

Q2 2020 Investor Presentation

August 6, 2020



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 second 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.

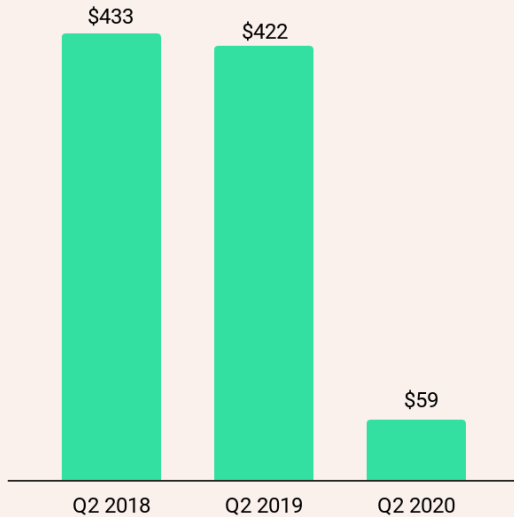
Industry / Market Data. Industry and market data used in this presentation have been obtained from industry publications and sources as well as from research reports prepared for other purposes. We have not independently verified the data obtained from these sources and cannot assure you of the data's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



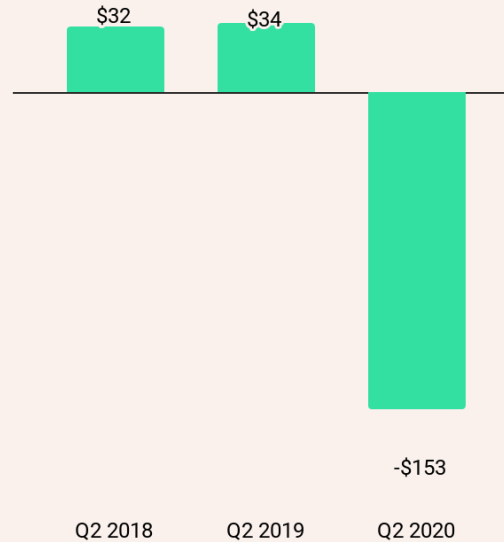
2Q20 Update

Q2 2020 revenue and profitability reflect COVID-19's historic impact on the travel industry

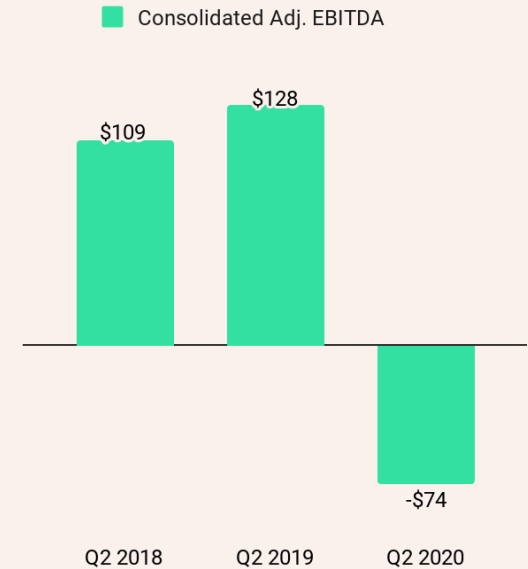
Consolidated Revenue
(\$ millions)



Consolidated Net Income (Loss)
(in \$millions)



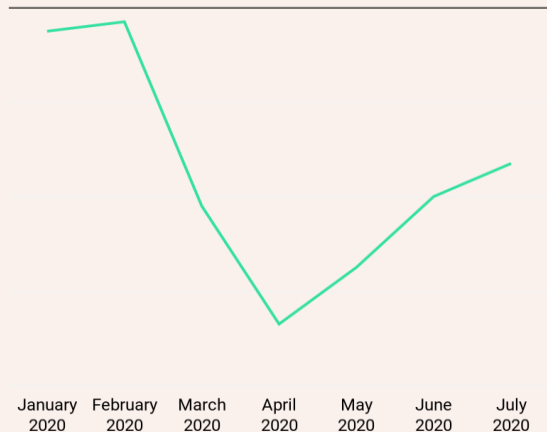
Consolidated Adjusted EBITDA ⁽¹⁾
(in \$millions)



(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

YoY trends bottomed in April, and have improved since

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



YTD monthly unique visitor trends reflect significant business disruption, followed by a recovery off the April lows:

- In April, May, and June, monthly unique users were approximately 33%, 45%, and 60% of last year's comparable period, respectively.
- In July, monthly unique users improved further to 67% of last year's comparable period

(1) Tripadvisor internal log files

Prudent cost measures enacted in the first half of 2020

Expense mix

- Q2 2020 expense mix: Approximately 9% direct / 91% indirect

Cost reduction measures

- Reduced approximately 900 positions, or ~23% of our workforce; Placed approximately 850 positions on temporary furlough, or ~22% of our workforce, most significantly at TheFork (approximately 150 remained on temporary furlough as of June 30, 2020)
- Made targeted reductions to the Company's office lease portfolio
- CEO elected to forego his base salary for the remainder of the 2020 calendar year; the Company's Board of Directors agreed to forego their annual cash retainer and reduce their annual equity award

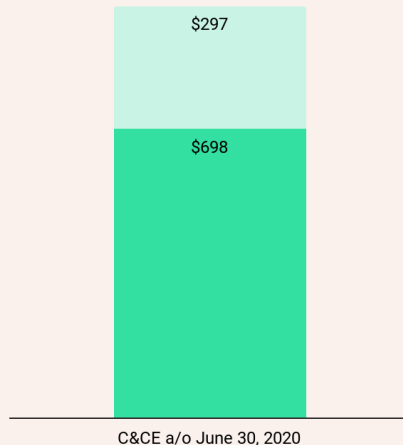
Expected savings

- We expect these measures to generate saving in excess of \$200 million in annualized operating expense savings by the end of 2020, when compared to the fiscal year of 2019.

