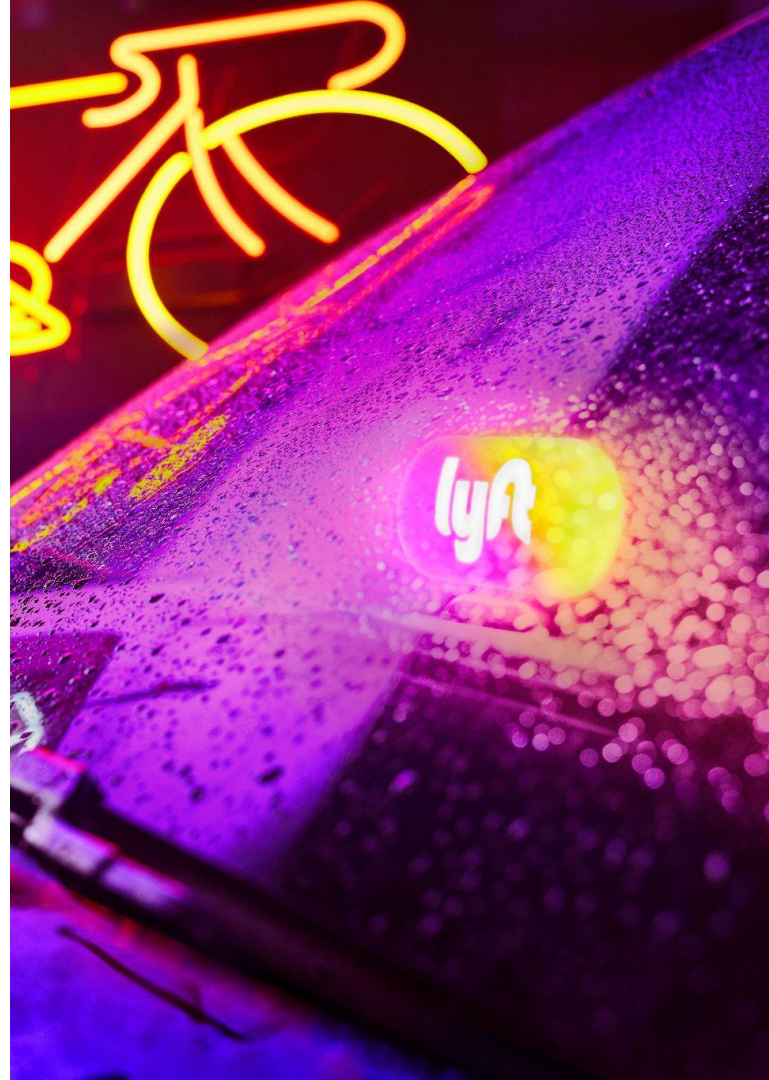


AUGUST 24, 2022

# Q2 Fiscal 2022 Earnings

Supplemental Data



# Forward Looking Statements & Non-GAAP Financial Measures

This presentation and the accompanying oral presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally relate to future events or Lyft's future financial or operating performance. In some cases, you can identify forward looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "going to," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern Lyft's expectations, strategy, priorities, plans or intentions. Forward-looking statements in this presentation and the accompanying oral presentation include, but are not limited to, statements regarding Lyft's future financial and operating performance, including its outlook, expectations regarding profitability, cost reductions, revenue, Contribution Margin, and Adjusted EBITDA, demand for Lyft's products and services and the markets in which Lyft operates and the future of transportation-as-a-service, the impact of the COVID-19 pandemic and the timing of economic recovery on our business, results of operations, and the markets in which we operate, rider and driver activity, including driver supply, on the Lyft platform and future incentive levels, and litigation and regulatory matters. Lyft's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including the effect of the COVID-19 pandemic and related impact on Lyft's business, trends in Lyft's business, in particular recovery in rides and driver supply levels, the macroeconomic environment, including inflation, and the impact of these factors and other market factors on operating expenses, including insurance costs, the sufficiency of Lyft's unrestricted cash, cash equivalents, and short-term investments, as well as risks associated with the outcome of litigation and regulatory matters and risks associated with our prior restatement and management's finding of a material weakness in our internal control over financial reporting. The forward-looking statements contained in this presentation are also subject to other risks and uncertainties, including those more fully described in Lyft's filings with the Securities and Exchange Commission, including in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 and in our Quarterly Report on Form 10-Q that will be filed following this presentation. The forward-looking statements in this presentation are based on information available to Lyft as of August 23, 2022, and Lyft disclaims any obligation to update any forward-looking statements, except as required by law.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation and the accompanying oral presentation include certain non-GAAP financial measures, including Contribution, Contribution Margin, Adjusted EBITDA, Adjusted EBITDA Margin, adjusted net loss, adjusted net loss per share and non-GAAP operating expenses. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation. We have not provided the forward-looking GAAP equivalents for certain forward-looking non-GAAP measures presented in the accompanying oral presentation, or a GAAP reconciliation, as a result of the uncertainty regarding, and the potential variability of, reconciling items such as stock-based compensation expense. Accordingly, a reconciliation of these non-GAAP guidance metrics to their corresponding GAAP equivalents is not available without unreasonable effort. However, it is important to note that material changes to reconciling items could have a significant effect on future GAAP results. An active driver is defined as a driver who has given at least one rideshare ride on the Lyft network during the quarter.

This presentation and the accompanying oral presentation also contain statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

# Key Highlights

## Q2'22

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# +30%

Revenue growth year-over-year

# 59.6%

Contribution Margin exceeded  
our outlook

# \$79M

Adjusted EBITDA profit  
exceeded the top end  
of our outlook

- **Q2 Revenue** of \$991 million grew 13% quarter-over-quarter and 30% year-over-year, landing near the top end of our outlook<sup>1</sup>
- **Revenue per Active Rider** of \$49.89 was the second highest on record, up 1% versus Q1'22 and up 12% versus Q2'21
- **Active Riders** of 19.9 million increased by 12% quarter-over-quarter and 16% year-over-year, representing the highest number of riders since COVID began
- **Contribution Margin** of 59.6% exceeded our outlook by 360 basis points<sup>2</sup>
- **Q2 Adjusted EBITDA** of \$79 million exceeded the high end of our outlook by \$59 million<sup>3</sup>
- **2024 Adjusted EBITDA target of \$1 billion with over \$700 million of Free Cash Flow**, which is defined as Operating Cash Flow less Capex. We see multiple paths to achieving these milestones driven by expected industry growth and operating leverage. This assumes an industry Bookings CAGR between 2021 and 2024 in the low to mid 20% range<sup>4</sup>

(1) Company outlook for Q2'22 Revenue of \$950 – 1,000 million was provided during the Q1'22 earnings call on May 3, 2022.

