LendingClub

Fourth Quarter and Full Year 2018 Results

February 19, 2019

Disclaimer

Some of the statements in this presentation are “forward-looking statements.” The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “outlook,” “plan,” “predict,” “project,” “will,” “would” and similar expressions may identify forward-looking statements, although not all forward-looking statements contain these identifying words. Factors that could cause actual results to differ materially from those contemplated by these forward-looking statements include: the outcomes of pending governmental investigations and pending or threatened litigation, which are inherently uncertain; the impact of management changes and the ability to continue to retain key personnel; our ability to achieve cost savings from restructurings; our ability to continue to attract and retain new and existing retail and institutional investors; competition; overall economic conditions; demand for the types of loans facilitated by us; default rates and those factors set forth in the section titled “Risk Factors” in our most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K, each as filed with the SEC. We may not actually achieve the plans, intentions or expectations disclosed in forward-looking statements, and you should not place undue reliance on forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in forward-looking statements. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This presentation contains non-GAAP measures relating to our performance. We have included certain pro forma adjustments in our presentation of non-GAAP Operating Expenses, non-GAAP Sales and Marketing expense, non-GAAP Origination and Servicing expense, non-GAAP Engineering and Product Development expense, non-GAAP Other General and Administrative expense, non-GAAP Adjusted Net Income (Loss), non-GAAP Adjusted Earnings Per Diluted Share, non-GAAP Contribution, non-GAAP Contribution Margin, non-GAAP Adjusted EBITDA, non-GAAP Adjusted EBITDA Margin, non-GAAP Adjusted Investor Fees and total net revenue adjusted for structured program revenue. The adjustments exclude items that are non-recurring or unusual in nature. We believe these non-GAAP measures provide management and investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and enable comparison of our financial results with other public companies, many of which present similar non-GAAP financial measures.

These measures may be different from non-GAAP financial measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with generally accepted accounting principles. You can find the reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures in the Appendix at the end of this presentation.

Information in this presentation is not an offer to sell securities or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Additional information about LendingClub is available in the prospectus for LendingClub’s notes, which can be obtained on LendingClub’s website at https://www.lendingclub.com/info/prospectus.action.

Full Year Highlights

Strong momentum in dynamic market.

- Record loan origination volume ($10.9B) and record net revenue ($694.8M)
- Record Adjusted EBITDA[1] ($97.5M) up 119%, with EBITDA margins of 14.0%, up from 7.8% in 2017
- Record customers served; 58% within 24 hours in 2018, up from 41% in 2017
- Net Promoter Score rises to 78.4 in 2018, up from 71.4 in 2017
- Record loan service portfolio of $13.7B

Business model resilience enabled LendingClub to use credit, price, mix and scale to rapidly adapt.

- Tightened credit by 17%; raised interest rates by 49bps to 114bps
- Shifted mix to higher grade A & B loans which accounted for 56% of Standard program loan originations in 2018, up from 45% in 2017
- Expanded access to larger pools of institutional capital with CLUB Certificates funding $1.1B since inception; $478M in 4Q 2018

Further steps to simplify our business.

- Process started in 1Q 2018 continuing in 2019
- Leveraging business process outsourcing, geolocation, our scale, and other initiatives
- Goal to focus engineering and operational capacity, lower unit costs and increase variable cost %
- Targeting Adjusted Net Income profitability over 2H 2019

Growing responsibly in 2019; building resilience for an uncertain macroeconomic environment.

1) Adjusted EBITDA includes non-GAAP reconciling items consisting of stock-based compensation expense of $75.1 million in full year 2018, and depreciation, impairment, amortization and other net adjustments of $54.7 million in full year 2018. Adjusted EBITDA also excludes $53.5 million of legal, regulatory and other expense related to legacy issues, $35.6 million of goodwill impairment related to the Company's patient and education finance unit that we recognized in the first six months of 2018 and $6.8 million of expenses related to our cost structure simplification. Please refer to the discussion under "Non-GAAP Measures" of our earnings release for further information.

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Progress On Investor Day Strategic Targets

2018 Strategic Goals	Status
Accelerate personal loan growth while prudently managing credit.	✓✓
Invest in auto and leverage secured capabilities for personal loans.	✓✓
Strengthen our investor franchise by expanding securitizations and growing new structures.	✓✓
Address legacy issues.	✓

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2019 Outlook and Priorities

Responsible growth

- Product and process improvements in demand generation, throughput and lifetime value
- New loan servicing infrastructure and tools
- Deepening partnership with largest investors
- Cost simplification

Continued careful capital allocation, innovating for long term growth while managing operational and regulatory risk

Simplifying our operations and costs, targeting Adjusted Net Income profitability over 2H 2019

Progress On Investor Day Financial Targets

	Guidance Mid-Point	Full Year 2018 Results
Net Revenue	$692.5M	**$694.8M**
GAAP Consolidated Net Loss	n/a	**$(128.2M)**
Contribution Margin	47.5%	**48.8%**
Adjusted EBITDA	$82.5M	**$97.5M**
Adjusted EBITDA Margin	11.9%	**14.0%**
Adjusted Net Loss	$(45.5M)[1]	**$(32.4M)[2]**

1) Guidance excluded certain expenses that are either non-recurring or unusual in nature. 2) Excludes certain expenses that are either non-recurring or unusual in nature, such as $53.5 million of legal, regulatory and other expense related to legacy issues, $35.6 million of goodwill impairment related to the Company's patient and education finance unit that we recognized in the first six months of 2018 and $6.8 million of expenses related to our cost structure simplification.

