
THIRD QUARTER 2013

KEY FINANCIAL METRICS AND OPERATING RESULTS



› SAFE HARBOR STATEMENT

This presentation contains “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of the prospectus. You should read the prospectus, including the Risk Factors set forth therein and the documents that we have filed as exhibits to the registration statement, of which the prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix.

Q3 2013 FINANCIAL HIGHLIGHTS

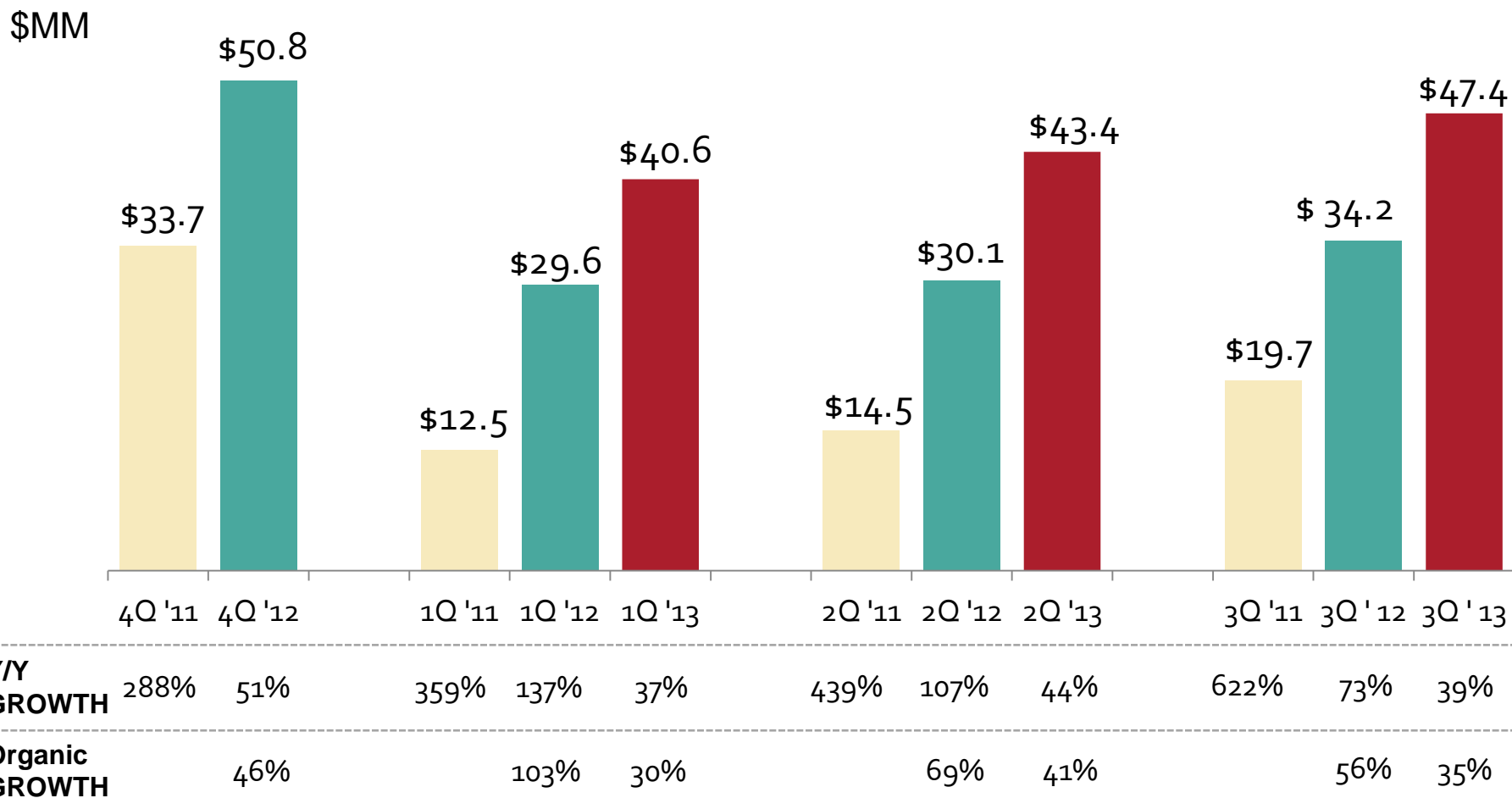


› Q3 HIGHLIGHTS

- **Net revenues** grew 39%; **Organic net revenues** were up 35%
- **Strong gross margins** of 93%; **Adjusted EBITDA margins** of 35%
- **Traffic** - Visits to our sites totaled 132 million, up 19%
- **Net revenues per visit (RPV)** – Total RPV up 17%
- **Consumer engagement**
 - App downloads – 8.8 million
 - App Sessions – 46.0 million
 - Email subscribers – 13.9 million

