Analyst & Investor Day

LendingTree, Inc.

Nasdaq: TREE

December 11, 2019

Disclaimer

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 LendingTree and members of its management team 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 successfully integrate acquired businesses; 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 ability to attract and retain senior management and key employees. 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, 2018, our Quarterly Report on Form 10-Q for the period ended September 30, 2019 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.

Certain Principles of Financial Reporting

LendingTree reports Variable Marketing Margin and Earnings Before Interest, Taxes, Depreciation and Amortization, as adjusted for certain items discussed below ("Adjusted EBITDA") as non-GAAP measures supplemental to GAAP.

Variable Marketing Margin is defined as revenue less Variable Marketing Expense. Variable Marketing Expense is defined as the expense attributable to variable costs paid for advertising, direct marketing and related expenses, including the portion of cost of revenue attributable to costs paid for advertising re-sold to third parties, and excluding overhead, fixed costs and personnel-related expenses. The majority of these variable advertising costs are expressly intended to drive traffic to our websites and these variable advertising costs are included in selling and marketing expense on the company's consolidated statements of operations and consolidated income. When advertising inventory is re-sold to third parties, the proceeds of such transactions are included in revenue for the purposes of calculating Variable Marketing Margin, and the costs of such re-sold advertising are included in cost of revenue in the Company's consolidated statements of operations and consolidated income and are included in Variable Marketing Expense for purposes of calculating Variable Marketing Margin. Variable Marketing Margin is a measure of the operating efficiency of the Company's operating model, measuring revenue after subtracting variable marketing costs that directly influence revenue. The Company's operating model is highly sensitive to the amount and efficiency of variable marketing expenditures, and the Company's proprietary systems are able to make rapidly changing decisions concerning the deployment of variable marketing expenditures (primarily but not exclusively online and mobile advertising placement) based on proprietary and sophisticated analytics. Variable Marketing Margin is a primary metric by which the Company measures the effectiveness of its marketing efforts.

Disclaimer (cont'd)

EBITDA is defined as net income from continuing operations excluding interest, income taxes, amortization of intangibles and depreciation. Adjusted EBITDA is defined as EBITDA excluding (1) non-cash compensation expense, (2) non-cash impairment charges, (3) gain/loss on disposal of assets, (4) restructuring and severance expenses, (5) litigation settlements, contingencies and legal fees for certain patent litigation, (6) acquisitions and dispositions income or expense (including with respect to changes in fair value of contingent consideration), and (7) one-time items. Adjusted EBITDA is a primary metric by which LendingTree evaluates the operating performance of its businesses, on which its marketing expenditures and internal budgets are based and by which management and many employees are compensated.

The most directly comparable GAAP measure for both Variable Marketing Margin and Adjusted EBITDA is net income from continuing operations.

LendingTree endeavors to compensate for the limitations of these non-GAAP measures by also providing the comparable GAAP measures with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measures. However, LendingTree is not able to provide a reconciliation of projected Variable Marketing Margin or Adjusted EBITDA to the most directly comparable expected GAAP results due to the unknown effect, timing and potential significance of the effects of legal matters, contingent consideration and income taxes. Expenses associated with legal matters, tax consequences, and income and expense from changes in fair value of contingent consideration from acquisitions have in the past, and may in the future, significantly affect GAAP results in a particular period. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

About LendingTree, Inc.

LendingTree (NASDAQ: TREE) is the nation's leading online marketplace that connects consumers with the choices they need to be confident in their financial decisions. LendingTree empowers consumers to shop for financial services the same way they would shop for airline tickets or hotel stays, comparing multiple offers from a nationwide network of over 500 partners in one simple search, and can choose the option that best fits their financial needs. Services include mortgage loans, mortgage refinances, auto loans, personal loans, business loans, student refinances, credit cards, insurance and more. Through the My LendingTree platform, consumers receive free credit scores, credit monitoring and recommendations to improve credit health. My LendingTree proactively compares consumers' credit accounts against offers on our network, and notifies consumers when there is an opportunity to save money. In short, LendingTree's purpose is to help simplify financial decisions for life's meaningful moments through choice, education and support.

Opening Remarks

Doug Lebda – Founder, Chairman & CEO

How did we do in 2019?

(millions)	2019 Guidance – One Year Ago[1]		2019 Guidance – Now[2]
Revenue	**$990 - $1,030**	**+$98 (10%)** →	**$1,100 - $1,115**
Y/Y Growth	29% - 35%		44% - 46%
VMM	**$365 - $385**	**+$25 (7%)** →	**$395 - $405**
% Margin	35% - 39%		35% - 37%
Adj. EBITDA	**$195 - $205**	**+$1 (-%)** →	**$197 - $205**
% Margin	19% - 21%		18% - 19%
Y/Y Growth	27% - 34%		28% - 34%

Substantial top-line outperformance; mix shifts and balanced investments reduced EBITDA upside

1) LendingTree Press Release – 12/4/2018
2) LendingTree Press Release – 10/30/2019

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What went well & what surprised us in 2019?

What went well?

- Exceptional growth in Insurance
  - 64% pro forma growth in nine months ended 9/30
  - QuoteWizard execution & ValuePenguin integration
- Accelerating revenue growth in Credit Card
  - +33% through 9/30 vs 13% in 2018
- Emergence of Small Business
  - +81% growth through 9/30; trending to nearly $50M business
- Mortgage recovered, as expected
- My LendingTree showing signs of inflection
  - Test ad campaign showed encouraging results
  - Engagement & monetization continue to improve
  - Ready to scale

What were some challenges?

- Deceleration in Personal Loans surprised us
  - Weighing on overall profitability
- Mortgage profitability was volatile
  - Q2 Mortgage margins lowest in recent memory
  - Conscious decision to capture share despite capacity challenges
  - Payoff evident in Q3 results
- Card profitability not in-line with revenue growth
  - Increased spend to demonstrate relevance with key issuers
  - Investments in 2019 setup well for 2020
- Falling rates challenged growth in Deposits

Our 2019 strategic priorities

5 Strategic Pillars

Reimagine the consumer experience	Strengthen the partner relationship	Institutionalization	Funnel optimization	Strategic diversification

6 Key Initiatives

KNOW WHERE WE STAND	INVESTMENTS & INITIATIVES	CUSTOMER EXPERIENCE WE'RE PROUD OF	SCALE My LENDINGTREE	GROWTH MENTALITY	FUELING OUR TEAM
• Market share • Wallet share • Clear KPIs/Goals	• Gather ideas • Accelerate growth • Measure outcomes	• Fewer mortgage calls • Improve logged-in experience • Improve UX, engagement & lender conversion for all products	• Build monetization • Increase marketing • Differentiate offering • Add B2B partnerships	• Scalable sales platform • Complete the marketing machine • More automation	• Align company, department, and individual goals • Frequent communication • Career growth & development

Our strategic focus in 2020 & beyond

My LendingTree at Scale

Greater Leverage Between Businesses

Ongoing Diversification

Evolve the Mortgage Experience

Expanded Investment in Our Brand

Operational Rigor & Process Focus

Aligning Incentives & Fueling Our Team

External Communication

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Where we're spending time today

My **LendingTree at Scale**

Greater Leverage Between Businesses

Ongoing Diversification

Expanded Investment in Our Brand

External Communication

Why these things?

My LendingTree

- Central to our strategy
- Evolving the consumer UX

Personalization

- Not just My LendingTree
- Optimize across platforms
- Opportunity to leverage existing data assets

Insurance

- Our biggest business
- Have provided less context than other businesses
- Encouraged by the market
- Integration opportunities

Corp Dev

- Key driver of growth & diversification
- Understand our process
- Evolving strategy

Macro & Credit

- Helpful context across several categories
- Understand how our partners see the landscape

Small Business

- Most exciting up & comer
- Robust growth since entry
- Obvious expansion opportunity

New Segments

- Evolving transparency
- More visibility into how we operate

2020 Outlook

- Provide context for next year's plan
- Balanced approach to short-term growth & long-term investment

Today's Agenda

	TOPICS	SPEAKERS
10:30 – 10:50	Opening Remarks	Doug Lebda: Chairman & CEO
10:50 – 11:20	My LendingTree	Sushil Sharma : Chief Product Officer Jason Simon: VP, Product
11:20 – 11:40	Personalization Beyond My LendingTree	Neil Salvage: President
11:40 – 12:10	Spotlight: Insurance	Joel Samen: Director - Aggregators & Affiliates, Liberty Mutual *Moderated by Scott Peyree: President, QuoteWizard*
12:10 – 12:40	Corporate Development	Chris Bither: VP - Corporate Development Chris Thompson: Director - Corporate Development JD Moriarty: Chief Financial Officer
12:40 – 1:10		**Lunch Break**
1:10 – 1:40	Macro Environment & Credit Trends	Kristen Bataillon: Director – Financial Services, TransUnion
1:40 – 2:10	Spotlight: Small Business	Will Tumulty: CEO, Rapid Finance Mark Cerminaro: Chief Revenue Officer, Rapid Finance *Moderated by Jamie Saxe: SVP – GM Non-mortgage Products*
2:10 – 2:20	Preview: New Segment Reporting	Trent Ziegler: VP – Investor Relations & Treasurer
2:20 – 2:40	2020 Financial Outlook	JD Moriarty: Chief Financial Officer
2:40 – 3:00		**Q&A: Management Team**

Key 2019 Wins

Why did we build My LendingTree?

Michael

668 → 728

Originally looking for a mortgage	Auto refi
12 Logins	Debt consolidation
Home equity	
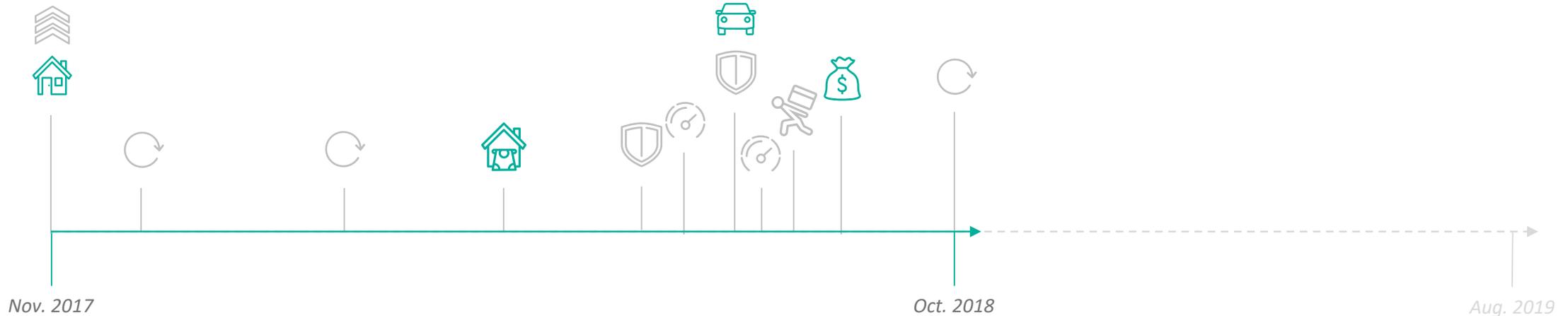
Why did we build My LendingTree?

Michael

668 → 728

🏠 Originally looking for a mortgage	🚗 Auto refi
🔄 12 **16** Logins	📉 Debt consolidation **x2**
🏠 Home equity	🏠 **Mortgage refi**

Why did we build My LendingTree?

Michael

668 → ~~728~~
(+86) **754**

Originally looking for a mortgage	Auto refi
~~12~~ **16** Logins	Debt consolidation **x2**
Home equity	**Mortgage refi**

We're helping users in their financial journey

CREDIT LIFT
>50%

Improve score in the first 6 months

CREDIT SCORE
>50 pts

Average improvement achieved in those with lift

HIGHLY ENGAGED
>70 pts

Average improvement achieved by high engagers*
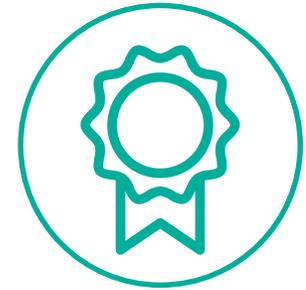
ENGAGEMENT
+30%

Q3 YoY improvement in retention rate

* Engaged with My LendingTree more than 20 times in their lifetime

How we deliver value to our users

DATA → INTELLIGENCE → ALERTS

- Save Money
- Monitor Finances
- Simplify Finance
- Financial Literacy
- Achieve Goals
- Financial Confidence

Credit Card

Engagement Stack

+140%

Revenue increase
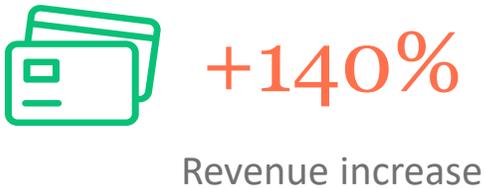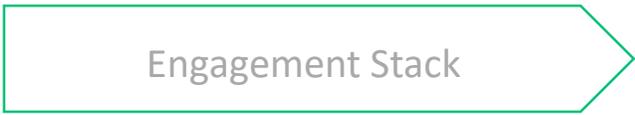
Driving growth through partnerships

We launched an integration platform to power external partners

6
live partner
integrations

2
partners actively
integrating

>160%
revenue growth
YoY

We are now more than a score

Financial health score and UI launched this year

4.8 ★★★★★

Dashboard
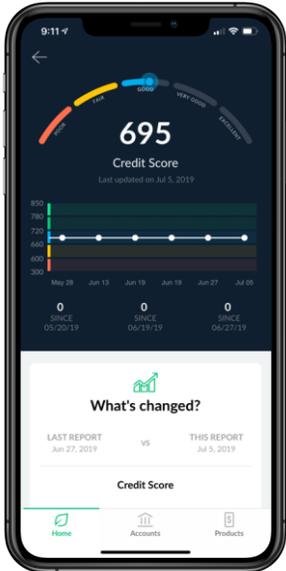
Credit Score

Financial Future

Cash Flow

Derive better insights to better help users

Support growing product diversity

Improve engagement and loyalty

In a blind, non-branded UI Test **91%** of users preferred new UI vs. our top competitors

MyLT 2020 Strategy

Scale marketing spend with "platform" messaging

Tested MyLT on TV & it performed better than our other campaigns
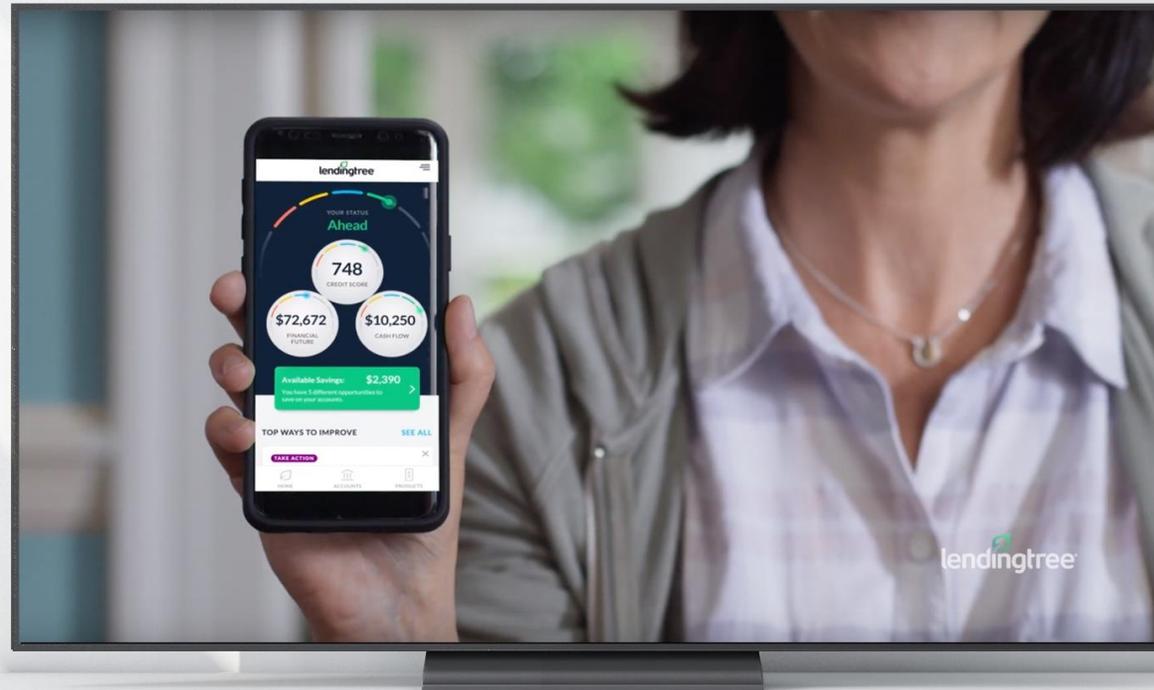
Double down on internal cross-sell

