Second Quarter 2026 Earnings

August 6, 2026

cars.com®

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the federal securities laws. All statements other than statements of historical facts are forward-looking statements. These statements often use words such as “believe,” “expect,” “project,” “anticipate,” “outlook,” “intend,” “strategy,” “plan,” “estimate,” “target,” “seek,” “will,” “may,” “would,” “should,” “could,” “forecasts,” “mission,” “strive,” “more,” “goal” or similar expressions. Forward-looking statements are based on our current expectations, beliefs, strategies, estimates, projections and assumptions, experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments, and other factors we think are appropriate. Such forward-looking statements are based on estimates and assumptions that, while considered reasonable by Cars Commerce and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. While Cars Commerce and its management make such statements in good faith and believe such judgments are reasonable, you should understand that these statements are not guarantees of future strategic action, performance or results. Our actual results, performance, achievements, strategic actions or prospects could differ materially from those expressed or implied by these forward-looking statements. Given these uncertainties, you should not rely on forward-looking statements in making investment decisions. When we make comparisons of results between current and prior periods, we do not intend to express any future trends, or indications of future performance, unless expressed as such, and you should view such comparisons as historical data. Whether or not any such forward-looking statement is in fact achieved will depend on future events, some of which are beyond our control.

Forward-looking statements are subject to a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results and strategic actions to differ materially from those expressed in the forward-looking statements contained in this press release. For a detailed discussion of many of these and other risks and uncertainties, see “Part I, Item 1A., Risk Factors” and “Part II, Item 7., Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the Securities and Exchange Commission (“SEC”) on February 26, 2026 and our other filings filed with the SEC and available on our website at investor.cars.com or via EDGAR at www.sec.gov.

You should evaluate all forward-looking statements made in this press release in the context of these risks and uncertainties. The forward-looking statements contained in this press release are based only on information currently available to us and speak only as of the date of this press release. We undertake no obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise. The forward-looking statements in this report are intended to be subject to the safe harbor protection provided by the federal securities laws.

This presentation discusses Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, Free Cash Flow and Adjusted Operating Expenses. These financial measures are not prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). These financial measures are presented as supplemental measures of operating performance because the Company believes they provide meaningful information regarding the Company's performance and provide a basis to compare operating results between periods. In addition, the Company uses Adjusted EBITDA as a measure for determining incentive compensation targets. Adjusted EBITDA also is used as a performance measure under the Company's credit agreement and includes adjustments such as the items defined below and other further adjustments, which are defined in the credit agreement. These non-GAAP financial measures are frequently used by the Company's lenders, securities analysts, investors and other interested parties to evaluate companies in the Company's industry. For a reconciliation of the non-GAAP measures presented in this earnings release to their most directly comparable financial measure prepared in accordance with GAAP, see "Non-GAAP Reconciliations" below.

Other companies may define or calculate these measures differently, limiting their usefulness as comparative measures. Because of these limitations, non-GAAP financial measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. Definitions of these non-GAAP financial measures and reconciliations to the most directly comparable GAAP financial measures are presented in the tables below.

We define Adjusted EBITDA as net income (loss) before (1) interest expense, net, (2) income tax (benefit) expense, (3) depreciation, (4) amortization of intangible assets, (5) stock-based compensation expense, (6) unrealized mark-to-market adjustments and cash transactions related to derivative instruments, (7) unrealized foreign currency exchange gains and losses, and (8) certain other items, such as transaction-related items, severance, transformation and other exit costs and write-off and impairments of goodwill, intangible assets and other long-lived assets.

Transaction-related items result from actual or potential transactions such as business combinations, mergers, acquisitions, dispositions, spin-offs, financing transactions, and other strategic transactions, including, without limitation, (1) transaction-related bonuses and (2) expenses for advisors and representatives such as investment bankers, consultants, attorneys and accounting firms. Transaction-related items may also include, without limitation, transition and integration costs such as retention bonuses and acquisition-related milestone payments to acquired employees, consulting, compensation and other incremental costs associated with integration projects, fair value changes to contingent considerations and amortization of deferred revenue related to the AccuTrade acquisition.

