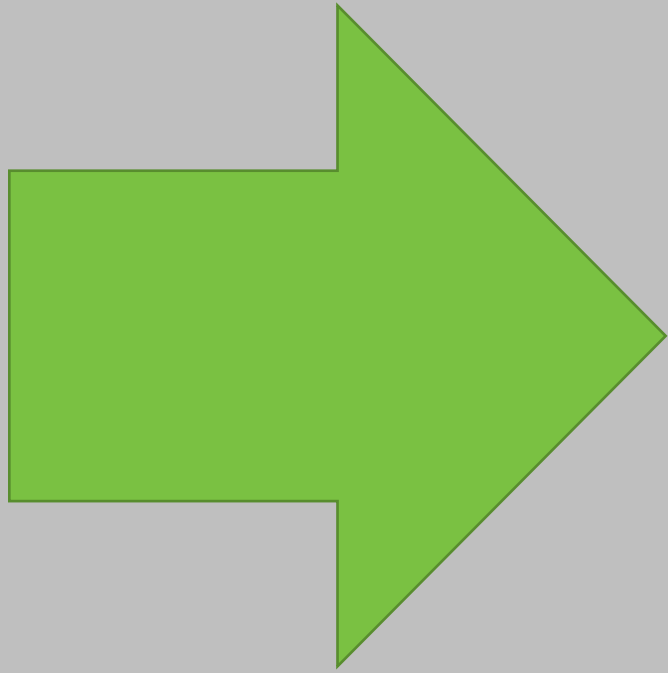


Financial Profile

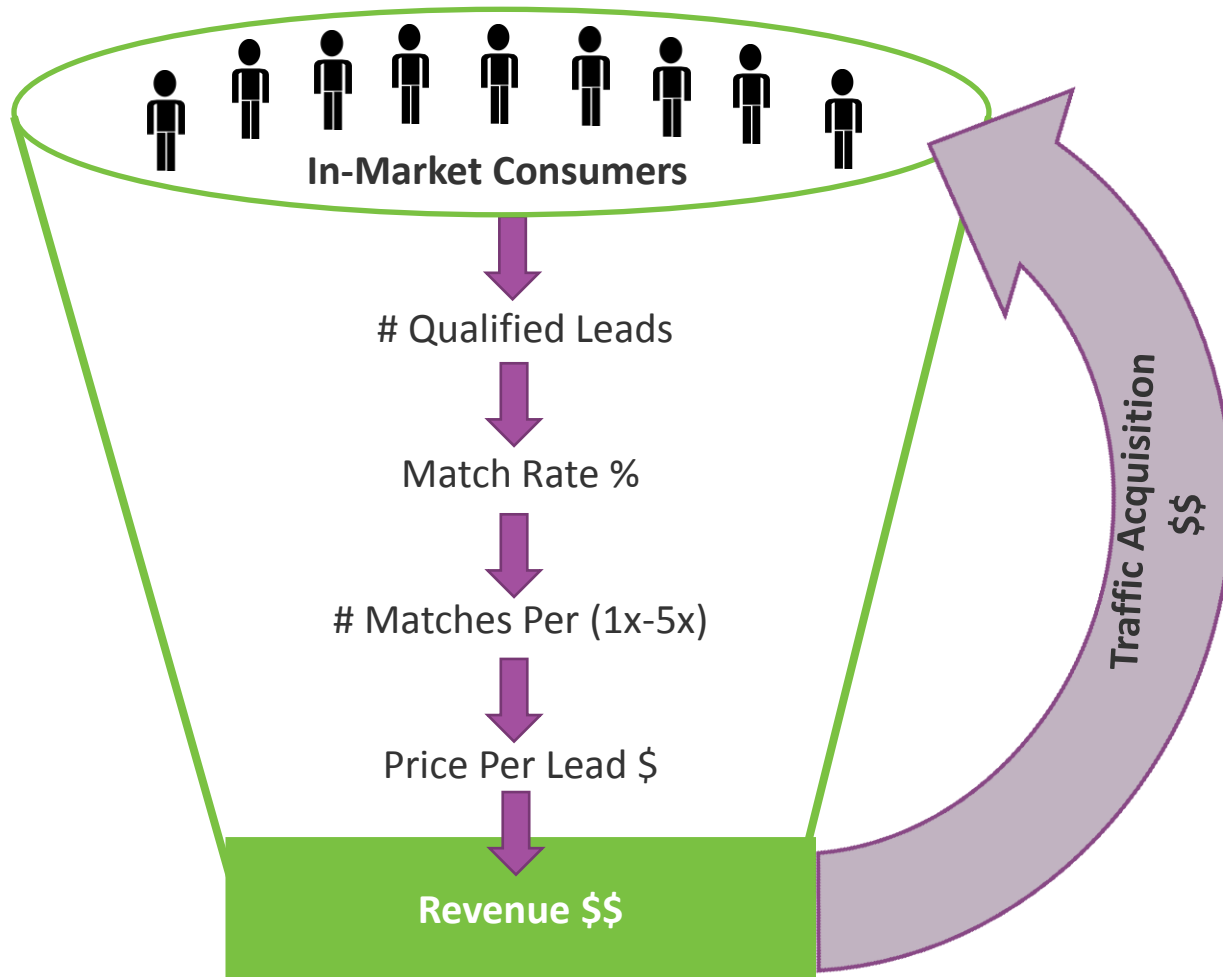
# How We Make Money

## Facilitating cost-efficient loan volume for our marketplace lenders

- Conversion of leads into funded transactions is key

Illustrative Lender Economics						
Product	Avg Match Fee	Avg Close Fee	# of Leads Purchased	Conversion Rate (lead to fund)	Avg Loan Size	Cost per Funded Loan (bps)
Refinance Mortgage	\$1 - \$130	n/a				50 – 150
Purchase Mortgage	\$1 – \$80	n/a				50 – 150
Home Equity	\$10 - \$40	n/a				50 – 150
Auto Loans	\$1 - \$15	\$125 - \$225				70 – 250
Personal Loans	\$1 - \$15	\$2 - \$200				200 – 500
Small Biz Loans	n/a	\$200-\$1000				100 – 400

# Revenue Model & Traffic Acquisition



# Operating Model

Revenue	% of Revenue <sup>(1)</sup> <b>100%</b>	<ul style="list-style-type: none"> <li>Match Fees</li> <li>Closed Loan Fees</li> <li>Hybrid</li> <li>Click Revenue</li> <li>Call Transfer Fees</li> </ul>
- Working Media Expense	59%	<ul style="list-style-type: none"> <li>TV</li> <li>Radio</li> <li>Print</li> <li>Paid Search</li> <li>Organic Search</li> <li>Display</li> <li>Social Media</li> <li>Partnerships</li> <li>Email</li> </ul>