Current draft traffic is from products without significant funnel drop-off

Personal Loans

Mortgage Loans

Auto Loans

Student Loans

lendingtree®

Offers

My LendingTree

Personal Loans

Mortgage Loans

Auto Loans

Student Loans
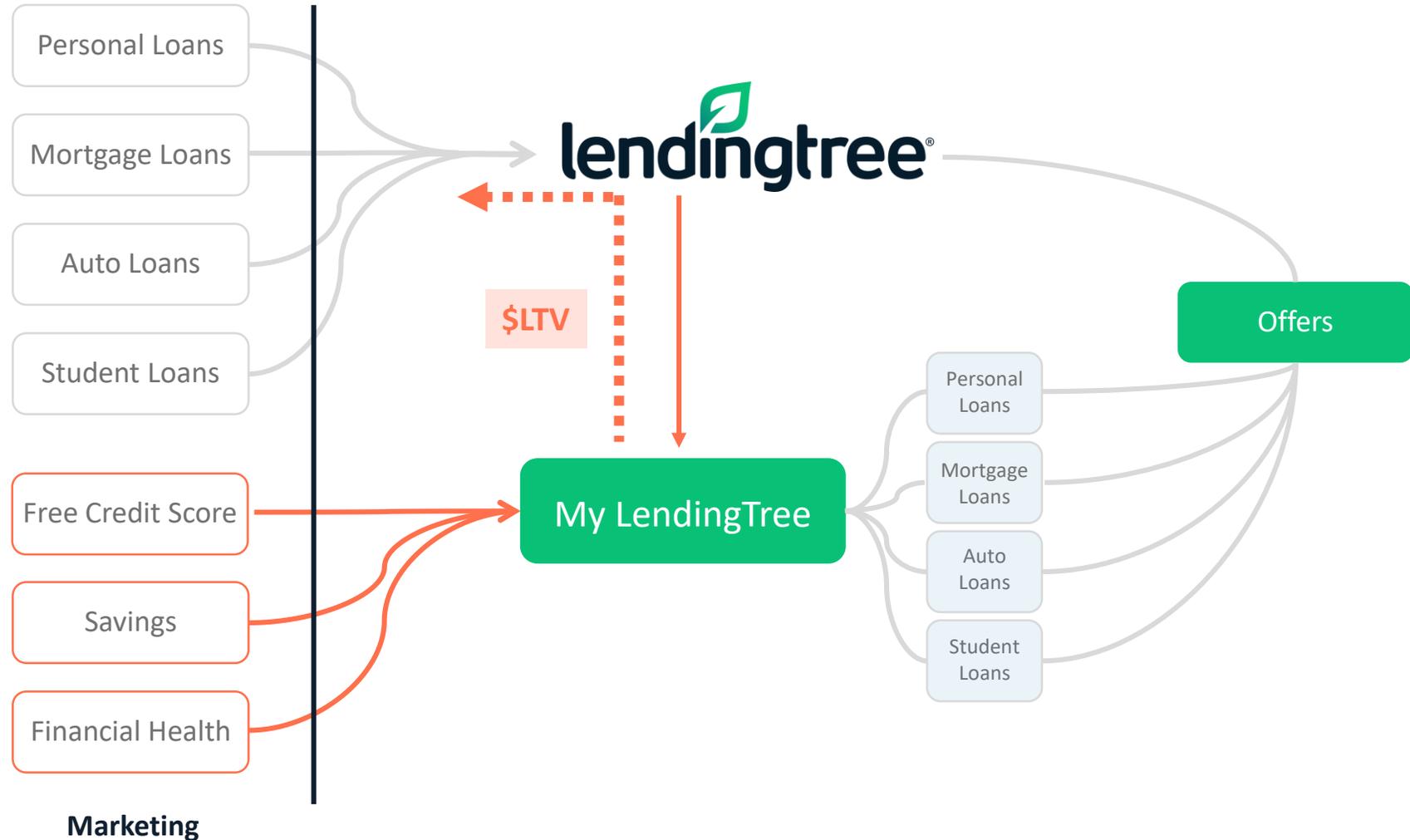
Web redesign to focus on "Financial Health"

Extending to the other side of the balance sheet; assets, investments
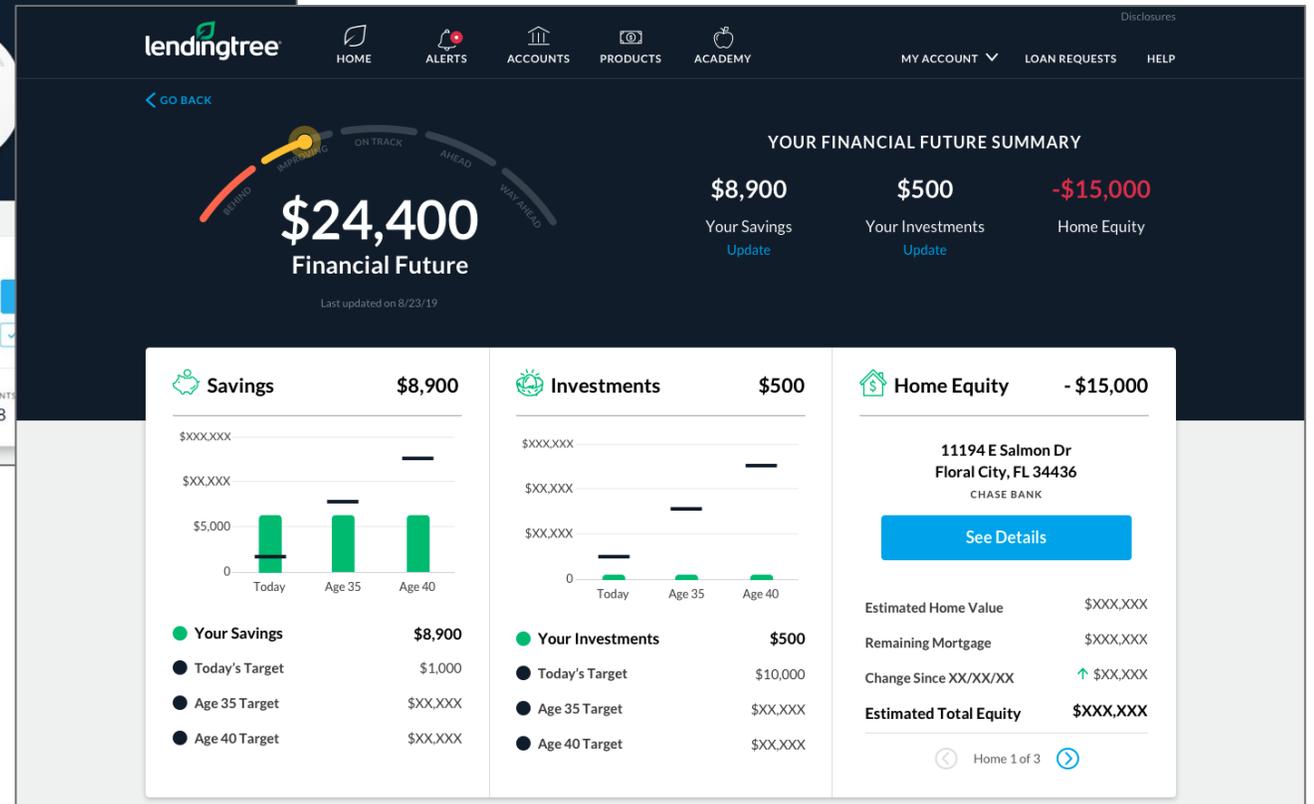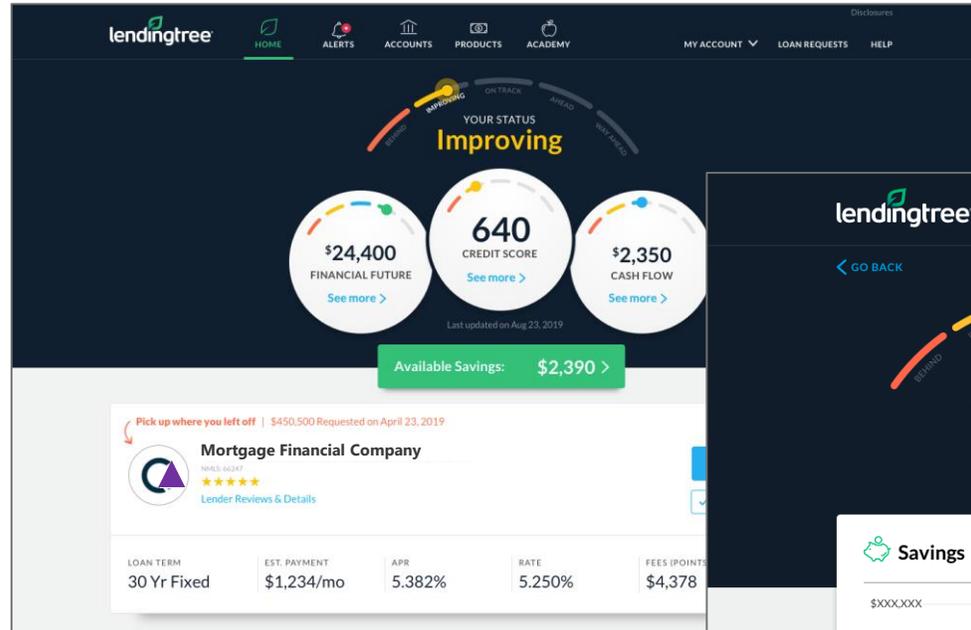
Acquire

Engage

Note : Early design mock-ups for illustration purposes only.

25

"In transit" experience: 1st → nth session

Build trust and engagement from the first session itself
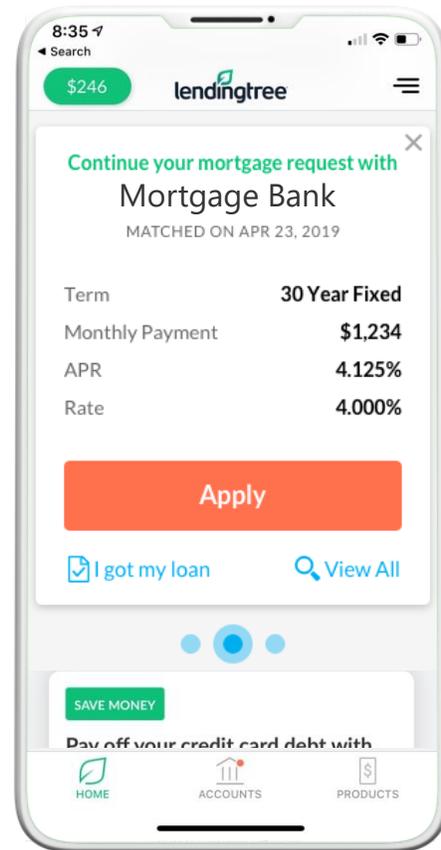
Engage users in transit
(primary product)

Offline CRM.
(post-close)

Recommendation
(secondary product)

Note : Early design mock-ups for illustration purposes only.

26

More regular pro-active touch points

Financial health, dark web monitoring, savings, home/auto insurance

Acquire

Engage

Monetize

Products

Mortgage

Personal Loan

Credit Card

Financial Health & **Premium** Services

1   5   10   15   20   25   30   years
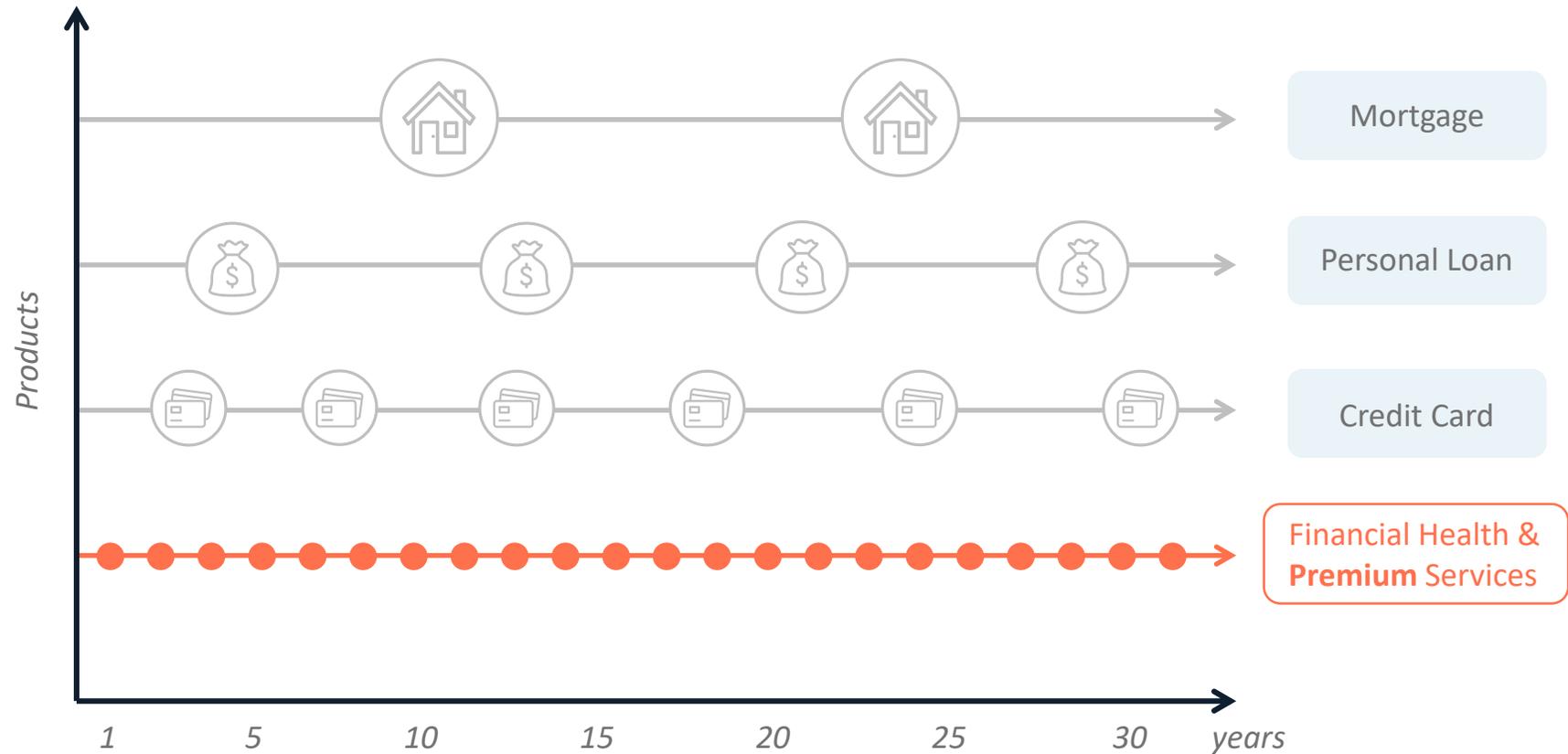
Cross-sell & seamless transactions

Pre-filled/easy data imports for insurance, deposits, investments
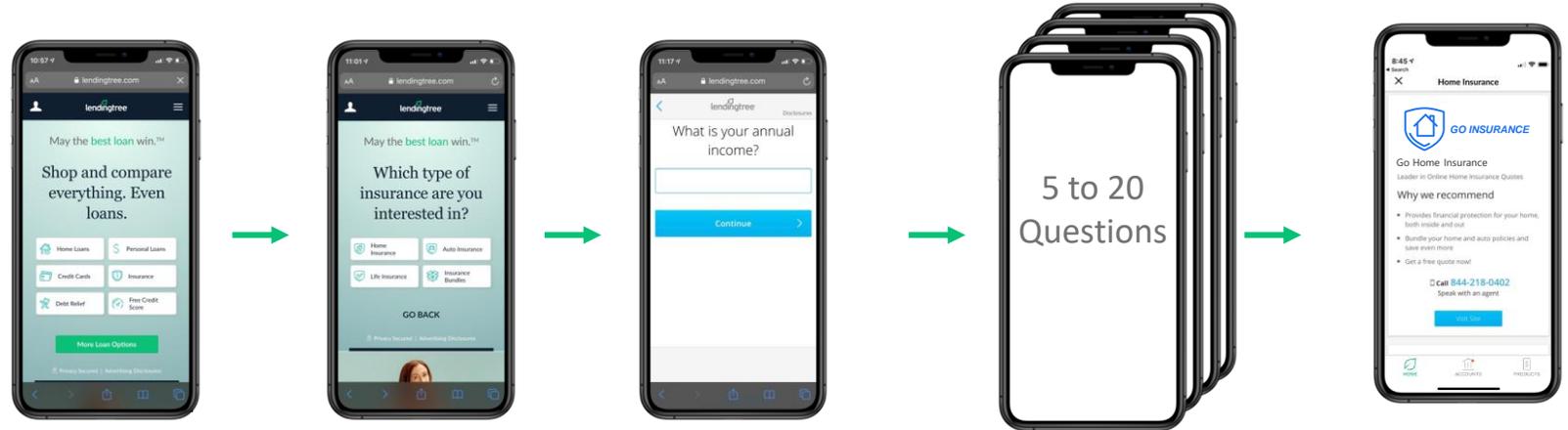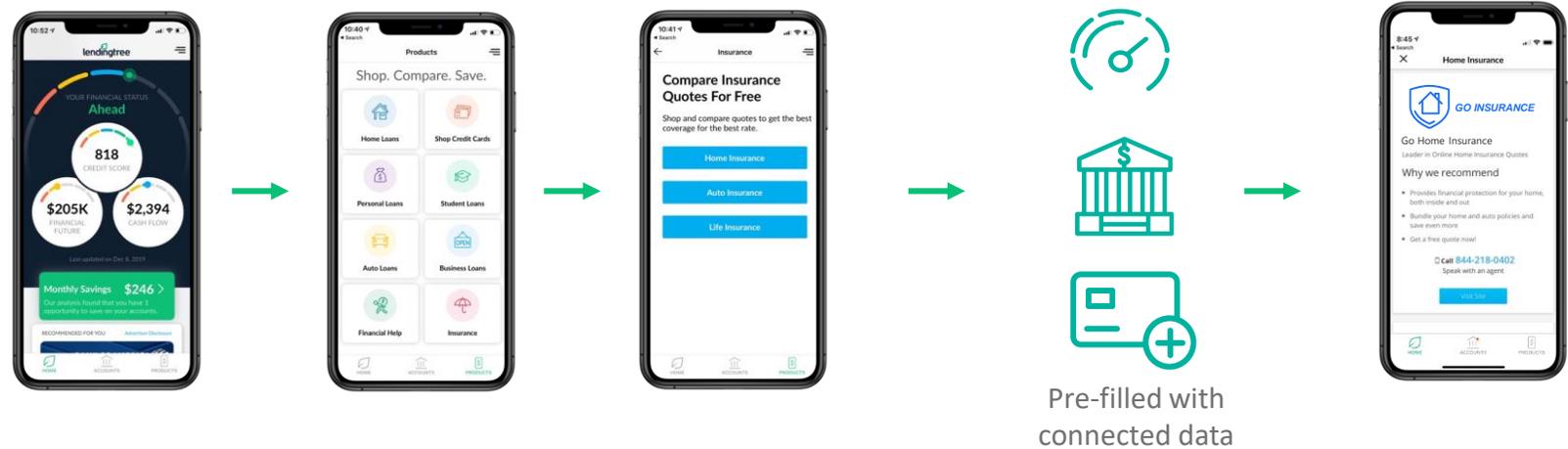
Acquire

Engage

Monetize

Without Account

5 to 20 Questions

With Account

Pre-filled with connected data

Note : Early design mock-ups for illustration purposes only.

