



Third Quarter 2014 Financial Highlights

November 5, 2014

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" or the "Company") future growth potential and opportunities, in particular growth in our market share of new car sales in the U.S. and the expansion of our product suite to include OEMs, our ability to increase brand recognition and relevance, expectations regarding future revenues, Adjusted EBITDA, Adjusted EBITDA margins and non-GAAP expenses, long-term financial objectives, 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 our results to differ materially from those expressed or implied by such forward-looking statements. Among the risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include: our ability to manage our growth especially in light of our limited operating history; our dependence upon our affinity group marketing partners, especially USAA; compliance with U.S. federal and state laws and regulations directly or indirectly applicable to our business; our ability to compete effectively in an increasingly competitive market and to enhance our brand; our ability to continue to expand our dealer network and to increase our user traffic and the number of transactions between our dealer network and our users, our ability to successfully develop and introduce complementary new products to address our target markets, including OEMs and to continue to enhance our mobile solutions; consumer demand, global supply chain challenges and macroeconomic issues that affect the automobile industry; security breaches in our systems or other service disruptions; our ability to protect our intellectual property rights; and other risks and uncertainties described more fully under the heading "Risk Factors" in TrueCar's registration statement on Form S-1 filed on May 15, 2014, its quarterly report on Form 10-Q for the quarter ended June 30, 2014, and its quarterly report on Form 10-Q for the quarter ended September 30, 2014 to be filed with the Securities and Exchange Commission. Moreover, the company 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 it 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 the company may make. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we assume no obligation to update these forward-looking statements, which speak only as of their respective dates.

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 respective nearest GAAP measure is set forth in the Appendix to this presentation.

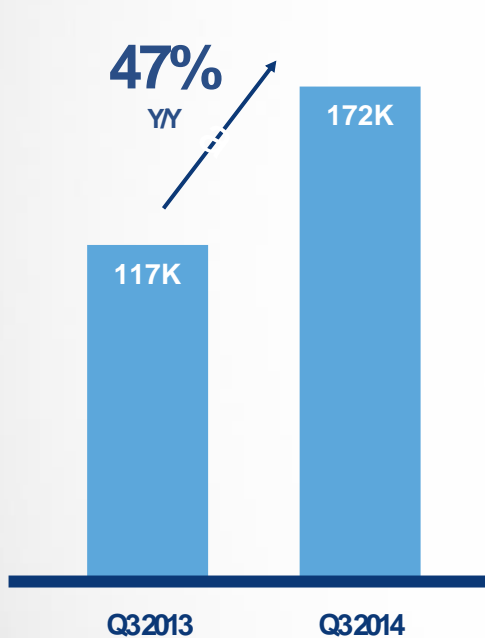
Q3 2014 HIGHLIGHTS

- Record quarterly revenue of \$56.8 million, up 51% year-over-year
- Record transaction revenue of \$52.0 million, up 55% year-over-year
- TrueCar users purchased a record 171,775 cars from TrueCar Certified Dealers
- TrueCar's Certified Network of Franchise Dealers increased to 8,149, up 29% year-over-year
- Revenue per franchise dealer grew for the seventh consecutive quarter, to an average of \$6,567 per dealer, an increase of 22% over the same quarter last year
- Adjusted EBITDA of \$3.9 million representing 7% of revenue, up 60% year-over-year ⁽¹⁾
- Record Non-GAAP net income of \$0.3 million, or \$0.00 per diluted share ⁽¹⁾

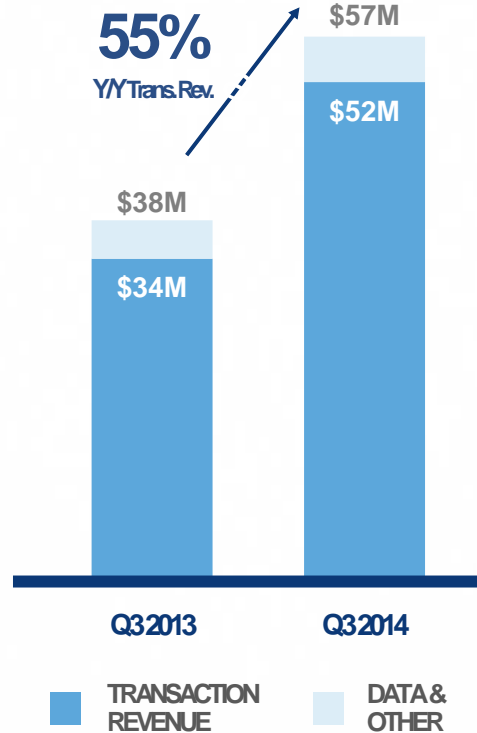
(1) See reconciliations of GAAP net loss to Adjusted EBITDA and Non-GAAP net income on pages 16 and 18, respectively.

