

ZILLOW, INC. OPERATING METRICS (UNAUDITED)



	2010				2011				2012				2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
B2C (in thousands)																
Average monthly unique users	9,301	10,751	12,061	12,666	17,306	20,758	24,238	23,507	31,797	33,474	36,096	34,535	46,652	54,317	61,118	54,358
YY % change	15%	25%	42%	66%	86%	93%	101%	86%	84%	61%	49%	47%	47%	62%	69%	57%
Q/Q % change	22%	16%	12%	5%	37%	20%	17%	-3%	35%	5%	8%	-4%	35%	16%	13%	-11%
User-generated content ¹ additions (during period)	683	696	706	585	783	777	810	620	935	1,368	1,606	2,293	2,364	3,352	4,032	3,575
YY % change	-28%	-27%	-23%	-22%	15%	12%	15%	6%	19%	76%	98%	270%	153%	145%	151%	56%
Q/Q % change	-9%	2%	2%	-17%	34%	-1%	4%	-23%	51%	46%	17%	43%	3%	42%	20%	-11%
Cumulative user-generated content (at end of period)	12,759	13,455	14,161	14,747	15,529	16,307	17,117	17,737	18,672	20,040	21,647	23,940	26,304	29,656	33,688	37,263
YY % change	35%	29%	25%	22%	22%	21%	21%	20%	20%	23%	26%	35%	41%	48%	56%	56%
Q/Q % change	6%	5%	5%	4%	5%	5%	4%	5%	5%	7%	8%	11%	10%	13%	14%	11%
Consumer loan requests (during period)	146	221	773	688	984	1,218	1,673	1,667	2,609	2,876	3,155	3,197	4,523	5,330	5,921	4,447
YY % change	45%	35%	420%	403%	573%	451%	116%	142%	165%	136%	89%	92%	73%	85%	88%	39%
Q/Q % change	7%	51%	249%	-11%	43%	24%	37%	0%	56%	10%	10%	1%	41%	18%	11%	-25%
B2B																
Premier agent subscribers (at end of period)	3,438	4,777	6,448	8,102	10,710	13,385	14,876	15,799	18,616	22,696	26,703	29,473	34,030	38,807	44,749	48,314
YY % change	1,106%	330%	206%	193%	212%	180%	131%	95%	74%	70%	80%	87%	83%	71%	68%	64%
YY net subscriber additions	3,153	3,666	4,342	5,338	7,272	8,608	8,428	7,697	7,906	9,311	11,827	13,674	15,414	16,111	18,046	18,841
Q/Q % change	24%	39%	35%	26%	32%	25%	11%	6%	18%	22%	18%	10%	15%	14%	15%	8%
Q/Q net subscriber additions	674	1,339	1,671	1,654	2,608	2,675	1,491	923	2,817	4,080	4,007	2,770	4,557	4,777	5,942	3,565
Average monthly revenue per subscriber	Intentionally left blank ²				\$ 206	\$ 233	\$ 242	\$ 258	\$ 263	\$ 263	\$ 270	\$ 267	\$ 259	\$ 266	\$ 264	\$ 271
YY % change									28%	13%	12%	3%	-2%	1%	-2%	1%
Q/Q % change						13%	4%	7%	2%	0%	3%	-1%	-3%	3%	-1%	3%
Revenue (in thousands)																
Marketplace revenue	\$ 1,854	\$ 2,632	\$ 3,628	\$ 5,114	\$ 6,881	\$ 9,723	\$ 11,840	\$ 13,746	\$ 16,593	\$ 19,623	\$ 23,616	\$ 26,838	\$ 31,018	\$ 36,451	\$ 40,878	\$ 45,861
YY % change	307%	204%	211%	259%	271%	269%	226%	169%	141%	102%	99%	95%	87%	86%	73%	71%
Q/Q % change	30%	42%	38%	41%	35%	41%	22%	16%	21%	18%	20%	14%	16%	18%	12%	12%
% of total revenue	35%	36%	44%	53%	61%	61%	62%	69%	73%	71%	74%	78%	80%	78%	77%	79%
Display revenue	3,477	4,702	4,601	4,459	4,379	6,122	7,217	6,145	6,240	8,142	8,299	7,499	7,948	10,469	12,433	12,487
YY % change	52%	29%	5%	36%	26%	30%	57%	38%	42%	33%	15%	22%	27%	29%	50%	67%
Q/Q % change	6%	35%	-2%	-3%	-2%	40%	18%	-15%	2%	30%	2%	-10%	6%	32%	19%	0%
% of total revenue	65%	64%	56%	47%	39%	39%	38%	31%	27%	29%	26%	22%	20%	22%	23%	21%
Total	\$ 5,331	\$ 7,334	\$ 8,229	\$ 9,573	\$ 11,260	\$ 15,845	\$ 19,057	\$ 19,891	\$ 22,833	\$ 27,765	\$ 31,915	\$ 34,337	\$ 38,966	\$ 46,920	\$ 53,311	\$ 58,348
YY % change	94%	63%	49%	104%	111%	116%	132%	108%	103%	75%	67%	73%	71%	69%	67%	70%
Q/Q % change	13%	38%	12%	16%	18%	41%	20%	4%	15%	22%	15%	8%	13%	20%	14%	9%

