UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): May 8, 2018

TRIPADVISOR, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-35362	80-0743202
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

400 1st Avenue Needham, MA 02494	02494
(Address of principal executive offices)	(Zip code)

(781) 800-5000
Registrant's telephone number, including area code

Not Applicable
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On May 8, 2018, TripAdvisor, Inc. issued a press release announcing its preliminary financial results for the quarter ended March 31, 2018. TripAdvisor, Inc. also posted prepared remarks from Stephen Kaufer, President and Chief Executive Officer, and Ernst Teunissen, Chief Financial Officer, on the "Investor Relations" section of its website at http://ir.tripadvisor.com/events/cfm. The full text of this press release and the prepared remarks are furnished as Exhibits 99.1 and 99.2 to this Current Report on Form 8-K.

Pursuant to General Instruction B.2. to Form 8-K, the information set forth in this Item 2.02 and Exhibit 99.1 and 99.2 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release of TripAdvisor, Inc. dated May 8, 2018.
99.2	Prepared remarks by TripAdvisor, Inc.'s management, dated May 8, 2018.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRIPADVISOR, INC.

By: /s/ ERNST TEUNISSEN

Ernst Teunissen

Chief Financial Officer

Dated: May 8, 2018

Exhibit 99.1

TripAdvisor Reports First Quarter 2018 Financial Results

NEEDHAM, MA, May 8, 2018 — TripAdvisor, Inc. (NASDAQ: TRIP) today announced financial results for the first quarter ended March 31, 2018.

“We had a strong start to 2018; our Hotel results were ahead of our expectations, and we delivered accelerated Non-Hotel revenue growth,” said Chief Executive Officer Steve Kaufer. “We are expanding our global platform for the benefit of users and partners and we are executing along our key product, supply and marketing initiatives that position our business for long-term profitable growth.”

First Quarter 2018 Summary

	Three months ended March 31,		
(In millions, except percentages and per share amounts)	**2018**	**2017**	**% Change**
Total Revenue	$ 378	$ 372	2%
Hotel	$ 299	$ 314	(5)%
Non-Hotel	$ 79	$ 58	36%
GAAP Net Income	$ 5	$ 13	(62)%
Total Adjusted EBITDA (1)	$ 80	$ 73	10%
Hotel	$ 88	$ 88	0%
Non-Hotel	$ (8)	$ (15)	47%
Non-GAAP Net Income (1)	$ 42	$ 35	20%
Diluted Earnings per Share:			
GAAP	$ 0.04	$ 0.09	(56)%
Non-GAAP (1)	$ 0.30	$ 0.24	25%
Cash flow from operating activities	$ 174	$ 134	30%
Free cash flow (1)	$ 159	$ 116	37%

(1) “Adjusted EBITDA”, “Non-GAAP Net Income”, “Non-GAAP Diluted Earnings per Share”, and “Free cash flow” are non-GAAP measures as defined by the U.S. Securities and Exchange Commission (the “SEC”). Please refer to “Non-GAAP Financial Measures” below for definitions and explanations of these non-GAAP financial measures, as well as tabular reconciliations to the most directly comparable GAAP financial measures.

“We are tracking well to our 2018 financial objectives,” added Chief Financial Officer Ernst Teunissen. “Our good start has made us more positive about our 2018 profitability outlook.”

First Quarter 2018 Operational and Financial Highlights

- User reviews and opinions grew 26% year-over-year and reached 630 million at March 31, 2018, covering approximately 7.5 million places to stay, places to eat and things to do – including 1.2 million hotels, inns, B&Bs and specialty lodging, 800,000 rental properties, 4.6 million restaurants and 940,000 travel activities and experiences worldwide.
- Average monthly unique visitors on TripAdvisor-branded websites and apps grew 12% year-over year to approximately 433 million and average monthly unique hotel shoppers remained flat year-over-year at approximately 149 million.
- TripAdvisor rebranded its Attractions offering to “Experiences” and grew bookable products by more than 80% year-over-year in Q1 to 104,000.
- Total Revenue was $378 million, an increase of $6 million, or 2% year-over-year. Total Adjusted EBITDA was $80 million, an increase of $7 million, or 10% year-over-year. We estimate that changes in foreign currency had a 5% and 7% positive impact to Total Revenue and Total Adjusted EBITDA, respectively.
- Hotel Revenue was $299 million, a decrease of $15 million, or 5% year-over-year. Hotel Adjusted EBITDA was $88 million, or flat compared to Q1 2017, and Hotel Adjusted EBITDA margin improved to 29%. We estimate that changes in foreign currency had a 3% and 7% positive impact to Hotel Revenue and Hotel Adjusted EBITDA, respectively.
- Non-Hotel Revenue was $79 million, an increase of $21 million, or 36% year-over-year driven by growth in Experiences and Restaurants. Non-Hotel Adjusted EBITDA was negative $8 million, an improvement of $7 million, or 47% year-over-year. We

estimate that changes in foreign currency had an 8% positive impact and 0% impact to Non-Hotel Revenue and Non-Hotel Adjusted EBITDA, respectively.

