



# Disciplined to Win

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**Jeremy Hofmann**

**Chief Financial Officer**  
Zillow

# Our financial philosophy

Drive sustainable GAAP-profitable growth with flexible financial position

**Strong revenue growth driven by superior products and services**

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**Control fixed cost base to drive high incremental margins**

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**Gain meaningful leverage to expand GAAP profitability**

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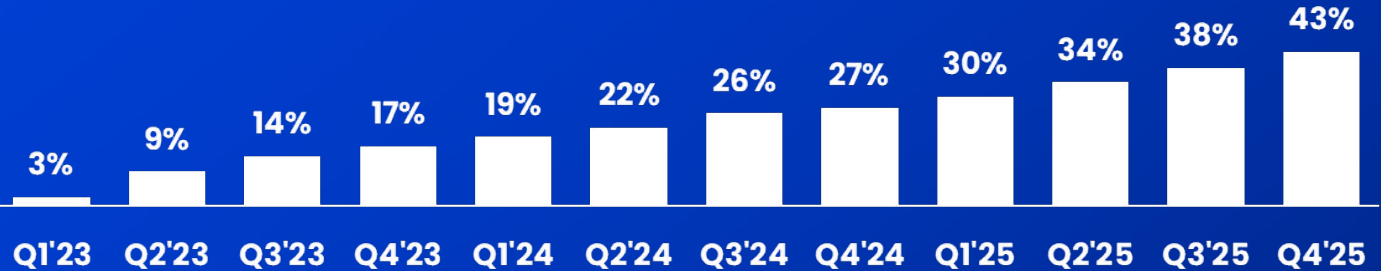
**Use M&A to strategically accelerate growth strategy**

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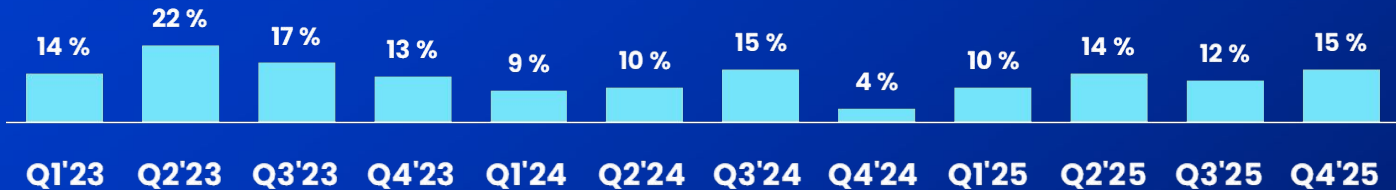
**Opportunistic share buyback to control dilution**

# Consistent outperformance in a challenged housing market

**TTM Zillow cumulative revenue outperformance vs. industry total transaction value (TTV)<sup>1</sup> since 2022<sup>2</sup>**

