

Second Quarter 2016

Financial Highlights

August 4, 2016

TRUECar.



SAFE HARBOR

This presentation contains forward-looking statements. All statements other than statements of historical facts contained in this presentation, including statements regarding TrueCar, Inc.'s ("TrueCar") outlook for the third quarter and full year 2016, future financial results, including expectations regarding future revenue and Adjusted EBITDA, planned operational improvements, business strategy, plans and objectives are forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions that may prove incorrect, any of which could cause TrueCar's results to differ materially from those expressed or implied by such forward-looking statements. Among the risks and uncertainties that could cause TrueCar's results to differ materially from those expressed or implied by such forward-looking statements include: the ability to improve our relationship with, and perception among, car dealerships and grow our network of Certified Dealers, on an overall basis, among dealers representing high volume brands and in important geographies; dependence upon affinity group marketing partners, especially USAA; compliance with U.S. federal and state laws and regulations directly or indirectly applicable to TrueCar's business; the ability to compete effectively in an increasingly competitive market and to grow and enhance TrueCar's brand; the ability to continue to innovate; the successful improvement of TrueCar's technology infrastructure; macro-economic issues that affect the automobile industry; the ability to attract, retain, and integrate qualified personnel, including newly hired members of management and the hiring of additional personnel in our technology and dealer teams; the ability to successfully resolve litigation to which TrueCar is subject and other risks and uncertainties described more fully under the heading "Risk Factors" in TrueCar's annual report on Form 10-K for the year ended December 31, 2015 and its subsequent quarterly report on Form 10-Q filed with the Securities and Exchange Commission ("SEC") and its report on Form 10-Q for the quarter ended June 30, 2016 to be filed with the SEC. Moreover, TrueCar operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for TrueCar management to predict all risks, nor can management assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements TrueCar may make. All forward-looking statements in this presentation are based on information available to TrueCar's management as of the date hereof, and except as required by law, management assumes no obligation to update these forward-looking statements, which speak only as of the date hereof.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is set forth in the Appendix to this presentation.

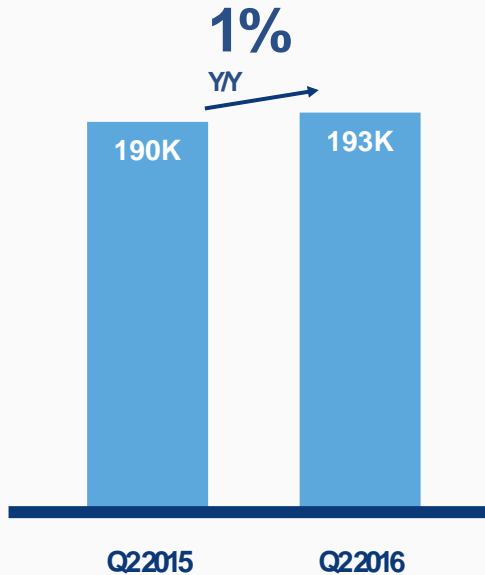
Q2 2016 HIGHLIGHTS

- Second quarter total revenue up 2% from a year ago to \$66.4 million
- TrueCar users purchased 192,531 units from TrueCar Certified Dealers, up 1% year-over-year
- Total dealer count at an all-time high of 12,669 dealers, up 14% year-over-year
 - 10,135 franchise dealers, up 9% year-over-year
 - 2,534 independent dealers, up 41% year-over-year
- TrueCar acquisition cost per sale of \$180, down 17% year-over-year
- Adjusted EBITDA of \$2.4 million representing 3.7% of revenue ⁽¹⁾

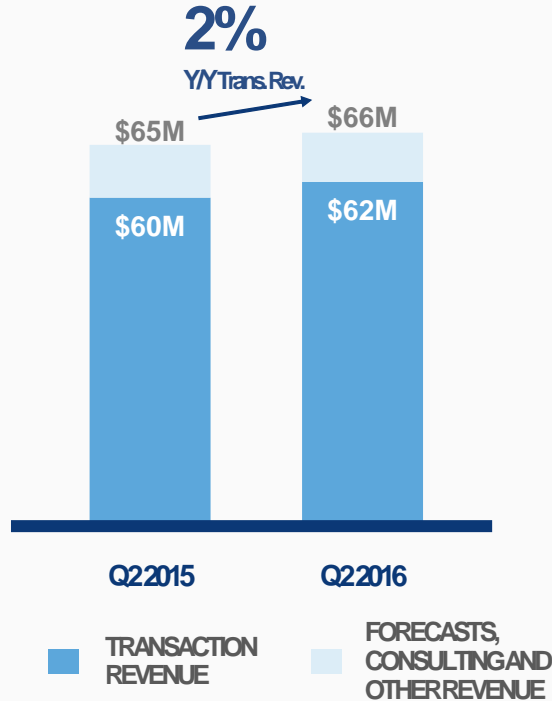
(1) See reconciliation of GAAP net loss to Adjusted EBITDA on page 16.