- TripAdvisor's Board of Directors authorized up to $250 million for the repurchase of our common stock on January 31, 2018. As of May 7, 2018, TripAdvisor repurchased approximately 2.6 million shares of outstanding common stock for $100 million year-to-date.

U.S. Tax Cuts and Jobs Act of 2017

On December 22, 2017, 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 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 a transition tax (the "Transition Tax"), 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 U.S. Securities and Exchange Commission ("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. During the quarter ended March 31, 2018, we recorded an incremental $5 million tax expense for the Transition Tax, reflecting additional information obtained relating to earnings and profits, foreign tax credits, and state taxes. Since the 2017 Tax Act was passed late in the fourth quarter of 2017, and ongoing guidance and accounting interpretations are expected over the next several months, we consider the accounting of the Transition Tax and certain other deferred tax 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.

Adoption of New Revenue Standard

Effective January 1, 2018, we adopted Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), using the modified retrospective method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under the new revenue guidance, while prior period amounts are not adjusted and continue to be reported in accordance with our previous accounting policies under the historical revenue guidance, or ASC 605, *Revenue Recognition* ("ASC 605"). Adoption of this new standard resulted primarily in an increase in total revenue of $4 million and an increase in net income of $3 million for the three months ended March 31, 2018, as compared to our accounting policies under ASC 605. We do not expect the adoption of ASC 606 to have a material impact on our consolidated financial statements on an ongoing basis.

First Quarter 2018 Revenue by Product/Source:

	Three months ended March 31,		
(In millions, except percentages)	**2018**	**2017**	**% Change**
Hotel			
TripAdvisor-branded click-based and transaction (1)	$ 189	$ 211	(10)%
TripAdvisor-branded display-based advertising and subscription (2)	71	65	9%
Other hotel revenue (3)	39	38	3%
Non-Hotel	79	58	36%
Total Revenue	$ 378	$ 372	2%

(1) Consists of click-based advertising revenue, from TripAdvisor-branded websites, as well as transaction-based revenue from instant booking.
(2) Includes revenue from display-based advertising and subscription-based hotel advertising revenue on TripAdvisor-branded sites.
(3) Includes revenue from non-TripAdvisor-branded websites, including primarily click-based advertising revenue and display-based advertising revenue generated through these websites.

Conference Call

TripAdvisor posted prepared remarks and supplemental financial information on the Investor Relations section of TripAdvisor's website at http://ir.tripadvisor.com. TripAdvisor will host a conference call tomorrow, May 9, 2018, at 8:30 a.m., Eastern Time, to discuss TripAdvisor's first quarter 2018 operating results, as well as other forward-looking information about TripAdvisor's business. Domestic callers may access the earnings conference call by dialing (877) 224-9081 (International callers, dial (224) 357-2223). Investors and other interested parties may also go to the Investor Relations section of TripAdvisor's website at http://ir.tripadvisor.com/events.cfm for a live webcast of the conference call. Please access the website at least 15 minutes prior to the call to register, download, and install any necessary audio software. A replay of the conference call will be available on TripAdvisor's website noted above or by phone (dial (855) 859-2056 and enter the passcode 4349315) until May 16, 2018 and the webcast will be accessible at http://ir.tripadvisor.com/events.cfm for at least twelve months following the conference call.

About TripAdvisor

TripAdvisor, the world's largest travel site*, enables travelers to unleash the full potential of every trip. With 630 million reviews and opinions covering the world's largest selection of travel listings worldwide – covering approximately 7.5 million accommodations, airlines, experiences, and restaurants -- TripAdvisor provides travelers with the wisdom of the crowds to help them decide where to stay, how to fly, what to do and where to eat. TripAdvisor also compares prices from more than 200 hotel booking sites so travelers can find the lowest price on the hotel that's right for them. TripAdvisor-branded sites are available in 49 markets, and are home to the world's largest travel community of 455 million average monthly unique visitors**, all looking to get the most out of every trip. TripAdvisor: Know better. Book better. Go better.

