



TripAdvisor Investor Presentation

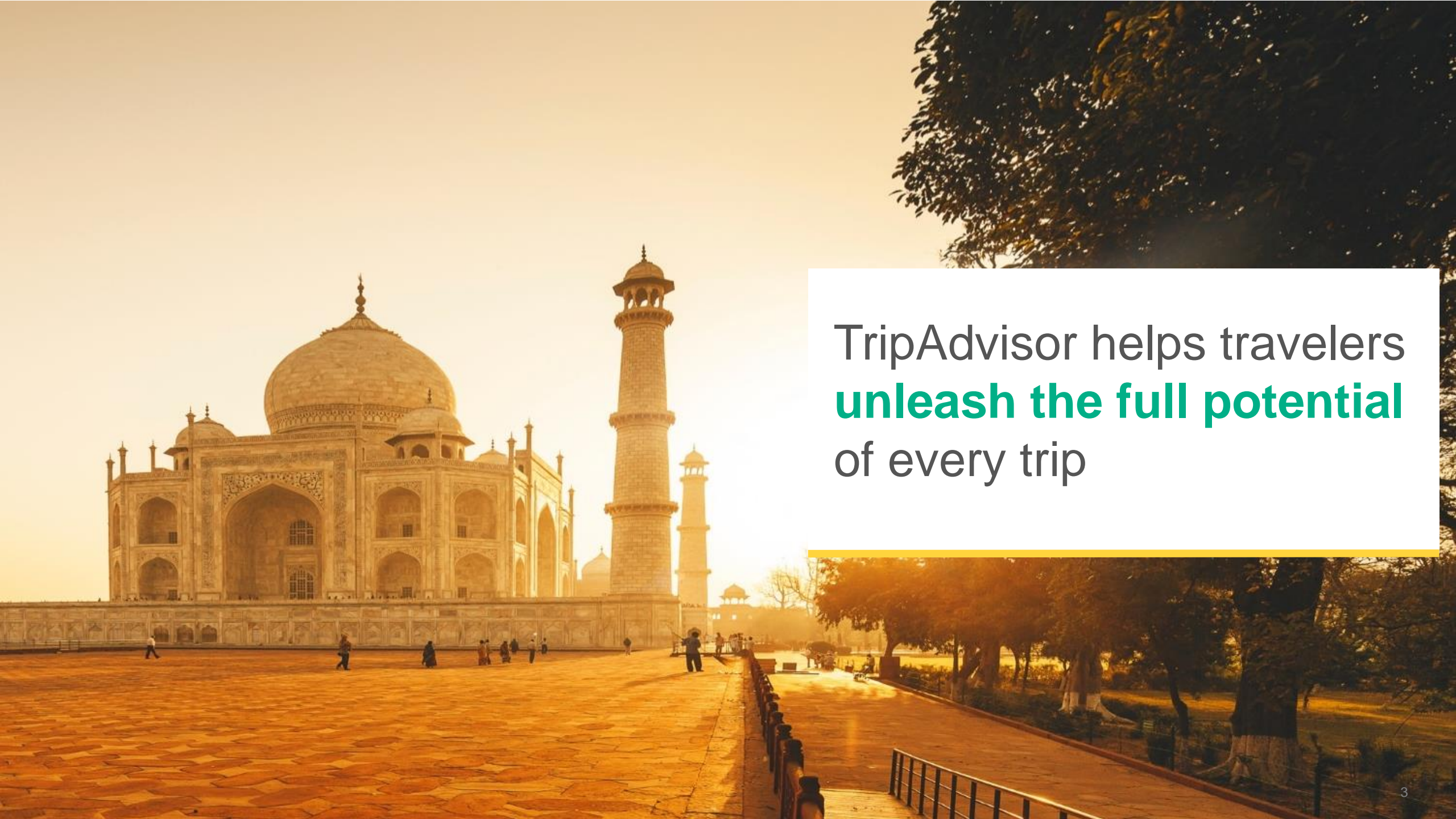
November 2019



Forward-Looking Statements. Our presentation today, including the slides contained herein, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not historical facts or guarantees of future performance and are based on management's assumptions and expectations, which are inherently subject to difficult to predict uncertainties, risks and changes in circumstances. The use of words such as "intends," "expects," "may," "believes," "should," "seeks," "intends," "plans," "potential," "will," "projects," "estimates," "anticipates" or similar expressions generally identify forward-looking statements. However, these words are not the exclusive means of identifying such statements, and any statements that refer to expectations, beliefs, plans, predictions, projections, forecasts, objectives, assumptions, models, illustrations, profiles or other characterizations of future events or circumstances are forward-looking statements, including without limitation statements relating to future revenues, expenses, margins, performance, profitability, cash flows, net income/(loss), earnings per share, growth rates and other measures of results of operations (such as adjusted EBITDA) and future growth prospects for TripAdvisor's business. Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others, those discussed in the "Risk Factors" section of our Quarterly Report on Form 10-Q. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on forward-looking statements.

Non-GAAP Measures. This presentation also includes discussion of both GAAP and non-GAAP financial measures. Important information regarding TripAdvisor's definitions and use of these measures, as well as reconciliations of the non-GAAP financial measure to the most directly comparable GAAP financial measure are included in the earnings release reporting our third quarter 2019 financial results and supplemental financial information, which are available on the Investor Relations section of our website: www.tripadvisor.com, and in the "Non-GAAP Reconciliations" section of this document. These non-GAAP measures are intended to supplement, and are not a substitute for comparable GAAP measures. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.

Industry / Market Data. Industry and market data used in this presentation have been obtained from industry publications and sources as well as from research reports prepared for other purposes. We have not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness.