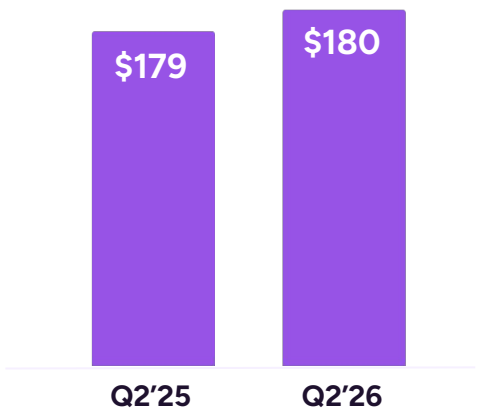
We define Adjusted Net Income as GAAP net income (loss) excluding, net of their related tax effects: (1) amortization of intangible assets, (2) stock-based compensation expense, (3) unrealized mark-to-market adjustments and cash transactions related to derivative instruments, (4) unrealized foreign currency exchange gains and losses, and (5) certain other items, such as transaction-related costs, severance, transformation and other exit costs and write-off and impairments of goodwill, intangible assets and other long-lived assets.

We define Free Cash Flow as net cash provided by operating activities less capital expenditures, including purchases of property and equipment and capitalization of internally developed technology.

We define Adjusted Operating Expenses as total operating expenses adjusted to exclude stock-based compensation, write-off and impairments of goodwill, intangible assets, long-lived assets, severance, transformation and other exit costs and transaction-related items.

Continued Revenue and Adj. EBITDA Growth

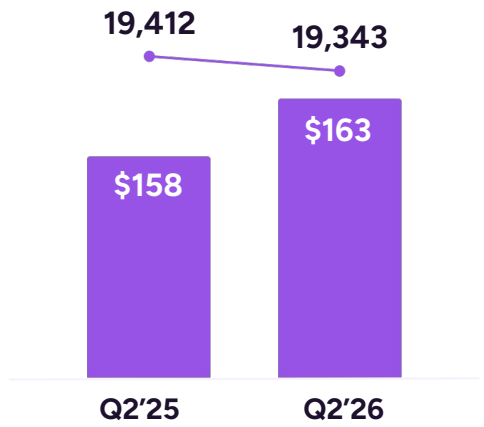
Revenue ($MM)