Q2 FINANCIAL HIGHLIGHTS

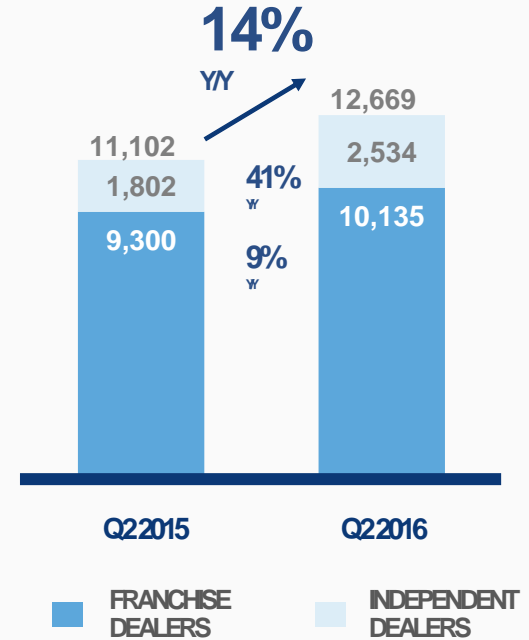
UNITS



REVENUE



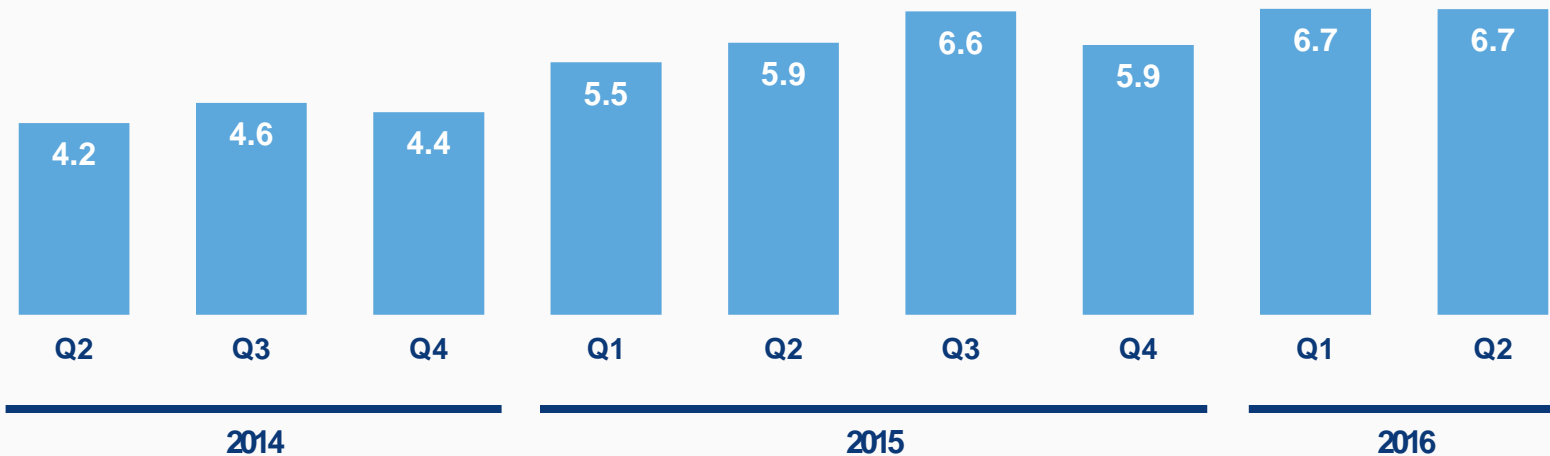
DEALER COUNT



TRAFFIC

AVERAGE MONTHLY UNIQUE VISITORS

(millions)



YY Growth:

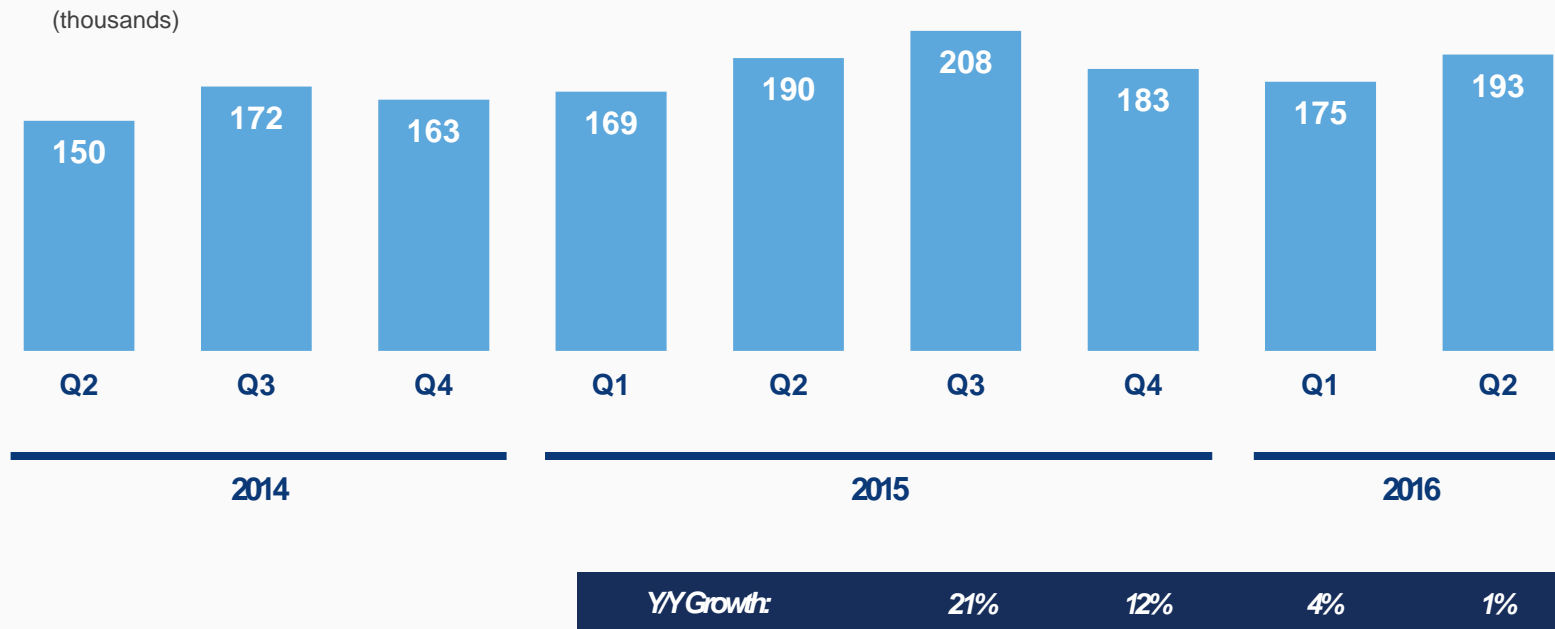
43%

33%

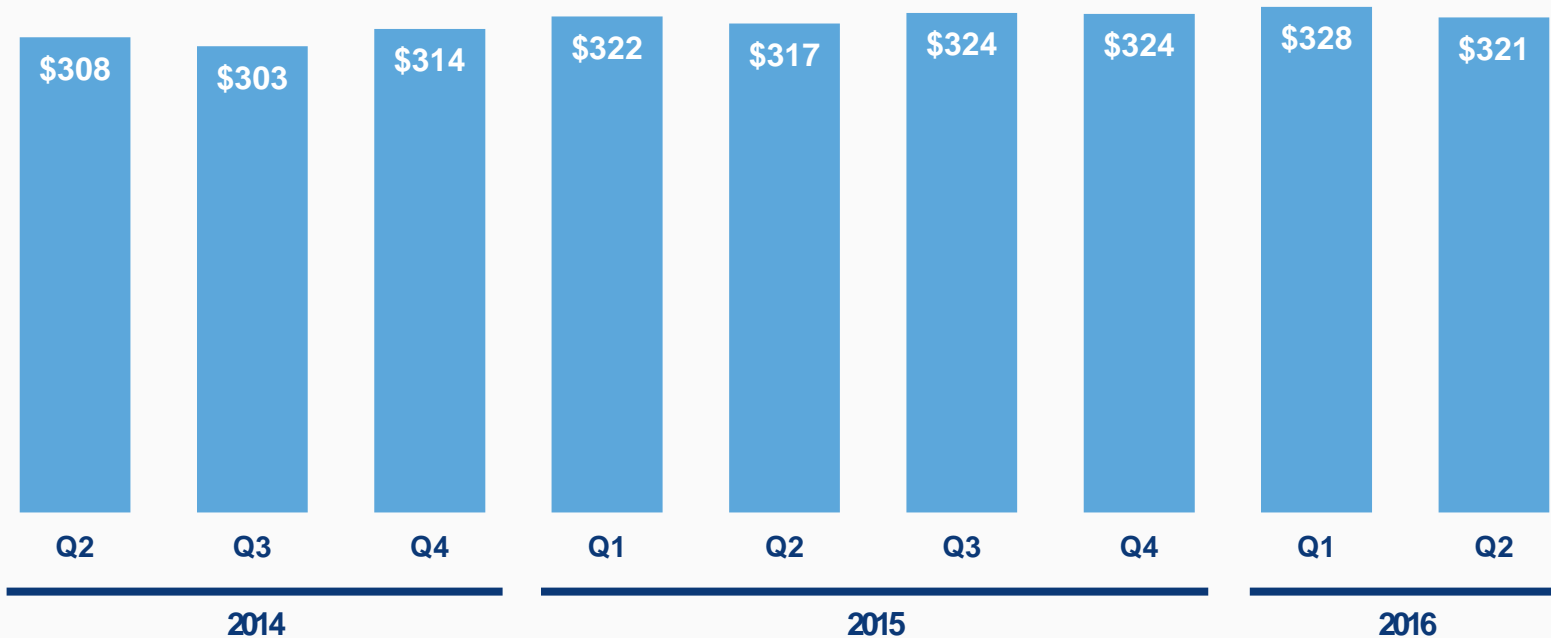
21%

12%