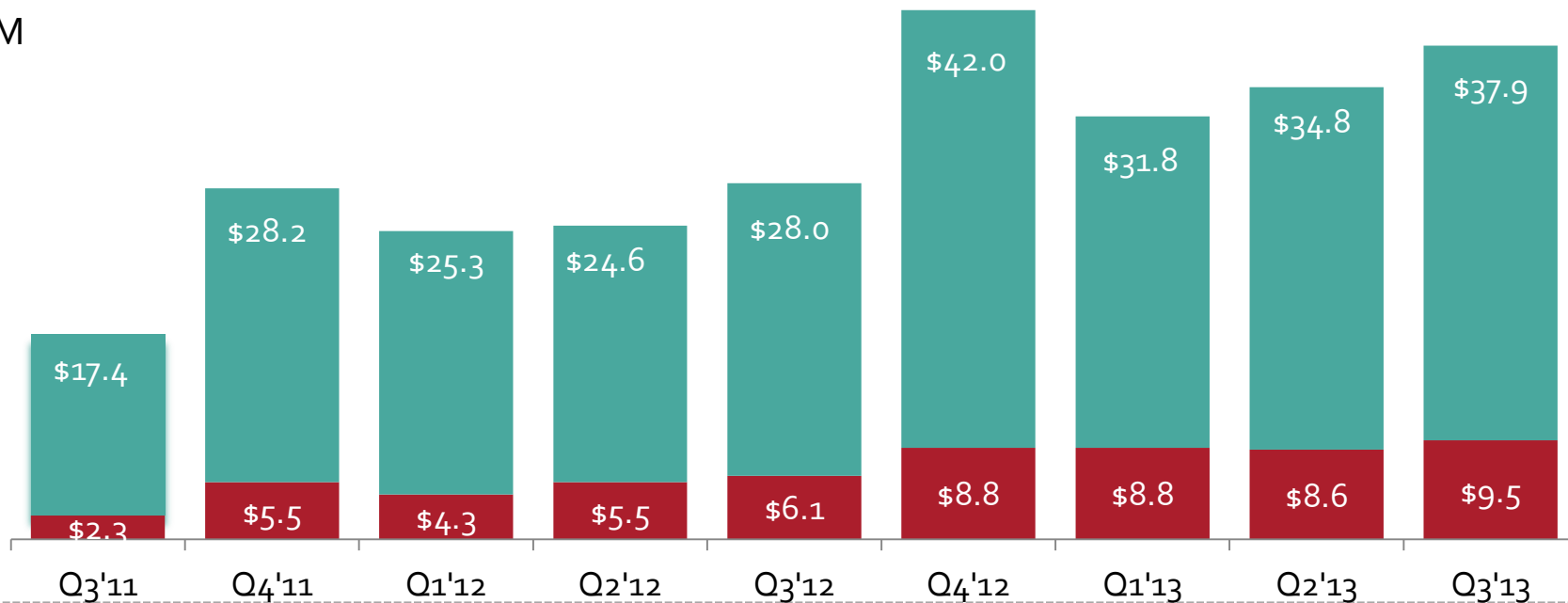
Note: Amounts may not re-compute due to rounding

