



Reinventing Chiropractic Care

THE JOINT CORP. | NASDAQ: JYNT | thejoint.com

Q4 & FY 2017 Reported March 8, 2018

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Certain statements contained in this presentation are "forward-looking statements." We have tried to identify these forward-looking statements by using words such as "may," "might," "will," "expect," "anticipate," "believe," "could," "intend," "plan," "estimate," "should," "if," "project," and similar expressions. All statements other than statements of historical facts contained in this presentation, including statements regarding our growth strategies, our vision, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth and potential are forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. However, these forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from our expectations and projections. Some of these risks, uncertainties and other factors are set forth in this presentation and in other documents we file with the United States Securities and Exchange Commission (the "SEC").

Given these risks and uncertainties, readers are cautioned not to place undue reliance on our forward-looking statements. Projections and other forward-looking statements included in this presentation have been prepared based on assumptions, which we believe to be reasonable, but not in accordance with U.S. Generally Accepted Accounting Principals ("GAAP") or any guidelines of the SEC. Actual results may vary, perhaps materially. You are strongly cautioned not to place undue reliance on such projections and other forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Except as required by federal securities laws, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any such forward-looking statements, whether made in this presentation or elsewhere, should be considered in the context of the various disclosures made by us about our businesses including, without limitation, the risk factors discussed above.

In addition to results presented in accordance with U.S. GAAP, this presentation includes a presentation of EBITDA and Adjusted EBITDA, which are non-GAAP financial measures. EBITDA and Adjusted EBITDA are presented because they are important measures used by management to assess financial performance, as management believes they provide a more transparent view of the Company's underlying operating performance and operating trends. Reconciliations of net loss to EBITDA and Adjusted EBITDA are presented where applicable. We define EBITDA as net income (loss) before net interest, taxes, depreciation and amortization expenses. We define Adjusted EBITDA as EBITDA before acquisition-related expenses, bargain purchase gain, loss on disposition or impairment, and stock-based compensation expenses.

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Business Structure

The Joint Corp. is a franchisor of clinics and an operator of clinics in certain states. In Arkansas, California, Colorado, Florida, Illinois, Kansas, Minnesota, New Jersey, New York, North Carolina, Oregon, Pennsylvania, and Tennessee, The Joint Corp. and its franchisees provide management services to affiliated professional chiropractic practices.