(2) Company outlook for Q2'22 Contribution Margin of 56.0% was provided during the Q1'22 earnings call on May 3, 2022.

(3) Company outlook for Q2'22 Adjusted EBITDA of \$10–20 million was provided during the Q1'22 earnings call on May 3, 2022.

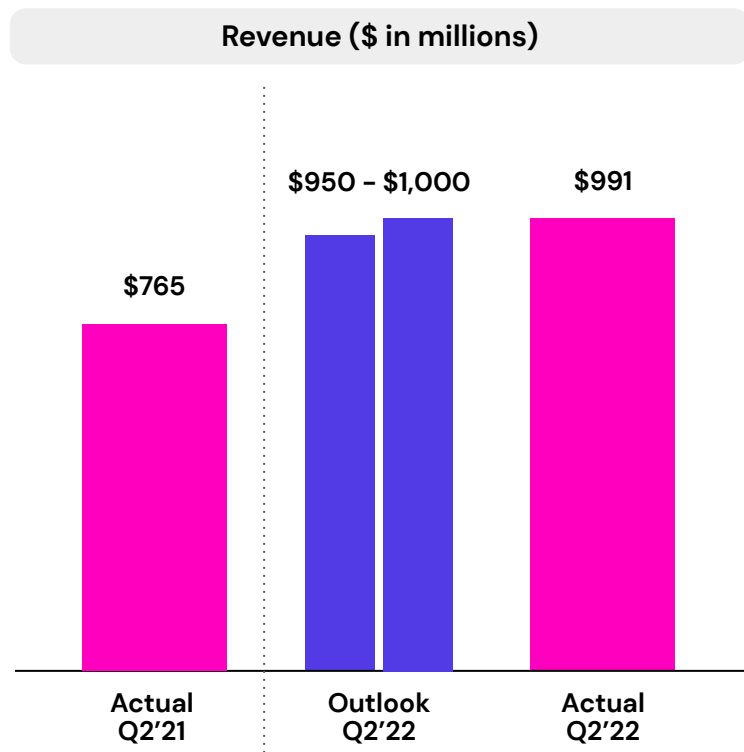
(4) This bullet was added August 24, 2022 to reflect guidance provided on the earnings call on August 4, 2022. We define Bookings as the aggregate charges for Rides on our platform, as well as other revenue, net of the following reductions: any pass-through amounts paid to drivers and regulatory agencies, including sales tax and other fees such as airport and city fees, as well as tips, tolls, cancellation and additional fees; the aggregate amount of market-wide price adjustment promotions offered to ridesharing riders; and any discounts for renters of bikes and scooters.

Note:

Certain figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

# Revenue

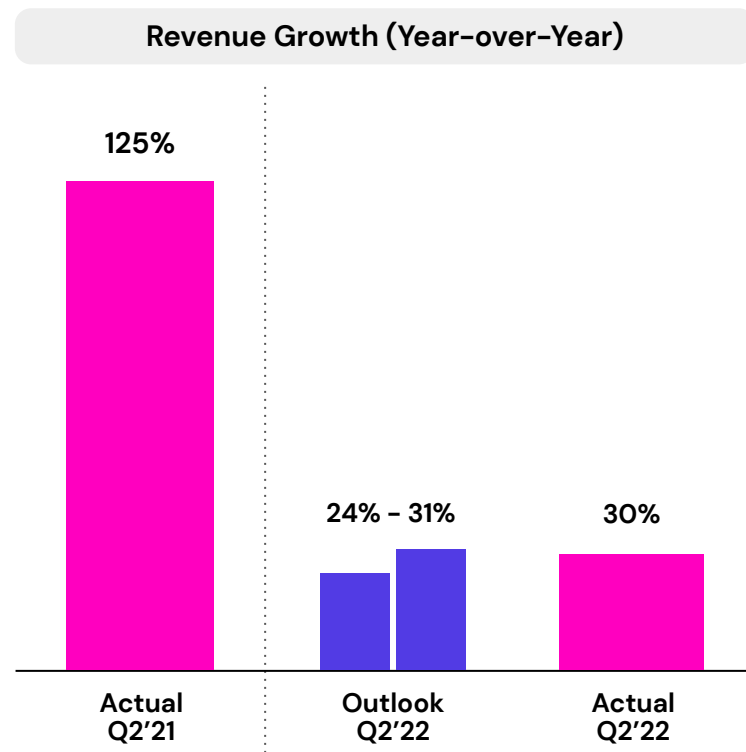
(\$ in millions)



Note: Company outlook for Q2'22 Revenue of \$950 - 1,000 million was provided during the Q1'22 earnings call on May 3, 2022.

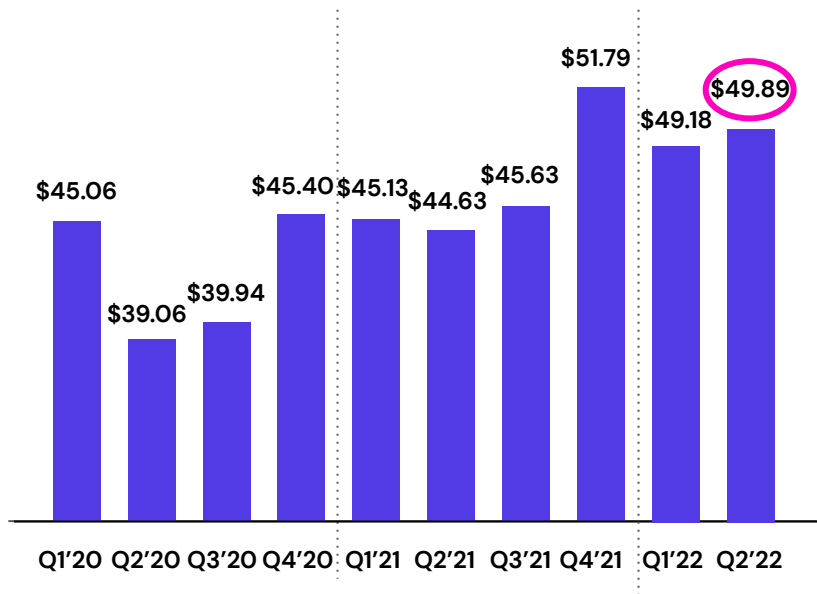
# Revenue Growth

(Year-over-Year)



Note: Company outlook for Q2'22 Revenue implied growth of 24-31% was provided during the Q1'22 earnings call on May 3, 2022.

