

# Q1 2021 Investor Presentation

May 6, 2021



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 first quarter 2021 financial results and supplemental financial information, which are available on the Investor Relations section of our website: [www.tripadvisor.com](http://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.


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 <sup>(1)</sup>

 **463M**  
avg. monthly unique visitors in 3Q19 <sup>(2)</sup>

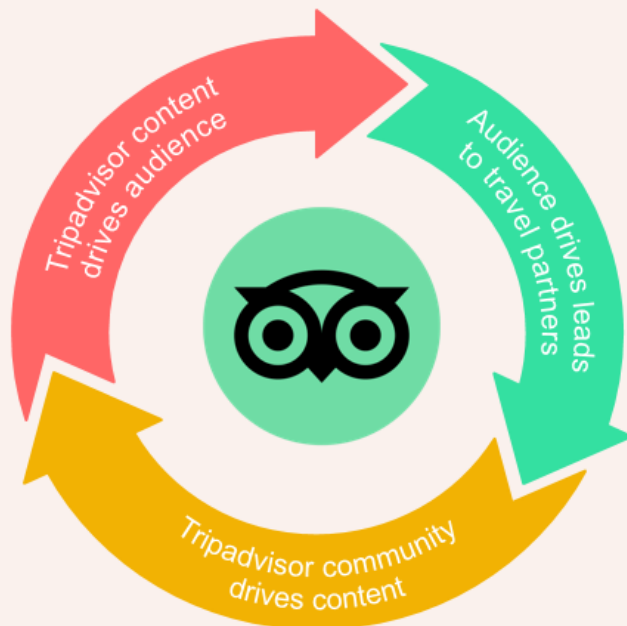
 **~70%**  
% of users on mobile

 **887M**  
reviews and opinions

 **215M**  
candid traveler photos


 **49**  
markets

Tripadvisor's global travel platform



Significant supply footprint across a spectrum of travel products <sup>(1)</sup>

 **2.3M**  
Accommodations <sup>(3)</sup>

 **1.4M**  
Travel activities and experiences listings

 **4.1M**  
Restaurant listings

 **500+**  
Airlines

 **30K+**  
Cruises

<sup>(1)</sup> Tripadvisor internal log files; unless otherwise noted, all numbers as of Q1 2021

<sup>(2)</sup> Tripadvisor internal log files

<sup>(3)</sup> Includes approximately 1.5M hotels, inns, B&Bs, and specialty lodging, as well as 753K rental listings