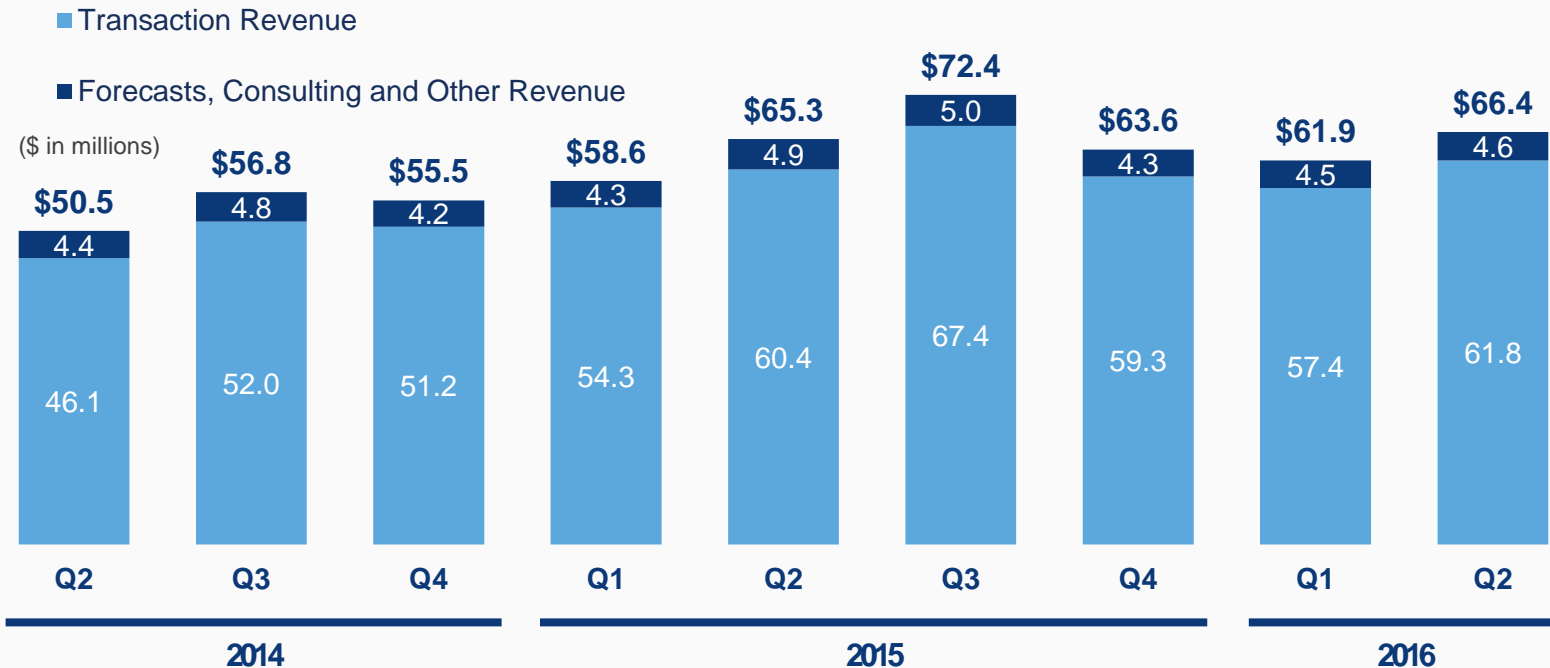
UNITS



MONETIZATION

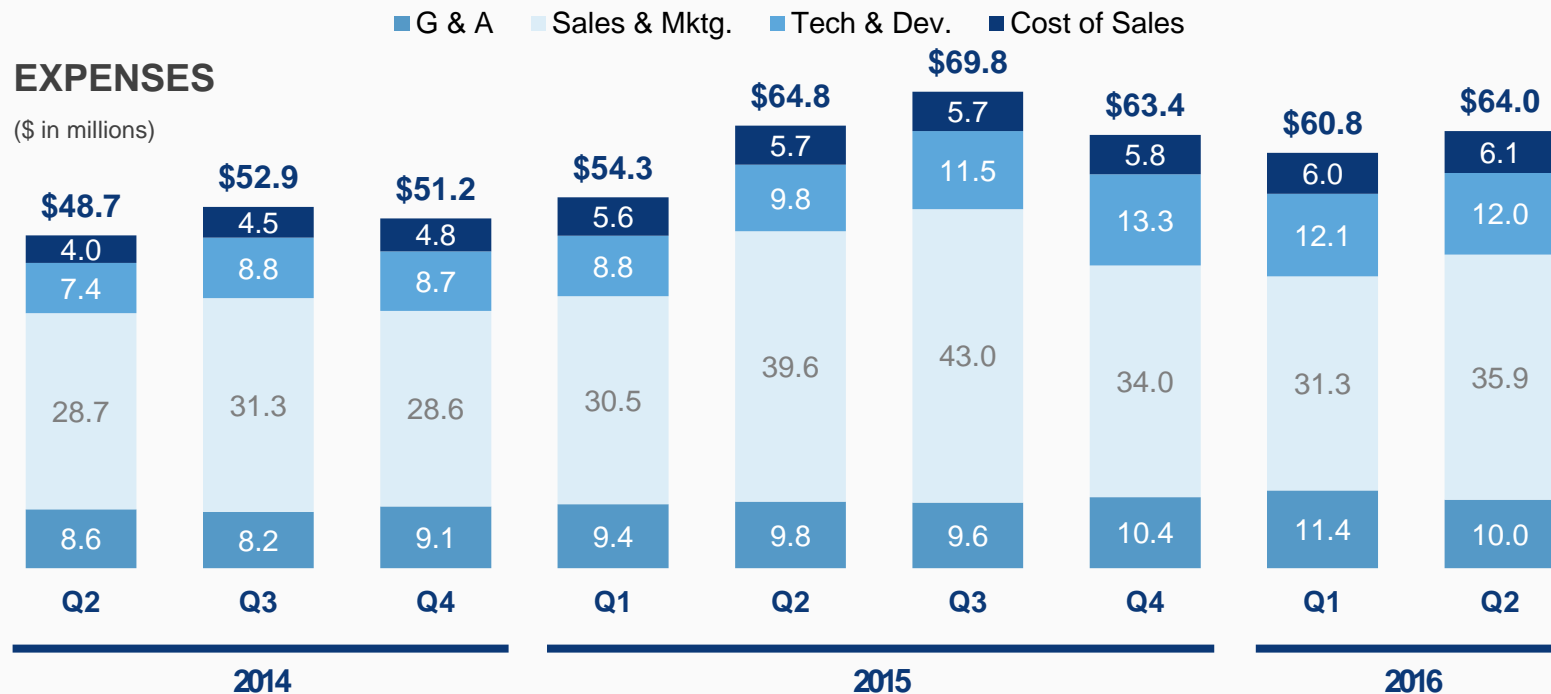


REVENUE



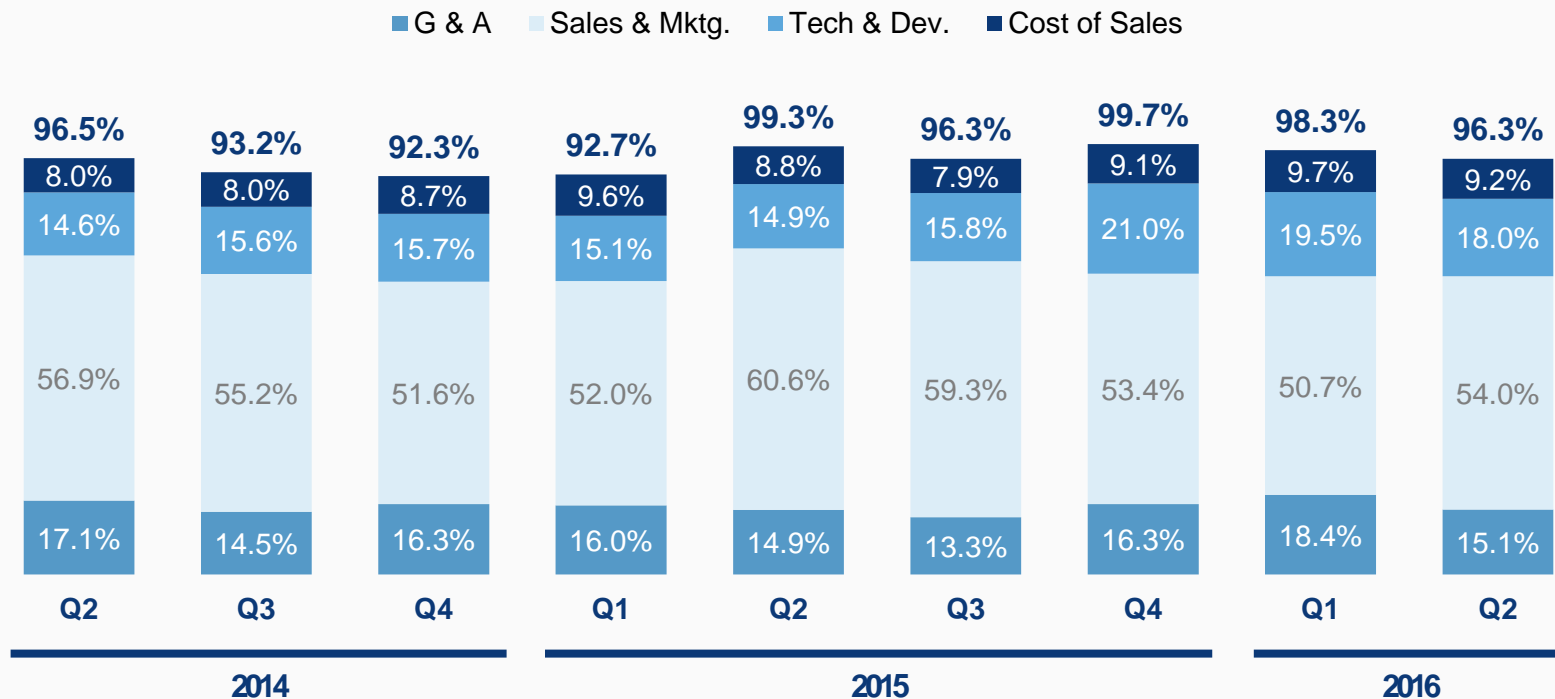