› Q3 – 13 SUMMARY . . . NET REVENUES



> Q3 – 13 SUMMARY . . . U.S. VS. INTERNATIONAL NET REVENUES

\$MM

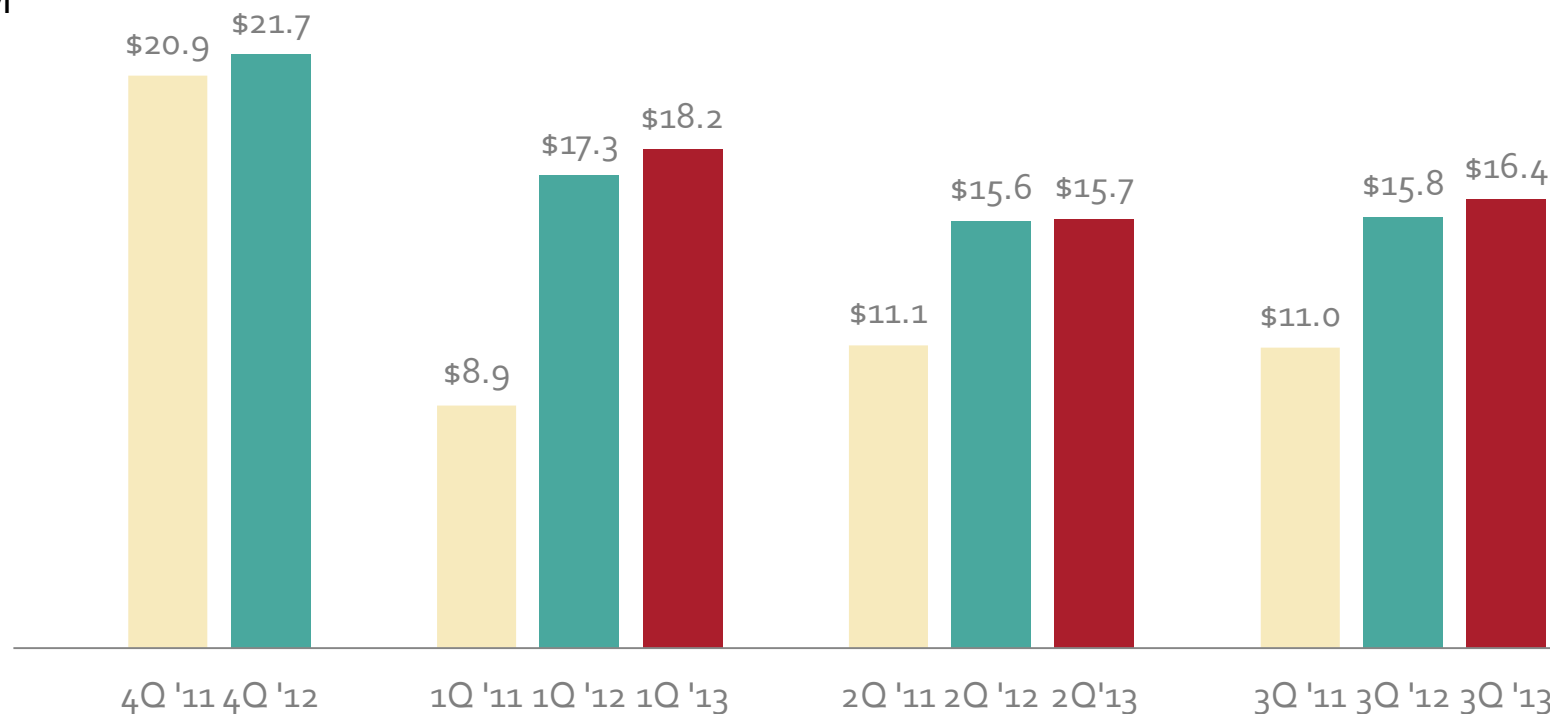


U.S.	\$17.4	\$28.2	\$25.3	\$24.6	\$28.0	\$42.0	\$31.8	\$34.8	\$37.9
International	\$2.3	\$5.5	\$4.3	\$5.5	\$6.1	\$8.8	\$8.8	\$8.6	\$9.5
% Total	11.7%	16.3%	14.5%	18.3%	17.8%	17.3%	21.7%	19.8%	20.0%

› Q3 – 13 SUMMARY . . . PROFITABILITY

Adjusted EBITDA

\$MM



Adj. EBITDA
Margin

62% 43%

71% 58% 45%

76% 52% 36%

56% 46% 35%

(1) See "GAAP to Non-GAAP Reconciliation" Appendix

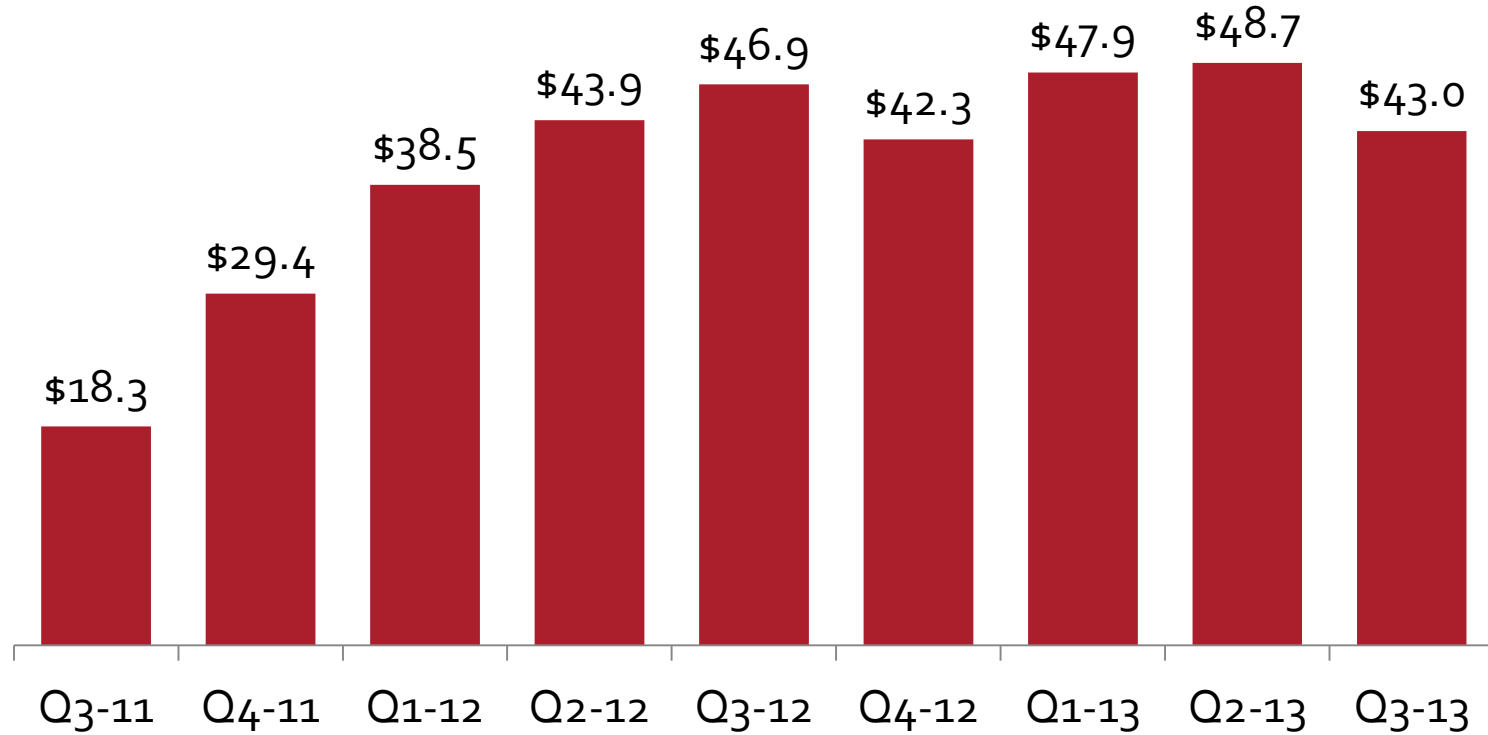
› Q3 -13 SUMMARY . . . OPERATING PERFORMANCE