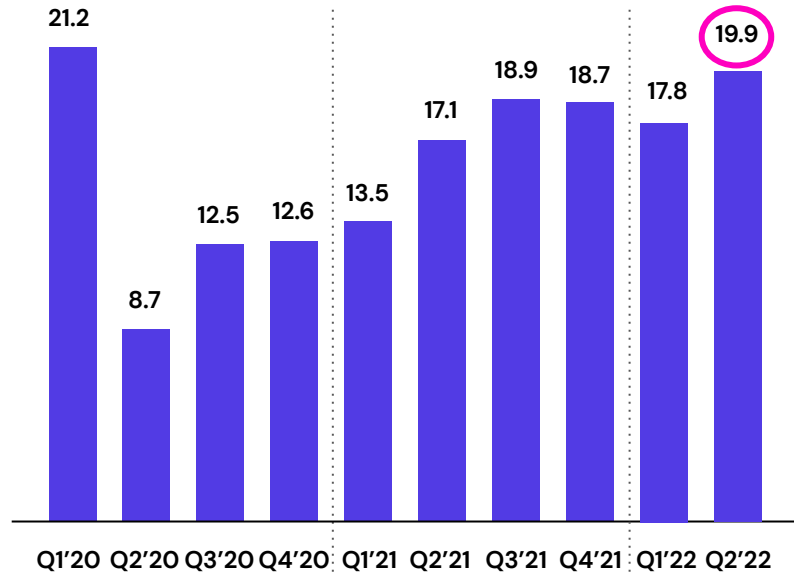
# Revenue Per Active Rider



Note: Revenue per Active Rider in Q2'22 grew 12% year-over-year to \$49.89 from \$44.63 in Q2'21. On a sequential basis, Revenue per Active Rider in Q2'22 grew 1% to \$49.89 from \$49.18 in Q1'22.

# Active Riders

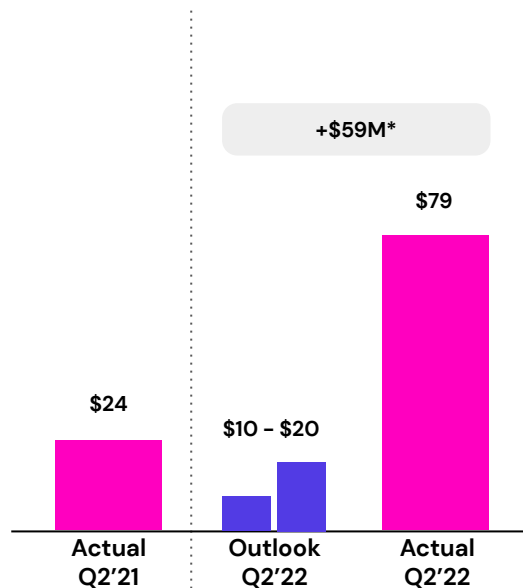
(in millions)



Note: Active Riders in Q2'22 grew 16% year-over-year to 19.9 million from 17.1 million in Q2'21. On a sequential basis, Active Riders in Q2'22 grew 12% to 19.9 million from 17.8 million in Q1'22.

# Adjusted EBITDA Actual vs Outlook

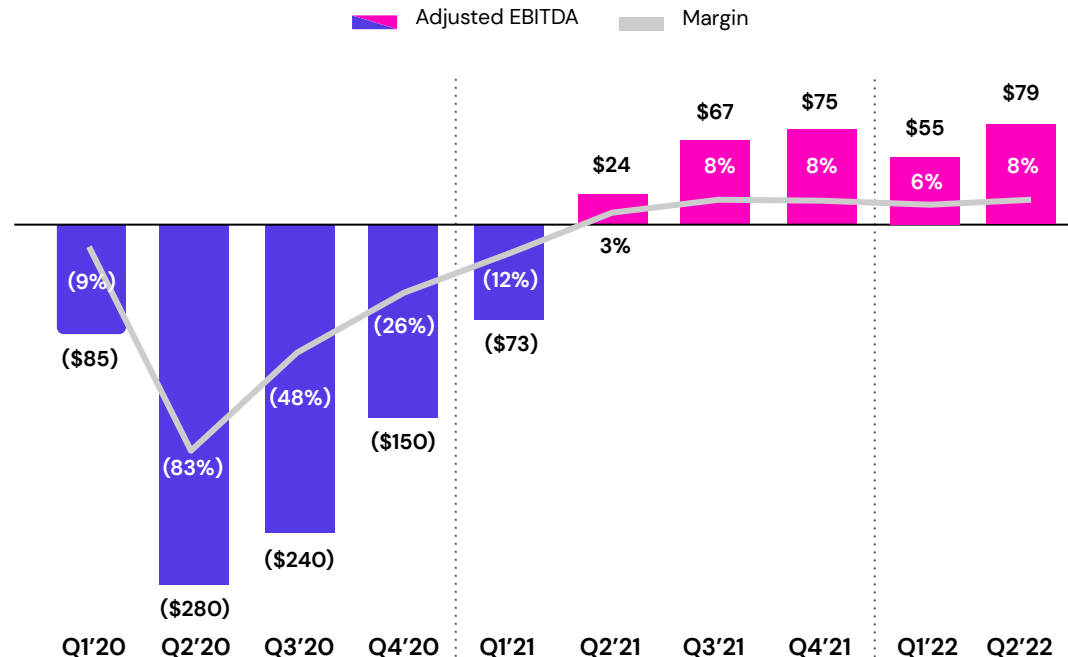
(\$ in millions)



Note: (\*) Compared to the high end of our Adjusted EBITDA outlook for Q2'22 of \$20 million. The outlook of \$10-\$20 million was provided during our Q1'22 earnings call on May 3, 2022. The figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

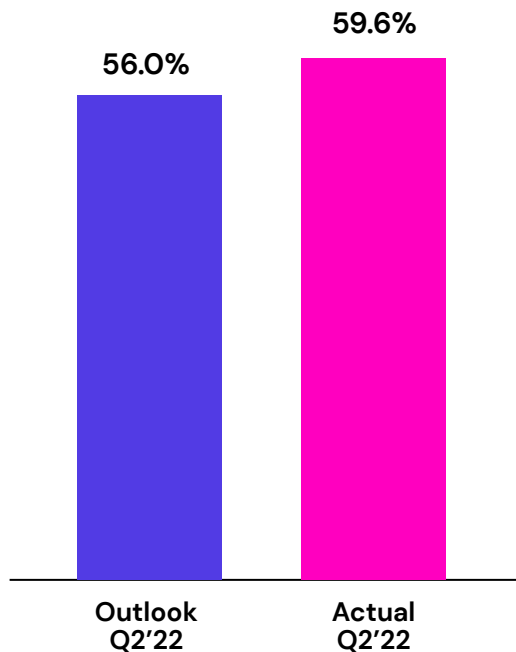
# Adjusted EBITDA & Margin

(\$ in millions)



