



Leading the Automation of Advertising

## Q3 2015 Financial Highlights

October 27, 2015

# Safe harbor

## Forward-Looking Statements

These materials include forward-looking statements concerning or implying growth trends or expectations, including without limitation growth in our mobile, Orders, and buyer cloud businesses. Forward-looking statements are not guarantees of future performance; they reflect our current views with respect to future events and are based on assumptions and estimates and subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. These risks include our ability to grow rapidly and to manage our growth effectively, including in Orders, mobile, and video and our buyer cloud business; our ability to develop innovative new technologies and remain a market leader; our ability to attract and retain buyers and sellers and increase our business with them; the freedom of buyers and sellers to direct their spending and inventory to competing sources of inventory and demand; our ability to use our solution to purchase and sell higher value advertising and to expand the use of our solution by buyers and sellers utilizing evolving digital media platforms; the growing percentage of online and mobile advertising spending captured by owned and operated sites (such as Facebook and Google) where we are unable to participate; our ability to introduce new solutions and bring them to market in a timely manner; uncertainty of our estimates and expectations associated with new offerings, including private marketplace, mobile, bidding, and solutions; our ability to maintain a supply of advertising inventory from sellers; our limited operating history and history of losses; our ability to continue to expand into new geographic markets; the effects of increased competition in our market and our ability to compete effectively and to maintain our pricing and take rate; potential adverse effects of malicious activity such as fraudulent inventory and malware; the effects of seasonal trends on our results of operations; costs associated with defending intellectual property infringement and other claims; our ability to attract and retain qualified employees and key personnel; our ability to consummate future acquisitions of or investments in complementary companies or technologies; our ability to comply with, and the effect on our business of, evolving legal standards and regulations, particularly concerning data protection and consumer privacy; and our ability to develop and maintain our corporate infrastructure, including our finance and information technology systems and controls.

More detailed information is set forth in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, as well as other filings we make from time to time with the SEC. Also, these forward-looking statements represent our current estimates and assumptions only; unless required by federal securities laws, we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated, to reflect circumstances or events that occur after the statements are made.

# Significant Q3 2015 takeaways

1

**Continued strong growth** in non-GAAP net revenue (+80%) and non-GAAP EPS (+360%) year over year

2

**Mobile continues to grow rapidly**, increasing to 26% of RUBI managed revenue in Q3 2015 from 22% in Q2

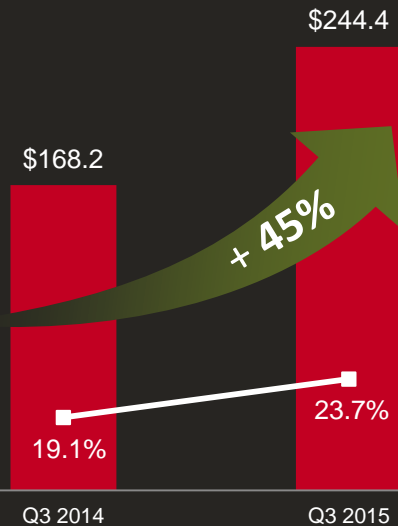
3

**Adjusted EBITDA outperformance with 163% growth Y-o-Y** and an 18% increase in FY 2015 Adjusted EBITDA outlook

Rubicon Project acquired Chango Inc. in late April 2015. Contributions from Chango are reflected throughout this presentation from the date of acquisition.