# Significant influence on the global travel market

**\$546B**

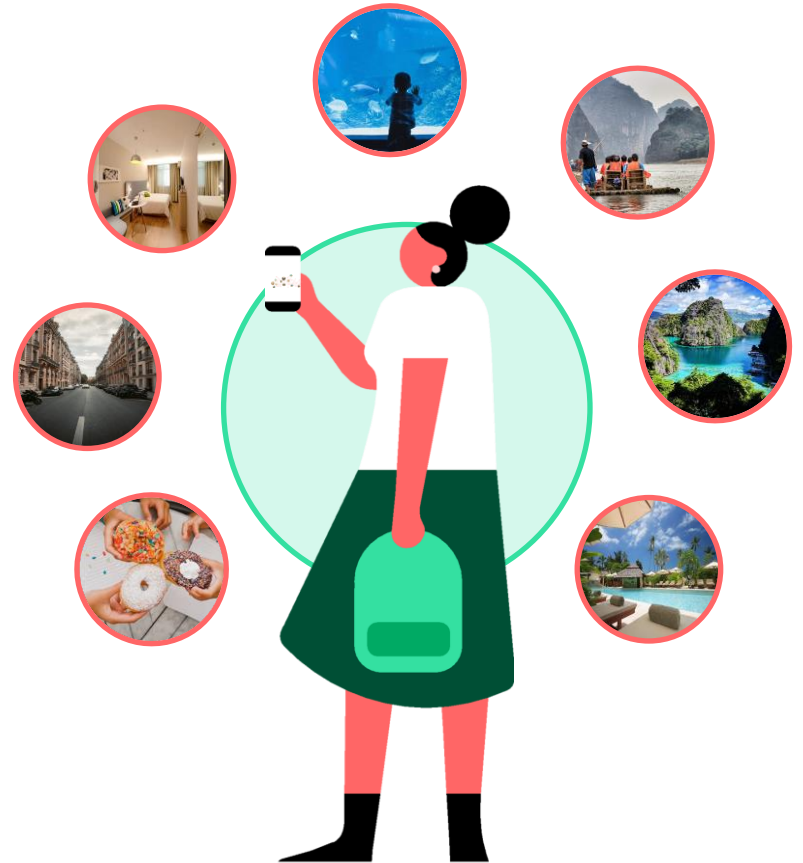
*Annual travel expenditures influenced*

**2.2B**

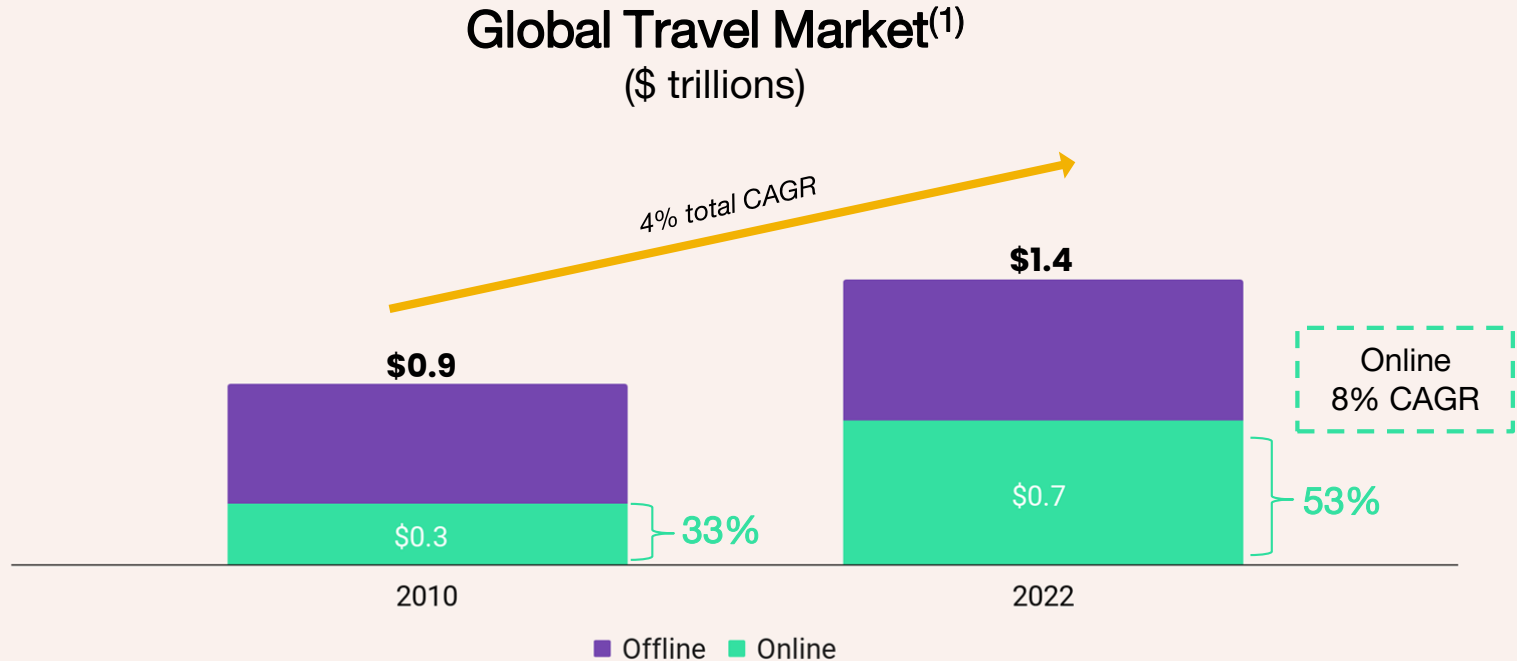
*Vacation nights influenced*

**433M**

*Annual trips influenced*



# Addressing long-term travel market opportunity that is shifting online



(1) Phocuswright estimates as of January 2021

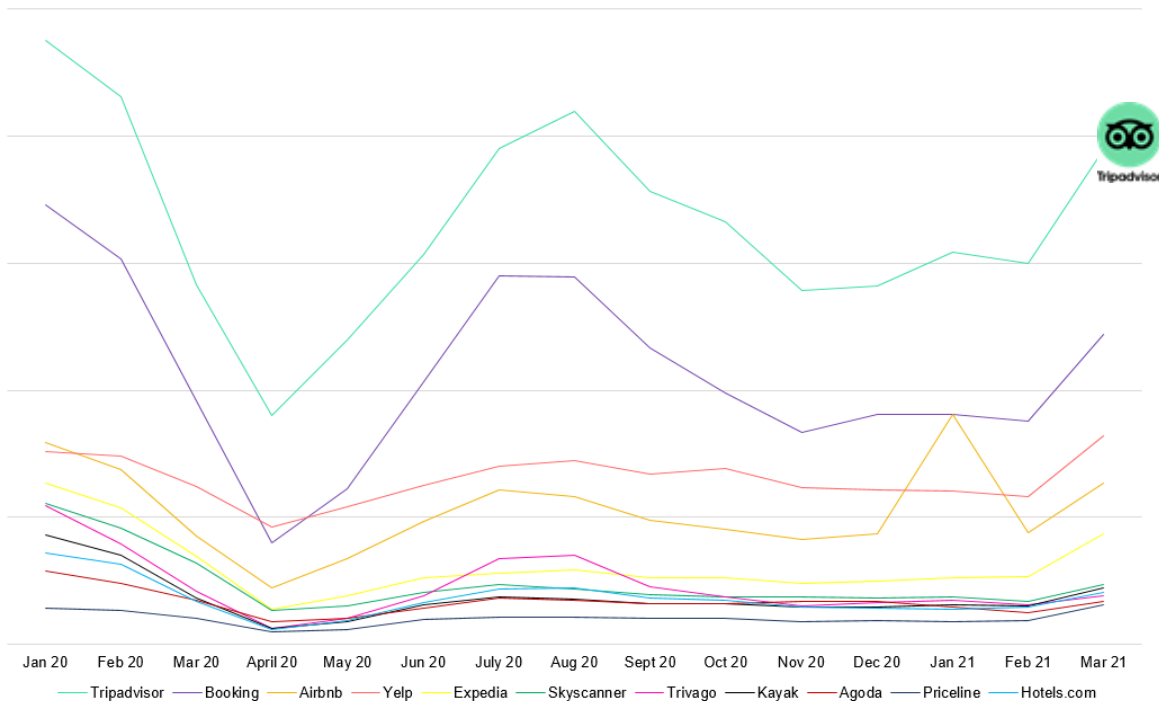
# After past pandemics and worldwide events, consumers continued to travel



# Tripadvisor is the #1 travel site by traffic

With **more traffic** than  
Booking.com, Airbnb, Yelp,  
Expedia, Skyscanner, Trivago,  
Kayak, Agoda, Priceline and  
Hotels.com

## Travel Sites Globally<sup>(1)</sup> Monthly unique users



(1) Source: SimilarWeb, unique users de-duplicated monthly



# Multiple areas of diverse, long-term growth potential



## Hotels

Click-based advertising for OTAs and hoteliers to capture bookings;

Hotel sponsored placements; launched additional B2B solutions



## Display and Platform

Enables advertising partners to promote their brands in a contextually relevant manner;

Investing in a compelling direct-to-consumer offering



## Experiences

Enables consumers to research and book nearly 400K bookable products on 1.4M activities and attractions



## Dining

Travelers and locals can research and book restaurants in select geographies

Offer sponsored placements for restaurants to amplify their business



## Other

A collection of strategic offerings, including vacation rentals, flights, cruises, cars

# Pursuing our One Tripadvisor consumer vision as the world returns to travel

- Repositioned brand has never been more relevant: **There's Good Out There**
- Our **Travel Safe** feature helps consumers make more informed decisions based on important health and safety information about hospitality businesses
- We are actively working on aligning consumer experience with **planning trips that matter**
- Beta-launched **Direct-to-Consumer offering**, Tripadvisor Plus
- Significant **long-term growth potential** to deliver more value to Tripadvisor users and members