	2011	2012	Q1 2013	Q2 2013	Q3 2013
Net Revenues	\$80.4	\$144.7	\$40.6	\$43.4	\$47.4
Gross Margin (%)	95%	94%	94%	93%	93%
Product and Technology (%)	5%	10%	15%	16%	17%
Sales and Marketing (%)	19%	28%	28%	32%	33%
General and Administrative (%)	9%	11%	13%	17%	15%
Operating Expenses (%)	33%	49%	55%	65%	66%
Net Income (%)	21%	18%	17%	12%	12%
Adj. EBITDA Margin (%) ⁽¹⁾	65%	49%	45%	36%	35%

(1) See "GAAP to Non-GAAP Reconciliation" Appendix

› Q3 – 13 SUMMARY . . . TTM OPERATING CASH FLOW

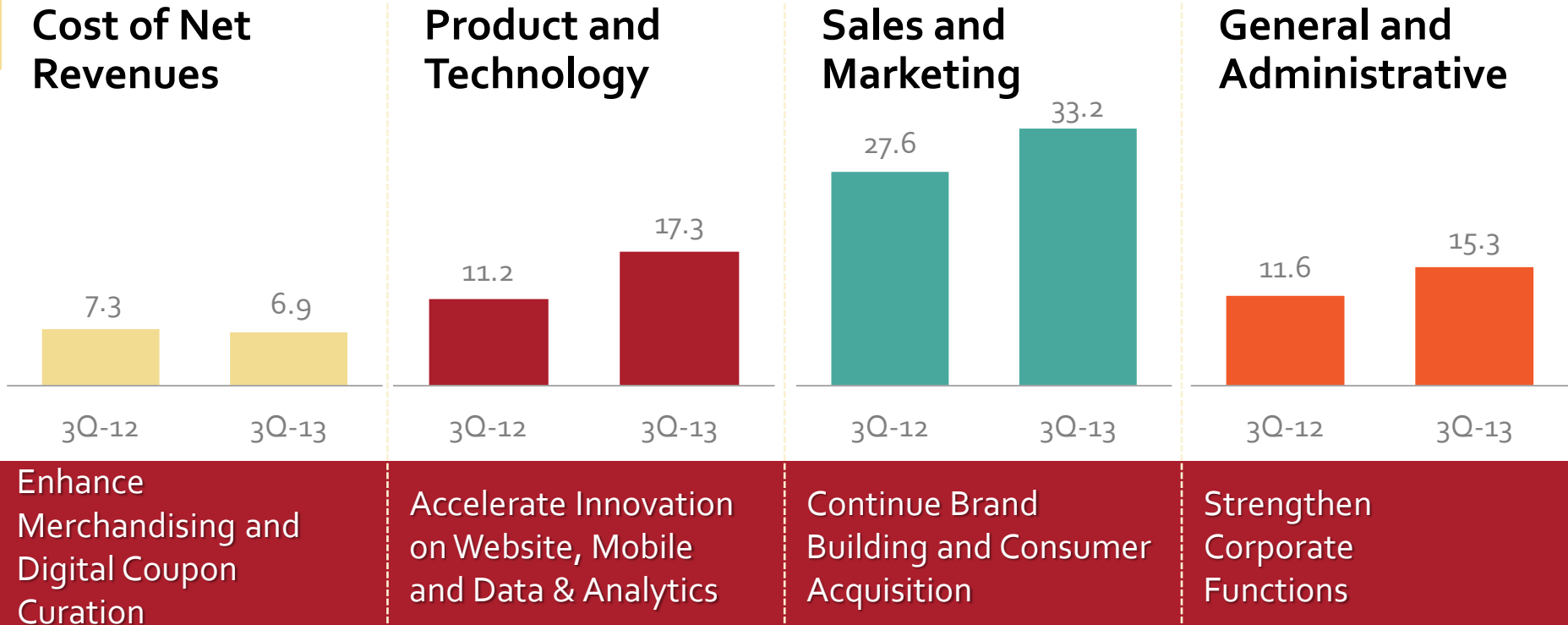
\$MM



Reported Y/Y Growth	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13
	nm	nm	nm	nm	156.3%	43.9%	24.3%	10.8%	(8.3%)

