

**COMSCORE, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except share and per share data)

	As of June 30, 2020 (Unaudited)	As of December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 35,899	\$ 46,590
Restricted cash	19,611	20,183
Accounts receivable, net of allowances of \$2,772 and \$1,919, respectively	64,026	71,853
Prepaid expenses and other current assets	14,755	15,357
Total current assets	134,291	153,983
Property and equipment, net	30,362	31,693
Operating right-of-use assets	31,484	36,689
Other non-current assets	3,652	2,979
Deferred tax assets	1,868	2,374
Intangible assets, net	65,790	79,559
Goodwill	416,172	416,418
Total assets	<u>\$ 683,619</u>	<u>\$ 723,695</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 36,178	\$ 44,804
Accrued expenses	51,071	55,507
Contract liability	55,422	58,158
Customer advances	8,432	9,886
Warrants liability	3,832	7,725
Current operating lease liabilities	6,994	6,764
Other current liabilities	6,723	7,393
Total current liabilities	168,652	190,237
Secured term note	12,488	12,463
Financing derivatives	16,900	21,587
Senior secured convertible notes	188,275	184,075
Non-current operating lease liabilities	39,480	42,497
Non-current contract liability	6,165	291
Deferred tax liabilities	407	287
Other non-current liabilities	11,245	13,284
Total liabilities	443,612	464,721
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 5,000,000 shares authorized at June 30, 2020 and December 31, 2019; no shares issued or outstanding as of June 30, 2020 and December 31, 2019	—	—
Common stock, \$0.001 par value per share; 150,000,000 shares authorized as of June 30, 2020 and December 31, 2019; 77,629,871 shares issued and 70,865,075 shares outstanding as of June 30, 2020, and 76,829,926 shares issued and 70,065,130 shares outstanding as of December 31, 2019	71	70
Additional paid-in capital	1,615,284	1,609,358
Accumulated other comprehensive loss	(13,642)	(12,333)
Accumulated deficit	(1,131,722)	(1,108,137)
Treasury stock, at cost, 6,764,796 shares as of June 30, 2020 and December 31, 2019	(229,984)	(229,984)
Total stockholders' equity	240,007	258,974
Total liabilities and stockholders' equity	<u>\$ 683,619</u>	<u>\$ 723,695</u>

**COMSCORE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**(Unaudited)**  
**(In thousands, except share and per share data)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenues	\$ 88,566	\$ 96,888	\$ 178,094	\$ 199,182
Cost of revenues <sup>(1) (2)</sup>	44,949	51,994	90,747	105,401
Selling and marketing <sup>(1) (2)</sup>	16,007	23,329	35,220	48,169
Research and development <sup>(1) (2)</sup>	9,765	16,883	19,901	35,099
General and administrative <sup>(1) (2)</sup>	13,741	16,932	29,284	36,477
Investigation and audit related	—	2,354	—	3,196
Amortization of intangible assets	6,846	8,076	13,764	16,181
Impairment of goodwill	—	224,272	—	224,272
Impairment of intangible asset	—	17,308	—	17,308
Settlement of litigation, net	—	5,000	—	5,000
Impairment of right-of-use and long-lived assets	—	—	4,671	—
Restructuring <sup>(1)</sup>	—	2,949	—	2,879
Total expenses from operations	91,308	369,097	193,587	493,982
Loss from operations	(2,742)	(272,209)	(15,493)	(294,800)
Interest expense, net	(8,856)	(8,242)	(17,702)	(15,001)
Other income (expense), net	1,477	(3,081)	8,671	(112)
Loss from foreign currency transactions	(944)	(464)	(140)	(426)
Loss before income taxes	(11,065)	(283,996)	(24,664)	(310,339)
Income tax benefit	664	4,463	1,079	3,292
Net loss	\$ (10,401)	\$ (279,533)	\$ (23,585)	\$ (307,047)
Net loss per common share:				
Basic and diluted	\$ (0.15)	\$ (4.61)	\$ (0.34)	\$ (5.09)
Weighted-average number of shares used in per share calculation - Common Stock:				
Basic and diluted	70,554,326	60,697,608	70,340,658	60,315,528
Comprehensive loss:				
Net loss	\$ (10,401)	\$ (279,533)	\$ (23,585)	\$ (307,047)
Other comprehensive loss:				
Foreign currency cumulative translation adjustment	1,564	677	(1,309)	56
Total comprehensive loss	\$ (8,837)	\$ (278,856)	\$ (24,894)	\$ (306,991)

