March 19, 2019

Blucora Acquisition of 1st Global

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. When used in this report, terms such as “believes,” “estimates,” “should,” “could,” “would,” “plans,” “expects,” “intends,” “anticipates,” “may,” “forecasts,” “projects” and similar expressions and variations as they relate to the Company or its management are intended to identify forward-looking statements. Actual results may differ significantly from management’s expectations due to various risks and uncertainties including, but not limited to: risks associated with the closing of the acquisition generally, such as the inability to obtain, or delays in obtaining, required approvals under applicable antitrust legislation and other regulatory and third party consents and approvals; our ability and 1st Global’s ability to fulfill the conditions to the closing of the acquisition on a timely basis or at all; the availability of financing to fund the purchase price for the acquisition; our ability to retain key management and employees of 1st Global following the acquisition; issues or delays in the successful integration of 1st Global’s operations with those of the Company; post-acquisition revenues being lower than expected, costs being higher than expected, synergies being less than expected or our post-acquisition financial results differing generally from our internal projections; and the risk of an unfavorable reaction to the acquisition by our employees, vendors, suppliers, advisors and clients of our advisors, as well as the other risks and factors included in the Company’s filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of this release, except as may be required by law.

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. Non-GAAP measures are marked with an asterisk.

Blucora to Acquire 1st Global

Terms	• Blucora entered into a definitive agreement to acquire 1st Global at a purchase price of $180 million • Transaction structured as a stock purchase with all cash consideration • Blucora will issue a $125 million add-on to its Term Loan B due 2024 and will contribute $55 million of cash from balance sheet, resulting in a net leverage ratio of 2.7x post-close • Transaction represents attractive multiple of ~7.5x run-rate EBITDA accretion by end of 2019 • Expected to close in 2Q 2019, subject to customary closing conditions and regulatory approvals
1st Global Overview	• Leading independent wealth management firm, specializing in larger, multi-partner accounting firms • 2nd Largest and one of only a few dedicated to the tax-focused/CPA market • ~850 advisors serving ~100k clients across all 50 states representing ~$18bn of Total Client Assets
Strategic Rationale	• Generates significant scale as combined business serves 4,500 advisors and ~$60 billion in total client assets • Highly strategic expansion of Blucora's leadership role in delivery of tax-smart wealth management services • Expands addressable market by combining HD Vest's individual tax advisor focus with 1st Global's institutional/multi-partner focus • Advisors and clients to benefit from broader capabilities across advisory and brokerage services • Opportunity to accelerate organic growth by applying best practices across firms and focused investment in best of breed technology, products and procedures to support advisors
Attractive Financial Characteristics	• Expected to be accretive to EPS, and other key performance indicators such as advisor productivity and return on client assets • Significant identified revenue and cost synergies. Many external synergies contractual in nature and known • Increased, non-seasonal cash flow generation available for reinvestment in business for long-term growth and capital return priorities • High recurring revenue rate • Enhances ability to fully utilize NOLs

Note: 1st Global financial and operating metrics as of 12/31/2018

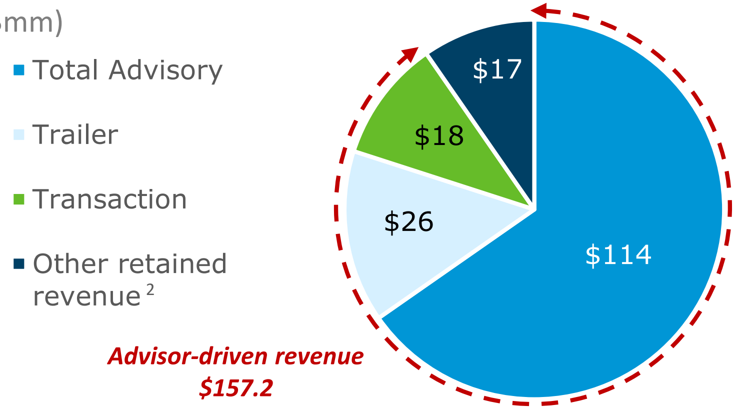
1st Global Overview

1st Global RESEARCH & CONSULTING

- 2nd largest tax-focused wealth management firm, specializes in larger, multi-partner accounting firms
    - Supports approximately 850 advisors serving ~100k clients across all 50 states representing ~$18B of Total Client Assets, ~$9B of Advisory
- Strong turn-key advisory programs with key client benefits such as consistent long-term performance objectives, automatic rebalancing and tax-efficiency
- High level of recurring revenue, rate 88% (vs. 81% for HD Vest)
- 50% of assets are advisory, with 38% managed by home office (vs. 18% for HD Vest)