We further bolstered our solid liquidity position

Liquidity position a/o 6/30/20 (\$ millions)

- Cash and cash equivalents (C&CE)
- Unborrowed capacity



- \$698 million in cash and cash equivalents at 6/30/20
- In March, we drew down \$700 million from our revolving credit facility
- In May, we amended our revolving credit facility, including replacing the leverage-based covenant with a liquidity-based covenant, and downsizing its capacity to \$1.0 billion from \$1.2 billion
- In July, we sold \$500 million aggregate principal amount of 7.000% senior notes due July 15, 2025 and we used net proceeds to reduce our outstanding borrowings under our revolving credit facility

Domestic travel continues to trend positively

Daily Domestic Travel Viewers 1-30 Days Out

Number of daily unique users searching for travel with arrival dates within next 30 days

United States⁽¹⁾ Italy France

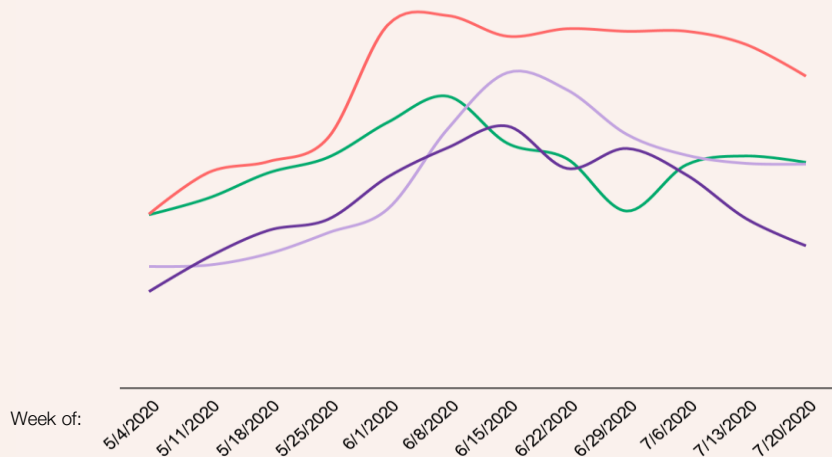


- All major markets are showing significant growth in searches for near term travel

Daily Domestic Travel Viewers 90+ Days Out

Number of daily unique users searching for travel with arrival dates over 90 days away

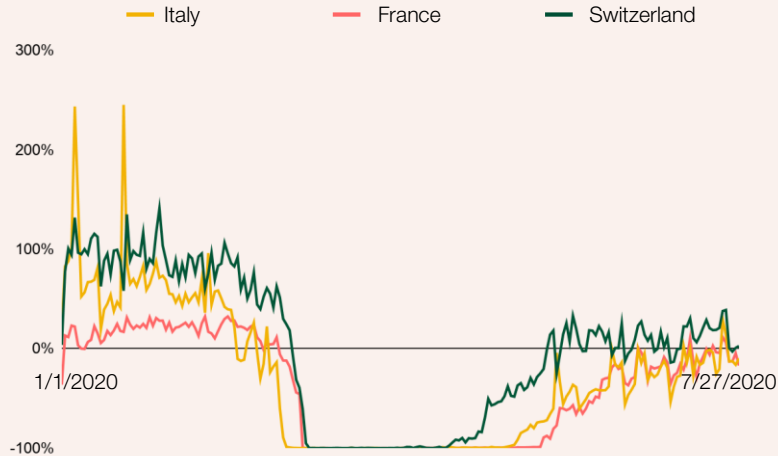
United States⁽¹⁾ France Japan Australia



- Searches for arrivals dates 90+ days out are growing across major markets with uptick in most recent weeks

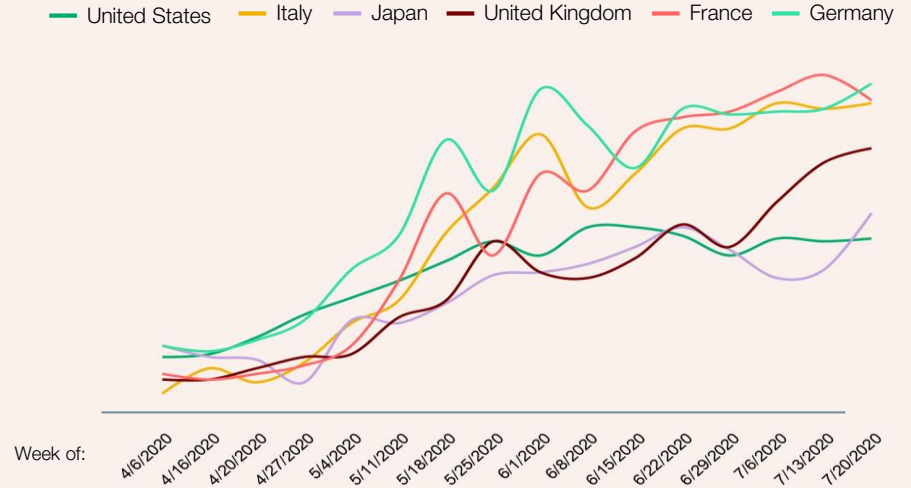
Additional green shoots

Restaurants Booking Activity on TheFork YoY net revenue growth



- Restaurant consumer demand returning throughout Europe
- Switzerland (market with least restrictions) booking revenue up vs. last year over the past month; additional countries following similar recovery shape curve