Revenue +1% YoY

Growth in line with guidance range

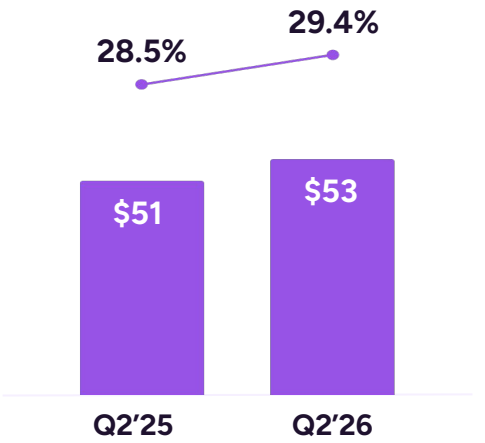
Dealer Revenue ($MM) & Dealer Count



Dealer Revenue +3% YoY

Marketplace revenue up over 7% YoY, highest growth since 2021

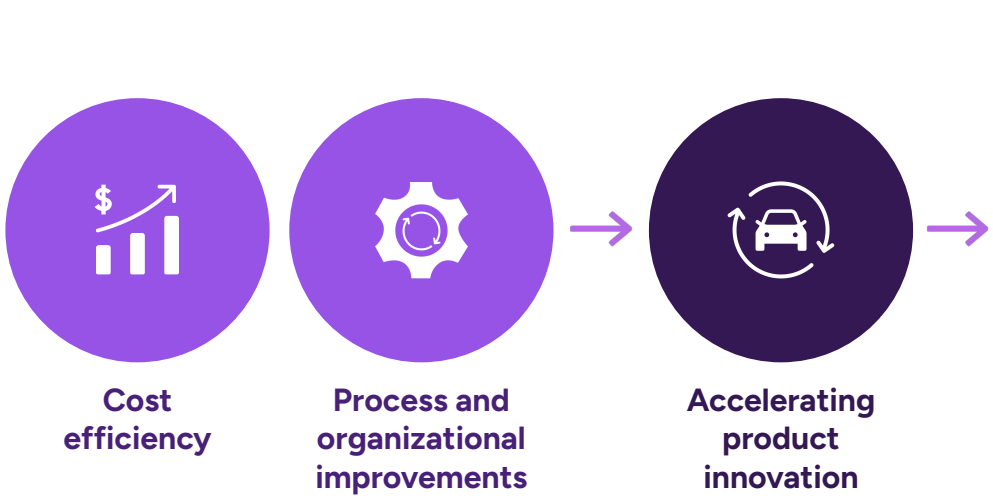
Adj. EBITDA ($MM) & Margin (% Revenue)



Adj. EBITDA Margin up ~100 bps YoY

Adj. EBITDA +4% YoY

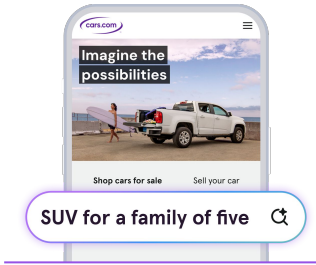
Building an Interconnected Marketplace



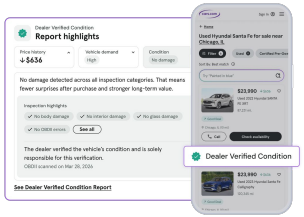
Laying a stronger foundation in 2026 to support long-term growth strategy

Focused Strategy Drove Marketplace Revenue Growth of Over 7% YoY

Speeding product development velocity



Carson users driving nearly 30% of total leads submitted[1]



Dealer Verified Listings provide proprietary Marketplace trust signals

Delivering strong customer value

~60% organic traffic mix in Q2, showing brand strength

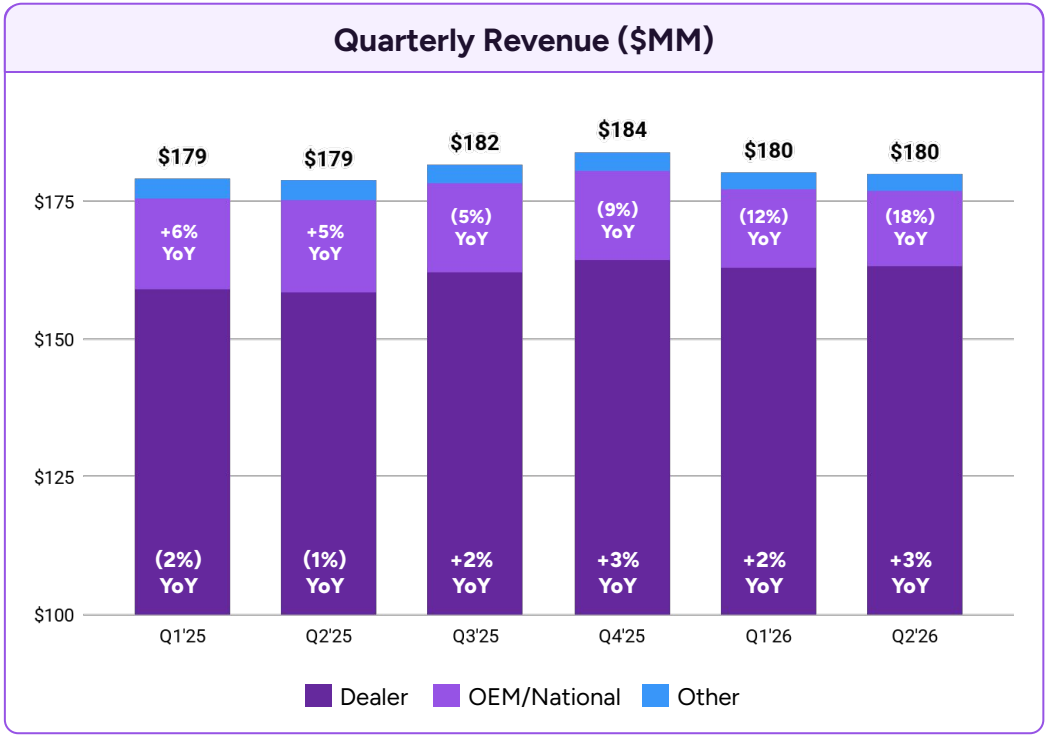
Double digit lead conversion improvement YoY