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First Quarter and Full Year 2019 Guidance

	Q1 2019 ($ in millions)	FY 2019 ($ in millions)	Notes
Total Net Revenue	$162 – $172	$765 – $795	
GAAP Consolidated Net Loss[1]	$(20) – $(15)	$(29) – $(9)	Actual results for GAAP Consolidated Net Income (Loss) and Adjusted Net Income (Loss) will differ as expenses related to our legacy legal issues and cost structure simplification become available. Such items will not impact Adjusted Net Income (Loss) but will impact GAAP Consolidated Net Income (Loss).
Adjusted Net Loss[1,2]	$(20) – $(15)	$(29) – $(9)	
Adjusted EBITDA[1]	$13 – $18	$115 – $135	

1) Guidance excludes certain expenses that are either non-recurring or unusual in nature. See Appendix for a reconciliation of these non-GAAP measures.
2) In the fourth quarter of 2018, we revised the calculation of Adjusted Net Income (Loss) and Adjusted EPS to adjust for certain expenses that are either non-recurring or unusual in nature, such as expenses related to our cost structure simplification, goodwill impairment and legacy issues that have resulted in elevated legal costs.

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Simplification Program
Driving Margin Expansion

	Progress	Impacts
Business Process Outsourcing	Ongoing since 1Q 2018	Origination & Servicing, Engineering & Product Development
Geolocation	Ongoing since 4Q 2018	Origination & Servicing, Marketing & Sales, G&A
Leveraging Our Scale	Ongoing since 1Q 2018	All Expenses
Other initiatives	Started 1Q 2019	All Expenses

LendingClub's Business Model

An Online Marketplace

Borrowers
earn savings and financial control

Investors
earn solid returns

All loans originated and issued by our federally regulated issuing bank partners.

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Our Competitive Advantage

LendingClub provides tools that help Americans on their path to financial health through lower borrowing costs and a seamless user experience.

The company is the market leader in personal loans, a $130 billion+ industry and the fastest growing segment of consumer credit in the United States, and has an estimated addressable revolving debt market opportunity of more than $1 trillion.

The company's marketplace gives it unique strengths which enable it to expand its market opportunity, competitive advantage, and growth potential:

- Our marketplace model generates savings for borrowers by finding and matching the lowest cost of capital with the right borrower and attracts investors with the lowest cost of capital by efficiently generating targeted returns and duration diversification
- Our broad spectrum of borrowers and lenders enables us to serve more customers and to enhance our marketing efficiency
- Scale, data and innovation enable us to generate and convert demand efficiently while managing price and credit risk effectively (2.5M+ customers)

The company is enhancing its operating leverage and capacity to generate cash with efficiency initiatives.

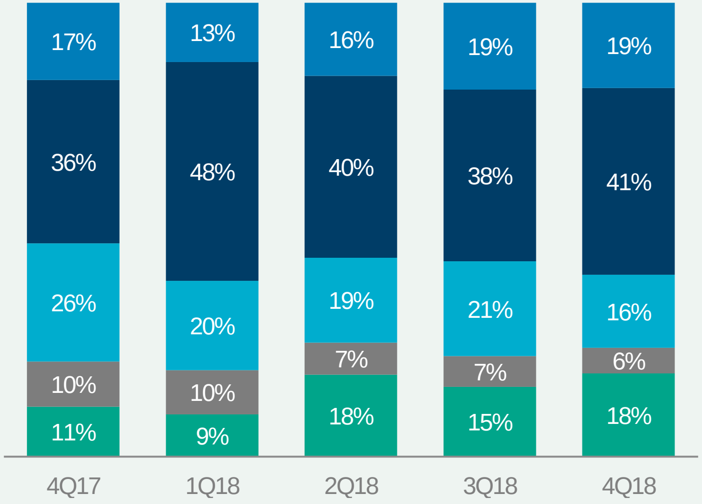
Financial Metrics

LendingClub Platform Investors

Diverse investor channels provide breadth of credit appetite and flexibility to adapt to various market conditions.

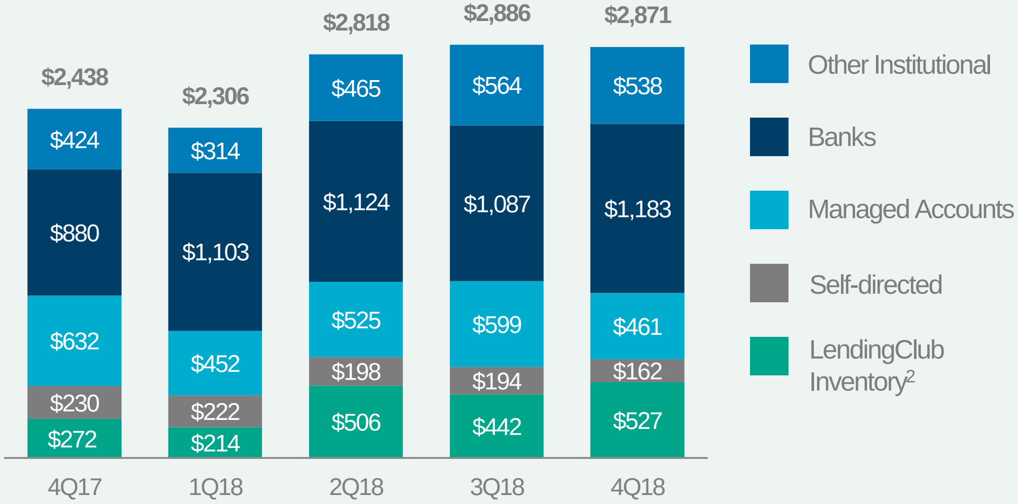
Originations Mix by Funding Source

(as a % of total platform originations)



Platform Originations by Funding Source[1]

($ in millions)



(1) There may be differences between the sum of the quarterly results due to rounding.
(2) Represents the percentage of loan originations in the period that were purchased by the Company and not yet sold as of the period end. It is the Company's expectation that most of these loans will be included in future structured program transactions or sold in whole loan format in subsequent periods.