- Non-Media Expense	2%	<ul style="list-style-type: none"> <li>Ad Serving</li> <li>Creative Production</li> <li>Agency Fees</li> <li>Free Credit Scores (My LendingTree)</li> </ul>
<b>= Variable Marketing Margin</b>	<b>39%</b>	
- Cost of Revenue <sup>(2)</sup>	4%	<ul style="list-style-type: none"> <li>Internal/External Call Center</li> <li>Credit Scoring</li> <li>Credit Card Processing</li> <li>Lead Verification</li> <li>Server Hosting</li> <li>Licensing</li> </ul>
- Selling & Marketing <sup>(2)</sup>	5%	<ul style="list-style-type: none"> <li>Personnel</li> </ul>
- Product Development <sup>(2)(3)</sup>	4%	<ul style="list-style-type: none"> <li>Personnel</li> <li>Outsourced Software Development</li> </ul>
- General & Administrative <sup>(2)(4)</sup>	10%	<ul style="list-style-type: none"> <li>Corporate Personnel</li> <li>Professional Fees</li> <li>Technology Infrastructure</li> <li>Office Expenses</li> <li>HR &amp; Recruiting</li> <li>Taxes &amp; Insurance</li> </ul>
<b>= Adjusted EBITDA</b>	<b>16%</b>	

1) Reflects the three months ended 6/30/15.