#1 most cited public automotive marketplace by leading LLMs[2]

1. Cars.com data, June 2026

2. Aggregated citation volume across ChatGPT, Google AI Overviews, Google AI Mode, and Google Gemini. Comparing Cars.com, Edmunds, Autotrader, CarGurus, KBB, Carfax, TrueCar, Carvana, and Carmax. Semrush, June 2026.

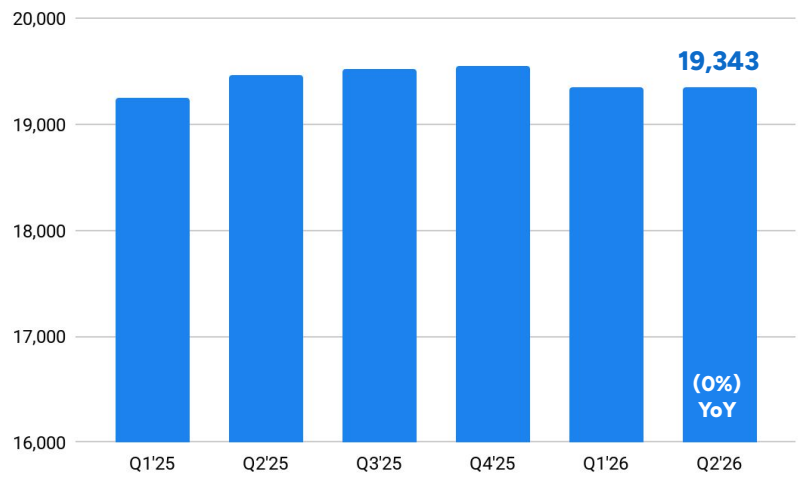
Revenue Driven by Strong Dealer Marketplace Growth



- Q2 revenue of $179.9MM grew 1% YoY, in line with guidance of flat to 2% YoY growth
- Dealer revenue was up 3% YoY, driven by Marketplace revenue growth of over 7% YoY that reflects robust value delivery and increased customer adoption
- OEM & National revenue was down (18%) YoY, reflecting expected pressures in OEM advertising spend

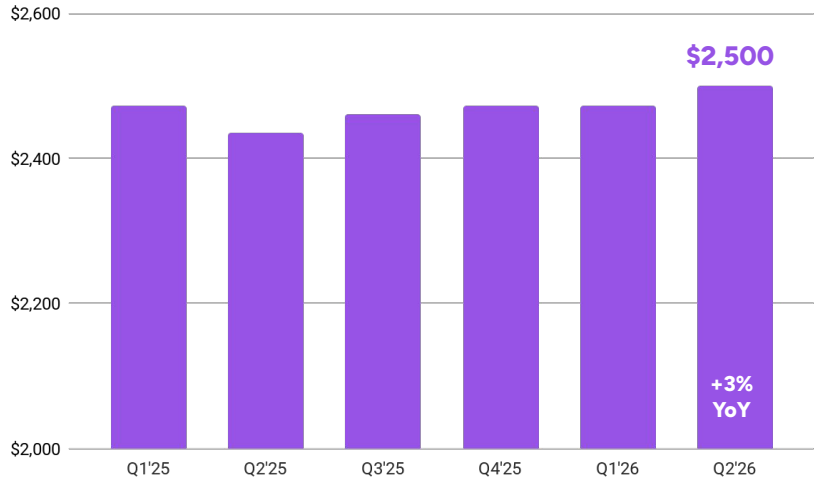
Stable Dealer Count and Rising ARPD

Dealer Customers



Marketplace dealers grew YoY and QoQ
Solutions dealers were down YoY and QoQ, primarily due to lower Dealer Inspire website subscriptions