28

~62% of revenue comes from previous years' users

Still seeing healthy revenue stream from 3+ yr old user cohorts

Acquire

Engage

Monetize

Revenue generated by users acquired in previous years

2014   2015   2016   2017   2018   2019
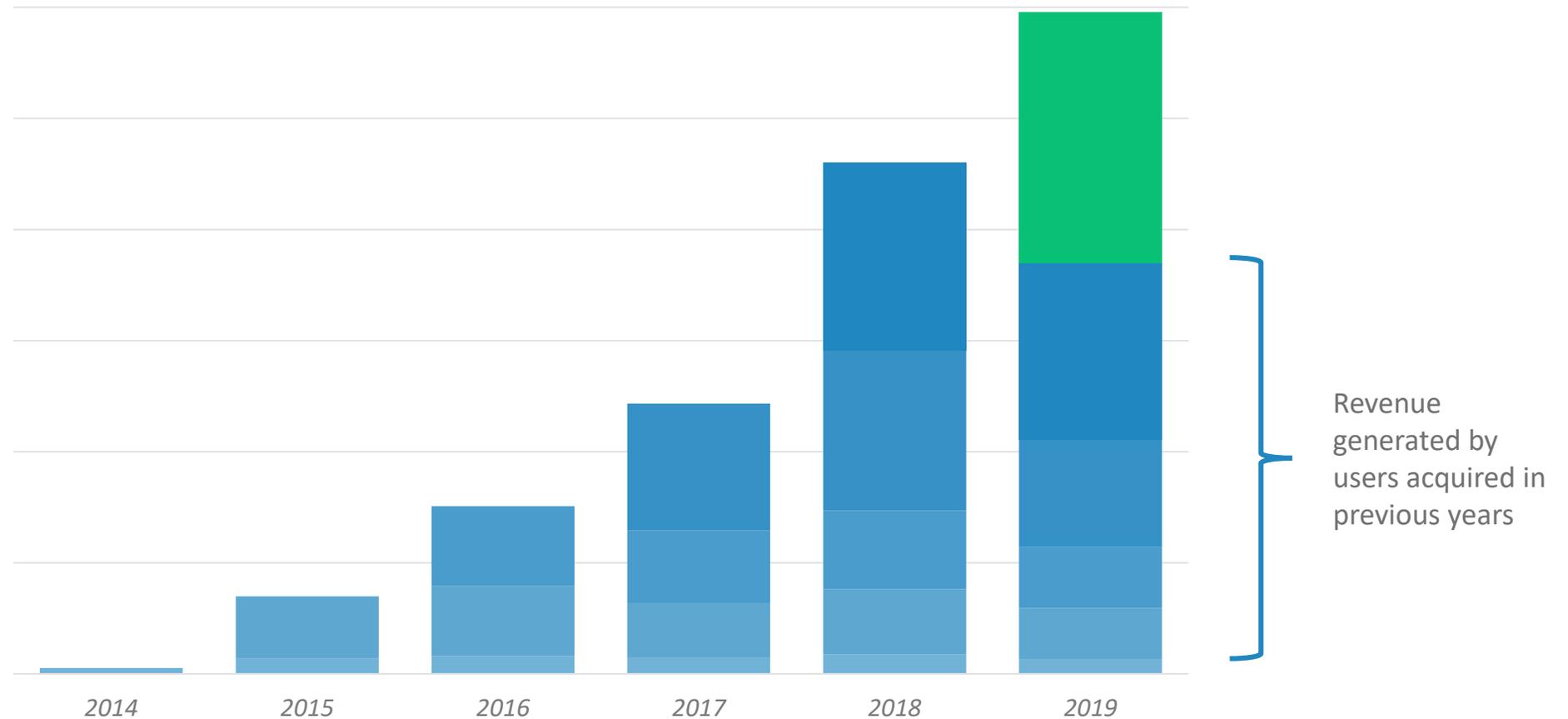
Note: Revenue by signup cohort. Revenue included only through Q3 for all years.

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Thank You
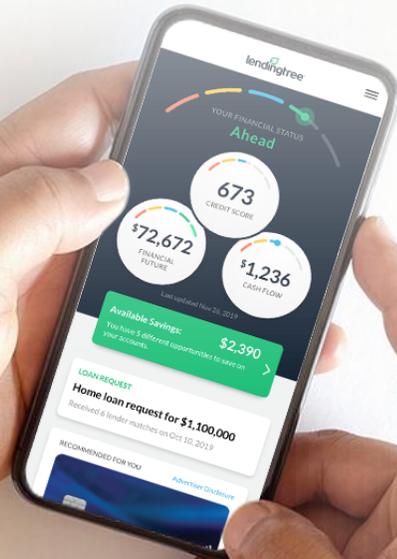
13.6M+
Users as of Dec. 2019

+423%
App Signups (Q3-YoY)

+60%
MAU (Q3-YoY)

+40%
Revenue (Q3-YoY)

Personalization Beyond *My* LendingTree

Neil Salvage – President

Terrific progress in MyLT; opportunity to improve all interactions

My LendingTree

8% of Revenue[1]

Transactional Inquiries

92% of Revenue[1]

Focus on personalization and education at every touchpoint

Diversification has its advantages

Organic and acquired category expansion	Weathering tough macro	Surrounding consumers with choice, education, and support
2013 -------- 2017	**2018**	**2019 & Beyond**
Diversification as a growth engine	**Diversification as a Financial Advantage**	**Diversification as an Operational Advantage**

NEW PRODUCTS, NEW PEOPLE, AND NEW DATA

But it comes with complexity

Multiple consumer touchpoints
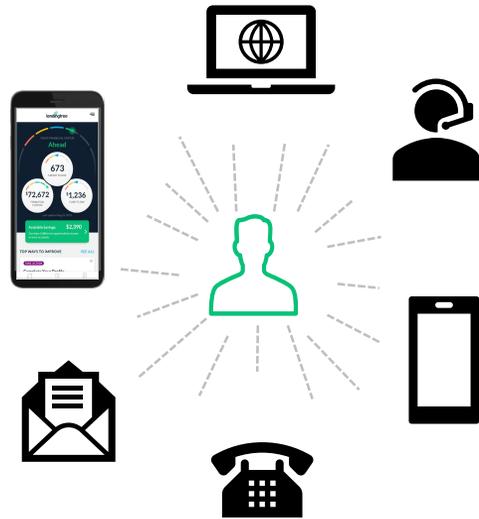
Multiple brands

Fragmented data collection
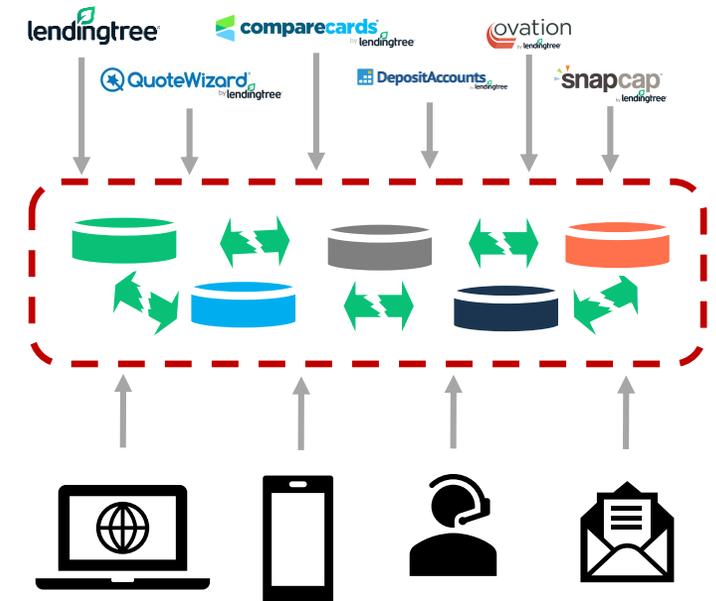
At times, may result in impersonal messages

Diverging results across channels

LOAN SHOPPER

COMPLETES FORM ONLINE

CALLS LENDINGTREE 800#

RECIEVES MULTIPLE OFFERS

AGENT UNAWARE OF PREVIOUS OFFERS ?

NO IMMEDIATE ACTION TAKEN

RECEIVES DIFFERENT OFFERS

Routing through multiple properties

May the *best loan* win.™
Shop and compare everything. Even loans.

Home Loans | Personal Loans | Credit Cards | Insurance | Debt Relief | Free Credit Score

More Loan Options

May the *best loan* win.™
Which type of insurance are you interested in?

Home Insurance | Auto Insurance | Life Insurance | Insurance Bundles

QuoteWizard by lendingtree | Get fast, cheap car insurance quotes with one simple form. Cheapest rates from only $19/mo!

Enter Zip Code

Check Rates

SHOPS FOR INSURANCE AT LENDINGTREE.COM

LANDS AT QUOTEWIZARD

Messages sometimes miss the mark

Verizon LTE 8:45 PM

Trent, let us help you get rid of all your credit card debt...

LendingTree Nov 17
to me

lendingtree

The Math is Simple

You
+
a Personal Loan

A Smart Move

35
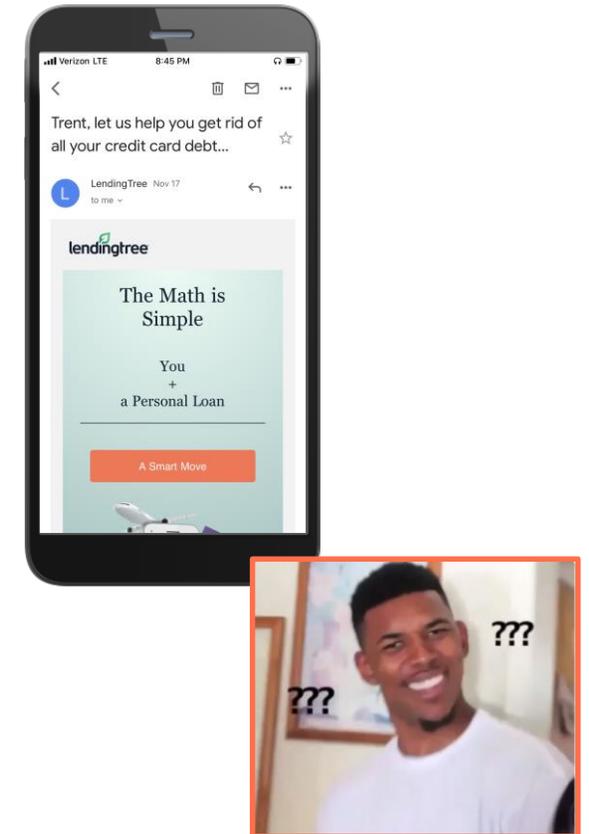
Huge opportunity to generate personalized advice

MORTGAGE REFI SHOPPER

TODAY

| Fills out form on LeadingTree.com | → | Receives multiple offers online, via email, and phone | → | Offers may not present great benefit ✗ | → | No action taken or closes loan with another lender ✗ |

OPPORTUNITY

| Fills out form on LeadingTree.com | | Receives customized solutions to improve credit and save money | → | Better refi offers AND improved credit score, other savings ✓ | → | Closes multiple products inside the network ✓ |

PERSONALIZED DATA INSIGHTS

Pull credit report **+** Individual analytics → Personalized savings suggestions

High student loan rate

High credit card balances

Better insurance rates

Capitalizing on diversification can have a massive impact

Annual Site Visits → 145M+ → 60M+ → 30M+

Investing in technology, data, and brand

TECHNOLOGY INFRASTRUCTURE

Build an integrated system that will provide a holistic view and deliver meaningful data insights

DATA MANAGEMENT & CRM

Provide real-time integrated consumer interactions across all core platforms

Align communications with the consumer's journey

BRAND INVESTMENT

Ensure consumers have a positive experience and they remember it was **LendingTree** that provided that experience

Making Every Interaction Meaningful & Memorable

Insurance Spotlight

Scott Peyree – President, QuoteWizard

Big picture: growth across the board in 2019

QuoteWizard is seeing growth in every component of the business

Industries

89%
Property & Casualty
Revenue growth[1]

25%
Health & Medicare
Revenue growth[1]

Products

Product Revenue Growth[1]

+23% Leads
+77% Calls
+114% Clicks
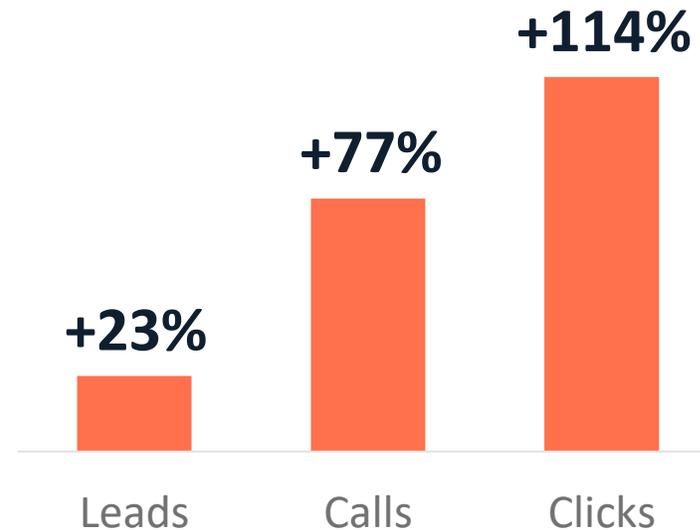
Clients

+20%
8 of top 10 client growth[2]

+60%
4 of top 10 client growth[2]

+37%
All other average growth[2]

Building for the future

- **Near-term product rollouts to drive growth in 2020**

  - **Delty Publisher Platform** – access to 3rd Party Publisher and Carrier Turndown traffic

  - **Touchpoint Text Platform** – more efficient communications with consumers

  - **Medicare Agency** – enhanced service level & improved monetization

- **Extensive product roadmap to ensure strong growth in 2021 and beyond**
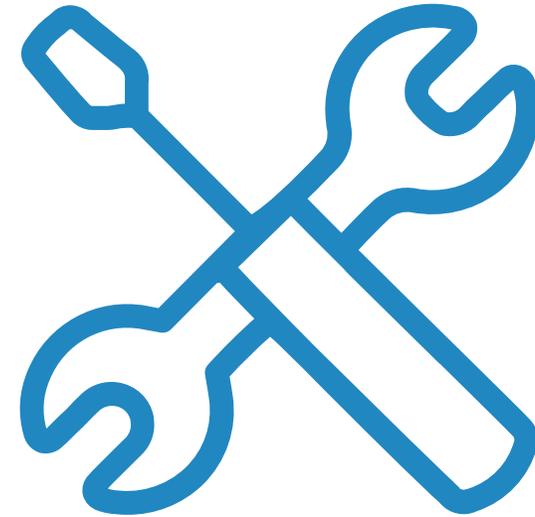
Long-term strategic philosophy

$100M

$250M

Create Best
Distribution Platform

Create Best
Monetization Mousetrap

Control Majority of All
Top Tier Traffic

Create Best
Quote & Bind Mousetrap
for Offline Partners

Create the
Backend Shopping Utility
for All Insurance Consumers
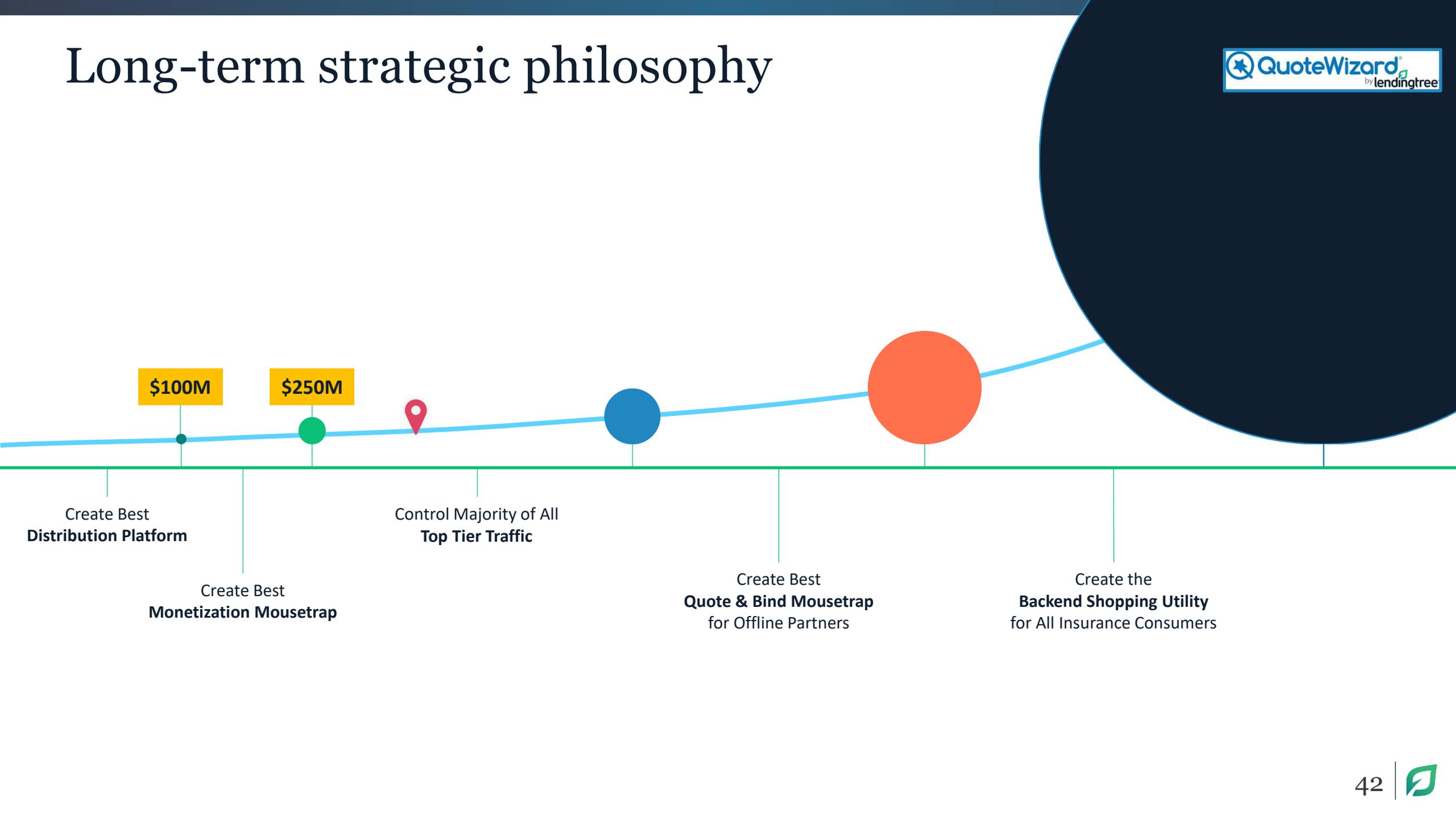
Sizing the market opportunity

Insurance is a massive industry

- Nearly 215M consumers in the U.S. currently have auto insurance

- Average spend is around $1,400/year on auto insurance

- That is $300B of premium spend per year

- QuoteWizard only represents one fourth of 1% of insured consumers

- *...and this is only auto insurance*

Corporate Development

Chris Bither – VP, Corporate Development

Chris Thompson – Director, Corporate Development

JD Moriarty – Chief Financial Officer

Corporate development at LendingTree

Since 2016, we have executed a focused Corporate Development strategy, with two primary aims:

Product Diversification

- Expand the products we offer to consumers

Channel Diversification

- Expand the marketing channels we use to find consumers

Why?