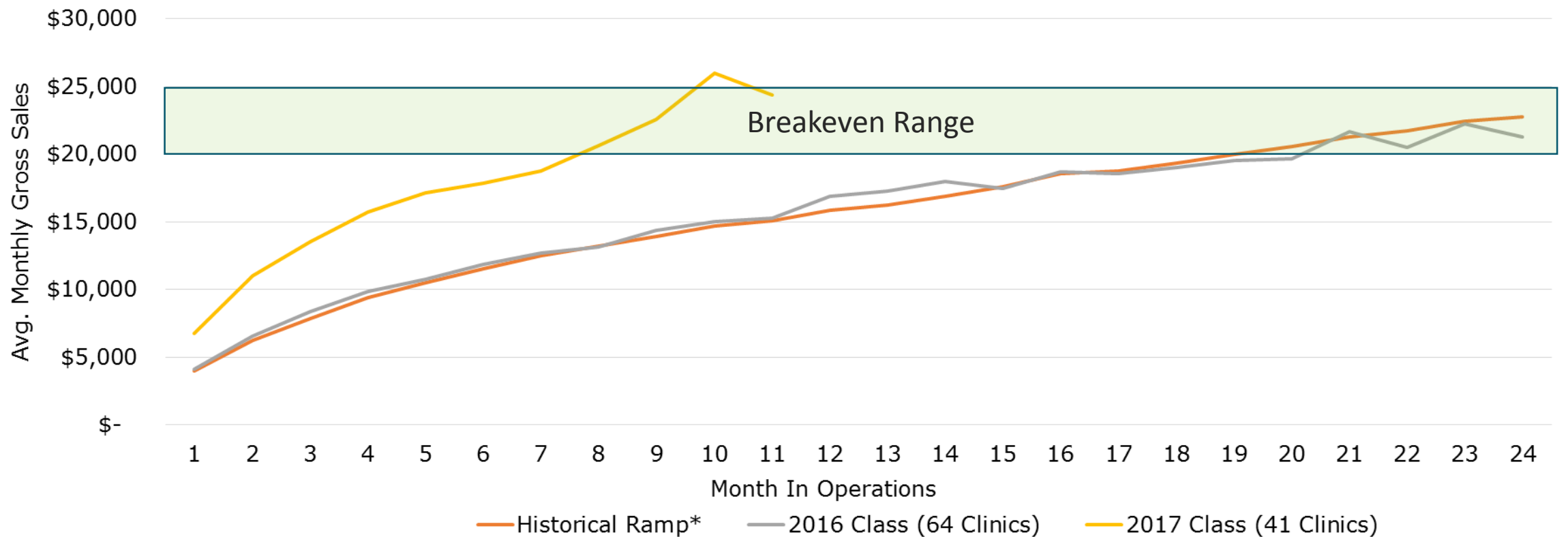
Transformation Delivering Results

2017 ACHIEVEMENTS

- 41 new clinics opened, bringing Dec. 31, 2017 total to 399
- 10 regional developers signed, bringing Dec. 31, 2017 total to 18
-
- 2 consecutive quarters of positive Adjusted EBITDA
-
- \$5M non-dilutive line of credit in place

Reducing Clinic Time to Breakeven

9 month average breakeven for the clinics opened in 2017, down from ~18 months for clinics opened in 2016



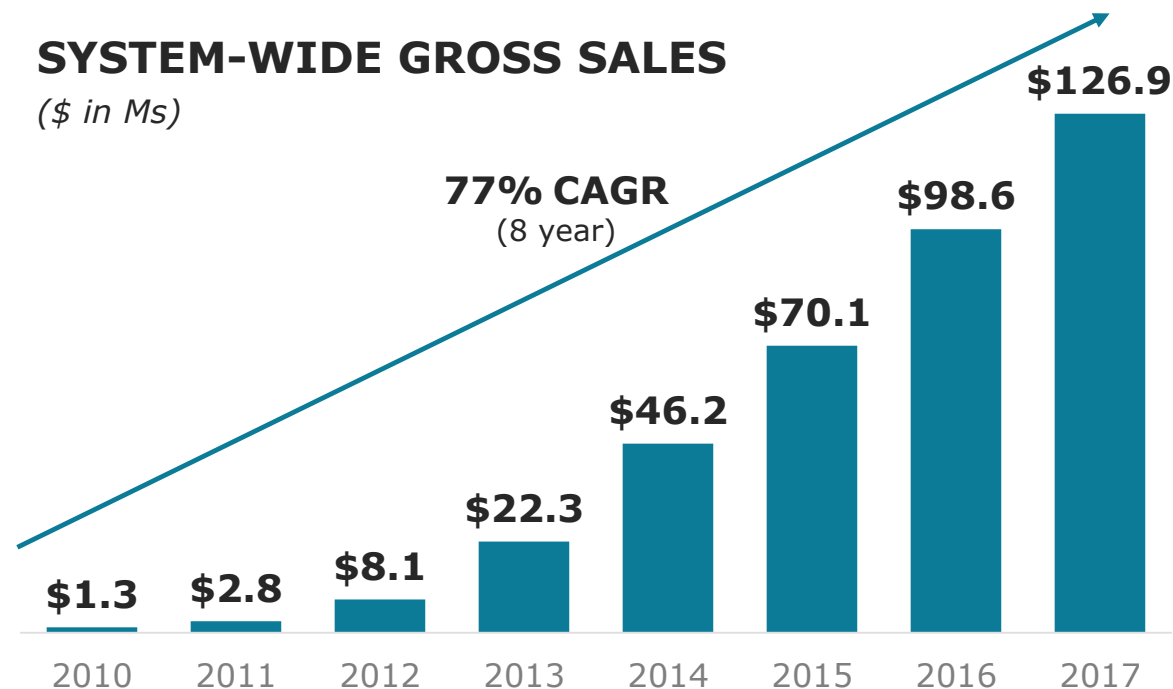
* Based on average historical gross sales growth rates from January 2013 through December 2017

8th Consecutive Quarter of Improvements

<i>\$ in Ms</i>	2017 vs 2016
System-wide gross sales	29%
System-wide comp sales >13 months¹	21%
System-wide comp sales >48 months¹	13%
Revenue	23%
Net loss	\$(3.3), up \$11.9
Adjusted EBITDA²	\$(0.1), up \$7.6
Cash and equivalents at Dec. 31, 2017	\$4.2