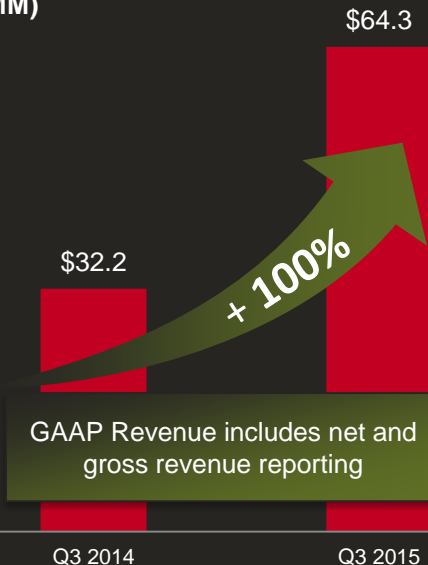
# Q3 2015 revenue highlights

**Q3 Managed Revenue<sup>(1, 2)</sup>**  
(\$MM)



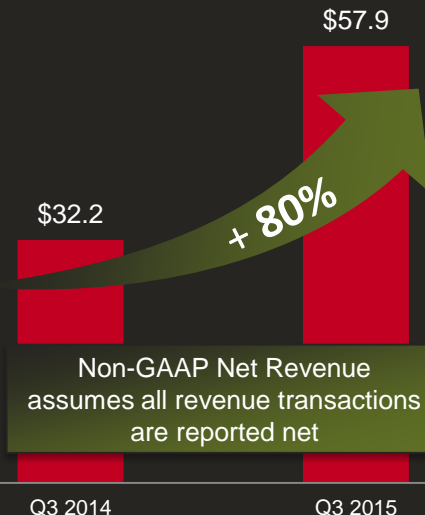
— TAKE RATE

**Q3 GAAP Revenue**  
(\$MM)



GAAP Revenue includes net and gross revenue reporting

**Q3 Non-GAAP Net Revenue<sup>(3)</sup>**  
(\$MM)



Non-GAAP Net Revenue assumes all revenue transactions are reported net

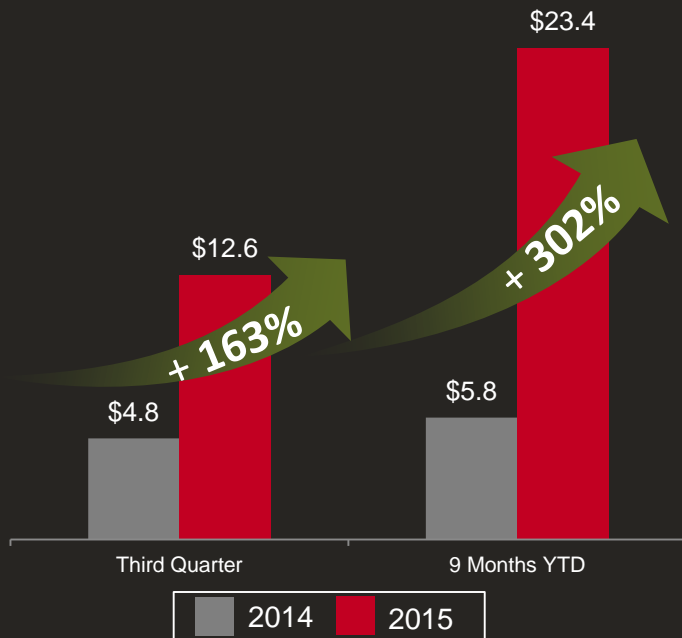
(1) Managed Revenue represents advertising spending transacted on the Company's platform.

(2) Take Rate represents Non-GAAP Net Revenue divided by Managed Revenue.