Revenue mix [1]

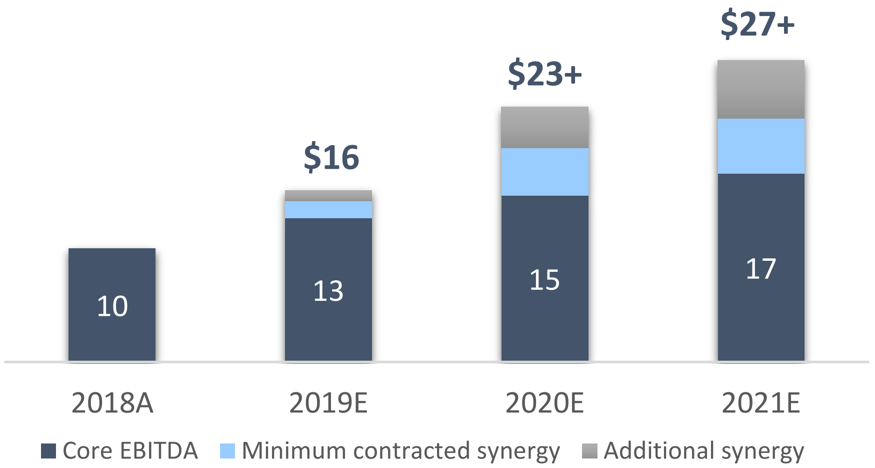
($mm)



Attractive mix at 50% advisory, high 88% recurring revenue rate

Adjusted EBITDA Contribution Outlook*

($mm)



Opportunity to apply Blucora operating practices to private company. Mix of identified and pre-contracted synergies.

1) Represents 2018A metrics. See appendix for definition of Adjusted EBITDA.

Strategic Rationale

Acquisition is consistent with Blucora's core strategy of enhancing its leadership in wealth management.

Adds Significant Scale	• Attractive consolidating acquisition, combines #1 and #2 tax-focused wealth management firms • Transaction will result in a combined company serving nearly 4,500 advisors with approximately $60 billion in total client assets • Scale drives substantial revenue and cost synergies, many synergies contractual and known, reducing risk • Greater capacity to invest in supporting our advisors
Complementary Business Model	• Expansion of advisor channel within tax-focused space; 1st Global specializes in multi-partner CPA practices • Addressable market of ~8K core multi-partner CPA firms with only 22% penetration of wealth management • Complementary nature allows combined firm to take best of breed (technology, products, procedures) to support advisors • Combination will accelerate increase of advisory as % total client assets
Strengthened Capabilities	• Strengthens capabilities in recruiting, on-boarding and advisor development, proprietary research, in-house portfolio management • Substantial investments recently made in upgrading technology platforms & infrastructure • Ability to apply Blucora execution approach across full platform. Driving to parity with HD Vest + Synergies
Enhances Growth Opportunities	• Increased advisor base to leverage emerging tax-smart tools • Opportunity to accelerate organic growth and advisor productivity by applying best sales / practice management programs to full base • 1st Global achieves higher utilization of home office managed advisory (~30% vs. 18% HD Vest) • Expect transaction to generate $23-$24 million of run-rate EBITDA accretion by end of 2019

Natural Extension of Our Core Beliefs

Taxes are the key to better outcomes

- **Taxes** are one of life's **largest expenses**
- Leveraging taxes is not **maximizing a once-a-year refund,** but rather helping people **achieve their financial goals**

People are seriously underserved

- The brokerage/wealth management industries largely ignore taxes because they can't advise on them, a partial approach that **ignores the greater goals** of minimizing taxes, increasing cash flow and enabling **better long-term outcomes**