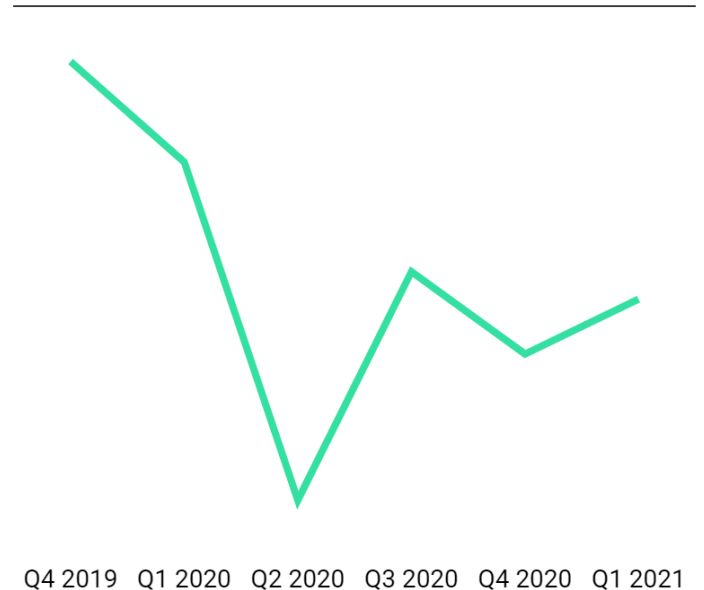
# Financial overview

# 1Q21 Update: Monthly consumer trends improved during Q1

Recent monthly unique visitor trends demonstrate recovery:

- January, February, and March monthly unique users were approximately 53%, 56%, and 58%, of 2019's comparable periods, respectively
- In March, U.S. monthly unique users approached 80% of 2019's comparable period

## Average Monthly Unique Visitors <sup>(1)</sup> (Illustrative year-over-year % performance)

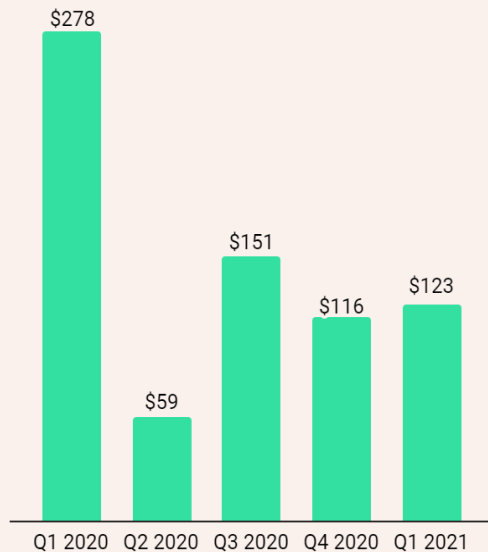


(1) Tripadvisor internal log files for Tripadvisor-branded websites

# 1Q21 Update: Revenue and EBITDA improved slightly

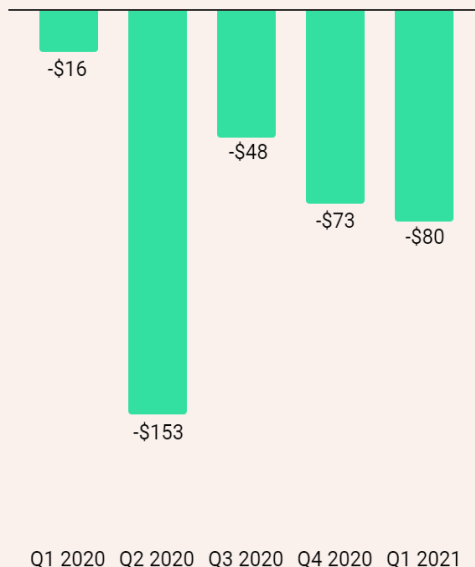
## Consolidated Revenue

(\$ millions)



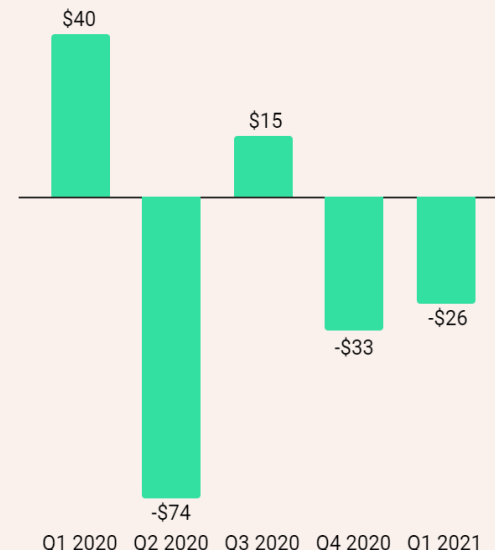
## Consolidated Net Income (Loss)