TripAdvisor, Inc. (NASDAQ: TRIP), through its subsidiaries, manages and operates websites under 20 other travel media brands: www.airfarewatchdog.com, www.bookingbuddy.com, www.citymaps.com, www.cruisecritic.com, www.familyvacationcritic.com, www.flipkey.com, www.thefork.com (including www.lafourchette.com, www.eltenedor.com, www.iens.nl a
www.vacationhomerentals.com and www.viator.com.

* Source: comScore Media Metrix for TripAdvisor Sites, worldwide, November 2017

** 2017 Source: TripAdvisor log files, average monthly unique visitors, Q3 2017

TripAdvisor, Inc.
SELECTED FINANCIAL INFORMATION
Condensed Consolidated Statements of Operations
(in millions, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31, 2018	March 31, 2017
Revenue	$ 378	$ 372
Costs and expenses:		
Cost of revenue	20	17
Selling and marketing (1)	198	207
Technology and content (1)	67	59
General and administrative (1)	42	35
Depreciation	20	19
Amortization of intangible assets	8	8
Total costs and expenses	355	345
Operating income	23	27
Other expense, net	(2)	(2)
Income before income taxes	21	25
Provision for income taxes	(16)	(12)
Net income	$ 5	$ 13
Earnings per share attributable to common stockholders:		
Basic	$ 0.04	$ 0.09
Diluted	$ 0.04	$ 0.09
Weighted average common shares outstanding:		
Basic	139	144
Diluted	140	145

(1) Includes stock-based compensation expense as follows:

Selling and marketing	$ 6	$ 5
Technology and content	$ 12	$ 7
General and administrative	$ 11	$ 7

TripAdvisor, Inc.
Condensed Consolidated Balance Sheets
(in millions, except number of shares and per share amounts)
(Unaudited)

	March 31, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 635	$ 673
Short-term marketable securities	15	35
Accounts receivable and contract assets, net of allowance for doubtful accounts of $17 and $16, respectively	281	230
Prepaid expenses and other current assets	52	55
Total current assets	983	993
Long-term marketable securities	5	27
Property and equipment, net of accumulated depreciation of $198 and $177, respectively	261	263
Intangible assets, net of accumulated amortization of $120 and $112, respectively	136	142
Goodwill	763	758
Deferred income taxes, net	18	16
Other long-term assets	74	73
TOTAL ASSETS	$ 2,240	$ 2,272
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7	$ 8
Deferred merchant payables	269	156
Deferred revenue	101	60
Current portion of debt	7	7
Accrued expenses and other current liabilities	150	141
Total current liabilities	534	372
Long-term debt	—	230
Deferred income taxes, net	16	14
Other long-term liabilities	300	293
Total Liabilities	850	909
Stockholders' equity:		
Preferred stock, $0.001 par value	—	—
Authorized shares: 100,000,000		
Shares issued and outstanding: 0 and 0		
Common stock, $0.001 par value	—	—
Authorized shares: 1,600,000,000		
Shares issued: 136,396,872 and 135,617,263, respectively		
Shares outstanding: 126,669,732 and 126,142,773, respectively		
Class B common stock, $0.001 par value	—	—
Authorized shares: 400,000,000		
Shares issued and outstanding: 12,799,999 and 12,799,999, respectively		
Additional paid-in capital	946	926
Retained earnings	935	926
Accumulated other comprehensive loss	(34)	(42)
Treasury stock-common stock, at cost, 9,727,140 and 9,474,490 shares, respectively	(457)	(447)
Total Stockholders' Equity	1,390	1,363
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,240	$ 2,272

TripAdvisor, Inc.
Condensed Consolidated Statements of Cash Flows
(in millions)
(Unaudited)

	Three Months Ended	
	March 31, 2018	**March 31, 2017**
Operating activities:		
Net income	$ 5	$ 13
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment, including amortization of internal-use software and website development	20	19
Amortization of intangible assets	8	8
Stock-based compensation expense	29	19
Other, net	—	6
Changes in operating assets and liabilities	112	69
Net cash provided by operating activities	174	134
Investing activities:		
Capital expenditures, including internal-use software and website development	(15)	(18)
Purchases of marketable securities	(1)	—
Sales of marketable securities	41	102
Maturities of marketable securities	3	14
Net cash provided by investing activities	28	98
Financing activities:		
Repurchase of common stock	(4)	(150)
Proceeds from 2015 credit facility	5	270
Payments to 2015 credit facility	(235)	(151)
Payments to 2016 credit facility	—	(73)
Proceeds from exercise of stock options	—	3
Payment of withholding taxes on net share settlements of equity awards	(12)	(13)
Net cash used in financing activities	(246)	(114)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	6	1
Net (decrease) increase in cash, cash equivalents and restricted cash	(38)	119
Cash, cash equivalents and restricted cash at beginning of period	673	612
Cash, cash equivalents and restricted cash at end of period	$ 635	$ 731

