



**1245 Pine Avenue**  
🏠 **Make Me Move\***  
Price \$300,000

**1265 Cedar Way**  
🏠 **Pre-Foreclosure**  
Zestimate\* \$250,000

**1265 Oak Way**  
🏠 **Sold on 3/31/13**  
Sold for \$237,000

**3467 Maple Street**  
🏠 **For Rent \$2,500**  
Rent Zestimate\* \$2,430

**3451 Alder Street**  
🏠 **For Sale \$266,000**  
Zestimate\* \$260,000



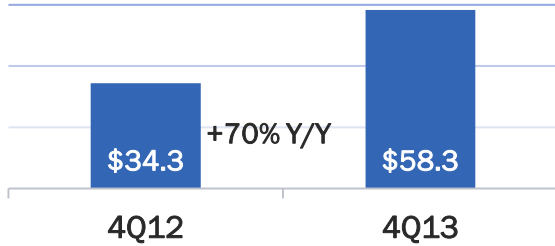
# 4Q13 Results Supplement

February 12, 2014

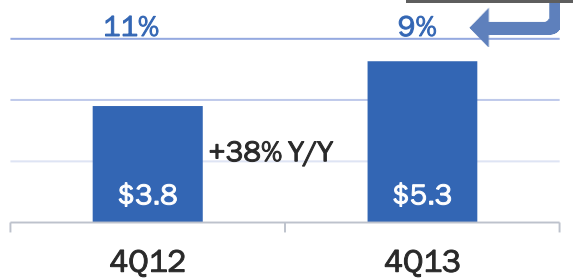
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# 4Q13 Results Dashboard (in millions, except per share data, unaudited)