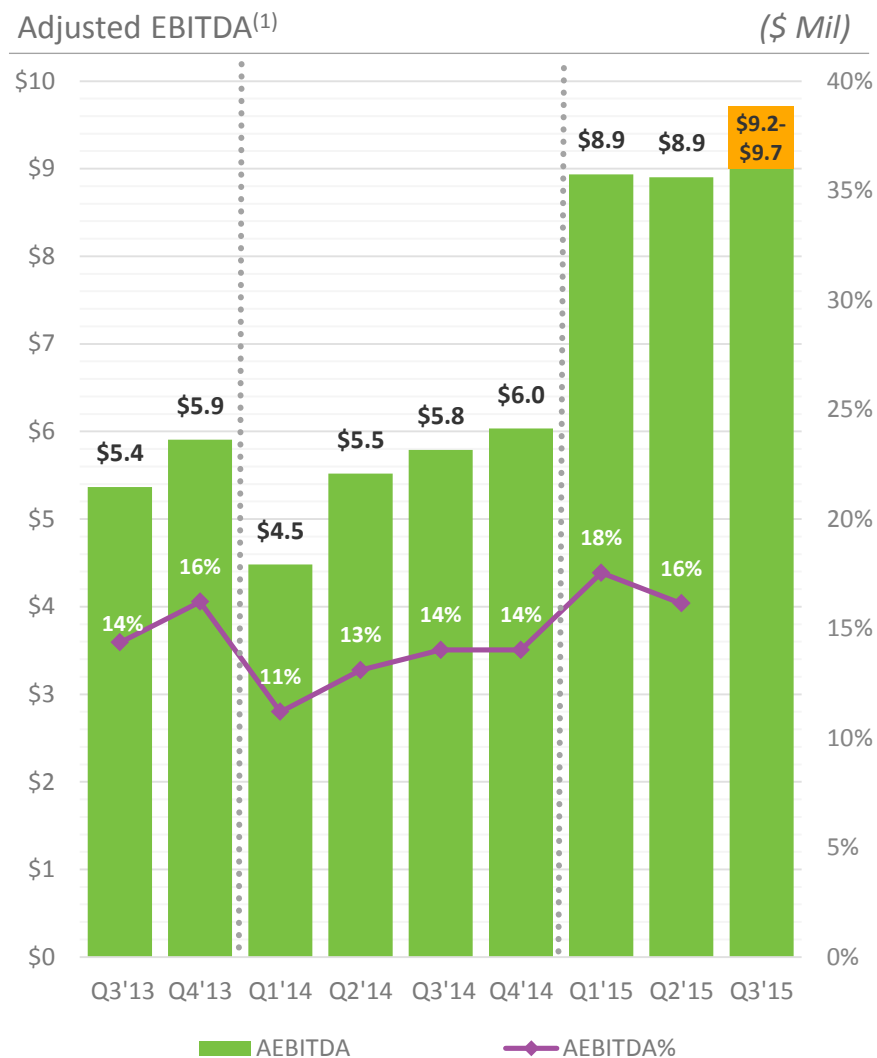
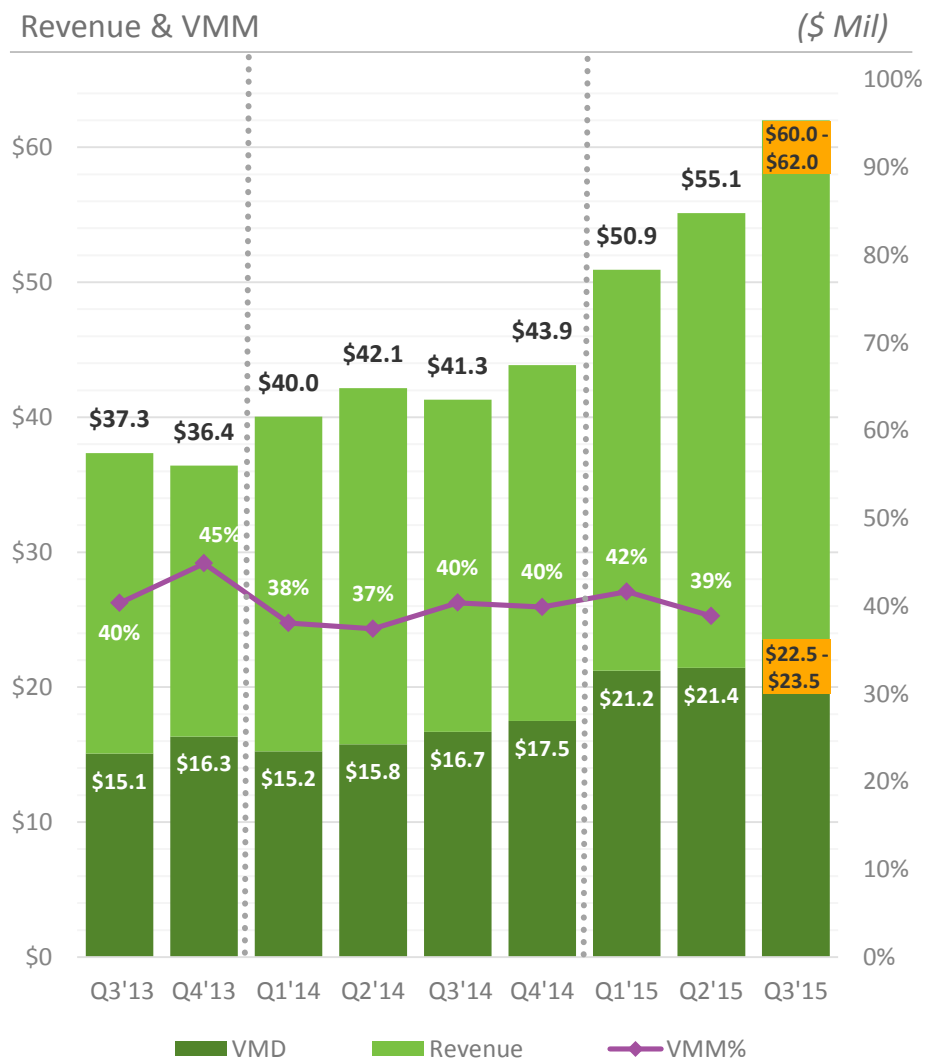
2) Excludes non-cash compensation.