TripAdvisor, Inc.
Segment Information
(in millions, except percentages)
(Unaudited)

	Three Months Ended		
	March 31, 2018	March 31, 2017	% Change
Revenue:			
Hotel	$ 299	$ 314	(5)%
Non-Hotel	79	58	36%
Total revenue	$ 378	$ 372	2%
Adjusted EBITDA (1):			
Hotel	$ 88	$ 88	0%
Non-Hotel	(8)	(15)	47%
Total Adjusted EBITDA	$ 80	$ 73	10%
Adjusted EBITDA Margin (1):			
Hotel	29%	28%	
Non-Hotel	(10)%	(26)%	
Total Adjusted EBITDA Margin	21%	20%	
Net Income (2)	$ 5	$ 13	
Net Income Margin	1%	3%	

(1) Please refer to "Non-GAAP Financial Measures" below for definitions of these non-GAAP financial measures, as well as reconciliations to the most directly comparable GAAP measure.
(2) This amount reflects our consolidated GAAP net income for the periods presented. TripAdvisor does not calculate or report net income by segment.

Non-GAAP Financial Measures

To supplement our unaudited condensed consolidated financial statements, which are prepared and presented in accordance with GAAP in our press release and related conference call or webcast, we also report certain non-GAAP financial measures. A “non-GAAP financial measure” refers to a numerical measure of a company’s historical or future financial performance, financial position, or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in such company’s financial statements. We may use the following non-GAAP measures: Adjusted EBITDA, Adjusted EBITDA margin, non-GAAP net income, non-GAAP net income per diluted share, free cash flow, non-GAAP revenue before effects of foreign exchange, and Adjusted EBITDA before effects of foreign exchange.

The presentation of these financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP and should not be considered measures of TripAdvisor’s liquidity. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In particular, many of the adjustments to our GAAP financial measures reflect the exclusion of certain items, as defined in our non-GAAP definitions below, which are recurring and will be reflected in our financial results for the foreseeable future. In addition, these measures may be different from non-GAAP financial measures used by other companies, even where similarly titled, limiting their usefulness for comparison purposes and therefore should not be used to compare TripAdvisor’s performance to that of other companies. We endeavor to compensate for the limitation of the non-GAAP financial measures presented by also providing the most directly comparable GAAP measures and descriptions of the reconciling items and adjustments to derive the non-GAAP financial measures.

We believe these non-GAAP financial measures provide investors and analysts with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key measures used by management to operate and analyze our business over different periods of time.

We define our non-GAAP financial measures as below:

TripAdvisor defines “Adjusted EBITDA” 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; and (7) other 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.

TripAdvisor defines “Adjusted EBITDA margin” as Adjusted EBITDA divided by revenue.

Adjusted EBITDA and Adjusted EBITDA margin are key measures used by our management and board of directors to understand and evaluate the operating performance of our business, as a whole and our individual business segments, and on which internal budgets and forecasts are based and approved. In particular, the exclusion of certain expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted EBITDA and Adjusted EBITDA margin provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and Board of Directors and allows for another useful comparison of our performance with our historical results from prior periods.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results reported in accordance with GAAP. Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including net income and our other GAAP results.

Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the interest expense or cash requirements necessary to service interest or principal payments on our debt;
- Adjusted EBITDA does not consider the potentially dilutive impact of stock-based compensation or other stock-settled obligations;

- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us; and
- Other companies, including companies in our own industry, may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

TripAdvisor defines “non-GAAP net income” as GAAP net income excluding, net of their related tax effects (which excludes the impact of significant 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; and (4) 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.

TripAdvisor defines “non-GAAP net income per diluted share”, or non-GAAP diluted EPS, as non-GAAP net income divided by GAAP diluted shares. We believe non-GAAP diluted 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. During the second quarter of 2016, TripAdvisor began calculating non-GAAP net income per diluted share using GAAP diluted shares determined under the treasury stock method. This change did not have a material effect on our previously reported non-GAAP EPS calculations in prior periods.

Non-GAAP net income and non-GAAP diluted EPS have some of the same limitations as Adjusted EBITDA. In addition, non-GAAP net income does not include all items that affect our net income and GAAP diluted EPS for the period. Therefore, we think it is important to evaluate these measures along with our unaudited condensed consolidated statements of operations.