FINANCIAL HIGHLIGHTS

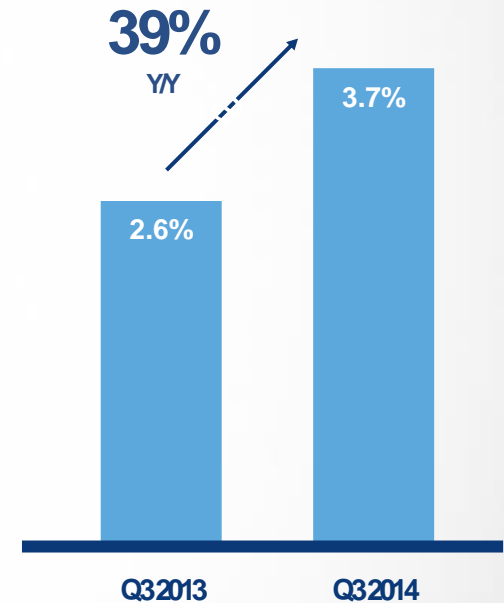
UNITS



REVENUE



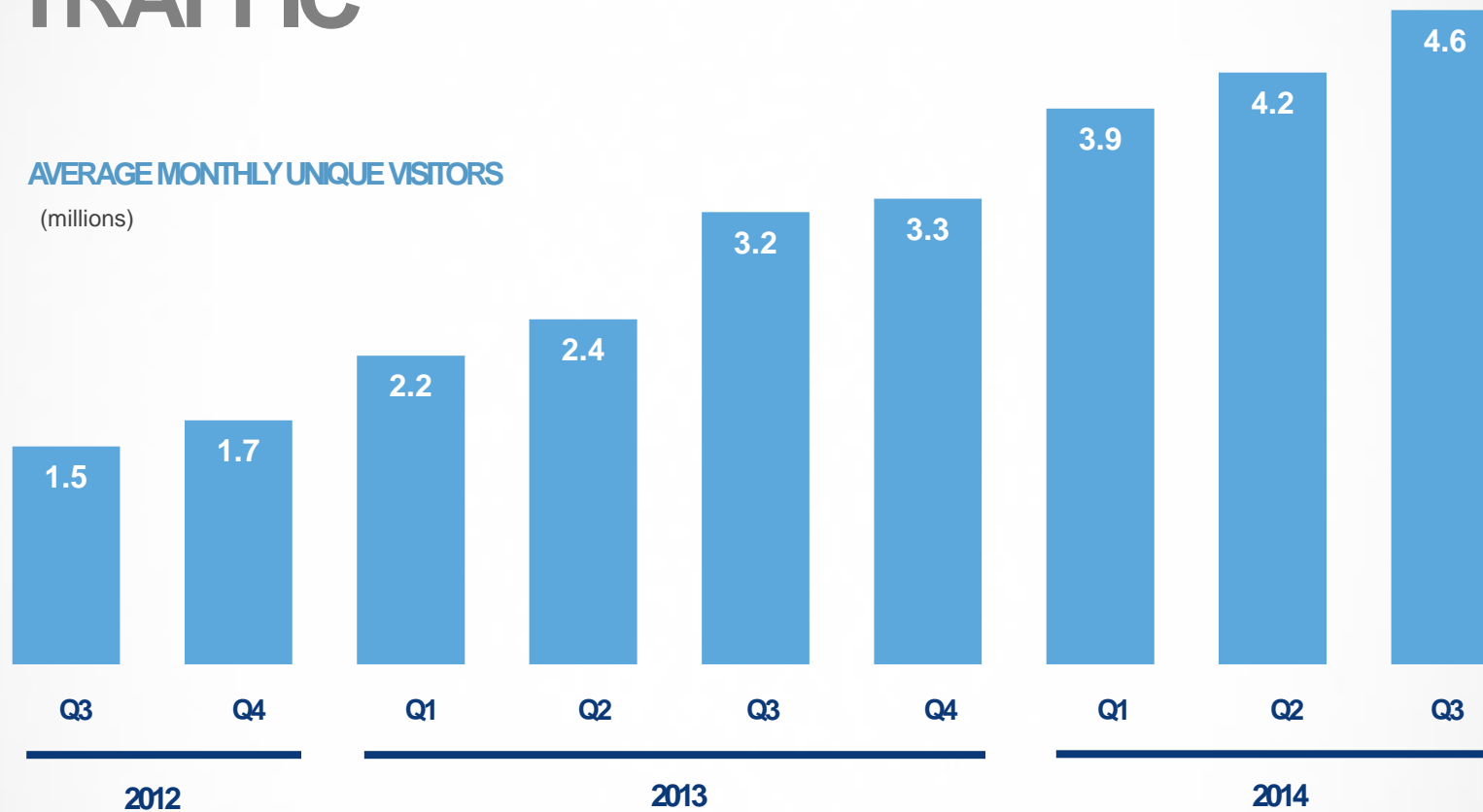
MARKET SHARE



TRAFFIC

AVERAGE MONTHLY UNIQUE VISITORS

(millions)



YY Growth:

91%

80%

72%

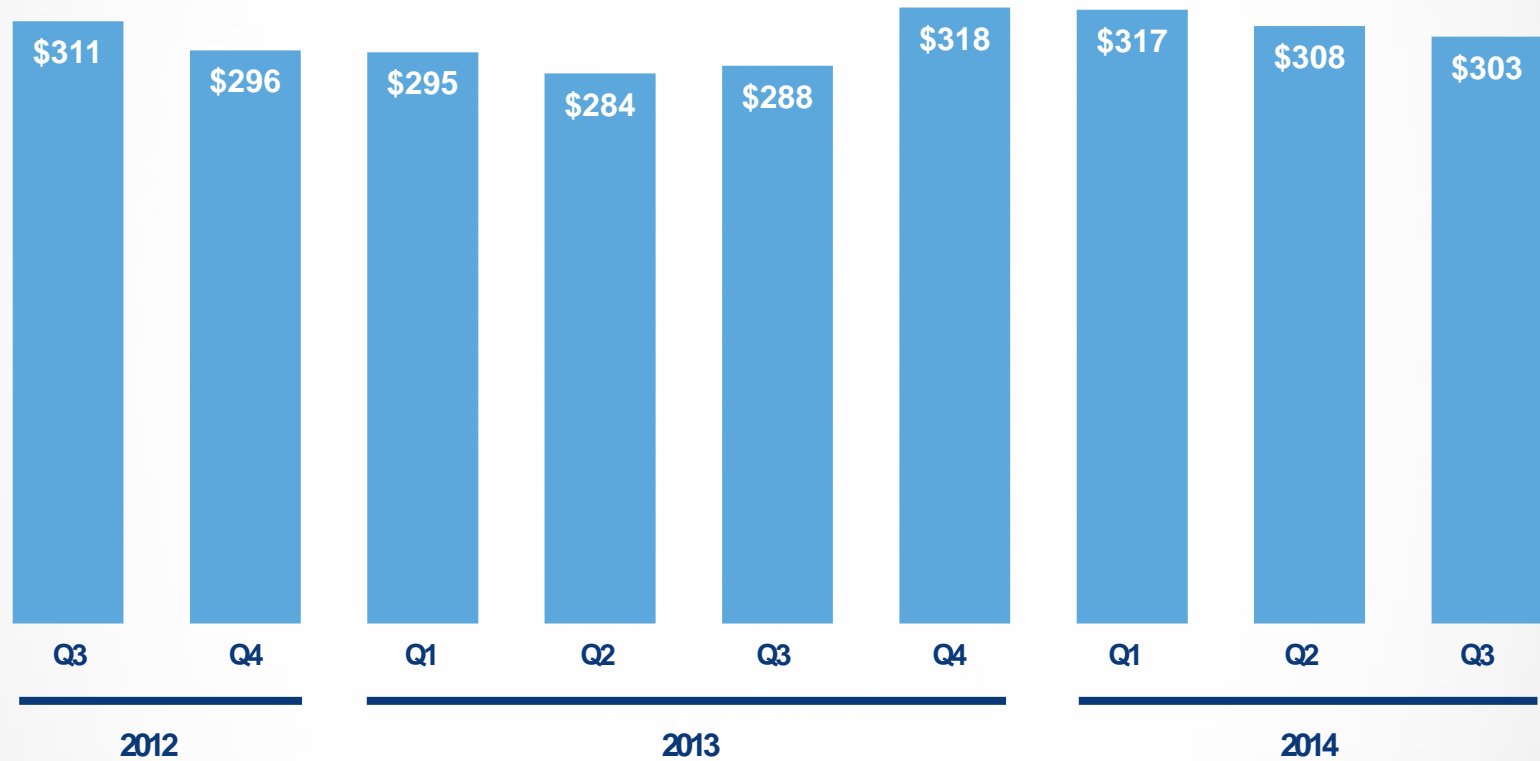
45%

UNITS

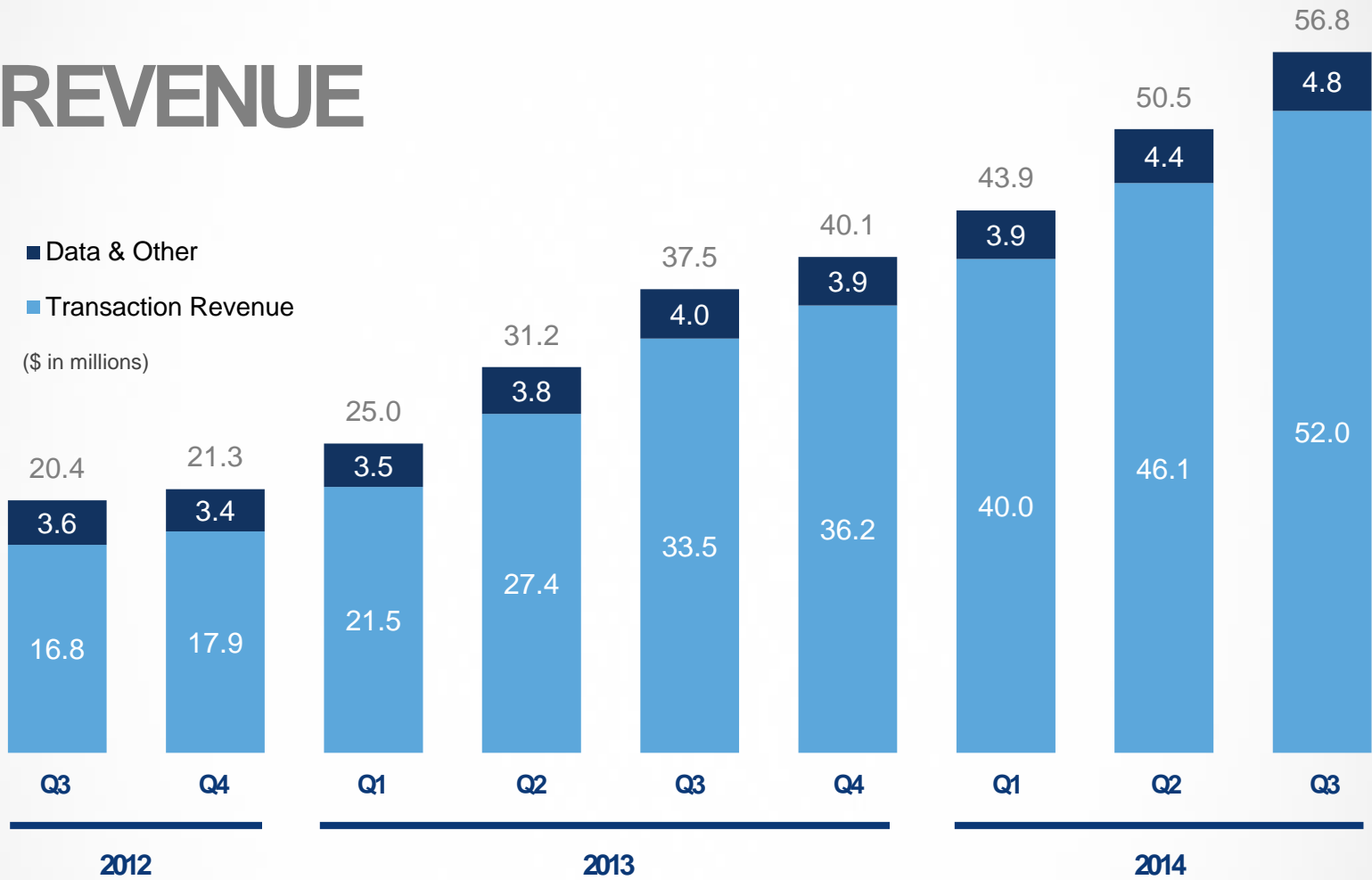
(thousands)