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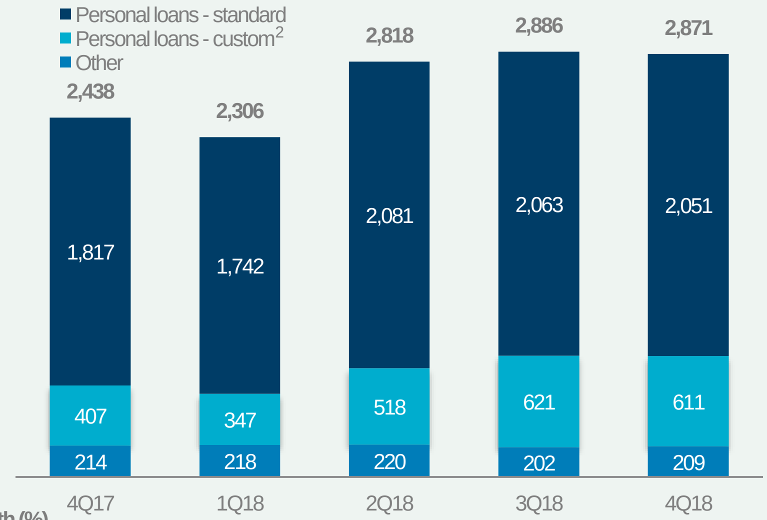
Originations & Revenue

Grew quarterly originations by 18% and net revenue by 16% year-over-year.

Quarterly Originations[1]

($ in millions)



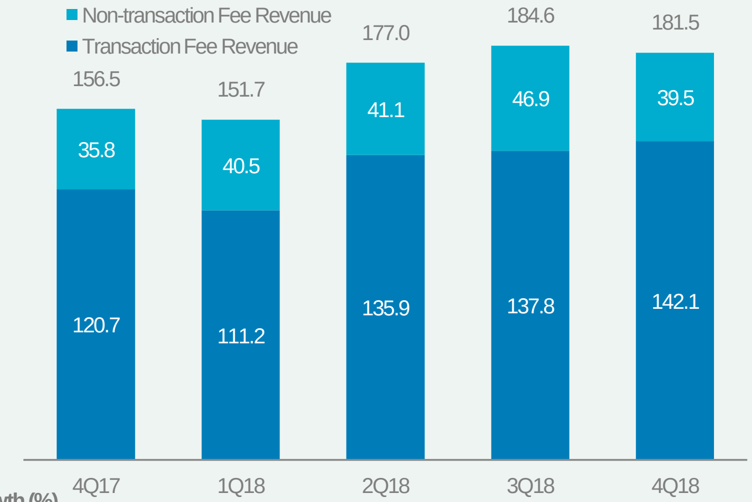
Growth (%)

	4Q17	1Q18	2Q18	3Q18	4Q18
YoY	23%	18%	31%	18%	18%
QoQ	0%	(5%)	22%	2%	(1%)

(1) There may be differences between the sum of the quarterly results due to rounding.
(2) Personal loans - custom includes loans made to near-prime and super-prime borrowers, as well as testing program originations.

Quarterly Total Net Revenue[1]

($ in millions)



Growth (%)

	4Q17	1Q18	2Q18	3Q18	4Q18
YoY	20%	22%	27%	20%	16%
QoQ	2%	(3%)	17%	4%	(2%)
Yield	6.42%	6.58%	6.28%	6.40%	6.32%

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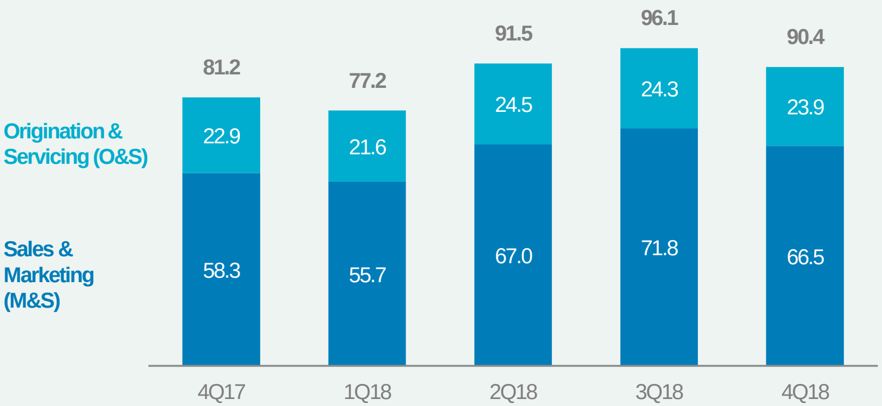
Contribution Margin[2]

Achieved a record quarterly Contribution Margin of $91.0M, or 50.1% of net revenue.

Quarterly expenses impacting Contribution Margin[1]

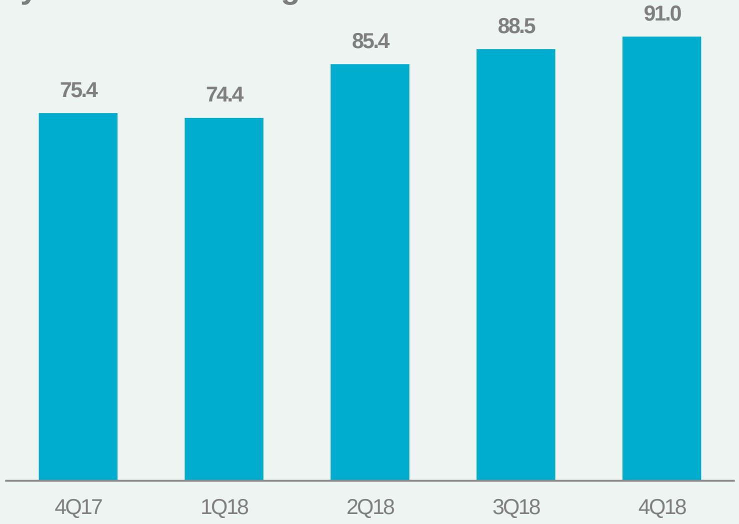
($ in millions)