A wide-angle photograph of the Taj Mahal in Agra, India, captured during the golden hour of sunset. The white marble mausoleum is illuminated by the warm, low sun, creating a soft glow. The central dome and the four minarets are prominent features. In the foreground, a large, paved courtyard is visible, with a few people walking. To the right, a path leads towards the building, bordered by a low wall and a railing. The sky is a mix of orange and yellow, and the overall atmosphere is serene and majestic.

TripAdvisor helps travelers
unleash the full potential
of every trip

TripAdvisor is an influential, global player in a category that is shifting online

- ✓ \$1.7 trillion⁽¹⁾ global travel market opportunity
- ✓ Digital advertising dollars following travel content consumption and bookings online
- ✓ Large digital tours & activities market opportunity; current online penetration only ~20%⁽²⁾
- ✓ TripAdvisor's rich content and global community drives brand loyalty, trust and significant influence on travel commerce

(1) Based on Phocuswright Research estimates for 2019; includes alternative accommodations and tours & activities
(2) Based on Phocuswright's "Tours & Activities Come of Age: Global Travel Activities Marketplace 2014-2020"

The world's largest travel platform

Massive Global Demand for Differentiated Travel Content (1)



460M

avg. monthly unique visitors (2)



65%

% of users on mobile



830M

reviews and opinions



195M

candid traveler photos

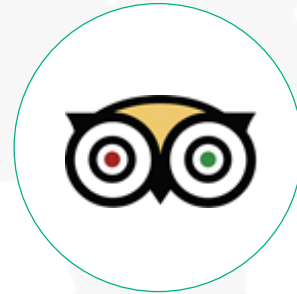


49

markets

TripAdvisor's Global Travel Platform

TripAdvisor content drives audience



Audience drives leads to travel partners

TripAdvisor community drives content

Significant Supply Footprint Across a Spectrum of Travel Products (1)



2.3M

Accommodations (3)



1.2M

Travel activities and experiences listings



5.1M

Restaurant listings



500+

Airlines



70K+

Cruises

(1) TripAdvisor internal log files

(2) TripAdvisor internal log files during seasonal peak in Q3 2019

(3) Includes approximately 1.4M hotels, inns, B&Bs, and specialty lodging, as well as 885K rental listings



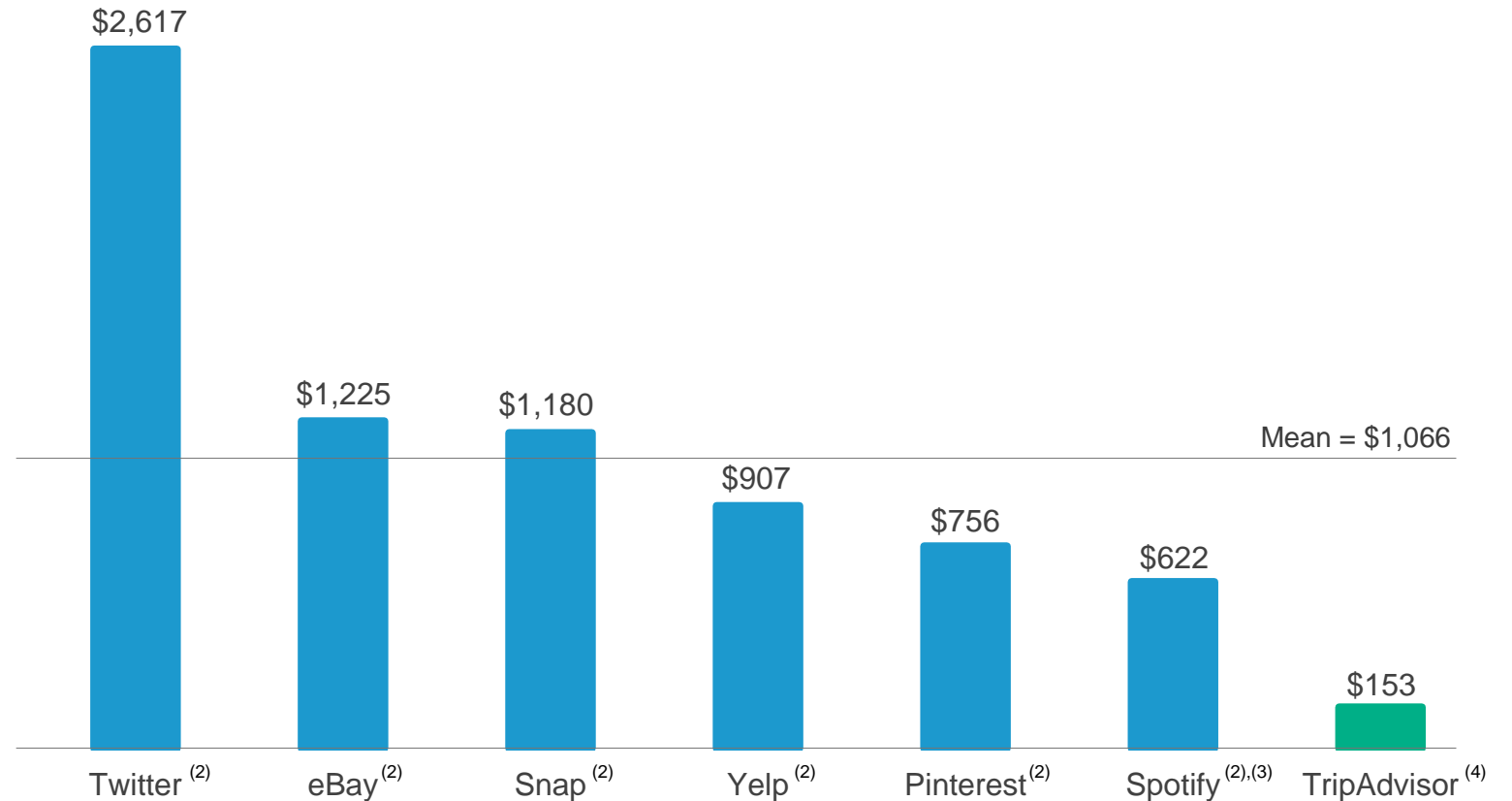
Key growth initiatives to deepen customer engagement and monetize our influence