MONETIZATION



REVENUE

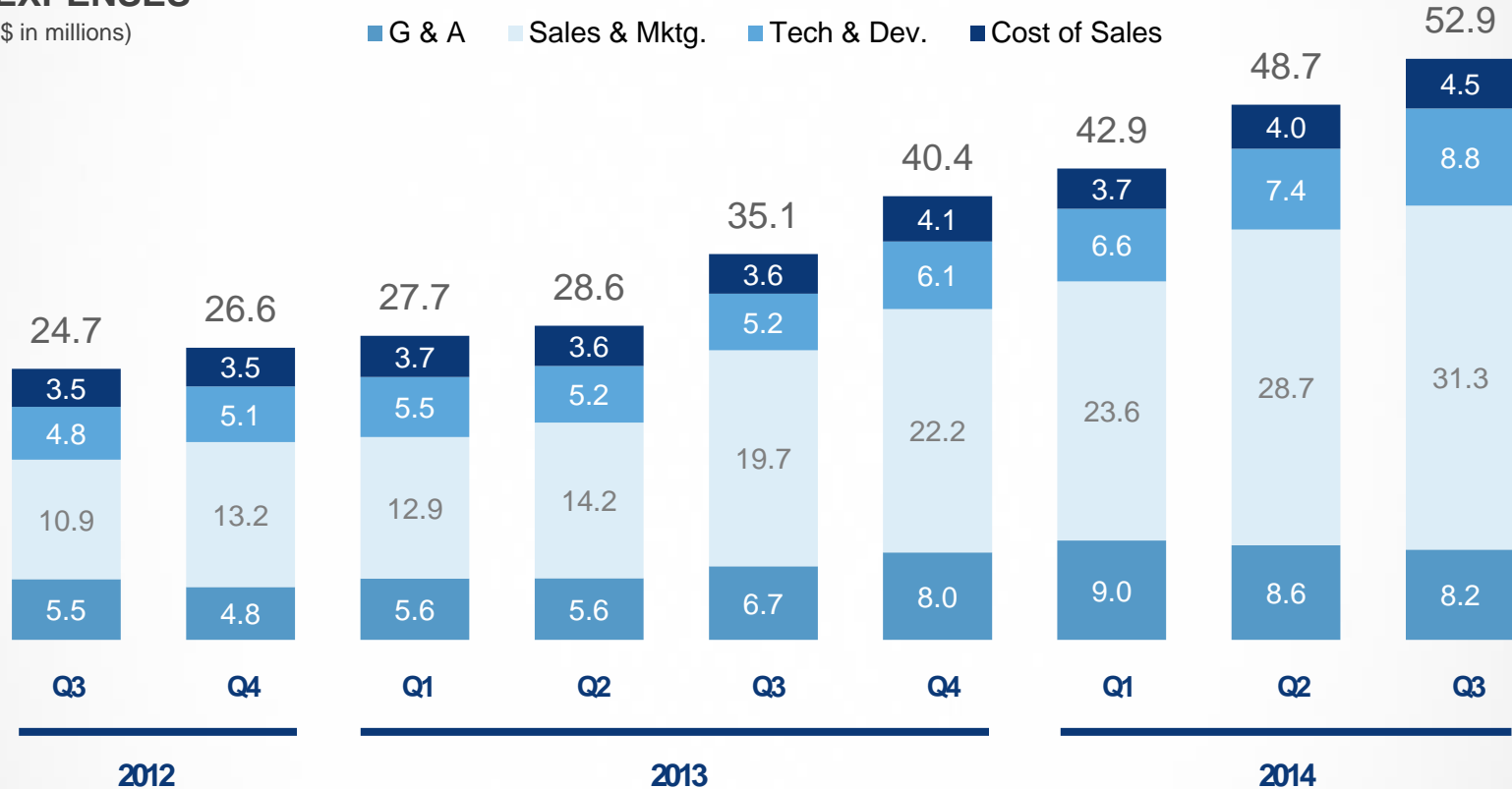


| | | | | |
|---------------------------------|------|-----|-----|-----|
| <i>Transaction Revenue Y/Y:</i> | 102% | 86% | 68% | 55% |