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. 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.

TripAdvisor calculates our foreign exchange effect of revenue, or “non-GAAP revenue before effects of foreign exchange” on a constant currency basis by excluding the estimated effects of foreign currency exchange on revenue by translating actual revenue for the current year three months ended using the prior period foreign currency exchange rates. We believe this is a useful measure that facilitates management's internal comparison to our historical performance because it excludes the effects of foreign currency volatility that is not indicative of our core operating results.

TripAdvisor calculates our foreign exchange effect of Adjusted EBITDA, or “Adjusted EBITDA before effects of foreign exchange,” on a constant currency basis, by excluding the estimated effects of foreign currency exchange by translating all amounts included in Adjusted EBITDA for the current year three months ended using the prior period foreign currency exchange rates. We believe this is a useful measure that facilitates management's internal comparison to our historical performance because it excludes the effects of foreign currency volatility that is not indicative of our core operating results.

Pursuant to the requirements of Regulation G, we present reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measure below.

TripAdvisor, Inc.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(in millions, except per share amounts and percentages)
(Unaudited)

	Three Months Ended	
	March 31, 2018	**March 31, 2017**
Reconciliation of GAAP Net Income to Adjusted EBITDA (Non-GAAP):		
GAAP Net Income	$ 5	$ 13
Add: Provision for income taxes	16	12
Add: Other expense, net	2	2
Add: Depreciation and amortization of intangible assets	28	27
Add: Stock-based compensation expense	29	19
Adjusted EBITDA (Non-GAAP)	$ 80	$ 73
Revenue (GAAP)	$ 378	$ 372
Net Income margin (GAAP)	1%	3%
Adjusted EBITDA margin (Non-GAAP) (1)	21%	20%
Reconciliation from GAAP Net Income and GAAP Net Income per diluted share to Non-GAAP net income and Non-GAAP net income per diluted share:		
GAAP Net Income	$ 5	$ 13
Add: Stock-based compensation expense	29	19
Add: Amortization of intangible assets	8	8
Subtract: Income tax effect of Non-GAAP adjustments (2)	5	5
Add: Income tax impact related to 2017 Tax Cuts and Jobs Act (3)	5	—
Non-GAAP net income	$ 42	$ 35
GAAP diluted shares	140	145
GAAP Net Income per diluted share	$ 0.04	$ 0.09
Non-GAAP net income per diluted share (4)	$ 0.30	$ 0.24
Reconciliation of GAAP cash flows from operating activities to Free Cash Flow (Non-GAAP):		
Net cash provided by operating activities (GAAP)	$ 174	$ 134
Subtract: Capital expenditures	15	18
Free cash flow (Non-GAAP)	$ 159	$ 116
Revenue Before Effects of Foreign Exchange:		
Total Revenue (GAAP)	$ 378	$ 372
Estimated effects of foreign exchange	(16)	
Non-GAAP Total revenue before effects of foreign exchange	$ 362	
Year/Year Growth (5)	(3)%	
Hotel Revenue (GAAP)	$ 299	$ 314
Estimated effects of foreign exchange	(11)	
Non-GAAP Hotel revenue before effects of foreign exchange	$ 288	
Year/Year Growth (5)	(8)%	

	Three Months Ended	
	March 31, 2018	March 31, 2017
Non-Hotel Revenue (GAAP)	$ 79	$ 58
Estimated effects of foreign exchange	(5)	
Non-GAAP Non-Hotel revenue before effects of foreign exchange	$ 74	
Year/Year Growth (5)	28%	
Adjusted EBITDA Before Effects of Foreign Exchange:		
Total Adjusted EBITDA	$ 80	$ 73
Estimated effects of foreign exchange	(5)	
Total Adjusted EBITDA before effects of foreign exchange	$ 75	
Year/Year Growth (5)	3%	
Hotel Adjusted EBITDA	$ 88	$ 88
Estimated effects of foreign exchange	(6)	
Hotel Adjusted EBITDA before effects of foreign exchange	$ 82	
Year/Year Growth (5)	(7)%	
Non-Hotel Adjusted EBITDA	$ (8)	$ (15)
Estimated effects of foreign exchange	-	
Non-Hotel Adjusted EBITDA before effects of foreign exchange	$ (8)	
Year/Year Growth (5)	47%	

(1) TripAdvisor defines "Adjusted EBITDA margin" as Adjusted EBITDA divided by revenue.
(2) The non-GAAP adjustments described above 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.
(3) Represents an additional provision for income taxes related to the 2017 Tax Act Transition Tax of $5 million recorded during the three months ended March 31, 2018.
(4) TripAdvisor defines "non-GAAP net income per diluted share" as non-GAAP net income divided by GAAP diluted shares.
(5) Represents constant currency growth, as a percentage, which is calculated by determining the change in current period revenues and Adjusted EBITDA figures over prior period revenues and Adjusted EBITDA figures, where current period figures are translated using prior period foreign currency exchange rates.