(in \$millions)



## Consolidated Adjusted EBITDA <sup>(1)</sup>

(in \$millions)



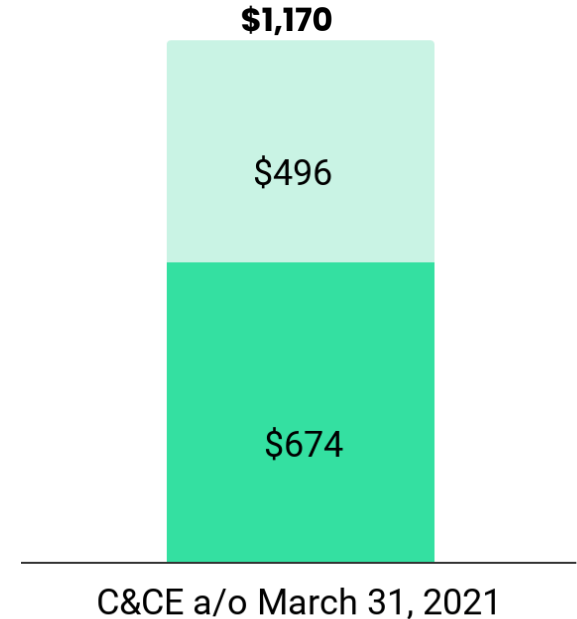
(1) Consolidated Adjusted EBITDA is our non-GAAP profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, intangible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

# 1Q21 Update: \$1.2B of available liquidity; Positioned for a variety of recovery scenarios

- \$674 million in cash and cash equivalents at 3/31/21
- Raised \$345 million from 0.250% convertible notes due April 1, 2026. Net proceeds to be used for general corporate purposes, which may include repaying a portion of our 7.000% Senior Notes due 2025 before maturity.
- Majority of headcount-related and discretionary cost savings expected to persist in 2021 and beyond

## Liquidity position a/o 3/31/21 (\$ millions)

- Cash and cash equivalents (C&CE)
- Unborrowed Revolver Capacity



# Well-positioned for leisure travel rebound



## Travelers

Trusted source of information on locations, property conditions, budgeting and other trip factors; barometer for early signs of engagement given top-of-funnel positioning



## Travel Partners

Source of global demand generation for accommodations and in-market suppliers with excess capacity



## Cost controls

Reduced headcount-related and discretionary costs as well as enhanced discipline across performance marketing channels



## Business model positioning

Diverse end-markets, business models and geographies enable Tripadvisor to experience rebound regardless of where it occurs

# 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<sup>(1)</sup> from Hotels, Media & Platform



Experiences & Dining has significant growth and margin potential



Operating leverage driven by prudent cost management



Balanced investments aimed at driving sustainable, long-term growth

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

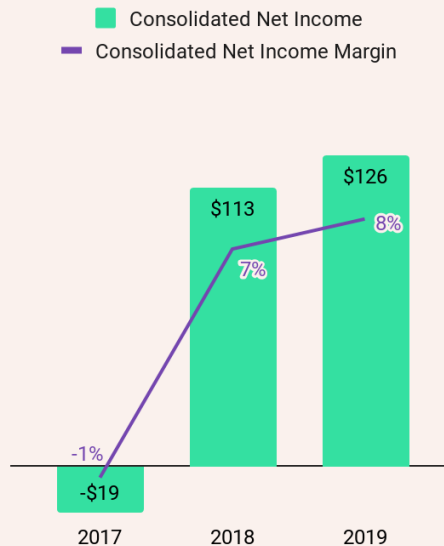


# Strong financial profile pre-pandemic

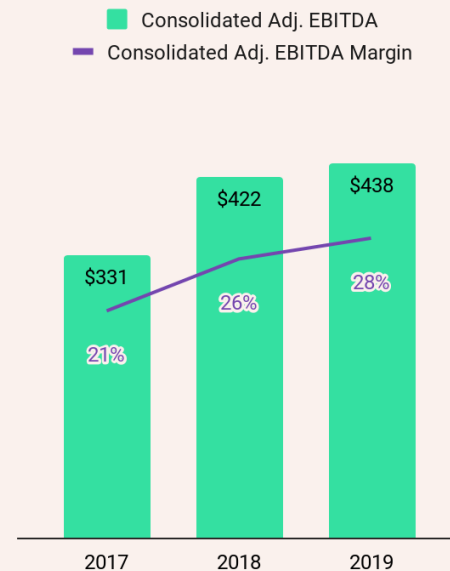
Consolidated Revenue  
(\$ millions)