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



- Research for experiences is growing rapidly as more tourism markets open their doors
- Germany, Italy, and France are among the highest growth markets for the first throughout June and the first three weeks of July

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

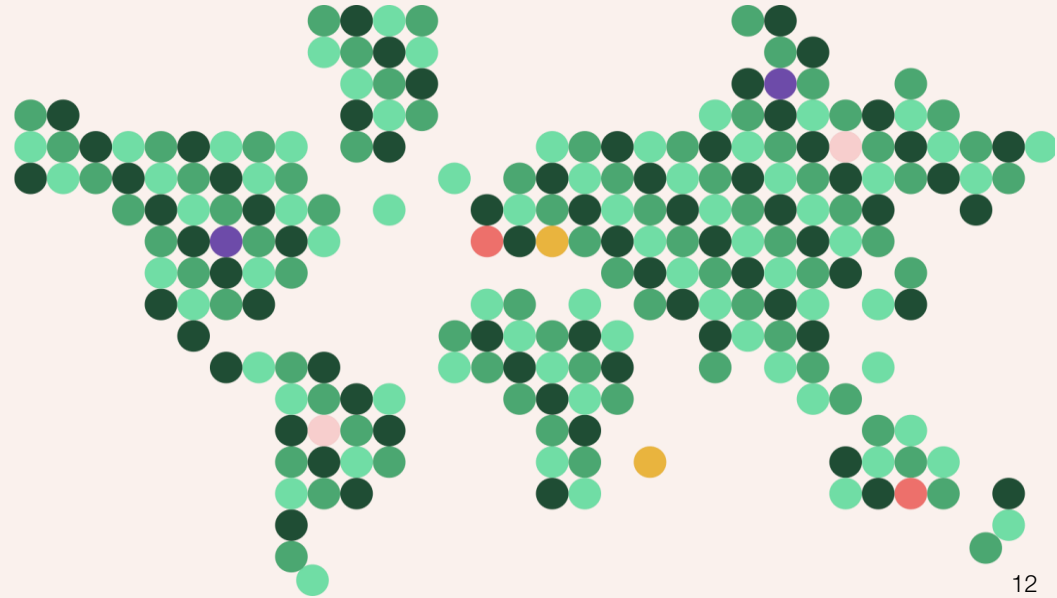


Who We Are

Who we are






A global travel guidance company

Tripadvisor helps travelers around the world
unleash the full potential of every trip

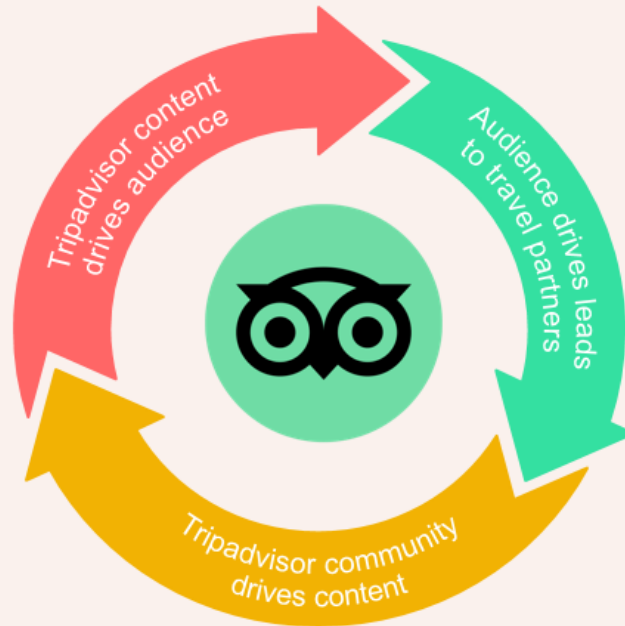


The world's largest travel platform

Massive global demand for differentiated travel content ⁽¹⁾

-  **463M**
avg. monthly unique visitors ⁽²⁾
-  **~65%**
% of users on mobile
-  **867M**
reviews and opinions
-  **207M**
candid traveler photos
-  **49**
markets

Tripadvisor's global travel platform



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

-  **2.3M**
Accommodations ⁽³⁾
-  **1.3M**
Travel activities and experiences listings
-  **4.6M**
Restaurant listings
-  **500+**
Airlines
-  **30K+**
Cruises

⁽¹⁾ Tripadvisor internal log files; unless otherwise noted, all numbers as of 6/30/2020

⁽²⁾ Tripadvisor internal log files, Q3 2019

⁽³⁾ Includes approximately 1.468M hotels, inns, B&Bs, and specialty lodging, as well as 786K rental listings

Addressing key travel categories through multi-product approach



Hotels

Click-based advertising for OTAs and direct suppliers deliver bookings; Hotel B2B solutions to help hoteliers amplify their brands



