May 9, 2018

First Quarter 2018

Earnings Results

BLUCORA

Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words "anticipate," "believe," "plan," "project," "expect," "future," "intend," "may," "will," "should," “could,” “would,” "estimate," "predict," "potential," "continue," and similar expressions. Actual results may differ significantly from management's expectations due to various risks and uncertainties including, but not limited to: risks associated with Blucora, Inc. (“Blucora” or the “Company”) strategic transformation and the successful execution of its strategic initiatives, operating plans and marketing strategies; general economic, political, industry, and market conditions; the Company’s ability to attract and retain productive advisors; the Company’s ability to successfully make technology enhancements and introduce new products and services; information technology and cybersecurity risks; the effect of current, pending and future legislation, regulation and regulatory actions, such as the new Department of Labor rule and any changes in tax laws; dependence on third parties to distribute products and services; litigation risks; the Company’s ability to hire, retain and motivate key employees; the Company’s ability to protect its intellectual property; and financing risks, including risks related to the Company’s existing debt obligations.

A more detailed description of these and certain other factors that could affect actual results is included in Blucora’s most recent Annual Report on Form 10-K and subsequent reports filed with or furnished to the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of this presentation.

This presentation contains non-GAAP financial measures relating to our performance. You can find the reconciliation of these measures to the most directly comparable GAAP financial measure in the Appendix at the end of this presentation. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, the financial measures prepared in accordance with GAAP. Please refer to the notes to reconciliation of non-GAAP financial measures in Blucora’s quarterly earnings release for a detailed explanation of the adjustments made to the comparable GAAP measures, the ways management uses the non-GAAP measures, and the reasons why management believes the non-GAAP measures provide investors with useful supplemental information.

Strong First Quarter

Blucora Consolidated

Revenue	Adj. EBITDA	GAAP EPS	Non-GAAP EPS	Net leverage
UP 13%	UP 14%	UP 39%	UP 15%	DOWN TO 2.1x
Year over year	Year over year	Year over year	Year over year	vs. 3.3x year-ago

Wealth Management

HD VEST FINANCIAL SERVICES

Continued Momentum

Revenue	Segment Income
UP 11%	UP 10%
Year over year	Year over year

- Assets Under Administration (AUA): **$44.3B** **+10%** y/y **New Record**
  - Net Flows Q/Q: $625m
- Assets Under Management (AUM): **$12.7B** **+15%** y/y **New Record**
  - Net Flows Q/Q: $319m

Tax Preparation

TaxAct

Significant Progress Toward Stated Strategy

1H'18 Tax Preparation Expectation

Revenue ⬆	Segment Margin ⬆
UP 15%	56.0% - 56.4%
Year over year	

- Grew Monetized Units Modestly (reversing two-year trend)
- New Paid Filers Increased Y/Y
- Total consumer e-files down 12% y/y on reduction in free filers
- Professional E-files up 3% y/y
- Launched 10+ New Partnerships

Financial Results

	1Q'17	1Q'18	Y/Y Chg.
Revenue	$182.4	$206.0	+13%
Unallocated Corporate Expense	$6.8	$5.5	-18%
Adjusted EBITDA	$58.2	$66.3	+14%
GAAP Net Income	$30.6	$45.3	+48%
Non-GAAP Net Income	$47.4	$58.2	+23%
Non-GAAP EPS	$1.04	$1.20	+14%
Operating Free Cash Flow	$51.7	$56.7	+10%

Second Quarter Preview

	Guidance	Y/Y Chg.
Revenue	\$151.8 - \$155.6	9% - 12%
Adjusted EBITDA	\$45.0 - \$48.0	6% - 13%
Non-GAAP Net Income	\$39.8 - \$42.9	21% - 30%
GAAP Net Income	\$27.0 - \$28.9	n/m

Full-Year 2018 Preview

	Guidance	Y/Y Chg.
Revenue	$545.8 - $559.8	7% - 10%
Adjusted EBITDA	$110.5 - $118.3	9% - 17%
Non-GAAP Net Income	$86.3 - $94.2	25% - 36%
GAAP Net Income	$38.7 - $45.0	43% - 66%

Assumptions:

- A broad range for transactional revenue due to its variability,
- Impact of clearing firm transition related expenses,
- Market volatility, including the impact to net flows and cash sweep balances
- An effective tax rate of 4%-8% for GAAP net income attributable to Blucora, and
- GAAP net income or loss attributable to Blucora guidance excludes any impact to tax expense for discrete items and variable stock based compensation granted to non-employee advisors.