Product Diversification

- Broaden our product offering and revenue streams

- Accelerate growth in smaller verticals

- Expand our client list

- More **choice** for consumers

Channel Diversification

- Add new marketing sources to bring consumers to LendingTree

- Reduce reliance on paid search for customer acquisition

- Add resources for consumer **education** and **support**

- A deep content library is a strategic advantage

Expand number of consumer touchpoints and reduce concentration risk

Our Deals

Company	Close date	Total potential consideration	Business area
simpletuition by lendingtree	31st May 2016	$5mm	Student loans
comparecards by lendingtree	16th November 2016	$130mm	Credit cards
DepositAccounts by lendingtree	14th June 2017	$33mm	Banking & savings
magnifymoney by lendingtree	20th June 2017	$39.5mm[1]	Content
snapcap by lendingtree	19th September 2017	$21mm	Small business loans
ovation by lendingtree	11th June 2018	$20.75mm	Credit repair
Student Loan Hero by lendingtree	23rd July 2018	$60mm	Content – student loans
QuoteWizard by lendingtree	31st October 2018	$370.2mm	Insurance
ValuePenguin by lendingtree	10th January 2019	$105mm	Content – card & insurance
Total		**$784.5mm**	

1) Includes $10mm in performance shares

How deals fit our focus areas
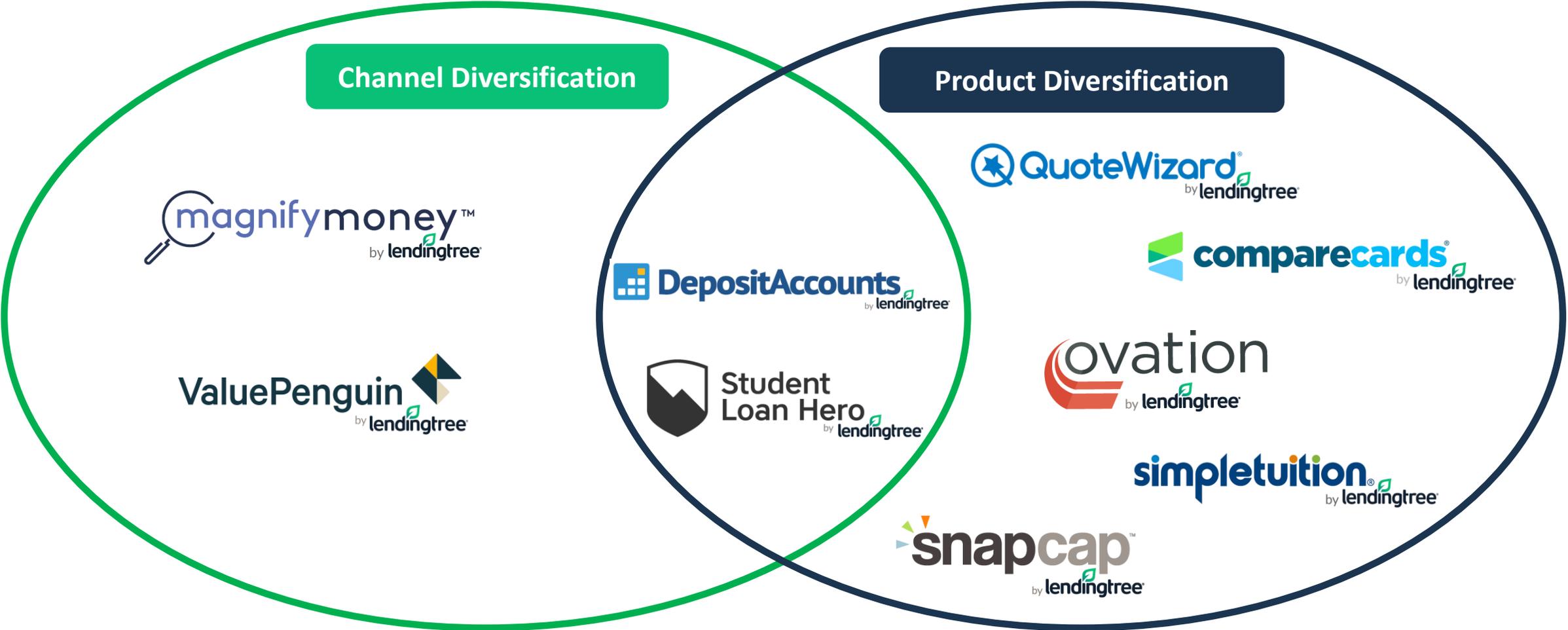
Impact on LendingTree: Revenue Diversification

**Revenue Mix
3Q 2016**

- Other 18%
- Personal loan 19%
- Credit card 7%
- Mortgage 56%
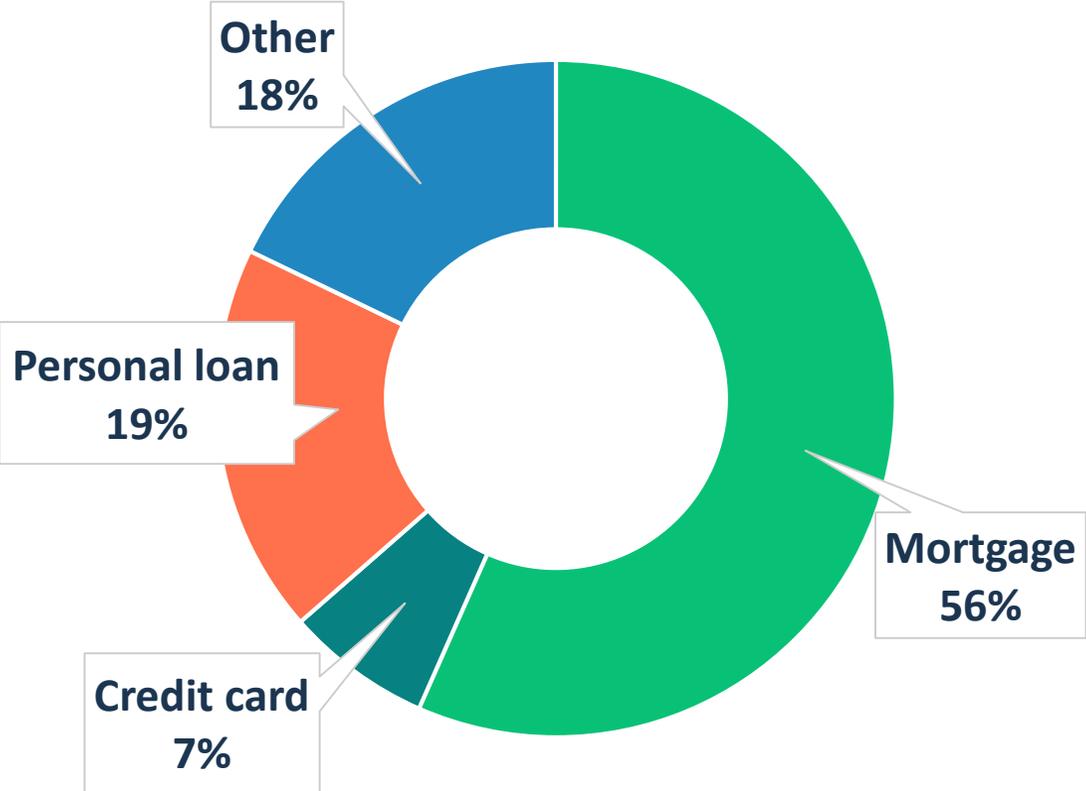
**Revenue Mix
3Q 2019**

- Other 24%
- Mortgage 20%
- Credit card 18%
- Personal loan 14%
- Insurance 24%

50
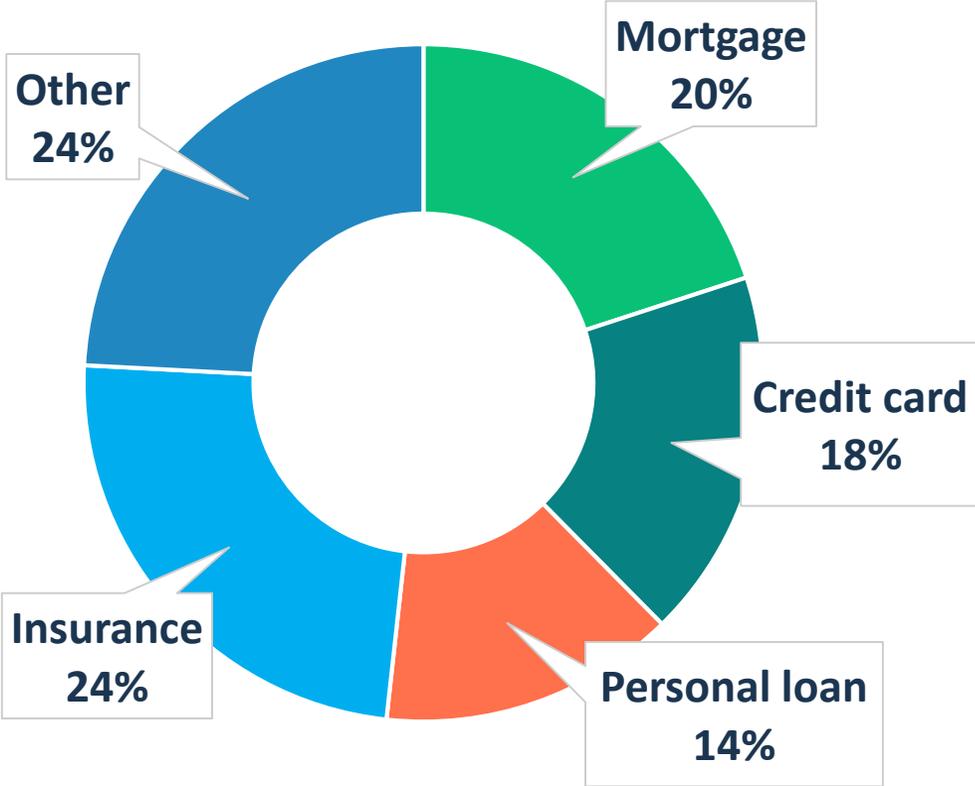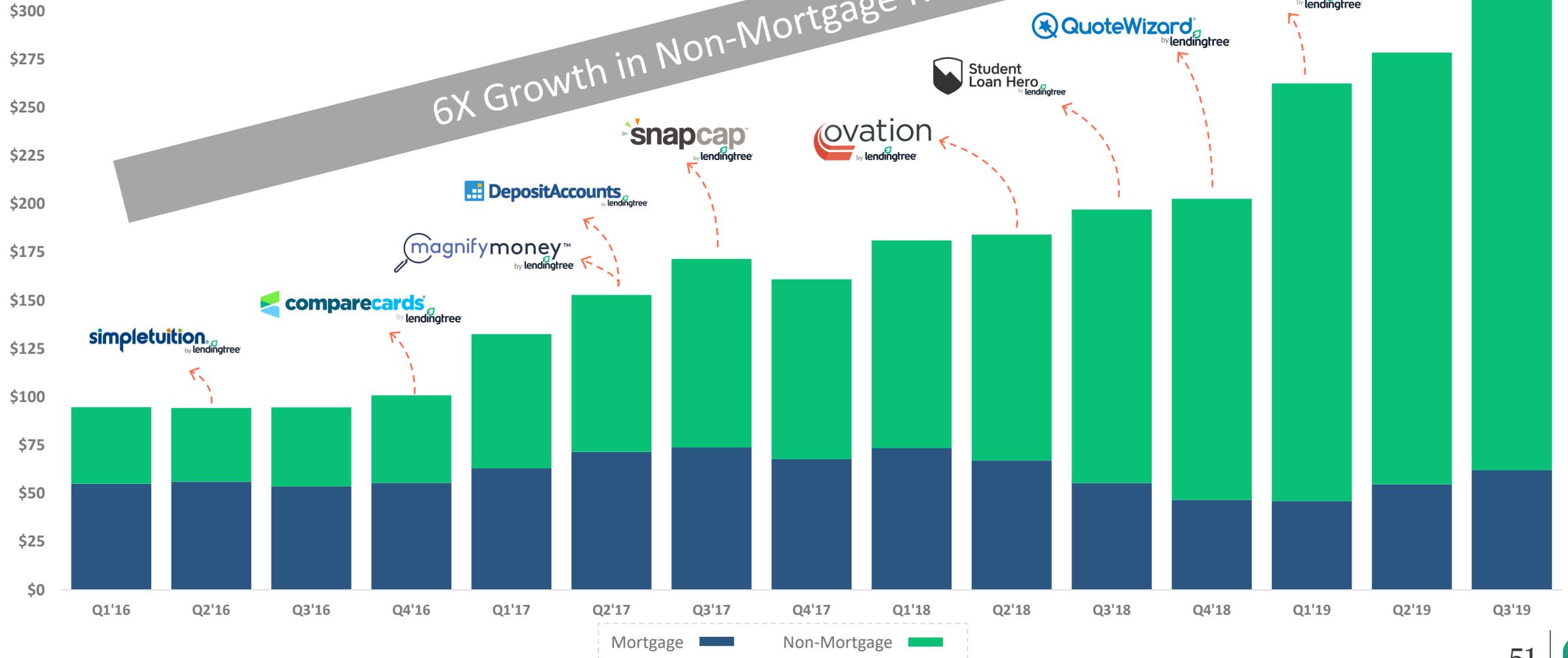
Case Studies

Case study: Credit cards

M&A theme: acquisition reinforces growth story

- Deal rationale

  - Product diversification

  - Accelerate LendingTree's credit card comparison business through acquisition

- Structured with an EBITDA-based earnout

  - During the earnout period, CompareCards operated as an independent unit of LendingTree

  - Original deal model did not envisage substantial synergies

- LendingTree at the time of deal

  - Average share price $86.61[1]

  - Enterprise value ~$930mm[2]

  - 9-month 2016 financials

    - Revenue $283.6mm

    - AEBITDA $50.9mm

- CompareCards

  - Total potential consideration $130mm

  - 9-month 2016 financials[3]

    - Revenue $54.1mm

    - AEBITDA $11.3mm

1) Average of closing share price: 10/17/2016 – 11/16/2016
2) Based on 9/30/2016 figures for cash and shares outstanding, and average share price
3) LendingTree Press Release: 11/16/2016

Case study: Credit cards

M&A theme: acquisition reinforces growth story

- Company successfully hit earnout targets
  - Growth has continued
  - Total consideration of $130mm equated to <4x 2017 AEBITDA

- Why did it succeed?
  - Macro factors – fierce competition between card issuers
  - Acceleration of the business as part of LendingTree

Total LT Credit Card Revenue

Acquired November 2016
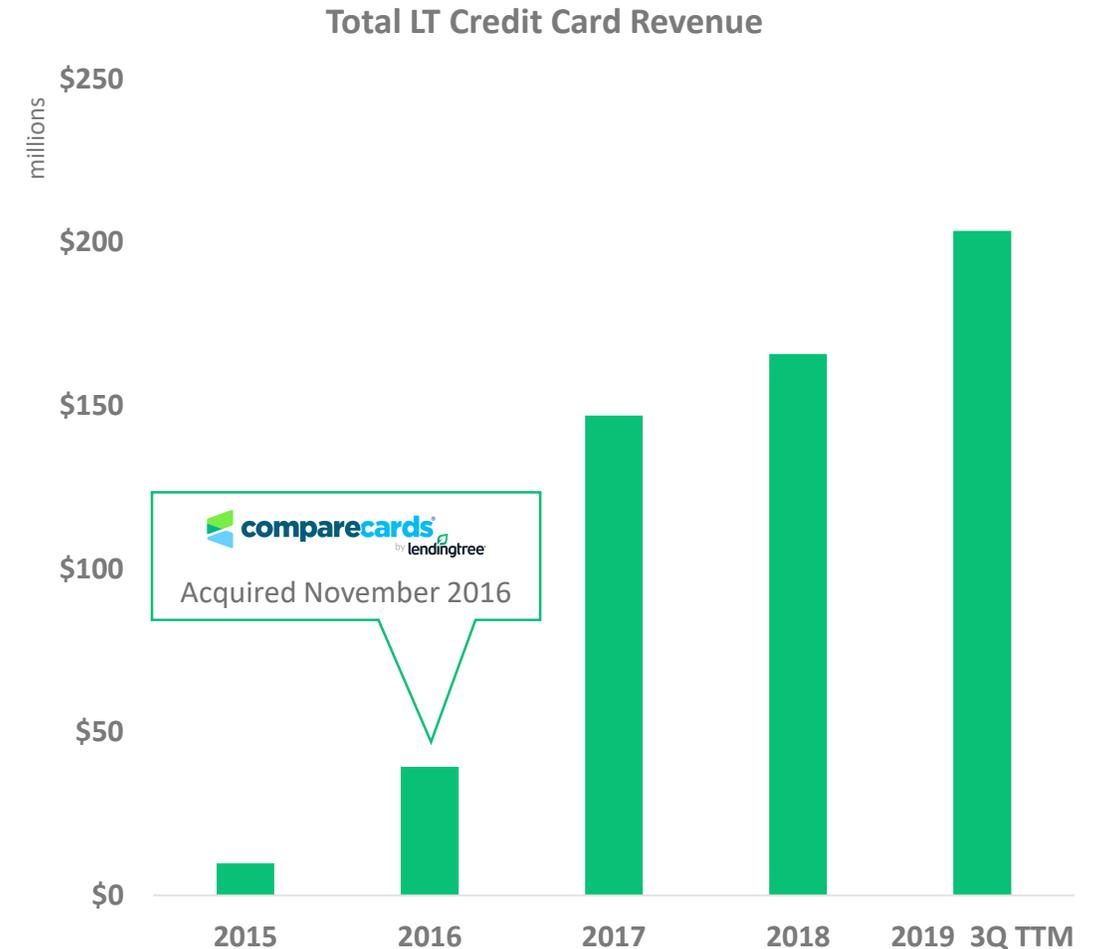
Case study: Content roll-up

M&A theme: centralized team managing multiple properties

- Deal rationale

  - Channel diversification

  - A content library is a strategic advantage which can be accelerated through acquisition

  - Organic traffic has a higher margins than traffic from paid sources

Case study: Content roll-up

M&A theme: centralized team managing multiple properties

- Why did it succeed?