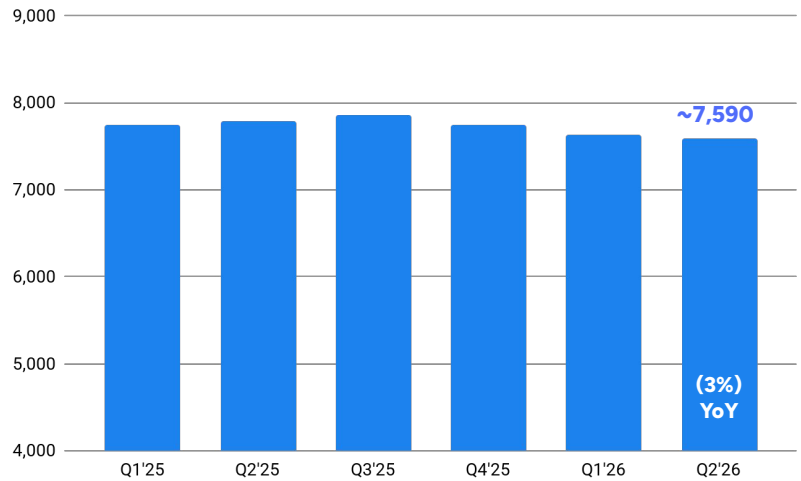
Average Revenue Per Dealer



ARPD rose 3% YoY from positive Marketplace contribution, partially offset by decline in media products

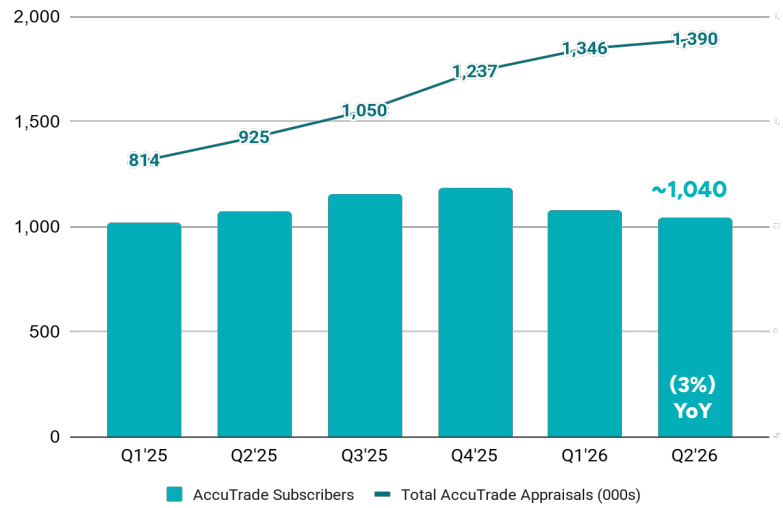
Solutions Adoption Slightly Down in Q2

Website Customers



Accelerating website product development velocity
Focused on increasing package value