Q&A

Appendix

Preliminary Adjusted EBITDA Reconciliation [1] (Unaudited)

(Amounts in thousands)	Three months ended March 31,	
	2018	2017
Net income (loss) attributable to Blucora, Inc. [2]	$45,338	$30,584
Stock-based compensation	2,958	2,565
Depreciation and amortization of acquired intangible assets	10,359	9,470
Restructuring	289	2,289
Other loss, net	5,228	9,708
Net income attributable to noncontrolling interests	205	126
Income tax expense	1,963	3,471
Adjusted EBITDA	$66,340	$58,213

Reconciliations of Non-GAAP Financial Measures to the Nearest Comparable GAAP Measures

Preliminary Non-GAAP Net Income (Loss) Reconciliation [1] (Unaudited)

(Amounts in thousands, except per share amounts)	Three months ended March 31	
	2018	2017
Net income (loss) attributable to Blucora, Inc. [2]	$45,338	$30,584
Stock-based compensation	2,958	2,565
Amortization of acquired intangible assets	8,357	8,336
Accretion of debt discount on Convertible Senior Notes	—	934
Restructuring	289	2,289
Impact of noncontrolling interests	205	126
Cash tax impact of adjustments to GAAP net income	-313	-587
Non-cash income tax expense [1]	1,398	3,160
Non-GAAP net income (loss)	$58,232	$47,407

Preliminary Non-GAAP EPS reconciliation [1] (Unaudited)

	Three months ended March 31	
	2018	2017
Net income (loss) attributable to Blucora, Inc. [2]	$0.93	$0.67
Stock-based compensation	0.06	0.06
Amortization of acquired intangible assets	0.18	0.18
Accretion of debt discount on Convertible Senior Notes	—	0.02
Restructuring	0.01	0.05
Impact of noncontrolling interests	—	—
Cash tax impact of adjustments to GAAP net income	(0.01)	(0.01)
Non-cash income tax expense [1]	0.03	0.07
Non-GAAP net income (loss)	$1.20	$1.04
Weighted average shares outstanding used in computing per diluted share amounts (in thousands)	48,665	45,428

Notes to Reconciliations of Non-GAAP Financial Measures to the Nearest Comparable GAAP Measures

(1) We define Adjusted EBITDA as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of stock-based compensation, depreciation, amortization of acquired intangible assets (including acquired technology), restructuring, other loss, net, the impact of noncontrolling interests, income tax expense (benefit), the effects of discontinued operations, acquisition-related costs and CEO separation-related costs. Restructuring costs relate to the move of our corporate headquarters, which was announced in the fourth quarter of 2016. Acquisition-related costs include professional services fees and other direct transaction costs and changes in the fair value of contingent consideration liabilities related to acquired companies. The SimpleTax acquisition that was completed in 2015 included contingent consideration, for which the fair value of that liability was revalued in the second quarter of 2016 define Adjusted EBITDA as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of stock-based compensation, depreciation, amortization of acquired intangible assets (including acquired technology), restructuring, other loss, net, the impact of noncontrolling interests, income tax expense, the effects of discontinued operations, and acquisition-related costs. Restructuring costs relate to the move of our corporate headquarters, which was announced in the fourth quarter of 2016. Acquisition-related costs include professional services fees and other direct transaction costs and changes in the fair value of contingent consideration liabilities related to acquired companies. The SimpleTax acquisition that was completed in 2015 included contingent consideration, for which the fair value of that liability was revalued in the second quarter of 2016.

We believe that Adjusted EBITDA provides meaningful supplemental information regarding our performance. We use this non-GAAP financial measure for internal management and compensation purposes, when publicly providing guidance on possible future results, and as a means to evaluate period-to-period comparisons. We believe that Adjusted EBITDA is a common measure used by investors and analysts to evaluate our performance, that it provides a more complete understanding of the results of operations and trends affecting our business when viewed together with GAAP results, and that management and investors benefit from referring to this non-GAAP financial measure. Items excluded from Adjusted EBITDA are significant and necessary components to the operations of our business and, therefore, Adjusted EBITDA should be considered as a supplement to, and not as a substitute for or superior to, GAAP net income (loss). Other companies may calculate Adjusted EBITDA differently and, therefore, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