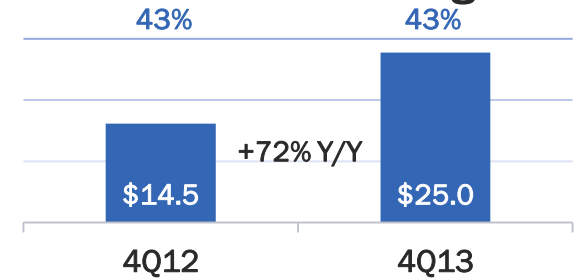
## Revenue



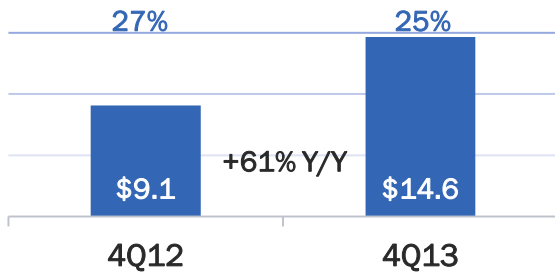
## Cost of Revenue<sup>1</sup>



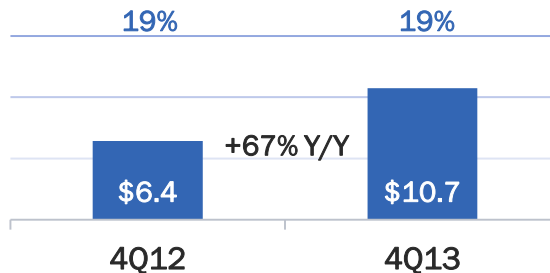
## Sales & Marketing<sup>1</sup>



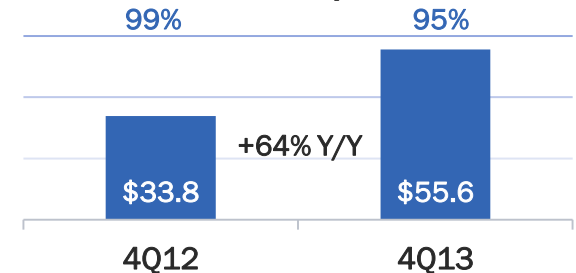
## Tech & Dev<sup>1</sup>



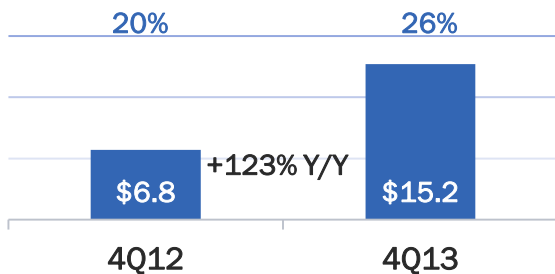
## G & A<sup>1</sup>



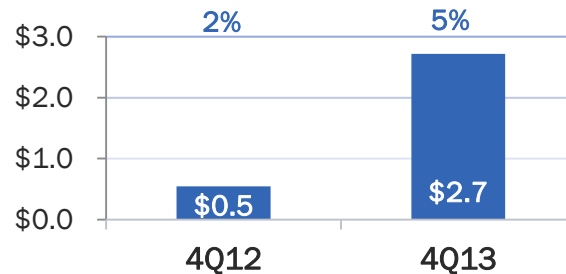
## Total OpEx



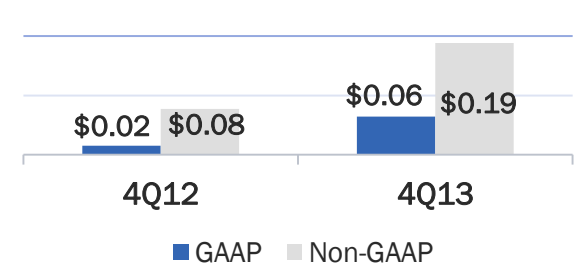
## Adjusted EBITDA<sup>3</sup>



## GAAP Net Income

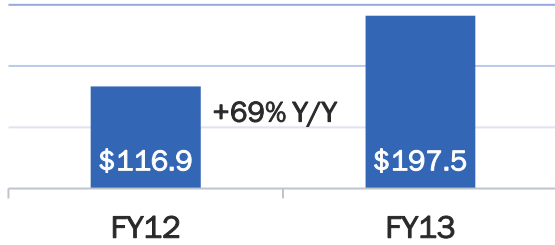


## Diluted EPS<sup>4</sup>

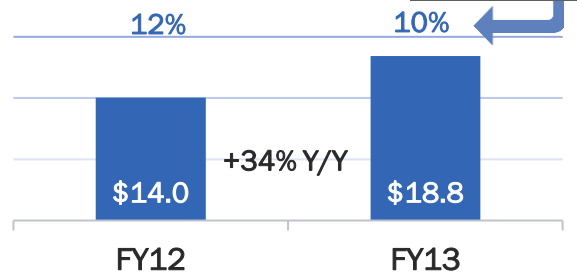


# FY13 Results Dashboard (in millions, except per share data, unaudited)

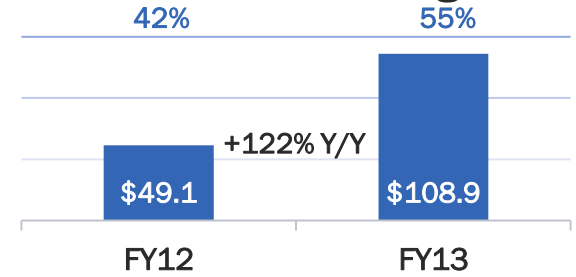
## Revenue



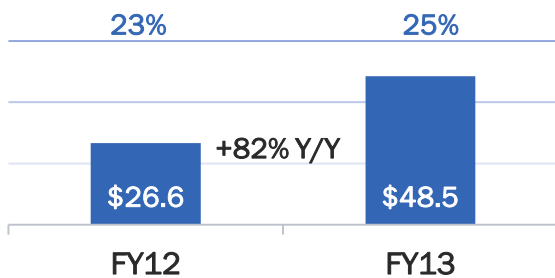
## Cost of Revenue<sup>1</sup>



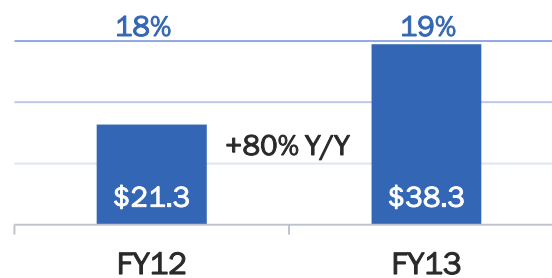
## Sales & Marketing<sup>1,2</sup>



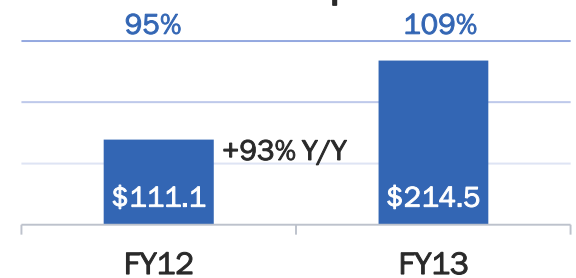
## Tech & Dev<sup>1</sup>



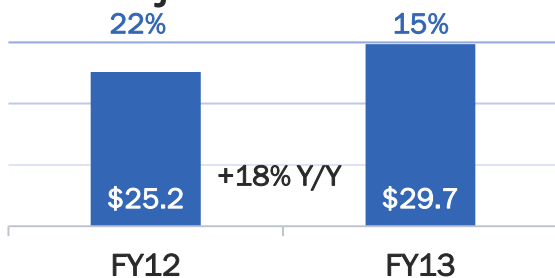
## G & A<sup>1</sup>



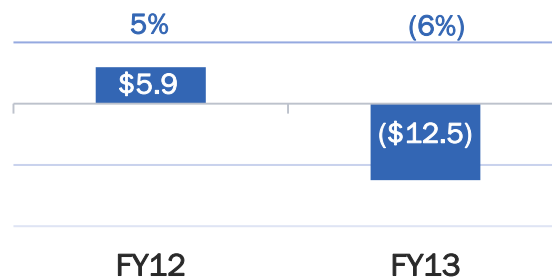
## Total OpEx



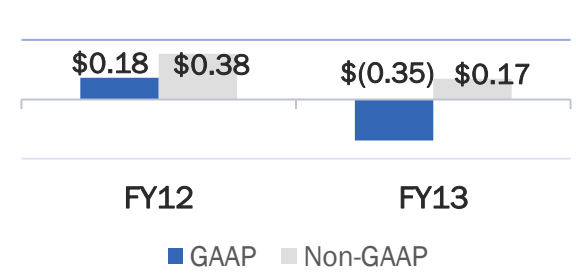
## Adjusted EBITDA<sup>3</sup>



## GAAP Net Income



## Diluted EPS<sup>4</sup>



# Notes to 4Q13 and FY13 Results Dashboards

**<sup>1</sup> Please refer to Zillow's financial statements as filed with the Securities and Exchange Commission for additional information.**

**<sup>2</sup> Sales and marketing expense in 2Q13 includes a one-time \$7.1 million acceleration of share-based compensation related to a prior acquisition. Excluding this item, sales and marketing expense in FY13 was \$101.8 million, representing growth of 107% year-over-year and 52% of revenue. Similarly, excluding this item, total operating expenses in FY13 were \$207.4 million, representing growth of 87% year-over-year and 105% of revenue.**

**<sup>3</sup> Please refer to Slide 4 for a reconciliation of Adjusted EBITDA to net income (loss), the most directly comparable GAAP financial measure.**

**<sup>4</sup> Please refer to Slide 5 for a reconciliation of net income (loss), as reported on a GAAP basis, to net income (loss), as adjusted, and the calculation of non-GAAP EPS – diluted.**