Display and Platform

Offers travel partners ability to promote their brands in a contextually relevant manner



Experiences

Enables consumers to research and book activities and attractions in popular destinations



Dining








Allows consumers to research and book restaurants in select geographies



Other

Short-term vacation rentals, flights, cruises, cars

Tripadvisor platform is the product of 20 years of development and growth

\$ millions	Hotels, Media & Platform		Experiences & Dining		Other		
2019 Revenue % growth	\$939 (6%)		\$456 23%		\$165 (32%)		
2019 Adj. EBITDA⁽¹⁾ % margin	\$378 40%		\$5 1%		\$55 33%		
Description	<p>Tripadvisor-branded hotels</p> <ul style="list-style-type: none"> Click-based advertising Subscription-based advertising Additional offerings include sponsored placements 	<p>Display and platform</p> <ul style="list-style-type: none"> Allow travel partners to promote their brands through display-based advertising Clients are mainly direct suppliers of hotels, airlines, cruises, marketing organizations 	<p>Experiences</p> <ul style="list-style-type: none"> Leading positions in tours and activities Sells through Viator website and global affiliate network 	<p>Dining</p> <ul style="list-style-type: none"> Online reservation booking platform operating localized websites across the UK, Europe, Australia and South America 	<p>Other</p> <ul style="list-style-type: none"> Includes revenue generated from vacation rentals, flights, cruise and car offerings on Tripadvisor, non-Tripadvisor branded websites, and Tripadvisor China 		
Business model	<ul style="list-style-type: none"> Lead-gen Subscription 	<ul style="list-style-type: none"> Advertising 	<ul style="list-style-type: none"> Transaction (take-rate) 	<ul style="list-style-type: none"> Transaction (take-rate or per seated diner commission) 	<ul style="list-style-type: none"> Transaction (Take-rate) Subscription 	<ul style="list-style-type: none"> Lead-gen Advertising Transaction 	
Key brands							
Key partners			Highly fragmented and regional				

