Q2 2015 Results

July 2015
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, among others, EBITDA or 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 Annual Report on Form 10-K, as amended. 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 definition 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 press release reporting our second quarter 2015 financial results, which is available on the Investor Relations section of our website: www.tripadvisor.com. These non-GAAP measures are intended to supplement, not substitute for, GAAP comparable 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.
Who We Are
Our mission

Help travelers around the world plan and book the perfect trip
We are the world's most popular travel website

225M #1
Reviews & opinions

340M #1
Monthly unique users

1.7M #1
Accommodations

2.7M #1
Restaurants

530K #1
Attractions

Revenues

<table>
<thead>
<tr>
<th>(MM)</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,500</td>
<td>637</td>
<td>763</td>
<td>945</td>
<td>1,246</td>
</tr>
</tbody>
</table>

25% CAGR

Adjusted EBITDA

<table>
<thead>
<tr>
<th>(MM) / % Margin</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td>$600</td>
<td>323</td>
<td>352</td>
<td>379</td>
<td>468</td>
</tr>
</tbody>
</table>

13% CAGR

(1) Google Analytics, worldwide data, Q1 2015
(2) Includes 950K hotels, inns, BnBs and 700k vacation rental listings
(3) Adjusted EBITDA defined as net income (loss) plus: (1) provision for income taxes; (2) other (income) expense, net; (3) depreciation of property and equipment, including internal use software and website development; (4) amortization of intangible assets; (5) stock-based compensation; and (6) non-recurring expenses.
Content: Rich User-Generated Content

225M Reviews & Opinions

139 Contributions/minute
Rich Travel Content
225M+ reviews & opinions; Candid photos; Friend Content

Price Compare & Book
Compare room prices from 200+ sites & complete booking on TripAdvisor

On the Trip
Content on 3.2M restaurants, tours & attractions; Top-ranked mobile apps¹

Research & Plan  Price Compare  Book  On the Trip

¹ Distimo study of mobile app downloads in the travel sector for the period of January 1, 2012 to March 31, 2014, based on downloads and device installs.
Driving Powerful Network Effects

Community drives content

Community drives audience

Content drives audience

Research

Audience drives leads

On the trip
Addressing Huge & Growing Market Opportunity

Huge Travel Market

1.3T gross bookings in global travel industry in 2014 ¹

Online Ad Spend Growing

26% of $51Bn travel advertising will be spent online in 2016 ²

Bookings Moving to Online

Online travel market to reach $500Bn in 2015, representing 37% of global travel ³

¹ PhoCusWright U.S. Online Travel overview, Eleventh edition; PhoCusWright European Online Travel Overview, Sixth Edition; PhoCusWright APAC Online Travel Overview, Fourth Edition
² IDC, New Media Market Model, 2012
³ PhoCusWright Global online Travel Overview, Third Edition
Driving Valuable Leads for Partners

**Audience**
Rich, fresh user content on 4.9M businesses drives 340M unique users per month\(^1\)

**Leads**
Large source of qualified shoppers looking for flights, accommodations, restaurants & attractions

**Profit**
Cost-per-click, Display and Subscription / Transaction ad opportunities drive bookings

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\(^1\) Google Analytics, worldwide data, average monthly unique users during Q1 2015
Global Scale and Robust Travel Platform

4.9M
Places to stay, eat, & explore

225M
Reviews & Opinions

340M
Average Monthly Unique Users

190M
Mobile App Downloads

1 Google Analytics, worldwide data, average monthly unique users during Q1 2015
Strong Engagement on Mobile Devices

**App Downloads**
(M)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>1Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>(M)</td>
<td>100</td>
<td>120</td>
<td>160</td>
<td>200</td>
</tr>
</tbody>
</table>

**Unique Users**
(M)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>(M)</td>
<td>80</td>
<td>120</td>
<td>140</td>
</tr>
</tbody>
</table>

**% of Traffic**

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>30%</td>
<td>40%</td>
<td>50%</td>
</tr>
</tbody>
</table>

190MM
Mobile App Downloads

140MM+
Mobile Unique Users

40%+
Mobile % of Total Traffic

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1 Cumulative mobile app downloads as of March 31, 2015.
2 Average monthly unique users on mobile devices (includes tablet and mobile phone) and mobile users as a % of total users for FY 2014, according to TripAdvisor log files.
What We Do / Areas of Growth & Investment

- Hotels
- Attractions
- Mobile
- Restaurants
- M&A
- Vacation Rentals
Hotel Segment: Metasearch Helps Users Price Compare & Save
Hotel Segment: Instant Booking Closes the Loop
Addressing Large Opportunities in Hotel Segment

**Instant Booking / TripConnect**
- Allows travelers to quickly and easily complete a hotel reservation through the hotel or online travel agencies
- Removes friction from the booking process
- Instant Booking + TripConnect platform enable independent hotels to receive direct bookings from TripAdvisor

**Business Listings**
- 950K hotels & accommodations in our database looking to leverage TripAdvisor’s massive global travel audience
- 81K paid hotel subscribers at the end of 2014
- Enhanced exposure for hoteliers through special offers, announcements and mobile upgrade