3) Net of capitalized software development expense.

4) Excludes certain adjusted items. Please see LendingTree's "Definition of Adjusted EBITDA" in our form 10-Q for the period ended 3/31/15.

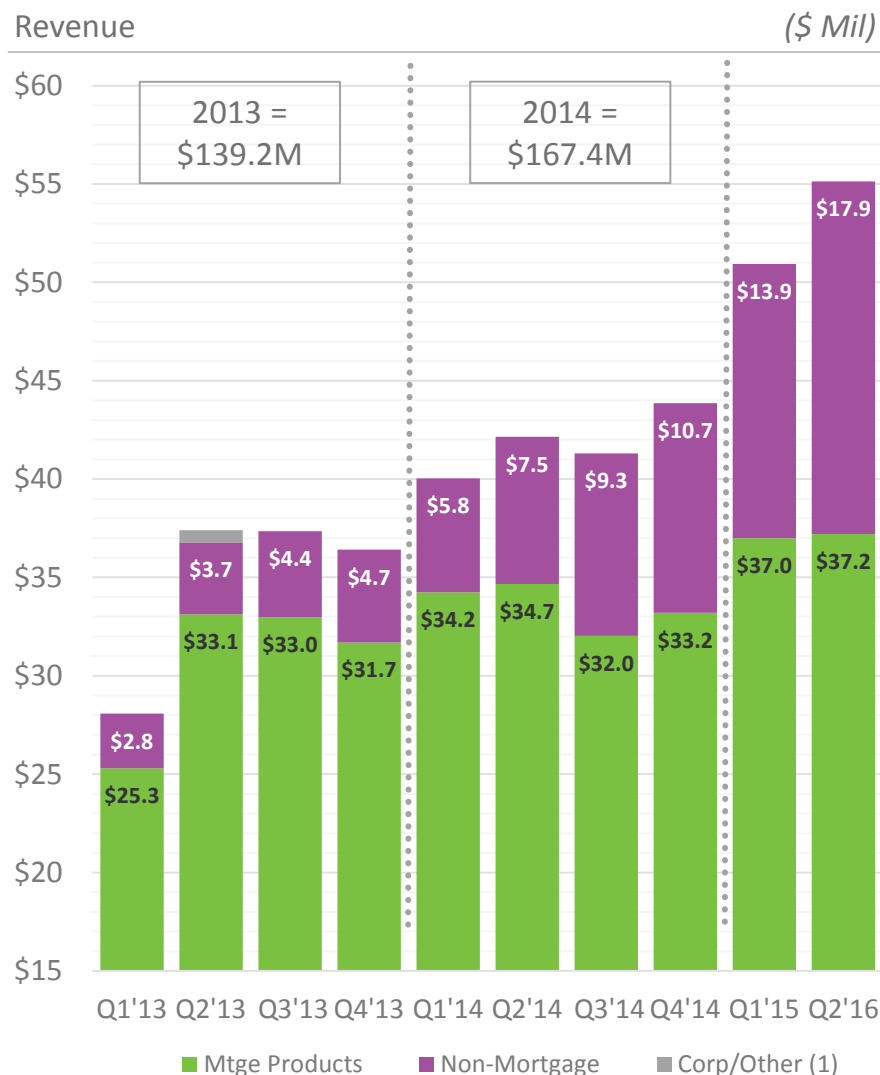


# Quarterly Financial Performance



1) Adjusted EBITDA is a non-GAAP measure. Please see our definition of adjusted EBITDA and our reconciliation of non-GAAP measures to GAAP in our form 10-Q for the period ended 3/31/15 and in our other SEC filings.

