

FOURTH QUARTER & FULL YEAR 2015 Earnings Review

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This presentation contains forward-looking statements that involve risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from those set forth in or implied by such forward-looking statements. All statements other than statements of historical fact contained in this presentation are forward-looking statements, including, but not limited to, statements related to Tremor Video's future financial results or growth potential, and statements with respect to future revenue mix or the development or adoption of the company's solutions. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these terms or other comparable terminology.

These statements are only current predictions and are subject to known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. These forward-looking statements are subject to a number of risks, including those described under the heading "Risk Factors" and elsewhere in Tremor Video's filings with the Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the year ended December 31, 2014 filed with the SEC on March 16, 2015, its Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 filed with the SEC on May 11, 2015, its Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 filed with the SEC on August 10, 2015, its Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 filed with the SEC on November 9, 2015 and future filings and reports by the company, including its Annual Report on Form 10-K for the year ended December 31, 2015. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, we are under no duty to update or revise any of the forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this presentation.

Q4 & FULL YEAR 2015 FINANCIAL HIGHLIGHTS

- 2015 record Total Spend¹ (formerly reported as GAAP revenue) of \$203.9 million, up 28% from last year, with Q4 2015 Total Spend up 62% year over year
- Growth in programmatic and Higher-function products continues to drive overall growth, contributing over 85% of Q4 2015 Total Spend and nearly 80% of Total Spend for the year reflecting a substantive change in our revenue composition
- Programmatic spend expected to exceed 50% of our Total Spend in 2016
- FY 2015 revenue of \$173.8 million, up 9% from last year
- Q4 2015 Adjusted EBITDA¹ of \$2.1 million, reflecting improved operating leverage
- Changing revenue recognition for seller-side platform revenue to net (which excludes inventory costs)

1. We define Total Spend as the aggregate gross spend transacted through our platforms. Total Spend and Adjusted EBITDA are non-GAAP financial measures. Please see the discussion in the section called "Non-GAAP Financial Measures" and the reconciliations included at the end of this presentation

FOURTH QUARTER AND FULL YEAR RESULTS AHEAD OF GUIDANCE

\$ MILLIONS	Q4'15		FULL YEAR 2015	
	GUIDANCE	RESULTS	GUIDANCE	RESULTS
Total Spend (formerly GAAP revenue)	\$57.1 - \$64.1	\$67.9	\$195.0 - \$200.0	\$203.9
Adjusted EBITDA	(\$0.2) - \$1.8	\$2.1	(\$5.0) - (\$7.0)	(\$4.6)

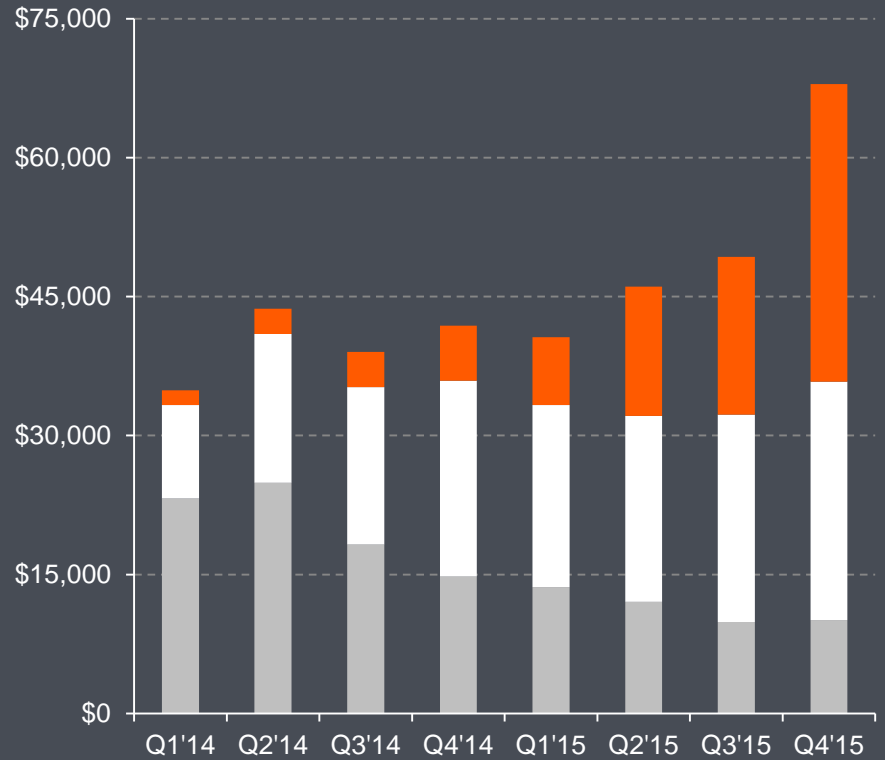
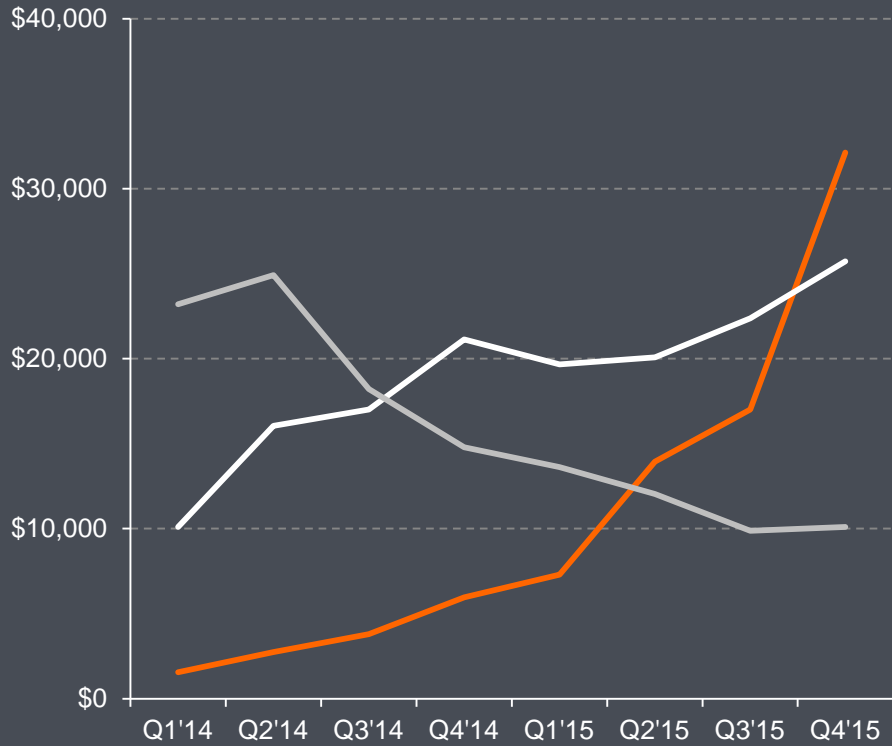
REVENUE REPORTING CHANGES DEFINED

