

REALOGY

Q3 2014 EARNINGS CALL

November 5, 2014



Management Presenters

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Important Disclosures

Forward-Looking Statements

This presentation contains forward-looking statements. The Company desires to take advantage of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995 and is including this statement for the express purpose of availing itself of the protections of the safe harbor with respect to all forward-looking statements. Therefore, the Company wishes to caution each participant to consider carefully the specific factors discussed with each forward-looking statement in this presentation and other factors contained in the Company's filings with the Securities and Exchange Commission under the captions "Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as such factors in some cases have affected, and in the future (together with other factors) could affect, the ability of the Company to implement its business strategy and may cause actual results to differ materially from those contemplated by the statements expressed herein. The information contained in this presentation is as of November 5, 2014. The Company assumes no obligation to update the information or the forward-looking statements contained herein, whether as a result of new information or otherwise. RECIPIENTS ARE STRONGLY ADVISED TO READ THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION BECAUSE THEY CONTAIN IMPORTANT INFORMATION.

Non-GAAP Financial Measures

The financial measures EBITDA, Adjusted EBITDA, Free Cash Flow and Free Cash Flow/Cash Earnings Per Share, as used in this presentation, are supplemental measures of the Company's performance that are not Generally Accepted Accounting Principles ("GAAP") measures. Refer to slides 18 and 19 of this presentation and Tables 5a, 5b, 6, 7, 8, and 9, of the November 5th press release announcing third quarter 2014 financial results for the definitions of these non-GAAP financial measures, a reconciliation of these measures to their most comparable GAAP measures, and the Company's explanation of why it believes these non-GAAP measures are useful to investors.

Q3 2014 Results

Realty Compared to Industry (y-o-y)	Q3 2014
Transaction Volume (Sides x Average Price)	
National Association of Realtors ¹	-1%
Realty Franchise Group	+3%
NRT	+1%
Realty (<i>RFG + NRT combined</i>)	+2%

¹ Results reflect Q3 2014 vs. Q3 2013 actual unit change times average sale price change. In subsequent slides, NAR forecast is based on median price.

ZipRealty Overview

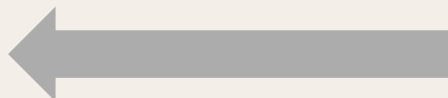


Brokerage Platform

- **Owned and operated residential brokerage**
- **Presence in attractive markets that complement Realogy's footprint**
- **~1,700 sales associates**



Integrated technology enhances consumer and agent experience, leading to improved productivity, market share and retention



Integrated Technology Platform

- **Digital brokerage solution spanning the entire real estate transaction life cycle**
- **Intelligent end-to-end support for consumers, sales associates and brokers**
- **Empowers sales associates and brokerages to more effectively manage and grow production**

RFG and NRT – Q3 and YTD 2014

RFG

- Added new domestic franchisees and sales associates with approximately \$216 million in franchisee gross commission income (GCI) Sept YTD