1. Laying the groundwork for a **world-class media advertising platform** to drive revenue growth
2. Ramping **consumer product enhancements that increase habit** and both grow - and serve - members
3. Delivering **impactful TripAdvisor brand advertising**
4. **Expanding B2B product suite** to help more partners leverage TripAdvisor's global platform
5. Investing strategically in **Experiences and Restaurants** to drive diversified growth

Compelling media advertising growth opportunity

- Digital advertising market growing 14% CAGR to \$479 billion by 2022 ⁽¹⁾
- Industry estimates suggest native, video and programmatic are growing by 20-30% annually
- TripAdvisor under-indexes relative to other internet platforms
- Huge advertiser value in TripAdvisor's high-intent, global audience and brand-safe platform

2018 Media Advertising Revenue
(\$M)



(1) Based on Emarketer forecasts

(2) Latest company annual reports (2018)

(3) 2018 Ad-supported revenue in USD (€1.00 = \$1.1482 as of 12/31/2018)

(4) 2018 full-year TripAdvisor-branded Display and Platform revenue

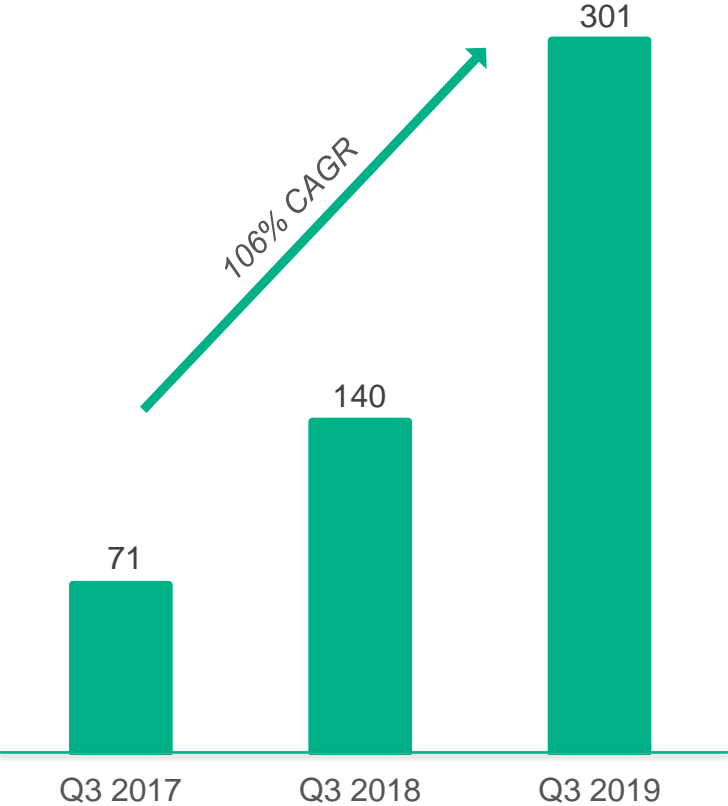
Laying the foundation for a world-class media advertising platform

- Building a modern, **high-powered advertising suite** spanning native, video and programmatic solutions
- Leveraging our **global audience**, brand-safe platform and first-party data advantage
- **Expanding customer base** beyond endemic travel

