

Investment Banking Update

\$750 MILLION

September 28, 2017

FOLLOW-ON OFFERING



The undersigned served as
Co-Manager on the offering

Stephens Inc.

Transaction Details

- On September 28, 2017, CoStar Group, Inc. ("CoStar" or the "Company") priced an underwritten public offering of 2,884,616 shares of its common stock at a price to the public of \$260.00 per share
- The offering consisted of 100% primary shares
- CoStar expects to use the net proceeds of the offering to fund all or a portion of the costs of any strategic acquisitions it determines to pursue in the future, to finance the growth of its business and for working capital and other general corporate purposes
- Stephens Inc. served as Co-Manager on the offering

According to the Press Release

CoStar Group, Inc. (Nasdaq: CSGP) is the leading provider of commercial real estate information, analytics and online marketplaces. Founded in 1987, CoStar conducts expansive, ongoing research to produce and maintain the largest and most comprehensive database of commercial real estate information. Headquartered in Washington, DC, CoStar maintains offices throughout the U.S. and in Europe and Canada with a staff of over 3,500 worldwide, including the industry's largest professional research organization.

Sources: Company filings.

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The offering of these securities is being made only by means of a prospectus, copies of which may be obtained from Stephens Inc.'s Equity Syndicate Desk, at Stephens Inc., 111 Center Street, Little Rock, AR 72201, ATTN: Equity Syndicate Desk, or from the Securities and Exchange Commission's website at www.sec.gov at the following link: https://www.sec.gov/Archives/edgar/data/1057352/000156761917002059/s001894x2_424b2.htm. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. No offer to buy the securities can be accepted and no part of the purchase price can be received until the registration statement has become effective, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time prior to the notice of its acceptance given after the effective date.