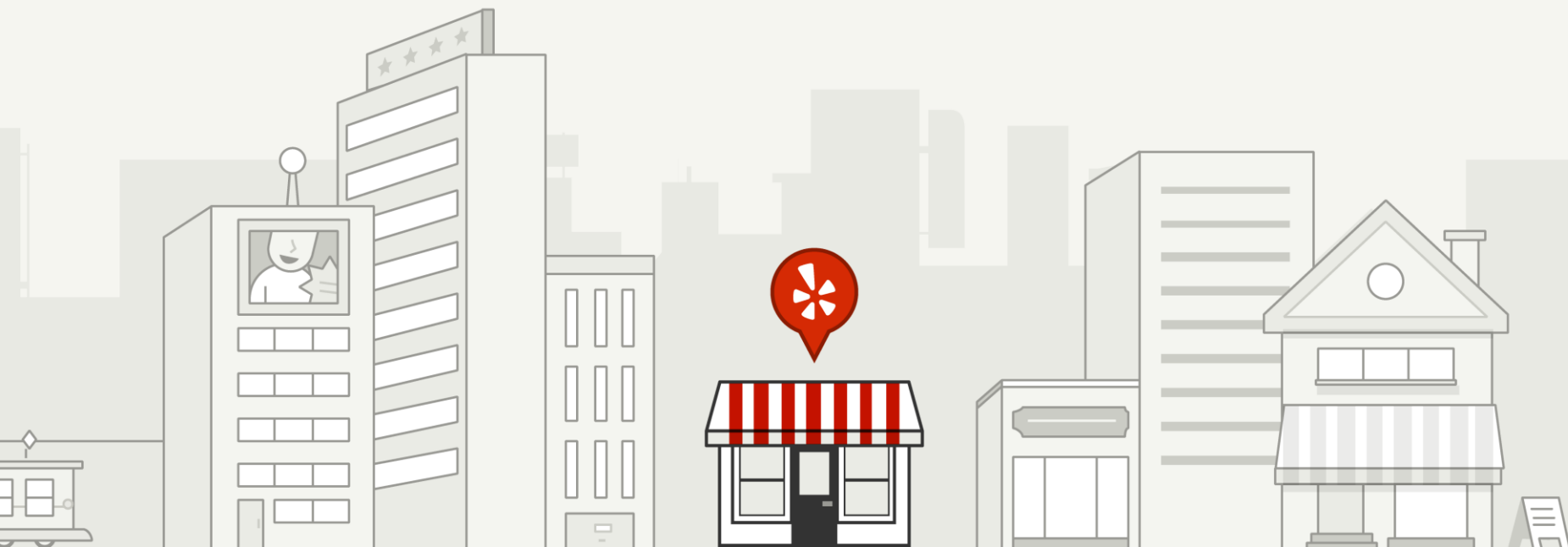




Investor Presentation
Q2 2017



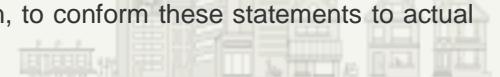
Safe Harbor

FORWARD-LOOKING STATEMENTS

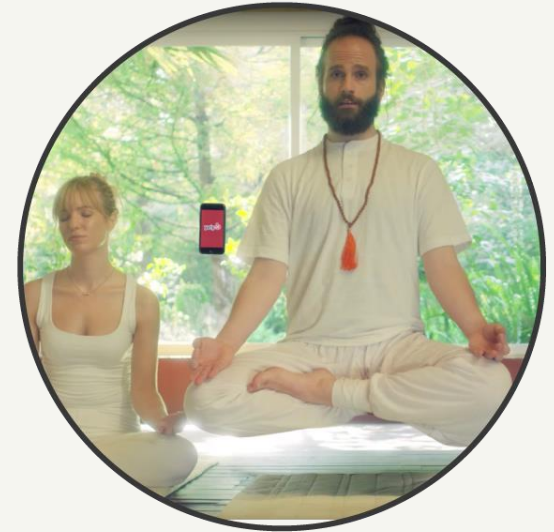
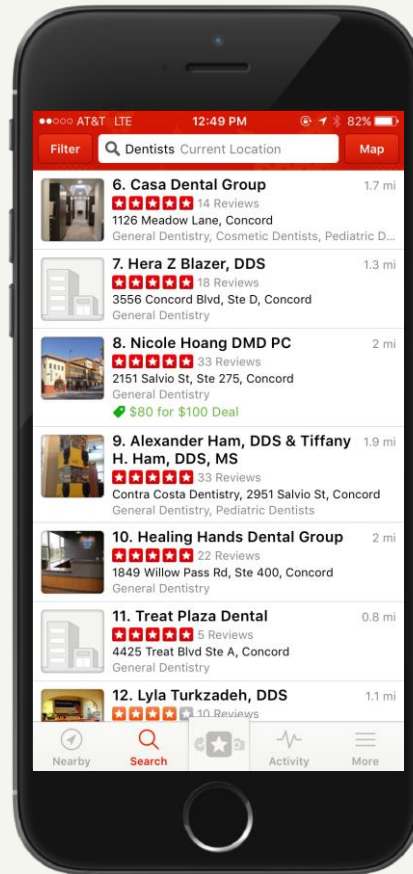
These slides and the accompanying oral presentation contain forward-looking statements. All statements other than statements of historical facts contained in these slides and the accompanying oral presentation, including statements regarding Yelp Inc.'s ("Yelp" or the "Company") future operations, expected financial results and future financial position, future revenue, the pending sale of Eat24 and strategic partnership with Grubhub, long-term target margins, projected growth and expenses, trends, opportunities, prospects, estimates and plans and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "believe," "may," "will," "estimate," "forecast," "guidance," "continue," "anticipate," "intend," "could," "would," "project," "plan," "potential," "target," "opportunity," "model," "expect" or the negative or plural of these words or similar expressions. The Company has based these forward-looking statements largely on its estimates of its financial results and its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs.

These forward looking statements are subject to a number of risks, uncertainties and assumptions, including the fact that we have a limited operating history in an evolving and competitive industry, that our growth rate may not be sustainable, that we rely on traffic to our website from search engines like Google and Bing, our ability to generate sufficient revenue to regain profitability, particularly in light of our significant ongoing sales and marketing expenses, the risk that the planned sale of Eat24 to and partnership with Grubhub may not be completed in a timely manner or at all, which may adversely affect our business, our ability to attract, retain and motivate well-qualified employees, particularly in sales and marketing, the impact of reallocating resources currently invested in sales and marketing outside the United States and Canada, our ability to generate and maintain sufficient high quality content from our users, our ability to maintain a strong brand and manage negative publicity that may arise, our ability to manage acquisitions of new businesses, solutions and technologies and to integrate those businesses, solutions or technologies, the efficacy of our automated recommendation software, our ability to maintain and expand our base of advertisers, our ability to develop our communities effectively, our ability to deal with an increasingly competitive local search environment, our ability to timely upgrade and develop our systems and infrastructure and changes in political, business and economic conditions. These risks and uncertainties may also include those described in the Company's most recent Form 10-Q or 10-K filed with the Securities and Exchange Commission.

New risks emerge from time to time. It is not possible for Company management to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in these slides and the accompanying oral presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Any forward-looking statement speaks only as of its date. Except as required by law, the Company undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in the Company's expectations.



Connecting people with great local businesses



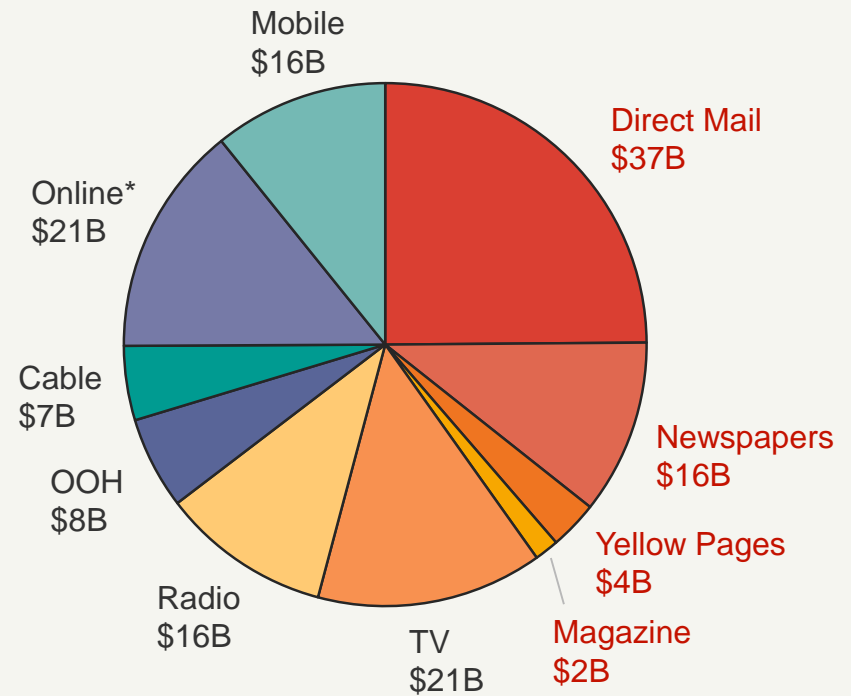
Large market opportunity

20+ million
Local business locations
in the U.S.