**International / China**
- TripAdvisor represents a small fraction of online travel unique users
- International: $1.3T annual global travel bookings = market growing at ~5% per year
- China’s online travel market growing 30% per year and is the world’s largest outbound travel market; expect >650M internet users by 2015 – still less than 50% penetration

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1. comScore Media Metrix for TripAdvisor Sites, worldwide, December 2014
2. PhoCusWright estimates
3. Boston Consulting Group, The Internet’s New Billion: Digital Consumers in Brazil, Russia, India, China and Indonesia, Sept 2010
Other Segment: Closing the Loop in Attractions

- Global leader in attractions content
- **530,000** attraction listings

- Global leader in online transactions
- **20K+** bookable products
- **1,500** destinations
- UPDATE: Opening new Viator Marketplace opens up listings opportunity
Global leader in restaurant content

2.7 million restaurant listings

European leader in online restaurant reservations

24K+ bookable restaurants

UPDATE: Completed acquisition of Australia-based Dimmi in May 2015
Closing the Loop in Vacation Rentals

- Global leader in vacation rental listings
- **700,000** property listings
- Successfully shifting from subscription to transaction-based business
- E-commerce-enabled properties

- Niumba
- Vacation Home Rentals
- FLIPKEY
- holidaylettings.co.uk
One business, three revenue streams

Cost per click
Highly qualified hotel shopper leads through metasearch auction and bookings driven by Instant Booking

<table>
<thead>
<tr>
<th>Platform</th>
<th>Cost per night</th>
</tr>
</thead>
<tbody>
<tr>
<td>TripAdvisor</td>
<td>$246*</td>
</tr>
<tr>
<td>Booking.com</td>
<td>$299*</td>
</tr>
<tr>
<td>Expedia</td>
<td>$290*</td>
</tr>
</tbody>
</table>

Display
340M unique monthly visitors across 45 localized points of sale

Subscription/transaction
Business Listings, Vacation Rentals, Restaurants & Attractions

6:30 PM
7:00 PM
7:30 PM
Key Operating Priorities – “Speed Wins”

- **Talent**: Attract, build and retain a world class team
- **Technology**: Build flexible, scalable architecture
- **Product**: Develop products travelers love
- **Monetization**: Scale and optimize profitable business lines for the long-term
Recent Acquisitions

2013 Acquisitions

- **TINY POST** (Social, Mobile)
- **Niumba** (Vacation Rentals, International)
- **JETsetter** (Flash Sale, Mobile)
- **GateGuru** (Flights, Mobile)
- **cruisewise** (Cruise)
- **oyster** (hotel reviews, Photos)

2014/2015 Acquisitions

- **lafourchette** (Restaurants, International)
- **VACATION HOME RENTALS** (Vacation Rentals)
- **tripbod** (Travel Expert Network, Tours)
- **Rove** (Travel Journal)
- **viator** (Attractions)
- **BESTTABLES** (Restaurants, International)
- **dimmi** (Restaurants, International)
Financial Results
Adjusted EBITDA

Note: Adjusted EBITDA is a Non-GAAP financial measure. For a reconciliation of Adjusted EBITDA to net income please see slide 27. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.
# Net Income & Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Q2-15</th>
<th>Q1-15</th>
<th>Q2-14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Net income</strong></td>
<td>$58</td>
<td>$63</td>
<td>$68</td>
</tr>
<tr>
<td><strong>Non-GAAP net income</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>$79</td>
<td>$80</td>
<td>$81</td>
</tr>
<tr>
<td><strong>GAAP EPS</strong></td>
<td>0.40</td>
<td>0.43</td>
<td>0.47</td>
</tr>
<tr>
<td><strong>Non-GAAP EPS</strong>&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.54</td>
<td>0.54</td>
<td>0.55</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>$201</td>
<td>$99</td>
<td>$158</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong>&lt;sup&gt;3&lt;/sup&gt;</td>
<td>$178</td>
<td>$68</td>
<td>$136</td>
</tr>
<tr>
<td><strong>Cash, cash equivalents &amp; marketable securities</strong></td>
<td>$746</td>
<td>$642</td>
<td>$721</td>
</tr>
</tbody>
</table>

1. TripAdvisor defines “non-GAAP net income” as net income before expenses related to stock-based compensation and amortization of intangible assets and non-recurring expenses, net of related tax effects.
2. TripAdvisor defines “non-GAAP net income per diluted share” as non-GAAP net income divided by non-GAAP weighted average diluted shares outstanding, which included dilution from options per the treasury stock method and include all weighted average shares relating to RSUs in shares outstanding for Non-GAAP net income per diluted share.
3. TripAdvisor defines “free cash flow” 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.
### Segment Financial Information

<table>
<thead>
<tr>
<th></th>
<th>Q2-15</th>
<th>Q1-15</th>
<th>Q2-14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel</td>
<td>$343</td>
<td>$320</td>
<td>$303</td>
</tr>
<tr>
<td>Other</td>
<td>$62</td>
<td>$43</td>
<td>$20</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$405</td>
<td>$363</td>
<td>$323</td>
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</table>

