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 2020 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.
Q3 2020 y/y revenue and profitability improved vs Q2 2020

Consolidated Revenue
($ millions)

$428  $335  $278  $59  $151
Q3 2019  Q4 2019  Q1 2020  Q2 2020  Q3 2020

Consolidated Net Income (Loss)
(in $millions)

$50  $15  -$16  -$153  -$48
Q3 2019  Q4 2019  Q1 2020  Q2 2020  Q3 2020

Consolidated Adjusted EBITDA (1)
(in $millions)

$129  $92  $40  -$15
Q3 2019  Q4 2019  Q1 2020  Q2 2020  Q3 2020

(1) Consolidated Adjusted EBITDA is our non-GAAP profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income.
Monthly consumer trends showed notable improvement from the April lows

Average Monthly Unique Visitors (1)
(Illustrative year-over-year % performance)

YTD average monthly unique visitor trends reflect recovery off the April/Q2 lows:

- In July, August, and September, monthly unique users were approximately 67%, 73%, and 74% of last year’s comparable period, respectively
- This compares very favorably to April, which was 33% of last year’s comparable period

(1) Tripadvisor internal log files
Domestic leisure travel continues to lead the recovery

- Most searches related to near-term travel
- Some major markets continue to show improvement

Daily Domestic Travel Clickers 1-30 Days Out
Number of daily unique users searching for travel with arrival dates within next 30 days

United States (1) - Japan - Brazil

Daily Domestic Travel Clickers 180+ Days Out
Number of daily unique users searching for travel with arrival dates 180+ days away

United States (1) - France - Germany

Week of:
- Searches for arrivals dates 180+ days have grown, indicating growing interest in 2021 travel

Source: Tripadvisor log files
(1) United States indexed on separate scale due to far larger scale
Some additional progress in Experiences & Dining

- Restaurants Booking Activity on TheFork
  - YoY net revenue growth
  - Source: Tripadvisor log files

- Experiences Traffic on Tripadvisor
  - YoY change in unique users interacting with Experiences pages on Tripadvisor

- Italy and Switzerland booking revenue up vs. last year in September
- Restaurant consumer demand recovering throughout Europe
- Research for experiences is growing as tourism markets reopen

Source: Tripadvisor log files
$1.4B of liquidity; Cost measures have positioned business for a variety of recovery scenarios

Liquidity position a/o 9/30/20 ($ millions)

- $446 million in cash and cash equivalents at 9/30/20
- In July, we used all the net proceeds from $500 million senior notes offering to pay down majority of outstanding borrowings under our $1B revolving credit facility
- Estimated discretionary and workforce-related actions expected to generate fixed cost savings of more than $200 million in 2020 vs 2019\(^{(1)}\)
- Fixed cost savings even greater on a run-rate basis and majority expected to persist in 2021 and beyond

(1) Estimated savings do not consider depreciation, amortization, restructuring and related reorganization costs, and stock-based compensation
Well-positioned for travel sector rebound

**Travelers**

Trusted source of information on locations, property conditions, budgeting and other trip factors; barometer for early signs of engagement given position at top of the funnel.

**Suppliers**

Critical source of demand generation for accommodations and in-market suppliers with excess capacity.

**Marketing dynamic**

Enhanced discipline across performance marketing channels with fewer participants competing in auctions.

**Business model positioning**

Diversification across end-markets, business models and geographies enable Tripadvisor to experience rebound regardless of where it occurs.
Who We Are
Who we are

A global travel guidance company

Tripadvisor helps travelers around the world unleash the full potential of every trip
The world’s largest travel platform

Massive global demand for differentiated travel content (1)

Tripadvisor’s global travel platform

Significant supply footprint across a spectrum of travel products (1)