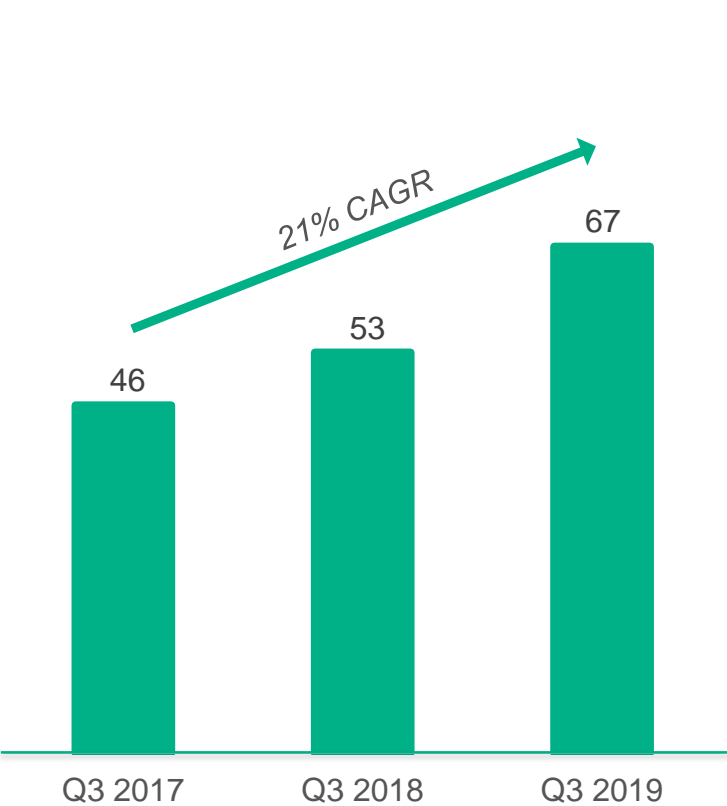


E&D segment supply and revenue growing rapidly

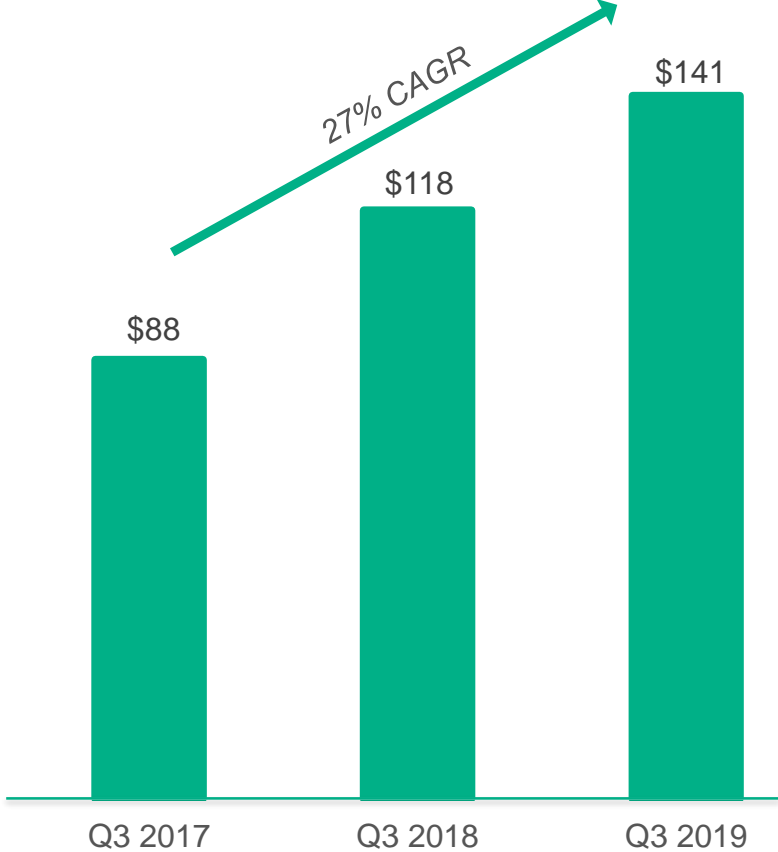
Experiences Bookable Products⁽¹⁾
(in thousands, except CAGR)



LaFourchette Bookable Products⁽¹⁾
(in thousands, except CAGR)



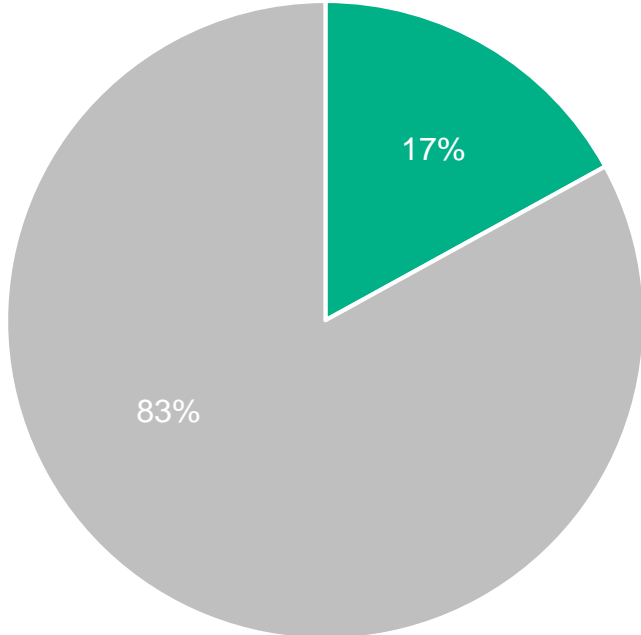
Experiences & Dining Segment Revenue
(in \$ millions, except CAGR)