	4Q17	1Q18	2Q18	3Q18	4Q18
O&S % of Originations	0.94%	0.94%	0.87%	0.84%	0.83%
M&S % of Originations	2.39%	2.41%	2.38%	2.49%	2.32%
Total % of Originations	3.33%	3.35%	3.25%	3.33%	3.15%
Total % of Revenues	51.9%	50.9%	51.7%	52.1%	49.8%

Quarterly Contribution Margin[1,2]

($ in millions)



	4Q17	1Q18	2Q18	3Q18	4Q18
Margin % of Revenue	48.2%	49.1%	48.3%	47.9%	50.1%

(1) There may be differences between the sum of the quarterly results due to rounding.

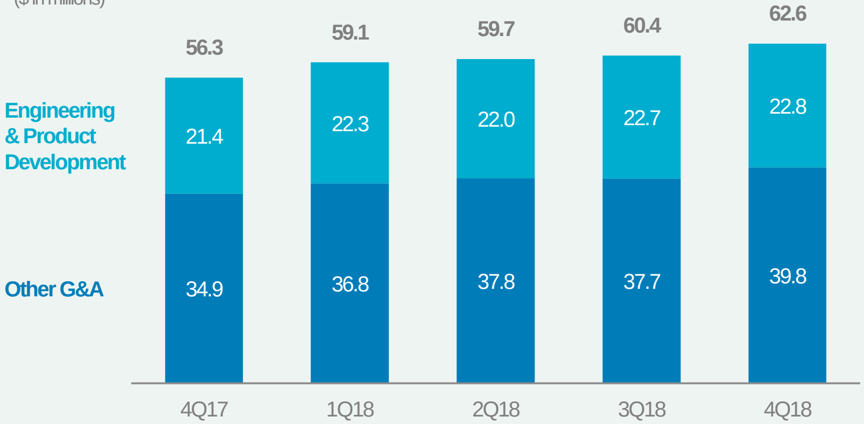
(2) Contribution is calculated as net revenue less "sales and marketing" and "origination and servicing" expenses on the Company's Statements of Operations, adjusted to exclude cost structure simplification and non-cash stock-based compensation expenses within these captions and income or loss attributable to noncontrolling interests. Contribution Margin is a non-GAAP financial measure calculated by dividing Contribution by total net revenue. See Appendix for a reconciliation of this non-GAAP measure.

Adjusted EBITDA Margin[2]

Delivered record quarterly Adjusted EBITDA of $28.5M, driven by higher net revenue and improving operating leverage.

Quarterly Expenses impacting Adjusted EBITDA Margin[1]

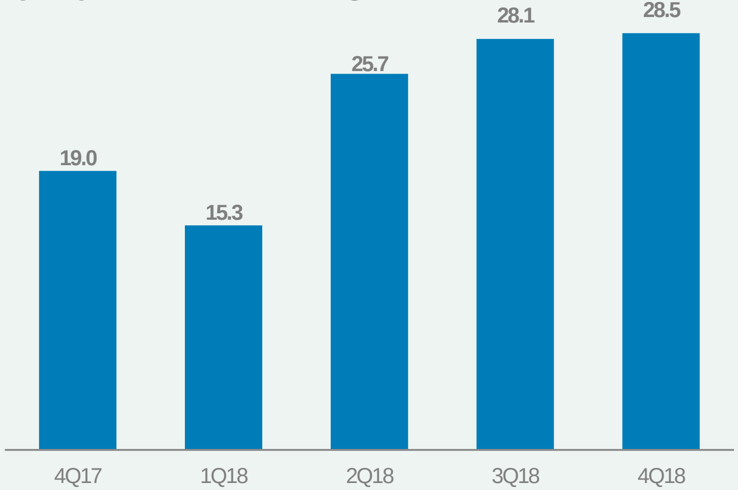
($ in millions)



	4Q17	1Q18	2Q18	3Q18	4Q18
Eng. & PD (% of Rev.)	13.7%	14.7%	12.4%	12.3%	12.5%
Other G&A (% of Rev.)	22.3%	24.3%	21.3%	20.4%	21.9%
Total % of Revenue	36.0%	39.0%	33.8%	32.7%	34.5%

Quarterly Adjusted EBITDA Margin[1]

($ in millions)



	4Q17	1Q18	2Q18	3Q18	4Q18
Margin % of Revenue	12.2%	10.1%	14.5%	15.2%	15.7%

(1) There may be differences between the sum of the quarterly results due to rounding.

(2) Adjusted EBITDA is a non-GAAP financial measure that we calculate as net income (loss), excluding depreciation and impairment expense, amortization of intangible assets, stock-based compensation expense, income tax expense (benefit), acquisition related expenses, legal, regulatory and other expense related to legacy issues, cost structure simplification, goodwill impairment, and income or loss attributable to noncontrolling interests. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by total net revenue. See Appendix for a reconciliation of this non-GAAP measure.

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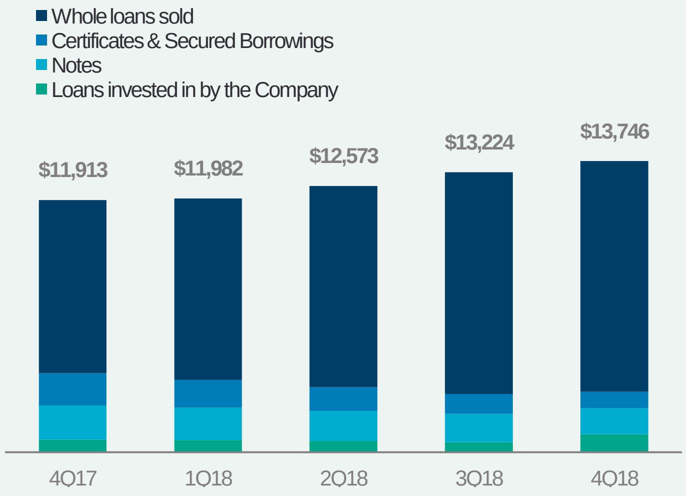
Servicing Portfolio Recurring Revenue

Growth in Adjusted Investor Fee Revenue driven by increase in Servicing Portfolio Balance.