- Claimed local business locations: 3.8 million
- Paying advertising accounts: 148,000

~\$149 billion
U.S. local ad spend
(projected 2017)



Claimed local business locations as of June 30, 2017 and Paying advertising accounts for the quarter end June 30, 2017

Sources: BIA Kelsey, U.S. Census Bureau

*Pure-play Online / Interactive and Email.



The industry is shifting online

TV & Radio



Netflix
Spotify

Travel



Priceline
Airbnb

Directories



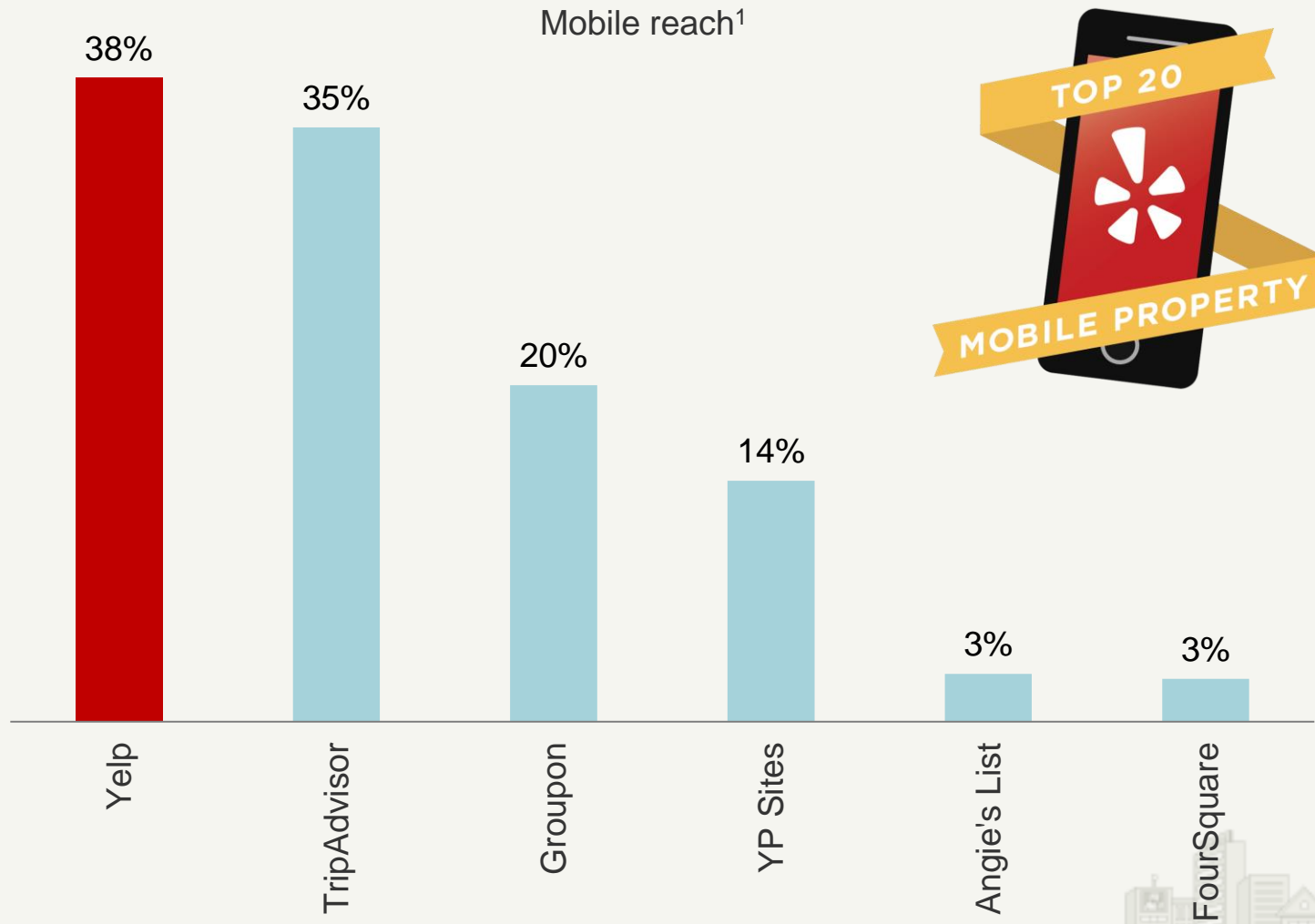
Hiring



LinkedIn
Indeed



Leading local guide with plenty of room for growth

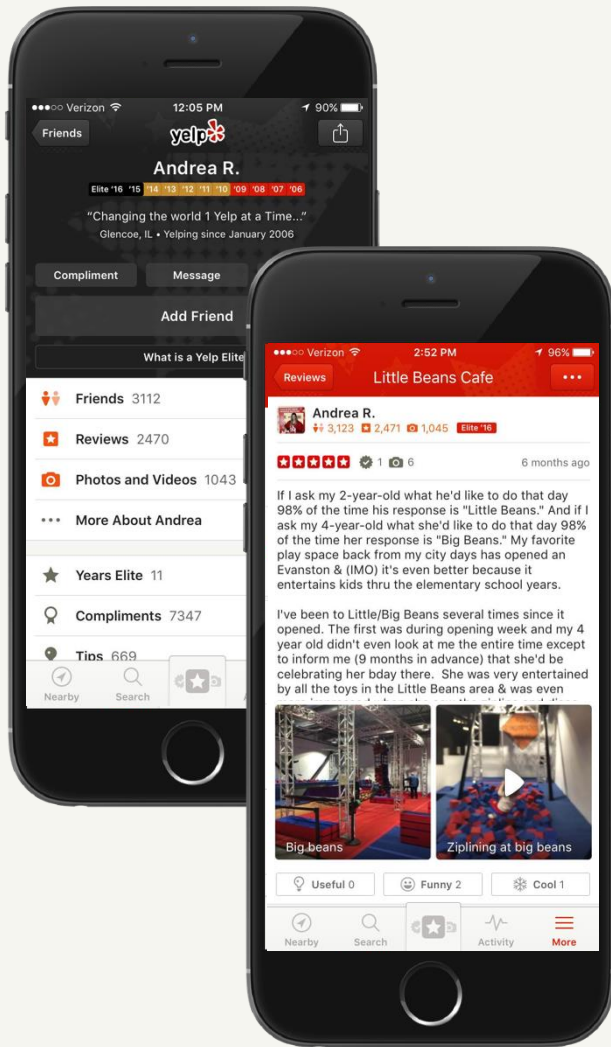


¹ As defined by penetration of U.S. smartphones. Source: ComScore, June 2017, Mobile Media Metrix, Browsing + Application Data.