We define non-GAAP net income (loss) as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of discontinued operations, stock-based compensation, amortization of acquired intangible assets (including acquired technology), accretion of debt discount and accelerated accretion of debt discount on the Convertible Senior Notes (the "Notes"), gain on the Notes repurchased, write-off of debt discount and debt issuance costs on the Notes that were redeemed and the terminated TaxAct - HD Vest 2015 credit facility, acquisition-related costs (described further under Adjusted EBITDA above), restructuring costs (described further under Adjusted EBITDA above), the impact of noncontrolling interests, the related cash tax impact of those adjustments, and non-cash income taxes. The write-off of debt discount and debt issuance costs on the terminated Notes and the closed TaxAct - HD Vest 2015 credit facility relates to the debt refinancing that occurred in the second quarter of 2017. We exclude the non-cash portion of income taxes because of our ability to offset a substantial portion of our cash tax liabilities by using deferred tax assets, which primarily consist of U.S. federal net operating losses. The majority of these net operating losses will expire, if unutilized, between 2020 and2024.

We believe that non-GAAP net income (loss) and non-GAAP net income (loss) per share provide meaningful supplemental information to management, investors, and analysts regarding our performance and the valuation of our business by excluding items in the statement of operations that we do not consider part of our ongoing operations or have not been, or are not expected to be, settled in cash. Additionally, we believe that non-GAAP net income (loss) and non-GAAP net income (loss) per share are common measures used by investors and analysts to evaluate our performance and the valuation of our business. Non-GAAP net income (loss) should be evaluated in light of our financial results prepared in accordance with GAAP and should be considered as a supplement to, and not as a substitute for or superior to, GAAP net income (loss). Other companies may calculate non-GAAP net income differently, and, therefore, our non-GAAP net income may not be comparable to similarly titled measures of other companies.

(2) As presented in the Preliminary Condensed Consolidated Statements of Operations (unaudited).

Blucora Net Leverage Ratio

(In thousands except ratio, rounding differences may exist)	2016	2017				2018
	FY 12/31	1Q	2Q	3Q	FY 12/31	Q1
CASH:						
Cash and cash equivalents	$51,713	$74,609	$78,312	$78,558	$59,965	$77,107
Available-for-sale investments	7,101	160	—	—	—	—
	$58,814	$74,769	$78,312	$78,558	$59,965	$77,107
DEBT:						
Senior secured credit facility	$ —	$ —	$360,000	$350,000	$345,000	$ 305,000
TaxAct - HD Vest 2015 credit facility	260,000	222,000	—	—	—	—
Convertible Senior Notes	172,859	172,859	—	—	—	—
Note payable, related party	3,200	3,200	3,200	3,200	—	—
	$436,059	$398,059	$363,200	$353,200	$345,000	$305,000
NET DEBT FROM CONTINUING OPERATIONS	($377,245)	($323,290)	($284,888)	($274,642)	($285,035)	($227,893)
Last twelve months:						
SEGMENT INCOME:						
Wealth Management	$46,296	$47,243	$49,725	$50,522	$50,916	$52,138
Tax Preparation	66,897	72,457	79,176	77,320	72,921	78,594
	113,193	119,700	128,901	127,842	123,837	130,732
Unallocated corporate operating expenses	(18,999)	(21,073)	(23,076)	(22,756)	(22,907)	(21,675)
ADJUSTED EBITDA	$94,194	$98,627	$105,825	$105,086	$100,930	$109,057
LEVERAGE RATIO	4.0x	3.3x	2.7x	2.6x	2.8x	2.1x

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Blucora Reconciliation of Operating Free Cash Flow from Continuing Operations (1)

(In thousands, rounding differences may exist)	2016	2017					2018
	FY 12/31	1Q	2Q	3Q	4Q	FY 12/31	1Q
Net cash provided (used) by operating activities from continuing operations	$85,970	$52,900	$28,236	($1,906)	($6,384)	$72,846	$57,028
Purchases of property and equipment	(3,812)	(1,165)	(746)	(1,898)	(1,230)	(5,039)	(940)
Operating free cash flow from continuing operations	$82,158	$51,735	$27,490	($3,804)	($7,614)	$67,807	$56,088

(1) We define operating free cash flow from continuing operations as net cash provided by operating activities from continuing operations less purchases of property and equipment. We believe operating free cash flow is an important liquidity measure that reflects the cash generated by the continuing businesses, after the purchases of property and equipment, that can then be used for, among other things, strategic acquisitions and investments in the businesses, stock repurchases, and funding ongoing operations.