



Q2 2014 Results

July 2014

Safe Harbor

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 2013 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
have the perfect trip



We are the World's Largest Travel Website

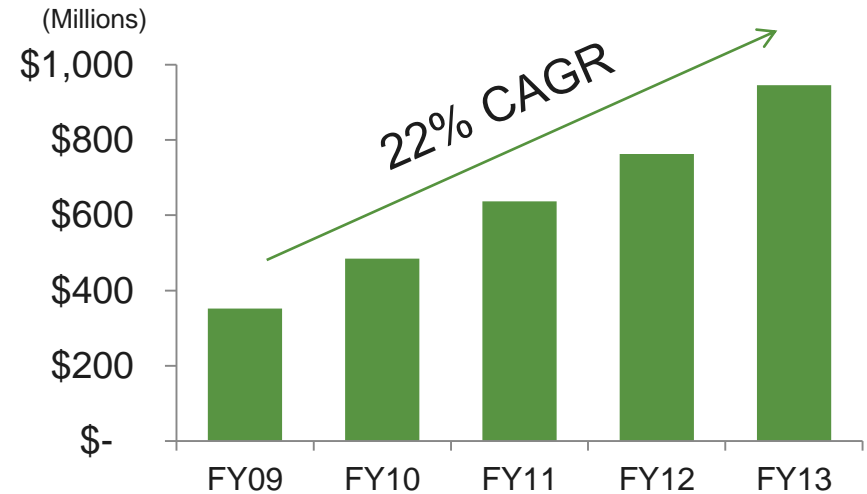
Key Facts

- Headquartered in **Newton, MA**
- **43** countries; **26** languages
- **850K+** hotels & accommodation pages
- **640K** vacation rentals listings
- **2.3M+** restaurant & **450K+** attractions
- **Valuable lead source** to OTAs, hoteliers and businesses

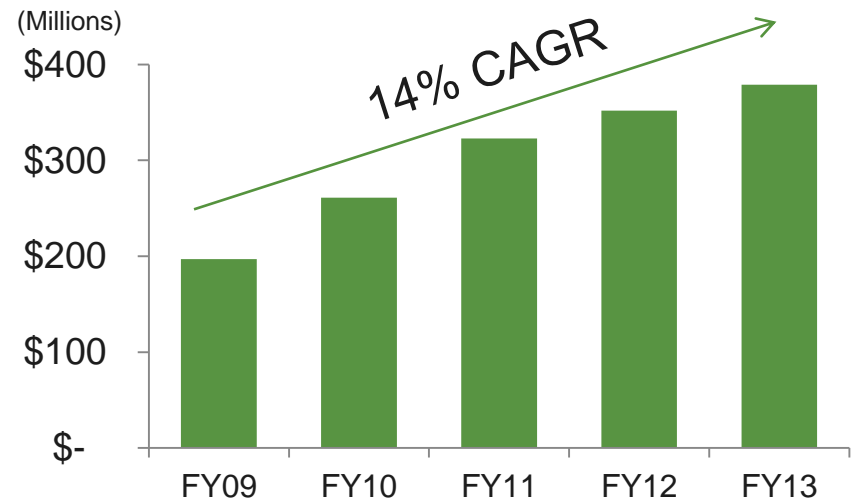
Travel Community Stats

- **Loyal & engaged** travel community drives powerful network effects
- **280M** unique monthly visitors¹
- **170M+** user-generated reviews & opinions
- **100+** traveler contributions per minute
- Price comparison, personalization, friend content, traveler photos, room tips and forums

Revenues



Adjusted EBITDA²



¹ Google Analytics, worldwide data, average monthly unique users during Q2 2014

² Adjusted EBITDA is a Non-GAAP financial measure. For a reconciliation of Adjusted EBITDA to net income please see slide 20.

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

Deep, Rich User-Generated Content

tripadvisor®

Conrad Maldives Rangali Island Resort

Home Rangali Island Hotels Flights Vacation Rentals Restaurants Best of 2013

Home > Asia > Maldives > Alifu Atoll > South Ari Atoll > Rangali Island > Rangali Island Hotels > Conrad Maldives Rangali Island

Conrad Maldives Rangali Island ★★★★★

Rangali Island, 2034
 Hotel website +1 888-414-2018 Hotel deals Hotel amenities

20% Offer Ending Soon!