Servicing Portfolio Balance[1]

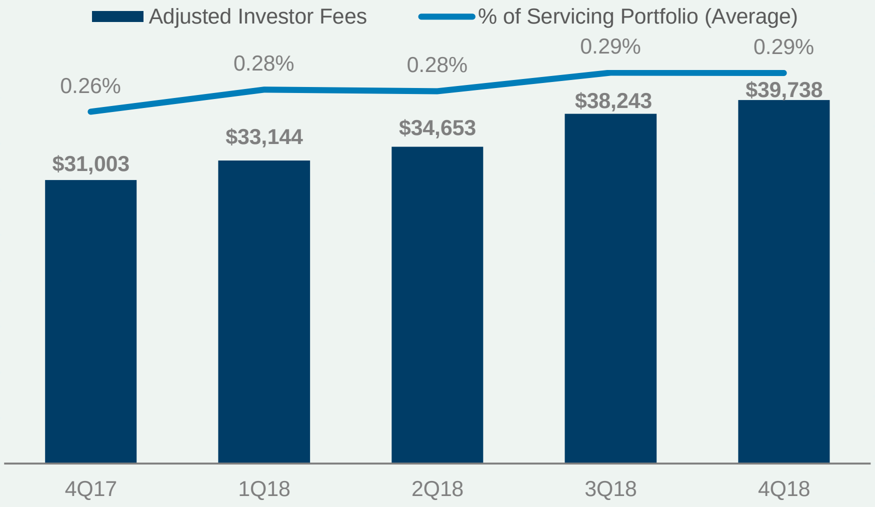
($ in millions)



Y/Y %	7%	8%	13%	15%	15%

Adjusted Investor Fee Revenue[2]

($ in thousands)



36%	36%	36%	42%	28%

(1) Servicing Portfolio Balance represents outstanding principal balance of loans that we serviced at the end of the periods indicated, and financed with notes, certificates & secured borrowings, and whole loans sold (including loans invested in by the Company).
(2) Adjusted Investor Fee Revenue is a non-GAAP financial measure that excludes the impact of changes in fair value of our servicing asset/liability over the life of the loan.

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Appendix:
Financial Reconciliations

GAAP to Non-GAAP Reconciliation: **Operating Expenses**

	Year Ended Dec. 31,			Three Months Ended							
(in thousands, except percentages) (unaudited)	2016	2017	2018	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Total net revenue	**$ 500,812**	**$ 574,540**	**$ 694,812**	**$ 124,482**	**$ 139,573**	**$ 154,030**	**$ 156,455**	**$ 151,667**	**$ 176,979**	**$ 184,645**	**$ 181,521**
GAAP sales and marketing	$ 216,670	$ 229,865	$ 268,517	$ 54,583	$ 55,582	$ 59,570	$ 60,130	$ 57,517	$ 69,046	$ 73,601	$ 68,353
Stock-based compensation expense	7,546	7,654	7,362	2,299	1,967	1,591	1,797	1,860	2,023	1,791	1,688
Cost structure simplification expense (1)	—	—	131	—	—	—	—	—	—	—	131
Non-GAAP sales and marketing	**$ 209,124**	**$ 222,211**	**$ 261,024**	**$ 52,284**	**$ 53,615**	**$ 57,979**	**$ 58,333**	**$ 55,657**	**$ 67,023**	**$ 71,810**	**$ 66,534**
% Total net revenue	*41.8%*	*38.7%*	*37.6%*	*42.0%*	*38.4%*	*37.6%*	*37.3%*	*36.7%*	*37.9%*	*38.9%*	*36.7%*
GAAP origination and servicing	$ 74,760	$ 86,891	$ 99,376	$ 20,449	$ 21,274	$ 21,321	$ 23,847	$ 22,645	$ 25,593	$ 25,431	$ 25,707
Stock-based compensation expense	4,159	4,804	4,322	1,416	1,354	1,049	985	1,072	1,102	1,104	1,044
Cost structure simplification expense (1)	—	—	749	—	—	—	—	—	—	—	749
Non-GAAP origination and servicing	**$ 70,601**	**$ 82,087**	**$ 94,305**	**$ 19,033**	**$ 19,920**	**$ 20,272**	**$ 22,862**	**$ 21,573**	**$ 24,491**	**$ 24,327**	**$ 23,914**
% Total net revenue	*14.1%*	*14.3%*	*13.6%*	*15.3%*	*14.3%*	*13.2%*	*14.6%*	*14.2%*	*13.8%*	*13.2%*	*13.2%*
GAAP engineering and product development	$ 115,357	$ 142,264	$ 155,255	$ 35,760	$ 35,718	$ 32,860	$ 37,926	$ 36,837	$ 37,650	$ 41,216	$ 39,552
Stock-based compensation expense	19,858	22,047	20,478	6,588	5,773	4,640	5,046	5,279	5,464	5,332	4,403
Depreciation and amortization	20,906	36,790	45,037	7,794	8,483	9,026	11,487	9,247	10,197	13,221	12,372
Non-GAAP engineering and product development	**$ 74,953**	**$ 83,427**	**$ 89,740**	**$ 21,378**	**$ 21,462**	**$ 19,194**	**$ 21,393**	**$ 22,311**	**$ 21,989**	**$ 22,663**	**$ 22,777**
% Total net revenue	*15.0%*	*14.5%*	*12.9%*	*17.2%*	*15.4%*	*12.5%*	*13.7%*	*14.7%*	*12.4%*	*12.3%*	*12.5%*
GAAP other general and administrative, legal, regulatory and other expense related to legacy issues and goodwill impairment	$ 244,222	$ 268,933	$ 299,774	$ 43,574	$ 52,495	$ 46,925	$ 125,939	$ 65,809	$ 105,478	$ 67,184	$ 61,303
Stock-based compensation expense	37,638	36,478	42,925	9,195	9,994	8,826	8,463	9,590	11,208	11,544	10,583
Depreciation	4,216	5,130	5,852	1,298	1,305	1,246	1,281	1,419	1,420	1,488	1,525
Acquisition and related expenses	1,174	349	—	293	56	—	—	—	—	—	—
Amortization of intangibles	4,760	4,288	3,875	1,162	1,057	1,034	1,035	1,035	959	940	941
Cost structure simplification expense (1)	—	—	5,902	—	—	—	—	—	—	—	5,902
Goodwill impairment	37,050	—	35,633	—	—	—	—	—	35,633	—	—
Legal, regulatory and other expense related to legacy issues (2)	—	80,250	53,518	—	—	—	80,250	16,973	18,501	15,474	2,570
Non-GAAP other general and administrative	**$ 159,384**	**$ 142,438**	**$ 152,069**	**$ 31,626**	**$ 40,083**	**$ 35,819**	**$ 34,910**	**$ 36,792**	**$ 37,757**	**$ 37,738**	**$ 39,782**
% Total net revenue	*31.8%*	*24.8%*	*21.9%*	*25.4%*	*28.7%*	*23.3%*	*22.3%*	*24.3%*	*21.3%*	*20.4%*	*21.9%*