<i>Transaction Revenue Y/Y:</i>	30%	16%	6%	2%
<i>Total Revenue Y/Y:</i>	28%	15%	6%	2%

NON-GAAP EXPENSES ¹



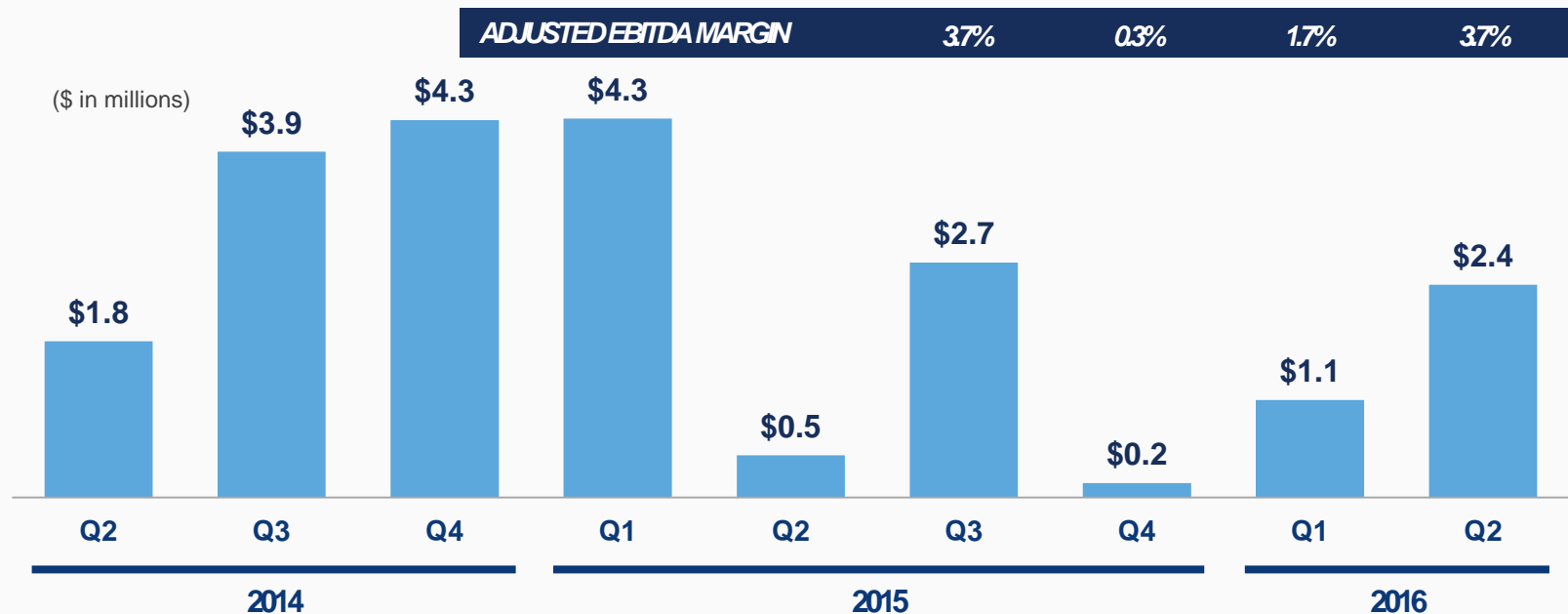
(1) See reconciliations of GAAP expenses to Non-GAAP expenses on page 17.

