

RE/MAX



First Quarter 2015 Earnings

May 8, 2015

Forward Looking Statements and Non-GAAP Information



This presentation contains forward-looking statements within the meaning of federal securities laws, including statements regarding trends in our seasonality and outlook and statements relating to the broader economy or housing market and factors affecting the economy or housing market in the future, that are subject to risks and uncertainties. All statements other than statements of historical facts contained in this presentation are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

These forward-looking statements are based on assumptions that we have made in light of our industry experience and on our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. As you consider this presentation, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (some of which are beyond our control) and assumptions. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s most recent Form 10-K filed with the Securities and Exchange Commission (“SEC”) and similar disclosures in subsequent reports filed with the SEC. All forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

Because of these factors, we caution that you should not place undue reliance on any of our forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we have no duty to, and do not intend to, update or revise the forward-looking statements in this presentation after the date of this presentation.

This presentation refers to “Adjusted EBITDA” and “Adjusted net income.” The Company presents Adjusted EBITDA and Adjusted net income because it believes they are useful as supplemental measures in evaluating the performance of the Company’s operating businesses and provide greater transparency into the results of operations. Management uses Adjusted EBITDA as a factor in evaluating the performance of the business.

Adjusted EBITDA and Adjusted net income are not measures of financial performance or liquidity under generally accepted accounting principles (“GAAP”) and the usefulness of Adjusted EBITDA and Adjusted net income is limited because they do not include certain material costs necessary to operate our business. In addition, Adjusted EBITDA and Adjusted net income, as presented, may not be comparable to similarly titled measures of other companies. See the Appendix for a reconciliation of Adjusted EBITDA and Adjusted net income with the most directly comparable measure under GAAP.

Q1 2015 Highlights

Strongest Quarterly Agent Growth Since 2006



Network Growth

- Added 5,570 agents for total agent count of 99,955
- Total agent count growth of 5.9%
- U.S. agent count growth of 4.8%
- Agent count growth outside the U.S. and Canada of 13.5%

Comparisons represent first quarter 2015 versus first quarter 2014

Financial Performance

- Revenue up 5.6%
- Adjusted EBITDA up 17.2%
- Adjusted EBITDA margin of 42.4%
- Adjusted basic and diluted EPS of \$0.33 and \$0.32, respectively
- Announced quarterly dividend of \$0.125 per share
- Converted six owned brokerage offices to independent franchises in April 2015

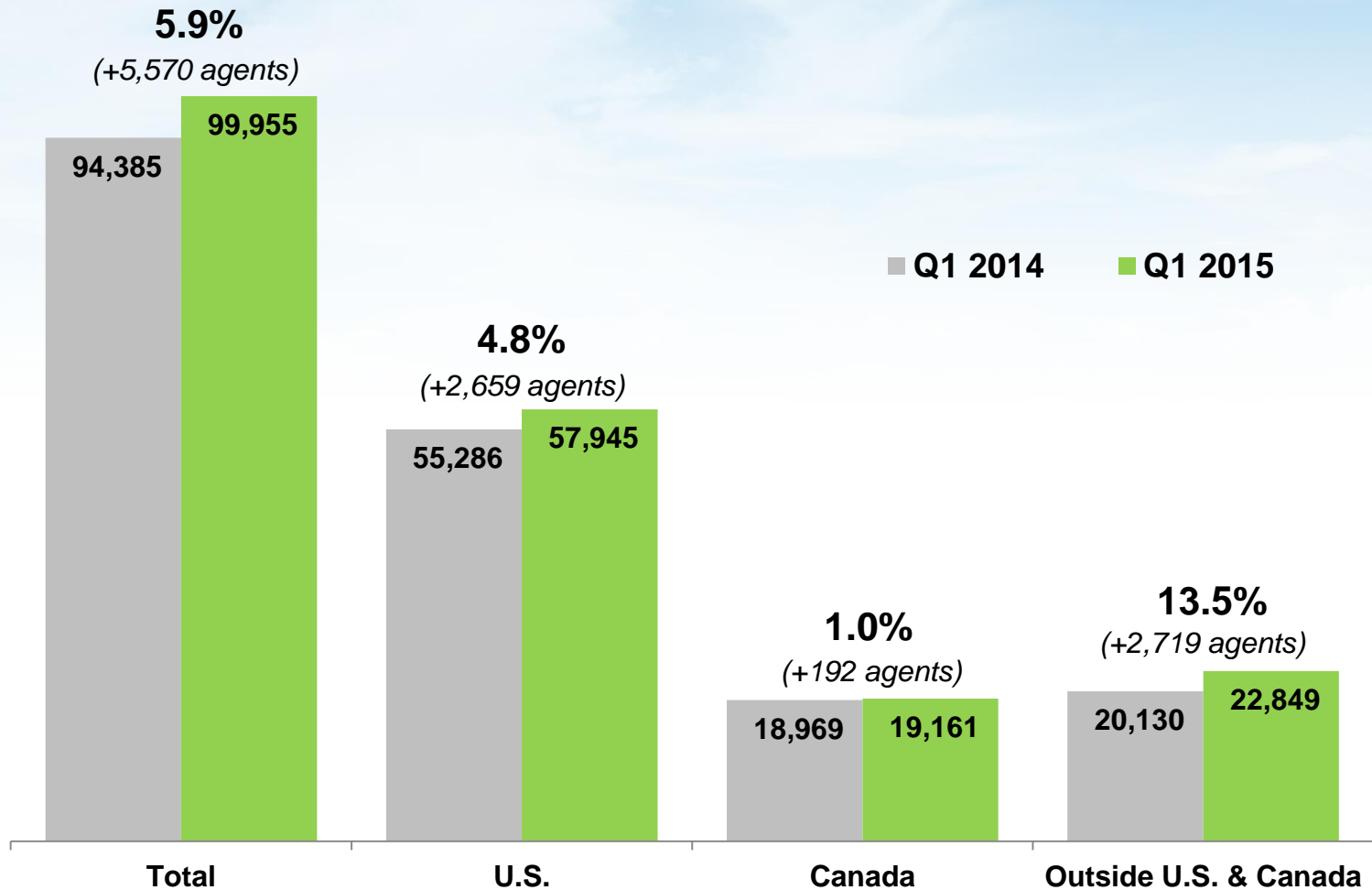
Comparisons represent first quarter 2015 versus first quarter 2014