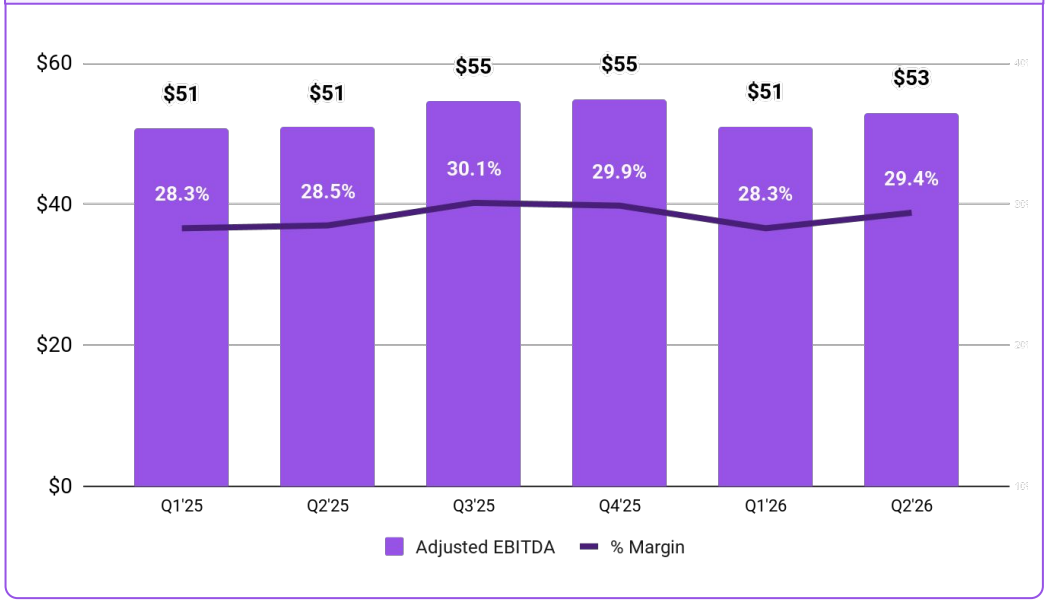
AccuTrade Connected Subscriptions & Appraisals



Beginning to amplify the value of trade and appraisal solutions through Marketplace integration

Adj EBITDA Margin Exceeded Guidance for Second Consecutive Quarter

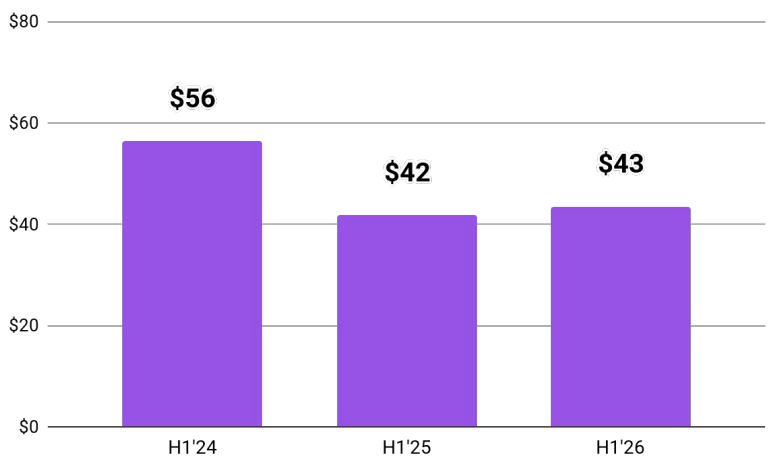
Quarterly Adjusted EBITDA ($MM) & Margin (% Revenue)



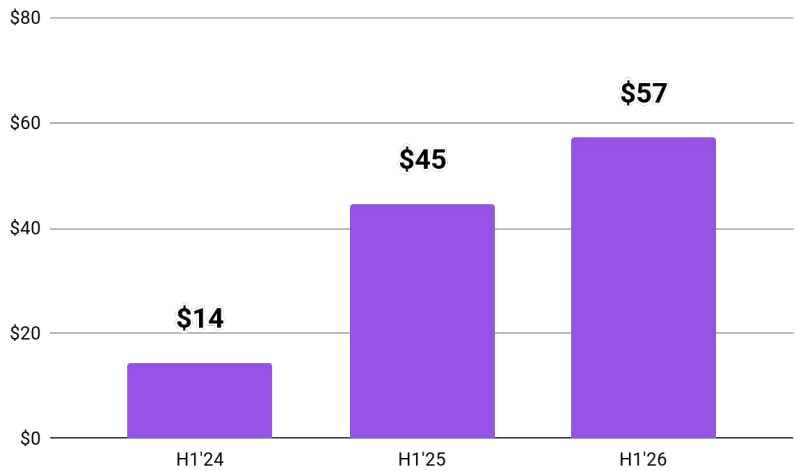
- Operating expenses declined (7%) YoY
- Adjusted operating expenses were down (6)% YoY, benefiting from lower depreciation and amortization and operating efficiencies across the organization
- Adjusted EBITDA of $53 million was up 4% YoY, outpacing revenue growth
- Adjusted EBITDA margin of 29.4% outperformed guidance range of 28% - 29%