# Revenue Growth: Mortgage vs. Non-Mortgage

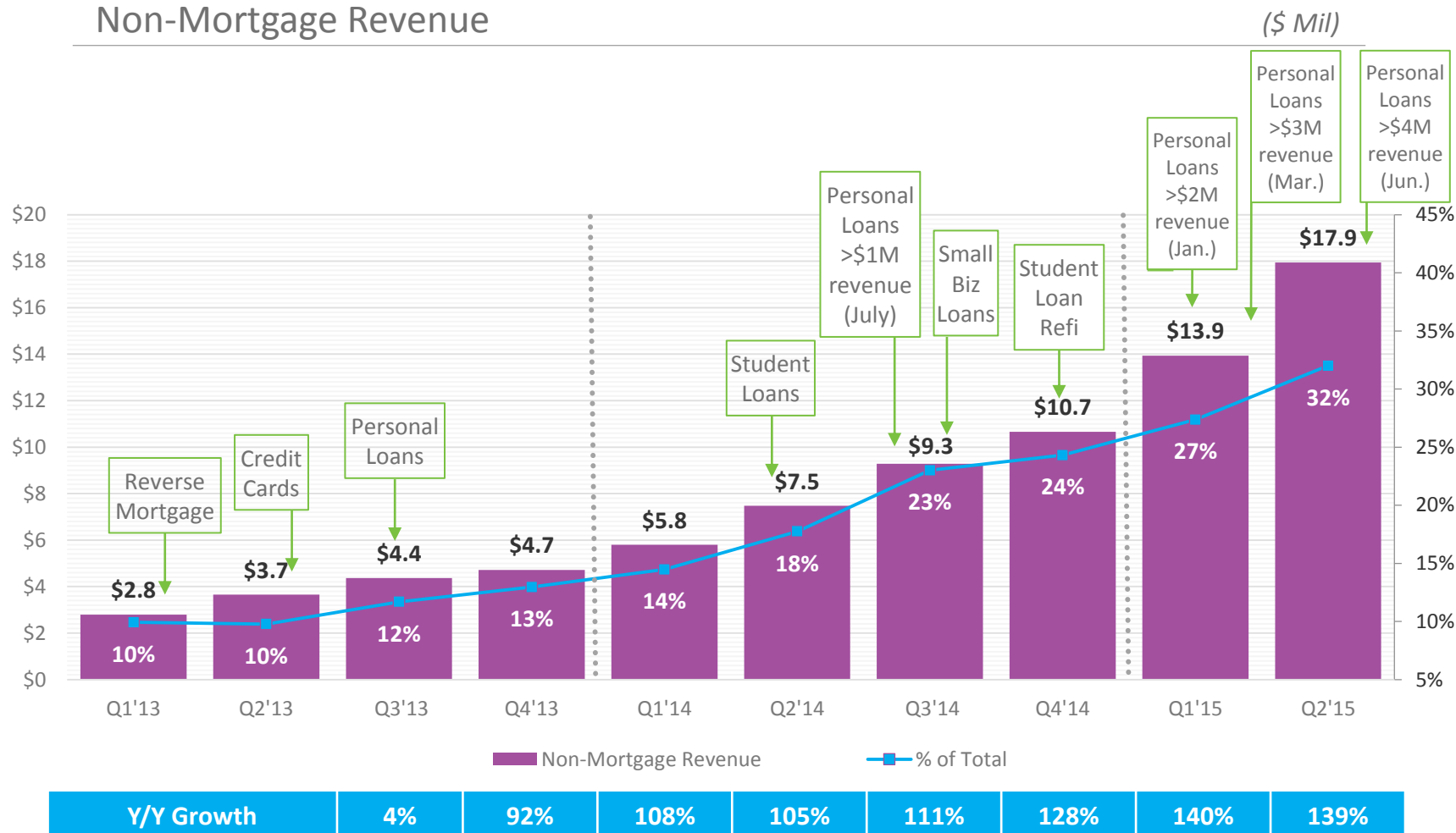


- Q2 '15 total revenue +31% Y/Y
  - Mortgage Products +7%
  - Non-Mortgage Products +139%
- Product innovation and diversification
  - New and re-launched loan & credit categories
  - Product enhancements for consumers and lenders