Year-over-Year Agent Count Growth

Agent-Centric Business a Destination for Quality Agents



Agent Count Growth Q1 2014 vs. Q1 2015



Agent Count in the U.S. and Canada

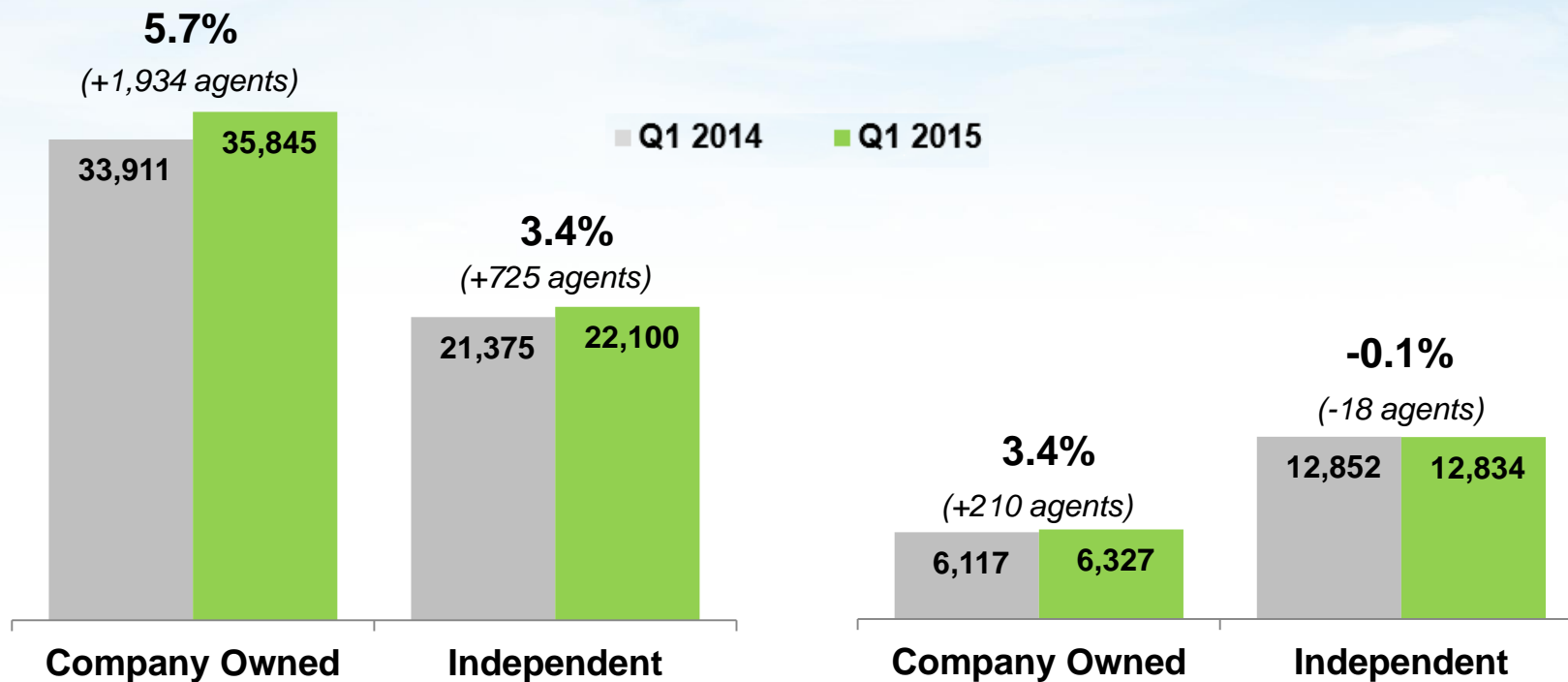
Growth in Company-Owned & Independent Regions



Agent Count Growth Q1 2014 vs. Q1 2015

Agents in the U.S.