The next innovation in managing finances:

Integrated tax and wealth management

Wealth Management

HD VEST FINANCIAL SERVICES®

Leader in Individual Tax Advisors
Innovative Tax Smart Initiative

$42B Total Client Assets	**$13B** Advisory Assets
3,600 Advisors	**345,000** Customers

1st Global® RESEARCH & CONSULTING

Leader in multi-partner Accounting Firms
Comprehensive Suite of Fee-based Solutions

$18B Total Client Assets	**$9B** Advisory Assets
~850 Advisors	**~100,000** Customers

HD Vest + 1st Global Integrated Platform

Leading offering across individual and institutional markets
Strong integrated product offerings
Large installed base to leverage best of both firms, tax-smart initiatives

Tax Preparation

TaxAct®

#3 Tax Preparation Service (unit share)

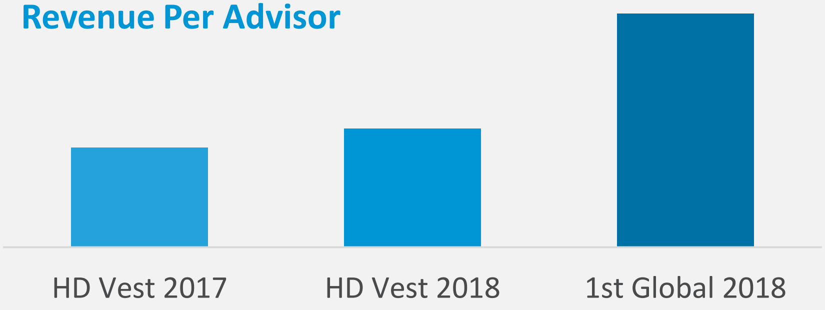
Online tax software solution for consumers and professionals that is simple, affordable, accurate

3.8M Consumer e-Files	**1.8M** Professional e-Files
21K Professional Users	**20** Yrs. Revenue Growth

Aligns with and Accelerates Wealth Management Initiatives

Optimize Advisor Success & Productivity

Revenue Per Advisor



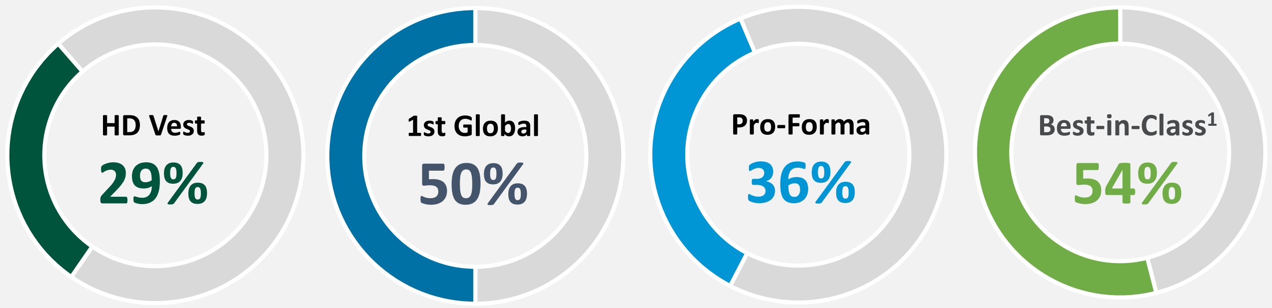
- Highest Potential Advisors Evaluate - Recruit
- Significantly Increase Support
- Technology Upgrades
- Leverage Proprietary Tax-Smart Platform

• Complementary nature allows combined firm to take best of breed from both businesses to support advisors

• Advisor production increases pro-forma for transaction

Grow Advisory/Managed Assets

Narrow the Gap to Best-in-Class



• Accelerates transition from commissions to fee-based advisory assets, particularly on home office platform

• Advisory as % of Total Client Assets increases pro-forma for transaction

Expand Addressable Market, Improve End-Client Penetration

Individual Advisors ⟷ **Serving Full Spectrum of Tax-Focused Managers** ⟷ Multi-Partner CPA Firms

• Increases unserved portion of existing advisor client base by ~$100B to ~$400B[2]