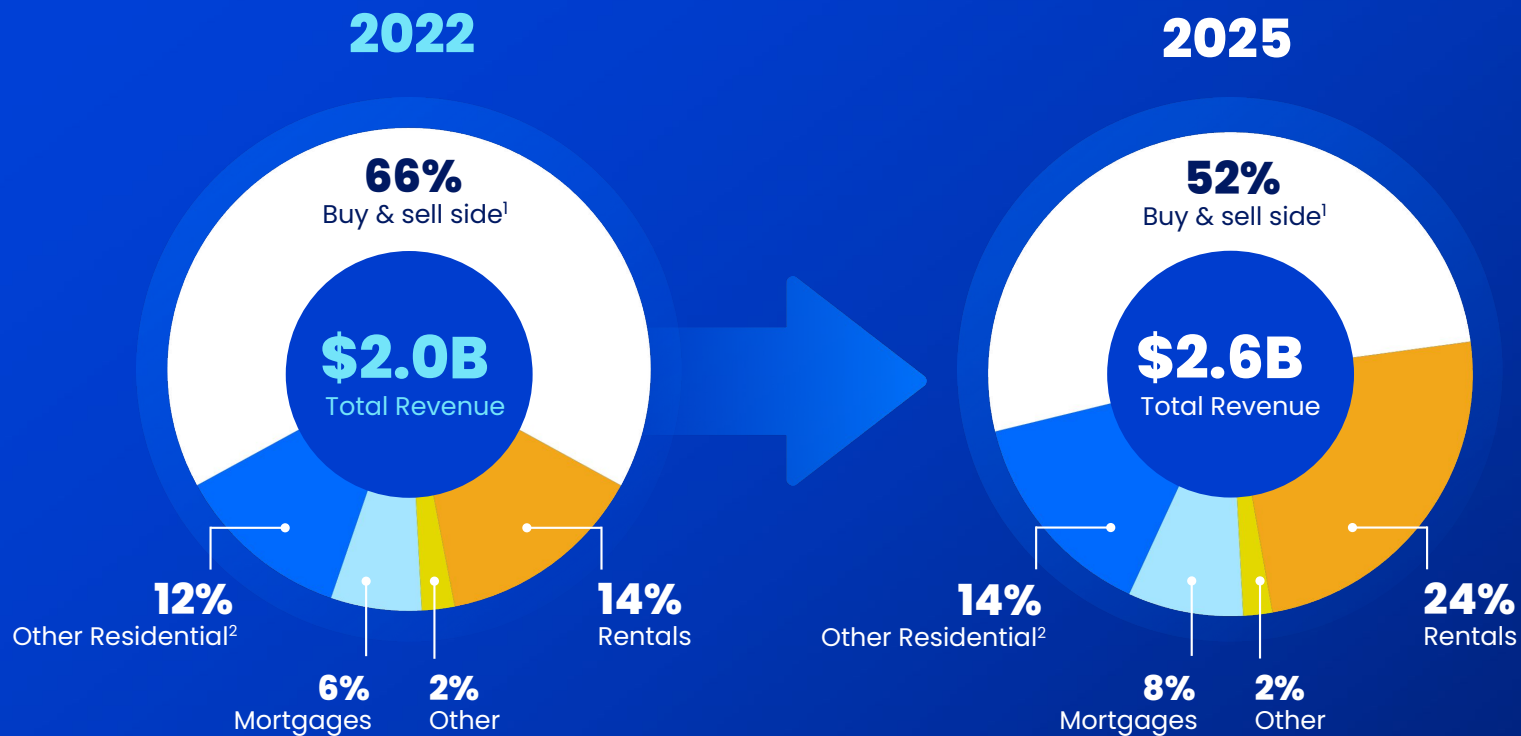


**Quarterly Zillow total revenue growth vs. industry TTV<sup>1</sup> growth**



<sup>1</sup> Total transaction value (TTV) is calculated as the number of existing residential homes sold multiplied by the average sales price of existing residential homes sold during the relevant period according to the National Association of REALTORS® (NAR).  
<sup>2</sup> Cumulative Zillow total revenue and industry total transaction value (TTV) calculated on a trailing 12-month basis (TTM) for all periods presented and indexed to Zillow FY 2022 total revenue and FY 2022 TTV.

# Diversifying revenue base supports sustainable growth

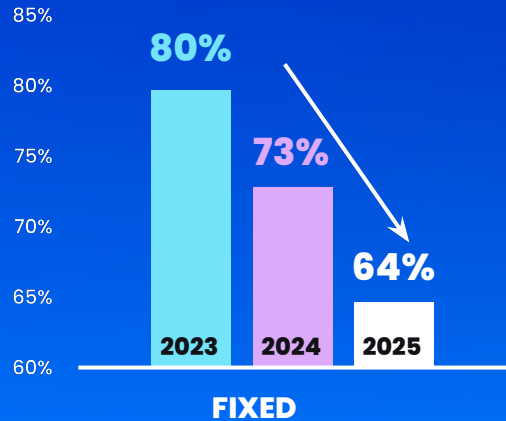


# We are controlling costs while investing for future growth

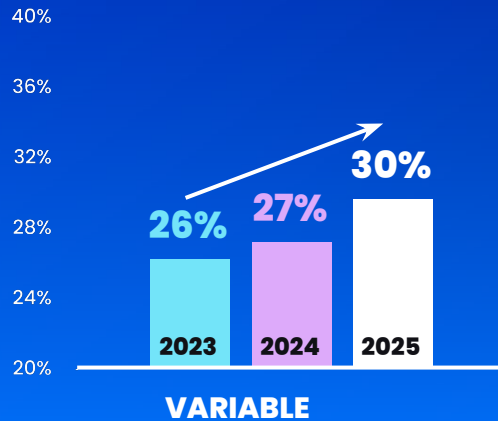
Resulting in net income margin expansion of 590 bps year over year in 2025