Agents in Canada

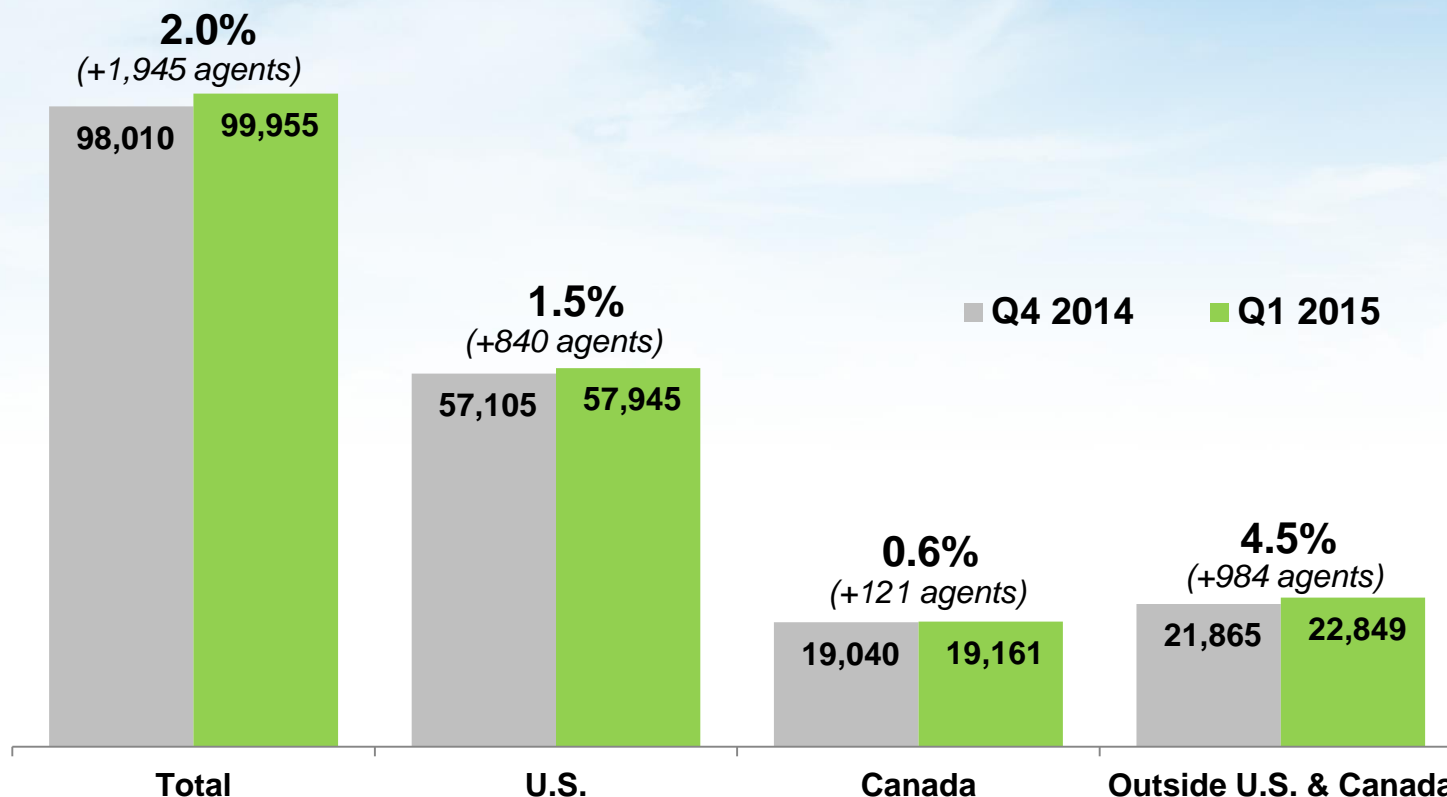


Year-to-Date Agent Count Growth

A Strong Start for Agent Count in 2015



Agent Count Growth Year-to-Date (Through March 31, 2015)



- Growth in U.S. Company-Owned regions of 546 agents or 1.5% year-to-date
- Growth in U.S. Independent regions of 294 agents or 1.3% year-to-date

Revenue Streams

Top Line Driven by Agent Growth and Market Conditions



Revenue (\$M)	First Quarter			
	2015	2014	Change	
			\$	%
Continuing Franchise Fees	\$17.66	\$17.70	-\$0.04	-0.2%
Annual Dues	\$7.80	\$7.51	\$0.30	3.9%
Broker Fees	\$6.42	\$5.56	\$0.86	15.5%
Franchise Sales and Other Franchise Revenue	\$8.43	\$7.91	\$0.52	6.5%
Brokerage Revenue	\$3.90	\$3.20	\$0.70	21.7%
Total	\$44.21	\$41.88	\$2.33	5.6%

- Recurring fees/dues¹ accounted for:
 - 57.6% of revenue in Q1 2015 vs. 60.2% in Q1 2014

1. Recurring fees/dues are composed of Continuing Franchise Fees and Annual Dues.

Selling, Operating and Administrative Expenses Decrease Driven by Lower Personnel Expense in Q1 2015



Expenses (\$M)	First Quarter			
	2015	2014	Change	
			\$	%
Personnel	\$10.63	\$10.99	-\$0.36	-3.2%
Professional Fees	\$2.74	\$2.34	\$0.40	17.0%
Rent	\$3.25	\$3.06	\$0.18	6.0%
Other	\$8.46	\$8.90	-\$0.44	-5.0%
Total	\$25.07	\$25.29	-\$0.22	-0.9%