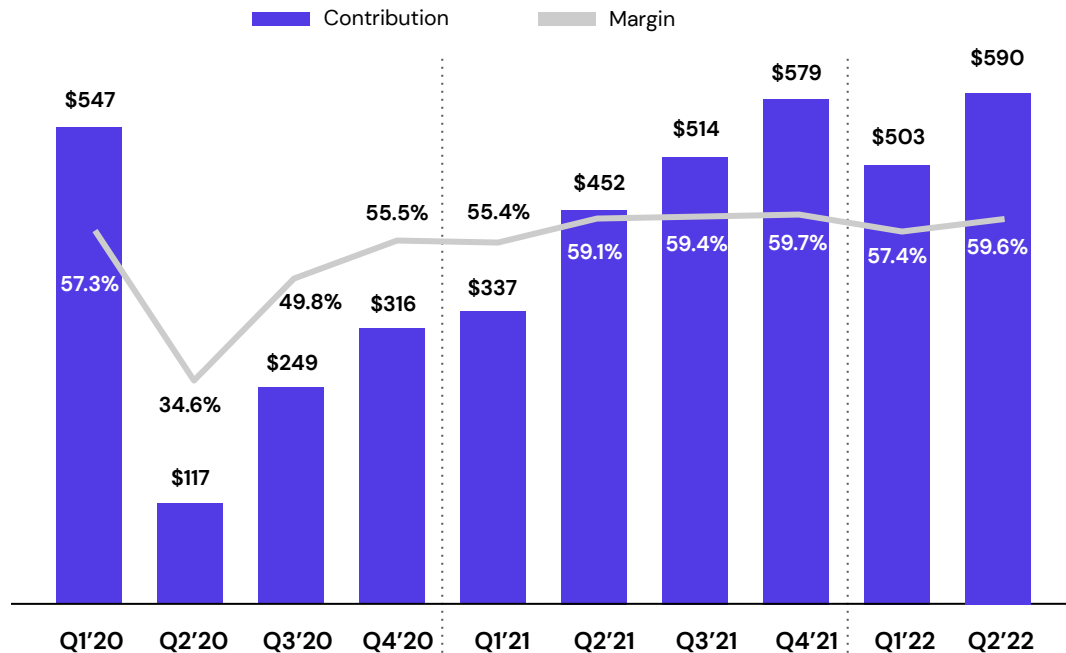
Note: The figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

# Contribution Margin Actual vs Outlook



Note: Company outlook for Q2'22 Contribution Margin of 56.0% was provided during the Q1'22 earnings call on May 3, 2022. The figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

# Contribution & Margin (\$ in millions)



Note: The figures above are non-GAAP financial measures. Please see the explanation of non-GAAP measures as well as the reconciliation from GAAP to non-GAAP measures contained in the appendix to this presentation.

# Reconciliations from GAAP to Non-GAAP and Trended Financial Statements



# Condensed Consolidated Balance Sheet

(\$ in millions)

	Fiscal 2021				Fiscal 2022	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 312.2	\$ 484.2	\$ 728.4	\$ 457.3	\$ 214.9	\$ 239.3
Short-term investments	1,925.1	1,761.3	1,653.9	1,796.5	2,021.7	1,567.7
Prepaid expenses and other current assets	343.7	357.0	511.0	522.2	699.0	652.4
Total current assets	2,581.0	2,602.6	2,893.3	2,776.1	2,935.5	2,459.5
Restricted cash and cash equivalents	183.6	144.6	143.8	73.2	67.2	102.1
Restricted investments	940.4	920.2	898.4	1,044.9	880.9	1,090.8
Other investments	10.7	75.3	75.3	80.4	70.2	155.7
Property and equipment, net	308.4	322.0	322.5	298.2	313.7	381.6
Operating lease right of use assets	260.9	248.4	235.2	223.4	213.1	201.2
Intangible assets, net	61.3	59.3	54.9	50.8	48.4	89.2
Goodwill	182.7	180.9	180.5	180.5	180.5	262.2
Other assets	16.9	18.1	20.4	46.5	58.9	15.3
<b>Total Assets</b>	<b>\$ 4,545.8</b>	<b>\$ 4,571.4</b>	<b>\$ 4,824.3</b>	<b>\$ 4,773.9</b>	<b>\$ 4,768.5</b>	<b>\$ 4,757.5</b>

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Condensed Consolidated Balance Sheet (cont.)

(\$ in millions)

	Fiscal 2021				Fiscal 2022	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity</b>						
Current liabilities:						
Accounts payable	\$ 69.9	\$ 77.4	\$ 127.4	\$ 129.5	\$ 95.6	\$ 100.0
Insurance reserves	1,058.4	1,035.8	1,011.2	1,068.6	1,065.9	1,234.9
Accrued and other current liabilities	1,038.4	1,123.7	1,234.7	1,264.4	1,364.0	1,348.4
Operating lease liabilities – current	54.2	54.5	54.8	53.8	51.7	48.7
Total current liabilities	2,220.8	2,291.5	2,428.1	2,516.4	2,577.2	2,731.9
Operating lease liabilities	252.0	237.2	223.0	210.2	200.0	189.0
Long-term debt, net of current portion	651.6	659.8	662.5	655.2	787.4	808.0
Other liabilities	12.5	18.2	54.8	50.9	45.9	61.4
<b>Total Liabilities</b>	<b>\$ 3,137.0</b>	<b>\$ 3,206.6</b>	<b>\$ 3,368.4</b>	<b>\$ 3,432.7</b>	<b>\$ 3,610.5</b>	<b>\$ 3,790.3</b>
Redeemable convertible preferred stock	-	-	-	-	-	-
Stockholders' equity						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	-	-	-	-
Additional paid in capital	9,136.9	9,346.0	9,538.4	9,706.3	9,721.2	9,908.5
Accumulated other comprehensive income	(0.3)	(16)	(3.1)	(2.5)	(10.2)	(11.0)
Accumulated deficit	(7,727.8)	(7,979.7)	(8,079.4)	(8,362.6)	(8,553.0)	(8,930.3)
Total stockholders' equity	1,408.9	1,364.8	1,455.9	1,341.2	1,158.0	967.3
<b>Total liabilities, redeemable convertible preferred stock and stockholders' equity</b>	<b>\$ 4,545.8</b>	<b>\$ 4,571.4</b>	<b>\$ 4,824.3</b>	<b>\$ 4,773.9</b>	<b>\$ 4,768.5</b>	<b>\$ 4,757.5</b>