| <i>Total Revenue Y/Y:</i> | 88% | 75% | 62% | 51% |

NON-GAAP EXPENSES ¹

EXPENSES

(\$ in millions)



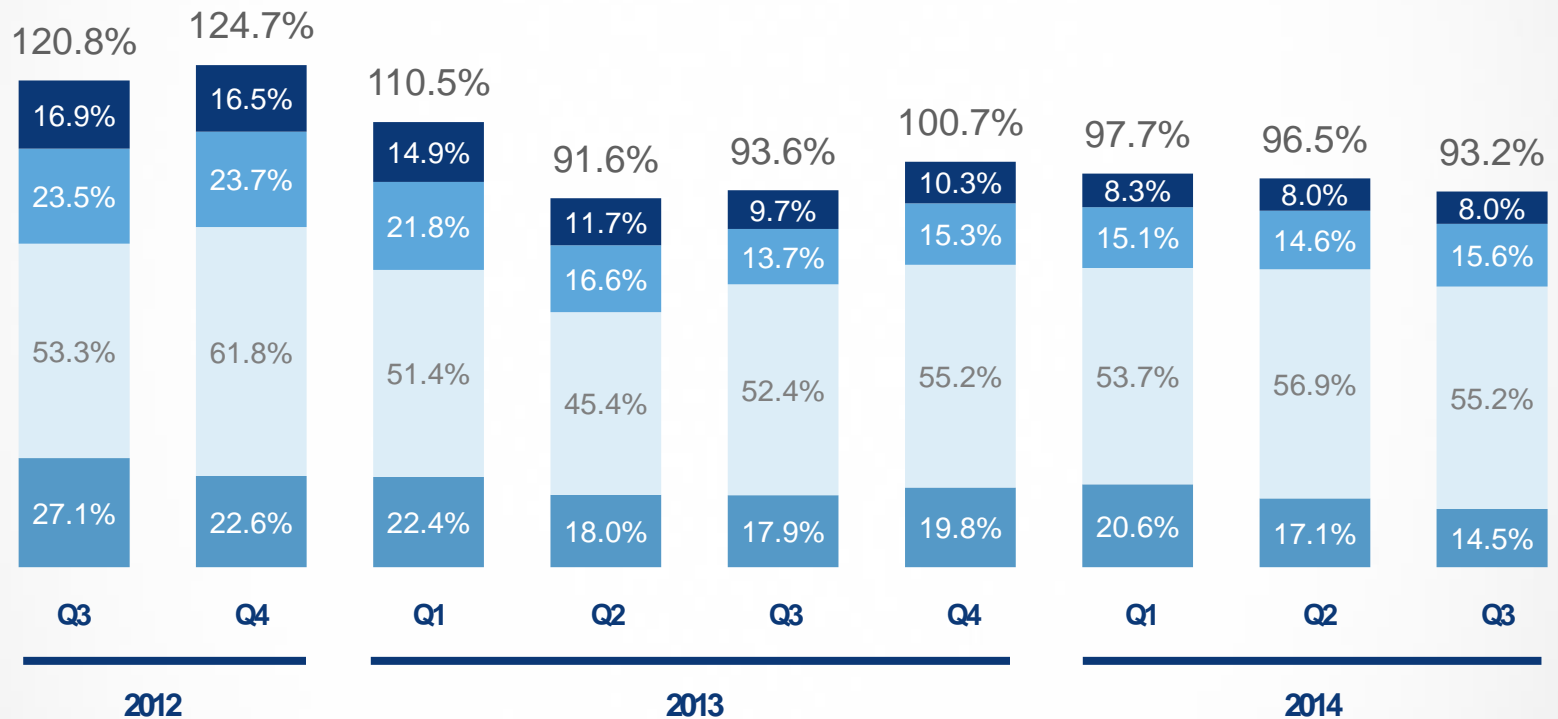
(1) See reconciliations of Non-GAAP expenses to GAAP expenses on page 17.