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

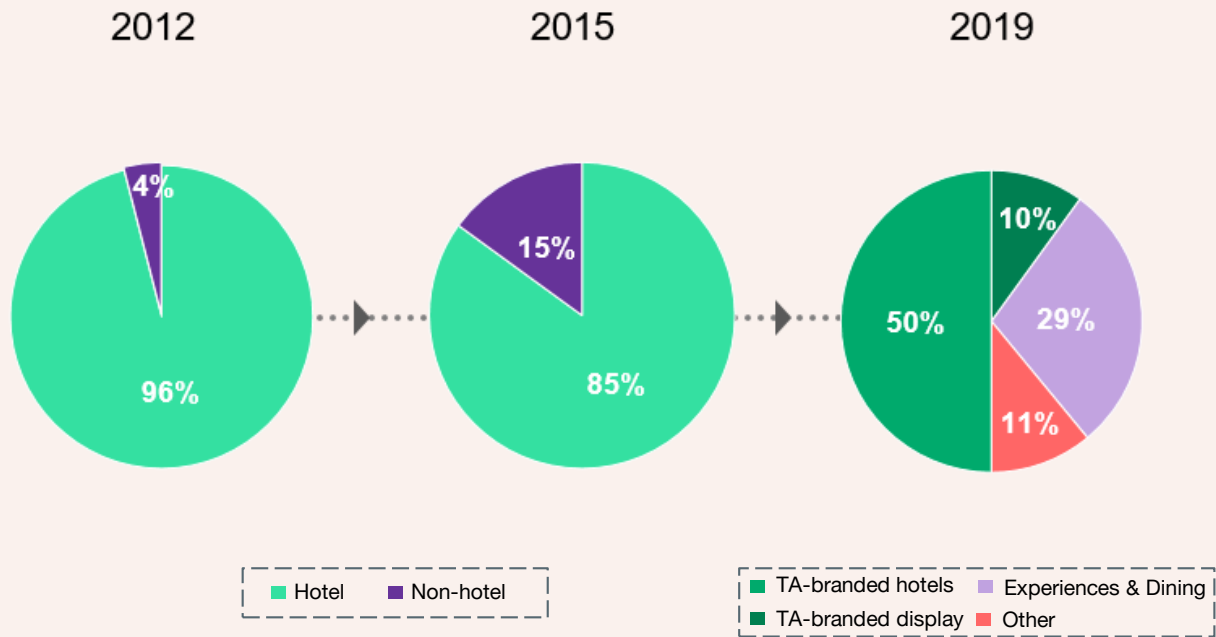


Consolidated Adjusted EBITDA<sup>(1)</sup>  
(\$ millions, except Adj. EBITDA margin)



(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, intangible asset, and long-lived asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income; Tripadvisor defines "Adjusted EBITDA margin" as adjusted EBITDA divided by revenue. Please see the appendix for reconciliation.

# We have successfully driven a diverse revenue mix, with additional opportunities ahead



Diversification supported by:

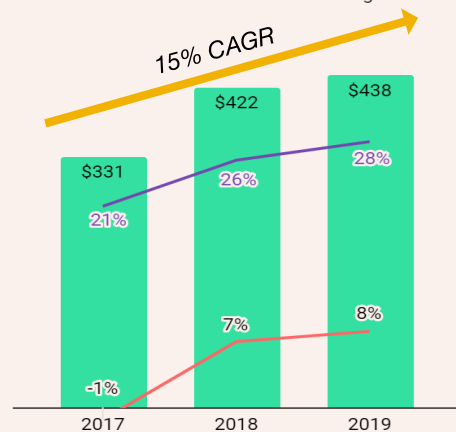
- Hotel auction
- Diverse double-digit pre-pandemic growth in emerging offerings:
  - Hotel B2B solutions
  - Display and platform
  - Experiences & Dining
- Additionally, in 2020, we launched our first direct-to-consumer offerings