SYSTEM-WIDE GROSS SALES

(\$ in Ms)



¹ Comparable Sales include only the sales from clinics that have been open at least 13 or 48 full months and exclude any clinics that have closed

² Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Reinventing Chiropractic Care

400th clinic opened Jan. '18

- **Bringing quality, convenient, affordable chiropractic care to retail**
- **Employing proven subscription-based, walk-in, no-insurance hybrid model**
 - **Company-owned/managed**
 - **Franchised**
- **Serving patients seeking pain relief and ongoing health & wellness in open bay**
 - **1,000 fully licensed chiropractic doctors**
 - **~5M chiropractic adjustments in 2017**



Opportunity in Highly Fragmented Market

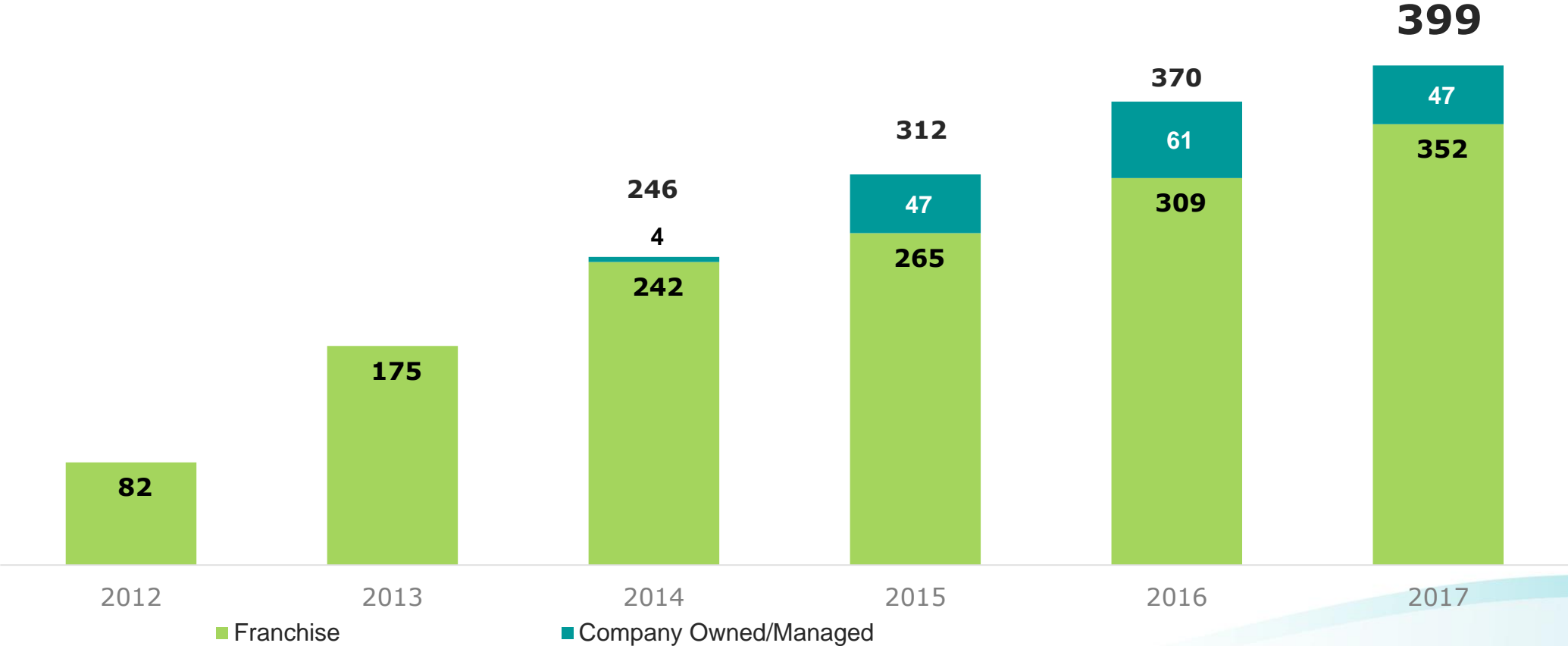
\$15B¹
on chiropractic care

39,000²
independent
practitioners

- \$650B in pain costs
- \$90B in back pain alone
- ~80% of those surveyed want a non-pharmacologic approach to physical pain³
- 55% reduction in the likelihood of people filling prescriptions for opioids in those who received chiropractic care⁴