Enter dates for best prices

Check In: mm/dd/yyyy Check Out: mm/dd/yyyy

Show Prices

Compare best prices from top travel partners

travelocity Expedia Booking.com and 4 more sites!

Professional photos
1,395 traveler photos

1,388 traveler photos

91% Ranked #1 of 1 hotels in Rangali Island

885 Reviews

Travelers' Choice® Luxury

91% Ranked #1 of 1 hotels in Rangali Island

859 Reviews

Travelers' Choice® 2013 Winner Luxury

885 reviews from our community

Write a Review

Traveler rating

| | |
|-----------|-----|
| Excellent | 696 |
| Very good | 111 |
| Average | 53 |
| Poor | 14 |
| Terrible | 11 |

See reviews for

| | |
|----------|-----|
| Families | 140 |
| Couples | 560 |
| Solo | 11 |
| Business | 5 |

Rating summary

| | |
|---------------|-----|
| Location | 5.0 |
| Sleep Quality | 5.0 |
| Rooms | 5.0 |
| Service | 5.0 |
| Value | 5.0 |
| Cleanliness | 5.0 |

See which rooms travelers prefer - 134 traveler tips

885 reviews sorted by Date Rating

"Expensive stay"
 Reviewed September 2, 2013
 funchrist Bath UK
 1 review

"Paradise"
 Reviewed September 2, 2013
 luxury_beach_ad... London, United Kingdom
 5 reviews
 4 helpful votes

Contributor

- ★ 15 reviews
- 🏠 4 hotel reviews
- 👤 1 helpful vote

"PARADISE IN EARTH .."
 Reviewed September 2, 2013 NEW

Real Paradise on Earth! Great facilities, superb restaurant facilities especially Ithaa Underwater Restaurant. We visited island during our honeymoon and had a marvelous and luxurious stay! Extremely friendly and helpful stuff.

Was this review helpful? Yes 1 Problem with this review?

Double

Conrad Maldives Rangali Island



91% Ranked #1 of 1 hotels in Rangali Island

859 Reviews

Travelers' Choice® 2013 Winner Luxury

Contributor

- ★ 15 reviews
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Was this review helpful? Yes 1 Problem with this review?

Driving Powerful Network Effects



What We Do

We Help Travelers Choose

Rich Travel Content

170M+ reviews & opinions; Candid photos; Friend Content



Price Comparison

Compare room prices from 100+ sites



On the Trip

Content on 2.7M+ restaurants, attractions and activities; Top-ranked mobile apps¹



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

We Help Clients Prosper

Audience

Rich, fresh user content on 4.2M+ businesses drives 280M U¹Vs per month



Leads

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



Profit

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



¹ Google Analytics, worldwide data, average monthly unique users during Q2 2014

Global Scale and Robust Travel Platform

43

Points of Sale

Global Reach



26

Languages

280M

Average
Monthly Unique
Users¹

Community



100

Contributions per
minute

170M

Reviews &
Opinions

Content



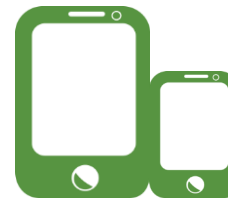
4.2M

Places to stay, eat, &
explore

140M

Mobile Uniques²

Mobile



128M

App Downloads³

¹ Google Analytics, worldwide data, average monthly unique users during Q2 2014

² TripAdvisor log files, June 30, 2014. Mobile uniques includes tablet and phone and is measured on an average monthly basis

³ TripAdvisor log files, June 30, 2014. App downloads and/or initializations of TripAdvisor, City Guides, SeatGuru, Jetsetter and GateGuru measured on a cumulative basis.