# Track record of strong profitability and free cash flow generation

## Consolidated Adjusted EBITDA<sup>(1)</sup>

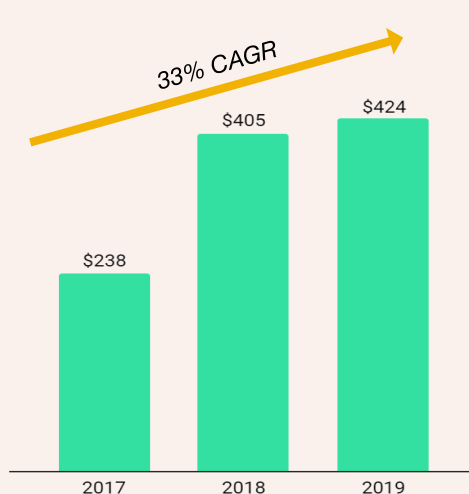
(\$ millions, except Adj. EBITDA margin)

- Consolidated Adj. EBITDA
- Consolidated Adj. EBITDA Margin
- Consolidated Net Income Margin



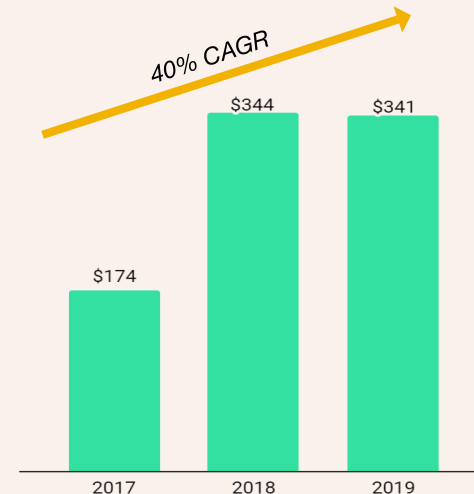
## Operating cash flow

(\$ millions)



## Free cash flow<sup>(2)</sup>

(\$ millions)



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

(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, intangible asset, and long-lived asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income; Tripadvisor defines "Adjusted EBITDA margin" as adjusted EBITDA divided by revenue. Please see the appendix for reconciliation.

(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 travel guidance platform and community



Valuable and differentiated position with travelers and suppliers



Addressing attractive long-term secular growth opportunity



Comprehensive platform with potential to further deepen customer engagement on our platform and drive diverse revenue streams



Executing One Tripadvisor vision, including launching a consumer subscription offering to deliver travelers even more value



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



Flexible cost structure; preserving cash and balancing cost controls with investments aimed at driving sustainable, long-term growth



# Appendix

# Non-GAAP Reconciliations

<i>(in \$millions)</i>	2017	2018	2019	2020				2021
	FY*	FY*	FY*	Q1	Q2	Q3	Q4	Q1
<b>Reconciliation from GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP):</b>								
<b>GAAP Net Income (Loss)</b>	<b>(\$19)</b>	<b>\$113</b>	<b>\$126</b>	<b>(\$16)</b>	<b>(\$153)</b>	<b>(\$48)</b>	<b>(\$73)</b>	<b>(\$80)</b>
Add: Provision (benefit) for income taxes <sup>(1)</sup>	129	60	68	(11)	(26)	(10)	(31)	(16)
Add: Other expense (income), net	14	10	(7)	-	15	12	12	12
Add: Restructuring and other related reorganization costs	-	-	1	9	33	-	(1)	-
Add: Impairment of goodwill	-	-	-	-	-	3	-	-
Add: Legal reserves and settlements	-	5	-	-	-	-	-	-
Add: Stock-based compensation expense	96	118	124	26	25	28	29	29
Add: Depreciation and amortization <sup>(2)</sup>	111	116	126	32	32	30	31	29
<b>Adjusted EBITDA (Non-GAAP) <sup>(3)</sup></b>	<b>\$331</b>	<b>\$422</b>	<b>\$438</b>	<b>\$40</b>	<b>(\$74)</b>	<b>\$15</b>	<b>(\$33)</b>	<b>(\$26)</b>
<b>Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow:</b>								
<b>Cash flow provided by (used in) operations</b>	<b>\$238</b>	<b>\$405</b>	<b>\$424</b>					
Subtract: Capital expenditures	64	61	83					
<b>Free Cash Flow (Non-GAAP) <sup>(4)</sup></b>	<b>\$174</b>	<b>\$344</b>	<b>\$341</b>					

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.

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

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

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

\* Full-year totals reflect data as reported and may differ from the summation of the quarterly data due to rounding.