› BUSINESS UPDATE . . . INVESTING FOR LONG-TERM GROWTH

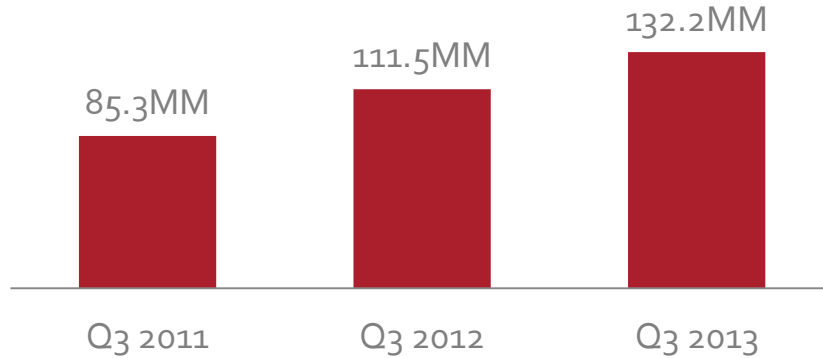
% of Net Revenues



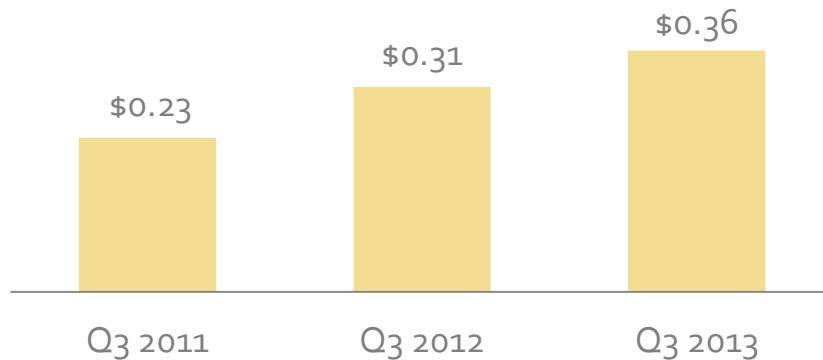
3Q-13 Adjusted EBITDA: \$16.4MM

› BUSINESS UPDATE . . . TRAFFIC AND MONETIZATION TRENDS

Traffic



Net Revenues per Visit



TARGETED GROWTH INITIATIVES

- Mobile/Email
- Brand Building/Marketing
- Increased Return Visits

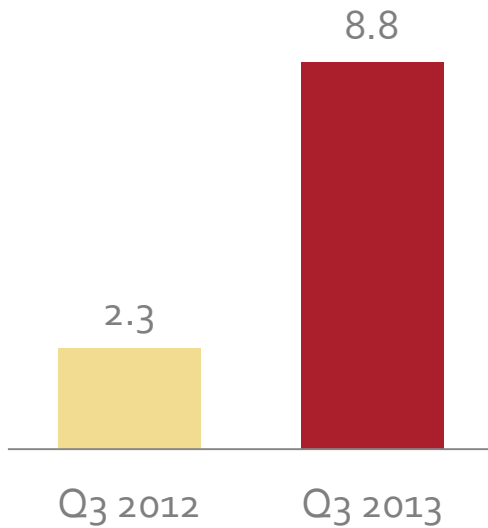
- Product Improvements
- Content Quality
- Exclusives