¹ IBIS World Chiropractors Market Research Report; August 2016 | ² Kentley Insights, The 2017 Office of Chiropractors Market Research Report | ³ Gallup-Palmer College of Chiropractic Report 2016 | ⁴ Association between Utilization of Chiropractic Services and Use of Prescription Opioids Among Patients with Low Back Pain

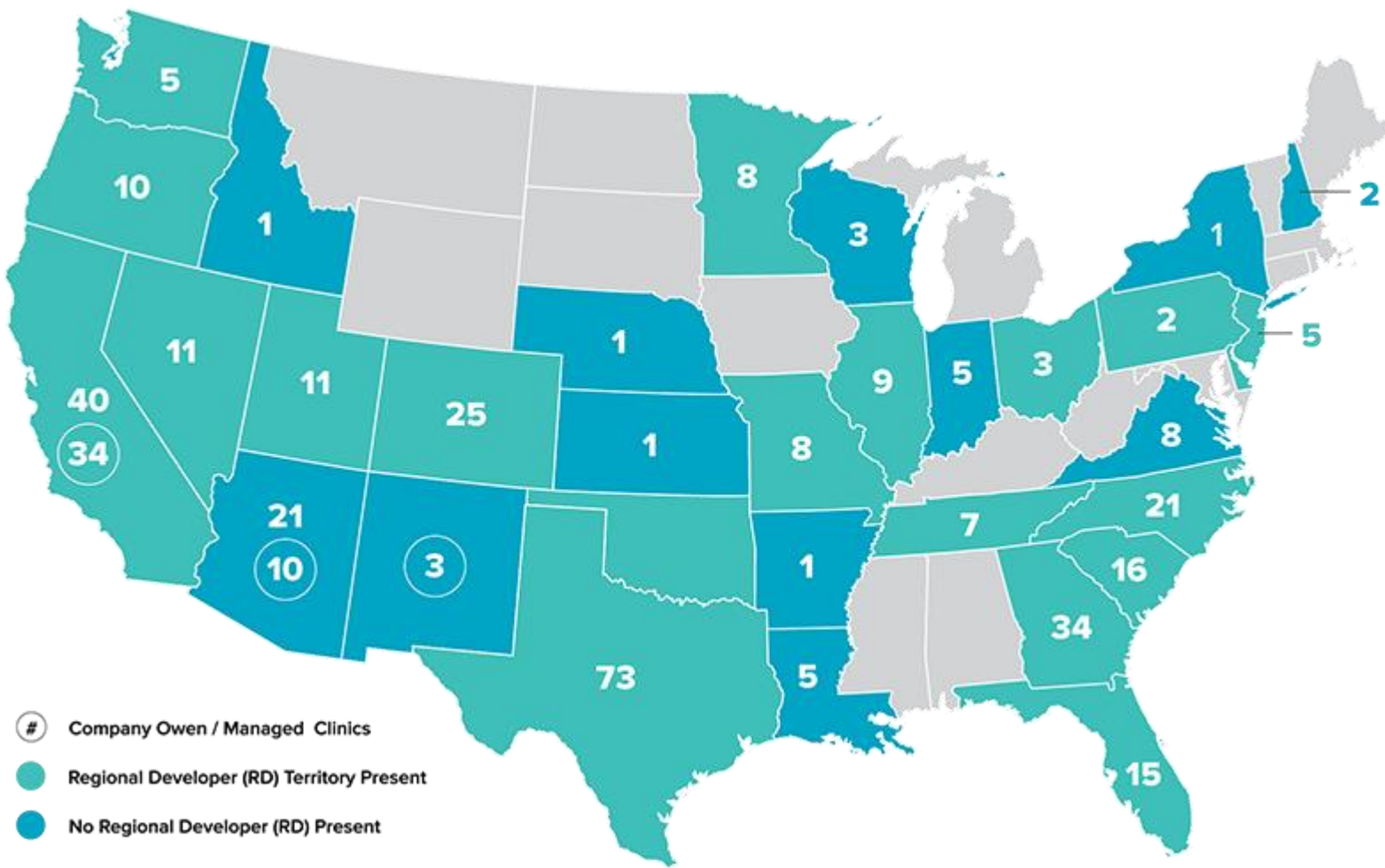
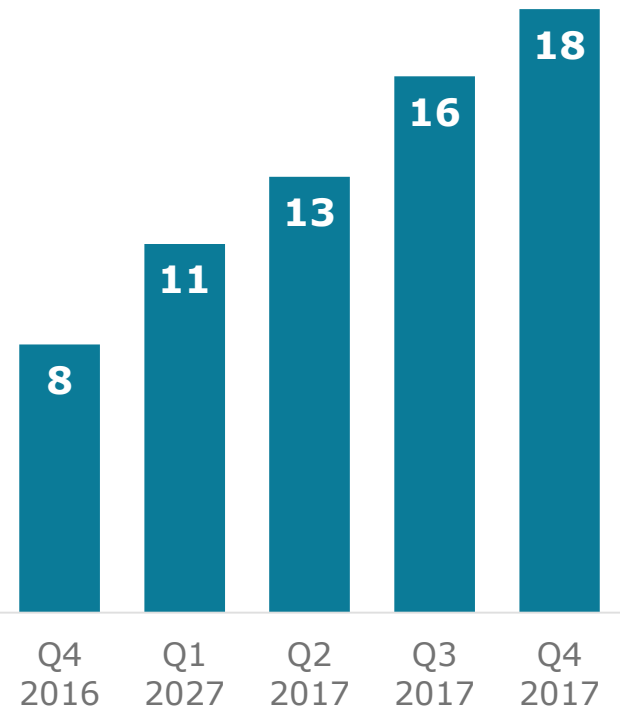
Opened 12 Clinics in Q4 '17