NON-GAAP EXPENSES ¹



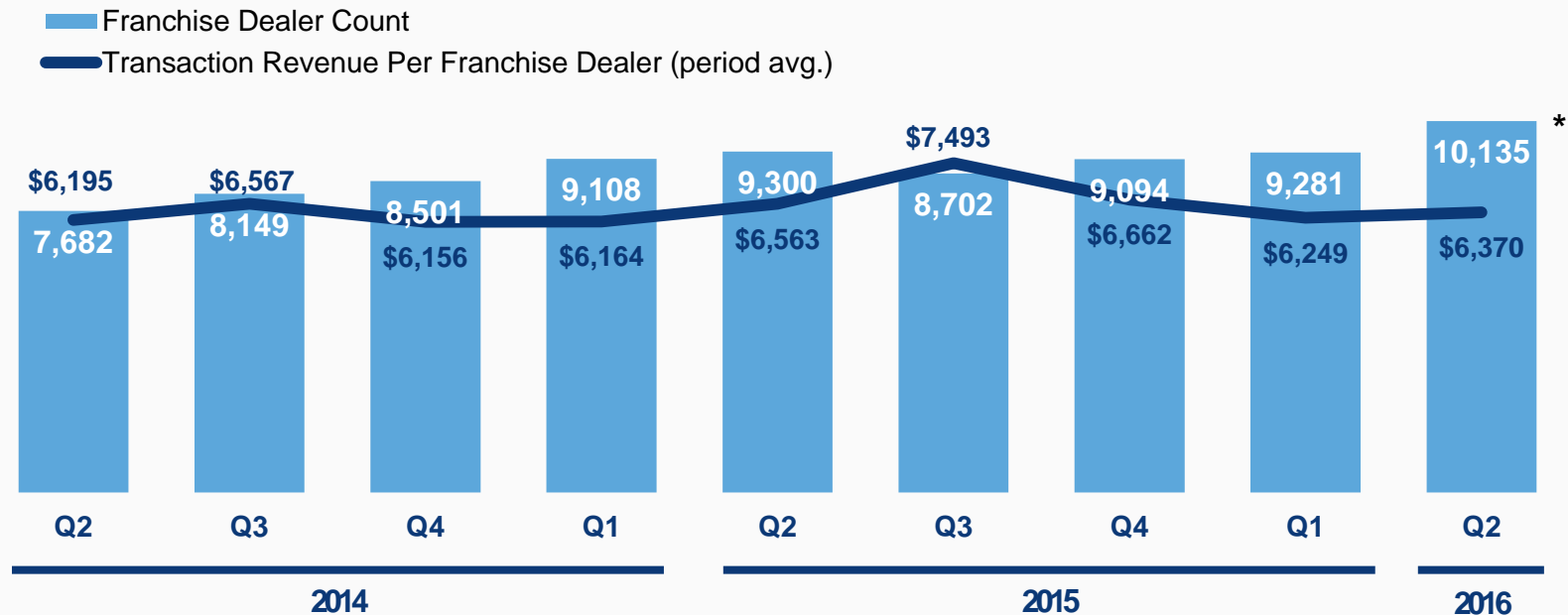
(1) See reconciliations of GAAP expenses to Non-GAAP expenses on page 17.

ADJUSTED EBITDA ¹



(1) See reconciliation of GAAP net loss to Adjusted EBITDA on page 16.

FRANCHISE DEALER COUNT



<i>Dealer Count Y/Y:</i>	7%	7%	2%	9%
<i>Revenue/Dealer Y/Y:</i>	14%	8%	1%	(3%)

* Represents Franchise Dealer count only. Non-Franchise Dealer count was 2,534 for the same period, bringing the network of TrueCar Certified Dealers to 12,669.

Q3 2016 OUTLOOK

	Low	High
Units	200K	205K
Revenue	\$70M	\$72M
Adjusted EBITDA ¹	\$1M	\$1.5M

(1) See reconciliation of GAAP net loss to Adjusted EBITDA on page 16.

2016 OUTLOOK

	Low	High
Units		780K
Revenue		\$270M
Adjusted EBITDA ¹	\$5M	\$6M

(1) See reconciliation of GAAP net loss to Adjusted EBITDA on page 16.