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Condensed Consolidated Statement of Operations

(\$ in millions, except per share items)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Revenue</b>	\$ 609.0	\$ 765.0	\$ 864.4	\$ 969.9	\$ 3,208.3	\$ 875.6	\$ 990.7
<b>Cost and expenses</b>							
Cost of revenue	412.0	346.9	392.2	551.2	1,702.3	440.3	650.4
Operations and support	88.9	93.8	109.7	109.9	402.2	98.6	105.3
Research and development	238.2	252.0	226.7	195.0	911.9	192.8	201.8
Sales and marketing	78.6	99.9	109.0	123.9	411.4	126.3	140.8
General and administrative	207.6	212.5	231.9	263.6	915.6	216.9	265.7
Total costs and expenses	1,025.4	1,005.1	1,069.4	1,243.6	4,343.5	1,074.9	1,363.9
<b>Loss from operations</b>	<b>(416.4)</b>	<b>(240.1)</b>	<b>(205.0)</b>	<b>(273.6)</b>	<b>(1,135.2)</b>	<b>(199.3)</b>	<b>(373.2)</b>
Interest expense	(12.6)	(12.8)	(13.1)	(13.1)	(51.6)	(4.5)	(5.0)
Other income (expense), net <sup>(1)</sup>	3.6	1.7	125.0	5.5	135.9	9.8	1.0
Loss before income taxes	(425.4)	(251.2)	(93.1)	(281.2)	(1,050.9)	(194.1)	(377.2)
Provision for (benefit from) income taxes	1.9	0.7	6.6	2.0	11.2	2.8	0.1
<b>Net loss</b>	<b>\$ (427.3)</b>	<b>\$ (251.9)</b>	<b>\$ (99.7)</b>	<b>\$ (283.2)</b>	<b>\$ (1,062.1)</b>	<b>\$ (196.9)</b>	<b>\$ (377.2)</b>
Net loss per share, basic and diluted	\$ (1.31)	\$ (0.76)	\$ (0.30)	\$ (0.83)	\$ (3.17)	\$ (0.57)	\$ (1.08)
Weighted-average shares used to compute net loss per share, basic and diluted	326.2	332.1	337.8	342.7	334.7	346.6	350.5

(1) Other income (expense), net includes a benefit from a pre-tax gain from the divestiture relating to our self-driving vehicle division, Level 5 in Q3'21.  
Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Condensed Consolidated Statement of Cash Flows

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Cash flows from operating activities</b>							
Net loss	\$ (427.3)	\$ (251.9)	\$ (99.7)	\$ (283.2)	\$ (1,062.1)	\$ (196.9)	\$ (377.2)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:							
Depreciation and amortization	34.4	34.6	37.1	33.3	139.3	31.8	29.1
Stock-based compensation	164.2	201.0	198.4	160.9	724.6	153.7	176.6
Amortization of premium on marketable securities	1.5	0.9	0.9	0.8	4.1	1.1	0.8
Accretion of discount on marketable securities	(0.4)	(0.2)	(0.3)	(0.6)	(1.5)	(1.2)	(2.5)
Amortization of debt discount and issuance costs	8.5	8.7	9.1	9.3	35.6	0.7	0.7
Deferred income tax impact from convertible senior notes	-	-	-	-	-	-	-
Loss (gain) on sale and disposal of assets, net	0.3	0.9	(5.6)	9.9	5.5	(13.7)	(18.1)
Gain on divestiture	-	-	(119.3)	-	(119.3)	-	-
Other	2.9	(0.4)	0.4	0.4	3.3	1.8	(1.5)
Changes in operating assets and liabilities:							
Prepaid expenses and other assets	0.2	(12.8)	(161.9)	(32.6)	(207.0)	(187.9)	63.4
Operating lease right-of-use assets	15.0	15.6	17.5	13.3	61.3	13.5	13.6
Accounts payable	(11.1)	6.4	49.2	2.6	47.1	(33.9)	(1.9)
Insurance reserves	71.4	(22.6)	(24.7)	57.5	81.6	(2.7)	169.0
Accrued and other liabilities	71.4	0.5	146.3	16.0	234.2	96.2	(62.7)
Lease liabilities	(10.5)	(18.2)	(5.9)	(13.8)	(48.3)	(14.7)	(14.5)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (79.5)</b>	<b>\$ (37.5)</b>	<b>\$ 41.5</b>	<b>\$ (26.2)</b>	<b>\$ (101.7)</b>	<b>\$ (152.3)</b>	<b>\$ (25.2)</b>

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Condensed Consolidated Statement of Cash Flows (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Cash flows from investing activities</b>							
Purchases of marketable securities	\$ (981.7)	\$ (745.6)	\$ (797.7)	\$ (1,276.8)	\$ (3,801.7)	\$ (661.7)	\$ (600.6)
Purchase of non-marketable securities	-	-	-	(5.0)	(5.0)	-	-
Purchases of term deposits	(75.0)	(201.5)	(165.0)	(16.5)	(458.0)	-	(10.0)
Proceeds from sales of marketable securities	17.1	64.9	271.5	159.6	513.0	202.2	155.5
Proceeds from maturities of marketable securities	1,169.8	789.3	524.7	775.4	3,259.2	224.9	488.7
Proceeds from maturities of term deposits	36.0	276.5	295.0	68.0	675.5	175.0	205.0
Purchases of property and equipment and scooter fleet	(10.7)	(9.8)	(36.2)	(22.5)	(79.2)	(30.3)	(23.0)
Cash paid for acquisitions, net of cash acquired	-	-	-	-	-	-	(146.3)
Sale of property and equipment	5.7	8.8	16.0	12.1	42.5	15.7	28.0
Proceeds from divestiture	-	-	122.7	-	122.7	-	-
Other	-	(2.0)	-	-	(2.0)	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>\$ 161.1</b>	<b>\$ 180.6</b>	<b>\$ 231.0</b>	<b>\$ (305.7)</b>	<b>\$ 267.0</b>	<b>\$ (74.2)</b>	<b>\$ 97.4</b>
<b>Cash flows from financing activities</b>							
Repayment of loans	(10.0)	(10.0)	(14.0)	(10.5)	(44.4)	(12.3)	(14.4)
Proceeds from issuance of convertible senior notes	-	-	-	-	-	-	-
Payment of debt issuance costs	-	-	-	-	-	-	-
Purchase of capped call	-	-	-	-	-	-	-
Proceeds from exercise of stock options and other common stock issuances	3.2	17.2	1.0	12.5	33.8	0.1	12.3
Taxes paid related to net share settlement of equity awards	(7.7)	(8.0)	(6.1)	(4.4)	(26.3)	(1.8)	(1.7)
Principal payments on finance lease obligations	(9.9)	(8.8)	(10.0)	(6.9)	(35.5)	(8.0)	(7.7)
Other	-	-	-	-	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>\$ (24.3)</b>	<b>\$ (9.7)</b>	<b>\$ (29.1)</b>	<b>\$ (9.3)</b>	<b>\$ (72.5)</b>	<b>\$ (22.0)</b>	<b>\$ (11.6)</b>