(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

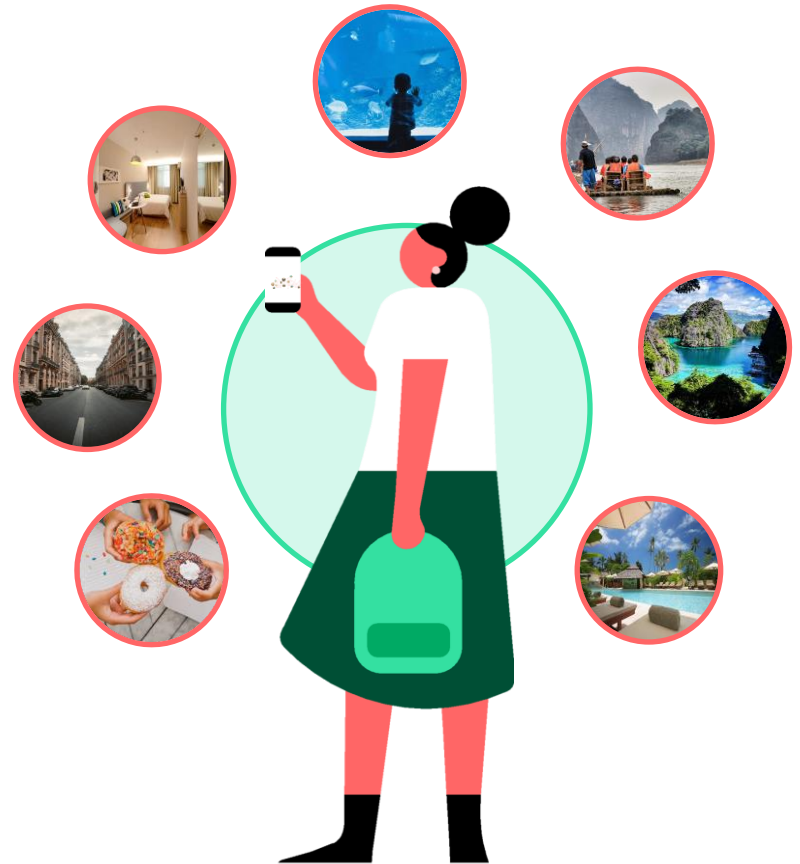
Annual travel expenditures influenced

2.2B

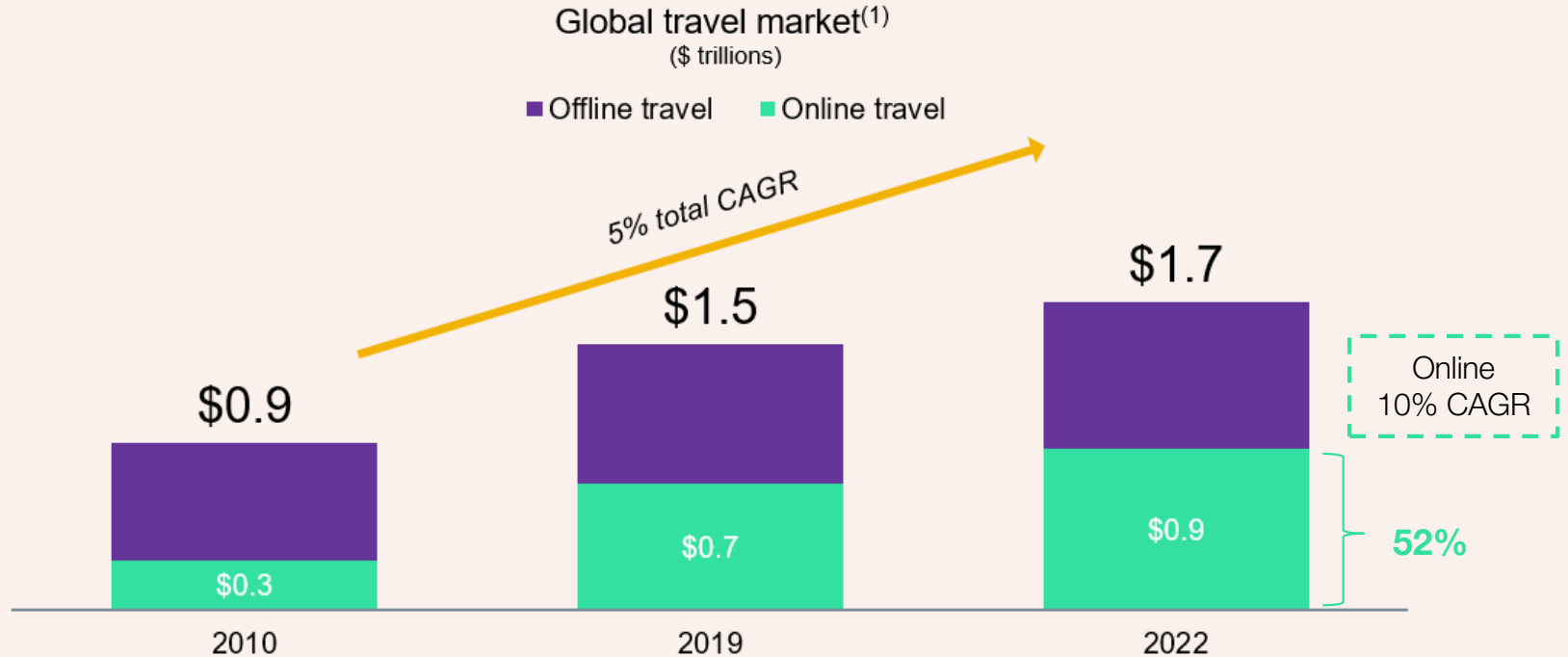
Vacation nights influenced

433M

Annual trips influenced



Addressing long-term travel market opportunity that is shifting online



(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



Discovery & inspiration



Research & planning



Comparison & selection



Booking



Experiencing



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



Tripadvisor

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

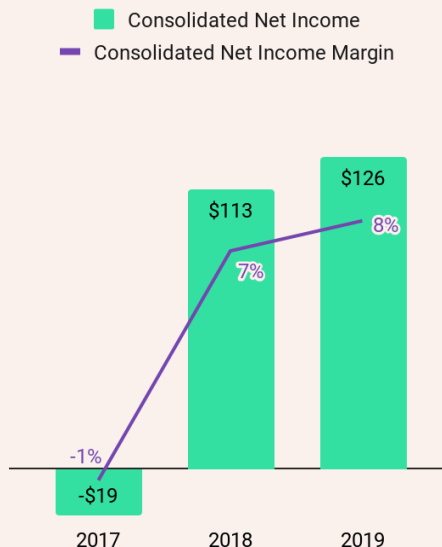
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Strong historical financial performance

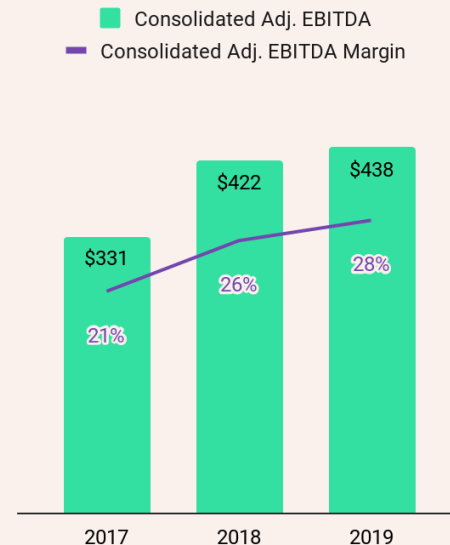
Consolidated revenue
(\$ millions)