Cash Flow Generation Remains Strong

Free Cash Flow ($MM)



Share Repurchase ($MM)



Repurchased 6.2 million shares for $57.3 million through June 30, 2026
Deployed ~132% of Free Cash Flow for year-to-date share repurchases
FY26 share repurchase target remains at $90MM

Outlook

Q3 2026 OUTLOOK

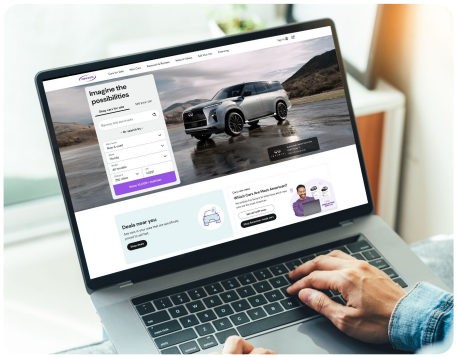
- Revenue: Flat to 2% YoY growth
- Adjusted EBITDA margin: 28.5% to 29.5%

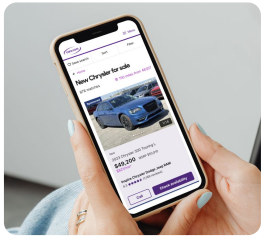
REAFFIRM FULL YEAR 2026 OUTLOOK

- Revenue: Flat to 2% YoY growth
- Adjusted EBITDA margin: 29% to 30%

2026 SHARE REPURCHASE TARGET

- Reaffirming $90 million target







Q&A

Appendix

NON-GAAP RECONCILIATIONS

Quarterly Key Operating Metrics

	Q2 2026	Q2 2025
AVERAGE MONTHLY UNIQUE VISITORS[1]	22.8 MM	26.6 MM
TRAFFIC (VISITS)[1]	143.0 MM	162.0 MM
DEALER CUSTOMERS[2]	19,343	19,412
MONTHLY ARPD[3]	$2,500	$2,435

1. UVs and Traffic are measured via RudderStack. These metrics do not include traffic to Dealer Inspire, D2C Media, or DealerClub websites.
2. Dealer Customers does not include DealerClub active users.
3. ARPD is defined as Dealer revenue, excluding digital advertising services and DealerClub, during the period divided by the monthly average number of Dealer Customers during the same period.

Non-GAAP Reconciliations

(UNAUDITED AND IN THOUSANDS)

Reconciliation of Net income to Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	$ 14,263	$ 7,009	$ 19,241	$ 4,996
Interest expense, net	7,397	7,644	14,628	15,312
Income tax expense	5,263	2,959	9,001	3,739
Depreciation and amortization	17,343	24,873	34,061	51,912
Stock-based compensation, including related payroll tax	5,934	6,758	14,749	15,461
Transaction-related and other one-time items	1,828	4,022	10,682	12,541
Non-operating foreign exchange loss	953	(2,367)	1,639	(2,342)
Adjusted EBITDA	$ 52,981	$ 50,898	$ 104,001	$ 101,619

Non-GAAP Reconciliations

(UNAUDITED AND IN THOUSANDS)

Reconciliation of Net income to Adjusted Net income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	$ 14,263	$ 7,009	$ 19,241	$ 4,996
Stock-based compensation, including related payroll tax	5,934	6,758	14,749	15,461
Amortization of intangible assets	10,533	17,458	21,076	34,836
Transaction-related items	-	2,736	6	5,666
Non-operating foreign exchange loss (income)	953	(2,367)	1,639	(2,342)
Other one-time items	1,828	1,286	10,676	6,875
Income tax impact of adjustments	(4,812)	(6,468)	(12,037)	(15,124)
Adjusted net income	$ 28,699	$ 26,412	$ 55,350	$ 50,368
Adjusted net income per share, diluted	$ 0.51	$ 0.41	$ 0.95	$ 0.78
Weighted-average common shares outstanding, diluted	56,652	63,842	58,130	64,476