## Total Fixed, Variable, and Advertising Costs as a % of Revenue

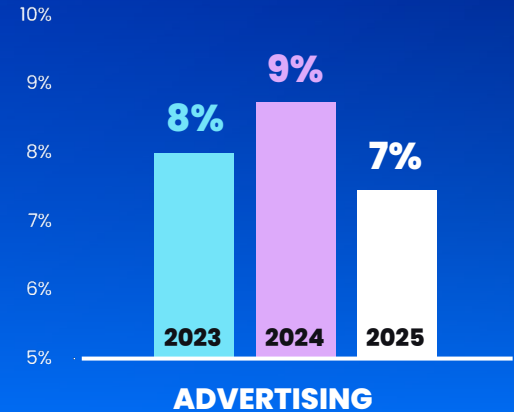
### Control fixed costs



### Invest to support future growth



### Use advertising<sup>1</sup> to accelerate growth



# We have controlled fixed costs since 2023

Organic fixed cost growth has been less than inflation, with marginal incremental costs from acquisitions



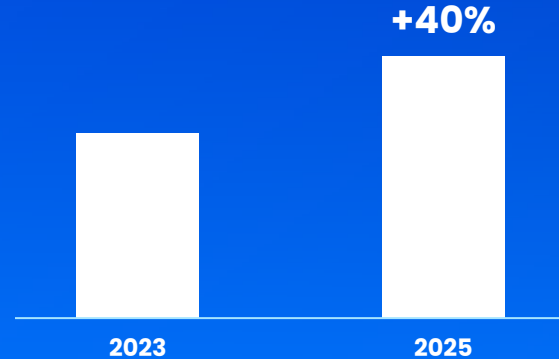
<sup>1</sup> Adjusted EBITDA expenses is a non-GAAP financial measure; it is not calculated or presented in accordance with GAAP. Please see the Appendix slides for more information about our presentation of Adjusted EBITDA expenses, including a reconciliation to the most directly comparable GAAP financial measure for the relevant period and a disaggregation of such expenses.

# Shipping more at a faster pace

Digitizing and integrating residential real estate provides significant growth opportunity for Zillow

## Shipping More Code

■ Code shipped per engineer



## Shipping More Products



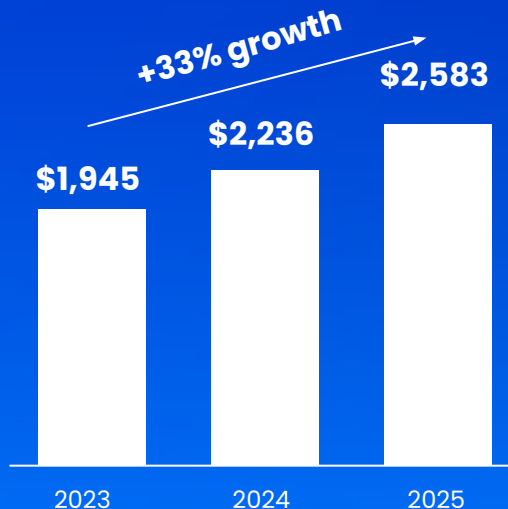
# Making the real estate industry more efficient by integrating buyers, sellers and renters with industry professionals



# Growing our revenue, Adjusted EBITDA and cash flow

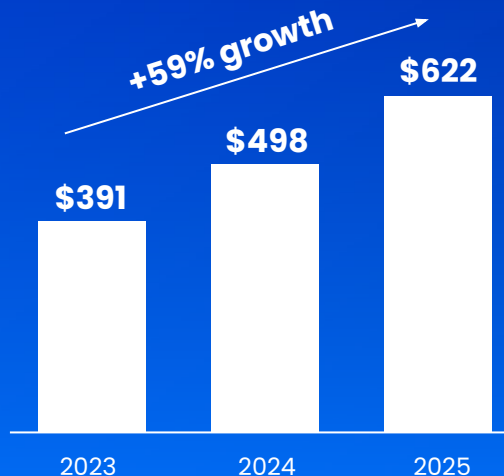
Consistent Y/Y Revenue Growth...