Safe Harbor Statement

Statements in this press release regarding management's future expectations, beliefs, intentions, goals, strategies, plans or prospects, including, without limitation, statements relating to TripAdvisor's future financial performance on both a GAAP and non-GAAP basis, and TripAdvisor's prospects as a comprehensive destination for hotels, experiences, and restaurants, may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Forward-looking statements can be identified by terminology such as "anticipate," "believe," "could," "could increase the likelihood," "estimate," "expect," "intend," "is planned," "may," "should," "will," "will enable," "would be expected," "look forward," "may provide," "would" or similar terms, variations of such terms or the negative of those terms. Investors are cautioned that statements in this press release, which are not strictly historical statements, including, without limitation, statements by our executive officers with respect to growth objectives, strategic investments, and statements regarding management's plans, objectives and strategies, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors including those risks, uncertainties and factors detailed in TripAdvisor's filings with the SEC. As a result of such risks, uncertainties and factors, TripAdvisor's actual results may differ materially from any future results, performance or achievements discussed in or implied by the forward-looking statements contained herein. TripAdvisor is providing the information in this press release as of this date and assumes no obligations to update the information included in this press release or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Exhibit 99.2

TripAdvisor, Inc. Q1 2018 Prepared Remarks

(All comparisons are against the same period of the prior year, unless otherwise noted; some calculations may not foot due to rounding)

We've had a strong start to 2018. We saw continued auction stability and our click-based results were ahead of our expectations. Hotel profitability improved for a second straight quarter and Non-Hotel continues to scale rapidly.

Q1 consolidated revenue grew 2%, with 36% Non-Hotel segment revenue growth more than offsetting a 5% decline in Hotel segment revenue. On the bottom line, consolidated adjusted EBITDA grew 10%.

We are encouraged by a number of underlying trends. Stabilizing Hotel adjusted EBITDA performance was a good result relative to tough year-over-year comparisons for auction pricing. Our ongoing initiative to increase the profitability of our online marketing investments has benefitted Hotel adjusted EBITDA, and has come with the expected near-term trade-offs to hotel shopper growth and click-based revenue growth. We've also continued to get positive consumer response to our TV campaign. In Non-Hotel, Experiences (formerly Attractions) and Restaurants drove accelerated revenue growth in Q1 and we continue to see plenty of growth opportunity ahead.

Solid Q1 trends have extended into Q2, and our good start to the year has improved our 2018 adjusted EBITDA outlook.

At the same time, our travel platform continues to strengthen. Our rich travel content grew 26% to 630 million reviews and opinions, and our large travel community grew 12% to 433 million average monthly unique visitors in Q1. Scale and global reach give TripAdvisor a differentiated competitive position and present us with unique, attractive growth opportunities within the $1.6 trillion travel ecosystem. This year we continue to lay important groundwork – building a more holistic end-to-end user experience and more advertising opportunities for more partners – that we believe will enable us to deliver healthy, profitable and diversified growth for years to come.

Q1 2018 Hotel Segment Update

Hotel segment revenue declined 5% while Hotel adjusted EBITDA was flat. Click-based revenue declined 10%, display and subscription revenue grew 9% and other hotel revenue grew 3%.

In our click-based auction, we've made progress in two key areas: driving product enhancements and optimizing our marketing investments across online and offline channels.

Building upon the momentum of last year's re-design and our increased emphasis on mobile, during Q1 we continued to enhance the user experience and deliver more high-performing leads to our partners. Nowhere is our progress more evident than on mobile. Revenue per mobile hotel shopper again grew in excess of 20% during Q1, driving 50% click-based revenue growth on mobile. User engagement remained strong as well, as mobile average monthly unique hotel shoppers grew 20%.

We’ve also had continued success optimizing our online marketing investments. Maximizing the number of bookings and total booking value we drive for our partners – as opposed to clicks – has enabled us to allocate marketing dollars more efficiently and to increase the profitability of our online marketing channels.

We continue to re-invest some of our online marketing savings to grow our brand advertising campaign. During Q1 we increased investments in markets that we launched last year, and launched TV ads in a handful of new markets. In all, we invested $24 million during the period. We expect to ramp this investment over the next couple of quarters and we continue to target a $100 to $130 million investment this year to amplify our “best price” consumer message.