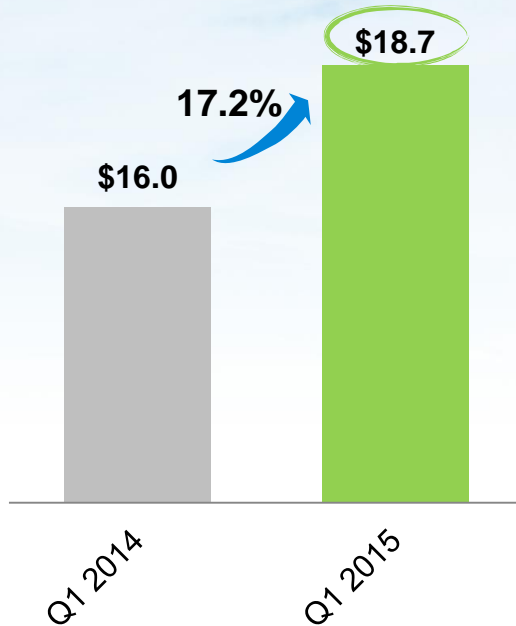
- SO&A was 56.7% of revenue in Q1 2015 vs. 60.4% in Q1 2014

Adjusted EBITDA

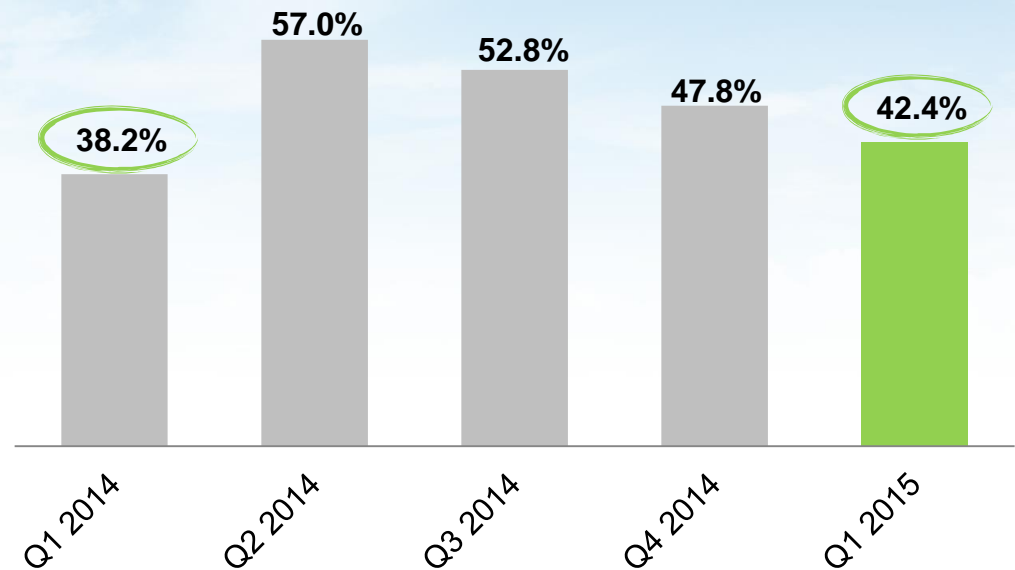
Business Model Delivers Consistently High Margins



Adjusted EBITDA¹ (\$M)



Adjusted EBITDA¹ Margins²



- Q1 2015 Adjusted EBITDA growth driven by 21.1% increase in operating income
 - FX negatively impacted Q1 2015 Adjusted EBITDA margin by 382 basis points and Q1 2014 Adjusted EBITDA margin by 170 basis points on a constant currency basis

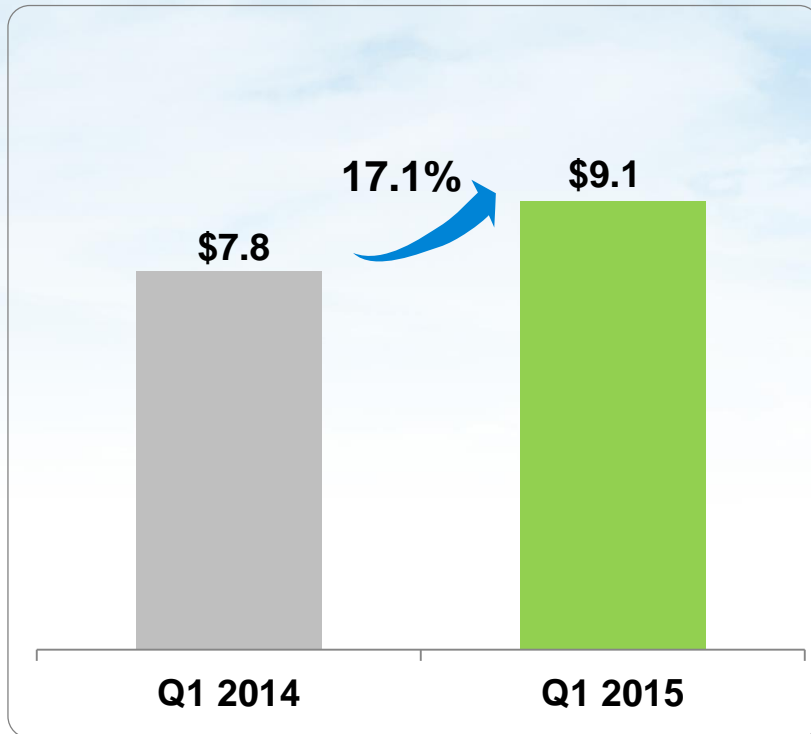
1. Adjusted EBITDA is a non-GAAP number and excludes all adjustments attributable to the non-controlling interest. See slide 17 for a reconciliation of Net Income to Adjusted EBITDA and slide 19 for the definition of Adjusted EBITDA.