Total Revenue Growth Y/Y



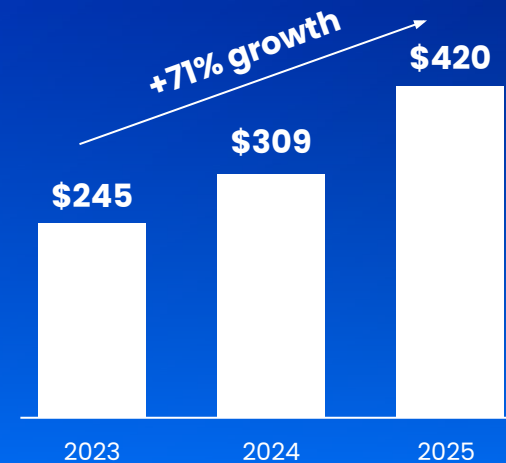
...While Expanding Margins...

Adjusted EBITDA<sup>1</sup> Growth



...and Growing Adjusted Free Cash Flow<sup>1</sup> Even Faster

Adjusted Free Cash Flow<sup>1</sup> Growth



# Actively managing our capital along the way

## Share Repurchases (\$M)

- +>\$600M of opportunistic share repurchases YTD
- + Additional \$1.25B share repurchase authorization



# 2026 financial goals and mid-cycle financial targets

## Full-Year 2026 Financial Goals

Expand and scale to provide more products and services to renters, buyers, sellers and industry professionals

Revenue

**Mid-teens growth YoY**

Adjusted EBITDA margin<sup>1</sup>

**Continued Adjusted EBITDA margin expansion**

Share-based compensation expense

**Down more than 10% YoY**

## Updated Mid-Cycle Financial Targets

Clear path to attractive revenue growth across For Sale and Rentals, plus additional opportunity when housing market normalizes

**6M**

Existing homes sold<sup>2</sup>

**\$5B**

Total Revenue

**45%**

Adjusted EBITDA margin<sup>1</sup>

**25%**

Net Income margin (New)

1. Adjusted EBITDA margin is a non-GAAP financial measure; it is not calculated or presented in accordance with GAAP. Zillow Group has not provided a quantitative reconciliation of this forecasted Adjusted EBITDA margin to the most directly comparable GAAP measure within this presentation because the company is unable, without making unreasonable efforts, to calculate certain reconciling items with confidence. Please see the Appendix slides for more information about our presentation of Adjusted EBITDA margin.

2. Estimated assuming an average turnover of 4.5% multiplied by the number of U.S. households as of September 2025 according to the U.S. Census Bureau. Average turnover estimated using the number of existing residential homes sold as reported by NAR divided by the number of U.S. households existing at the end of each period, January 2000–September 2025.

# Successfully navigating key debates over past 3 years

#1

**Buy-side commissions will rapidly decline, causing Zillow to be disrupted**

## Zillow Perspective at the Time

Independent representation has value. There will be differentiation based on quality of real estate agents, and we work with the best agents.

## Current Perspective

Independent representation has value. There will be differentiation based on quality of real estate agents, and we work with the best agents.

# Successfully navigating key debates over past 3 years

**#2**

**Large competitor enters category with significant investment spend, causing Zillow to be disrupted**

## **Zillow Perspective at the Time**

**Our brand strength and unique strategy are differentiated, and we will continue to grow**

## **Current Perspective**

**Brand strength and traffic have both increased since 2023**

**Added \$638M in revenue since 2023, with rentals growth accelerating**

# Successfully navigating key debates over past 3 years

**#3**

**Distribution of For Sale listings will fragment,  
causing Zillow to be disrupted**

## **Zillow Perspective at the Time**

**In any future industry scenario, we are well positioned to have broad listing coverage because of our brand, audience, and quality of strategy, products and execution**

## **Current Perspective**

**In any future industry scenario, we continue to have broad listing coverage across all For Sale inventory types**

**We continue to have a beloved brand and a highly engaged audience**

# Successfully navigating key debates over past 3 years

**#4**

Recent lawsuits by industry participants and regulators will create challenges to operations, causing Zillow to be disrupted