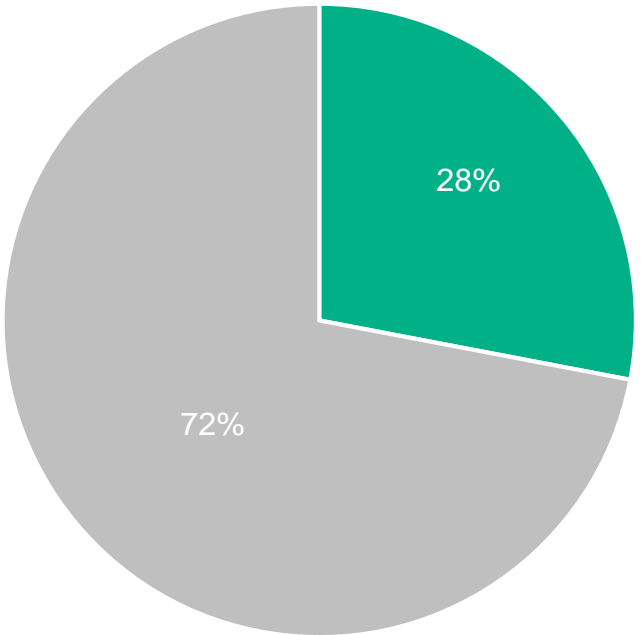
(1) TripAdvisor internal log files

E&D segment contributing to revenue diversification

2017 Experiences & Dining Segment Revenue
% of Total Revenue



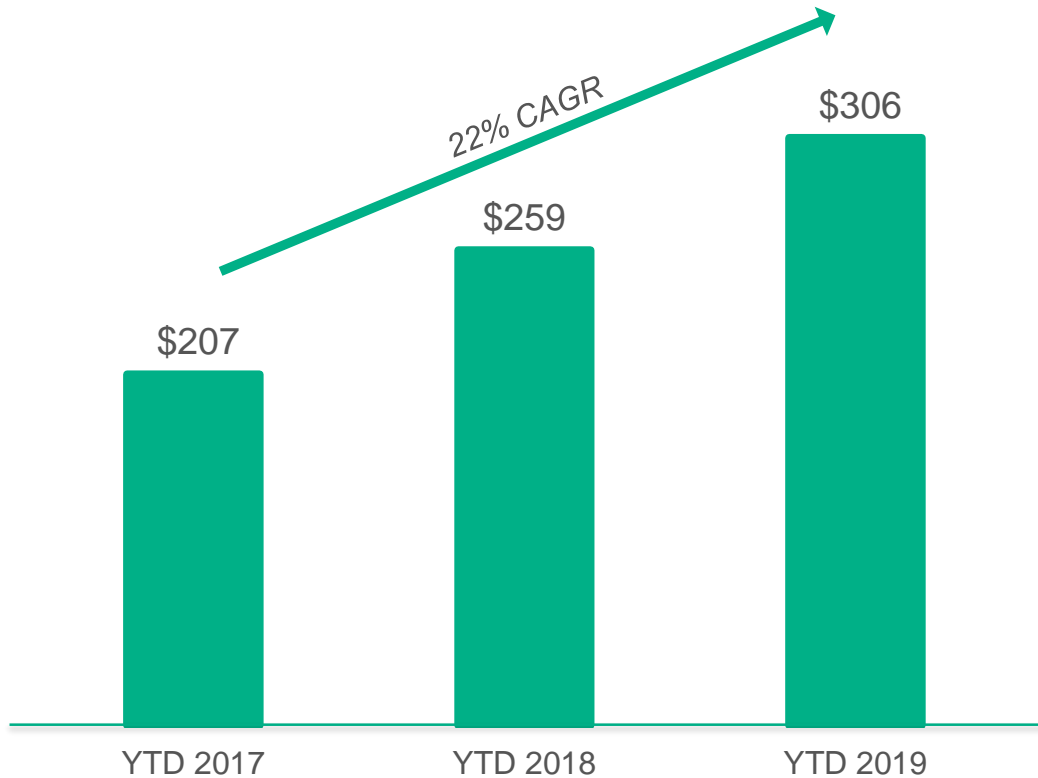
YTD 2019 Experiences & Dining Segment Revenue
% of Total Revenue



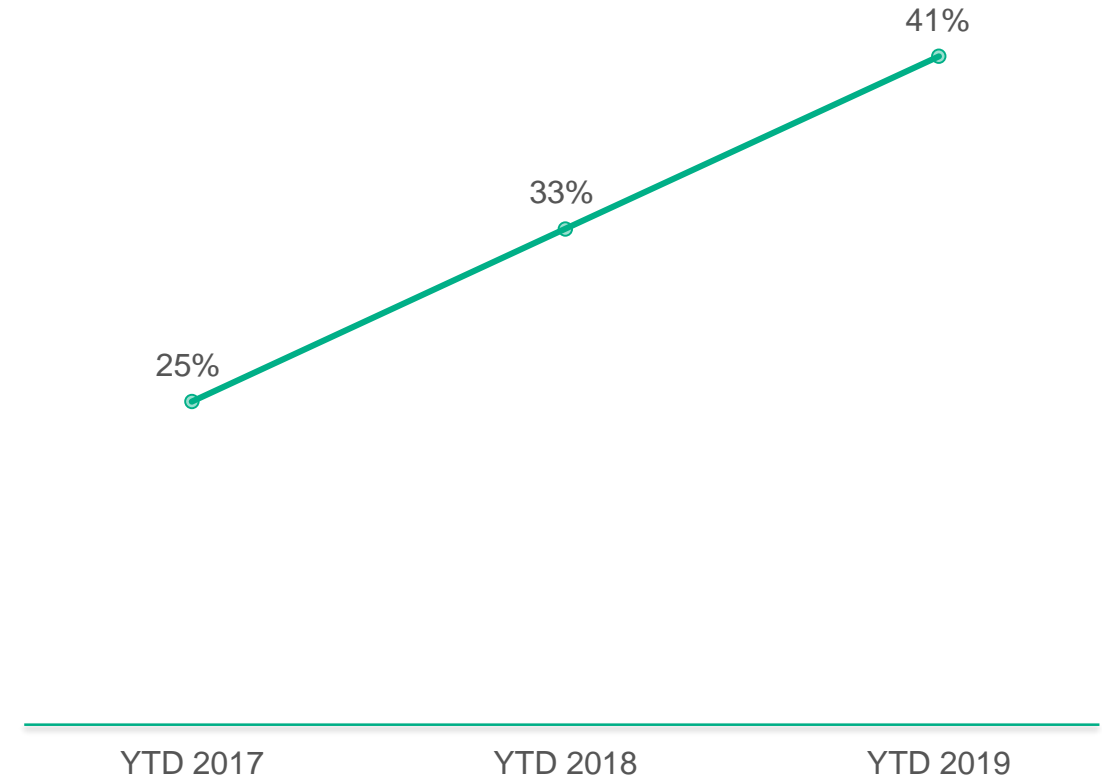
- Experiences & Dining Segment Revenue
- Hotels, Media & Platform Segment Revenue and Other

Ongoing cost prudence driving attractive HM&P segment profitability

Hotels, Media & Platform Segment Adjusted EBITDA ⁽¹⁾
(\$ millions, except CAGR)



Hotels, Media & Platform Segment Adjusted EBITDA Margin ⁽²⁾
— YTD Adj. EBITDA Margin