¹ User-generated content is defined as any content contributed by a user through Zillow, Inc.'s mobile apps or websites, including images, home edits, comments, reviews, ratings, and Digs boards, among other contributions.

² Intentionally left blank as data has not previously been publicly disclosed.

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	2010				2011				2012				2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Adjusted EBITDA¹ reconciliation (in thousands)																
Net income (loss)	\$ (2,806)	\$ (1,972)	\$ (1,510)	\$ (486)	\$ (826)	\$ 1,576	\$ (570)	\$ 922	\$ 1,724	\$ 1,332	\$ 2,334	\$ 549	\$ (3,747)	\$ (10,232)	\$ (1,189)	\$ 2,715
% of revenue	-53%	-27%	-18%	-5%	-7%	10%	-3%	5%	8%	5%	7%	2%	-10%	-22%	-2%	5%
Other income	(17)	(25)	(14)	(7)	(39)	(5)	(36)	(25)	(31)	(34)	(39)	(38)	(55)	(115)	(70)	(145)
Depreciation and amortization expense	1,228	1,366	1,302	1,366	1,526	1,868	2,035	1,761	2,336	2,749	3,617	4,071	4,779	5,155	5,877	7,443
% of revenue	23%	19%	16%	14%	14%	12%	11%	9%	10%	10%	11%	12%	12%	11%	11%	13%
Share-based compensation expense	412	429	468	406	390	413	488	654	1,418	1,225	1,712	2,256	4,146	10,467	3,768	5,055
% of revenue	8%	6%	6%	4%	3%	3%	3%	3%	6%	4%	5%	7%	11%	22%	7%	9%
Income tax (benefit) / expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,265)	154
Facility exit charge	-	-	-	-	-	-	1,737	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	\$ (1,183)	\$ (202)	\$ 246	\$ 1,279	\$ 1,051	\$ 3,852	\$ 3,654	\$ 3,312	\$ 5,447	\$ 5,272	\$ 7,624	\$ 6,838	\$ 5,123	\$ 5,275	\$ 4,121	\$ 15,222
% of revenue	-22%	-3%	3%	13%	9%	24%	19%	17%	24%	19%	24%	20%	13%	11%	8%	26%
Non-GAAP EPS² reconciliation (in thousands, except per share data)																
Net income (loss), as reported	\$ (2,806)	\$ (1,972)	\$ (1,510)	\$ (486)	\$ (826)	\$ 1,576	\$ (570)	\$ 922	\$ 1,724	\$ 1,332	\$ 2,334	\$ 549	\$ (3,747)	\$ (10,232)	\$ (1,189)	\$ 2,715
Share-based compensation expense	412	429	468	406	390	413	488	654	1,418	1,225	1,712	2,256	4,146	10,467	3,768	5,055
Income tax (benefit) / expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,265)	154
Facility exit charge	-	-	-	-	-	-	1,737	-	-	-	-	-	-	-	-	-
Net income (loss), adjusted	\$ (2,394)	\$ (1,543)	\$ (1,042)	\$ (80)	\$ (436)	\$ 1,989	\$ 1,655	\$ 1,576	\$ 3,142	\$ 2,557	\$ 4,046	\$ 2,805	\$ 399	\$ 235	\$ (1,686)	\$ 7,924
Basic shares for non-GAAP EPS	12,640	12,660	12,803	12,972	13,347	13,940	24,020	27,748	28,348	28,946	30,040	33,408	33,770	34,553	36,667	39,050