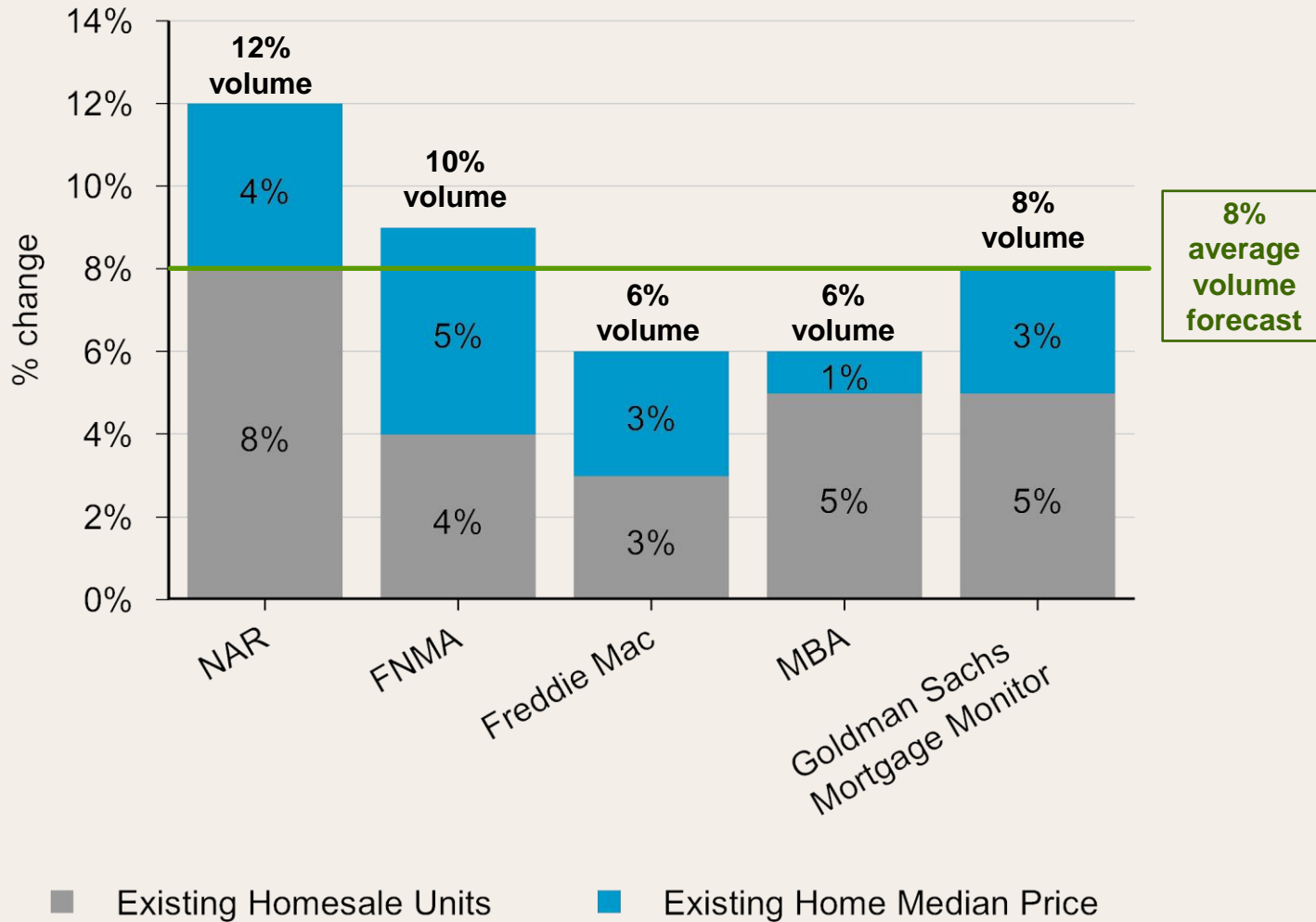
CARTUS

- Named Relocation Company of the Year at Asia EMMA awards for third consecutive year

NRT

- Completed four tuck-in acquisitions in the quarter, totaling \$11 million in GCI
- Technology initiatives progressing on schedule
- Retained well over 90% of its top-producing sales associates YTD 2014

2015 Industry Forecasts



Q3 2014 Results

Financial Metric	
Net Revenue:	\$1.5 billion
Adjusted EBITDA*:	\$287 million
Net income attributable to the Company:	Net income of \$100 million GAAP net income includes \$71 million of GAAP income tax expense, \$54 million of interest expense, \$48 million of depreciation and amortization expense and \$6 million of ZipRealty-related transaction and integration costs
Earnings per share:	GAAP basic earnings per share for the quarter was \$0.68.
Free Cash Flow/Cash Earnings per share:	Realty generated \$234 million of free cash flow during the quarter, or \$1.60 per share, an increase of 17% compared to \$1.37 in the third quarter of 2013.



* See Slide 18 for reconciliation from net income attributable to the Company to EBITDA and Adjusted EBITDA.



Third Quarter Revenue Drivers

	Q3 2014 vs. Q3 2013	
	Amount	% Change
Realty Franchise Group		
Closed homesale sides	306,338	(3%)
Average homesale price	\$ 255,780	6%
Average Broker Commission Rate	2.51%	(2) bps
NRT		
Closed homesale sides	89,472	(4%)
Average homesale price	\$ 498,650	5%
Average Broker Commission Rate	2.46%	(3) bps
Cartus		
Initiations	44,019	3%
Referrals	29,259	3%
Title Resource Group		
Purchase title and closing units	32,355	(4%)
Refinance title and closing units	6,520	(63%)
Avg. fee per closing unit	\$ 1,956	24%



Business Unit Revenue and EBITDA

Net Revenue (\$ in millions)	Q3 2014	Q3 2013	\$ Change	% Change
RFG	\$ 199	\$ 193	\$ 6	3%
NRT	1,175	1,178	(3)	—%
Cartus	125	127	(2)	(2)%
TRG	111	134	(23)	(17)%

EBITDA (\$ in millions)	Q3 2014	Q3 2013	\$ Change	% Change
RFG	\$ 136	\$ 133	\$ 3	2%
NRT	93	91	2	2%
Cartus	47	45	2	4%
TRG	15	17	(2)	(12)%