NON-GAAP EXPENSES ¹

EXPENSES

(% of revenue)

■ G & A ■ Sales & Mktg. ■ Tech & Dev. ■ Cost of Sales

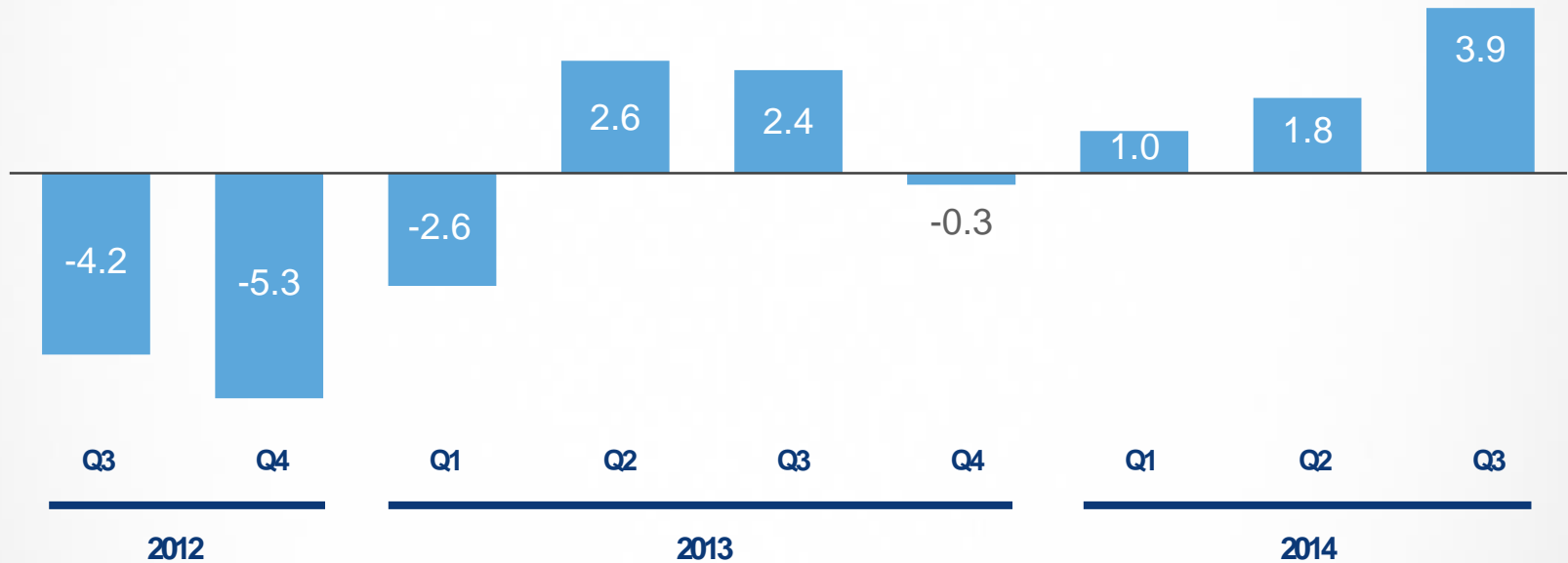


(1) See reconciliations of Non-GAAP expenses to GAAP expenses on page 17.