Sold 10 RDs to Advance National Footprint

Minimum 259 clinic for RDs to open and operate over 10-year RD term

NUMBER OF REGIONAL DEVELOPERS



2018 Growth Strategy: Driving Scale

**Building
nationwide brand
to deliver
shareholder value**

- Accelerate franchise sales
- Leverage Regional Developers
- Reengage growth of company owned/managed units
 - Acquire buyback clinics opportunistically
 - Build greenfield clinics in clustered locations

Q4 2017 Operational Summary



- **System-wide sales up 32%** to \$36.1M, from \$27.2M in Q4 2016
- **System-wide comp sales** for clinics >13 months in operation¹ increased 26%, the same as Q4 2016
- **System-wide comp sales** for clinics >48 months in operation¹ increased 17%, compared to 14% in Q4 2016
- **399 open clinics** vs. 370 at the end of Q4, 2017 vs. 2016
 - 352 franchises
 - 47 corporate clinics
 - 31 buybacks
 - 16 greenfields
- ***System-wide gross sales since the month prior to acquisition increased on average 68% through 12/2017, compared to 57% through 9/2017***

¹ Comparable Sales include only the sales from clinics that have been open at least 13 or 48 full months and exclude any clinics that have closed

² Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Q4 2017 Financial Summary

<i>\$ in Ms</i>	Q4 2017	Q4 2016	IMPROVEMENT		
Revenue	\$6.9	\$5.8	\$1.1	20%	Inc. revenue contribution
Corporate clinic	3.0	2.4	0.6	25%	• 53% Corp
Franchise	3.9	3.4	0.5	16%	• 47% Franchise
Cost of revenue	1.0	0.8	(0.2)	(30%)	Inc. gross sales and RD fees
Gross profit	5.9	5.0	0.9	18%	
Sales and marketing	1.3	1.2	(0.1)	(4%)	Higher national marketing
G&A	4.4	8.9	4.5	50%	\$3.5M disposition ¹ , 14 fewer corporate clinics
Loss from ops	(0.2)	(5.7)	5.5		
Net loss	(0.2)	(5.8)	5.6		
Adj. EBITDA¹	0.4	(1.4)	1.8		Inc. contribution: 60% corp. clinics, 22% franchise, 18% unallocated corp.