- Marketing machine + analytics optimization
- New growth engines emerging
  - Credit Cards, Small Biz, Student Loans

1) Reflects certain marketing services revenue recorded in our Corporate segment.

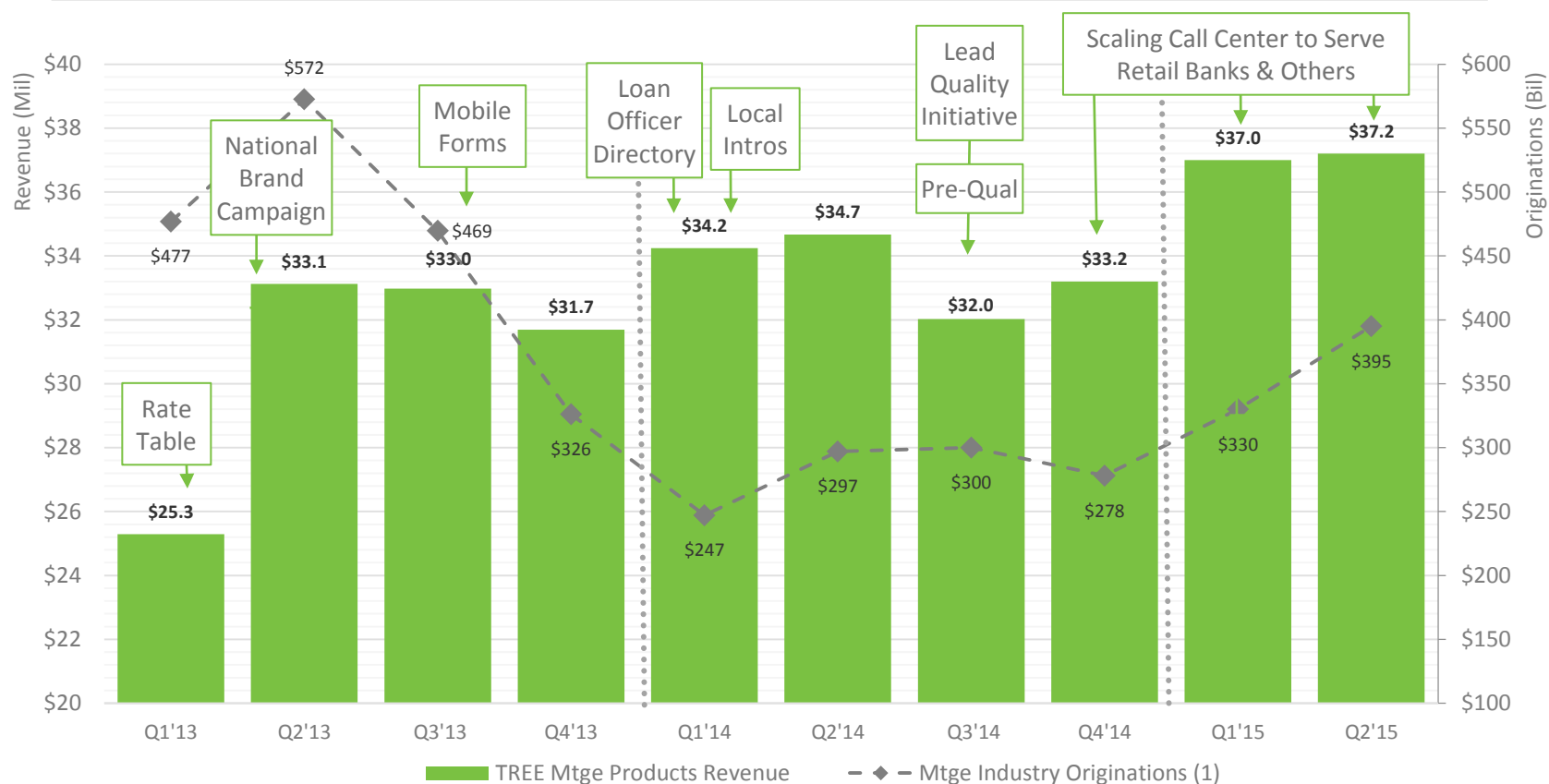
# Non-Mortgage: Innovation & Diversification