REPORTING METRIC	DESCRIPTION
Total Spend	Total Spend is equal to our previous reporting of revenue, and is defined as the aggregate gross spend transacted through our platforms.
Revenue	Includes revenue attributable to our SSP booked net of inventory costs and revenue from our buyer platform booked on a gross basis.

Q4 & FULL YEAR 2015 FINANCIAL HIGHLIGHTS

	THREE MONTHS ENDED			YEARS ENDED		
	DECEMBER 31,		% CHANGE	DECEMBER 31,		% CHANGE
	2015	2014		2015	2014	
Total Spend	\$67,934	\$41,878	62.2%	\$203,882	\$159,487	27.8%
Revenue	\$51,757	\$41,878	23.6%	\$173,837	\$159,487	9.0%
Gross Profit	\$22,768	\$16,087	41.5%	\$74,571	\$57,814	29.0%
Gross Margin	44.0%	38.4%		42.9%	36.2%	
Adj. EBITDA	\$2,130	(\$1,775)	NM	(\$4,637)	(\$10,939)	57.6%
Net Income (Loss)	(\$2,418)	(\$5,414)	55.3%	(\$43,230)	(\$23,489)	(84.0%)
Net Loss per Share	(\$0.05)	(\$0.11)	54.5%	(\$0.84)	(\$0.46)	(82.6%)
Adj. EBITDA per Share	\$0.04	(\$0.03)	NM	(\$0.09)	(\$0.22)	59.1%

TOTAL SPEND HIGHLIGHTS & TRENDS



■ Programmatic
 Non-Programmatic Higher Function
 Non-Programmatic Media Network

2016 OUTLOOK – Q1 2016 & FULL YEAR 2016 GUIDANCE

\$ MILLIONS	Q1 2016	FY 2016
Total Spend	\$48.0 - \$50.0	\$255.0 - \$265.0
Revenue	\$34.0 - \$36.0	\$180.0 - \$190.0
Adjusted EBITDA	(\$5.0) - (\$4.0)	\$0.0 - \$5.0

FULL YEAR 2016 GUIDANCE

\$ MILLIONS	2013	2014	2015	2016 (G)
Total Spend	\$131.8	\$159.5	\$203.9	\$255 - \$265
<i>YoY % Change</i>	<i>25%</i>	<i>21%</i>	<i>28%</i>	<i>25% - 30%</i>
Long-Term % Growth				~30%
Revenue	\$131.8	\$159.5	\$173.8	\$180 - \$190
<i>YoY % Change</i>	<i>25%</i>	<i>21%</i>	<i>9%</i>	<i>4% - 9%</i>
Long-Term % Growth				20% - 25%
Adjusted EBITDA	(\$2.1)	(\$10.9)	(\$4.6)	\$0 - \$5
<i>YoY % Change</i>	<i>NM</i>	<i>NM</i>	<i>58%</i>	<i>NM</i>
<i>Long-Term Adj. EBITDA Margin¹</i>				10% - 15%