¹ Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Full Year 2017 Metrics

- **System-wide gross sales up 29%** to \$126.9M, from \$98.6M in 2016
- **System-wide comp sales** for clinics >13 months in operation¹ increased 21%, compared to 28% in 2016
- **System-wide comp sales** for clinics >48 months in operation¹ increased 13%, compared to 16% in 2016

<i>\$ in Ms</i>	2017	IMPROVEMENT 2017 vs. 2016
Revenue	\$25.2	23%
Gross profit	\$21.9	24%
G&A	\$18.5	(28)%
Net loss	\$(3.3)	Up \$11.9
Adjusted EBITDA ²	\$(0.1)	Up \$7.6, 99%
Cash and equivalents at Dec. 31, 2017	\$4.2	Up \$1.2

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Driving Shareholder Value: 2018 Guidance

<i>\$ in Ms</i>	LOW	HIGH
New Franchise Openings	40	50
Additional Company-owned or Managed Clinics¹	0	5
<i>New Clinic Openings¹</i>	<i>40</i>	<i>52</i>
Revenues	\$31.0	\$32.0
Adjusted EBITDA	\$2.5	\$3.5

¹ Existing clinics are acquired from franchisees and are neutral to the total clinic count.

Patient Demographic

Extremely broad patient base, all walks of life

- 25 to 55, Market Penetration Index (MPI) of 117 - 174
- Gender slightly female skewed, similar to US population
- 60% white collar / 40% blue collar
- \$50K - \$100K household income, MPI 146
- Over-index Hispanic and Asian, MPI 162 and 126
- Over-index Bachelor's degree or higher, MPI 119
- Over-index aerobic exercise, MPI 128



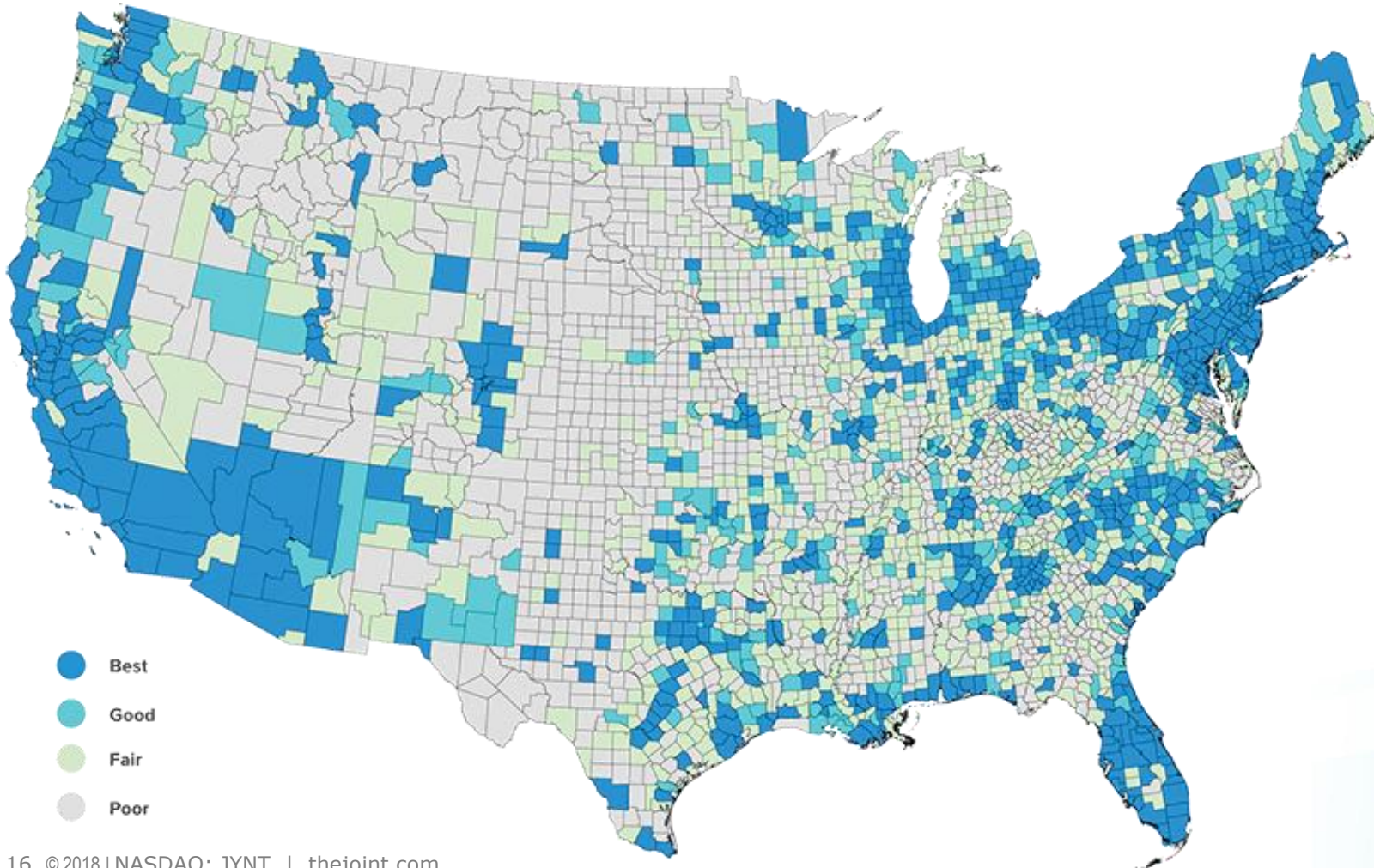
The Market Penetration Index (MPI) is a ratio that compares the percent of households in the patient file who possess a specific attribute to the percent of households in the reference population who exhibit that same attribute. An index of 100 means that the attribute is found as often within the customer file as it is within the reference population. For example, an MPI of 119 would mean that a specific attribute (in this case "Bachelors degree or higher") showed up 19% more often in our database than it does in the population in which our clinics exist.