A dark blue-tinted photograph of a group of people inside a car. On the left, a man is leaning forward, looking towards the camera with a slight smile. In the center, the back of a woman's head and shoulders is visible. To her right, another woman is looking down, and a man's profile is partially visible on the far right. The word "APPENDIX" is overlaid in large, white, bold, sans-serif capital letters across the middle of the image.

APPENDIX

RECONCILIATION TO ADJUSTED EBITDA (Unaudited)

(In thousands, except per share data)	3 Months Ended	3 Months Ended
	Jun 30, 2015	Jun 30, 2016
Reconciliation of Net Loss to Adjusted EBITDA:		
Net loss	\$ (14,739)	\$ (14,655)
Interest income	(24)	(102)
Interest expense	118	632
Depreciation and amortization	4,119	5,868
Stock-based compensation	9,167	5,900
Warrant expense	(333)	-
Certain litigation costs ⁽¹⁾	2,119	150
Severance charges ⁽²⁾	-	1,783
Lease exit costs ⁽³⁾	-	2,684
Provision for income taxes	50	170
Adjusted EBITDA	\$ 477	\$ 2,430

- (1) The excluded amounts relate to legal costs incurred in connection with a claim we filed against Sonic Automotive Holdings, Inc., complaints filed by non-TrueCar dealers and the California New Car Dealers Association against TrueCar, and securities and consumer class action lawsuits. We do not believe these costs are a useful indicator of ongoing operating results and that their exclusion is appropriate to facilitate comparisons of our core operating performance on a period-to-period basis.
- (2) We incurred \$1.3 million in severance costs in the second quarter of 2016 related to a small reorganization of our product and technology teams to better align our resources with business objectives as we transition from multiple software platforms to a unified architecture. In addition, we incurred severance costs of \$0.5 million related to an executive who terminated during the second quarter of 2016. We believe excluding the impacts of these terminations is consistent with our use of Adjusted EBITDA and Non-GAAP net loss as we do not believe they are useful indicators of ongoing operating results.
- (3) Represents updated estimates to our lease termination costs associated with the consolidation of the Company's office locations in Santa Monica, California in December 2015. We believe that their exclusion is appropriate to facilitate period-to-period operating performance comparisons.

RECONCILIATION TO NON-GAAP EXPENSES (Unaudited)

(In thousands, except per share data)	3 Months Ended Jun 30, 2015	3 Months Ended Jun 30, 2016
<u>Reconciliation of GAAP Expenses to Non-GAAP Expenses:</u>		
Cost of revenue, as reported	5,927	6,365
Stock-based compensation	187	233
Non-GAAP cost of revenue	<u>\$ 5,740</u>	<u>\$ 6,132</u>
Sales & Marketing, as reported	40,457	38,129
Stock-based compensation	1,218	1,736
Warrant expense	(333)	-
Severance charges ⁽¹⁾	-	508
Non-GAAP sales and marketing	<u>\$ 39,572</u>	<u>\$ 35,885</u>
Technology and development, as reported	10,979	14,022
Stock-based compensation	1,227	746
Severance charges ⁽¹⁾	-	1,304
Non-GAAP technology and development	<u>\$ 9,752</u>	<u>\$ 11,972</u>
General and administrative, as reported	18,407	15,998
Stock-based compensation	6,535	3,185
Certain litigation costs ⁽²⁾	2,119	150
Severance charges ⁽¹⁾	-	(29)
Lease exit costs ⁽³⁾	-	2,684
Non-GAAP general and administrative	<u>\$ 9,753</u>	<u>\$ 10,008</u>

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RECONCILIATION TO NON-GAAP NET LOSS (Unaudited)

(In thousands, except per share data)	3 Months Ended	3 Months Ended
	Jun 30, 2015	Jun 30, 2016
Reconciliation of GAAP Net Loss to Non-GAAP Net Loss:		
Net loss, as reported	\$ (14,739)	\$ (14,655)
Stock-based compensation	9,167	5,900
Warrant expense	(333)	-
Certain litigation costs ⁽¹⁾	2,119	150
Severance charges ⁽²⁾	-	1,783
Lease exit costs ⁽³⁾	-	2,684
Non-GAAP net loss ⁽⁴⁾	\$ (3,786)	\$ (4,138)
Basic shares for non-GAAP EPS	82,012	83,931
Diluted shares for non-GAAP EPS	82,012	83,931
Non-GAAP net loss per share - basic	\$ (0.05)	\$ (0.05)
Non-GAAP net loss per share - diluted	\$ (0.05)	\$ (0.05)

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(4) There is no income tax impact related to the adjustments made to calculate Non-GAAP net loss because of our available net operating loss carryforwards and the full valuation allowance recorded against our net deferred tax assets at June 30, 2016 and June 30, 2015.