Note: Amounts may not re-compute due to rounding

› BUSINESS UPDATE . . . MOBILE USER ENGAGEMENT

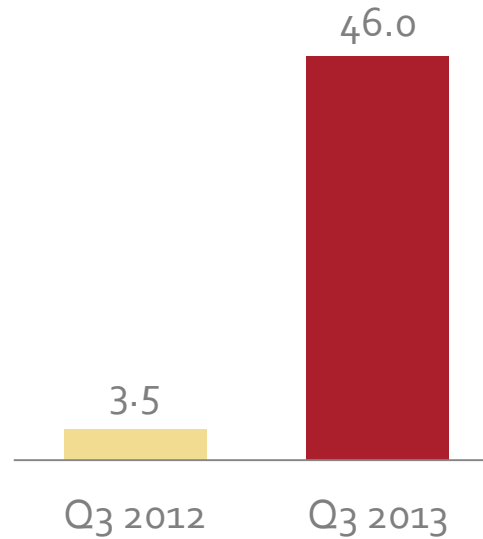
Aggregate Mobile App Downloads

MM



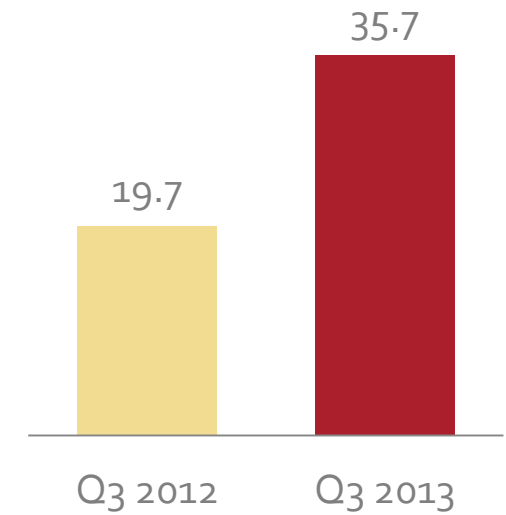
Mobile App Sessions

MM



Mobile Web Visits

MM



› BUSINESS UPDATE . . . PERFORMANCE STATISTICS

	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13
Total Visits (MM)	85.3	124.6	102.2	102.1	111.5	148.4	122.9	121.2	132.2
Mobile web visits (MM)	-	-	12.3	15.4	19.7	29.9	28.3	30.4	35.7
% Total	0%	0%	12%	15%	18%	20%	23%	25%	27%
Mobile app downloads (cumulative)	0.2	0.6	1.0	1.4	2.3	4.5	6.0	7.1	8.8
Mobile app sessions (period)	-	-	1.4	3.6	3.5	16.7	20.3	26.5	46.0
Mobile revenues (MM)*	\$-	\$-	\$1.0	\$1.4	\$2.0	\$4.2	\$4.1	\$5.0	\$5.8
Total net revenues/visit	\$0.231	\$0.270	\$0.290	\$0.295	\$0.306	\$0.342	\$0.330	\$0.358	\$0.358
Email subscribers (end of period)	4.7	6.0	5.5	6.5	7.7	8.3	9.9	11.6	13.9
Employees	123	154	190	236	267	294	331	373	414
Operations	41	47	58	68	78	84	96	107	125
Product & Technology	37	52	62	85	98	108	121	137	147
SG&A	45	55	70	83	91	102	114	129	142

Note: Amounts may not re-compute due to rounding

ADDITIONAL SLIDES



RetailMeNot, Inc.
Condensed Consolidated Statements of Operations
(Unaudited, in thousands, except per share data)

	For the Three Months Ended:								
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Net revenues	\$19,714	\$33,661	\$29,647	\$30,088	\$34,160	\$50,790	\$40,561	\$43,401	\$47,350
Costs and expenses:									
Cost of net revenues (1)	953	1,648	1,707	2,270	2,498	2,638	2,588	2,872	3,275
Product development (1)	1,145	2,038	2,399	3,093	3,834	5,155	5,950	6,939	8,214
Sales and marketing (1)	4,062	7,054	5,969	7,136	9,438	18,129	11,190	14,085	15,699
General and administrative (1)	2,806	2,356	3,035	3,763	3,979	4,981	5,366	7,303	7,250
Amortization of purchased intangible assets	2,643	3,871	3,414	3,608	3,222	2,914	2,830	2,787	3,056
Other operating expenses	-	35	1,962	233	416	3,395	430	428	441
Total costs and expenses	<u>11,609</u>	<u>17,002</u>	<u>18,486</u>	<u>20,103</u>	<u>23,387</u>	<u>37,212</u>	<u>28,354</u>	<u>34,414</u>	<u>37,935</u>
Income from operations	8,105	16,659	11,161	9,985	10,773	13,578	12,207	8,987	9,415
Other income (expense):									
Interest expense, net	(1,621)	(2,718)	(1,002)	(774)	(743)	(702)	(649)	(605)	(1,156)
Fair value of change of common stock warrant	(1,763)	(340)	-	-	-	-	-	-	-
Fair value of change of contingent consideration, net	-	-	-	-	-	-	-	-	-
Other income (expense), net	(11)	(97)	9	25	15	28	(64)	42	473
Income before income taxes	4,710	13,504	10,168	9,236	10,045	12,904	11,494	8,424	8,732
Provision for income taxes	(2,406)	(5,330)	(3,935)	(3,795)	(3,471)	(5,159)	(4,519)	(3,301)	(3,139)
Net income	<u>2,304</u>	<u>8,174</u>	<u>6,233</u>	<u>5,441</u>	<u>6,574</u>	<u>7,745</u>	<u>6,975</u>	<u>5,123</u>	<u>5,593</u>
Preferred stock dividends on participating preferred stock	(3,429)	(55,313)	(6,092)	(6,108)	(6,188)	(6,189)	(6,054)	(6,122)	(7,752)
Total undistributed earnings (loss)	(1,125)	(47,139)	141	(667)	386	1,556	921	(999)	(2,159)
Undistributed earnings allocated to participating preferred stock	-	-	(139)	-	(378)	(1,525)	(901)	-	-
Net income (loss) attributable to common stockholders	<u>(1,125)</u>	<u>(47,139)</u>	<u>2</u>	<u>(667)</u>	<u>8</u>	<u>31</u>	<u>20</u>	<u>(999)</u>	<u>(2,159)</u>
Net income (loss) per share attributable to common stockholders:									
Basic	(\$1.50)	(\$62.68)	\$0.00	(\$0.81)	\$0.01	\$0.03	\$0.02	(\$0.68)	(\$0.06)
Diluted	(\$1.50)	(\$62.68)	\$0.00	(\$0.81)	\$0.01	\$0.01	\$0.01	(\$0.68)	(\$0.06)
Weighted average number of shares used in computing net income (loss) per share:									
Basic	751	752	767	824	871	899	1,000	1,466	38,235
Diluted	751	752	2,228	824	2,657	2,928	2,965	1,466	38,235

RetailMeNot, Inc.
Condensed Consolidated Statements of Operations
(Unaudited, in thousands, except per share data)

	For the Three Months Ended:								
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
(1) Includes stock-based compensation as follows:									
Cost of net revenues	\$4	\$15	\$22	\$28	\$31	\$75	\$158	\$135	\$156
Product development	37	90	147	266	300	431	540	504	597
Sales and marketing	22	58	105	226	261	402	492	516	560
General and administrative	60	77	296	414	463	581	950	1,156	1,304
Total	<u>\$123</u>	<u>\$240</u>	<u>\$570</u>	<u>\$934</u>	<u>\$1,055</u>	<u>\$1,489</u>	<u>\$2,140</u>	<u>\$2,311</u>	<u>\$2,617</u>

RetailMeNot, Inc.