THE JOINT
chiropractic

Data Analytics Yields 1700+ Clinics

Projected Core Customer & Trade Area Potential

(based on current usage patterns)



400k patient records

- Analyze demographics and psychographics
- Replicate of attributes
- Roll across country

1700+ similar points of distribution

The Joint Corp. Long-term Vision

- Be the premier provider of chiropractic care in wellness and health plans
- Accelerate our footprint through corporate and franchise strategy
- Be the career path of choice for chiropractors
- Build a world class organizational culture
- Foster a robust Regional Developer community
- Build and maintain a world class IT platform

Stable Model, Significant Growth Potential

- **\$15B growing** chiropractic market¹
- **Experienced**, proven management
- **1,700+** clinic national footprint opportunity
- **77% 8-year CAGR** in system-wide gross sales
- **22% of The Joint** patients are new to chiropractic
- **76%** of revenue from recurring memberships
- **High returns**, self funding growth strategy



¹ IBIS World Chiropractors Market Research Report; August 2016

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Non-GAAP Measure Definition

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Q4 2017 Segment Results & GAAP Reconciliation



Total Revenues
Operating Expenses
Depreciation and Amortization
Operating Income (Loss)
Other (Income) Expense, net
Loss before income tax expense
Total Income Taxes
Net Income (Loss)
Interest Expense
Income Taxes
Total Depreciation and Amortization Expense
EBITDA
Stock Based Compensation Exp
Bargain Purchase Gain
Loss on Disposition/Impairment
Acquisition Expenses
Adjusted EBITDA

Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
\$ 3,019	\$ 3,911	\$ 0	\$ 6,929
(3,457)	(2,147)	(2,019)	(7,623)
386	0	81	467
(53)	1,765	(1,938)	(226)
(23)	13	(21)	(31)
(75)	1,778	(1,959)	(257)
-	-	(43)	(43)
(75)	1,778	(1,916)	(213)
1	-	25	26
-	-	(43)	(43)
386	0	81	467
312	1,778	(1,853)	237
-	-	182	182
-	-	-	-
-	-	-	-
-	-	-	-
312	1,778	(1,671)	419

2017 Segment Results & GAAP Reconciliation



Total Revenues
Operating Expenses
Depreciation and Amortization
Operating Income (Loss)
Other (Income) Expense, net
Loss before income tax expense
Total Income Taxes
Net Income (Loss)
Interest Expense
Income Taxes
Total Depreciation and Amortization Expense
EBITDA
Stock Based Compensation Exp
Bargain Purchase Gain
Loss on Disposition/Impairment
Acquisition Expenses
Adjusted EBITDA

Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
\$ 11,125	\$ 14,039	\$ -	\$ 25,164
(14,437)	(7,796)	(8,123)	(30,356)
1,608	0	409	2,017
(1,704)	6,243	(7,714)	(3,175)
(27)	21	(59)	(64)
(1,730)	6,264	(7,773)	(3,239)
-	-	36	36
(1,730)	6,264	(7,809)	(3,275)
5	-	100	105
-	-	36	36
1,608	0	409	2,017
(117)	6,264	(7,264)	(1,117)
-	-	594	594
-	-	-	-
418	-	-	418
0	-	13	13
302	6,264	(6,657)	(91)