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Condensed Consolidated Statement of Cash Flows (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
Net cash provided by (used in) operating activities	\$ (79.5)	\$ (37.5)	\$ 41.5	\$ (26.2)	\$ (101.7)	\$ (152.3)	\$ (25.2)
Net cash provided by (used in) investing activities	161.1	180.6	231.0	(305.7)	267.0	(74.2)	97.4
Net cash provided by (used in) financing activities	(24.3)	(9.7)	(29.1)	(9.3)	(72.5)	(22.0)	(11.6)
Effect of foreign exchange on cash, cash equivalents and restricted cash and cash equivalents	–	–	(0.2)	–	(0.1)	0.1	(0.2)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents	57.4	133.3	243.2	(341.2)	92.7	(248.5)	60.4
<b>Cash and cash equivalents and restricted cash and cash equivalents</b>							
Beginning of period	438.5	495.9	629.2	872.4	438.5	531.2	282.7
End of period	\$ 495.9	\$ 629.2	\$ 872.4	\$ 531.2	\$ 531.2	\$ 282.7	\$ 343.1
<b>Reconciliation of cash, cash equivalents and restricted cash and cash equivalents to the condensed consolidated balance sheets</b>							
Cash and cash equivalents	312.2	484.2	728.4	457.3	457.3	214.9	239.3
Restricted cash and cash equivalents	183.6	144.6	143.8	73.2	73.2	67.2	102.1
Restricted cash, incl. in prepaid expenses and other current assets	0.1	0.5	0.2	0.7	0.7	0.7	1.7
<b>Total cash, cash equivalents and restricted cash and cash equivalents</b>	<b>\$ 495.9</b>	<b>\$ 629.2</b>	<b>\$ 872.4</b>	<b>\$ 531.2</b>	<b>\$ 531.2</b>	<b>\$ 282.7</b>	<b>\$ 343.1</b>

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# Non-GAAP Condensed Consolidated Statement of Operations

(\$ in millions, except per share items)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
Revenue	\$ 609.0	\$ 765.0	\$ 864.4	\$ 969.9	\$ 3,208.3	\$ 875.6	\$ 990.7
Cost of revenue	271.7	313.0	350.8	391.1	1,326.7	373.1	400.3
Operating expenses							
Operations and support	83.4	86.2	103.3	103.7	376.5	92.4	98.6
Research and development	132.0	130.2	109.4	100.3	471.9	102.7	105.7
Sales and marketing	69.5	88.6	99.1	112.9	370.2	114.8	128.3
General and administrative	155.5	153.2	167.1	216.7	692.4	166.6	203.7
Total costs and expenses	712.2	771.2	829.7	924.6	3,237.7	849.6	936.5
<b>Non-GAAP loss from operations</b>	<b>(103.2)</b>	<b>(6.2)</b>	<b>34.7</b>	<b>45.3</b>	<b>(29.4)</b>	<b>25.9</b>	<b>54.3</b>
Interest expense	(12.6)	(12.8)	(13.1)	(13.1)	(51.6)	(4.5)	(5.0)
Non-GAAP other income (expense), net <sup>(1)</sup>	3.6	1.7	2.8	1.9	10.0	6.0	(2.9)
Non-GAAP income (loss) before income taxes	(112.2)	(17.3)	24.4	34.1	(71.0)	27.4	46.4
Provision for (benefit from) income taxes	1.9	0.7	6.6	2.0	11.2	2.8	0.1
<b>Adjusted net income (loss)</b>	<b>\$ (114.1)</b>	<b>\$ (18.0)</b>	<b>\$ 17.8</b>	<b>\$ 32.1</b>	<b>\$ (82.2)</b>	<b>\$ 24.6</b>	<b>\$ 46.4</b>
Adjusted net income (loss) per share, basic	\$ (0.35)	\$ (0.05)	\$ 0.05	\$ 0.09	\$ (0.25)	\$ 0.07	\$ 0.13
Weighted-average shares used to compute adjusted net income (loss) per share, basic	326.2	332.1	337.8	342.7	334.7	346.6	350.5

(1) Non-GAAP other income (expense), net excludes (i) the pre-tax gain from the divestiture relating to our self-driving vehicle division, Level 5 in Q3'21, and (ii) sublease income, which is presented as a contra-expense to the related lease rent expense within operating expenses for non-GAAP purposes.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b><u>Reconciliation of Contribution</u></b>							
<b>Revenue</b>	<b>\$ 609.0</b>	<b>\$ 765.0</b>	<b>\$ 864.4</b>	<b>\$ 969.9</b>	<b>\$ 3,208.3</b>	<b>\$ 875.6</b>	<b>\$ 990.7</b>
Less: cost of revenue	(412.0)	(346.9)	(392.2)	(551.2)	(1,702.3)	(440.3)	(650.4)
Amortization of intangible assets	2.8	3.2	2.8	2.3	11.0	1.2	1.2
Stock-based compensation expense	8.4	10.2	10.2	10.7	39.5	9.9	10.1
Payroll tax expense related to stock-based compensation	1.1	0.3	0.2	0.2	1.8	0.8	0.2
Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods	128.0	-	-	122.3	250.3	-	275.4
Net amount from claims ceded under the Reinsurance Agreement <sup>(1)</sup>	-	-	28.2	24.6	52.8	55.3	(36.8)
Transaction costs rel. to certain legacy auto insurance liabilities	-	20.2	-	-	20.2	-	-
Sublease income <sup>(2)</sup>	-	-	-	-	-	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Contribution (Non-GAAP)</b>	<b>\$ 337.3</b>	<b>\$ 452.0</b>	<b>\$ 513.6</b>	<b>\$ 578.8</b>	<b>\$ 1,881.6</b>	<b>\$ 502.5</b>	<b>\$ 590.5</b>
<i>Contribution Margin (Non-GAAP)</i>	<i>55.4%</i>	<i>59.1%</i>	<i>59.4%</i>	<i>59.7%</i>	<i>58.6%</i>	<i>57.4%</i>	<i>59.6%</i>

- (1) Reflects the net amount recognized on the statement of operations associated with claims ceded under the Reinsurance agreement, including any losses related to the deferral of gains on the statement of operations and any benefit from the amortization of the deferred gain in the same period. For transparency, to help investors understand the ultimate economic benefit of the Reinsurance Agreement, we have broken out "Net amount of claims ceded under the Reinsurance Agreement," which would otherwise have been captured in "Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods."
- (2) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense. There has been no sublease income allocated to cost of revenue through June 30, 2022.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.



# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Non-GAAP Operating Expenses</b>							
GAAP Operations and Support	\$ (88.9)	\$ (93.8)	\$ (109.7)	\$ (109.9)	\$ (402.2)	\$ (98.6)	\$ (105.3)
Amortization of intangible assets	-	-	-	-	-	-	-
Stock-based compensation expense	4.9	7.2	6.2	5.9	24.1	5.6	6.3
Payroll tax expense related to stock-based compensation	0.6	0.4	0.2	0.2	1.5	0.4	0.1
Sublease income <sup>(1)</sup>	-	-	-	0.1	0.1	0.2	0.3
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP Operations and Support</b>	<b>\$ (83.4)</b>	<b>\$ (86.2)</b>	<b>\$ (103.3)</b>	<b>\$ (103.7)</b>	<b>\$ (376.5)</b>	<b>\$ (92.4)</b>	<b>\$ (98.6)</b>
GAAP Research and Development	\$ (238.2)	\$ (252.0)	\$ (226.7)	\$ (195.0)	\$ (911.9)	\$ (192.8)	\$ (201.8)
Amortization of intangible assets	0.2	0.2	-	0.1	0.4	-	-
Stock-based compensation expense	95.6	117.9	111.5	89.4	414.3	80.8	91.1
Payroll tax expense related to stock-based compensation	10.4	3.8	2.8	1.7	18.8	5.7	1.4
Sublease income	-	-	2.9	3.5	6.5	3.6	3.6
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP Research and Development</b>	<b>\$ (132.0)</b>	<b>\$ (130.2)</b>	<b>\$ (109.4)</b>	<b>\$ (100.3)</b>	<b>\$ (471.9)</b>	<b>\$ (102.7)</b>	<b>\$ (105.7)</b>

(1) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Non-GAAP Operating Expenses</b>							
GAAP Sales and Marketing	\$ (78.6)	\$ (99.9)	\$ (109.0)	\$ (123.9)	\$ (411.4)	(126.3)	(140.8)
Amortization of intangible assets	0.3	0.3	0.3	0.3	1.2	0.3	0.3
Stock-based compensation expense	8.0	10.5	9.3	10.5	38.2	10.6	12.0
Payroll tax expense related to stock-based compensation	0.8	0.5	0.2	0.2	1.8	0.6	0.2
Sublease income <sup>(1)</sup>	-	-	-	-	-	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP Sales and Marketing</b>	<b>\$ (69.5)</b>	<b>\$ (88.6)</b>	<b>\$ (99.1)</b>	<b>\$ (112.9)</b>	<b>\$ (370.2)</b>	<b>\$ (114.8)</b>	<b>\$ (128.3)</b>
GAAP General and Administrative	\$ (207.6)	\$ (212.5)	\$ (231.9)	\$ (263.6)	\$ (915.6)	\$ (216.9)	\$ (265.7)
Amortization of intangible assets	1.2	1.2	1.6	1.5	5.5	1.5	3.0
Stock-based compensation expense	47.3	55.3	61.3	44.5	208.4	46.9	57.1
Payroll tax expense related to stock-based compensation	3.6	1.8	1.3	1.0	7.6	1.9	0.6
Sublease income	-	-	-	-	-	-	-
Costs related to acquisitions and divestitures	-	0.9	0.6	-	1.5	-	1.4
Transaction costs rel. to certain legacy auto insurance liabilities	-	0.2	-	-	0.2	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP General and Administrative</b>	<b>\$ (155.5)</b>	<b>\$ (153.2)</b>	<b>\$ (167.1)</b>	<b>\$ (216.7)</b>	<b>\$ (692.4)</b>	<b>\$ (166.6)</b>	<b>\$ (203.7)</b>

(1) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense. There has been no sublease income allocated to sales and marketing or general and administrative expenses through June 30, 2022.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
GAAP Total Costs and Expenses	\$ (1,025.4)	\$ (1,005.1)	\$ (1,069.4)	\$ (1,243.6)	\$ (4,343.5)	\$ (1,074.9)	\$ (1,363.9)
Amortization of intangible assets	4.5	4.8	4.7	4.1	18.1	3.1	4.5
Stock-based compensation expense	164.2	201.0	198.4	160.9	724.6	153.7	176.6
Payroll tax expense related to stock-based compensation	16.5	6.8	4.9	3.3	31.5	9.5	2.5
Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods	128.0	-	-	122.3	250.3	-	275.4
Net amount from claims ceded under the Reinsurance Agreement <sup>(1)</sup>	-	-	28.2	24.6	52.8	55.3	(36.8)
Sublease income <sup>(2)</sup>	-	-	2.9	3.7	6.6	3.7	3.8
Costs related to acquisitions and divestitures	-	0.9	0.6	-	1.5	-	1.4
Transaction costs rel. to certain legacy auto insurance liabilities	-	20.4	-	-	20.4	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP Total Costs and Expenses</b>	<b>\$ (712.2)</b>	<b>\$ (771.2)</b>	<b>\$ (829.7)</b>	<b>\$ (924.6)</b>	<b>\$ (3,237.7)</b>	<b>\$ (849.6)</b>	<b>\$ (936.5)</b>

(1) Reflects the net amount recognized on the statement of operations associated with claims ceded under the Reinsurance agreement, including any losses related to the deferral of gains on the statement of operations and any benefit from the amortization of the deferred gain in the same period. For transparency, to help investors understand the ultimate economic benefit of the Reinsurance Agreement, we have broken out "Net amount of claims ceded under the Reinsurance Agreement," which would otherwise have been captured in "Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods."