(\$ in millions)	Q3 2014	Q3 2013	\$ Change	% Change
Adjusted EBITDA	\$ 287	\$ 286	\$ 1	—%

* See Slide 18 for a reconciliation from net income attributable to the Company to EBITDA and Adjusted EBITDA

Cash Flow Guidance for 2014

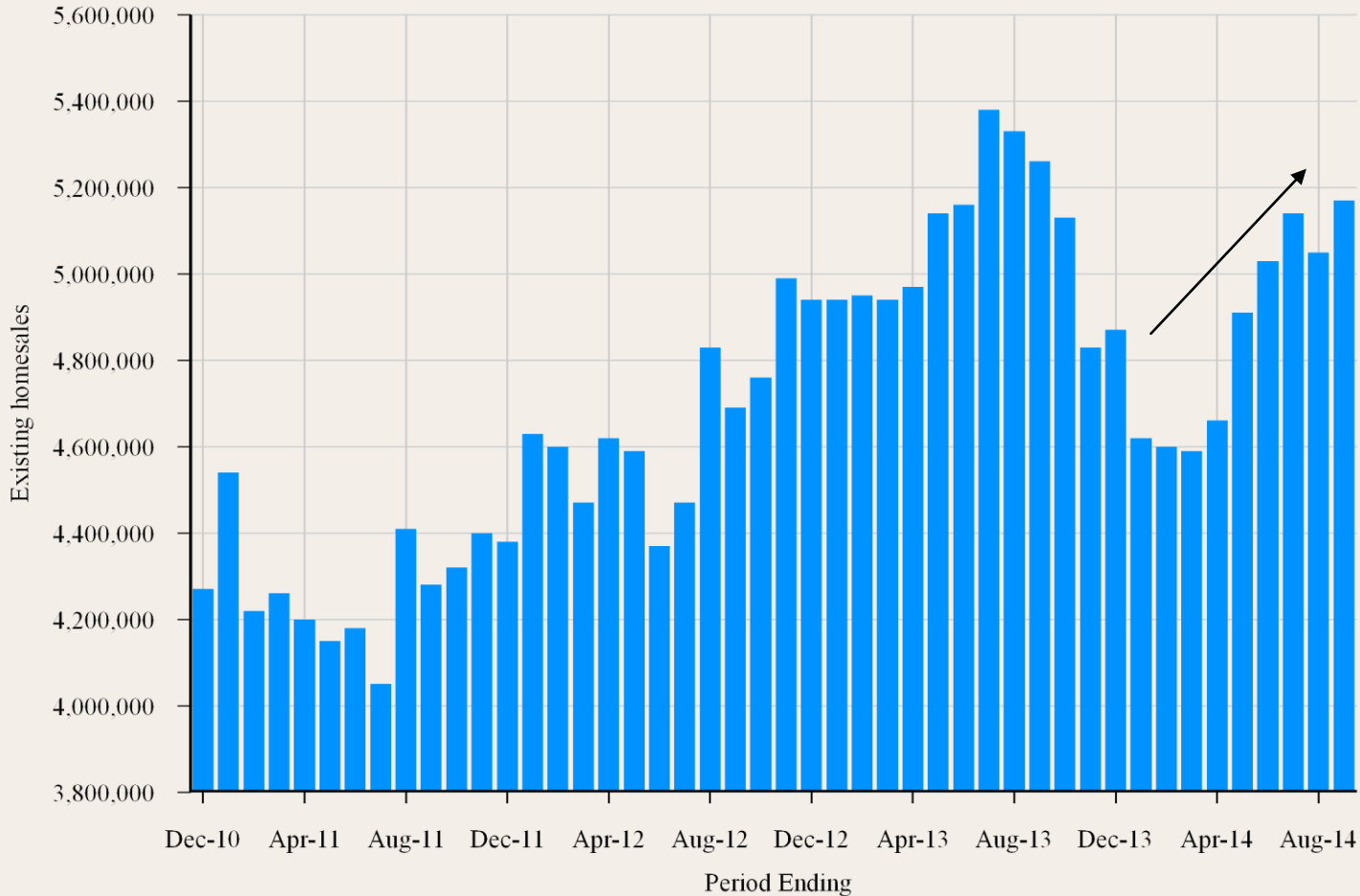
- Corporate cash interest expense of \$230 million for 2014 and Realogy's annualized cash run rate is now approximately \$215 million; Book interest expense is approximately \$40 million higher than cash interest, or \$270 million in 2014
- Capital expenditures of approximately \$70 to \$75 million
- Working Capital use of \$25 to \$35 million, which includes securitization working capital and \$6 million of premiums on debt extinguishment (the remainder of debt premiums is in cash flow from financing activities).
- Cash legacy items of approximately \$5 million
- Cash taxes of approximately \$12 to \$15 million.
- PHH Home Loans earnings expected to contribute between \$4 and \$8 million to Realogy EBITDA