Value Drivers

Grow Assets	Increase Monetization (ROCA)

1) Best in class among broker dealers 2) Blucora estimate

Delivers Significant Value to Advisors and Clients

Advisors

- Enhanced capabilities, ability to take best of breed across platforms
- Increased scale and stronger company with more capability to invest in service and growth, better support advisors.
- Enhanced practice management capability and succession planning opportunities
- Leverage scale to drive continued capability pricing and service enhancements

1st Global Advisors

- Competitive payout
- Simplified onboarding, negative consent, no repapering

HD Vest Advisors

- Increased product selection, including wrap-fee advisory program

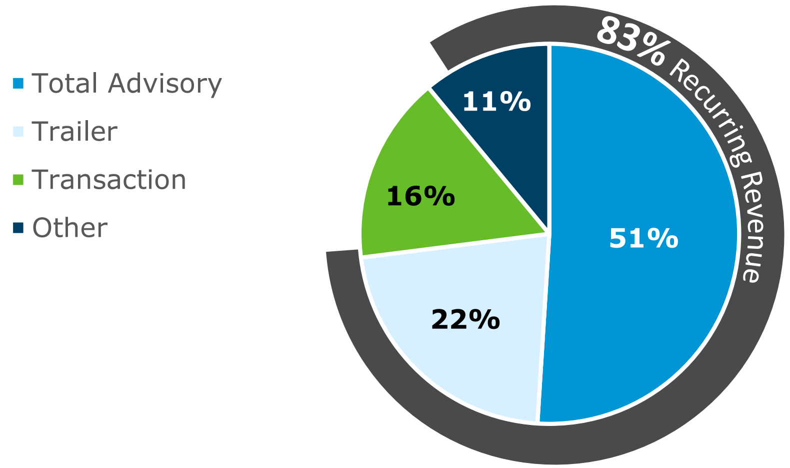
Retail Clients

- Enhanced investment capabilities
- Increased product selection
- Simplified account onboarding, negative consent, no repapering
- Better advisor tools, including tax-smart investing, enable better client experience and results

Attractive Financial Characteristics

Compelling Financial Profile	• Rapidly accelerates scale of wealth management business, providing higher base of recurring, non-seasonal revenues and cash flows • Immediately improves key metrics: Advisory as % of total, Return on Client Assets, and advisor productivity • Expected to be accretive to EPS, FCF
Highly Synergistic	• Substantial cost savings driven by operational redundancies, back-office systems consolidation and technology savings. • Identified run-rate synergies of $9 million expected to be achieved by the end of 2020, $11 million by the end of 2021

Pro Forma Revenue mix [1]



Attractive 83% recurring revenue rate

1) Based on HD Vest and 1st Global financial and operating metrics as of 12/31/2018

Blucora Acquisition of 1st Global

Appendix

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

Adjusted EBITDA Reconciliation

(Amounts in thousands)	Years ended December 31,				
	2018	2017	2016	2015	2014
Net income (loss) attributable to Blucora, Inc.	$50,634	$27,039	$(65,158)	$(40,074)	$(35,547)
Stock-based compensation	13,253	11,653	14,128	8,694	8,694
Depreciation and amortization of acquired intangible assets	38,590	38,139	38,688	22,590	22,164
CEO separation-related costs	0	0	0	1,769	0
Restructuring	288	3,101	3,870	0	0
Other loss, net	15,797	44,551	39,781	12,542	13,489
Net income attributable to noncontrolling interests	935	2,337	658	0	0
Income tax expense (benefit)	311	(25,890)	(1,285)	(4,623)	(3,342)
Discontinued operations, net of income taxes	0	0	63,121	27,348	30,003
Acquisition-related costs	0	0	391	10,988	0
Adjusted EBITDA (1), (2)	$119,808	$100,930	$94,194	$39,234	$35,461

Adjusted EBITDA

[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 and amortization of acquired intangible assets, CEO separation-related costs, restructuring, other loss, net, net income attributable to noncontrolling interests, income tax (benefit) expense, discontinued operations, net of income taxes and acquisition-related costs.

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.