<table>
<thead>
<tr>
<th><strong>Tripadvisor content</strong></th>
<th><strong>Audience drives content</strong></th>
<th><strong>Tripadvisor community drives content</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>463M avg. monthly unique visitors (2)</td>
<td>2.3M Accommodations (3)</td>
<td>49 markets</td>
</tr>
<tr>
<td>~65% % of users on mobile</td>
<td>1.3M Travel activities and experiences listings</td>
<td></td>
</tr>
<tr>
<td>878M reviews and opinions</td>
<td>4.7M Restaurant listings</td>
<td></td>
</tr>
<tr>
<td>212M candid traveler photos</td>
<td>500+ Airlines</td>
<td></td>
</tr>
<tr>
<td>2.3M Accommodations (3)</td>
<td>30K+ Cruises</td>
<td></td>
</tr>
</tbody>
</table>

---

(1) Tripadvisor internal log files; unless otherwise noted, all numbers as of 9/30/2020
(2) Tripadvisor internal log files, Q3 2019
(3) Includes approximately 1.5M hotels, inns, B&Bs, and specialty lodging, as well as 790K rental listings
Multiple areas of diverse, long-term growth potential

**Hotels**
Click-based advertising for OTAs and hoteliers to capture bookings;
Hotel sponsored placements; launched additional B2B solutions

**Display and Platform**
Enables advertising partners to promote their brands in a contextually relevant manner;
Investing in a compelling direct-to-consumer offering

**Experiences**
Enables consumers to research and book 400K bookable products on across 1.3M activities and attractions

**Dining**
Travelers and locals can research and book restaurants in select geographies
Offer sponsored placements for restaurants to amplify their business

**Other**
A collection of strategic assets, including vacation rentals, flights, cruises, cars
Tripadvisor platform a product of 20 years of development and growth

<table>
<thead>
<tr>
<th>$ millions</th>
<th>Hotels, Media &amp; Platform</th>
<th>Experiences &amp; Dining</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 Revenue</td>
<td>$939</td>
<td>$456</td>
<td>$165</td>
</tr>
<tr>
<td>% growth</td>
<td>(6%)</td>
<td>23%</td>
<td>(32%)</td>
</tr>
</tbody>
</table>

| 2019 Adj. EBITDA(1) | $378 | $5 | $55 |
| % margin | 40% | 1% | 33% |

**Description**

<table>
<thead>
<tr>
<th></th>
<th>Tripadvisor-branded hotels</th>
<th>Display and platform</th>
<th>Experiences</th>
<th>Dining</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tripadvisor-branded hotels</strong></td>
<td>• Click-based advertising</td>
<td>• Allow travel partners to promote their brands through display-based advertising</td>
<td>• Leading positions in tours and activities</td>
<td>• Online reservation booking platform operating localized websites across the UK, Europe, Australia and South America</td>
<td><strong>Includes revenue generated from vacation rentals, flights, cruise and car offerings on Tripadvisor, non-Tripadvisor branded websites, and Tripadvisor China</strong></td>
</tr>
<tr>
<td><strong>Display and platform</strong></td>
<td>• Subscription-based advertising</td>
<td>• Clients are mainly direct suppliers of hotels, airlines, cruises, marketing organizations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Experiences</strong></td>
<td>• Additional offerings include sponsored placements</td>
<td></td>
<td>• Sells through Viator website and global affiliate network</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Dining</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Business model**

<table>
<thead>
<tr>
<th></th>
<th>Lead-gen</th>
<th>Subscription</th>
<th>Advertising</th>
<th>Transaction (take-rate)</th>
<th>Transaction (Take-rate)</th>
<th>Lead-gen</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lead-gen</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Subscription</strong></td>
</tr>
<tr>
<td><strong>Subscription</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Advertising</strong></td>
</tr>
<tr>
<td><strong>Advertising</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Transaction</strong></td>
</tr>
</tbody>
</table>

**Key brands**

- Tripadvisor
- Viator
- Bokun
- Numbia
- FLIPKEY
- holidaylettings
- Jetsetter
- Trip.com
- Tripadvisor China

**Key partners**

- Booking Holdings
- Marriott
- Marriott
- Expedia
- Trip.com Group

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(1) Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income; Tripadvisor defines “Adjusted EBITDA margin by segment” as segment adjusted EBITDA divided by segment revenue. Please see the appendix for reconciliation.
Significant influence on the global travel market