ADJUSTED EBITDA ¹

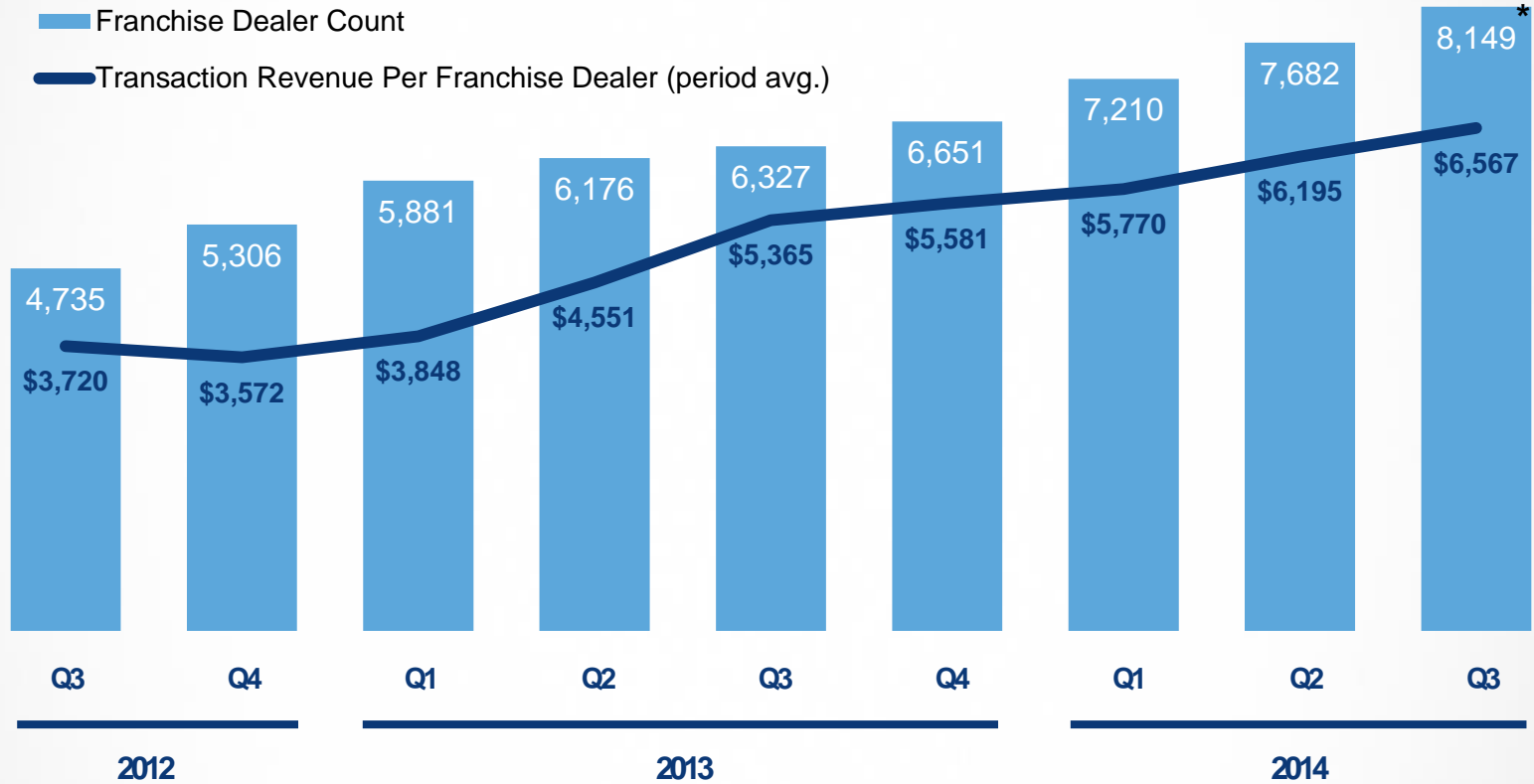
ADJUSTED EBITDA

(\$ in millions)



(1) Adjusted EBITDA is net loss adjusted to exclude compensation paid in stock, warrant expense, interest income, interest expense, taxes, depreciation and amortization, certain legal costs, change in fair value of contingent consideration, and certain other infrequently occurring items that TrueCar does not believe are indicative of ongoing results. See reconciliation of Adjusted EBITDA to net loss on page 16.

FRANCHISE DEALER COUNT



| | | | | |
|----------------------------|-----|-----|-----|-----|
| <i>Dealer Count Y/Y:</i> | 25% | 23% | 24% | 29% |
| <i>Revenue/Dealer Y/Y:</i> | 56% | 50% | 36% | 22% |

* Represents Franchise Dealer count only. Non-Franchise Dealer count was 982 for the same period, bringing the network of TrueCar Certified Dealers to 9,131.

Q4 2014 OUTLOOK

| | Low | High |
|------------------------------|-------------|-------------|
| Revenue | \$54.5M | \$55.5M |
| Adjusted EBITDA ¹ | \$2.6M | \$2.9M |
| <i>% of revenue</i> | <i>4.8%</i> | <i>5.2%</i> |

- (1) Adjusted EBITDA is net loss adjusted to exclude compensation paid in stock, warrant expense, interest income, interest expense, taxes, depreciation and amortization, certain legal costs, change in fair value of contingent consideration, and certain other infrequently occurring items that TrueCar does not believe are indicative of ongoing results.