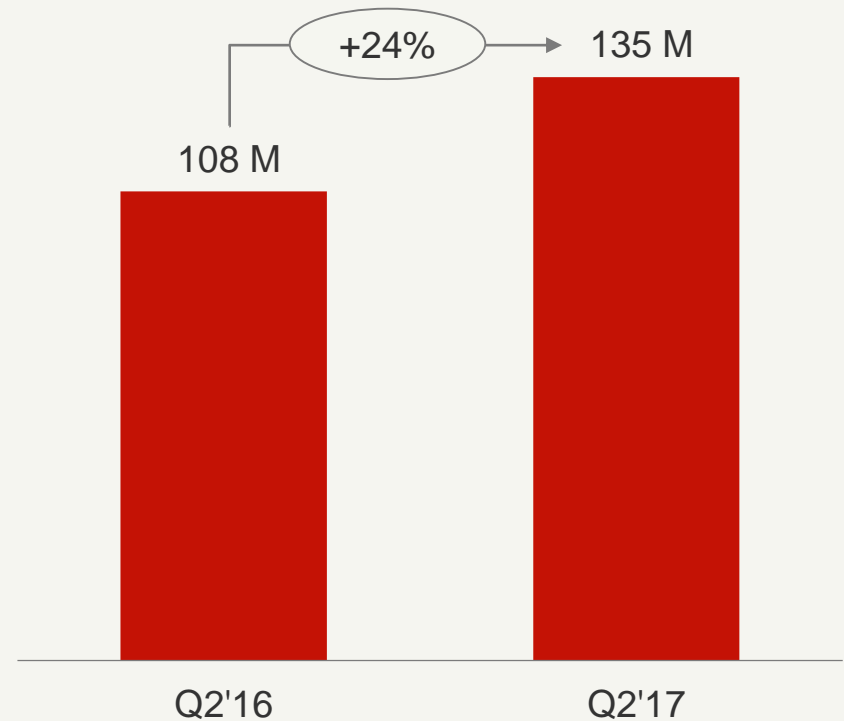
Note: Top 20 Mobile Property based on June 2017 ComScore data, Mobile Media Metrix, Browsing + Application Data, Top 100 Properties.

Our high-quality content continues to grow

Unmatched local business information at consumers' fingertips



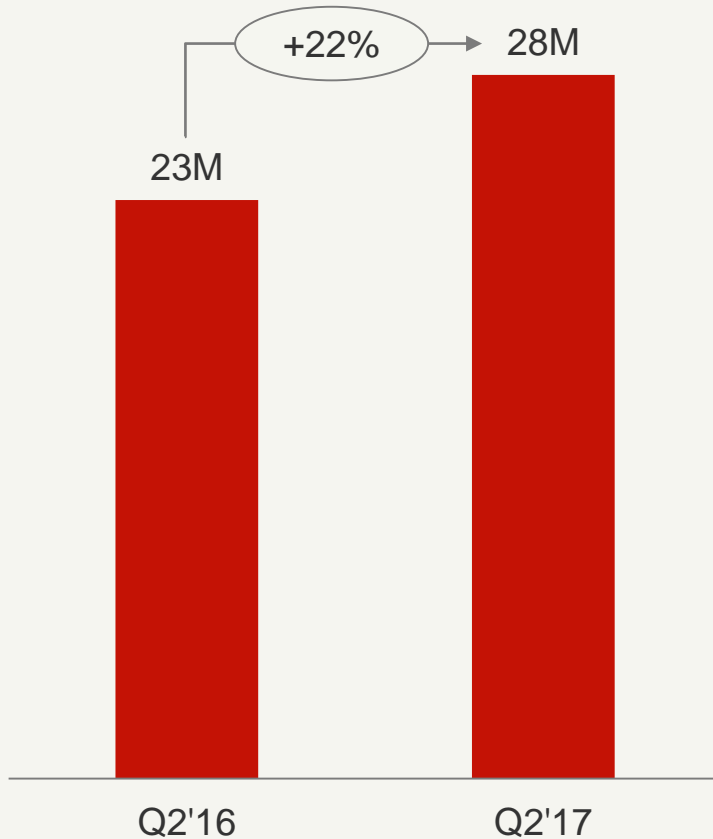
135 million cumulative reviews



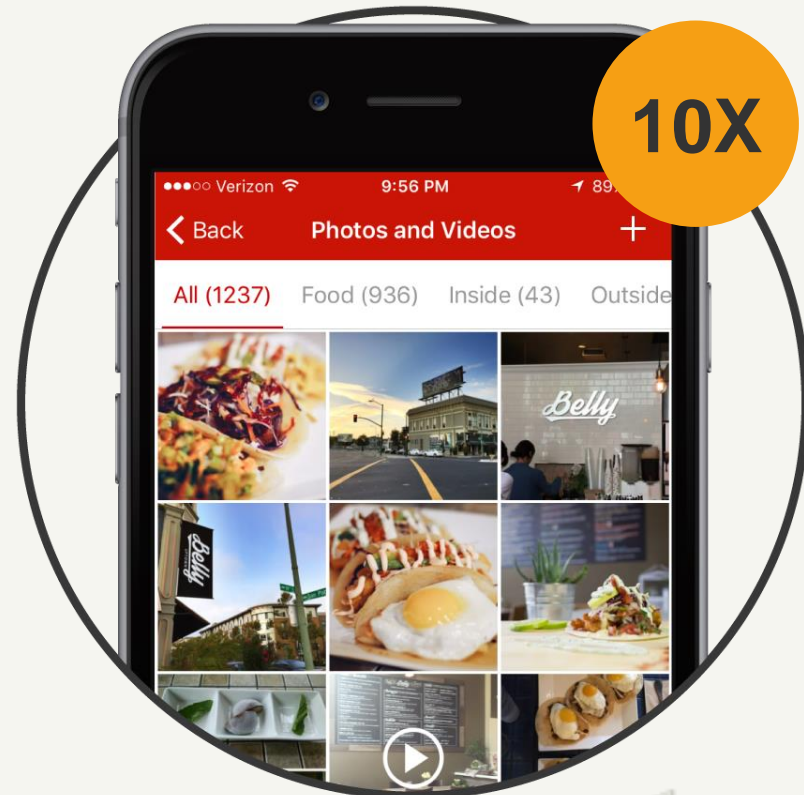
Compelling app experience drives engagement

Approximately 70% of page views came from app users

App unique devices*



App users view more than

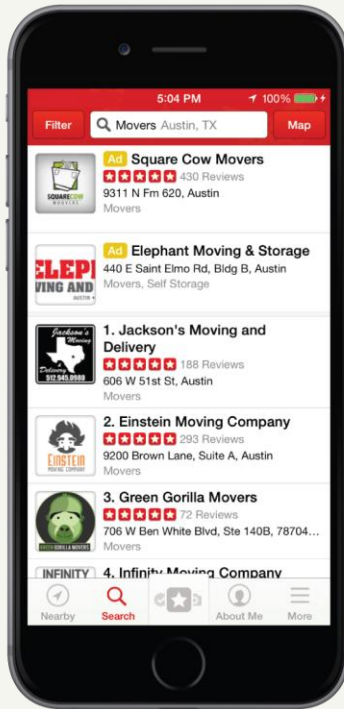


as many pages as website users

* Number of unique devices accessing the app on a monthly average basis for the period indicated, according to internal Yelp logs.
Note: Page views include business listing pages, business photo pages and search listings, page view metrics are for the quarter ended June 30, 2017.

Advertising features

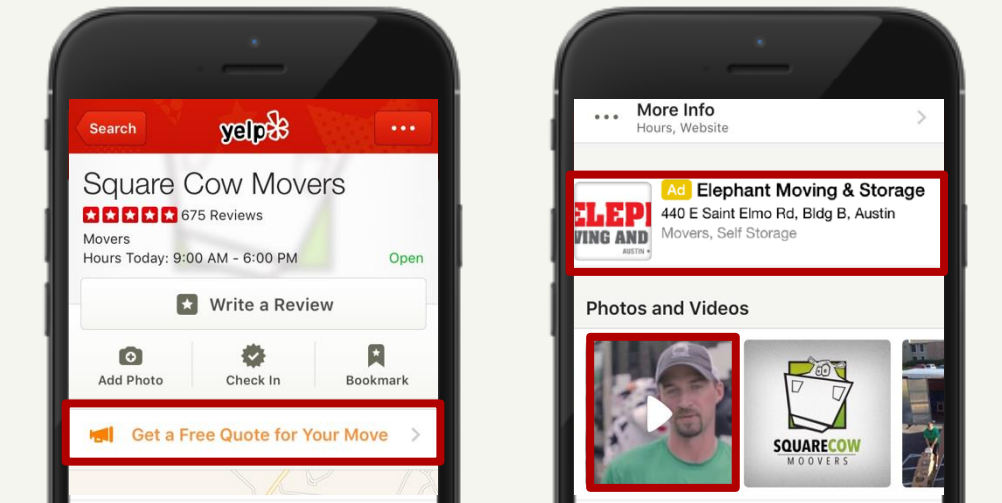
Local search ads



~\$50 – 1,000 monthly budget

- Cost-per-click: \$1-20+

Enhanced profile



~\$50 – 100 per month

- Photo slideshow and optional video
- 'Call to action' button
- Removal of competitor ads