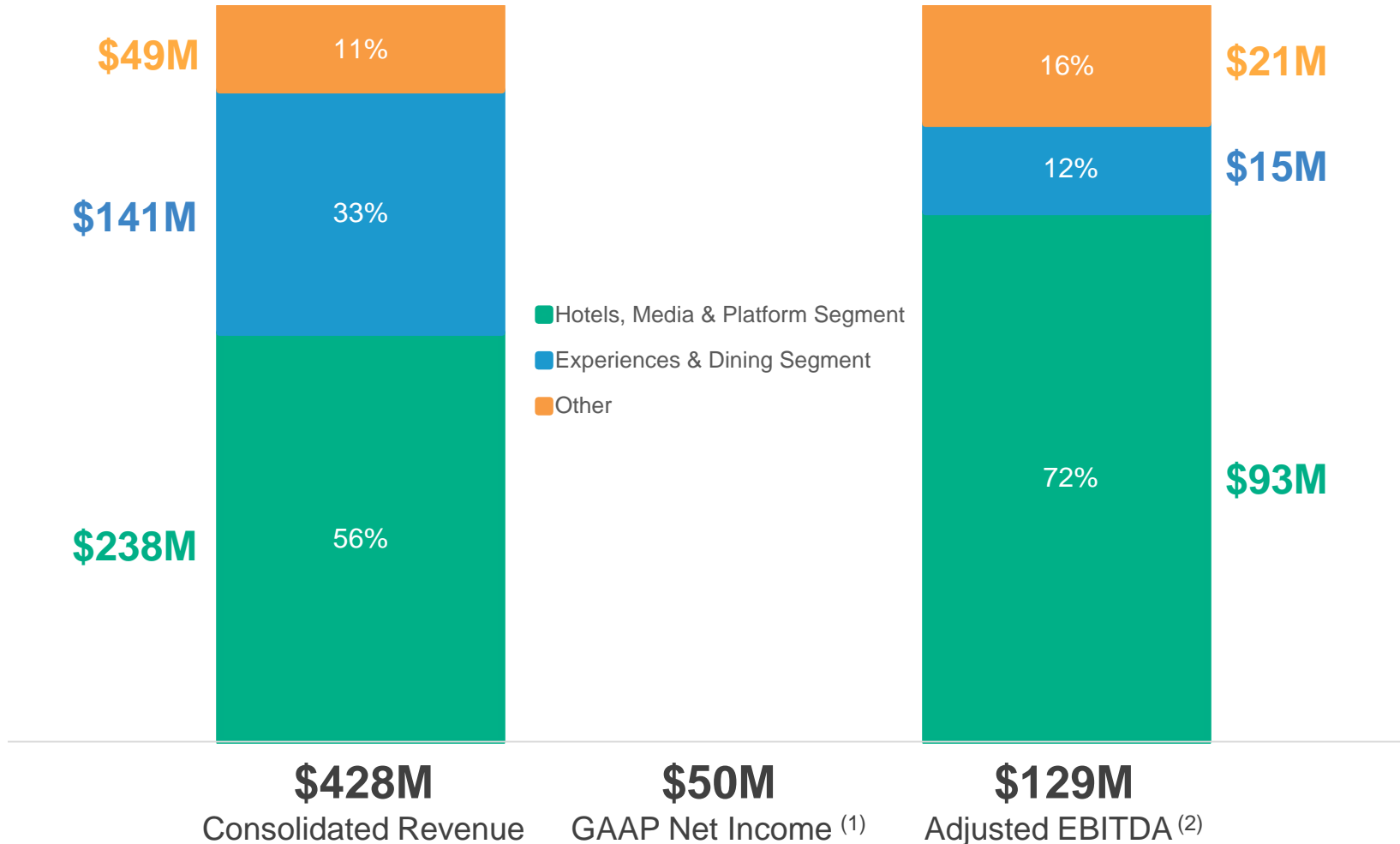
Note: YTD represents nine months ended September 30th

(1) Adjusted EBITDA is our segment profit measure and is defined as net income plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation of property and equipment, including amortization of internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation and other stock-settled obligations; (6) goodwill, long-lived asset and intangible asset impairments, (7) legal reserves and settlements, and (8) other non-recurring expenses and income

(2) TripAdvisor defines "Adjusted EBITDA margin by segment" as segment adjusted EBITDA divided by segment revenue

Q3 2019 revenue and Adjusted EBITDA contribution

Q3 2019 Revenue and Adjusted EBITDA ⁽¹⁾
Business Segment Contribution



(1) The Company does not calculate or report net income by segment

(2) Adjusted EBITDA is a non-GAAP measure and is defined as net income plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation of property and equipment, including amortization of internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation and other stock-settled obligations; (6) goodwill, long-lived asset and intangible asset impairments, (7) legal reserves and settlements, and (8) other non-recurring expenses and income