(2) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
GAAP Loss from Operations	\$ (416.4)	\$ (240.1)	\$ (205.0)	\$ (273.6)	\$ (1,135.2)	\$ (199.3)	\$ (373.2)
Amortization of intangible assets	4.5	4.8	4.7	4.1	18.1	3.1	4.5
Stock-based compensation expense	164.2	201.0	198.4	160.9	724.6	153.7	176.6
Payroll tax expense related to stock-based compensation	16.5	6.8	4.9	3.3	31.5	9.5	2.5
Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods	128.0	-	-	122.3	250.3	-	275.4
Net amount from claims ceded under the Reinsurance Agreement <sup>(1)</sup>	-	-	28.2	24.6	52.8	55.3	(36.8)
Sublease income <sup>(2)</sup>	-	-	2.9	3.7	6.6	3.7	3.8
Costs related to acquisitions and divestitures	-	0.9	0.6	-	1.5	-	1.4
Transaction costs rel. to certain legacy auto insurance liabilities	-	20.4	-	-	20.4	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Non-GAAP Loss from Operations</b>	<b>\$ (103.2)</b>	<b>\$ (6.2)</b>	<b>\$ 34.7</b>	<b>\$ 45.3</b>	<b>\$ (29.4)</b>	<b>\$ 25.9</b>	<b>\$ 54.3</b>

- (1) Reflects the net amount recognized on the statement of operations associated with claims ceded under the Reinsurance agreement, including any losses related to the deferral of gains on the statement of operations and any benefit from the amortization of the deferred gain in the same period. For transparency, to help investors understand the ultimate economic benefit of the Reinsurance Agreement, we have broken out "Net amount of claims ceded under the Reinsurance Agreement," which would otherwise have been captured in "Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods."
- (2) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions, except per share items)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Reconciliation of Net Loss to Non-GAAP Adjusted Net Income (Loss)</b>							
<b>GAAP Net Loss</b>	<b>\$ (427.3)</b>	<b>\$ (251.9)</b>	<b>\$ (99.7)</b>	<b>\$ (283.2)</b>	<b>\$ (1,062.1)</b>	<b>\$ (196.9)</b>	<b>\$ (377.2)</b>
Amortization of intangible assets	4.5	4.8	4.7	4.1	18.1	3.1	4.5
Stock-based compensation expense	164.2	201.0	198.4	160.9	724.6	153.7	176.6
Payroll tax expense related to stock-based compensation	16.5	6.8	4.9	3.3	31.5	9.5	2.5
Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods	128.0	-	-	122.3	250.3	-	275.4
Net amount from claims ceded under the Reinsurance Agreement <sup>(1)</sup>	-	-	28.2	24.6	52.8	55.3	(36.8)
Sublease income <sup>(2)</sup>	-	-	-	-	-	-	-
Costs related to acquisitions and divestitures	-	0.9	(118.7)	-	(117.7)	-	1.4
Transaction costs rel. to certain legacy auto insurance liabilities	-	20.4	-	-	20.4	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Adjusted Net Income (Loss)</b>	<b>\$ (114.1)</b>	<b>\$ (18.0)</b>	<b>\$ 17.8</b>	<b>\$ 32.1</b>	<b>\$ (82.2)</b>	<b>\$ 24.6</b>	<b>\$ 46.4</b>
Adjusted net income (loss) per share, basic	\$ (0.35)	\$ (0.05)	\$ 0.05	\$ 0.09	\$ (0.25)	\$ 0.07	\$ 0.13
Weighted-average shares used to compute adjusted net income (loss) per share, basic	326.2	332.1	337.8	342.7	334.7	346.6	350.5

(1) Reflects the net amount recognized on the statement of operations associated with claims ceded under the Reinsurance agreement, including any losses related to the deferral of gains on the statement of operations and any benefit from the amortization of the deferred gain in the same period. For transparency, to help investors understand the ultimate economic benefit of the Reinsurance Agreement, we have broken out "Net amount of claims ceded under the Reinsurance Agreement," which would otherwise have been captured in "Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods."

(2) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense. The non-GAAP presentation of sublease income as a contra-expense has no impact to Adjusted Net Income (Loss).

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.

# GAAP to Non-GAAP Reconciliations (cont.)

(\$ in millions)

	Fiscal 2021					Fiscal 2022	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
<b>Reconciliation of Net Loss to Non-GAAP Adjusted EBITDA</b>							
<b>GAAP Net Loss</b>	<b>\$ (427.3)</b>	<b>\$ (251.9)</b>	<b>\$ (99.7)</b>	<b>\$ (283.2)</b>	<b>\$ (1,062.1)</b>	<b>\$ (196.9)</b>	<b>\$ (377.2)</b>
Adjusted for the following							
Interest expense	12.9	13.1	13.4	13.3	52.8	4.7	5.2
Other income (expense), net <sup>(1)</sup>	(3.6)	(1.7)	(125.0)	(5.5)	(135.9)	(9.8)	(1.0)
Provision for (benefit from) income taxes	1.9	0.7	6.6	2.0	11.2	2.8	0.1
Depreciation and amortization	34.4	34.5	37.0	33.3	139.3	31.8	29.1
Stock-based compensation expense	164.2	201.0	198.4	160.9	724.6	153.7	176.6
Payroll tax expense related to stock-based compensation	16.5	6.8	4.9	3.3	31.5	9.5	2.5
Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods	128.0	-	-	122.3	250.3	-	275.4
Net amount from claims ceded under the Reinsurance Agreement <sup>(2)</sup>	-	-	28.2	24.6	52.8	55.3	(36.8)
Sublease income <sup>(3)</sup>	-	-	2.9	3.7	6.6	3.7	3.8
Costs related to acquisitions and divestitures	-	0.9	0.6	-	1.5	-	1.4
Transaction costs rel. to certain legacy auto insurance liabilities	-	20.4	-	-	20.4	-	-
Restructuring charges	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ (73.0)</b>	<b>\$ 23.8</b>	<b>\$ 67.3</b>	<b>\$ 74.7</b>	<b>\$ 92.9</b>	<b>\$ 54.8</b>	<b>\$ 79.1</b>
<b>Adjusted EBITDA Margin</b>	<b>(12.0%)</b>	<b>3.1%</b>	<b>7.8%</b>	<b>7.7%</b>	<b>2.9%</b>	<b>6.3%</b>	<b>8.0%</b>

(1) Other income (expense), net includes a benefit from a pre-tax gain from the divestiture relating to our self-driving vehicle division, Level 5 in Q3'21.

(2) Reflects the net amount recognized on the statement of operations associated with claims ceded under the Reinsurance agreement, including any losses related to the deferral of gains on the statement of operations and any benefit from the amortization of the deferred gain in the same period. For transparency, to help investors understand the ultimate economic benefit of the Reinsurance Agreement, we have broken out "Net amount of claims ceded under the Reinsurance Agreement," which would otherwise have been captured in "Changes to the liabilities for insurance required by regulatory agencies attributable to historical periods."

(3) For the GAAP income statement, sublease income is included as other income while the related lease rent expense is included in its respective operating expense line item. For non-GAAP purposes, sublease income is presented as a contra-expense to the related lease rent expense.

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.