*Run-rate Adjusted EBITDA, and out Adjusted EBITDA contribution outlook, represents our projected Adjusted EBITDA following the completion of the acquisition as further adjusted to exclude acquisition and integration costs. We believe Adjusted EBITDA provides meaningful supplemental information regarding our expected performance for the same reasons described in footnote 1 above regarding the use of Adjusted EBITDA. The Company does not provide an outlook for net income following the acquisition because it contains certain components, such as amortization expense and income taxes for which the Company lacks the necessary data in order to provide an accurate outlook. Because an outlook for net income following the acquisition cannot be made available without unreasonable effort by the Company, a reconciliation of the Company's outlook for Adjusted EBITDA against its outlook for net income is not provided.

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

Non-GAAP Earnings Per Share

	Years ended December 31,				
Per diluted share:	**2018**	**2017**	**2016**	**2015**	**2014**
Net income (loss) attributable to Blucora, Inc.	$0.90	$0.57	$(1.53)	$(0.96)	$(0.83)
Discontinued operations, net of income taxes	0	0	1.48	0.66	0.70
Stock-based compensation	0.27	0.25	0.33	0.21	0.20
Amortization of acquired intangible assets	0.68	0.72	0.80	0.49	0.47
Accelerated accretion of debt discount on Convertible Senior Notes	0	0	0.04	0	0
Gain on Convertible Senior Notes repurchased	0	0	(0.18)	0	0
Accretion and write-off of debt discount and debt issuance costs on previous debt	0	0.37	0.09	0.10	0.08
Acquisition-related costs	0	0	0.01	0.26	0
Restructuring	0.01	0.07	0.09	0	0
CEO separation-related costs	0	0	0	0.04	0
Impacts of noncontrolling interests	0.14	0.05	0.02	0	0
Cash tax impact of adjustments to GAAP net income	(0.05)	0	0	(0.01)	0
Non-cash income tax benefit	(0.05)	(0.57)	(0.09)	(0.12)	(0.08)
Non-GAAP net income [(1)]	$1.90	$1.46	$1.06	$0.67	$0.54
Weighted average shares outstanding used in computing per diluted share amounts	49,381	47,211	42,686	41,861	42,946

Non-GAAP Earnings Per Share

(1) We define non-GAAP net income as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of discontinued operations, net of income taxes, stock-based compensation, amortization of acquired intangible assets (including acquired technology), accelerated accretion of debt discount on Convertible Senior Notes, gain on Convertible Senior Notes repurchased, accretion and write-off of debt discount and debt issuance costs on previous debt, acquisition-related costs, restructuring costs, CEO separation-related costs, the impact of noncontrolling interests, the related cash tax impact of those adjustments, and non-cash income taxes. 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 and 2024. The aforementioned items are only included in non-GAAP net income (loss) in the periods they occurred.

We believe that non-GAAP net income and non-GAAP net income 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 and non-GAAP net income per share are common measures used by investors and analysts to evaluate our performance and the valuation of our business. Non-GAAP net income and non-GAAP net income per share 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) and GAAP net income (loss) per share. Other companies may calculate these non-GAAP measures differently, and, therefore, our non-GAAP net income and non-GAAP net income per share may not be comparable to similarly titled measures of other companies.

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

Net Leverage Ratio

(in thousands except ratio, rounding differences may exist)	Years ended December 31,			
	2018	**2017**	**2016**	**2015**
Cash	$84,524	$59,965	$58,814	$86,774
Debt	$265,000	$345,000	$436,059	$607,650
Net Debt	$(180,476)	$(285,035)	$(377,245)	$(520,876)
Last Twelve Months Segment Income [1]	$119,808	$100,930	$94,194	$82,231
Net Leverage Ratio	1.5x	2.8x	4.0x	6.3x

[1] The Company does not provide an outlook for segment income following the acquisition because it contains certain components, such as amortization expense and income taxes for which the Company lacks the necessary data in order to provide an accurate outlook. Because an outlook for segment income following the acquisition cannot be made available without unreasonable effort by the Company, a reconciliation of the Company's outlook for segment income, and therefore net leverage ratio, against its outlook for net income is not provided.