We operate a very profitable, cash-generative business

Revenue scale

\$1.6B⁽¹⁾

2018 Total Revenue

Strong profitability

\$113M

2018 GAAP Net Income

\$422M⁽²⁾

2018 Adj. EBITDA

Cash flow generative

\$405M

2018 Operating Cash Flow

\$344M⁽³⁾

2018 Free Cash Flow

(1) Full year 2018 Revenue was \$1,615M on a consolidated basis

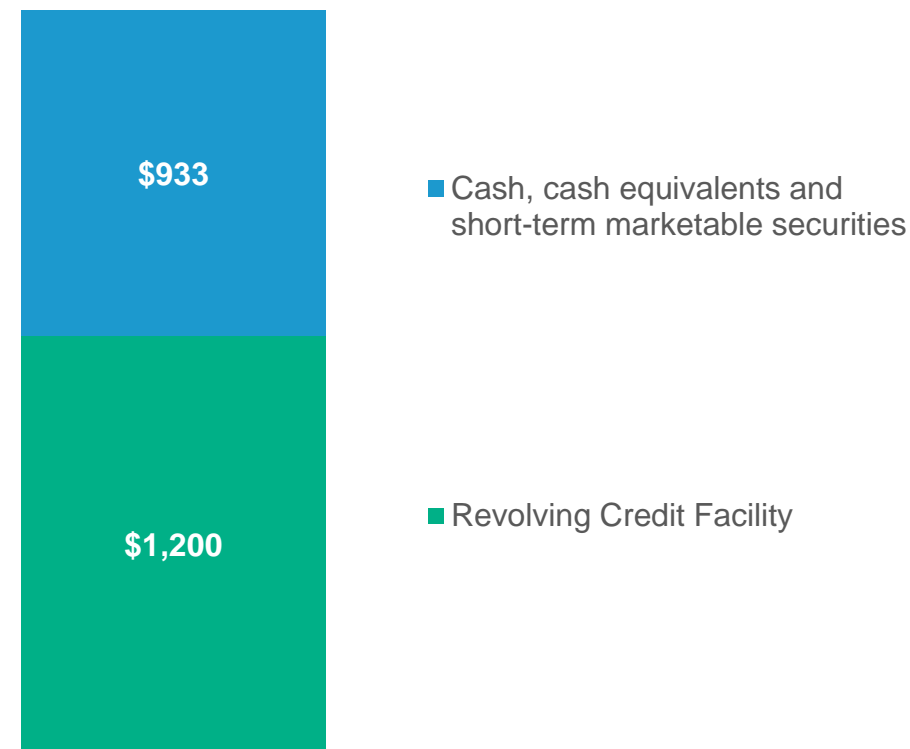
(2) Adjusted EBITDA is a non-GAAP measure and is defined as net income plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation of property and equipment, including amortization of internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation and other stock-settled obligations; (6) goodwill, long-lived asset and intangible asset impairments, (7) legal reserves and settlements, and (8) other non-recurring expenses and income

(3) TripAdvisor defines "free cash flow", a non-GAAP measure, as net cash provided by operating activities less capital expenditures, which are purchases of property and equipment, including capitalization of internal-use software development costs



Ample liquidity enables capital allocation flexibility

Strong Liquidity Position
(in \$millions)



As of Q3 2019

Executing capital allocation strategy

Three components:

- 1. Evaluating cost structure**, prudently reducing and re-allocating to preserve strong profitability while investing in strategic growth areas
- 2. Returning capital to shareholders** in two ways:
 - Declared a special cash dividend of \$3.50 per share
 - Increased our existing share repurchase authorization to \$250M
- 3. Strong profitability and balance sheet** enable us to invest, return capital and target strategic M&A





Unique, valuable platform with long-term focus

Investment summary:

- Attractive **\$1.7 trillion global market** and travel purchases shifting online
- Huge global audience drives **significant influence**
- Valuable platform with **untapped monetization potential**
- Operating prudently and investing for **diversified growth**
- **Cash generation and liquidity** to fund growth investments, capital returns and M&A
- Advantageous ownership structure; **long-term investment horizon**

Segment financial information

(in \$ millions, except percentages)

	Q3 2017	Q3 2018	Q3 2019
Revenue:			
Hotels, Media & Platform	\$265	\$270	\$238
<i>Growth % (y/y)</i>		2%	(12)%
Experiences & Dining	\$88	\$118	\$141
<i>Growth % (y/y)</i>		34%	19%
Other ⁽¹⁾	\$86	\$70	\$49
<i>Growth % (y/y)</i>		(19)%	(30)%
Consolidated Revenue	\$439	\$458	\$428
<i>Growth % (y/y)</i>		4%	(7)%
Adjusted EBITDA:			
Hotels, Media & Platform	\$48	\$97	\$93
<i>Growth % (y/y)</i>		102%	(4)%
Experiences & Dining	\$22	\$28	\$15
<i>Growth % (y/y)</i>		27%	(46)%
Other ⁽¹⁾	\$25	\$21	\$21
<i>Growth % (y/y)</i>		(16)%	0%
Total Adjusted EBITDA ⁽²⁾	\$95	\$146	\$129
<i>Growth % (y/y)</i>		54%	(12)%
Adjusted EBITDA Margin by Segment:			
<i>Hotels, Media & Platform</i>	18%	36%	39%
<i>Experiences & Dining</i>	25%	24%	11%
<i>Other ⁽¹⁾</i>	29%	30%	43%
Total Adjusted EBITDA margin ⁽³⁾	22%	32%	30%
GAAP Net Income ⁽⁴⁾	\$25	\$69	\$50
<i>Growth % (y/y)</i>		176%	(28)%
GAAP Net Income margin	6%	15%	12%

(1) Other consists of the combination of our Rentals, Flights/Cruise/Car Rentals, SmarterTravel and TripAdvisor China business units and does not constitute a reportable segment

(2) Adjusted EBITDA is a non-GAAP measure and is defined as net income plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation of property and equipment, including amortization of internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation and other stock-settled obligations; (6) goodwill, long-lived assets and intangible asset impairments; (7) legal reserves and settlements; and (8) non-recurring expenses and income

(3) TripAdvisor defines "Adjusted EBITDA margin" as adjusted EBITDA divided by revenue

(4) This amount reflects our consolidated GAAP net income for the periods presented. TripAdvisor does not calculate or report net income (loss) by segment

Financial summary

(in \$ millions, except Earnings per Share, "EPS")

	Q3 2017	Q3 2018	Q3 2019
GAAP Net income	\$25	\$69	\$50
Non-GAAP net income ⁽¹⁾	\$50	\$101	\$81
GAAP Diluted EPS	\$0.18	\$0.49	\$0.36
Non-GAAP Diluted EPS ⁽²⁾	\$0.36	\$0.72	\$0.58
Cash, cash equivalents & marketable securities ⁽⁴⁾	\$769	\$663	\$933

(1) TripAdvisor defines "non-GAAP net income" as GAAP net income excluding, net of their related tax effects (which excludes the impact of significant one-time changes resulting from tax legislation such as the 2017 Tax Act): (1) stock-based compensation expense and other stock-settled obligations; (2) amortization of intangible assets; (3) goodwill, intangible assets, and other long-lived asset impairments; (4) legal reserves and settlements, and (5) certain gains, losses, and other non-recurring income or expenses that we do not believe are indicative of our ongoing operating results