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

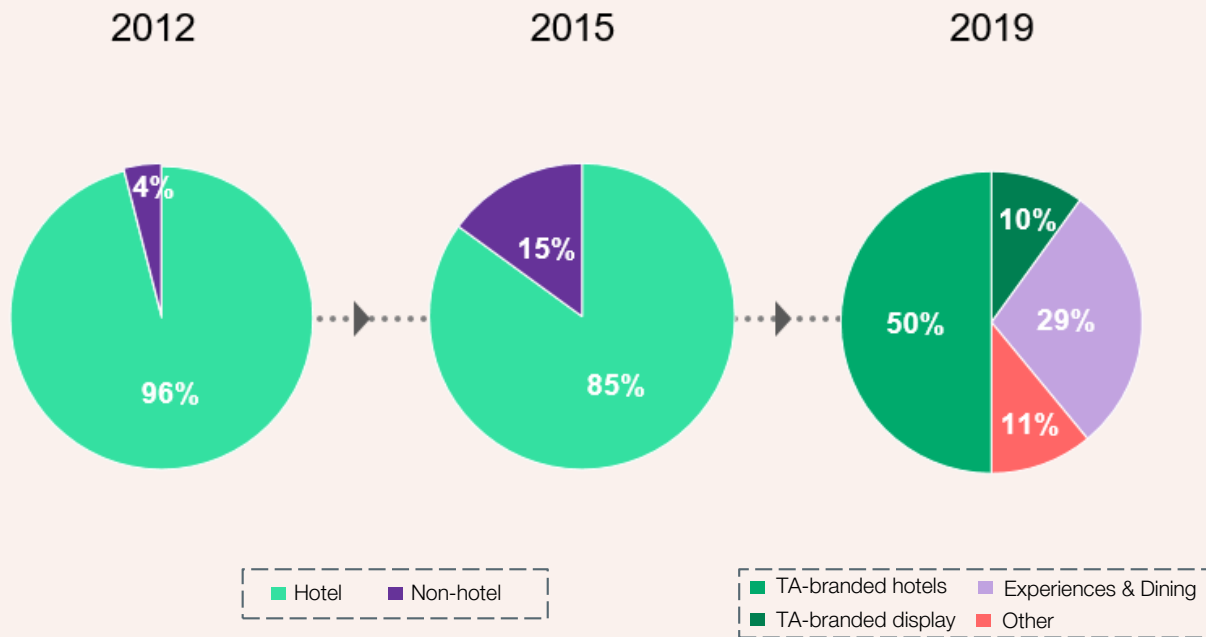


Consolidated Adjusted EBITDA⁽¹⁾
(\$ millions, except Adj. EBITDA margin)



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Have successfully driven a diverse revenue mix



Diversification supported by:

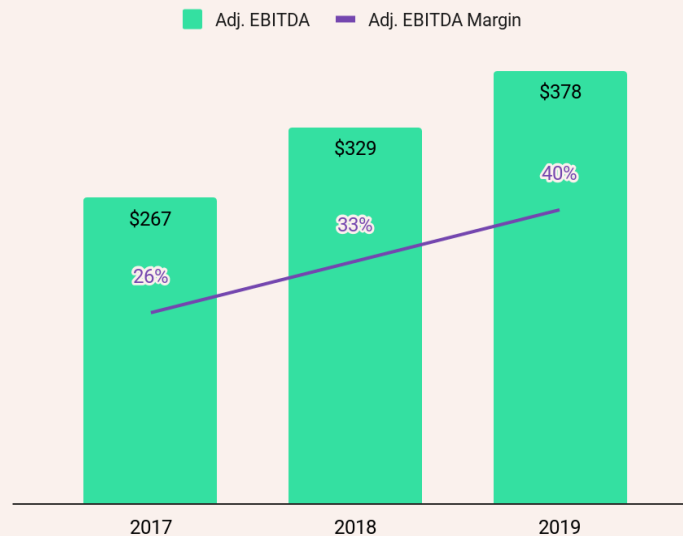
- Hotel auction
- Strong growth in emerging offerings
 - Hotel (through hotel B2B solutions)
 - Display and platform
 - Experiences & Dining

Significant historical HM&P segment scale and profitability

Hotels, Media & Platform Segment Revenue
(\$ millions)



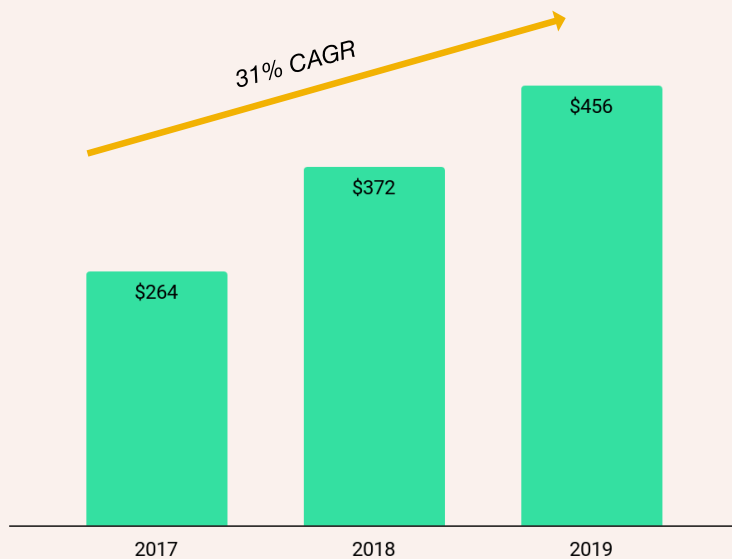
Hotels, Media & Platform Segment Adjusted EBITDA⁽¹⁾
(\$ millions, except Adj. EBITDA margin)