2. Adjusted EBITDA margins presented reflect the removal of certain equity compensation add-backs in Q1 and Q2 2014.

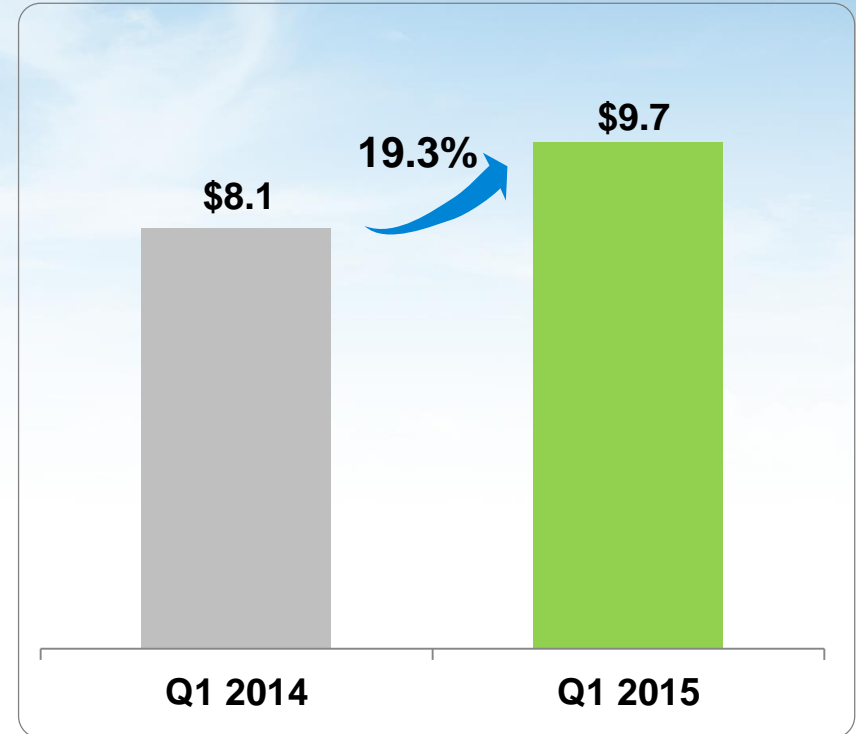
Net Income and Adjusted Net Income Growth



Net Income (\$M)



Adjusted Net Income¹ (\$M)



- Q1 2014 Adjusted basic EPS¹ of \$0.33 and diluted EPS¹ of \$0.32
 - FX negatively impacted both adjusted basic and diluted EPS by \$0.04 on a constant currency basis

1. Based on Adjusted net income and as if RE/MAX Holdings owned 100% of RMCO. Adjusted net income is a non-GAAP number. See slide 18 for a reconciliation of Net Income to Adjusted net income and slide 19 for a definition of Adjusted net income.

Generating Sufficient Capital to Grow the Business and Return of Capital to Shareholders



Balance Sheet & Leverage

- Cash balance of \$114.5 million on March 31, 2015, up \$7.3 million from December 31, 2014
 - March 31, 2015 cash balance does not reflect aggregate payment of approximately \$45M made in April 2015 for special dividend of \$1.50 per share
- \$203.3 million in term loans¹ and no revolving loans outstanding
 - Made \$7.3M mandatory excess cash flow principle payment in March 2015
- Total Debt / Adjusted EBITDA of 2.35x²
- Net Debt / Adjusted EBITDA of 1.03x³

Dividend

- Announced dividend of \$0.125 per share on May 7, 2015
 - Doubled quarterly dividend to \$0.125 per share in March 2015
 - Paid special dividend of \$1.50 per share in April 2015

1. Net of unamortized discount

2. Based on twelve months ended March 31, 2015, Adjusted EBITDA of \$86.6M and total debt, net of unamortized discount of \$203.3M

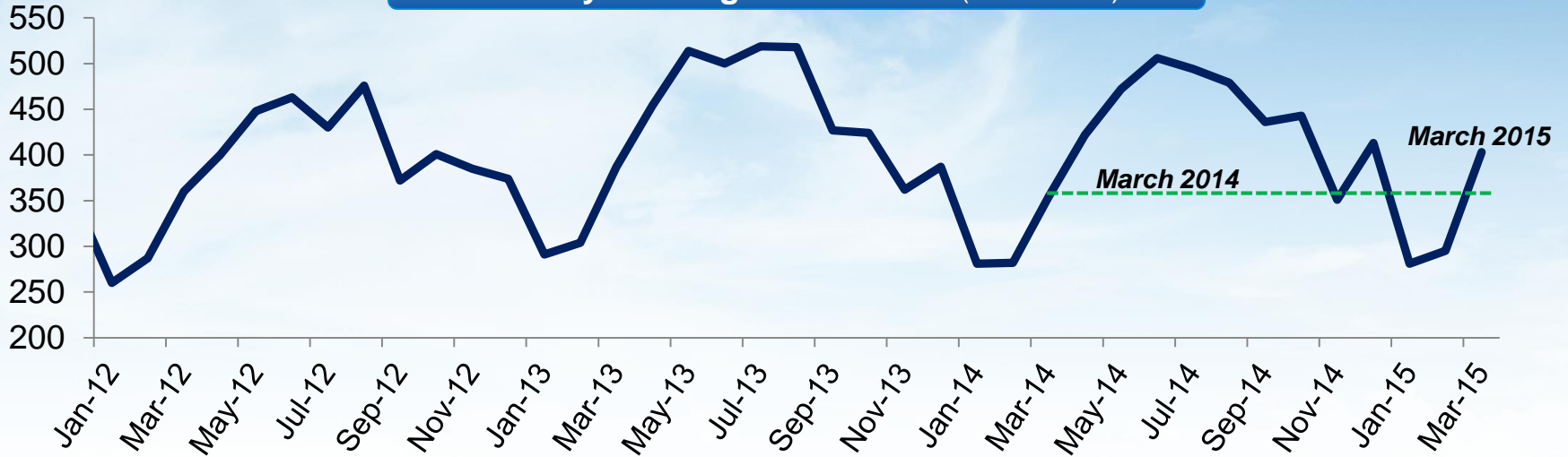
3. Based on twelve months ended March 31, 2015, Adjusted EBITDA of \$86.6M and total debt, net of unamortized discount of \$203.3M and net of cash and cash equivalents of \$114.5M