$546B
Annual travel expenditures influenced

2.2B
Vacation nights influenced

433M
Annual trips influenced

Source: May 2018 Oxford Economics Global Travel Market Study
Addressing long-term travel market opportunity that is shifting online

Global travel market\(^{(1)}\)

\[ \text{($ trillions)} \]

- Offline travel
- Online travel

<table>
<thead>
<tr>
<th>Year</th>
<th>Offline</th>
<th>Online</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$0.3</td>
<td>$0.6</td>
<td>$0.9</td>
</tr>
<tr>
<td>2019</td>
<td>$0.7</td>
<td>$0.8</td>
<td>$1.5</td>
</tr>
<tr>
<td>2022</td>
<td>$0.9</td>
<td>$0.8</td>
<td>$1.7</td>
</tr>
</tbody>
</table>

5% total CAGR

52% Online 10% CAGR

---

\(^{(1)}\) Phocuswright estimates (various reports by region), Phocuswright Global Online Travel Overview (July 2019)
Reaching travelers at every stage of their journey

70% seek social recommendations before booking

86% won’t book without reading reviews first

90% say Tripadvisor makes them feel more confident in their booking decisions

57% book attractions while on vacation

Source: Tripadvisor Personalization Study, 2019; 2019 Tripadvisor and Ipsos MORI Power of Reviews Study
Valuable, and differentiated position in the industry for travelers and suppliers

**Value proposition to travelers**
- Indispensable companion across the end-to-end journey
- Trusted community with unique and unmatched content
- Personalized product experience with native functionality

**Value proposition to suppliers**
- Global audience for demand generation
- High-value leads with purchase intent
- Flexible monetization model
Financial overview
Financial highlights

Significant historical revenue scale and long-term growth potential

Robust financial profile with strong track record of profitability and operating cash flow generation

Attractive historical base of revenue and Adjusted EBITDA(1) from Hotels, Media & Platform

Experiences & Dining has significant growth and margin potential

Operating leverage driven by prudent cost management

Balanced investments aimed at driving sustainable, long-term growth

---

(1) Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income
Strong historical financial performance

Consolidated revenue ($ millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$1,556</td>
</tr>
<tr>
<td>2018</td>
<td>$1,615</td>
</tr>
<tr>
<td>2019</td>
<td>$1,560</td>
</tr>
</tbody>
</table>

Consolidated Net Income (Loss) (in $ millions, except Net income (loss) margin)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income (Loss)</th>
<th>Consolidated Net Income Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>-$19</td>
<td>-1%</td>
</tr>
<tr>
<td>2018</td>
<td>$113</td>
<td>7%</td>
</tr>
<tr>
<td>2019</td>
<td>$126</td>
<td>8%</td>
</tr>
</tbody>
</table>

Consolidated Adjusted EBITDA(1) ($ millions, except Adj. EBITDA margin)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA</th>
<th>Adjusted EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$331</td>
<td>21%</td>
</tr>
<tr>
<td>2018</td>
<td>$422</td>
<td>26%</td>
</tr>
<tr>
<td>2019</td>
<td>$438</td>
<td>26%</td>
</tr>
</tbody>
</table>

---

(1) Consolidated Adjusted EBITDA is our non-GAAP profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income; Tripadvisor defines “Adjusted EBITDA margin” as adjusted EBITDA divided by revenue. Please see the appendix for reconciliation.
Have successfully driven a diverse revenue mix

Diversification supported by:

- Hotel auction
- Strong growth in emerging offerings
  - Hotel (through hotel B2B solutions)
  - Display and platform
  - Experiences & Dining

Note: 2012 and 2015 reflect historical reportable segment reporting from 10-Ks
Significant historical HM&P segment scale and profitability

Hotels, Media & Platform Segment Revenue ($ millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$1,022</td>
</tr>
<tr>
<td>2018</td>
<td>$1,001</td>
</tr>
<tr>
<td>2019</td>
<td>$939</td>
</tr>
</tbody>
</table>