Calculation of Weighted-Average Basic and Diluted Shares Assuming Conversion of Redeemable Convertible Preferred Stock

(Unaudited, in thousands, except per share data)

	For the Three Months Ended:								
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Basic:									
GAAP basic weighted-average common shares	751	752	767	824	871	899	1,000	1,466	38,235
Add: Weighted-average shares from assumed conversion of redeemable convertible preferred stock	37,156	42,920	43,998	44,102	44,180	44,180	44,180	44,180	11,045
Basic weighted-average common shares (as converted basis)	37,907	43,672	44,765	44,926	45,051	45,079	45,180	45,646	49,280
Diluted:									
Basic weighted-average common shares (as converted basis)	37,907	43,672	44,765	44,926	45,051	45,079	45,180	45,646	49,280
Add: Dilutive effect of stock options	196	445	1,003	1,186	1,328	1,571	1,558	1,540	2,681
Add: Dilutive effect of common stock warrants	457	457	458	458	458	458	407	-	-
Diluted weighted-average common shares (as converted basis)	38,560	44,574	46,226	46,570	46,837	47,108	47,145	47,186	51,961

RetailMeNot, Inc.

Quarterly Reconciliation of Adjusted EBITDA

(Unaudited, in thousands, except per share data)

	For the Three Months Ended:								
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Net income	\$ 2,304	\$ 8,174	\$ 6,233	\$ 5,441	\$ 6,574	\$ 7,745	\$ 6,975	\$ 5,123	\$ 5,593
Depreciation and amortization	2,708	4,014	3,584	3,842	3,512	3,254	3,263	3,266	3,547
Stock-based compensation expense	123	240	570	934	1,055	1,489	2,140	2,311	2,617
Third party acquisition-related costs	56	-	-	630	-	-	194	723	388
Other operating expenses	-	35	1,962	233	416	3,395	430	428	441
Interest expense, net	1,621	2,718	1,002	774	743	702	649	605	1,156
Fair value of change of common stock warrant	1,763	340	-	-	-	-	-	-	-
Other income (expense), net	11	97	(9)	(25)	(15)	(28)	64	(42)	(473)
Provision for income taxes	2,406	5,330	3,935	3,795	3,471	5,159	4,519	3,301	3,139
Adjusted EBITDA	\$ 10,992	\$ 20,948	\$ 17,277	\$ 15,624	\$ 15,756	\$ 21,716	\$ 18,234	\$ 15,715	\$ 16,408

RetailMeNot, Inc.
Condensed Consolidated Balance Sheets
(Unaudited, in thousands)

	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Assets									
Current assets:									
Cash and cash equivalents	\$ 12,166	\$ 88,234	\$ 88,626	\$ 82,781	\$ 92,328	\$ 97,142	\$ 112,337	\$ 114,871	\$ 136,408
Accounts receivable, net	15,644	21,839	16,890	18,914	19,811	32,315	24,049	25,296	30,949
Prepays and other current assets, net	376	637	1,534	2,052	2,419	1,939	2,825	4,382	5,472
Total current assets	28,186	110,710	107,050	103,747	114,558	131,396	139,211	144,549	172,829
Property and equipment, net	2,087	2,396	3,356	4,073	4,223	4,921	5,105	5,812	7,716
Intangible assets, net	-	89,228	84,498	85,734	83,716	77,985	75,684	73,538	79,330
Goodwill	236,464	142,917	143,762	151,402	152,568	152,755	152,632	152,768	168,626
Other assets, net	2,370	2,075	2,166	5,097	4,604	3,863	3,019	2,615	3,670
Total assets	\$ 269,107	\$ 347,326	\$ 340,832	\$ 350,053	\$ 359,669	\$ 370,920	\$ 375,651	\$ 379,282	\$ 432,171
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)									
Current liabilities:									
Accounts payable	\$ 961	\$ 1,558	\$ 1,391	\$ 1,612	\$ 1,971	\$ 4,640	\$ 2,771	\$ 2,623	\$ 3,184
Accrued compensation and benefits	-	3,312	1,668	3,062	4,579	5,906	2,954	4,697	6,272
Accrued expenses and other current liabilities	3,961	2,063	2,443	3,754	5,071	4,794	5,191	7,436	6,471
Income taxes payable	2,446	5,034	4,753	740	(3)	1,254	5,068	1,774	808
Current maturities of long term debt	19,744	20,112	9,602	10,650	16,650	16,650	16,650	16,650	14,972
Total current liabilities	27,112	32,079	19,857	19,818	28,268	33,244	32,634	33,180	31,707
Deferred tax liability--noncurrent	6,441	6,268	5,593	7,412	7,591	6,631	6,852	5,824	8,484
Long term debt	51,481	35,425	33,391	32,992	24,500	22,275	21,203	17,225	28,000
Other noncurrent liabilities	2,791	1,045	1,079	1,302	1,281	1,116	1,129	1,282	1,534
Total liabilities	87,825	74,817	59,920	61,524	61,640	63,266	61,818	57,511	69,725
Series B redeemable convertible preferred stock	186,282	321,450	327,633	336,833	343,113	349,027	355,082	361,138	-
Stockholders' equity (deficit):									
Common stock	3	1	3	4	4	1	1	2	51
Additional paid-in capital	(3)	4,176	4,757	5,885	6,976	8,579	10,999	13,542	414,068
Accumulated other comprehensive loss	(1,780)	(2,292)	(702)	(2,651)	(813)	(543)	(3,760)	(3,488)	(91)
Accumulated deficit	(3,220)	(50,826)	(50,779)	(51,542)	(51,251)	(49,410)	(48,489)	(49,423)	(51,582)
Total stockholders' equity (deficit)	(5,000)	(48,941)	(46,721)	(48,304)	(45,084)	(41,373)	(41,249)	(39,367)	362,446
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)	\$ 269,107	\$ 347,326	\$ 340,832	\$ 350,053	\$ 359,669	\$ 370,920	\$ 375,651	\$ 379,282	\$ 432,171