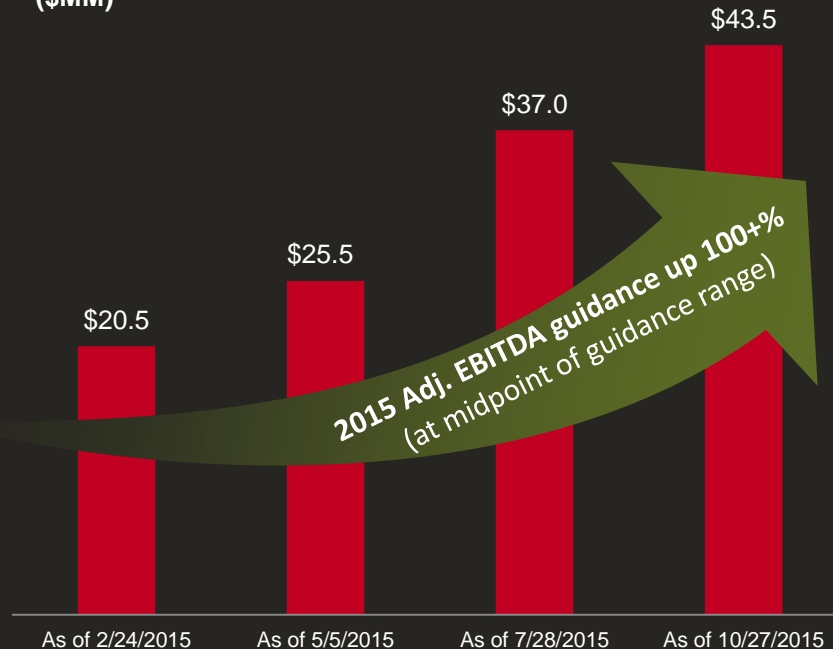
(3) Non-GAAP Net Revenue would represent GAAP Revenue if all transactions were reported on a net basis. It equals GAAP revenue less amounts paid to sellers included in cost of revenue.

# Adjusted EBITDA highlights

Q3 and 9 Months Adjusted EBITDA<sup>(1)</sup>  
(\$MM)



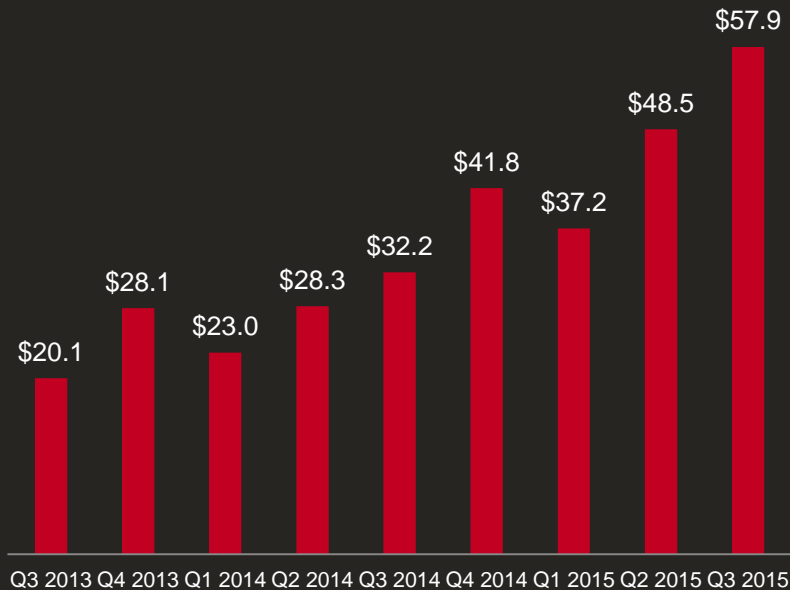
Trend in FY 2015 Guidance for Adj. EBITDA  
(\$MM)