(1) Includes personnel-related expense associated with establishing a site in the Salt Lake City area and external advisory fees. These expenses are included in “Sales and marketing,” “Origination and servicing” and “Other general and administrative” expense on the Company’s Consolidated Statements of Operations.

(2) Includes class action and regulatory litigation expense and legal and other expenses, which are included in “Class action and regulatory litigation expense” and “Other general and administrative” expense, respectively, on the Company’s Condensed Consolidated Statements of Operations. Amounts prior to the fourth quarter of 2017 have not been reclassified because legacy legal expenses incurred in 2017 and prior were generally offset by insurance proceeds, resulting in no net material cumulative impact to 2017 earnings.

Adjusted Net Income (Loss) Reconciliation

Adjusted Net Income (Loss) is a non-GAAP financial measure that we calculate as LendingClub Net Income (Loss) adjusted to exclude certain expenses that are either non-recurring or unusual in nature, such as expenses related to our cost structure simplification, goodwill impairment and legacy issues that have resulted in elevated legal costs, net of tax.

	Year Ended Dec. 31,			Three Months Ended							
(in thousands, except per share data) (unaudited)	2016	2017	2018	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
GAAP LendingClub net loss	$ (145,969)	$ (153,835)	$ (128,308)	$ (29,844)	$ (25,454)	$ (6,530)	$ (92,007)	$ (31,181)	$ (60,861)	$ (22,804)	$ (13,462)
Cost structure simplification expense (1)	—	—	6,782	—	—	—	—	—	—	—	6,782
Goodwill impairment	37,050	—	35,633	—	—	—	—	—	35,633	—	—
Legal, regulatory and other expense related to legacy issues (2)	—	80,250	53,518	—	—	—	80,250	16,973	18,501	15,474	2,570
Income tax (benefit) expense	(4,118)	—	—	—	—	—	—	—	—	—	—
Adjusted net loss (3)	**$ (113,037)**	**$ (73,585)**	**$ (32,375)**	**$ (29,844)**	**$ (25,454)**	**$ (6,530)**	**$ (11,757)**	**$ (14,208)**	**$ (6,727)**	**$ (7,330)**	**$ (4,110)**
Weighted-average GAAP diluted shares	387,762	408,996	422,917	400,309	406,677	412,779	416,005	418,299	421,194	424,359	427,697
Weighted-average other dilutive equity awards	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP diluted shares (4)	**387,762**	**408,996**	**422,917**	**400,309**	**406,677**	**412,779**	**416,005**	**418,299**	**421,194**	**424,359**	**427,697**
Adjusted EPS - diluted (3)	**$ (0.29)**	**$ (0.18)**	**$ (0.08)**	**$ (0.07)**	**$ (0.06)**	**$ (0.02)**	**$ (0.03)**	**$ (0.03)**	**$ (0.02)**	**$ (0.02)**	**$ (0.01)**

(1) Includes personnel-related expense associated with establishing a site in the Salt Lake City area and external advisory fees. These expenses are included in "Sales and marketing," "Origination and servicing" and "Other general and administrative" expense on the Company's Consolidated Statements of Operations.

(2) Includes class action and regulatory litigation expense and legal and other expenses, which are included in "Class action and regulatory litigation expense" and "Other general and administrative" expense, respectively, on the Company's Condensed Consolidated Statements of Operations. Amounts prior to the fourth quarter of 2017 have not been reclassified because legacy legal expenses incurred in 2017 and prior were generally offset by insurance proceeds, resulting in no net material cumulative impact to 2017 earnings.

(3) In the fourth quarter of 2018, we revised the calculation of Adjusted Net Income (Loss) and Adjusted EPS to adjust for certain expenses that are either non-recurring or unusual in nature, such as expenses related to our cost structure simplification, goodwill impairment and legacy issues that have resulted in elevated legal costs, net of tax. Prior period amounts have been reclassified to conform to the current period presentation.

(4) Net of shares repurchased in the first quarter of 2016 under the Company's share repurchase program.