Reconciliation of Net cash provided by operating activities to Free cash flow

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net cash provided by operating activities	$ 15,812	$ 26,228	$ 55,620	$ 55,683
Capitalization of internally developed technology	(5,314)	(5,510)	(11,314)	(10,494)
Purchase of property and equipment	(547)	(2,531)	(809)	(3,342)
Free cash flow	$ 9,951	$ 18,187	$ 43,497	$ 41,847

Non-GAAP Reconciliations

(UNAUDITED AND IN THOUSANDS)

Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended June 30, 2026:

	As Reported	Adjustments [1]	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	$ 30,285	$ 102	$ (243)	$ 30,144
Product and technology	26,687	(919)	(2,058)	23,710
Marketing and sales	60,737	(712)	(1,237)	58,788
General and administrative	17,006	(299)	(2,396)	14,311
Depreciation and amortization	17,343	—	—	17,343
Total operating expenses	$ 152,058	$ (1,828)	$ (5,934)	$ 144,296
Total nonoperating expense, net	$ (8,350)	$ 953	$ —	$ (7,397)

[1] Includes unrealized gains and losses on foreign currency denominated transactions, write-off of long-lived assets, severance and transformation and other exit costs.

Reconciliation of Operating expenses to Adjusted operating expenses for the Three Months Ended June 30, 2025:

	As Reported [1]	Adjustments [1][2]	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	$ 30,605	$ (58)	$ (225)	$ 30,322
Product and technology	29,417	(783)	(2,467)	26,167
Marketing and sales	58,067	(353)	(1,583)	56,131
General and administrative	20,531	(2,827)	(2,483)	15,221
Depreciation and amortization	24,873	—	—	24,873
Total operating expenses	$ 163,493	$ (4,021)	$ (6,758)	$ 152,714
Total nonoperating expense, net	$ (5,278)	$ (2,366)	$ —	$ (7,644)

[1] Certain prior year balances have been reclassified to conform to the current year presentation.

[2] Includes transaction-related items, unrealized gains and losses on foreign currency denominated transactions, severance, write-off of long-lived assets and transformation and other exit costs.

Non-GAAP Reconciliations

(UNAUDITED AND IN THOUSANDS)

Reconciliation of Operating expenses to Adjusted operating expenses for the Six Months Ended June 30, 2026:

	As Reported	Adjustments [1]	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	$ 62,026	$ (829)	$ (243)	$ 60,954
Product and technology	58,182	(4,270)	(2,058)	51,854
Marketing and sales	122,555	(2,852)	(1,237)	118,466
General and administrative	38,824	(2,731)	(2,396)	33,697
Depreciation and amortization	34,061	—	—	34,061
Total operating expenses	$ 315,648	$ (10,682)	$ (5,934)	$ 299,032
Total nonoperating expense, net	$ (16,267)	$ 1,639	$ —	$ (14,628)

[1] Includes severance, unrealized gains and losses on foreign currency denominated transactions, write-off of long-lived assets and transformation and other exit costs.

Reconciliation of Operating expenses to Adjusted operating expenses for the Six Months Ended June 30, 2025:

	As Reported [1]	Adjustments [1][2]	Stock-Based Compensation	As Adjusted
Cost of revenue and operations	$ 62,088	$ (602)	$ (403)	$ 61,083
Product and technology	60,035	(2,922)	(4,980)	52,133
Marketing and sales	120,607	(2,709)	(3,770)	114,128
General and administrative	41,416	(6,307)	(6,308)	28,801
Depreciation and amortization	51,912	—	—	51,912
Total operating expenses	$ 336,058	$ (12,540)	$ (15,461)	$ 308,057
Total nonoperating income (expense), net	$ (12,970)	$ (2,341)	$ —	$ (15,311)

[1] Certain prior year balances have been reclassified to conform to the current year presentation.

[2] Includes transaction-related items, severance, unrealized gains and losses on foreign currency denominated transactions, write-off of long-lived assets and transformation and other exit costs.