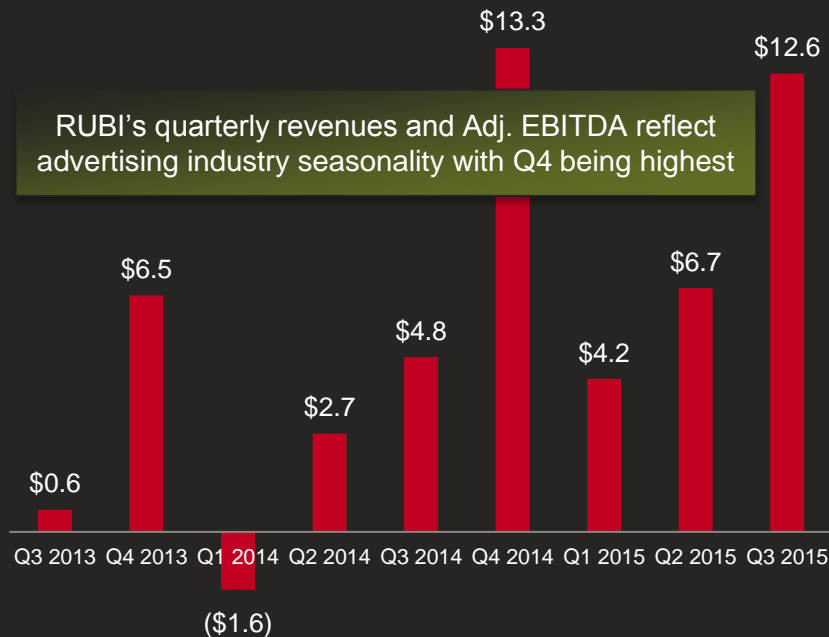
(1) The appendix provides a reconciliation of Adjusted EBITDA to net income.

# Consistently solid top and bottom line quarterly results

**Quarterly Non-GAAP Net Revenue**  
(\$MM)



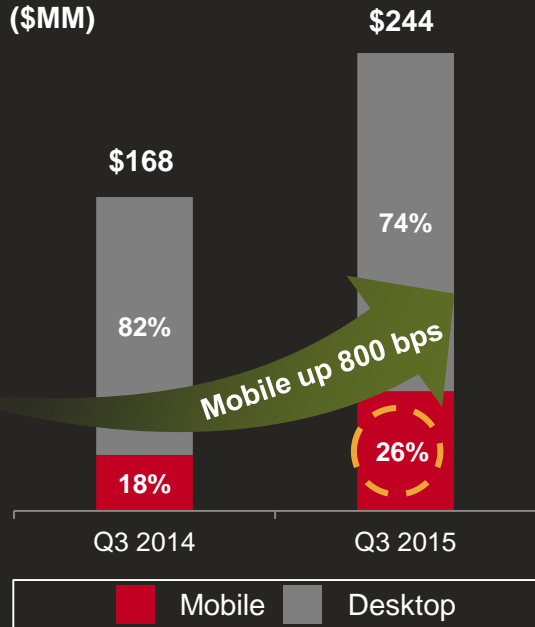
**Quarterly Adjusted EBITDA<sup>(1)</sup>**  
(\$MM)



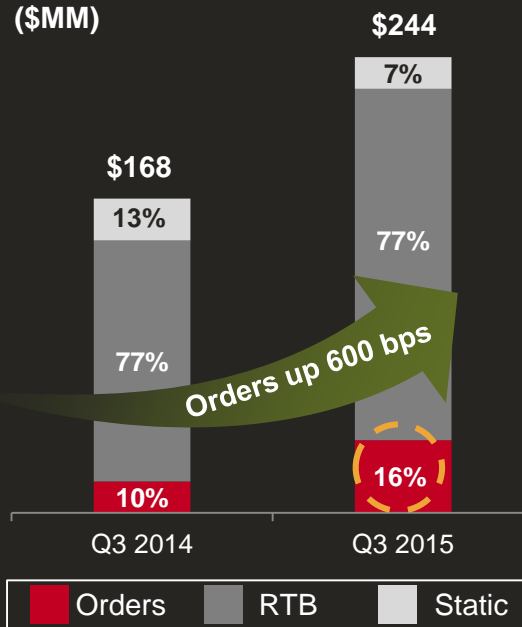
(1) The appendix provides a reconciliation of Adjusted EBITDA to net income.