  – We found the right team to manage all our content

  – We have built a platform to which we can opportunistically add further similar assets

  – Businesses are fully integrated

  – We benefit from cost efficiencies

- Financial impact

  – The organic content channel drives <10% of LendingTree's revenue but accounts for >20% of VMD[1]

Total LT Organic Content Revenue

DepositAccounts by lendingtree
magnifymoney by lendingtree
Acquired June 2017

Student Loan Hero by lendingtree
Acquired July 2018

ValuePenguin by lendingtree
Acquired January 2019

+ 74%

+ 55%

+ 58%

2017   2018   2019

■ Full year ■ 1Q-3Q
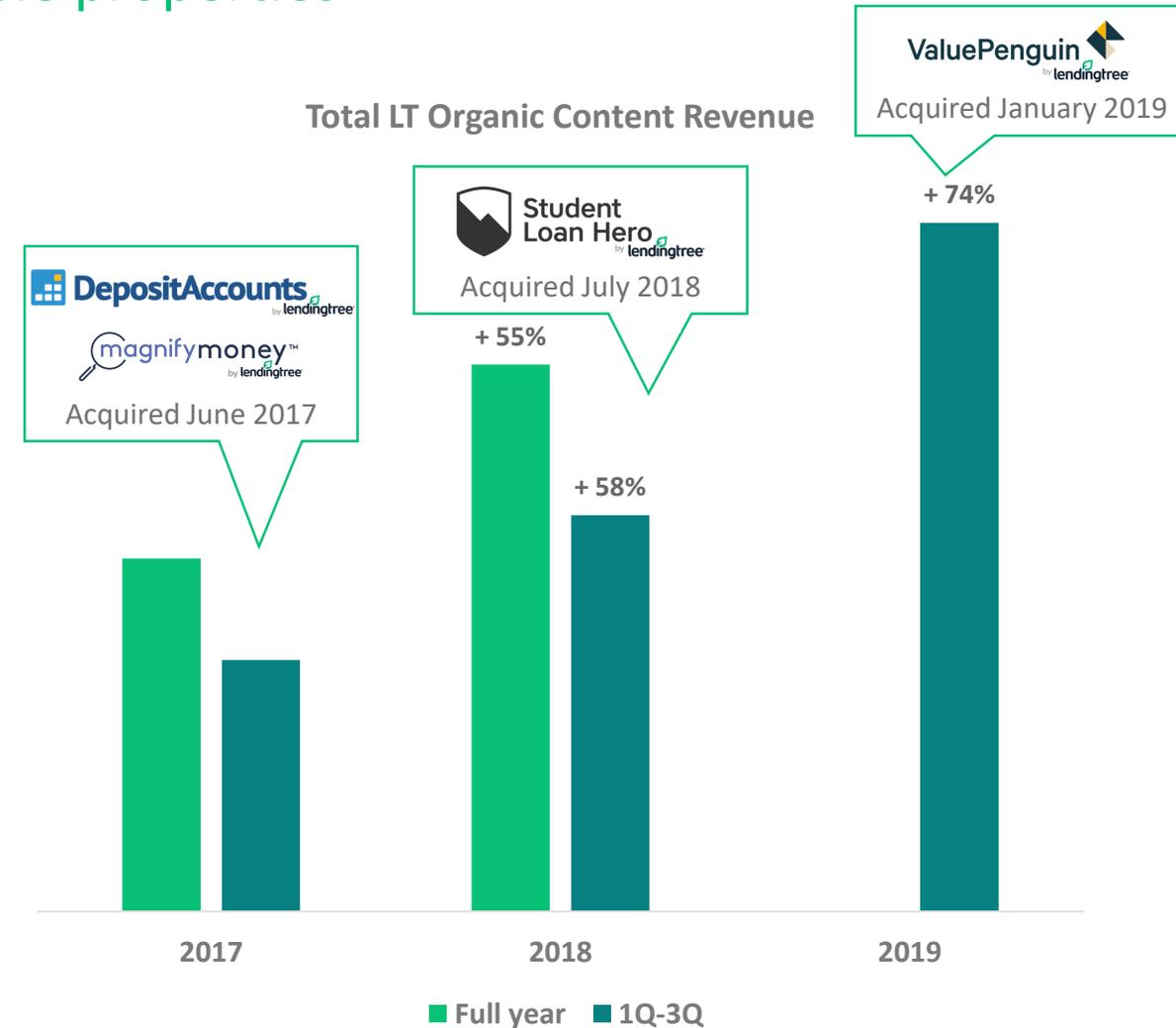
1) Nine months ended 9/30/2019

Case study: Small business

M&A theme: fully-integrated businesses

- Deal rationale
  - Product diversification
  - Small business lending is a relatively complex product
    - Consumers can benefit from the help of a sales concierge to explain product and process
    - Lenders are willing to pay more for this service
    - The complexity of the product limited LendingTree's ability to grow organically
  - SnapCap's white glove call center was a complementary product to LendingTree's exchange

- Full integration was vital to the success of the deal
  - We route consumers to the most appropriate experience for them

Case study: Small business

M&A theme: fully-integrated businesses

- Our combined small business offering is now one of our fastest growing segments

- Why did it succeed?
  - LendingTree's call center expertise improved SnapCap's concierge team
  - LendingTree profited from SnapCap's deep product-specific knowledge
  - Scale advantages

Total LT Small Business Revenue

71% Y/Y growth

Acquired September 2017

1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
2015				2016				2017				2018				2019		
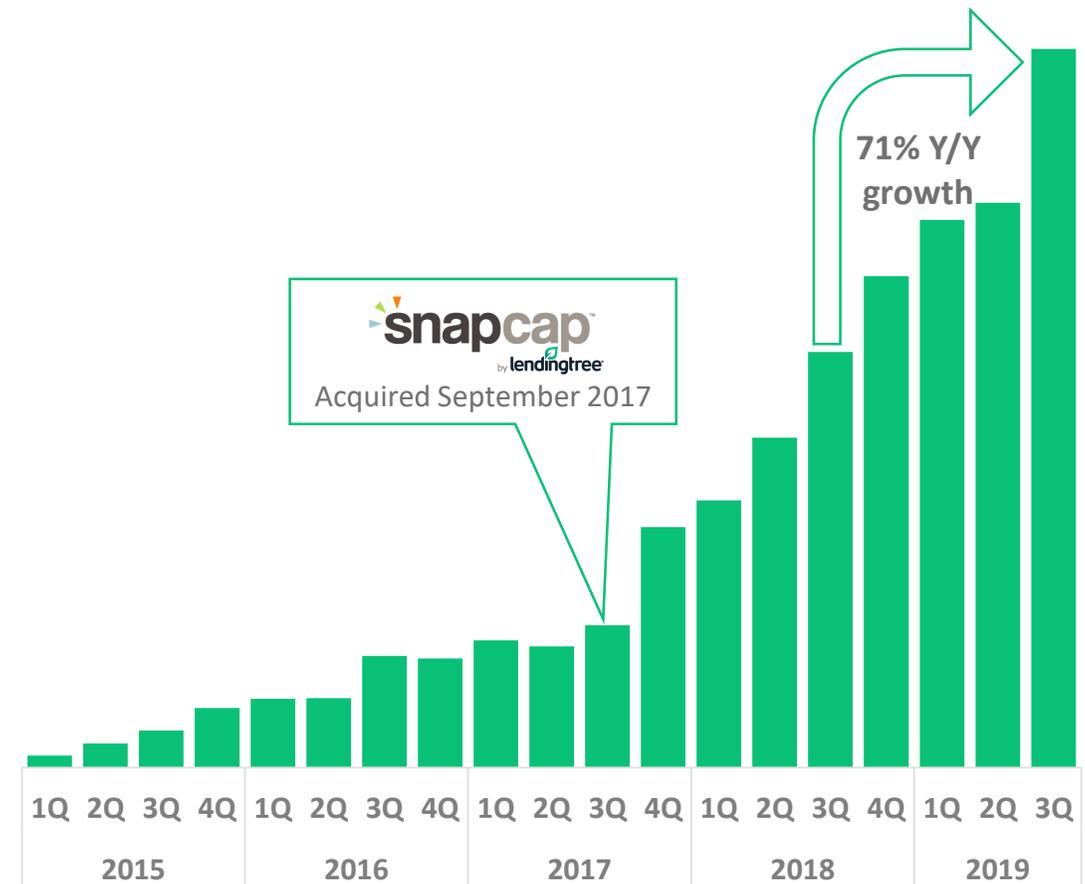
Case study: Insurance

M&A theme: integrated monetization

- Deal rationale

  - QuoteWizard – product diversification

  - ValuePenguin – channel diversification

  - Add a new market with large online spend

- Deal structures

  - QuoteWizard deal structured with a three-year earnout

  - ValuePenguin has no earnout

  - Synergies with QuoteWizard were vital to the success of the ValuePenguin deal

- LendingTree at the time of QuoteWizard deal

  - Average share price $231.69[1]

  - Enterprise value ~$3,190mm[2]

  - 6-month 2018 financials

    - Revenue $365.1mm

    - AEBITDA $68.8mm

- QuoteWizard

  - Total potential consideration $370.2mm

  - 6-month 2018 financials[3]

    - Revenue $75.6mm

    - AEBITDA $12.8mm

Case study: Insurance

M&A theme: integrated monetization

- Both businesses have seen substantial growth
  - Estimated combined AEBITDA growth >50%[1]
  - On aggregate, year one consideration[2] equates to <6.5x estimated AEBITDA for both deals

- Why did it succeed?
  - Strong execution
  - Secular trends of carrier spend moving online
  - ValuePenguin's organic traffic is valuable to our carrier customers

Insurance Revenue

ValuePenguin
Acquired January 2019

QuoteWizard
Acquired October 2018

■ Proforma revenue[3] ■ Actual revenue
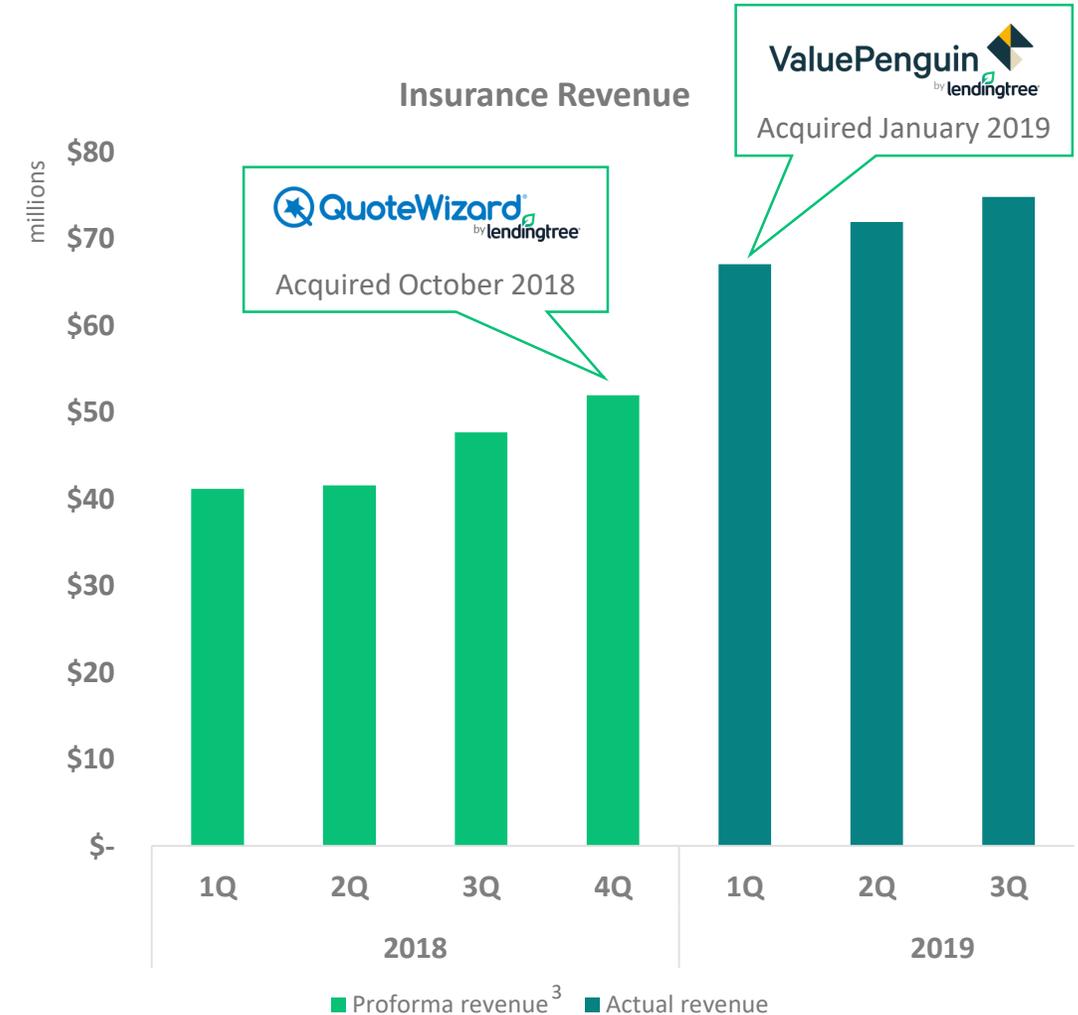
1) 2018E – 2019E
2) Year one consideration includes first earnout payment for QuoteWizard
3) Pro forma revenue assumes each transaction was completed on Jan 1, 2018

60

Our Process

M&A process at LendingTree

Right Asset, Right Time

- Fits our strategic goals
- Large TAMs
- Growth inflection point

Deal Structuring

- Earnouts allow risk mitigation
- Focus on management and employees
- Tax efficiency

Diligence Process

- Detailed validation of growth
- Multi-year financial model and business plan
- Internal resources and external specialists

Conservative financial approach

- Acquisition discipline has enhanced LendingTree's financial flexibility

  - Historically, we have bought companies that generate solid free cash flow

  - To end Q3 2019, we have paid ~$680mm in upfront and contingent consideration[1]

  - Our net leverage peaked at ~3x and has decreased despite further acquisitions[2]

- In 2019, we expect to achieve mid single-digit purchase multiples on our acquired businesses in aggregate
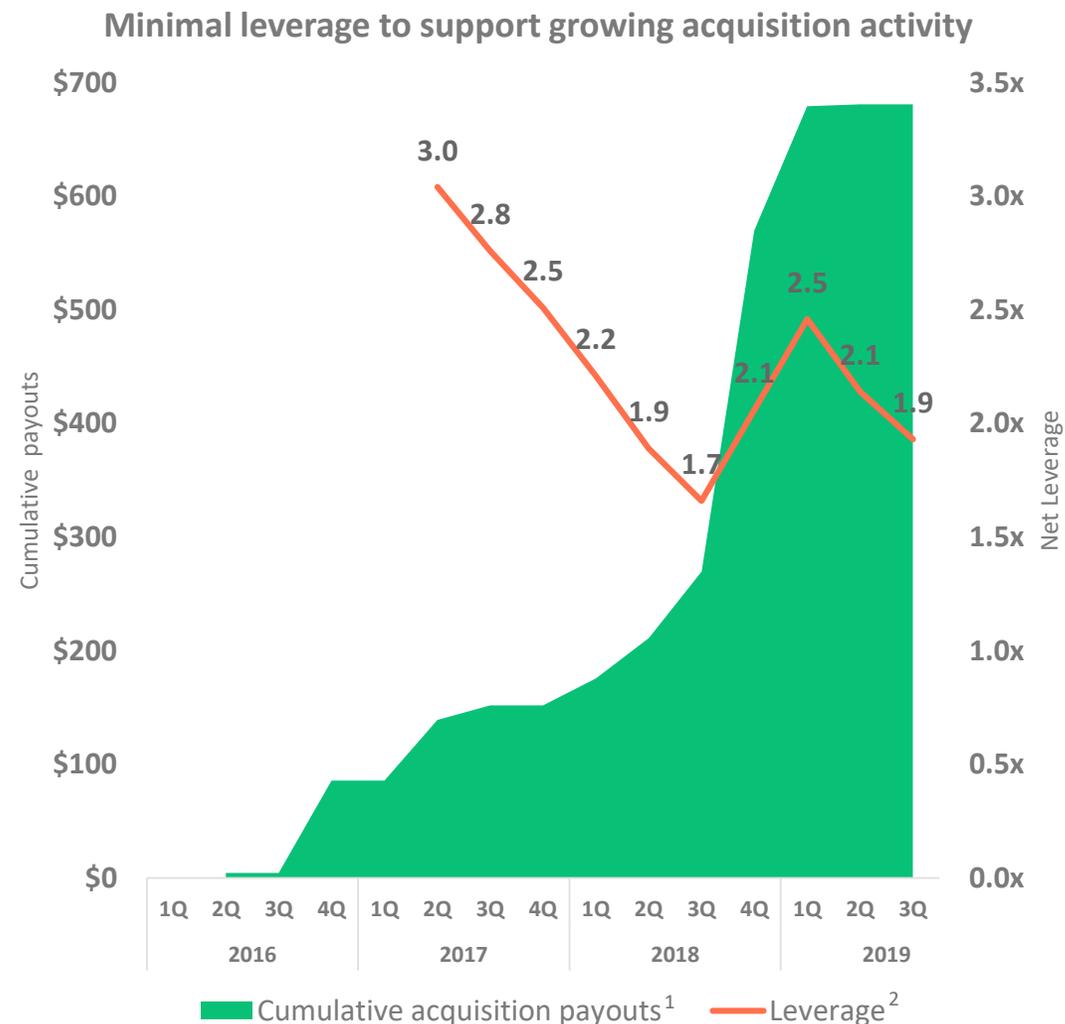
Minimal leverage to support growing acquisition activity

Legend: Cumulative acquisition payouts[1] — Leverage[2]

Some of our current areas of interest

Auto

Real estate

Wealth/assets

Scalable technology platforms

Additional content

And of course... continue to be opportunistic

lendingtree®

Lunch Break

Kristen Bataillon

Director – Financial Services, TransUnion

Q3 2019 Financial Services Industry Insights

Kristen Bataillon
TransUnion
Director, Financial Services

DECEMBER 11, 2019

Increased consumer participation contributed to growing outstanding balances to a record $13.8T

Consumer Credit Participation

Legend: Total outstanding balances (bar); Number of consumers with a balance (line)

Left axis: Consumers Carrying a Balance (M)
Right axis: Outstanding Balances (T)