Key drivers of advertising revenue by segment



Local SMB



Multi-location



Self serve



Salesforce growth

Revenue retention

Rep productivity

Penetration of existing advertisers

Increased account coverage

Leverage of Yelp insights

Product innovation

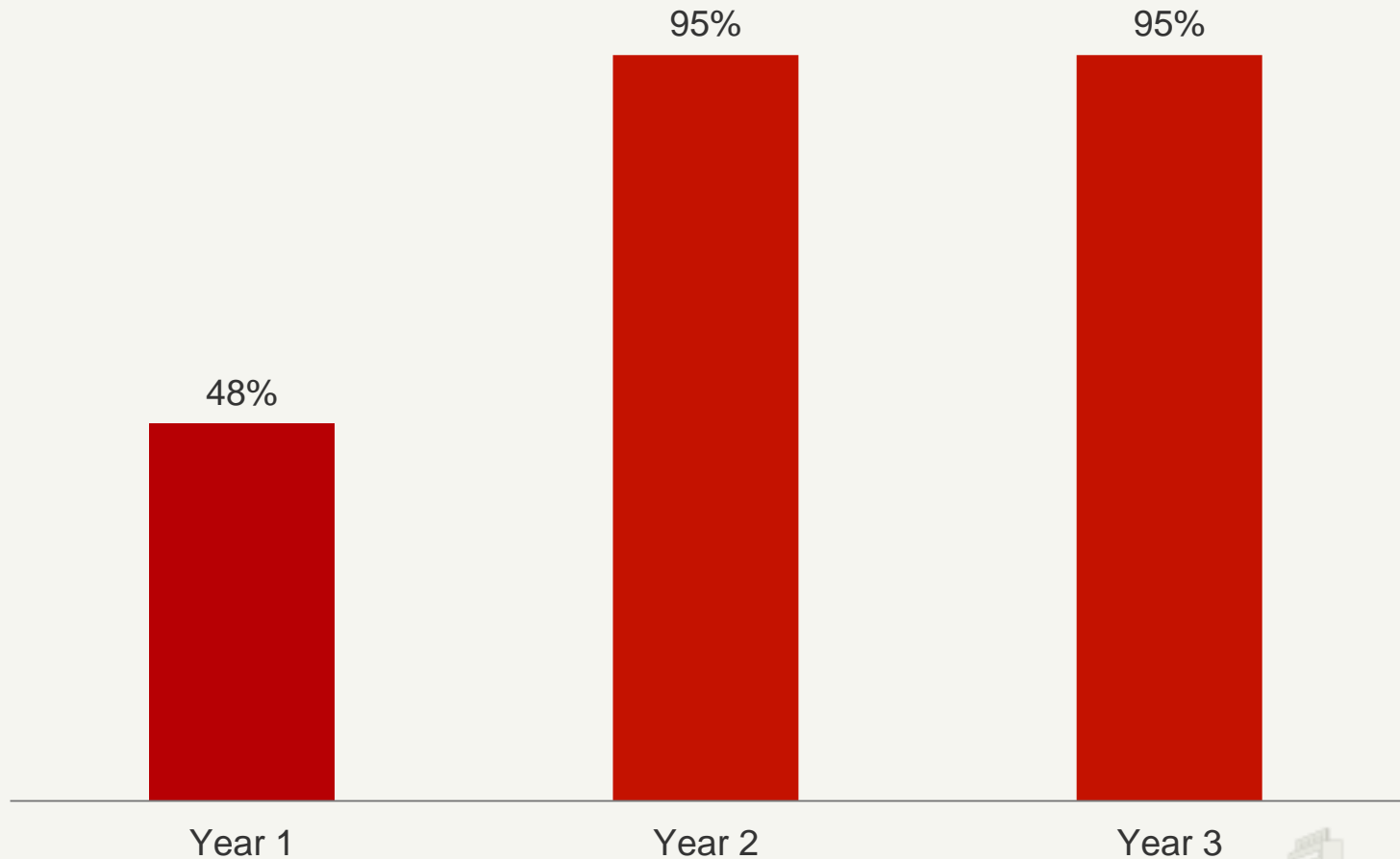
New customer acquisition

Continued experimentation

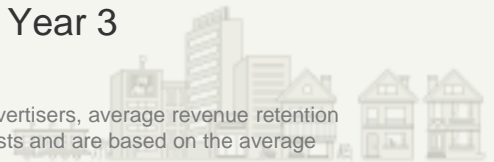


Strong unit economics

Contribution margin of an average local advertiser



Note: Data based on internal analysis conducted in June 2015. Revenue is based on average advertising spend for single-location CPM advertisers, average revenue retention and advertising contract term length. Customer acquisition costs include direct sales, marketing, credit card transaction fees and support costs and are based on the average productivity of a salesperson.



Advertising revenue in our oldest communities grew by double digits on average

Launch date of U.S. Yelp Community	Number of Yelp Communities (1)	Average Cumulative Reviews in Q2 2017 (2)	Year-Over-Year Growth in Average Cumulative Reviews (3)	Average Advertising Revenue in Q2 2017 (4)	Year-Over-Year Growth in Average Advertising Revenue (5)
2005 – 2006	6	8,234	22%	\$11,332	15%
2007 – 2008	14	1,904	24%	\$3,518	20%
2009 – 2010	18	719	29%	\$929	21%

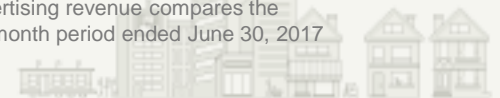
(1) A Yelp community is defined as a city or region in which we have hired a Community Manager.

(2) Average cumulative reviews is defined as the total cumulative reviews for businesses in the cohort as of June 30, 2017 (in thousands) divided by the number of communities in the cohort.

(3) Year-over-year growth in average cumulative reviews compares the average cumulative reviews as of June 30, 2017 with that of June 30, 2016.

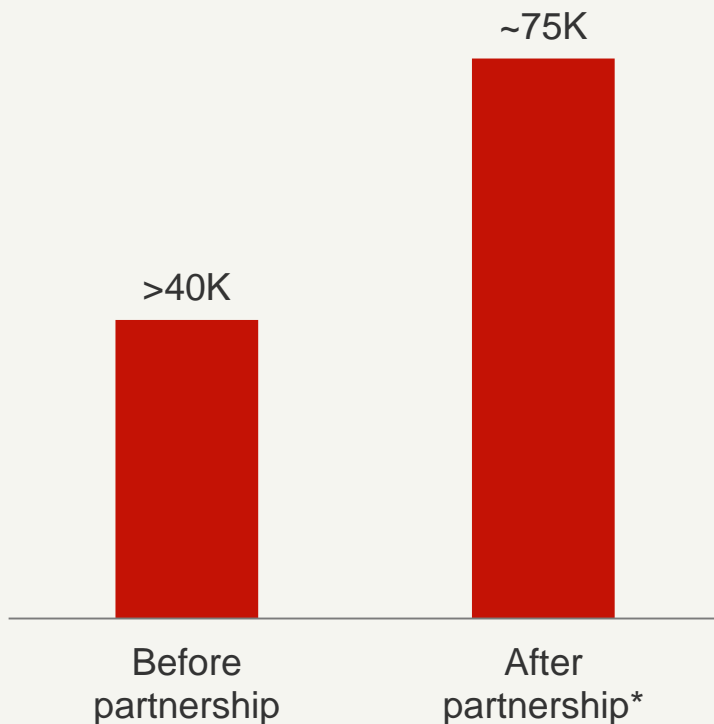
(4) Average advertising revenue is defined as the total advertising revenue from businesses in the cohort over the three-month period ended June 30, 2017 (in thousands) divided by the number of communities in the cohort.

(5) Year-over-year growth in average advertising revenue compares the average advertising revenue in the three-month period ended June 30, 2017 with that of the same period in 2016.