# Managed revenue by channel, product and geography

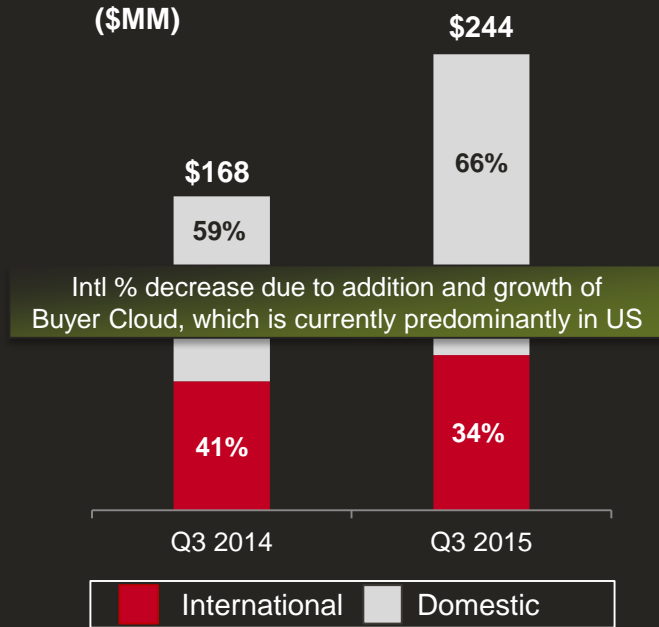
## Managed Revenue % by Channel



## Managed Revenue % by Product



## Managed Revenue % by Geography



## Balance sheet highlights

	9/30/2015	12/31/2014
<b>Financial measure: (\$MM)</b>		
<b>Cash and liquid assets</b>	\$108.1	\$97.2
<b>Debt and capital lease obligations</b>	\$Nil	\$0.1
<b>Accounts receivable, net</b>	\$158.8	\$133.3
<b>Accounts payable and accrued expenses</b>	\$167.1	\$151.0



# Appendix: Net loss to Adjusted EBITDA reconciliation

	Q3 2015	Q3 2014	9 MOS 2015	9 MOS 2014
<b>Financial Measure: (\$ MM)</b>				
Net loss	(\$3.0)	(\$4.6)	(\$20.0)	(\$20.1)
<b>Add back (deduct):</b>				
Depreciation and amortization, excluding acquisition of acquired intangible assets	3.8	3.0	11.4	7.8
Amortization of acquired intangibles	4.8	0.1	11.1	0.3
Stock-based compensation expense	8.8	7.1	22.0	16.7
Acquisition and related items	0.3	-	2.7	
Interest expense, net	-	-		0.1
Change in fair value of preferred stock warrant liabilities	-	-		0.7
Foreign currency (gain) loss, net	-	(0.8)	(1.4)	0.1
Provision for income taxes	(2.1)	-	(2.4)	0.2
<b>Adjusted EBITDA</b>	<b>\$12.6</b>	<b>\$4.8</b>	<b>\$23.4</b>	<b>\$5.8</b>

## Appendix: Reconciliation of GAAP revenue to non-GAAP net revenue

	Q3 2015	Q2 <sup>(1)</sup> 2015
<b>Financial Measure: (\$ MM)</b>		
GAAP revenue	\$64.3	\$53.0
Amounts paid to sellers:	\$6.4	\$4.5
<b>Non-GAAP net revenue</b>	<b>\$57.9</b>	<b>\$48.5</b>

(1) Rubicon Project adopted non-GAAP net revenue as a measure in Q2 2015. Prior to Q2 2015, all of the Company's revenue was recorded on a net basis.

# Appendix: depreciation and amortization

<b>Income statement includes depreciation and amortization as follows: (\$ MM)</b>	<b>Q3 2015</b>	<b>Q3 2014</b>	<b>9 MOS 2015</b>	<b>9 MOS 2014</b>
Cost of revenue	\$5.3	\$2.6	\$14.0	\$6.8
Sales and marketing	\$2.3	\$0.1	\$6.0	\$0.3
Technology and development	\$0.5	\$0.2	\$1.3	\$0.6
General and administrative	\$0.5	\$0.2	\$1.2	\$0.4
<b>Total Depreciation and Amortization</b>	<b>\$8.6</b>	<b>\$3.1</b>	<b>\$22.5</b>	<b>\$8.1</b>