	Q3 2016	Q3 2017	Q3 2018	Q3 2019
Total outstanding balances	$12.2	$12.8	$13.4	$13.8
Number of consumers with a balance	188	191	194	197
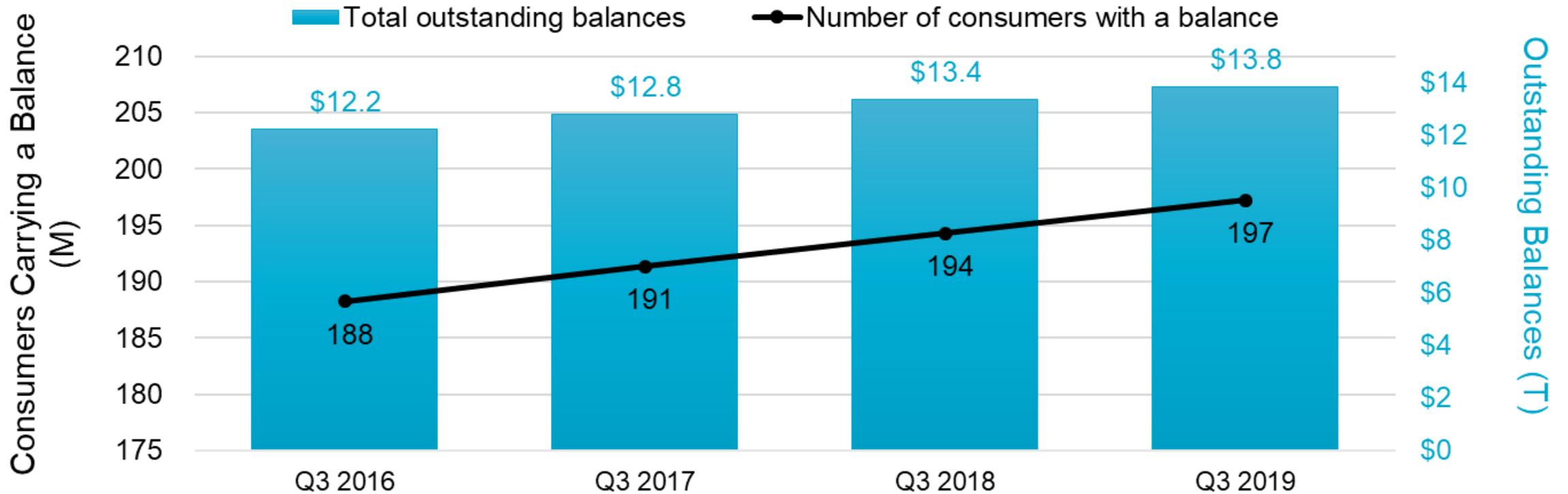
TransUnion

Lower risk consumers drove increases in participation while growth with higher-risk consumers has slowed
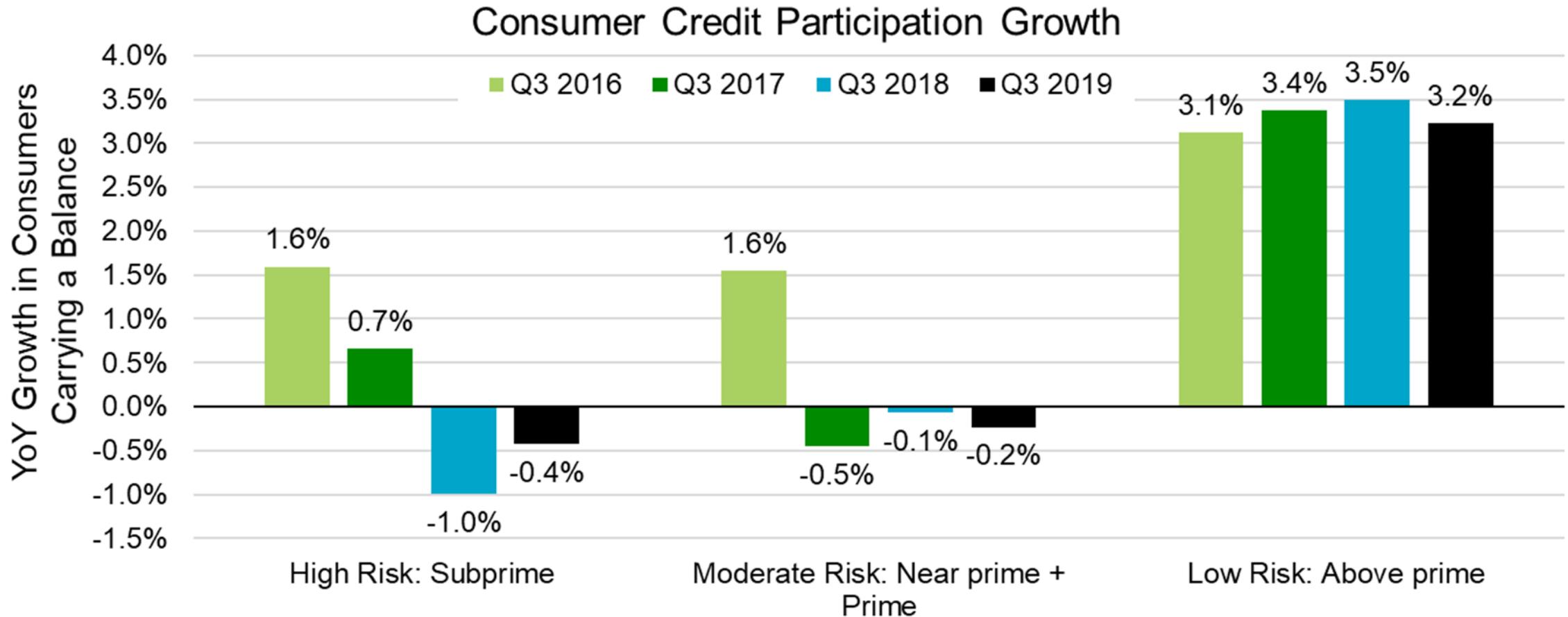
Consumer Credit Participation Growth

Legend: ■ Q3 2016 ■ Q3 2017 ■ Q3 2018 ■ Q3 2019

Y-axis: YoY Growth in Consumers Carrying a Balance

High Risk: Subprime
- 1.6%
- 0.7%
- -1.0%
- -0.4%

Moderate Risk: Near prime + Prime
- 1.6%
- -0.5%
- -0.1%
- -0.2%

Low Risk: Above prime
- 3.1%
- 3.4%
- 3.5%
- 3.2%

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

Mortgage and unsecured personal loans drove origination growth in Q2 2019

Q2 2019 Origination Growth

Auto	Mortgage	HELOC	Bankcard	Private label	Unsecured personal loan	Student loan
7,331	2,077	309	16,623	12,373	4,837	1,833
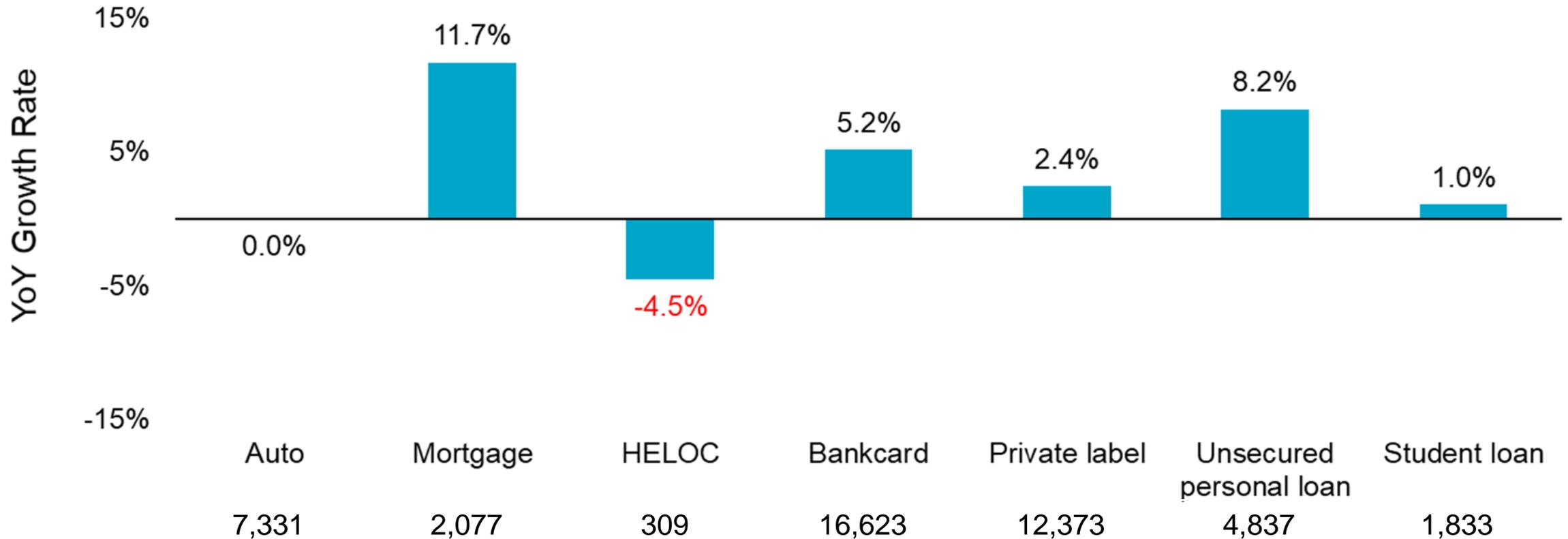
Originations by Product (K)

Serious delinquency remains low in spite of upticks in credit card and auto

Serious* Consumer-Level Delinquency Rates
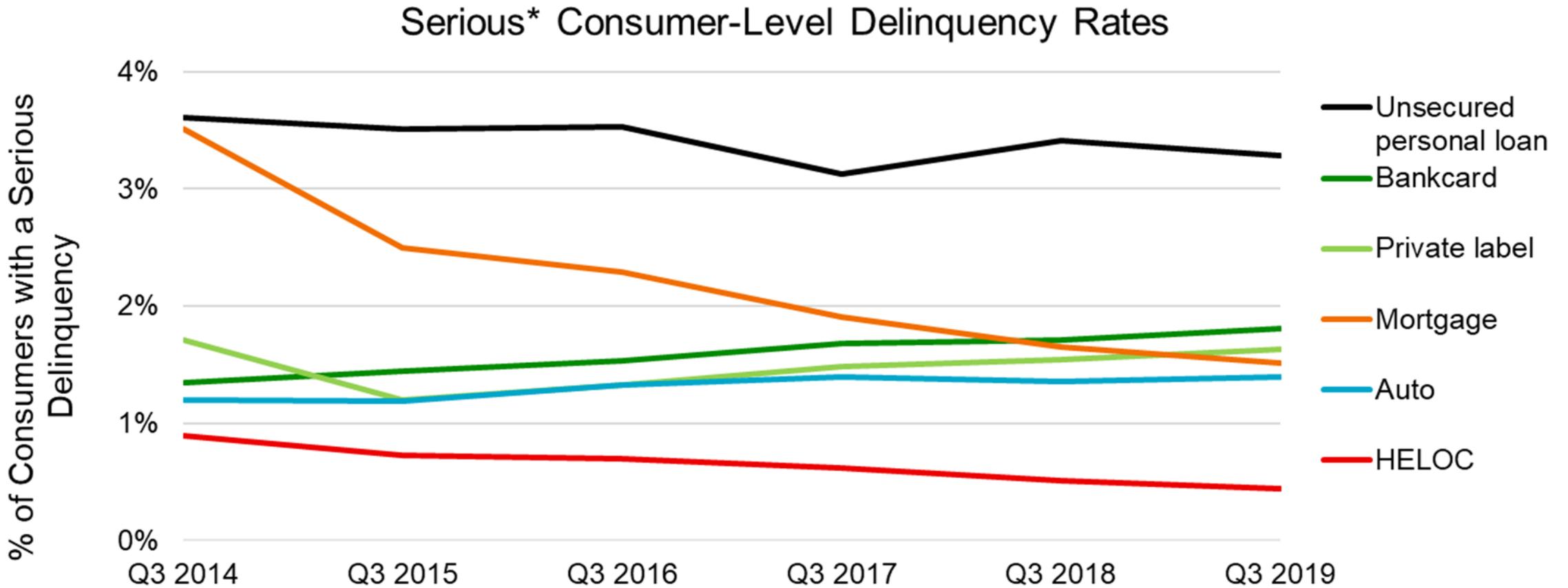
*Seriously delinquent considered as 90+DPD for card, 60+ DPD for all other products

Credit Card

Competition has grown in the last few years, generating record expansion in access to credit cards and balance growth

Total Bankcard Balances and Cardholders
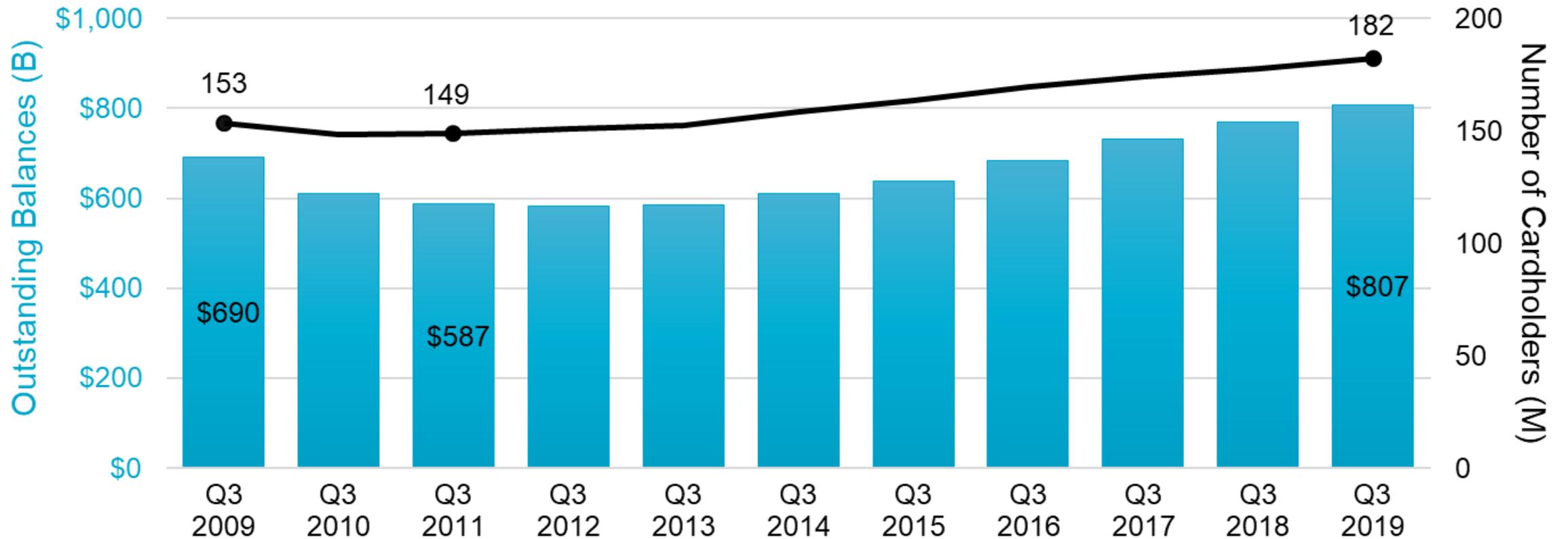
Bankcard origination growth was strongest with riskier borrowers in 2019 following a more conservative 2018
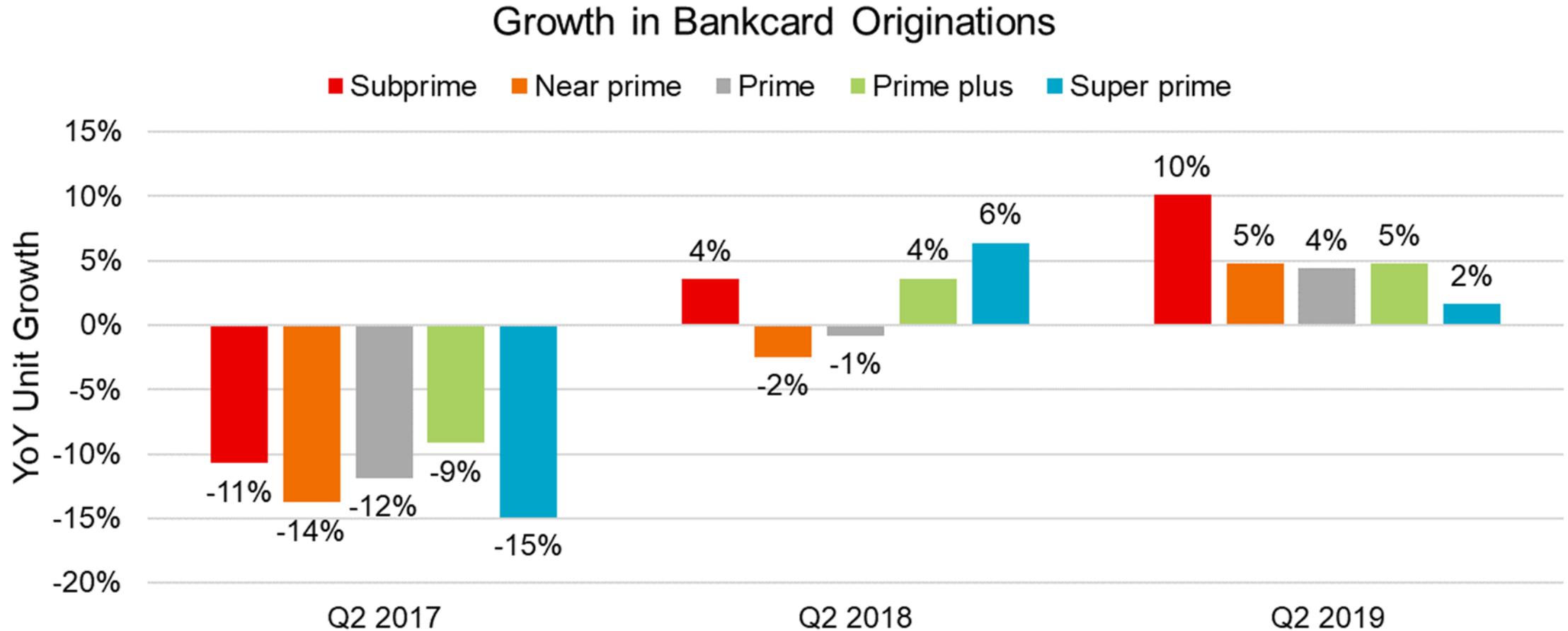
Growth in Bankcard Originations

■ Subprime   ■ Near prime   ■ Prime   ■ Prime plus   ■ Super prime

YoY Unit Growth

Q2 2017
- -11%
- -14%
- -12%
- -9%
- -15%

Q2 2018
- 4%
- -2%
- -1%
- 4%
- 6%

Q2 2019
- 10%
- 5%
- 4%
- 5%
- 2%

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

After growing over the past two years, average new card credit lines declined for mid-tier consumers in 2019