### Adjusted EBITDA\(^1\):

<table>
<thead>
<tr>
<th></th>
<th>Q2-15</th>
<th>Q1-15</th>
<th>Q2-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>$125</td>
<td>$132</td>
<td>$130</td>
</tr>
<tr>
<td>Other</td>
<td>$(2)</td>
<td>$(5)</td>
<td>$(1)</td>
</tr>
<tr>
<td>Total Adjusted EBITDA</td>
<td>$123</td>
<td>$127</td>
<td>$129</td>
</tr>
</tbody>
</table>

### Adjusted EBITDA Margin\(^2\):

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>36%</td>
<td>41%</td>
<td>43%</td>
</tr>
<tr>
<td>Other</td>
<td>(3)%</td>
<td>(12)%</td>
<td>(5)%</td>
</tr>
</tbody>
</table>

---

1. Adjusted EBITDA is defined as net income (loss) plus: (i) provision for income taxes; (ii) other income (expense), net; (iii) depreciation of property and equipment, including internal use software and website development; (iv) amortization of intangible assets; (v) stock-based compensation and other stock-settled obligations; (vi) goodwill, long-lived asset and intangible asset impairments; and (vii) non-recurring expenses.

2. TripAdvisor defines “Adjusted EBITDA margin” as Adjusted EBITDA as a percentage of revenue.
Largest travel website in the world

Huge and growing market opportunity

Loyal, engaged travel community drives powerful network effects

Key travel resource for travelers and lead source for partners

Significant growth opportunities ahead

Successful execution delivers a compelling financial model
### Non-GAAP Reconciliations

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBITDA and OIBA Reconciliation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA (1)</td>
<td>$84</td>
<td>$97</td>
<td>$106</td>
<td>$64</td>
</tr>
<tr>
<td>Depreciation (2)</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>6</td>
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<tr>
<td>Amortization of intangible assets</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>2</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>GAAP Operating Income</td>
<td>$73</td>
<td>$84</td>
<td>$92</td>
<td>$47</td>
</tr>
<tr>
<td>Interest expense (3)</td>
<td>(3)</td>
<td>(2)</td>
<td>(2)</td>
<td>(4)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>71</td>
<td>77</td>
<td>91</td>
<td>43</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>23</td>
<td>24</td>
<td>31</td>
<td>5</td>
</tr>
<tr>
<td>GAAP Net income (4)</td>
<td>48</td>
<td>53</td>
<td>60</td>
<td>34</td>
</tr>
<tr>
<td>Non-GAAP Net income</td>
<td>$53</td>
<td>$58</td>
<td>$66</td>
<td>$41</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>5</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Income tax effect of non-GAAP adjustments (3)</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>GAAP Net income attributable to TripAdvisor, Inc.</td>
<td>$48</td>
<td>$53</td>
<td>$60</td>
<td>$34</td>
</tr>
<tr>
<td>Non-GAAP Net income Reconciliation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Diluted Shares Outstanding</td>
<td>136,805</td>
<td>142,336</td>
<td>144,218</td>
<td>144,148</td>
</tr>
<tr>
<td>Additional restricted stock units</td>
<td>647</td>
<td>599</td>
<td>561</td>
<td>324</td>
</tr>
<tr>
<td>GAAP Diluted Shares Outstanding</td>
<td>136,158</td>
<td>141,737</td>
<td>143,657</td>
<td>143,814</td>
</tr>
<tr>
<td>Non-GAAP Earnings Per Share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diluted Non-GAAP EPS</td>
<td>$0.38</td>
<td>$0.41</td>
<td>$0.46</td>
<td>$0.29</td>
</tr>
<tr>
<td>Total Revenue growth ex-Foreign Exchange Reconciliation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Revenue growth</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange effect (4)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>GAAP Revenue growth</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hotel Segment growth ex-Foreign Exchange Reconciliation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Hotel Segment growth</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange effect (4)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GAAP Hotel Segment growth</td>
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<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA growth ex-Foreign Exchange Reconciliation</td>
<td></td>
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<tr>
<td>Adjusted EBITDA growth before foreign exchange impact</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Foreign exchange effect (4)</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Adjusted EBITDA growth</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(1) Adjusted EBITDA is defined as net income (loss) plus: (i) provision for income taxes; (ii) other income (expense), net; (iii) depreciation of property and equipment, including internal use software and website development; (iv) amortization of intangible assets; (v) stock-based compensation and other stock-settled obligations; (vi) goodwill, long-lived asset and intangible asset impairments; and (vii) non-recurring expenses.

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

(3) Represents the reduction in the income tax benefit recorded for all periods presented based on our effective tax rate, adjusted for non-GAAP items.

(4) Foreign exchange effect is calculated on a constant currency basis, by excluding the effects of foreign exchange by translating actual revenue or expenses for the current reporting period ended using the prior year reporting period's quarterly average exchange rates for settlement currencies other than the U.S. dollar.