Hotels, Media & Platform Segment Adjusted EBITDA\(^{(1)}\) ($ millions, except Adj. EBITDA margin)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA</th>
<th>Adj. EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$267</td>
<td>25%</td>
</tr>
<tr>
<td>2018</td>
<td>$329</td>
<td>35%</td>
</tr>
<tr>
<td>2019</td>
<td>$378</td>
<td>40%</td>
</tr>
</tbody>
</table>

(1) Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income; Tripadvisor defines “Adjusted EBITDA margin by segment” as segment adjusted EBITDA divided by segment revenue.
E&D segment historically driving diverse revenue and reflective of long-term investment focus

Experiences & Dining Segment revenue  
($ millions, except CAGR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$264</td>
</tr>
<tr>
<td>2018</td>
<td>$372</td>
</tr>
<tr>
<td>2019</td>
<td>$456</td>
</tr>
</tbody>
</table>

31% CAGR

Experiences & Dining Segment Adjusted EBITDA
($ millions, except Adj. EBITDA margin)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA ($ millions)</th>
<th>Adj. EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$23</td>
<td>9%</td>
</tr>
<tr>
<td>2018</td>
<td>$48</td>
<td>13%</td>
</tr>
<tr>
<td>2019</td>
<td>$5</td>
<td>1%</td>
</tr>
</tbody>
</table>

(1) Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income; Tripadvisor defines “Adjusted EBITDA margin by segment” as segment adjusted EBITDA divided by segment revenue.
Engagement flywheel has driven marketing leverage

### Engagement
- I know and love Tripadvisor

### Loyalty
- I am more likely to go to Tripadvisor again

### Experience
- Tripadvisor helped make my trip memorable

### Trust
- I find more great content choice and convenience on Tripadvisor

### Adoption
- I can do more with Tripadvisor, for more (hotels, attractions, restaurants)

#### 2019 Marketing expense vs. online travel peers

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Marketing expense as a % of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>trivago (2)</td>
<td>74%</td>
</tr>
<tr>
<td>Qubika (3)</td>
<td>42%</td>
</tr>
<tr>
<td>Booking Holdings (4)</td>
<td>33%</td>
</tr>
<tr>
<td>Tripadvisor (5)</td>
<td>28%</td>
</tr>
</tbody>
</table>

(1) Represents fiscal year 2019 figures. (2) Represents advertising expense as a percentage of revenue. Advertising expense consists of fees paid for various marketing channels like TV, search engine marketing, display and affiliate marketing, email marketing, online video, app marketing and content marketing. (3) Represents direct sales and marketing costs as a percentage of revenue. Direct sales and marketing costs include traffic generation costs from search engines and internet portals, TV, radio and print spending, private label and affiliate program commissions, public relations and other costs. (4) Represents performance marketing and brand marketing expenses as a percentage of revenue. Performance marketing expenses consist primarily of the costs of: (1) search engine keyword purchases; (2) referrals from meta-search and travel research websites; (3) affiliate programs; and (4) other performance-based marketing and incentives. Brand marketing expenses consist primarily of TV advertising and online video and display advertising (including the airing of our TV advertising online), as well as other marketing spend such as public relations and sponsorships. (5) Represents direct sales and marketing costs as a percentage of revenue. Direct sales and marketing costs include traffic generation costs from SEM and other online traffic acquisition costs, syndication costs and affiliate program commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations.

Source: Company 10-K and 20-F filings
Highly flexible cost structure consisting mostly of discretionary or variable expenses

- Significant proportion of marketing expenses is related to paid traffic acquisition and is discretionary in nature
- Substantial amount of brand advertising also completely discretionary
- Credit card and transaction fees are closely correlated to bookings
- Fixed costs are mainly personnel and overhead costs
- Other expenses include: professional service fees, licensing fees, telecom costs, etc.