# Adjusted EBITDA Reconciliation (unaudited)

<i>(In thousands)</i>	3 Months Ended				3 Months Ended				Year Ended	
	Mar 31,	Jun 30,	Sep 30,	Dec 31,	Mar 31,	Jun 30,	Sep 30,	Dec 31,	Dec 31,	
	2012				2013				2012	2013
<b>Reconciliation of Adjusted EBITDA to Net Income (Loss):</b>										
Net income (loss)	\$ 1,724	\$ 1,332	\$ 2,334	\$ 549	\$ (3,747)	\$(10,232)	\$ (1,189)	\$ 2,715	\$ 5,939	\$(12,453)
Other income	(31)	(34)	(39)	(38)	(55)	(115)	(70)	(145)	(142)	(385)
Depreciation and amortization expense	2,336	2,749	3,617	4,071	4,779	5,155	5,877	7,443	12,773	23,254
Share-based compensation expense	1,418	1,225	1,712	2,256	4,146	10,467	3,768	5,055	6,611	23,436
Income tax (benefit) expense	-	-	-	-	-	-	(4,265)	154	-	(4,111)
<b>Adjusted EBITDA</b>	<b>\$ 5,447</b>	<b>\$ 5,272</b>	<b>\$ 7,624</b>	<b>\$ 6,838</b>	<b>\$ 5,123</b>	<b>\$ 5,275</b>	<b>\$ 4,121</b>	<b>\$ 15,222</b>	<b>\$ 25,181</b>	<b>\$ 29,741</b>

# Non-GAAP EPS Reconciliation (unaudited)

<i>(In thousands, except per share data)</i>	3 Months Ended				3 Months Ended				Year Ended	
	Mar 31,	Jun 30,	Sep 30,	Dec 31,	Mar 31,	Jun 30,	Sep 30,	Dec 31,	Dec 31,	
	2012				2013				2012	2013
<b>Calculation of Non-GAAP EPS:</b>										
Net income (loss), as reported	\$ 1,724	\$ 1,332	\$ 2,334	\$ 549	\$ (3,747)	\$(10,232)	\$ (1,189)	\$ 2,715	\$ 5,939	\$(12,453)
Share-based compensation expense	1,418	1,225	1,712	2,256	4,146	10,467	3,768	5,055	6,611	23,436
Income tax (benefit) expense	-	-	-	-	-	-	(4,265)	154	-	(4,111)
<b>Net income (loss), adjusted</b>	<b>\$ 3,142</b>	<b>\$ 2,557</b>	<b>\$ 4,046</b>	<b>\$ 2,805</b>	<b>\$ 399</b>	<b>\$ 235</b>	<b>\$ (1,686)</b>	<b>\$ 7,924</b>	<b>\$ 12,550</b>	<b>\$ 6,872</b>
Basic shares for non-GAAP EPS	28,348	28,946	30,040	33,408	33,770	34,553	36,667	39,050	30,194	36,029
Diluted shares for non-GAAP EPS <sup>1</sup>	30,994	31,320	32,230	36,292	36,756	37,242	36,667	42,116	32,709	39,379
Non-GAAP net income (loss) per share - basic	\$0.11	\$0.09	\$0.13	\$0.08	\$0.01	\$0.01	(\$0.05)	\$0.20	\$0.42	\$0.19
Non-GAAP net income (loss) per share - diluted	\$0.10	\$0.08	\$0.13	\$0.08	\$0.01	\$0.01	(\$0.05)	\$0.19	\$0.38	\$0.17

Note: Non-GAAP net income (loss) per share excludes the impact of share-based compensation expense and income taxes.

<sup>1</sup> For periods in which Zillow reported a GAAP net loss and non-GAAP net income, weighted-average shares used for the computation of diluted non-GAAP income per share include the impact of potentially dilutive shares. Please refer to the "Net Income (Loss) Per Share" notes to Zillow's financial statements as filed with the Securities and Exchange Commission for additional discussion of the impact of potentially dilutive shares.