Contribution Reconciliation & Definition

Contribution is a non-GAAP financial measure that we calculate as net revenue less “sales and marketing” and “origination and servicing” expenses on the Company’s Statements of Operations, adjusted to exclude cost structure simplification and non-cash stock-based compensation expenses within these captions and income or loss attributable to noncontrolling interests. Contribution Margin is a non-GAAP financial measure calculated by dividing contribution by total net revenue.

	Year Ended Dec. 31,			Three Months Ended							
(in thousands, except percentages) (unaudited)	2016	2017	2018	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
GAAP consolidated net income (loss)	$ (145,969)	$ (154,045)	$ (128,153)	$ (29,844)	$ (25,444)	$ (6,659)	$ (92,098)	$ (31,180)	$ (60,812)	$ (22,749)	$ (13,412)
GAAP general and administrative expense:											
Engineering and product development	115,357	142,264	155,255	35,760	35,718	32,860	37,926	36,837	37,650	41,216	39,552
Other general and administrative	207,172	191,683	228,641	43,574	52,495	46,925	48,689	52,309	57,583	57,446	61,303
Cost structure simplification expense [1]	—	—	880	—	—	—	—	—	—	—	880
Goodwill impairment	37,050	—	35,633	—	—	—	—	—	35,633	—	—
Class action and regulatory litigation expense	—	77,250	35,500	—	—	—	77,250	13,500	12,262	9,738	—
Stock-based compensation expense: [2]											
Sales and marketing	7,546	7,654	7,362	2,299	1,967	1,591	1,797	1,860	2,023	1,791	1,688
Origination and servicing	4,159	4,804	4,322	1,416	1,354	1,049	985	1,072	1,102	1,104	1,044
Income tax expense (benefit)	(4,228)	632	43	(40)	(52)	13	711	39	24	(38)	18
(Income) Loss attributable to noncontrolling interests	—	210	(155)	—	(10)	129	91	(1)	(49)	(55)	(50)
Contribution	**$ 221,087**	**$ 270,452**	**$ 339,328**	**$ 53,165**	**$ 66,028**	**$ 75,908**	**$ 75,351**	**$ 74,436**	**$ 85,416**	**$ 88,453**	**$ 91,023**
Total net revenue	$ 500,812	$ 574,540	$ 694,812	$ 124,482	$ 139,573	$ 154,030	$ 156,455	$ 151,667	$ 176,979	$ 184,645	$ 181,521
Contribution margin	**44.1%**	**47.1%**	**48.8%**	**42.7%**	**47.3%**	**49.3%**	**48.2%**	**49.1%**	**48.3%**	**47.9%**	**50.1%**

[1] Excludes the portion of personnel-related expense associated with establishing a site in the Salt Lake City area that are included in the “Sales and marketing” and “Origination and servicing” expense categories.
[2] Excludes stock-based compensation expense included in the “Sales and marketing” and “Origination and servicing” expense categories.

Contribution as a Percent of Originations

Contribution is a non-GAAP financial measure that we calculate as net revenue less "sales and marketing" and "origination and servicing" expenses on the Company's Statements of Operations, adjusted to exclude cost structure simplification and non-cash stock-based compensation expenses within these captions and income or loss attributable to noncontrolling interests. Contribution Margin is a non-GAAP financial measure calculated by dividing contribution by total net revenue.

	Year Ended Dec. 31,			Three Months Ended							
(in thousands, except percentages or as noted) (unaudited) [1]	2016	2017	2018	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Loan originations ($ mm)	**$ 8,665**	**$ 8,987**	**$ 10,882**	**$ 1,959**	**$ 2,147**	**$ 2,443**	**$ 2,438**	**$ 2,306**	**$ 2,818**	**$ 2,886**	**$ 2,871**
Total net revenue	**$ 500,812**	**$ 574,540**	**$ 694,812**	**$ 124,482**	**$ 139,573**	**$ 154,030**	**$ 156,455**	**$ 151,667**	**$ 176,979**	**$ 184,645**	**$ 181,521**
% of loan originations	*5.78%*	*6.39%*	*6.38%*	*6.36%*	*6.50%*	*6.31%*	*6.42%*	*6.58%*	*6.28%*	*6.40%*	*6.32%*
Non-GAAP sales and marketing	$ 209,124	$ 222,211	$ 261,024	$ 52,284	$ 53,615	$ 57,979	$ 58,333	$ 55,657	$ 67,023	$ 71,810	$ 66,534
Non-GAAP origination and servicing	$ 70,601	$ 82,087	$ 94,305	$ 19,033	$ 19,920	$ 20,272	$ 22,862	$ 21,573	$ 24,491	$ 24,327	$ 23,914
Total non-GAAP sales and marketing & origination and servicing [1]	**$ 279,725**	**$ 304,298**	**$ 355,329**	**$ 71,317**	**$ 73,535**	**$ 78,251**	**$ 81,195**	**$ 77,230**	**$ 91,514**	**$ 96,137**	**$ 90,448**
% of loan originations	*3.23%*	*3.39%*	*3.27%*	*3.64%*	*3.43%*	*3.20%*	*3.33%*	*3.35%*	*3.25%*	*3.33%*	*3.15%*
(Income) Loss attributable to noncontrolling interests	$ —	$ 210	$ (155)	$ —	$ (10)	$ 129	$ 91	$ (1)	$ (49)	$ (55)	$ (50)
Contribution	**$ 221,087**	**$ 270,452**	**$ 339,328**	**$ 53,165**	**$ 66,028**	**$ 75,908**	**$ 75,351**	**$ 74,436**	**$ 85,416**	**$ 88,453**	**$ 91,023**
% of loan originations	*2.55%*	*3.01%*	*3.12%*	*2.71%*	*3.08%*	*3.11%*	*3.09%*	*3.23%*	*3.03%*	*3.06%*	*3.17%*

[1] There may be differences between the sum of the quarterly results and the total annual results due to rounding.