Diluted shares for non-GAAP EPS ³	12,640	12,660	12,803	12,972	13,347	24,106	28,388	30,592	30,994	31,320	32,230	36,292	36,756	37,242	36,667	42,116
Non-GAAP net income (loss) per share - basic	(\$0.19)	(\$0.12)	(\$0.08)	(\$0.01)	(\$0.03)	\$0.14	\$0.07	\$0.06	\$0.11	\$0.09	\$0.13	\$0.08	\$0.01	\$0.01	(\$0.05)	\$0.20
Non-GAAP net income (loss) per share - diluted	(\$0.19)	(\$0.12)	(\$0.08)	(\$0.01)	(\$0.03)	\$0.08	\$0.06	\$0.05	\$0.10	\$0.08	\$0.13	\$0.08	\$0.01	\$0.01	(\$0.05)	\$0.19
Other (in thousands)																
Total cash and cash equivalents and investments	Intentionally left blank ⁴			\$ 13,777	\$ 15,554	\$ 16,161	\$ 95,813	\$ 92,136	\$ 98,310	\$ 69,602	\$ 228,882	\$ 203,483	\$ 204,131	\$ 208,058	\$ 424,574	\$ 437,726
Cash, cash equivalents, and investments per basic share				\$ 1.06	\$ 1.17	\$ 1.16	\$ 3.99	\$ 3.32	\$ 3.47	\$ 2.40	\$ 7.62	\$ 6.09	\$ 6.04	\$ 6.02	\$ 11.58	\$ 11.21
Net cash provided by (used in) operating activities	\$ (842)	\$ (217)	\$ 1,703	\$ 1,614	\$ 3,484	\$ 4,852	\$ 5,683	\$ 807	\$ 6,498	\$ 10,566	\$ 5,436	\$ 13,112	\$ 2,289	\$ 6,257	\$ 3,990	\$ 18,762
% of revenue	-16%	-3%	21%	17%	31%	31%	30%	4%	28%	38%	17%	38%	6%	13%	7%	32%
Capital expenditures	\$ 1,224	\$ 1,308	\$ 1,074	\$ 1,290	\$ 1,236	\$ 1,999	\$ 4,225	\$ 226	\$ 2,525	\$ 3,373	\$ 3,754	\$ 6,339	\$ 5,944	\$ 5,052	\$ 5,438	\$ 5,613
% of revenue	23%	18%	13%	13%	11%	13%	22%	1%	11%	12%	12%	18%	15%	11%	10%	10%
Deferred revenue	Intentionally left blank ⁴			\$ 3,284	\$ 4,762	\$ 5,647	\$ 5,734	\$ 5,769	\$ 6,533	\$ 8,699	\$ 8,720	\$ 8,349	\$ 7,779	\$ 9,308	\$ 10,893	\$ 12,298
% of revenue				34%	42%	36%	30%	29%	29%	31%	27%	24%	20%	20%	20%	21%
Sales and marketing expense ⁵	\$ 3,117	\$ 3,748	\$ 4,060	\$ 4,071	\$ 5,484	\$ 5,630	\$ 7,035	\$ 7,576	\$ 8,315	\$ 12,153	\$ 14,118	\$ 14,519	\$ 19,794	\$ 32,924	\$ 31,195	\$ 24,978
YY % change	63%	57%	52%	52%	76%	50%	73%	86%	52%	116%	101%	92%	138%	171%	121%	72%
% of revenue	58%	51%	49%	43%	49%	36%	37%	38%	36%	44%	44%	42%	51%	70%	59%	43%

¹ Adjusted EBITDA excludes share-based compensation expense, the 2011 facility exit charge, other income, income taxes, and depreciation and amortization expense.

² Non-GAAP net income (loss) per share excludes the impact of share-based compensation expense, the 2011 facility exit charge, and income taxes.

³ 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.

⁴ Intentionally left blank as data has not previously been publicly disclosed.

⁵ 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 the quarter was \$25.8 million, representing growth of 113% year-over-year and 55% of revenue.