FY 2014 OUTLOOK

| | Low | High |
|------------------------------|----------|----------|
| Revenue | \$205.7M | \$206.7M |
| Adjusted EBITDA ¹ | \$9.2M | \$9.5M |
| <i>% of revenue</i> | 4.5% | 4.6% |

- (1) Adjusted EBITDA is net loss adjusted to exclude compensation paid in stock, warrant expense, interest income, interest expense, taxes, depreciation and amortization, certain legal costs, change in fair value of contingent consideration, and certain other infrequently occurring items that TrueCar does not believe are indicative of ongoing results.

LONG-TERM FINANCIAL OBJECTIVES

NON-GAAP

| | Q3 2014 | Long-term Objectives |
|--------------------------|---------|----------------------|
| Gross margin | 92% | 92 - 95% |
| Technology & development | 16% | 10 - 12% |
| Sales & marketing | 55% | 32 - 35% |
| General & administrative | 15% | 9 - 11% |
| Adjusted EBITDA margin | 7% | 35%+ |

(1) See the attached Appendix and the Statement of Operations tab of the Q3 historical metrics file uploaded to <http://ir.true.com> for reconciliations to GAAP expenses.



APPENDIX

RECONCILIATION OF ADJUSTED EBITDA TO NET LOSS (unaudited)

(In thousands, except per share data)

| | 3 Months Ended Sep 30, 2013 | | 3 Months Ended Sep 30, 2014 | |
|---|-----------------------------------|--------------|-----------------------------------|--------------|
| Reconciliation of Adjusted EBITDA to Net Loss: | | | | |
| Net loss | \$ | (4,611) | \$ | (13,640) |
| Interest income | | (30) | | (14) |
| Interest expense | | 58 | | 27 |
| Depreciation and amortization | | 3,241 | | 3,388 |
| Stock-based compensation | | 1,968 | | 9,440 |
| Warrant expense | | 1,626 | | 3,675 |
| Change in fair value of contingent consideration | | 23 | | - |
| Ticker symbol acquisition costs | | - | | - |
| IPO-related expenses | | - | | - |
| Certain legal costs | | - | | 864 |
| Provision (benefit) for income taxes | | 136 | | 120 |
| Adjusted EBITDA | \$ | 2,411 | \$ | 3,860 |

RECONCILIATION TO GAAP EXPENSES (unaudited)

(In thousands, except per share data)

| | 3 Months Ended Sep 30, 2013 | 3 Months Ended Sep 30, 2014 |
|---|-----------------------------------|-----------------------------------|
| Reconciliation of GAAP to Non-GAAP Costs and Expenses: | | |
| Cost of revenue, as reported | 3,652 | 4,666 |
| Stock-based compensation | 28 | 134 |
| Non-GAAP cost of revenue | \$ 3,624 | \$ 4,532 |
| Sales & Marketing, as reported | 21,878 | 36,399 |
| Stock-based compensation | 591 | 1,413 |
| Warrant expense | 1,626 | 3,675 |
| Ticker symbol acquisition costs | - | - |
| IPO-related expenses | - | - |
| Non-GAAP sales and marketing | \$ 19,661 | \$ 31,311 |
| Technology and development, as reported | 5,512 | 10,906 |
| Stock-based compensation | 362 | 2,069 |
| Non-GAAP technology and development | \$ 5,150 | \$ 8,837 |
| General and administrative, as reported | 7,716 | 14,919 |
| Stock-based compensation | 987 | 5,824 |
| Change in fair value of contingent consideration | 23 | - |
| IPO-related expenses | - | - |
| Certain legal costs | - | 864 |
| Non-GAAP general and administrative | \$ 6,706 | \$ 8,231 |

RECONCILIATION TO NON-GAAP NET INCOME_(unaudited)

| (In thousands, except per share data) | 3 Months Ended Sep 30, 2013 | 3 Months Ended Sep 30, 2014 |
|---|-----------------------------------|-----------------------------------|
| <u>Reconciliation of Non-GAAP Net Income to GAAP Net Loss:</u> | | |
| Net loss, as reported | \$ (4,611) | \$ (13,640) |
| Stock-based compensation | 1,968 | 9,440 |
| Warrant expense | 1,626 | 3,675 |
| Change in fair value of contingent consideration | 23 | - |
| Ticker symbol acquisition costs | - | - |
| IPO-related expenses | - | - |
| Certain legal costs | - | 864 |
| Non-GAAP net income | <u>\$ (994)</u> | <u>\$ 339</u> |
| Basic shares for non-GAAP EPS | 59,799 | 76,880 |
| Diluted shares for non-GAAP EPS | 59,799 | 88,604 |
| Non-GAAP net loss per share - basic | \$ (0.02) | \$ 0.00 |
| Non-GAAP net loss per share - diluted | \$ (0.02) | \$ 0.00 |

A close-up, low-angle shot of a blue car wheel. The tire is dark blue, and the hubcap is a lighter shade of blue. The background is blurred, showing more of the car's body. The TRUECar logo is overlaid in the center of the image.

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