Positive Start to 2015

Fundamentals in Place for Housing Market to Improve

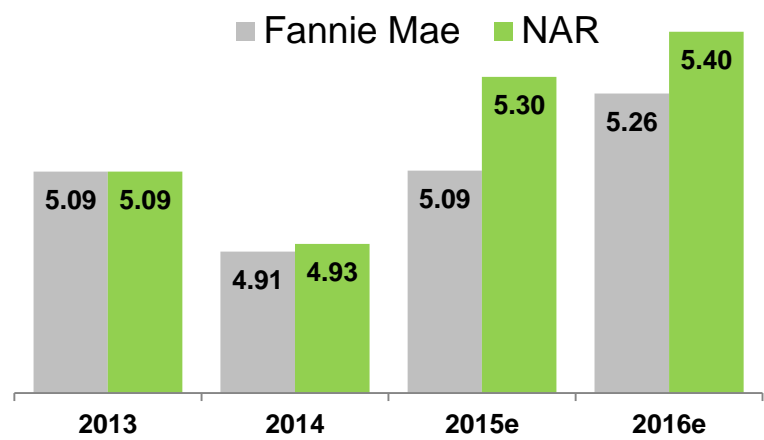
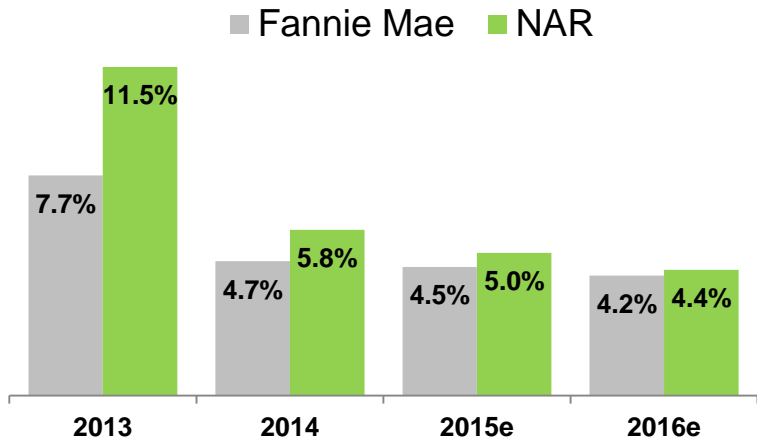


Monthly Existing Home Sales¹ (Thousands)



Home Price Appreciation^{2,3} (YoY)

Annual Existing Home Sales^{2,3} (M)



1. Source: NAR (National Association of Realtors) – March 2015 U.S. Existing Home Sales; numbers presented are not seasonally adjusted; January 2012 through March 2015
 2. Source: NAR (National Association of Realtors) – 2015 Forecast, January 2015
 3. Source: Fannie Mae – Economic and Strategic Research – Housing Forecast, April 2015

Looking Ahead

Growing our Network, our Business and our Brand



Q2 2015 Outlook

(Reflects conversion of 6 owned brokerage offices to independently owned RE/MAX franchises)

- Agent count estimated to increase by 4.5% - 5% over Q2 2014
- Revenue estimated to increase by 2.5% - 3.5% over Q2 2014
- Selling, Operating and Administrative Expenses 47% - 49% of Q2 2015 revenue
- Adjusted EBITDA margin 52% - 53% range

2015 Outlook

(Reflects conversion of 6 owned brokerage offices to independently owned RE/MAX franchises)

- Agent count estimated to increase by 4% - 5% over 2014
- Revenue estimated to increase by 1% - 2% over 2014 after adjusting for the sale of the 6 owned brokerage offices
- Selling, Operating and Administrative Expenses 50% - 52% of 2015 revenue
- Adjusted EBITDA margin 49% - 50% range
- Project related operating expenditures of approximately \$3.0 million
- Total capital expenditures of \$3.5 to \$4.0 million including project related capital expenditures of \$2.0 to \$2.5 million

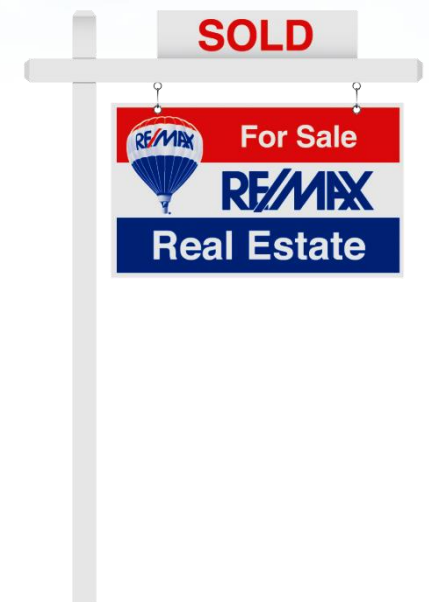
Note: Revenue, Selling, operating and administrative expenses, and Adjusted EBITDA margin are subject to fluctuations in the Canadian dollar to U.S. dollar exchange rate. 2015 outlook reflects an annualized estimated exchange rate of \$0.78 U.S. for every Canadian dollar.