<sup>(1)</sup> Stock-based compensation expense is included in the line items above as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Cost of revenues	\$ 487	\$ 636	\$ 696	\$ 1,484
Selling and marketing	720	1,087	1,329	2,403
Research and development	375	668	431	1,394
General and administrative	764	1,913	2,548	5,976
Restructuring	—	(266)	—	(266)
Total stock-based compensation expense	\$ 2,346	\$ 4,038	\$ 5,004	\$ 10,991

<sup>(2)</sup> Excludes amortization of intangible assets, which is presented separately in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

**COMSCORE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**  
**(In thousands)**

	Six Months Ended June 30,	
	2020	2019
<b>Operating activities:</b>		
Net loss	\$ (23,585)	\$ (307,047)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	6,788	6,111
Non-cash operating lease expense	2,978	2,747
Amortization expense of finance leases	784	1,361
Amortization of intangible assets	13,764	16,181
Bad debt expense	1,590	—
Impairment of goodwill	—	224,272
Impairment of intangible asset	—	17,308
Stock-based compensation	5,004	10,991
Deferred tax provision (benefit)	324	(3,983)
Change in fair value of financing derivatives	(4,687)	(1,100)
Change in fair value of warrants liability	(3,893)	—
Change in fair value of investment in equity securities	—	2,016
Impairment of right-of-use and long-lived assets	4,671	—
Accretion of debt discount	3,617	3,042
Amortization of deferred financing costs	739	525
Other	(6)	(20)
Changes in operating assets and liabilities:		
Accounts receivable	5,836	4,442
Prepaid expenses and other assets	(779)	3,190
Accounts payable, accrued expenses and other liabilities	(13,948)	20,176
Contract liability and customer advances	2,330	(6,552)
Operating lease liabilities	(3,319)	(4,364)
Net cash used in operating activities	(1,792)	(10,704)
<b>Investing activities:</b>		
Proceeds from sale of investment in equity securities	—	705
Purchases of property and equipment	(45)	(1,893)
Capitalized internal-use software costs	(7,836)	(5,619)
Net cash used in investing activities	(7,881)	(6,807)
<b>Financing activities:</b>		
Proceeds from private placement, net of issuance costs paid	—	19,894
Proceeds from sale-leaseback financing transaction	—	4,252
Proceeds from the exercise of stock options	—	1,191
Payments for taxes related to net share settlement of equity awards	(68)	(1,210)
Principal payments on finance leases	(823)	(1,417)
Principal payments on software license arrangements	(155)	(1,662)
Net cash (used in) provided by financing activities	(1,046)	21,048
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(544)	91
Net (decrease) increase in cash, cash equivalents and restricted cash	(11,263)	3,628
Cash, cash equivalents and restricted cash at beginning of period	66,773	50,198
Cash, cash equivalents and restricted cash at end of period	\$ 55,510	\$ 53,826
<b>As of June 30,</b>		
	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	\$ 35,899	\$ 48,963
Restricted cash	19,611	4,863
Total cash, cash equivalents and restricted cash	\$ 55,510	\$ 53,826

## Reconciliation of Non-GAAP Financial Measures

The following table presents a reconciliation of net loss (GAAP) to adjusted EBITDA for each of the periods identified:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
<b>Net loss (GAAP)</b>	<b>\$ (10,401)</b>	<b>\$ (279,533)</b>	<b>\$ (23,585)</b>	<b>\$ (307,047)</b>
Interest expense, net	8,856	8,242	17,702	15,001
Amortization of intangible assets	6,846	8,076	13,764	16,181
Depreciation	3,404	3,005	6,788	6,111
Amortization expense of finance leases	394	787	784	1,361
Income tax benefit	(664)	(4,463)	(1,079)	(3,292)
EBITDA	8,435	(263,886)	14,374	(271,685)
Adjustments:				
Stock-based compensation expense	2,346	4,304	5,004	11,257
Investigation and audit related	—	2,354	—	3,196
Settlement of litigation, net	—	5,000	—	5,000
Restructuring	—	2,949	—	2,879
Impairment of goodwill	—	224,272	—	224,272
Impairment of intangible asset	—	17,308	—	17,308
Private placement issuance cost	—	1,154	—	1,154
Impairment of right-of-use and long-lived assets	—	—	4,671	—
Other (income) expense, net <sup>(1)</sup>	(1,542)	3,304	(8,434)	916
Adjusted EBITDA	<u>\$ 9,239</u>	<u>\$ (3,241)</u>	<u>\$ 15,615</u>	<u>\$ (5,703)</u>