Growth in Average New Account Credit Lines

Legend: ■ Subprime ■ Near prime ■ Prime ■ Prime plus ■ Super prime

Q2 2017: Subprime -0.3%, Near prime 4.0%, Prime 3.2%, Prime plus 2.3%, Super prime -0.3%

Q2 2018: Subprime -5.0%, Near prime 3.9%, Prime 3.8%, Prime plus 2.0%, Super prime -2.7%

Q2 2019: Subprime -2.3%, Near prime -2.8%, Prime -2.4%, Prime plus -0.93%, Super prime 1.22%

Y-axis: YoY Unit Growth (6% to -6%)
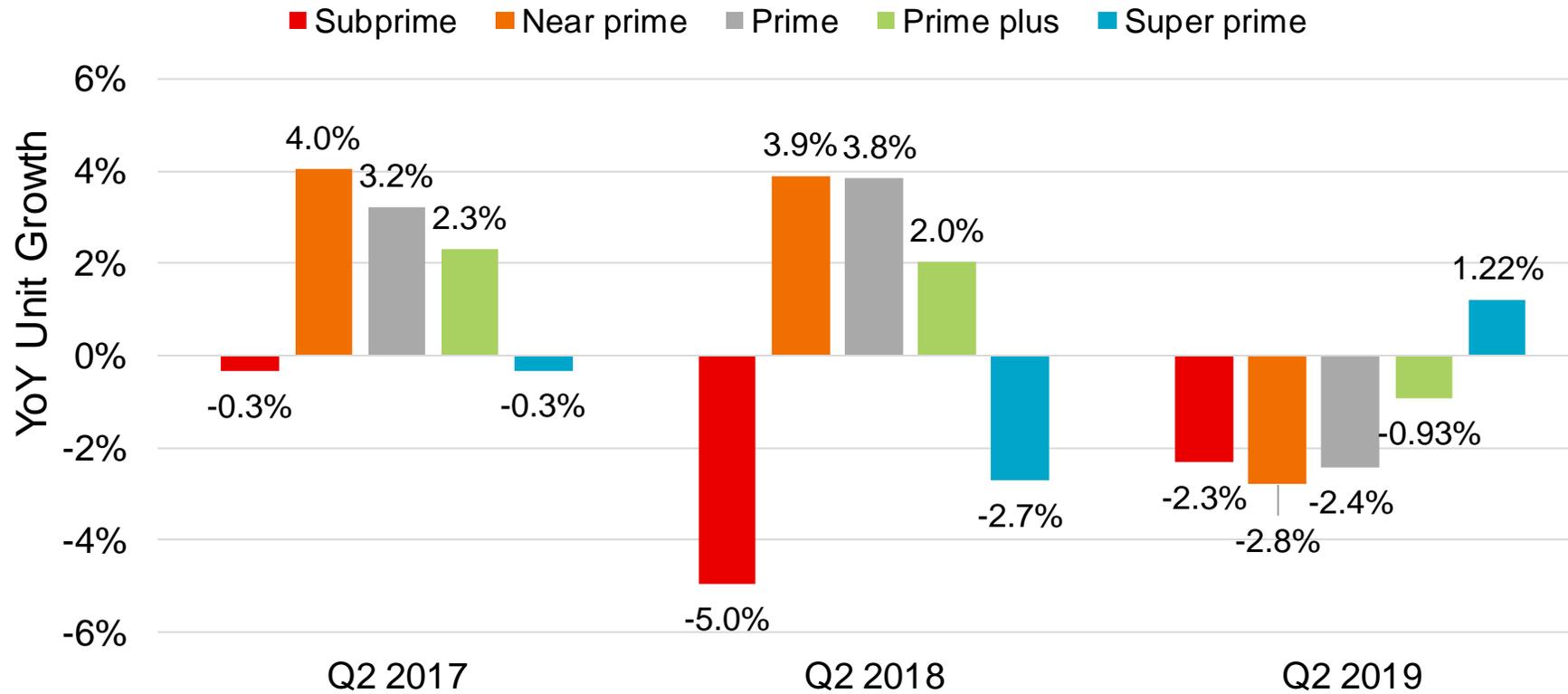
Risk Tier	Avg. New Credit Line (Q2 2019)
Subprime	$976
Near prime	$2,650
Prime	$4,256
Prime plus	$7,709
Super prime	$10,822

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

While below prime consumers account for 36% of total bankcard debt, their share is lower than the 44% share held a decade earlier

Growth in Total Bankcard Balances
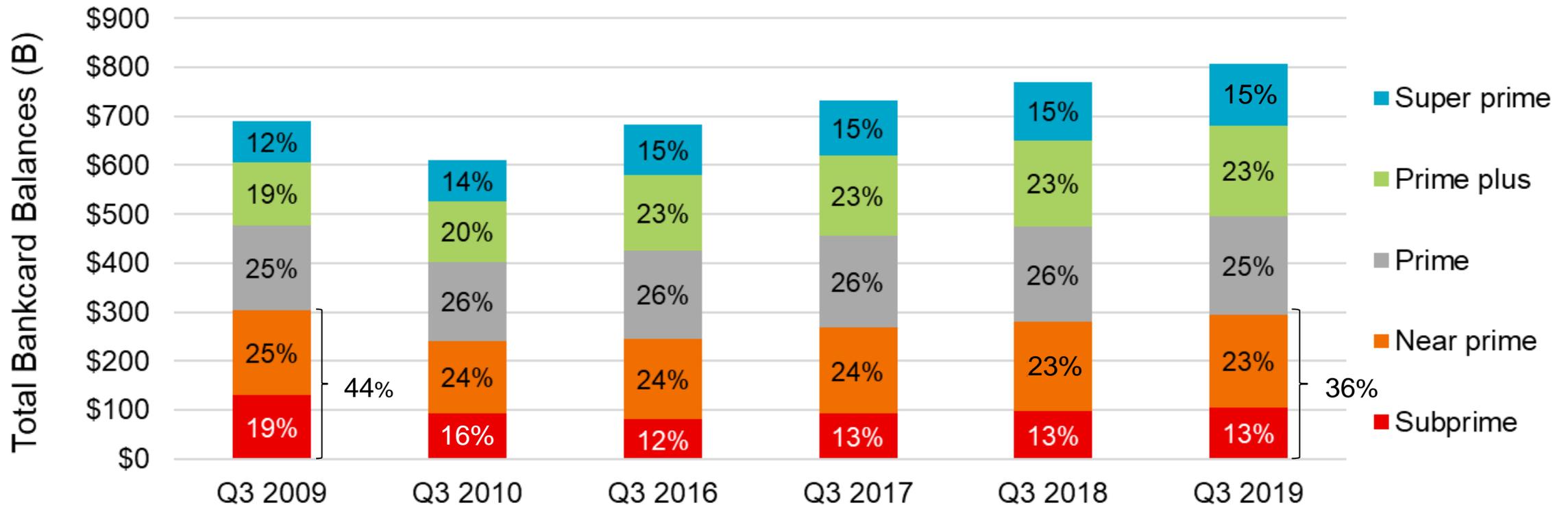
VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Unsecured Personal Loans

A record 20M consumers now hold an unsecured personal loan and balances have more than doubled over the past decade

Total Unsecured Personal Loan Balances and Consumers
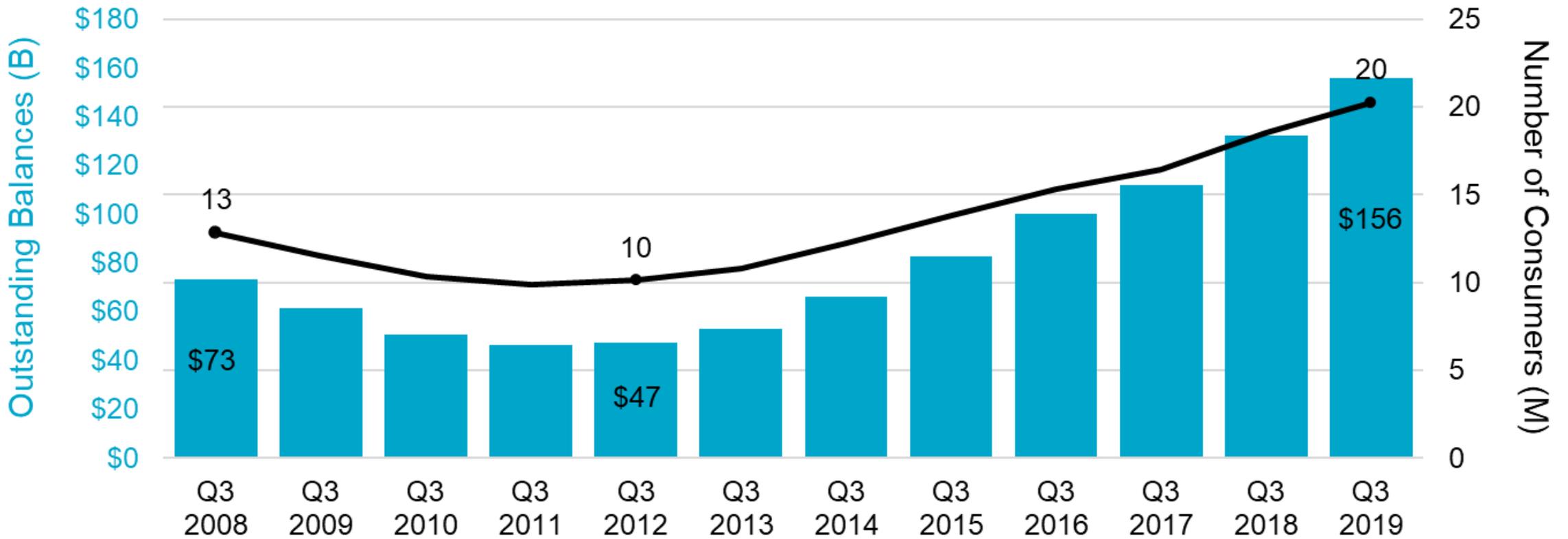
Growth in personal lending was spurred by the emergence of FinTech, though banks and credit unions continue to compete

Unsecured Personal Loan Balances by Lender Type

Outstanding Balances (B)

Legend:
- Bank
- Credit union
- Traditional finance company
- FinTech

FinTech percentages: 2014: 8%, 2015: 17%, 2016: 28%, 2017: 32%, 2018: 37%, 2019: 39%
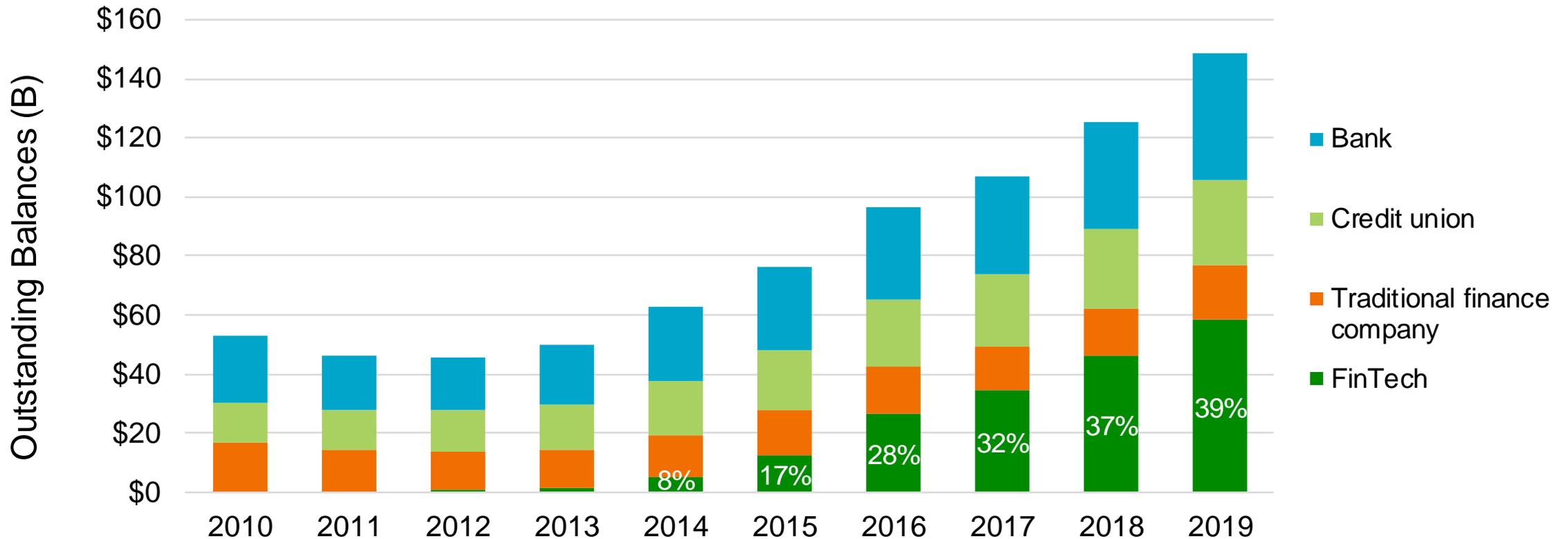
From 2012 to 2019, new personal loan sizes increased for all risk tiers

Average New Loan Amount for Unsecured Personal Loans
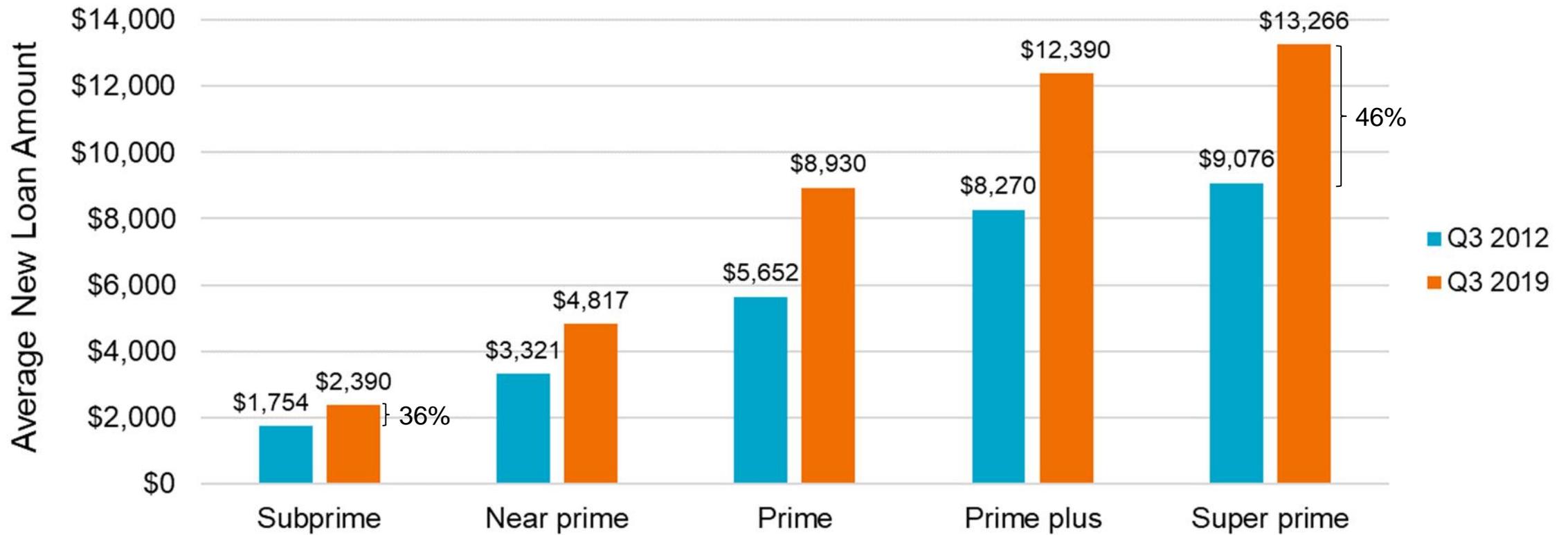
VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

Following double digit growth rates in 2018, originations to higher risk consumers have slowed

Unsecured Personal Loan Origination Growth

■ Q2 2018   ■ Q3 2018   ■ Q4 2018   ■ Q1 2019   ■ Q2 2019

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

# FinTech exhibits a target risk profile that is more conservative than credit unions and traditional finance companies

Distribution of Unsecured Personal Loan Originations (Q2 2019)
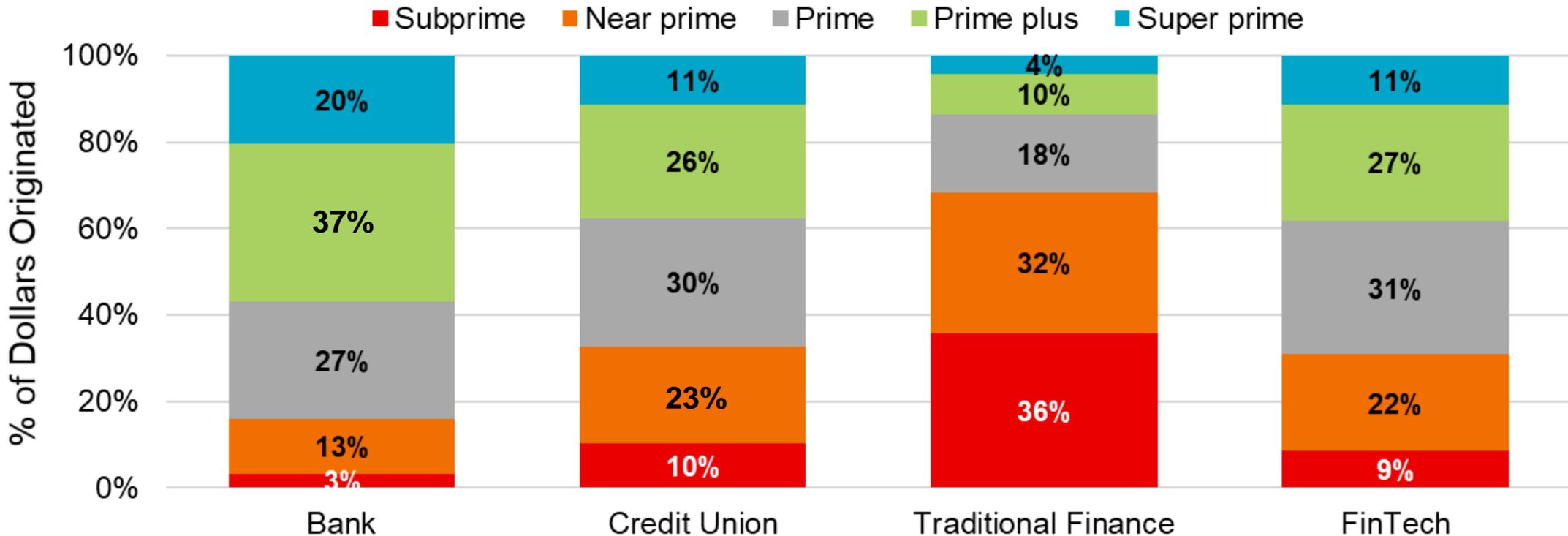
Legend: ■ Subprime ■ Near prime ■ Prime ■ Prime plus ■ Super prime