RetailMeNot, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	For the Three Months Ended:								
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13
Cash flows from operating activities:									
Net income	\$2,304	\$8,174	\$6,233	\$5,441	\$6,574	\$7,745	\$6,975	\$5,123	\$5,593
Adjustments to reconcile net income to cash provided by operating activities:									
Depreciation and amortization expense	2,708	4,014	3,584	3,842	3,512	3,254	3,263	3,266	3,547
Stock based compensation expense	123	240	570	934	1,055	1,489	2,140	2,311	2,617
Deferred income tax benefit (expense)	1,194	(243)	(1,091)	(318)	(271)	(116)	223	(1,028)	(2,048)
Non-cash interest expense	611	2,223	373	165	142	136	122	113	665
Impairment of assets	-	-	1,962	-	-	2,962	-	-	-
Amortization of deferred compensation	-	-	-	233	417	432	430	430	441
Other non-cash expense and fair value change in liabilities, net	1,788	415	(15)	19	(63)	(45)	36	121	(221)
Provision for doubtful accounts receivable	72	85	13	(10)	27	574	112	30	-
Changes in operating assets and liabilities:									
Accounts receivable, net	453	(6,313)	5,055	(552)	(767)	(13,021)	7,735	(1,237)	(4,175)
Prepaid expenses and other current assets, net	(57)	(232)	(561)	(186)	86	(322)	(907)	(1,555)	739
Accounts payable	(194)	594	(182)	185	315	2,657	(1,812)	(148)	613
Accrued expenses and other current liabilities	902	3,814	(1,620)	(2,640)	1,735	2,274	1,462	612	(92)
Other noncurrent assets and liabilities	(41)	(164)	32	13	25	(32)	181	(85)	(626)
Net cash provided by (used in) operating activities	9,863	12,607	14,353	7,126	12,787	7,987	19,960	7,953	7,053
Cash flows from investing activities:									
Payments for acquisition of businesses, net of acquired cash	(32,603)	-	-	(9,542)	(748)	-	(1,931)	-	(14,469)
Purchase of other assets	-	-	-	-	-	-	-	(546)	(305)
Purchase of property and equipment	(676)	(491)	(1,162)	(487)	(429)	(1,011)	(645)	(1,187)	(2,328)
Net cash used in investing activities	(33,279)	(491)	(1,162)	(10,029)	(1,177)	(1,011)	(2,576)	(1,733)	(17,102)
Cash flows from financing activities:									
Proceeds from notes payable, net of issuance costs	-	-	-	-	-	-	-	-	8,094
Payments on notes payable	(2,225)	(15,942)	(12,942)	(2,941)	(2,225)	(2,225)	(2,225)	(3,975)	(6,000)
Proceeds from issuance of preferred stock, net of issuance costs	18,125	149,764	-	-	-	-	-	-	-
Payments for repurchase of preferred stock	-	(70,000)	-	-	-	-	-	-	-
Payments of preferred stock dividends	-	-	-	-	-	-	-	-	(58,682)
Proceeds from initial public offering, net of offering costs	-	-	-	-	-	-	-	-	85,365
Excess income tax benefit from employee stock-based awards	-	-	-	-	-	-	-	-	1,287
Obligation under capital lease	-	-	-	-	-	-	-	(5)	(3)
Proceeds from exercise of options and warrants to purchase common stock	-	173	13	137	76	25	289	280	1,083
Net cash provided by (used in) financing activities	15,900	63,995	(12,929)	(2,804)	(2,149)	(2,200)	(1,936)	(3,700)	31,144
Effect of exchange rate changes on cash	(70)	(43)	130	(138)	86	38	(253)	14	442
Change in cash and cash equivalents	(7,586)	76,068	392	(5,845)	9,547	4,814	15,195	2,534	21,537
Cash and cash equivalents, beginning of period	19,752	12,166	88,234	88,626	82,781	92,328	97,142	112,337	114,871
Cash and cash equivalents, end of period	\$12,166	\$88,234	\$88,626	\$82,781	\$92,328	\$97,142	\$112,337	\$114,871	\$136,408