Leading Real Estate Franchise with Recurring Revenues, High Margins & Strong Free Cash Flow



Attractive Franchise Model

- **Best-in-Class Network of More than 100,000 Agents**
- **Unmatched global footprint**
- **Resilient, recurring fee streams based on agent count**
- **High EBITDA margins**
- **Strong free cash flow generation**
- **Low fixed-cost structure**
- **Asset-light franchise business**



NOBODY SELLS MORE
REAL ESTATE THAN

RE/MAX[®]



As measured by total residential transaction sides.

RE/MAX Holdings, Inc. Agent Count



(Unaudited)

	As of					
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013
Agent Count:						
U.S.						
Company-owned regions	35,845	35,299	35,377	34,686	33,911	33,416
Independent regions	22,100	21,806	21,804	21,576	21,375	21,075
U.S. Total	57,945	57,105	57,181	56,262	55,286	54,491
Canada						
Company-owned regions	6,327	6,261	6,258	6,212	6,117	6,084
Independent regions	12,834	12,779	12,849	12,818	12,852	12,838
Canada Total	19,161	19,040	19,107	19,030	18,969	18,922
Outside U.S. and Canada						
Company-owned regions (1)	-	328	312	301	323	338
Independent regions (1)	22,849	21,537	21,047	20,496	19,807	19,477
Outside U.S. and Canada Total	22,849	21,865	21,359	20,797	20,130	19,815
Total	99,955	98,010	97,647	96,089	94,385	93,228
Net change in agent count compared to the prior period	1,945	363	1,558	1,704	1,157	

(1) As of March 31, 2015, Independent Regions outside of the U.S. and Canada include 328 agents in the Caribbean and Central America regions which converted from Company-owned Regions to Independent Regions in connection with the divestiture of the Caribbean and Central America regions during the first quarter of 2015.

RE/MAX Holdings, Inc.

Adjusted EBITDA Reconciliation to Net Income

(Reflects RE/MAX Holdings with 100% ownership of RMCO, LLC)



(Unaudited) (Amounts in thousands, except percentages)

	Three Months Ended March 31,	
	2015	2014
Consolidated:		
Net income (1)	\$ 9,130	\$ 7,798
Depreciation and amortization	3,811	3,938
Interest expense	2,809	2,466
Interest income	(67)	(81)
Provision for income taxes	2,148	1,885
EBITDA	17,831	16,006
Gain on sale or disposition of assets and sublease (2)	(43)	(178)
Loss on early extinguishment of debt (3)	94	-
Non-cash straight-line rent expense (4)	231	147
Non-recurring severance and other related expenses (5)	451	-
Acquisition integration and professional fees expense (6)	183	18
Adjusted EBITDA	\$ 18,747	\$ 15,993
Adjusted EBITDA Margin	42.4%	38.2%
FX impact on Adjusted EBITDA		
Foreign currency transaction losses	1,421	529
FX impact on operating income	572	362
Adjusted EBITDA adjusted for FX	\$ 20,740	\$ 16,884
Adjusted EBITDA Margin adjusted for FX (7)	46.2%	39.9%

- (1) Excludes all adjustments associated with the non-controlling interest and presents the results of operations as if all outstanding common units of RMCO were exchanged for or converted into shares of the Company's Class A common stock on a one-for-one basis for the entire period presented.
- (2) Represents losses (gains) on the sale or disposition of assets as well as the losses (gains) on the sublease of a portion of the Company's corporate headquarters office building.
- (3) Represents losses incurred on early extinguishment of debt on the Company's 2013 Senior Secured Credit Facility for the three months ended March 31, 2015.
- (4) Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments.
- (5) Represents non-recurring severance and other related expenses recognized for certain employees who were terminated during the three months ended March 31, 2015.
- (6) Acquisition integration and professional fees expense include fees incurred in connection with the Company's acquisitions of certain assets of HBN, Inc. and Tails, Inc. in October 2013. Costs include legal, accounting and advisory fees as well as consulting fees for integration services.
- (7) Revenue adjusted for the impact of foreign exchange and used to calculate the Adjusted EBITDA margin adjusted for FX is equal to \$44.86 million and \$42.33 million for the first quarter of 2015 and 2014, respectively.

RE/MAX Holdings, Inc.