Y-axis: % of Dollars Originated (0% to 100%)

Bank:
- Subprime: 3%
- Near prime: 13%
- Prime: 27%
- Prime plus: 37%
- Super prime: 20%

Credit Union:
- Subprime: 10%
- Near prime: 23%
- Prime: 30%
- Prime plus: 26%
- Super prime: 11%

Traditional Finance:
- Subprime: 36%
- Near prime: 32%
- Prime: 18%
- Prime plus: 10%
- Super prime: 4%

FinTech:
- Subprime: 9%
- Near prime: 22%
- Prime: 31%
- Prime plus: 27%
- Super prime: 11%

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

While growth may slow, there appears to be runway for growth in personal loans relative to other credit products

Unsecured Personal Loan Consumer Penetration (Q3 2019)
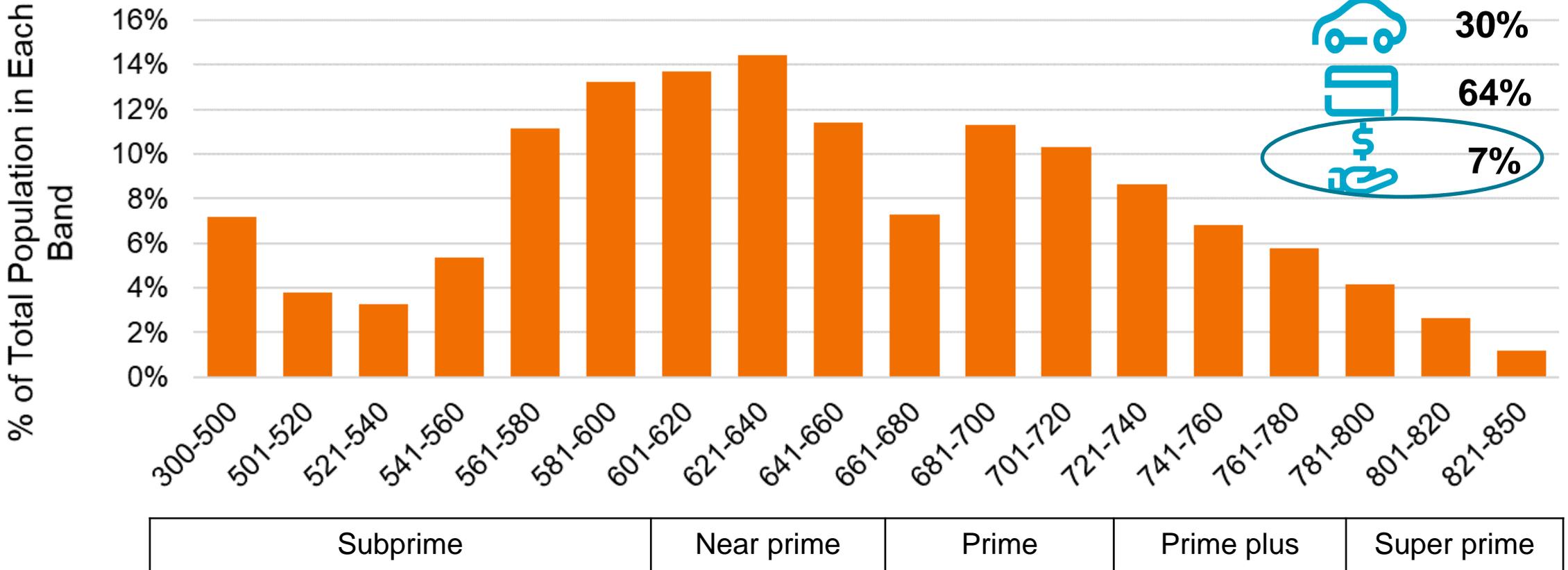
30%

64%

7%

|				
Subprime	Near prime	Prime	Prime plus	Super prime

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

Source: TransUnion consumer credit database

Mortgage

Mortgage originations jumped in Q2 2019 as rates fell following eight quarters of decline

Mortgage Origination Growth

Legend: Mortgage Origination Growth · · · · · Avg. 30 Year Fixed Mortgage Rate

YoY Growth Rate (left axis): 30% / 20% / 10% / 0% / -10% / -20%

30-Year Fixed Mortgage Rate (right axis): 6% / 5% / 4% / 3% / 2% / 1% / 0%

Quarters: Q2 2016, Q3 2016, Q4 2016, Q1 2017, Q2 2017, Q3 2017, Q4 2017, Q1 2018, Q2 2018, Q3 2018, Q4 2018, Q1 2019, Q2 2019

New mortgage amounts also increased across risk tiers given the recent reduction in borrowing costs
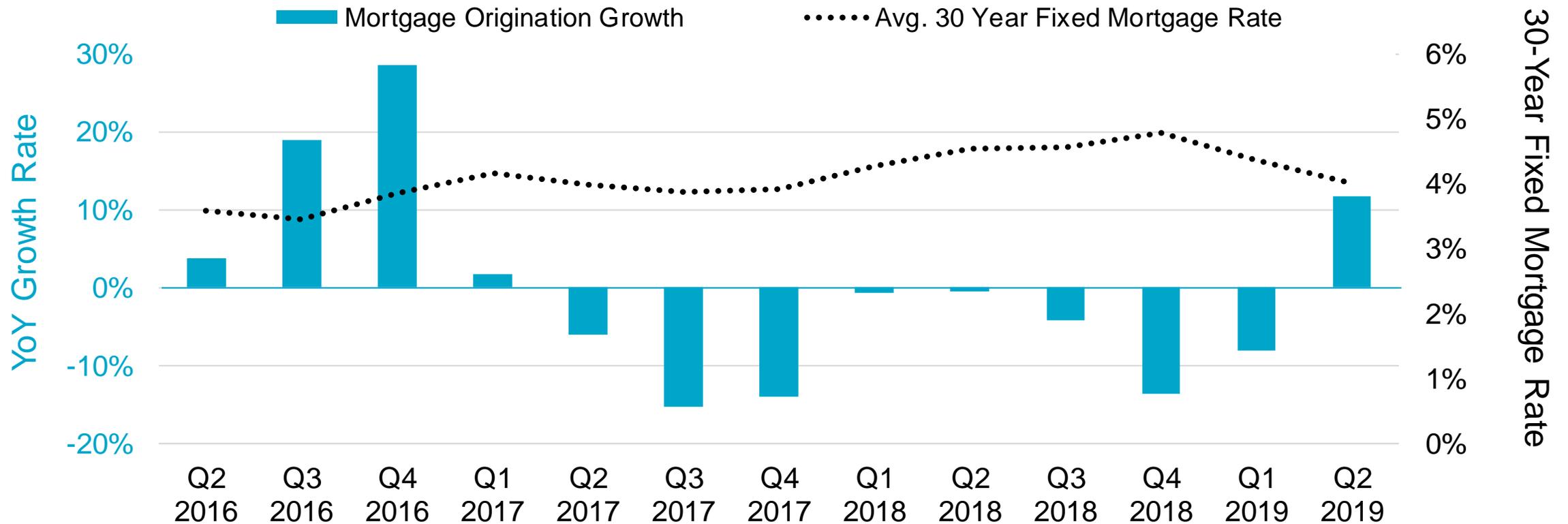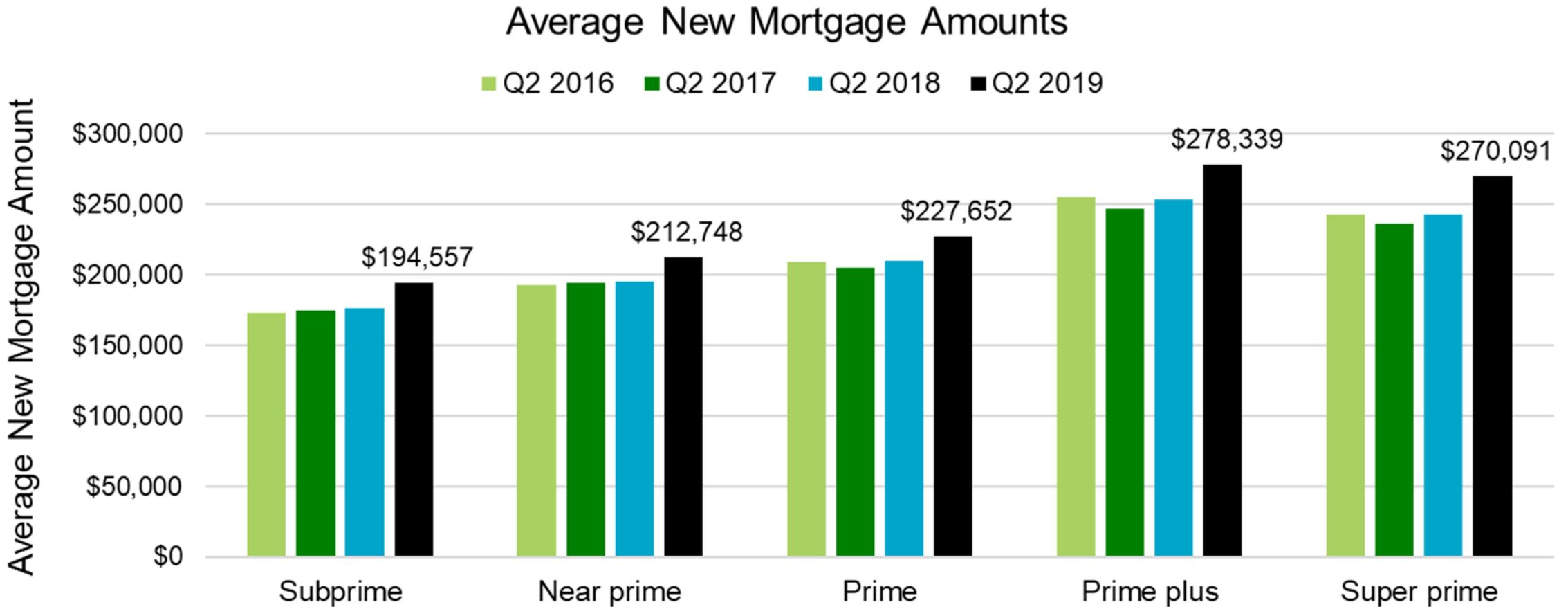
Average New Mortgage Amounts

■ Q2 2016 ■ Q2 2017 ■ Q2 2018 ■ Q2 2019

Subprime: $194,557
Near prime: $212,748
Prime: $227,652
Prime plus: $278,339
Super prime: $270,091

VantageScore® 3.0 risk ranges
Subprime = 300–600; Near prime = 601–660; Prime = 661–720; Prime plus = 721–780; Super prime = 781-850

In summary:

Consumer access to credit cards is at an all-time high, driven by consumer demand and strong value propositions

While growth may be slowing, consumer use of personal loans, while at an all-time high, still has room for growth relative to other credit products

Mortgage originations began to grow in Q2 2019, driven by lower rates and a resurgence in refinance activity

lendingtree®

Will Tumulty &
Mark Cerminaro

Moderated by Jamie Saxe: SVP, GM Non-Mortgage Products

RF®
RAPID FINANCE

Preview: New Segment Reporting

Trent Ziegler – VP, Investor Relations & Treasurer

"Segment" reporting today

- One reportable segment

- Revenue is categorized into Mortgage & Non-Mortgage

- Categories within Non-Mortgage are reported discreetly when representing >10% of total

- GAAP & non-GAAP measures of profitability are reported only on a consolidated basis
  - Net Income
  - Variable Marketing Margin
  - Adjusted EBITDA

Non-GAAP Income Statement	
Revenue	
Mortgage • *Refinance* • *Purchase*	*Non-Mortgage* • **Insurance** • **Credit Cards** • **Personal Loans** • *Other*
Total Revenue	
(Variable Marketing Expense)	
Variable Marketing Margin	
(Operating Expense)	
Adjusted EBITDA	

Future state

- Four distinct segments provide transparency for our evolving business

- Mortgage/Non-mortgage less appropriate today

- Segments presented down to VMM level

- Brand investment isolated from segments
  - Includes offline advertising and other unallocated marketing expenses

- Definition of VMM remains the same

- Expenses below paid marketing not allocated

Non-GAAP Income Statement			
Revenue			
Home	**Consumer**	**Insurance**	**Other**
• *Refinance* • *Purchase* • *Home Equity* • *Reverse Mortgage*	• **Credit Cards** • **Personal Loans** • *Small Business* • *Student Loans* • *Credit Services* • *Deposits* • *Auto Finance*	• *Auto* • *Home* • *Health*	• *Ad sales* • *Other*
Total Revenue			
Home **(Segment Marketing Expense)**	**Consumer** **(Segment Marketing Expense)**	**Insurance** **(Segment Marketing Expense)**	**Other** **(Segment Marketing Expense)**
Home **Segment Margin**	**Consumer** **Segment Margin**	**Insurance** **Segment Margin**	**Other** **Segment Margin**
(Brand Marketing Expense)			
Total Variable Marketing Margin			
(Operating Expense)			
Adjusted EBITDA			

What's next?

- **Today**
  - Provide a conceptual framework

- **February 2020**
  - Q4 2019 Earnings Press Release will restate 2019 quarterly results under the new framework
  - Form 10K will restate FY 2017, FY 2018, and FY 2019
  - Where applicable, reconciliations to GAAP and qualitative disclosure will be provided at new segment level

- **Ongoing**
  - Continue to evaluate segments and product inclusion in light of M&A and product relevance

Financials & 2020 Outlook

JD Moriarty – Chief Financial Officer

What did we tell you last year?

Outlook for 2019

(millions)	2019 Guidance
Revenue	**$990 - $1,030**
Y/Y Growth	*29% - 34%*
VMM	**$365 – $385**
% Margin	*35% - 39%*
Adj. EBITDA	**$195 - $205**
% Margin	*19% - 21%*
Y/Y Growth	*27% - 34%*

- **Revenue approaching $1 Billion** ✓
 - Mortgage anticipated down ~(5% - 15%) ✓
    - Y/Y growth in 2H 19 after lapping tough comps
  - Non-mortgage excl. Insurance +20-25% growth ✓
  - Insurance +20% pro forma growth ✓

- **Managing for market share growth**
 - Increased investment in brand & category awareness ✓
  - Continued growth from high margin channels ✓
    - SEO, CRM, My LendingTree

- **Adjusted EBITDA growth of ~30%** ✓

What have we communicated since last year?

ValuePenguin

FY19 Guidance (millions)	Investor Day December '18		Q4 Earnings February '19		Q1 Earnings April '19		Q2 Earnings July '19		Q3 Earnings November '19
Revenue	**$990 - $1,030**	⬆	**$1,010 - $1,045**	⬆	**$1,060 - $1,090**	⬆	**$1,080 - $1,100**	⬆	**$1,100 - $1,115**
Y/Y Growth	29% - 35%		32% - 37%		39% - 43%		42% - 44%		44% - 46%
VMM	**$365 – $385**	⬆	**$385 - $400**	⬆	**$400 – $415**	⬇	**$390 – $405**	⬆	**$395 – $405**
% Margin	35% - 39%		37% - 40%		37% - 39%		35% - 38%		35% - 37%
Adj. EBITDA	**$195 - $205**	⬆	**$205 - $215**	⬆	**$210 - $220**	⬇	**$195 - $205**	⬆	**$197 - $205**
% Margin	19% - 21%		20% - 21%		19% - 21%		18% - 19%		18% - 19%
Y/Y Growth	27% - 34%		34% - 40%		37% - 43%		27% - 34%		28% - 34%

Substantial topline outperformance while meeting adj. EBITDA targets

95

Outlook for 2020: balancing growth & investment

(millions)	2020 Guidance
Revenue	**$1,250 - $1,300**
Y/Y Growth[1]	*13% - 18%*
VMM	**$450 – $470**
% Margin	*35% - 38%*
Adj. EBITDA	**$225 - $235**
% Margin	*17% - 19%*
Y/Y Growth[1]	*12% - 17%*

- **Revenue growth targeting ~15%**
  - Insurance sets the pace at 20% - 25% growth
  - Mortgage returns to growth ~5% - 15%
    - Despite industry projected down 9%; refi down 25%
  - Conservative view on PL & CC at ~10% - 15%

- **Material increase in brand investment**
  - Mostly supporting My LendingTree growth
    - Less immediate return
  - Expect to offset margin pressure with expansion in certain segments as organic contribution grows

- **Adjusted EBITDA growth of ~15%**

1) *Measured against mid point of current FY19 Guidance – LendingTree Press Release 10/30/19*

Implications for brand spend in 2020

Targeting large increase in brand investment, while retaining flexibility; will adjust based on performance and environment

Anticipates ROI breakeven at ~12 months; investment in 2020 sets up well for 2021 & beyond

Product agnostic messaging featuring MyLT and focused on comparison shopping, financial support, and savings alerts

Call to action drives app downloads, account creation, and engagement

2020 key growth drivers

Insurance

- Industry tailwinds persist
- Publisher platform expands reach
- Expanding carrier wallet share & agent distribution

Mortgage

- Continued capacity expansion
- Improving conversion through CRM
- Differentiated pricing among quality tiers

Credit Cards

- Increasing issuer supply
- Deeper issuer integration
- Expanded My LT alignment

Personal Loans

- Expect industry growth to remain slower
- Improved user experience:
  - Enhanced storefront
  - Concierge model
  - Pre-approval engine
- Greater lender targeting & higher conversion

Other

- Small Business continues robust growth
- Certain segments remain challenged
  - Deposits
  - Auto
  - Home Equity

Outlook for 2020: what to watch

Possible drivers of outperformance

- Insurance expectations could prove to be conservative

- Mortgage product innovation could prove to be more effective

- Personal loan market recovery

- Brand spend in plan of ~ $50mm – up considerably from 2019
  - MyLT spend has proven to be more effective and could result in better performance than plan

- Smaller businesses continue to scale
  - Small business
  - Credit services
  - Deposits / Investments

- Acquisitions

investors.lendingtree.com