## Zillow Perspective At The Time

The allegations mischaracterize our business, and we will vigorously defend ourselves

We build products and services for consumers

## Current Perspective

Compass lawsuit voluntarily dismissed last week

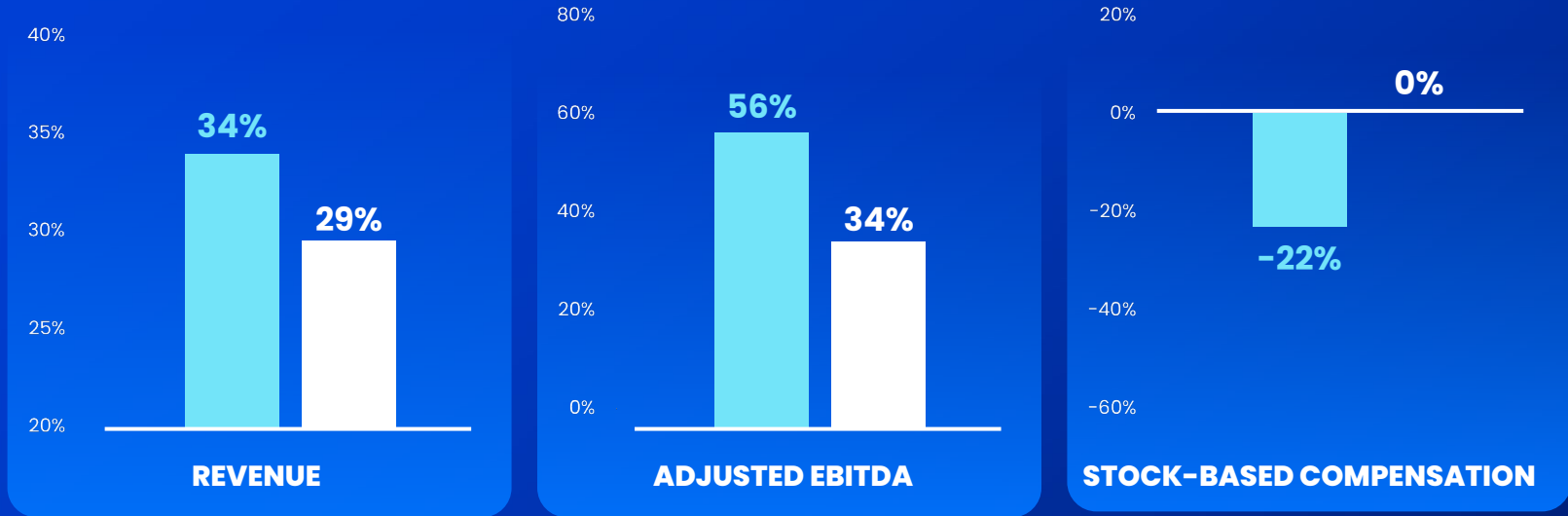
We will vigorously defend ourselves against litigation and continue putting the consumer first in our products and operations

Brand strength among consumers and agents has never been stronger

# Stellar execution despite the worst housing market in 40+ years

## 2024-2026'E<sup>1</sup> Cumulative Growth (Zillow vs. internet peers<sup>2</sup>)

Zillow Internet benchmark<sup>2</sup>



1. 2026 is based on consensus estimates. Consensus estimates are based on an aggregation of publicly available sell-side analyst forecasts for full year 2026, as of March 2026 per Bloomberg. These estimates reflect external opinions, are subject to revision, and actual results may differ materially.

2. Defined as the median for public companies in the Nasdaq CTA Internet Index with a market capitalization between \$10 billion and \$50 billion as of March 2026.

# Today's debate

**#5**

**Horizontal LLMs will make vertical internet marketplaces obsolete, causing Zillow to be disrupted**

## **Zillow Perspective**

**AI is an accelerator to our strong brand, engaged audience, unique strategy and differentiated workflows.**

**AI will help us grow faster and will make us stronger.**

**Iconic brand**

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**Unique strategy**

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**Huge goals**

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**Startup speed & ambition**