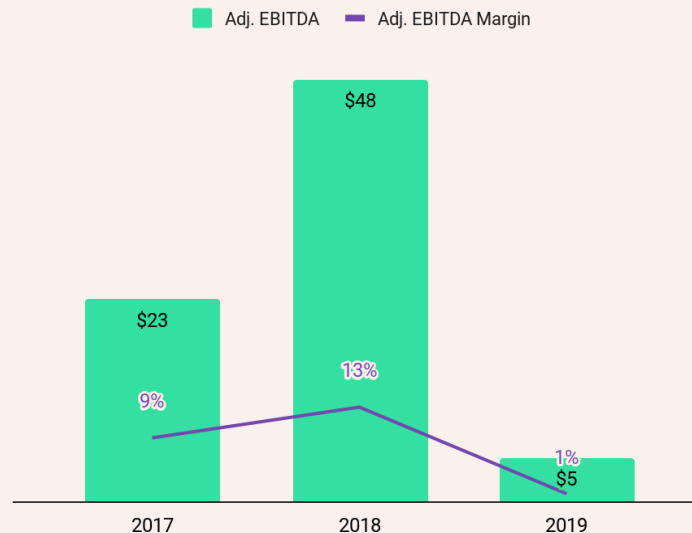
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E&D segment historically driving diverse revenue and reflective of long-term investment focus

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

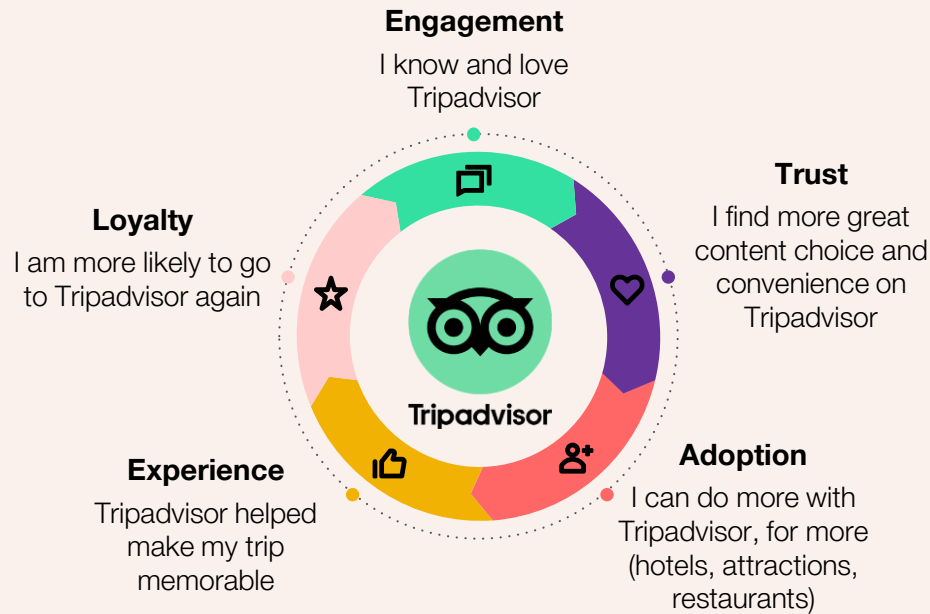


Experiences & Dining Segment Adjusted EBITDA⁽¹⁾
(\$ millions, except Adj. EBITDA margin)

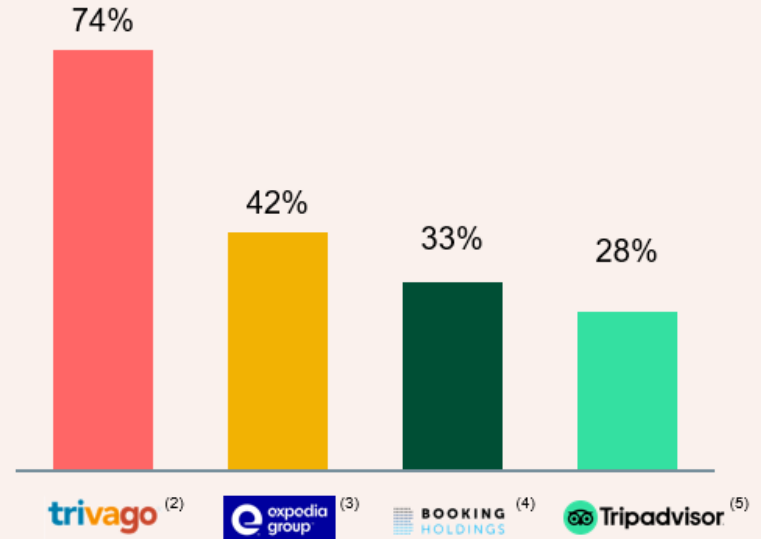


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Engagement flywheel has driven marketing leverage



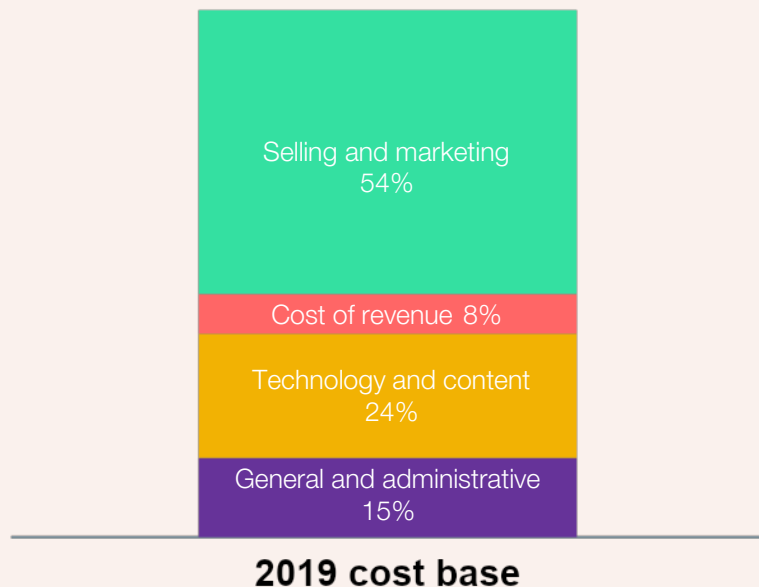
2019 Marketing expense vs. online travel peers ⁽¹⁾
(Direct marketing expense as a % of revenue)



Source: Company 10-K and 20-F filings

⁽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.