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue</td>
<td>8%</td>
</tr>
<tr>
<td>Technology and content</td>
<td>24%</td>
</tr>
<tr>
<td>General and administrative</td>
<td>15%</td>
</tr>
<tr>
<td>Selling and marketing</td>
<td>54%</td>
</tr>
</tbody>
</table>

2019 cost base

Source: 2019 10-K filed with SEC
Note: Cost base represents GAAP consolidated expenses excluding depreciation and amortization expenses; total does not sum to 100% due to rounding
Track record of strong profitability and free cash flow generation

Consolidated Adjusted EBITDA\(^{(1)}\)

\[\text{($millions, except Adj. EBITDA margin)}\]

- 2017: $331 (21%)
- 2018: $422 (26%)
- 2019: $438 (26%

Consolidated Adjusted EBITDA is our non-GAAP profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income; TripAdvisor defines “Adjusted EBITDA margin” as adjusted EBITDA divided by revenue. Please see the appendix for reconciliation.

Operating cash flow

\[\text{($millions)}\]

- 2017: $238
- 2018: $405
- 2019: $424

33% CAGR

Free cash flow\(^{(2)}\)

\[\text{($millions)}\]

- 2017: $174
- 2018: $344
- 2019: $341

40% CAGR

Net income

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>($19)</td>
<td>$113</td>
<td>$126</td>
<td></td>
</tr>
</tbody>
</table>

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(2) Free cash flow is a non-GAAP measure and is calculated as cash provided by operating activities less capital expenditures. Please see the appendix for reconciliation.
Investment Highlights

- World’s largest global travel platform and community
- Addressing attractive long-term secular growth opportunity
- Valuable and differentiated position with travelers and suppliers
- Significant barriers to entry through network effects
- Comprehensive platform with potential to deepen engagement and convert influence into monetization
- Flexible cost structure and ongoing focus on cash preservation
- Track record of strong profitability and positioned for high margin recovery as travel demand picks up
Non-GAAP Reconciliations

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”) of $73 million during the year ended December 31, 2017, primarily related to a transition tax expense; and a transition tax expense of $2 million for the three months ended September 30, 2018. Refer to the next slide for further information.

2. Depreciation and amortization. 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 (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived assets and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income. These items are excluded from our Adjusted EBITDA measure because these items are non cash in nature, or because the amount is not driven by core operating results and renders comparisons with prior periods less meaningful.

4. 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.

* Full-year totals reflect data as reported and may differ from the summation of the quarterly data due to rounding.
As disclosed in Tripadvisor Q4 2017 Earnings Release:

On December 22, 2017, U.S. tax legislation commonly referred to as the U.S. Tax Cuts and Jobs Act of 2017 (the 2017 Tax Act) was enacted into law and the new legislation contains several key tax provisions that affected us, including a one-time mandatory transition tax on accumulated foreign earnings and a reduction of the corporate income tax rate from 35% to 21% effective January 1, 2018, among others. We are required to recognize the effect of the tax law changes in the period of enactment, such as determining the transition tax resulting from the deemed repatriation of foreign cash, remeasuring our U.S. deferred tax assets and liabilities, and reassessing the net realizability of our deferred tax assets and liabilities. In December 2017, the SEC staff issued Staff Accounting Bulletin No. 118, Income Tax Accounting Implications of the Tax Cuts and Jobs Act (SAB 118), which allows us to record provisional amounts during a measurement period not to extend beyond one year of the enactment date. As a result, our provision for income taxes increased by $73 million in Q4 2017, the substantial majority of which was driven by the transition tax. An estimated amount of $67 million for the transition tax is accrued at December 31, 2017 and is payable over eight years, and a $6 million expense was recorded for the remeasurement of deferred taxes. Since the 2017 Tax Act was passed late in the fourth quarter of 2017, and ongoing guidance and accounting interpretation are expected over the next 12 months, we consider the accounting of the transition tax, deferred tax re-measurements, and other items to be provisional due to the forthcoming guidance and our ongoing analysis of final year-end data and tax positions. We expect to complete our analysis within the measurement period in accordance with SAB 118.