1. Long-Term Adjusted EBITDA Margin is based on a percent of Total Spend

QUARTERLY RESULTS AND 2016 GUIDANCE

\$ MILLIONS	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016 (G)
Total Spend	\$40.6	\$46.1	\$49.3	\$67.9	\$48 - \$50
<i>YoY % Change</i>	16%	5%	26%	62%	18% - 23%
Revenue	\$38.1	\$42.4	\$41.6	\$51.8	\$34 - \$36
<i>YoY % Change</i>	9%	(3%)	7%	24%	(11%) – (6%)
Adjusted EBITDA	(\$3.9)	(\$1.3)	(\$1.5)	\$2.1	(\$5) – (\$4)
<i>YoY % Change</i>	14%	43%	34%	NM	(28%) – (3%)

Q4 AND FY 2015 Q&A



APPENDIX



NON-GAAP FINANCIAL MEASURES

This presentation contains the following non-GAAP financial measures: Total Spend, Adjusted EBITDA, and Adjusted EBITDA per share. We define Total Spend as the aggregate gross spend transacted through our platforms. Total Spend does not represent revenue earned by us. We define Adjusted EBITDA as net loss plus (minus): interest expense and other income (expense), net, income tax expense, depreciation and amortization expense, non-cash stock-based compensation expense, non-cash stock-based long-term incentive compensation, non-cash impairment charges, litigation costs associated with class action securities litigation, executive severance costs, and acquisition related costs. We define Adjusted EBITDA per share as Adjusted EBITDA divided by weighted average common shares outstanding. We use these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. We believe that these measures provide useful information about our operating results, enhance the overall understanding of our past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. Non-GAAP financial measures should be considered in addition to results and guidance prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. The non-GAAP financial measures included in this presentation have been reconciled to the nearest GAAP measure in the appendix to this presentation. With respect to our expectations under “Guidance”, reconciliation of Adjusted EBITDA guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures, in particular, the measures and effects of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our stock price. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.

NON-GAAP RECONCILIATIONS

Tremor Video, Inc.
Reconciliation of Total Spend to Revenue
(in thousands)
(unaudited)

	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Total Spend	\$ 67,934	\$ 41,878	\$ 203,882	\$ 159,487
SSP Inventory costs	16,177	-	30,045	-
Revenue	<u>\$ 51,757</u>	<u>\$ 41,878</u>	<u>\$ 173,837</u>	<u>\$ 159,487</u>

NON-GAAP RECONCILIATIONS

Tremor Video, Inc.
Reconciliation of Net Loss to Adjusted EBITDA
(in thousands)
(unaudited)

	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Net loss	\$ (2,418)	\$ (5,414)	\$ (43,230)	\$ (23,489)
Adjustments:				
Non-cash impairment charges ⁽¹⁾	-	-	22,665	-
Depreciation and amortization expense	2,289	1,773	8,344	6,675
Stock-based compensation expense	830	1,328	4,007	4,622
Executive severance	588	-	1,458	-
Acquisition-related costs ⁽²⁾	333	-	892	-
Litigation expenses	34	-	328	279
Stock-based long-term incentive compensation expense	174	399	436	673
Provision for income taxes	225	199	483	343
Interest and other expense (income), net	75	(60)	(20)	(42)
Total net adjustments	4,548	3,639	38,593	12,550
Adjusted EBITDA	\$ 2,130	\$ (1,775)	\$ (4,637)	\$ (10,939)

1. During the third quarter 2015, as required under GAAP, the Company performed an interim impairment test on its assets based on a decrease in the Company's market capitalization below the carrying value of its assets. As a result of this test, the Company recorded a non-cash impairment charge of (\$22.1) million related to its goodwill and certain intangible assets. In addition, the Company recorded a non-cash impairment charge of (\$0.6) million relating to certain property and equipment maintained at its former headquarters

2. Reflects acquisition-related costs incurred in connection with the Company's acquisition of The Video Network Pty Ltd, an Australian proprietary limited company ("TVN"). Includes \$324 and \$493, respectively, of compensation-related expenses, relating to certain earnout payments that are dependent on continued employment.

NON-GAAP RECONCILIATIONS

Tremor Video, Inc.
Reconciliation of Net Loss to Adjusted EBITDA - Per Share
(unaudited)

	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Net loss	\$ (0.05)	\$ (0.11)	\$ (0.84)	\$ (0.46)
Adjustments:				
Non-cash impairment charges	-	-	0.44	-
Depreciation and amortization expense	0.04	0.04	0.16	0.13
Stock-based compensation expense	0.02	0.03	0.08	0.09
Executive severance	0.01	-	0.03	-
Acquisition-related costs	0.01	-	0.02	-
Litigation expenses	-	-	-	-
Stock-based long-term incentive compensation expense	-	0.01	0.01	0.01
Provision for income taxes	0.01	-	0.01	0.01
Interest and other expense (income), net	-	-	-	-
Total net adjustments	0.09	0.08	0.75	0.24
Adjusted EBITDA per share - basic and diluted	\$ 0.04	\$ (0.03)	\$ (0.09)	\$ (0.22)
Weighted-average number of shares of common stock outstanding:				
Basic and diluted	52,186,221	51,088,012	51,684,397	50,637,541