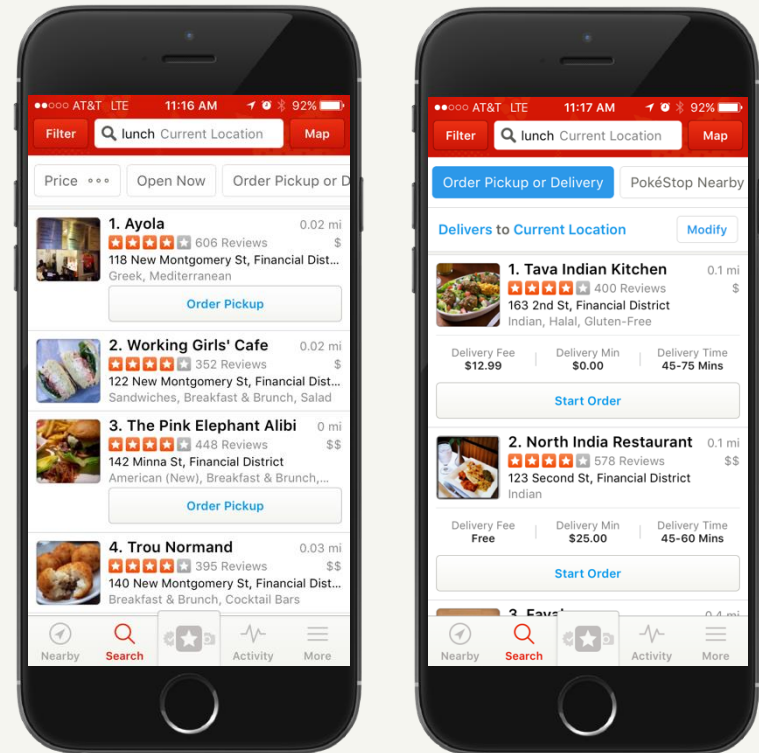


Grubhub partnership expected to nearly double online food ordering options on Yelp

Order-enabled restaurants on Yelp



Order pickup and delivery right on Yelp

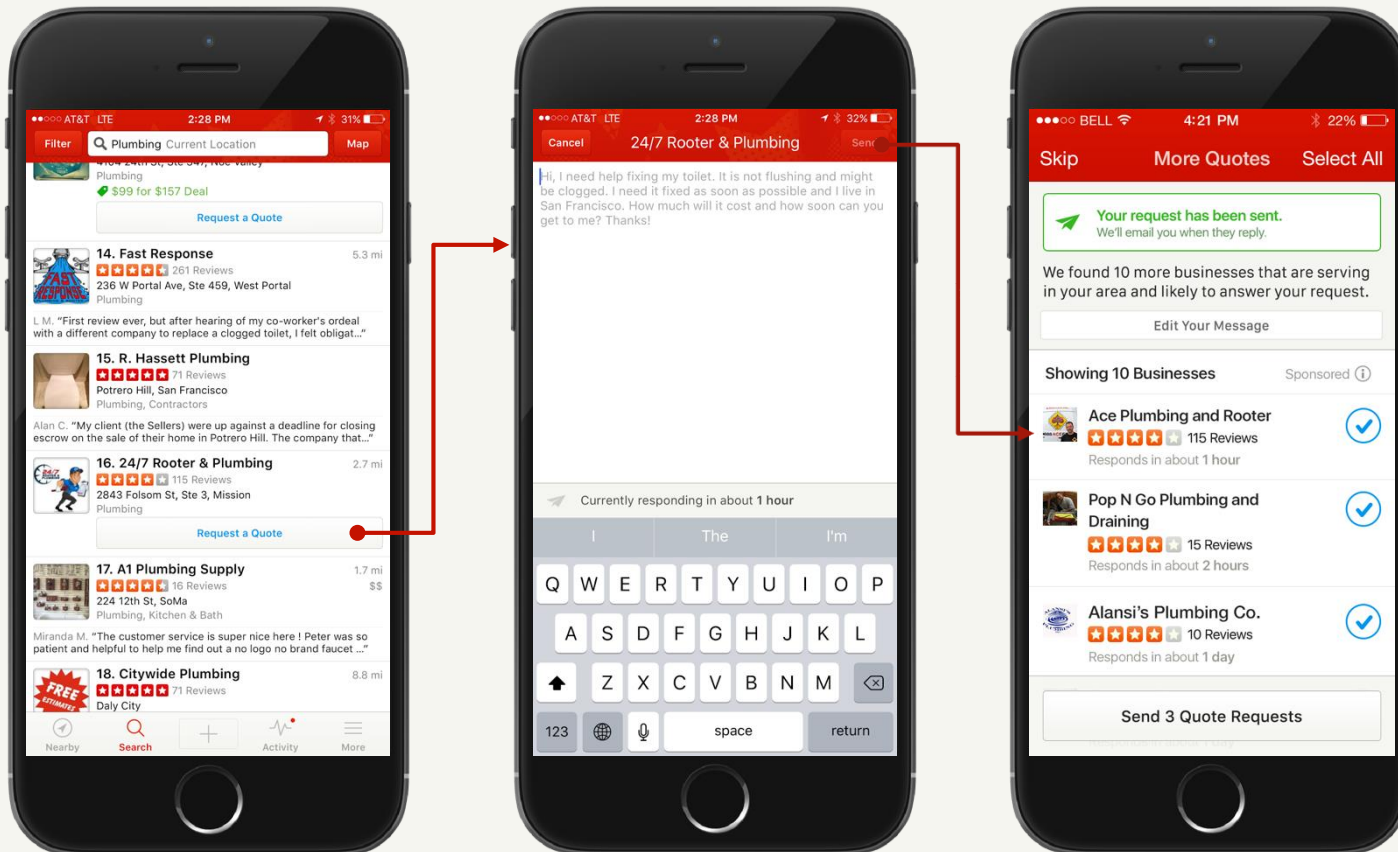


* Note: The planned partnership with Grubhub will not take effect unless and until Grubhub completes its acquisition of Eat24, which is subject to customary closing conditions, including the expiration of U.S. antitrust waiting periods. Accordingly, the planned partnership may not become effective in a timely manner or at all.



Request-A-Quote enhances the consumer-to-business connection on Yelp

2Q17 Requests grew nearly 50% from 1Q17



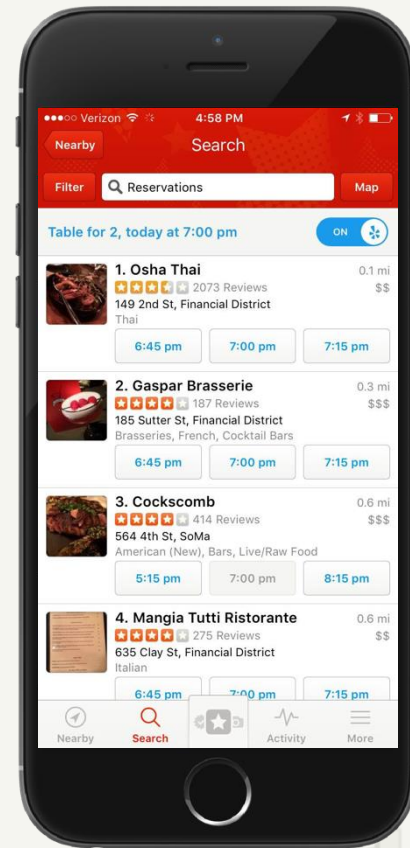
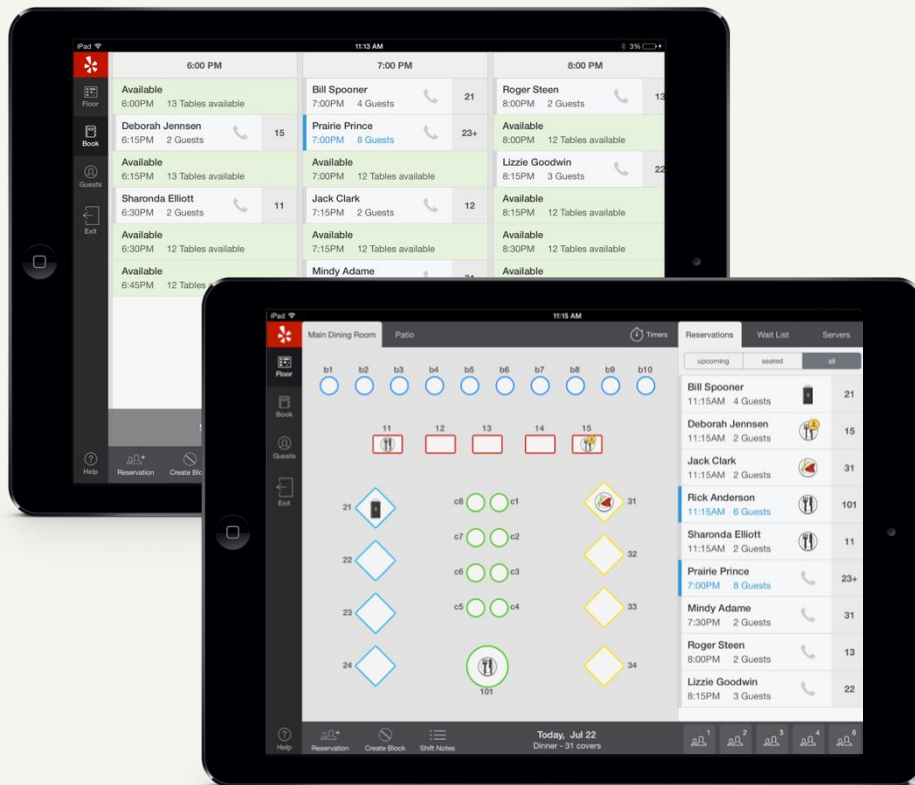
Note: For illustrative purposes only