Despite investing in brand advertising in Q1 2018, but not in the comparable period last year, consolidated direct selling and marketing expenses declined year-over-year – highlighting our material reduction of non-TV direct marketing expense. This helped generate improved Q1 Hotel segment adjusted EBITDA margin of 29%.

Our total selling and marketing expense growth has been on a comparable trend to what is reflected in the direct selling and marketing expense graph above. Absent our brand advertising investment, Hotel segment direct selling and marketing expense has decreased as a percentage of Hotel segment revenue in every quarter since Q1 2017. As expected, this has contributed to slower year-over-year hotel shopper growth, which was flat in Q1 2018. Q1 TripAdvisor click-based and transaction revenue declined 10%, a slight improvement compared to an 11% year-over-year decline in Q4 2017. Revenue per hotel shopper declined 11% in Q1, which was three percentage points better than the 14% decline in Q4 2017. These results were slightly better than we expected for Q1, and we expect click-based revenue trends to start to improve later in the year when we begin to lap the second half 2017 changes our partners made to their online marketing efficiency targets.

Looking at the rest of our Hotel segment, display and subscription revenue grew 9% due to some wins that came earlier in the year than we anticipated, as well as due to early traction for our media ad products aimed at helping more hoteliers increase their visibility on our platform. Other hotel revenue grew a modest 3%.

Our 2018 focus remains on changing the profit trajectory of our Hotel business, and Q1 results showed nice progress. Longer-term, our focus is to get our Hotel segment back to sustainable, profitable revenue growth.

Q1 2018 Non-Hotel Segment Update

Experiences and Restaurants drove accelerated Non-Hotel segment revenue growth of 36% and adjusted EBITDA improved year-over-year. We are capitalizing on our platform's distinct supply and demand advantages to enhance the user experience, to drive value for partners and to drive diversified revenue growth.

In Experiences, during Q1 we continued moving fast to further reinforce TripAdvisor's leadership position as the world's largest and most comprehensive online platform to find and book travel experiences.

While our supply acquisition and onboarding initiatives are still ramping, the pace of supply growth accelerated in Q1, up 86% to 104,000 bookable experiences compared to 48% growth in Q4 2017. (This bookable supply count is now inclusive of seasonal products, which added roughly 11 percentage points to our Q1 supply growth rate). Continued rapid supply growth has been powered largely by improvements we made in mid-2017 to reduce onboarding friction for suppliers, making it easier for them to seamlessly upload product descriptions, pricing and availability onto our platform.

Further to our comprehensive global supply growth strategy, we recently announced our acquisition of Bokun, a leading provider of business management software created specifically for suppliers of tours, attractions and other travel experiences. We're excited to equip partners with a world-class SaaS solution that can help them harness the powerful TripAdvisor platform, manage distribution channels and pricing, and drive more bookings from our massive global travel audience.

Restaurants also continued its rapid revenue growth in Q1, due to continued strong seated diner growth of 30%, supply growth initiatives in key markets, and early traction for our media ad products that help more restauranteurs increase their visibility on TripAdvisor. Turning to Rentals, we had 800,000 listings at the end of Q1, and this offering remains a nice complementary asset in an attractive and competitive alternative accommodations industry.

We are keeping the pedal down, delivering product improvements and platform expansion as we match more users with more great travel experiences.

Q1 2018 Consolidated Financials

Our Q1 consolidated total revenue increased 2% year-over-year in reported currency. We estimate that changes in foreign currency provided a 5% tailwind in the period.

Q1 consolidated GAAP net income declined $8 million, partially driven by a $5 million income tax adjustment charge recorded in Q1. This charge was an incremental adjustment to the mandatory one-time transition tax resulting from the deemed repatriation tax on the accumulated earnings from our foreign subsidiaries pursuant to the U.S. Tax Cuts and Jobs Act of 2017.

Our Q1 GAAP effective tax rate was 76%. In addition to the aforementioned tax adjustment charge, foreign valuation allowances and stock-based compensation shortfalls contributed to this elevated GAAP tax rate. Offset partially by favorable provisions related to U.S. tax reform, we expect these factors will result in a full-year 2018 GAAP effective tax rate in the mid-30 percent range while our non-GAAP tax rate, which is not subject to share price volatility, will be less impacted.

Q1 consolidated total adjusted EBITDA increased by 10% in reported currency. We estimate that changes in foreign currency provided a 7% tailwind in the period.