Adjusted Net Income and Adjusted Earnings per Share⁽¹⁾

(Reflects RE/MAX Holdings with 100% ownership of RMCO, LLC)



(Unaudited) (Amounts in thousands except shares outstanding and EPS)

	Three Months Ended March 31,	
	2015	2014
Consolidated:		
Net income	\$ 9,130	\$ 7,798
Amortization of franchise agreements	3,391	3,391
Non-controlling interest income tax expense & RE/MAX Holdings tax provision	2,148	1,885
<i>Add-backs:</i>		
Gain on sale or disposition of assets and sublease (2)	(43)	(178)
Loss on early extinguishment of debt (3)	94	-
Non-cash straight-line rent expense (4)	231	147
Non-recurring severance and other related expenses (5)	451	-
Acquisition integration and professional fees expense (6)	183	18
Adjusted pre-tax net income	15,585	13,061
Less: Provision for income taxes at 38%	(5,922)	(4,963)
Adjusted net income	<u>\$ 9,663</u>	<u>\$ 8,098</u>
Total basic pro forma shares outstanding	29,552,205	29,342,571
Total diluted pro forma shares outstanding	30,028,105	29,989,074
Adjusted net income basic earnings per share:	<u>\$ 0.33</u>	<u>\$ 0.28</u>
Adjusted net income diluted earnings per share:	<u>\$ 0.32</u>	<u>\$ 0.27</u>

- (1) Consolidated net income excludes all adjustments associated with the non-controlling interest and presents the results of operations as if all outstanding common units of RMCO were exchanged for or converted into shares of the Company's Class A common stock on a one-for-one basis for the entire period presented.
- (2) Represents losses (gains) on the sale or disposition of assets as well as the losses (gains) on the sublease of a portion of the Company's corporate headquarters office building.
- (3) Represents losses incurred on early extinguishment of debt on the Company's 2013 Senior Secured Credit Facility for the three months ended March 31, 2015.
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Non-GAAP Financial Measures



The SEC has adopted rules to regulate the use in filings with the SEC and in public disclosures of financial measures that are not in accordance with U.S. GAAP, such as Adjusted EBITDA and Adjusted net income and the ratios related thereto. These measures are derived on the basis of methodologies other than in accordance with U.S. GAAP.

RE/MAX defines Adjusted EBITDA as EBITDA (consolidated net income before depreciation and amortization, interest expense, net and the provision for income taxes, each of which is presented in the Company's condensed consolidated financial statements included elsewhere in this press release), adjusted for the impact of the following items that the Company does not consider representative of the Company's ongoing operating performance: loss or gain on sale or disposition of assets and sublease, loss on early extinguishment of debt, non-cash straight-line rent expense, non-recurring severance and other related expenses and acquisition integration and professional fees expense. During the third quarter of 2014, the Company revised its definition of Adjusted EBITDA to no longer adjust for recurring equity-based compensation expense. Adjusted EBITDA in prior periods has been revised to reflect this change for consistency of presentation. During the fourth quarter of 2014, the Company revised its definition of Adjusted EBITDA to adjust for non-recurring severance and other related expenses.

RE/MAX defines Adjusted net income as net income, excluding the impact of amortization expense related to the Company's franchise agreements, non-controlling interest income tax expense and RE/MAX Holdings tax provision, loss or gain on sale or disposition of assets and sublease, loss on early extinguishment of debt, non-cash straight-line rent expense, non-recurring severance and other related expenses, and acquisition integration and professional fees expense, but reflects income taxes and is presented as if all outstanding common units of RMCO were exchanged for or converted into shares of the Company's Class A common stock on a one-for-one basis. Assuming the full exchange and conversion, all income of RMCO is treated as if it were allocated to RE/MAX, and the adjusted provision for income taxes represents an estimate of income tax expense at an effective rate reflecting assumed federal, state, and local income tax rates. The estimated effective tax rate was 38%.

Because Adjusted EBITDA and Adjusted net income omit certain non-cash items and other non-recurring cash charges or other items, the Company feels that these metrics are less susceptible to variances that affect the Company's operating performance resulting from depreciation, amortization and other non-cash and non-recurring cash charges or other items and is more reflective of other factors that affect the Company's operating performance. The Company presents Adjusted EBITDA and Adjusted net income because it believes the metrics are useful as supplemental measures in evaluating the performance of the Company's operating businesses and provide greater transparency into the Company's results of operations. The Company's management uses Adjusted EBITDA as a factor in evaluating the performance of their business.

Adjusted EBITDA and Adjusted net income have limitations as analytical tools, and should not be considered in isolation or as a substitute for analyzing the results the Company reported under U.S. GAAP. Some of these limitations are:

- these measures do not reflect changes in, or cash requirements for, the Company's working capital needs;
- these measures do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often require replacement in the future, and these measures do not reflect any cash requirements for such replacements;
- Adjusted EBITDA does not reflect the Company's interest expense, or the cash requirements necessary to service interest or principal payments on the Company's debt;
- Adjusted EBITDA does not reflect the Company's income tax expense or the cash requirements to pay the Company's taxes;
- Adjusted EBITDA does not reflect the cash requirements to pay dividends to shareholders of the Company's Class A common stock and tax and other cash distributions to non-controlling unitholders;
- Adjusted EBITDA does not reflect the cash requirements to pay RIHI, Inc. and Weston Presidio, L.P. pursuant to the tax receivable agreements entered into at the time of the IPO; and
- other companies may calculate these measures differently, so they may not be comparable.

With respect to the Company's outlook with respect to Adjusted EBITDA margin for the second quarter and the full fiscal year 2015, the Company is not able to provide a reconciliation of this non-GAAP financial measure to U.S. GAAP because it does not provide specific guidance for the various reconciling non-cash items and other non-recurring cash and non-cash charges, such as loss or gain on sale or disposition of assets and sublease and loss on early extinguishment of debt, among others. Certain items that impact these measures have not yet occurred, are out of the Company's control or cannot be reasonably predicted, and as a result, reconciliation of these non-GAAP guidance measures to U.S. GAAP is not available without unreasonable effort.