(2) TripAdvisor defines "non-GAAP net income per diluted share" as non-GAAP net income divided by GAAP diluted shares

(3) TripAdvisor defines "free cash flow", a non-GAAP measure, as net cash provided by operating activities less capital expenditures, which are purchases of property and equipment, including capitalization of internal-use software development costs

(4) Includes short-term and long-term available-for-sale marketable debt securities

Non-GAAP reconciliations

	2017	2018	2019
<i>(in \$millions, except per share amounts and percentages)</i>	Q3	Q3	Q3
Reconciliation from GAAP Net Income to Adjusted EBITDA (Non-GAAP):			
GAAP Net Income ⁽¹⁾	\$25	\$69	\$50
Add: Provision for income taxes ⁽¹⁾	13	18	23
Add: Other expense (income), net	4	2	(5)
Add: Stock-based compensation expense	26	29	29
Add: Amortization of intangible assets	8	8	9
Add: Depreciation ⁽²⁾	19	20	23
Adjusted EBITDA (Non-GAAP) ⁽³⁾	\$95	\$146	\$129
Reconciliation from GAAP Net Income to Non-GAAP Net Income:			
GAAP Net Income ⁽¹⁾	\$25	\$69	\$50
Add: Stock-based compensation expense	26	29	29
Add: Amortization of intangible assets	8	8	9
Add: (Gain)/Loss on investments	2	(1)	-
Subtract: Income tax effect of Non-GAAP adjustments ⁽⁴⁾	11	6	7
Add: Income tax impact related to U.S. Tax Cuts and Jobs Act of 2017 ⁽¹⁾	-	2	-
Non-GAAP Net Income ⁽⁵⁾	\$50	\$101	\$81
Reconciliation from GAAP Earnings per Share (EPS) to Non-GAAP EPS:			
GAAP Diluted Shares Outstanding	139	141	140
GAAP Diluted Earnings per Share	\$0.18	\$0.49	\$0.36
Non-GAAP Diluted EPS ⁽⁶⁾	\$0.36	\$0.72	\$0.58
Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow:			
Cash flow provided by (used in) operations	(\$135)	\$14	\$1
Subtract: Capital expenditures	15	15	23
Free Cash Flow (Non-GAAP) ⁽⁷⁾	(\$150)	(\$1)	(\$22)

Non-GAAP reconciliations – End notes

The Company believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enables comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating and analyzing our business.

(1) Includes an estimated U.S. Tax Cuts and Jobs Act of 2017 (the "2017 Tax Act") transition tax expense of \$2 million for the three months ended September 30, 2018

(2) *Depreciation*. Includes internal use software and website development amortization.

(3) *Adjusted EBITDA*. A non-GAAP measure which is defined as net income (loss) plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation of property and equipment, including amortization of internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation and other stock-settled obligations; (6) goodwill, long-lived assets and intangible asset impairments; (7) legal reserves and settlements; and (8) non-recurring expenses and income. These items are excluded from our Adjusted EBITDA measure because these items are noncash in nature, or because the amount is not driven by core operating results and renders comparisons with prior periods less meaningful.

(4) *Income Tax Effect of Non-GAAP Adjustments*. The non-GAAP adjustments described are reported on a pre-tax basis. The income tax effect on non-GAAP adjustments was calculated based on the individual impact that these items had on our GAAP consolidated income tax expense for the periods presented.

(5) *Non-GAAP Net Income*. Defined as GAAP net income (loss) excluding, net of their related tax effects (which excludes the impact of significant one time changes resulting from tax legislation such as the 2017 Tax Act): (1) stock-based compensation expense and other stock-settled obligations; (2) amortization of intangible assets; (3) goodwill, intangible asset, and other long-lived asset impairments; (4) legal reserves and settlements; and (5) certain gains, losses, and other non-recurring income or expenses that we do not believe are indicative of our ongoing operating results. We believe non-GAAP net income is an operating performance measure which provides investors and analysts with useful supplemental information about the financial performance of our business, as it incorporates our unaudited condensed consolidated statement of operations, taking into account depreciation, which management believes is an ongoing cost of doing business, but excluding the impact of certain expenses, infrequently occurring items and items not directly tied to the core operations of our businesses, and also enables comparison of financial results between periods where certain items may vary independent of business performance.

(6) *Non-GAAP Diluted EPS*. Defined as non-GAAP net income divided by GAAP diluted shares. We believe non-GAAP EPS is useful to investors because it represents, on a per share basis, our unaudited condensed consolidated statement of operations, taking into account depreciation, which we believe is an ongoing cost of doing business, as well as other items which are not allocated to the operating businesses such as interest expense, interest income, income taxes and foreign exchange gains or losses, but excluding the effects of certain expenses not directly tied to the core operations of our businesses.

(7) *Free Cash Flow*. A non-GAAP measure which is defined as net cash provided by operating activities less capital expenditures, which are purchases of property and equipment, including capitalization of internal-use software development costs. We believe this financial measure can provide useful supplemental information to help investors better understand underlying trends in our business, as it represents the operating cash flow that our operating businesses generate, less capital expenditures but before taking into account other cash movements that are not directly tied to the core operations of our businesses, such as financing activities, foreign exchange or certain investing activities. Free Cash Flow has certain limitations in that it does not represent the total increase or decrease in the cash balance for the period, nor does it represent the residual cash flow for discretionary expenditures. Therefore, it is important to evaluate Free Cash Flow along with the unaudited condensed consolidated statements of cash flows.



know better ● book better ● go better