Yelp Reservations restaurants in key cities increased nearly 30% y-y

Driving subscription revenue...

...as well as usage and engagement



Recent acquisitions drive usage and value in Yelp's largest traffic category



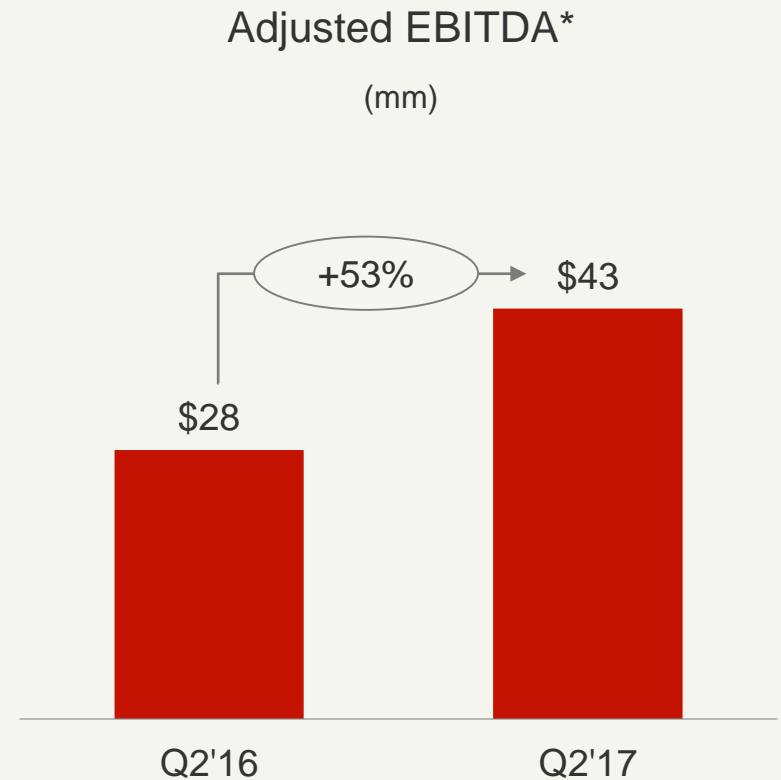
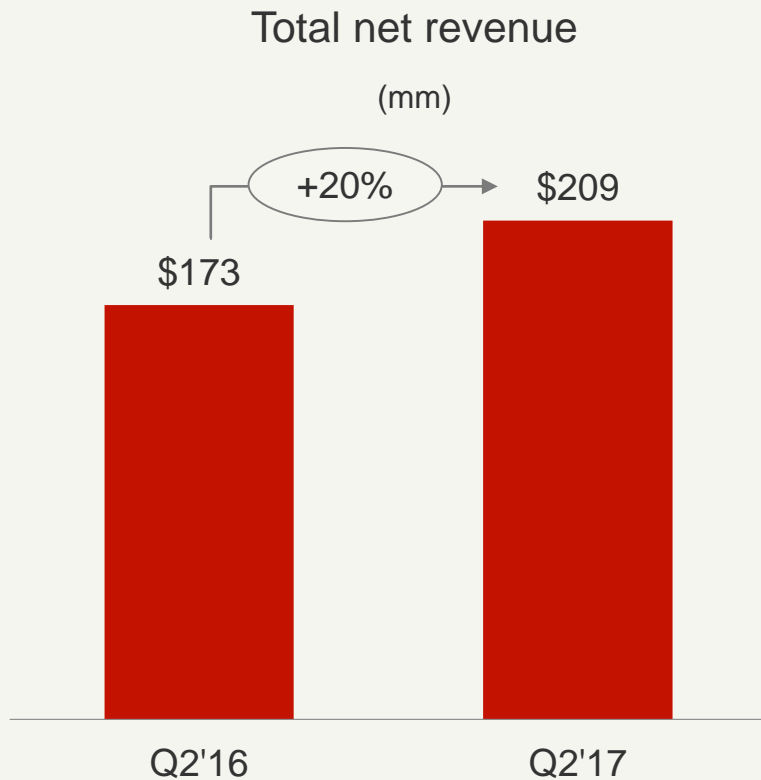
- Location-based marketing and analytics platform utilizing public Wi-Fi to attract, retain and reward customers
- Yelp's first customer-retention offering for businesses
- Formerly known as Turnstyle, acquired in April 2017



- Leading restaurant waitlist system and seating tool
- Enables users to discover real-time seating availability and remotely add their names to restaurants' waitlists
- Acquired in March 2017, integrated with Yelp Reservations



Solid second quarter results



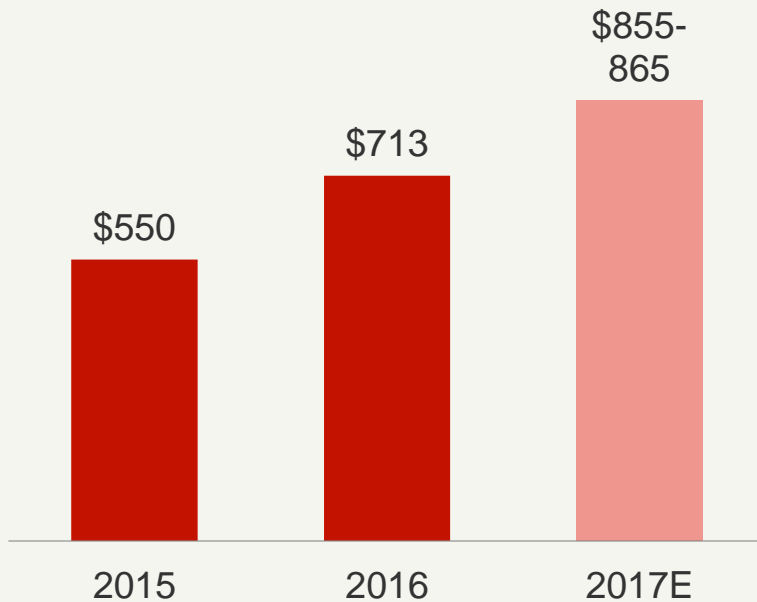
* See slide 22 for reconciliation to GAAP net income (loss) for the periods presented and for information about the limitations of adjusted EBITDA as an analytical tool.