<sup>(1)</sup> Adjustments to other (income) expense, net, reflect non-cash changes in the fair value of financing derivatives, warrants liability and equity securities investment included in other income (expense), net and certain legal expenses defined by the senior secured convertible notes and classified as general and administrative expenses on our Condensed Consolidated Statements of Operations and Comprehensive Loss. We sold our investment in equity securities in 2019.

The following table presents a reconciliation of net loss (GAAP) to non-GAAP net loss for each of the periods identified:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
<b>Net loss (GAAP)</b>	<b>\$ (10,401)</b>	<b>\$ (279,533)</b>	<b>\$ (23,585)</b>	<b>\$ (307,047)</b>
Adjustments:				
Amortization of intangible assets	6,846	8,076	13,764	16,181
Stock-based compensation expense	2,346	4,304	5,004	11,257
Investigation and audit related	—	2,354	—	3,196
Impairment of right-of-use and long-lived assets	—	—	4,671	—
Settlement of certain litigation, net	—	5,000	—	5,000
Restructuring	—	2,949	—	2,879
Impairment of goodwill	—	224,272	—	224,272
Impairment of intangible asset	—	17,308	—	17,308
Private placement issuance cost	—	1,154	—	1,154
Other (income) expense, net <sup>(1)</sup>	(1,542)	3,304	(8,434)	916
Non-GAAP net loss	<u>\$ (2,751)</u>	<u>\$ (10,812)</u>	<u>\$ (8,580)</u>	<u>\$ (24,884)</u>

<sup>(1)</sup> Adjustments to other (income) expense, net, reflect non-cash changes in the fair value of financing derivatives, warrants liability and equity securities investment included in other income (expense), net and certain legal expenses defined by the senior secured convertible notes and classified as general and administrative expenses on our Condensed Consolidated Statements of Operations and Comprehensive Loss. We sold our investment in equity securities in 2019.

We do not provide GAAP net income (loss) on a forward-looking basis because we are unable to predict with reasonable certainty our future stock-based compensation expense, litigation and restructuring expense, fair value adjustments for financing derivatives and warrants, variable interest expense for outstanding senior secured convertible notes, and any unusual gains or losses without unreasonable effort. These items are uncertain, depend on various factors, and could be material to results computed in accordance with GAAP. For this reason, we are unable without unreasonable effort to provide a reconciliation of adjusted EBITDA or non-GAAP net loss to the most directly comparable GAAP measure, GAAP net income (loss), on a forward-looking basis.

## Revenues

Revenues from our three offerings of products and services are as follows:

<i>(In thousands)</i>	Three Months Ended June 30,					
	2020 (Unaudited)	% of Revenue	2019 (Unaudited)	% of Revenue	\$ Variance	% Variance
Ratings and Planning	\$ 63,779	72.0 %	\$ 68,922	71.1 %	\$ (5,143)	(7.5)%
Analytics and Optimization	16,894	19.1 %	17,293	17.9 %	(399)	(2.3)%
Movies Reporting and Analytics	7,893	8.9 %	10,673	11.0 %	(2,780)	(26.0)%
Total revenues	<u>\$ 88,566</u>	<u>100.0 %</u>	<u>\$ 96,888</u>	<u>100.0 %</u>	<u>\$ (8,322)</u>	<u>(8.6)%</u>

<i>(In thousands)</i>	Six Months Ended June 30,					
	2020 (Unaudited)	% of Revenue	2019 (Unaudited)	% of Revenue	\$ Variance	% Variance
Ratings and Planning	\$ 127,300	71.5 %	\$ 139,499	70.0 %	\$ (12,199)	(8.7)%
Analytics and Optimization	32,395	18.2 %	38,751	19.5 %	(6,356)	(16.4)%
Movies Reporting and Analytics	18,399	10.3 %	20,932	10.5 %	(2,533)	(12.1)%
Total revenues	<u>\$ 178,094</u>	<u>100.0 %</u>	<u>\$ 199,182</u>	<u>100.0 %</u>	<u>\$ (21,088)</u>	<u>(10.6)%</u>