## Non-Mortgage Revenue



# Mortgage: Innovation & Market Penetration

## Mtge Products Revenue vs. Industry Originations



TREE Mtge Rev Y/Y	30%	95%	75%	51%	35%	5%	(3%)	5%	8%	7%
Industry Orig Y/Y	17%	16%	(20%)	(42%)	(52%)	(45%)	(28%)	(17%)	28%	33%

1) Source: Mortgage Bankers Association

# Selected Balance Sheet Items

	(\$ Mil)
	6/30/15
Cash & Equivalents	\$93.0
Restricted Cash & Equivalents	18.6 <sup>(1)</sup>
Accounts Receivable	20.5
<b>Total Current Assets</b>	<b>133.5</b>
PP&E	6.6
Goodwill	3.6
Intangible Assets	11.0
<b>Total Assets</b>	<b>\$154.9</b>
Accounts Payable	\$2.6
Accrued Expenses & Other Current	28.4
Current Liabilities of Discontinued Ops	13.7
<b>Total Current Liabilities</b>	<b>44.7</b>
<b>Total Liabilities</b>	<b>49.6</b>
Shareholders' Equity	105.3
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$154.9</b>

■ Working capital of \$88.7M<sup>(2)</sup>

■ Significant NOLs<sup>(3)</sup>

- \$36M Federal
- \$316M State

1) \$12.1M of restricted cash expected to be released in December 2015.

2) Defined as current assets minus current liabilities.


3) As of 12/31/14.

# Guidance Summary

Q3 2015			
Revenue	\$60.0	-	\$62.0
<i>Y/Y Growth</i>	<i>45%</i>	-	<i>50%</i>
VMM \$	\$22.5	-	\$23.5
<i>Y/Y Growth</i>	<i>35%</i>	-	<i>41%</i>
Adj. EBITDA	\$9.2	-	\$9.7
<i>Y/Y Growth</i>	<i>59%</i>	-	<i>67%</i>

FY 2015			
Revenue	\$225.0	-	\$230.0
<i>Y/Y Growth</i>	<i>34%</i>	-	<i>37%</i>
VMM \$	\$86.0	-	\$89.0
<i>Y/Y Growth</i>	<i>32%</i>	-	<i>37%</i>
Adj. EBITDA	\$35.0	-	\$36.0
<i>Y/Y Growth</i>	<i>60%</i>	-	<i>65%</i>

# Investment Highlights

- “The Search Engine for Money”
- Providing value to both consumers & lenders
- Leader in largest loan category – Mortgage
- At forefront of high-growth lending categories
- Iconic **lendingtree<sup>®</sup>** brand
- Cutting-edge marketing & analytics
- Continuous product innovation
- New My LendingTree – personalization platform
- Sound financial model

For more information please contact:

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