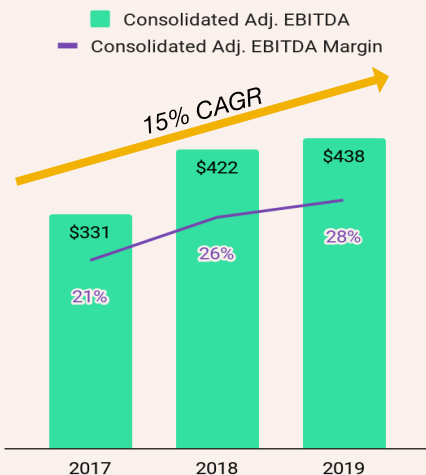
Highly flexible cost structure consisting mostly of discretionary or variable expenses



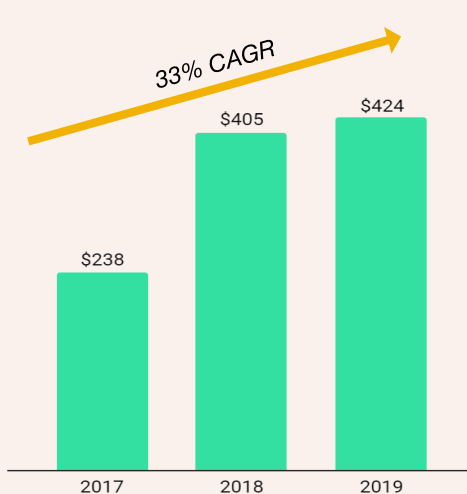
- Significant proportion of marketing expenses is related to paid traffic acquisition and is discretionary in nature
- Substantial amount of brand advertising also completely discretionary
- Credit card and transaction fees are closely correlated to bookings
- Fixed costs are mainly personnel and overhead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

Track record of strong profitability and free cash flow generation

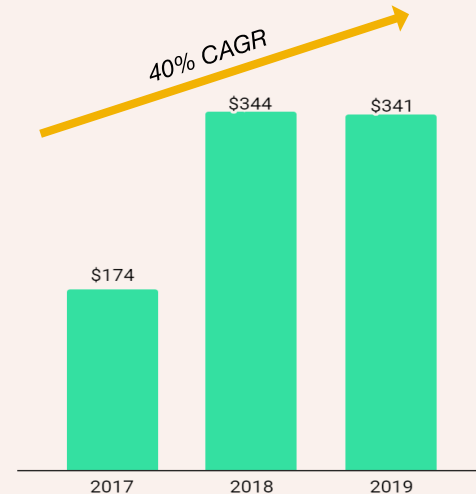
Consolidated Adjusted EBITDA⁽¹⁾
(\$ millions, except Adj. EBITDA margin)



Operating cash flow
(\$ millions)



Free cash flow⁽²⁾
(\$ millions)



	2017	2018	2019
Net income	(\$19)	\$113	\$126

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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 platforms and communities
- 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
- Diverse revenue streams and end markets
- 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



Appendix

Non-GAAP Reconciliations

(in \$millions, except per share amounts and percentages)

	2017	2018		2019		2020
	FY*	Q2	FY*	Q2	FY*	Q2
Reconciliation from GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP):						
GAAP Net Income (Loss) ⁽¹⁾⁽²⁾	(\$19)	\$32	\$113	\$34	\$126	(\$153)
Add: Provision (benefit) for income taxes ⁽¹⁾⁽²⁾	129	10	60	34	68	(26)
Add: Other expense (income), net	14	7	10	(2)	(7)	15
Add: Restructuring and other related reorganization costs	-	-	-	-	1	33
Add: Legal reserves and settlements	-	-	5	-	-	-
Add: Stock-based compensation expense	96	31	118	32	124	25
Add: Depreciation and amortization ⁽³⁾	79	29	116	30	126	32
Adjusted EBITDA (Non-GAAP) ⁽⁴⁾	\$331	\$109	\$422	\$128	\$438	(\$74)
Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow:						
Cash flow provided by (used in) operations	\$238	\$186	\$405	\$181	\$424	(\$78)
Subtract: Capital expenditures	64	16	61	21	83	15
Free Cash Flow (Non-GAAP) ⁽⁵⁾	\$174	\$170	\$344	\$160	\$341	(\$93)

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 benefit of \$5 million for the three months ended June 30, 2018. Refer to the next slide for further information.

(2) Includes a tax benefit of \$5 million recorded in connection with the passage of the Coronavirus Aid Relief, and Economic Security Act ("CARES Act"), pertaining to the rate differential on net operating loss carrybacks recorded during the three months ended June 30, 2020.

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

(4) 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 noncash in nature, or because the amount is not driven by core operating results and renders comparisons with prior periods less meaningful.

(5) 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.

* Year to date totals reflect data as reported and is not necessarily a summation of the quarterly data.

Tax Cuts and Jobs Act

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.