Fourth Quarter 2014 Guidance

Realty Combined (both RFG and NRT)	Q4 2014 vs. Q4 2013 % Change
Homesale sides	+1% to +3%
Average homesale price	+3% to +5%
Transaction volume	+4% to +8%
Full Year 2014 EBITDA	\$765-\$775MM

Guidance as of November 5, 2014. Note that Q4 2014 has equal number of business days as Q4 2013.

Monthly Seasonally Adjusted Annualized Rate of Existing Homesales



Note: National Association of Realtors monthly seasonally adjusted annualized rate.



Appendix



GAAP and Cash Interest Expense

Third Quarter 2014 vs. Third Quarter 2013

(\$ in millions)	Q3 2014	Q3 2013	Variance
GAAP Interest Expense	\$54	\$74	-\$20

September 2014 YTD vs. September 2013 YTD

(\$ in millions)	YTD 2014	YTD 2013	Variance
Cash Interest Expense	\$197	\$274	-\$77

Capitalization Table

- The Company intends to continue to pay down high-cost debt and reduce interest costs and is focused on reducing its overall leverage
- Minimal cash payments for income taxes due to approximately \$2 billion of NOLs -- most federal and state NOLs do not begin to expire until 2028

(\$ in millions)	Rate	First Call Date	First Call Price	September 30, 2014 Balance
Cash and Cash Equivalents				<u>\$268</u>
Revolver	L+275			—
Term Loan	L+300			1,875
First Lien Debt	7.625%	Jan 2016	103.813%	593
1.5 Lien Debt	7.875%	Feb 2015	103.938%	332
1.5 Lien Debt	9.00%	Jan 2016	104.500%	196
Senior Cash Notes	3.375%	May 2016	NCL	500
Senior Cash Notes	4.50%	April 2019	NCL	450
Net Debt				<u>\$3,678</u>

Full-Year Industry Forecasts

2014	Existing Homesale Units	Existing Home Median Price	Transaction Volume
NAR	-3%	+5%	+2%
Fannie Mae	-3%	+5%	+2%
2015	Existing Homesale Units	Existing Home Median Price	Transaction Volume
NAR	+8%	+4%	+12%
Fannie Mae	+4%	+5%	+10%

Both forecasts as of October 2014.



GAAP Reconciliation

(\$ in millions)	Three months ended September 30, 2014	Three months ended September 30, 2013
Net income attributable to Realogy	\$ 100	\$ 109
Income tax expense	71	9
Income before income taxes	171	118
Interest expense, net	54	74
Depreciation and amortization	48	44
EBITDA	\$ 273	\$ 236
Restructuring costs (reversals) and former parent legacy costs (benefit), net	(3)	1
Loss on the early extinguishment of debt	—	22
Pro forma effect of business optimization initiatives	4	4
Non-cash charges	10	20
Pro forma effect of acquisitions and new franchisees	2	1
Pro forma cost savings for restructuring initiatives	—	1
Incremental securitization interest costs	1	1
Adjusted EBITDA	\$ 287	\$ 286

Note: Refer to Table 9 of the Press Release dated November 5, 2014 for the definitions of certain non-GAAP financial measures, and the Company's explanation of why it believes those non-GAAP measures are useful to investors.

GAAP Reconciliation

(\$ in millions)	LTM Ended September 30, 2014
Net income attributable to Realogy	\$ 442
Income tax benefit	(179)
Income before income taxes	263
Interest expense, net	248
Depreciation and amortization	186
EBITDA	\$ 697
Restructuring costs (reversals) and former parent legacy costs (benefit), net	(6)
Loss on the early extinguishment of debt	27
Pro forma effect of business optimization initiatives	9
Non-cash charges	24
Pro forma effect of acquisitions and new franchisees	9
Incremental securitization interest costs	\$ 4
Adjusted EBITDA	\$ 764

Note: Refer to Table 9 of the Press Release dated November 5, 2014 for the definitions of certain non-GAAP financial measures, and the Company's explanation of why it believes those non-GAAP measures are useful to investors.

Seasonal Revenue Trends

Quarterly Revenue