Strong financial performance

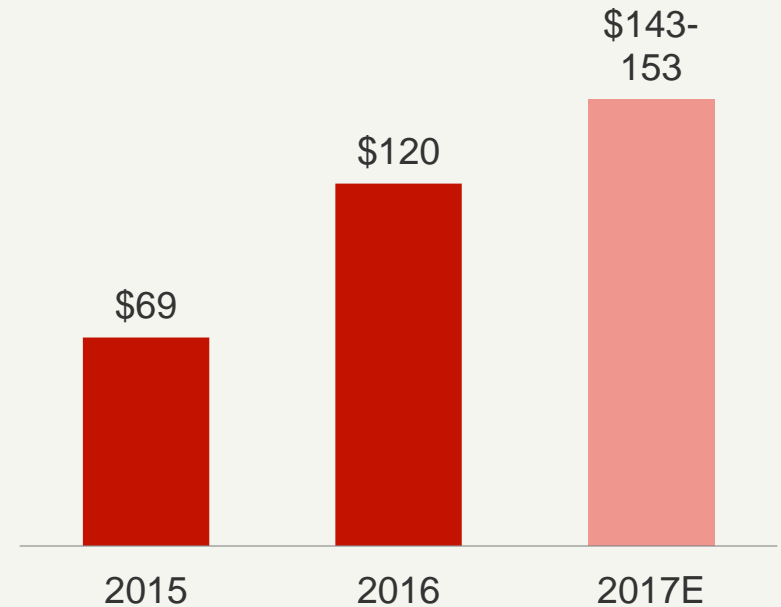
Total net revenue

(mm)



Adjusted EBITDA*

(mm)



* See slide 22 for reconciliation to GAAP net income (loss) for the periods presented and for information about the limitations of adjusted EBITDA as an analytical tool.



Long-term target model

(as a percentage of revenue)	FY2012	FY2013	FY2014	FY2015	FY2016	LT Targets
Cost of Revenue	7.2%	7.1%	6.5%	9.3%	8.5%	7%-8%
Sales & Marketing	62.5%	56.6%	53.3%	54.9%	53.7%	43%-44%
Product Development	14.9%	16.4%	17.3%	19.6%	19.4%	12%-14%
G&A	22.9%	18.4%	15.4%	14.7%	13.7%	8%-11%
D&A	5.3%	4.9%	4.7%	5.4%	5.0%	~4%
Adj. EBITDA Margin*	3.3%	12.6%	18.8%	12.6%	16.8%	35%-40%

Stock based comp included in each line item except for D&A and adjusted EBITDA

* Calculated as Adjusted EBITDA divided by Net revenue. See slide 22 for reconciliation to GAAP net income (loss) for the periods presented and for information about the limitations of adjusted EBITDA as an analytical tool.



Investment highlights

- ✓ Large addressable market opportunity
- ✓ Strong focus on product and innovation
- ✓ Highly engaged consumer and business-owner bases
- ✓ Purchase-oriented traffic increasingly transacting on Yelp
- ✓ Diversified revenue base and attractive cash flow



Appendix



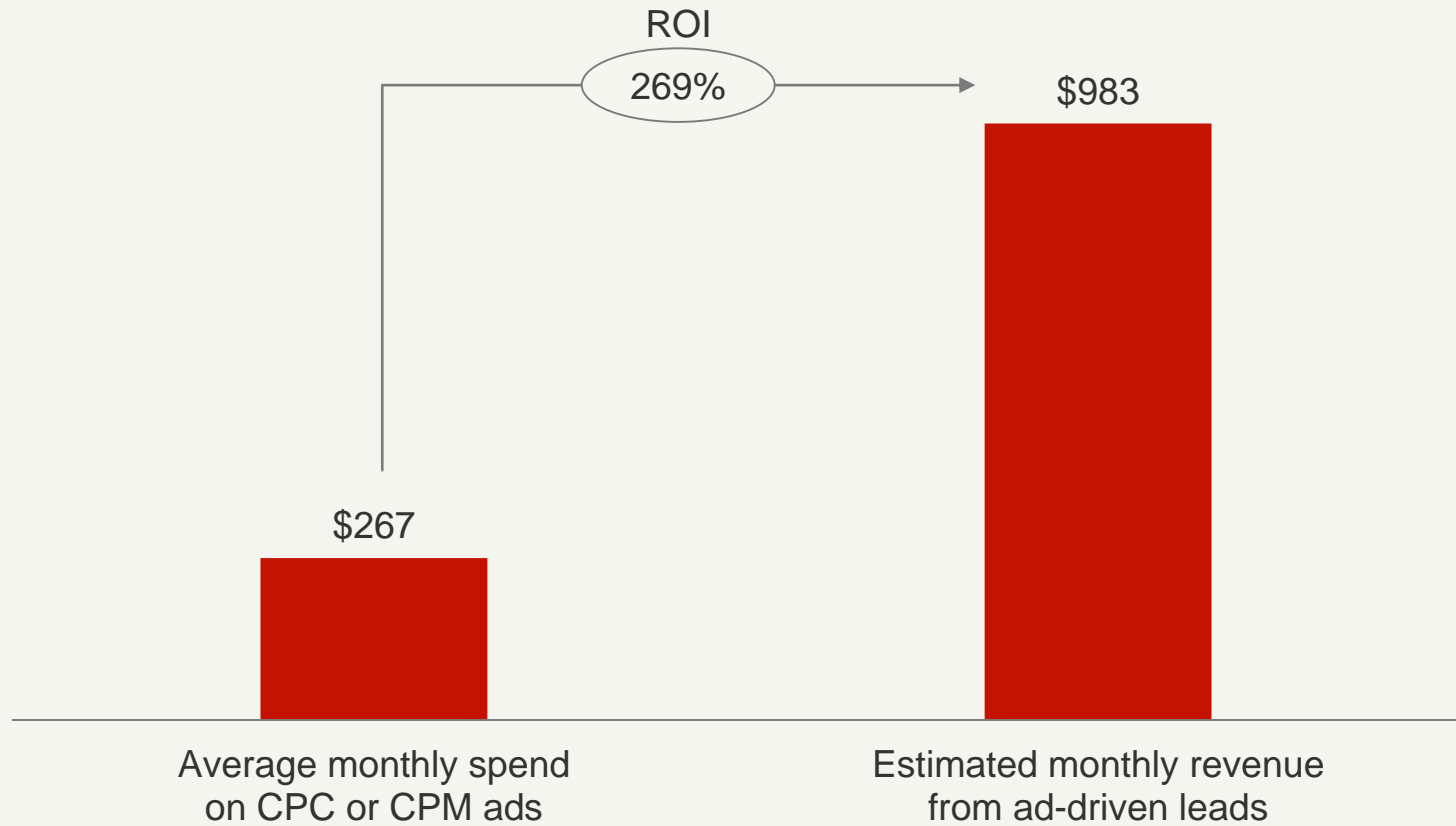
Adjusted EBITDA reconciliation

(\$mm)	2012	2013	2014	2015	2016	2016				2017	
						Q1	Q2	Q3	Q4	Q1	Q2
Net Income / (Loss)	(\$19.1)	(\$10.1)	\$36.5	(\$32.9)	(\$4.7)	(\$15.4)	\$0.4	\$2.1	\$8.3	(\$4.8)	\$7.6
+ Tax & Other Expenses	0.3	1.2	(25.4)	11.6	(0.3)	1.2	(1.6)	(0.1)	0.3	(0.7)	(0.7)
+ Depreciation & Amortization	7.2	11.5	17.6	29.6	35.3	8.2	8.6	9.2	9.4	10.2	10.7
+ Stock Based Compensation*	14.9	26.1	42.3	60.8	86.3	19.1	20.7	22.6	23.9	24.3	25.4
+ Restructuring & Integration	<u>1.3</u>	<u>0.7</u>	<u>0.0</u>	<u>0.0</u>	<u>3.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>3.5</u>	<u>0.2</u>	<u>0.0</u>
Adjusted EBITDA	\$4.6	\$29.4	\$70.9	\$69.1	\$120.1	\$13.0	\$28.1	\$33.7	\$45.3	\$29.3	\$42.9
/ Net Revenue	\$137.6	\$233.0	\$377.5	\$549.7	\$713.1	\$158.6	\$173.4	\$186.2	\$194.8	\$197.3	\$208.9
Adjusted EBITDA Margin	3.3%	12.6%	18.8%	12.6%	16.8%	8.2%	16.2%	18.1%	23.2%	14.8%	20.5%

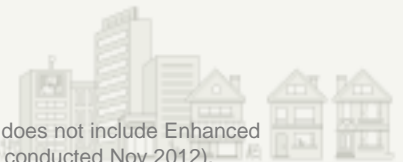
This presentation includes adjusted EBITDA, a non-GAAP financial measure that Yelp uses to evaluate its business. Yelp includes adjusted EBITDA because it is a key measure used by Yelp's management and board of directors to understand and evaluate core operating performance and trends, to prepare and approve its annual budget and to develop short- and long-term operational plans. In particular, the exclusion of certain expenses in calculating adjusted EBITDA can provide a useful measure for period-to-period comparisons of Yelp's core business. Accordingly, Yelp believes that adjusted EBITDA provides useful information to investors and others in understanding and evaluating Yelp's operating results in the same manner as its management and board of directors. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of Yelp's results as reported under GAAP. You can read more about the limitations of adjusted EBITDA in Yelp's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q at www.yelp-ir.com or the SEC's website at www.sec.gov. Because of these limitations, you should consider adjusted EBITDA alongside other financial performance measures, including various cash flow metrics, net income (loss) and Yelp's other GAAP results.