Adjusted EBITDA Definition and Reconciliation

Adjusted EBITDA is a non-GAAP financial measure that we calculate as net income (loss) before depreciation, impairment and amortization expense, stock-based compensation expense, income tax expense (benefit), acquisition related expenses, cost structure simplification expense, goodwill impairment, legal, regulatory and other expense related to legacy issues and income or loss attributable to noncontrolling interests. Adjusted EBITDA Margin is a non-GAAP financial measure calculated by dividing Adjusted EBITDA by total net revenue.

	Year Ended Dec. 31,			Three Months Ended							
(in thousands, except percentages) (unaudited)	2016	2017	2018	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
GAAP consolidated net income (loss)	$ (145,969)	$ (154,045)	$ (128,153)	$ (29,844)	$ (25,444)	$ (6,659)	$ (92,098)	$ (31,180)	$ (60,812)	$ (22,749)	$ (13,412)
Acquisition and related expense	1,174	349	—	293	56	—	—	—	—	—	—
Depreciation and impairment expense:											
Engineering and product development	20,906	36,790	45,037	7,794	8,483	9,026	11,487	9,247	10,197	13,221	12,372
Other general and administrative	4,216	5,130	5,852	1,298	1,305	1,246	1,281	1,419	1,420	1,488	1,525
Amortization of intangible assets	4,760	4,288	3,875	1,162	1,057	1,034	1,035	1,035	959	940	941
Cost structure simplification expense (1)	—	—	6,782	—	—	—	—	—	—	—	6,782
Goodwill impairment	37,050	—	35,633	—	—	—	—	—	35,633	—	—
Legal, regulatory and other expense related to legacy issues (2)	—	80,250	53,518	—	—	—	80,250	16,973	18,501	15,474	2,570
Stock-based compensation expense	69,201	70,983	75,087	19,498	19,088	16,106	16,291	17,801	19,797	19,771	17,718
Income tax expense (benefit)	(4,228)	632	43	(40)	(52)	13	711	39	24	(38)	18
(Income) Loss attributable to noncontrolling interests	—	210	(155)	—	(10)	129	91	(1)	(49)	(55)	(50)
Adjusted EBITDA	**$ (12,890)**	**$ 44,587**	**$ 97,519**	**$ 161**	**$ 4,483**	**$ 20,895**	**$ 19,048**	**$ 15,333**	**$ 25,670**	**$ 28,052**	**$ 28,464**
Total net revenue	$ 500,812	$ 574,540	$ 694,812	$ 124,482	$ 139,573	$ 154,030	$ 156,455	$ 151,667	$ 176,979	$ 184,645	$ 181,521
Adjusted EBITDA margin	**(2.6)%**	**7.8%**	**14.0%**	**0.1%**	**3.2%**	**13.6%**	**12.2%**	**10.1%**	**14.5%**	**15.2%**	**15.7%**

(1) Includes personnel-related expense associated with establishing a site in the Salt Lake City area and external advisory fees. These expenses are included in “Sales and marketing,” “Origination and servicing” and “Other general and administrative” expense on the Company’s Consolidated Statements of Operations.

(2) Includes class action and regulatory litigation expense and legal and other expenses, which are included in “Class action and regulatory litigation expense” and “Other general and administrative” expense, respectively, on the Company’s Condensed Consolidated Statements of Operations. Amounts prior to the fourth quarter of 2017 have not been reclassified because legacy legal expenses incurred in 2017 and prior were generally offset by insurance proceeds, resulting in no net material cumulative impact to 2017 earnings.

Reconciliation of GAAP to Non-GAAP Financial Guidance (1)

	Year Ended	Three Months Ended
(in millions)	2019	1Q 2019
GAAP Consolidated net loss (2)	$(29) - $(9)	$(20) - $(15)
Adjusted net loss (2)	$(29) - $(9)	$(20) - $(15)
Stock-based compensation expense	81	18
Depreciation, amortization and other net adjustments	63	15
Adjusted EBITDA (2)	$115 - $135	$13 - $18

(1) For the second half of 2019, reconciliation of comparable GAAP Consolidated Net Income (Loss) to Adjusted Net Income (Loss) cannot be provided as not practicable.

(2) Guidance excludes certain expenses that are either non-recurring or unusual in nature, such as expenses related to our cost structure simplification and legal, regulatory and other expense related to legacy issues.

Structured Program Impact Pro-forma Revenue

	Actual 4Q18 ($ in thousands)	Structured Program Revenue[1]	Excluding Structured Program Revenue	Structured Program Revenue Notes
Transaction Fees	**$142,053**	**$-**	**$142,053**	
Investor Fees	**30,419**	**-**	**30,419**	
Gain on Sales of Loans	**10,509**	**4,977**	**5,532**	**Gain on sale in new servicing asset – $4.7M. Program net costs – $0.3M**
Other Revenue	**1,457**	**129**	**1,328**	**Admin revenue – $0.1M**
Interest Income	106,170	19,457	86,713	Interest income on loans sold into structured programs and available-for-sale securities – $19.5M
Interest Expense	(83,222)	(3,350)	(79,872)	Interest expense from financing costs – ($3.4M)
Fair Value Adj.	(25,865)	(16,943)	(8,922)	Fair value adjustment on current and delinquent loans – ($16.2M). Fair value adjustment on risk retention – ($0.7M).
Net Interest Income & Fair Value Adjustments	**(2,917)**	**(836)**	**(2,081)**	
Total Net Revenue	**$181,521**	**$4,270**	**$177,251**	**Total Net Revenue impact of $4.3M**

(1) Structured programs revenue is defined as net revenue from Company-sponsored securitizations and CLUB Certificate transactions, and ongoing net revenue from securities retained from such transactions, including risk retention requirements and residuals.

LendingClub

LendingClub