Q1 cash provided by operating activities was $174 million, or 46% of revenue, up from $134 million in Q1 2017. Capital expenditures were $15 million, or 4% of revenue, and have remained relatively flat since the fourth quarter of 2015, a testament to our capital light operating model. As a result, Q1 free cash flow was $159 million, up 37% from $116 million in Q1 2017.

Cash, cash equivalents and short-term and long-term marketable securities were $655 million at March 31, 2018, a decrease of $80 million in the period driven primarily by our net repayment of $230 million of borrowings under our 2015 credit facility, offset partially by our strong free cash flow generation.

In Q1 our Board of Directors authorized $250 million for the repurchase of our common stock, and, as of May 7, we had repurchased 2.6 million shares for $100 million.

In summary, it was a strong start to the year. The TripAdvisor travel platform is strong and growing and we have exciting opportunities ahead.

2018 Outlook

As a reminder, consumer adoption of mobile, competition on marketing channels, travel industry competitive dynamics, bidding volatility in our click-based auction and macro-economic events – among a number of other factors outside of our control – can limit our visibility into near-term financial performance. We endeavor to be as accurate as possible with our forward-looking commentary, though these factors can cause actual results to vary materially.

In February we outlined our expectation of approximately flat consolidated adjusted EBITDA in 2018 compared to 2017. Our solid start to the year makes us more positive, and we now expect to deliver year-over-year consolidated adjusted EBITDA growth in 2018.

We are also incrementally positive about our revenue prospects, while maintaining our expectation that 2018 Hotel segment revenue will decline compared to 2017, due primarily to tough year-over-year comparisons for click-based revenue. We expect revenue trends to start to improve later in the year.

As stated in the past, over the long-term, we believe our market opportunity, our differentiated assets and our growth strategy position us well to return to double-digit revenue growth and higher adjusted EBITDA levels. We will continue taking important steps in 2018 as we seek to maximize long-term shareholder value.

* * *

TripAdvisor’s first quarter 2018 earnings press release is available on the Investor Relations section of the TripAdvisor website at http://ir.tripadvisor.com/. The earnings release is also included as Exhibit 99.1 to our Current Report on Form 8-K as furnished to the U.S. Securities Exchange Commission, or SEC, on May 8, 2018, which is available on the Investor Relations section of our website at http://ir.tripadvisor.com/ and the SEC’s website at www.sec.gov.

Forward-Looking Statements:

These prepared remarks contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The following words, when used, are intended to identify forward-looking statements: “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “project,” “should,” “will,” and similar expressions which do not relate solely to historical matters. We caution investors that any forward-looking statements in these prepared remarks, or which management may make orally or in writing from time to time, are based on management’s beliefs and on assumptions made by, and information currently available to, management. Such statements are subject to risks, uncertainties and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Some of the risks and uncertainties that may cause our actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements are more fully described in Part II. Item 1A. "Risk Factors" of our Quarterly Report on Form 10-Q. Moreover, we operate in a rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We caution you that, while forward-looking statements reflect our good faith beliefs when we make them, they are not guarantees of future performance and are impacted by actual events when they occur after we make such statements. We expressly disclaim any responsibility to update our forward-looking statements, whether as a result of new information, future events or otherwise.

Investors should also refer to our quarterly reports on Form 10-Q for future periods and current reports on Form 8-K as we file them with the SEC and to other materials we may furnish to the public from time to time through current reports on Form 8-K or otherwise, for a discussion of risks and uncertainties that may cause actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements.

Use of Non-GAAP Financial Measures:

These prepared remarks may include references to non-GAAP measures, such as adjusted EBITDA (including forecasted adjusted EBITDA), free cash flow, and constant currency measurements, such as, non-GAAP revenue before effects of foreign exchange, and adjusted EBITDA before effects of foreign exchange, which are considered non-GAAP financial measures as they are not prepared in conformity with accounting principles generally accepted in the United States (“GAAP”). These non-GAAP financial measures are not prepared under a comprehensive set of accounting rules and, therefore, should only be reviewed alongside results reported under GAAP.

We encourage investors to review our earnings press release as it contains important information about our financial results, including tabular reconciliations to the most directly comparable GAAP financial measure, definitions, limitations and other related information about these non-GAAP financial measures. The earning press release in addition to other supplemental financial information is available on the Investor Relations section of our website at http://ir.tripadvisor.com/. The earnings press release is also included as Exhibit 99.1 to our Current Report on Form 8-K as furnished to the SEC on May 8, 2018, which is available on the Investor Relations section of our website at http://ir.tripadvisor.com/ and the SEC's website at www.sec.gov.