Additionally, Yelp has not reconciled its adjusted EBITDA outlook for the third quarter and full year 2017 to its net income (loss) outlook because it does not provide an outlook for other income (expense) and provision for income taxes, which are reconciling items between net income (loss) and adjusted EBITDA. As items that impact net income (loss) are out of Yelp's control and cannot be reasonably predicted, Yelp is unable to provide such an outlook. Accordingly, reconciliation to net income (loss) outlook for the third quarter and full year 2017 is not available without unreasonable effort.

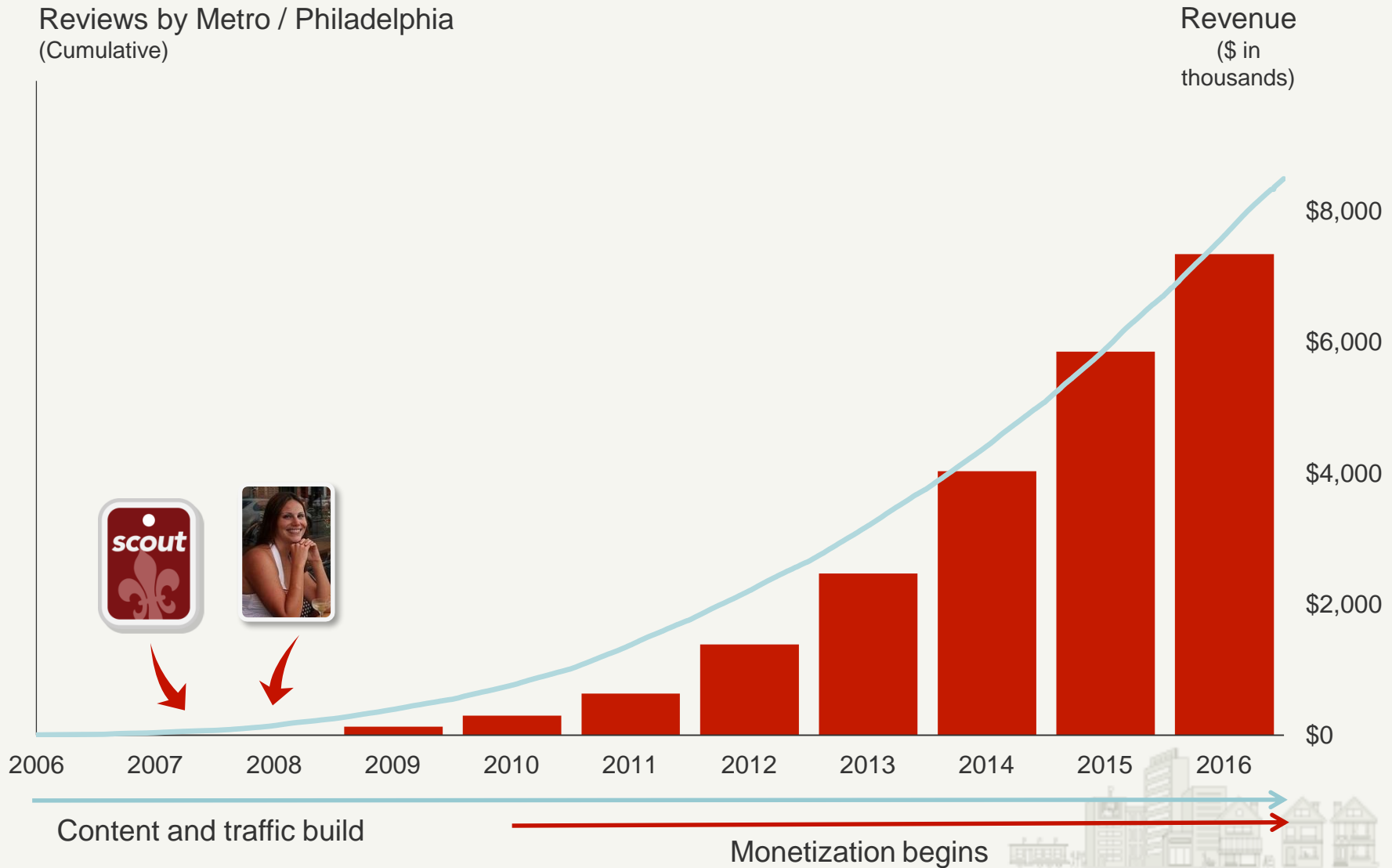
Compelling ROI for local advertisers



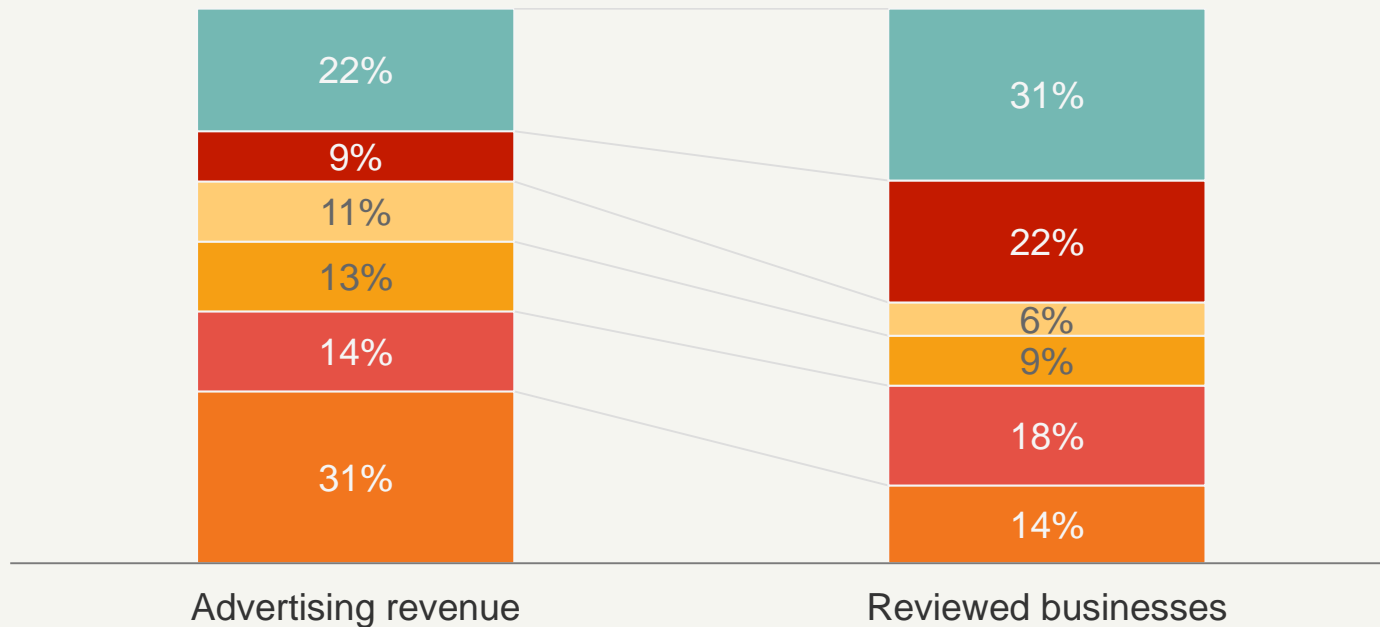
Note: Analysis conducted for the month of Sept 2014. Advertisers include single location local businesses that purchased local search ads (ad spend does not include Enhanced Profile features). Estimated Revenue is (leads from ad clicks) x (average revenue per customer as estimated by the Boston Consulting Group, survey conducted Nov 2012).



Philadelphia case study



Wide breadth of business categories and diversified revenue



■ Home & local services ■ Restaurants ■ Beauty & fitness ■ Health ■ Shopping ■ Other