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

Top-Ranked Travel Apps in the World¹

26

Languages

128M

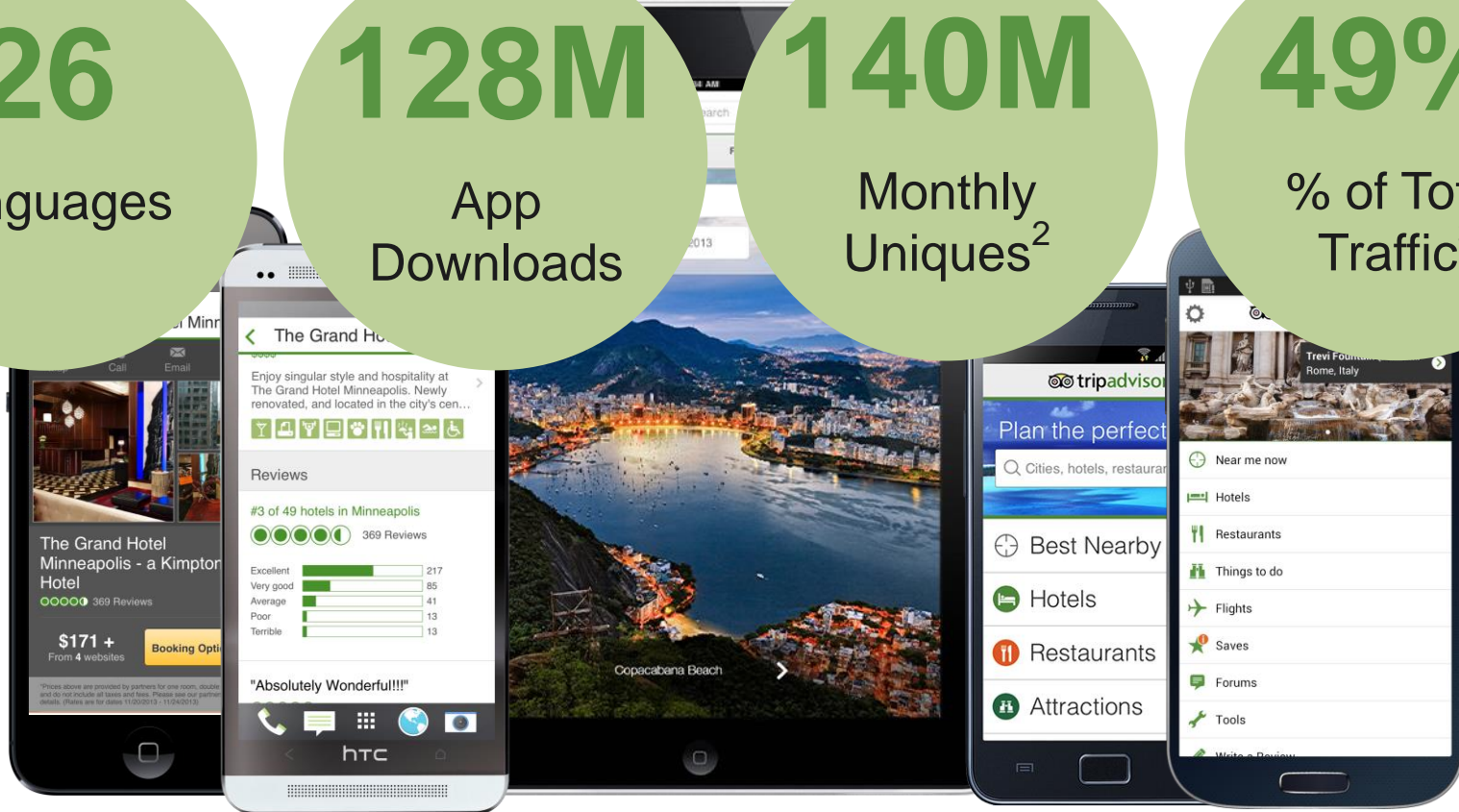
App Downloads

140M

Monthly Uniques²

49%

% of Total Traffic³

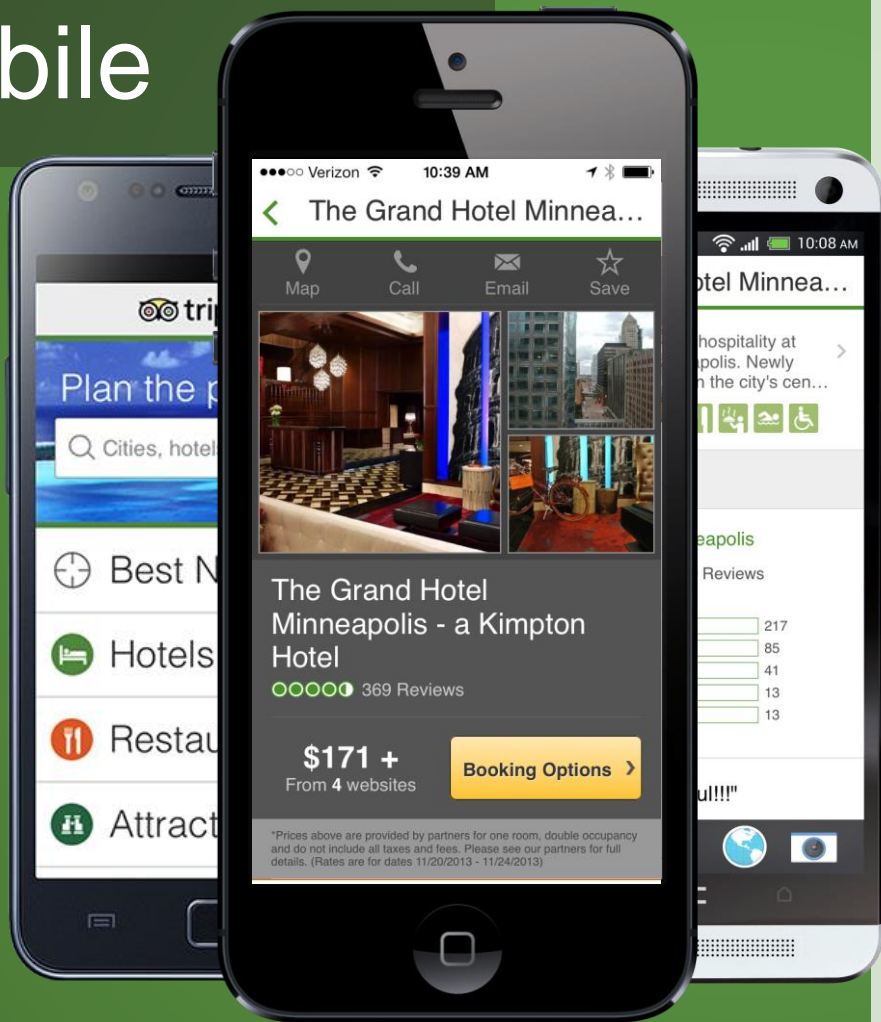


¹ Distimo study of mobile app downloads in the travel sector for the period of January 1, 2012 to March 31, 2014, based on downloads and device installs

² Average monthly unique users on mobile devices for Q2 2014, according to TripAdvisor log files

³ During Q2 2014, according to TripAdvisor log files; Includes tablet and smartphone traffic

Opportunity: Mobile



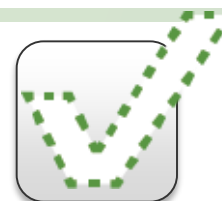
Price
Comparison



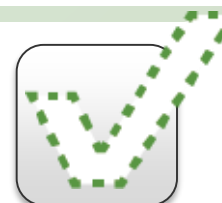
Point me there;
Near Me Now



Social tie-in,
Native Apps



Personal
Guide



Reduce
Friction



Other Key Areas of Growth & Investment

Business Listings

Home > Europe > United Kingdom (UK) > England > London >

Hotel 41 ★★★★★ Like 120

41 Buckingham Palace Road, London SW1W 0PS, England

[Hotel website](#) [E-mail hotel](#) [44\(0\)2073000041](#) [H](#)

Special offer COMPLIMENTARY TEA FOR TWO



Ranked #1 of
★★★★★

- 850K+ hotels & accommodations in our database looking to leverage our global travel audience
- Enhanced exposure through special offers, announcements and mobile upgrade
- TripConnect platform allows independent hotels to bid for leads and send automated review solicitation emails to guests post-stay



Vacation Rentals



- Large, highly-fragmented and inefficient market
- Subscription or Transaction-based listings gives flexibility for owners; 640K property listings and growing
- Leverage TRIP's massive global audience researching accommodations
- Ecommerce-enabled properties with online payment options



International / China



- 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% penetration¹
- Fast mobile adoption & attractive social component



¹ Boston Consulting Group, The Internet's New Billion: Digital Consumers in Brazil, Russia, India, China and Indonesia, Sept 2010

Opportunity: Help More Partners Reach More Travelers



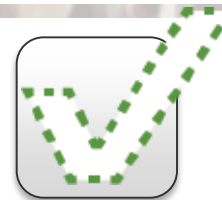
OTAs



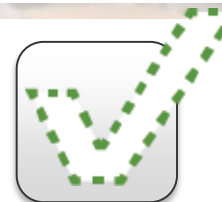
Hotel Chains



Airlines



Independent
Hoteliers

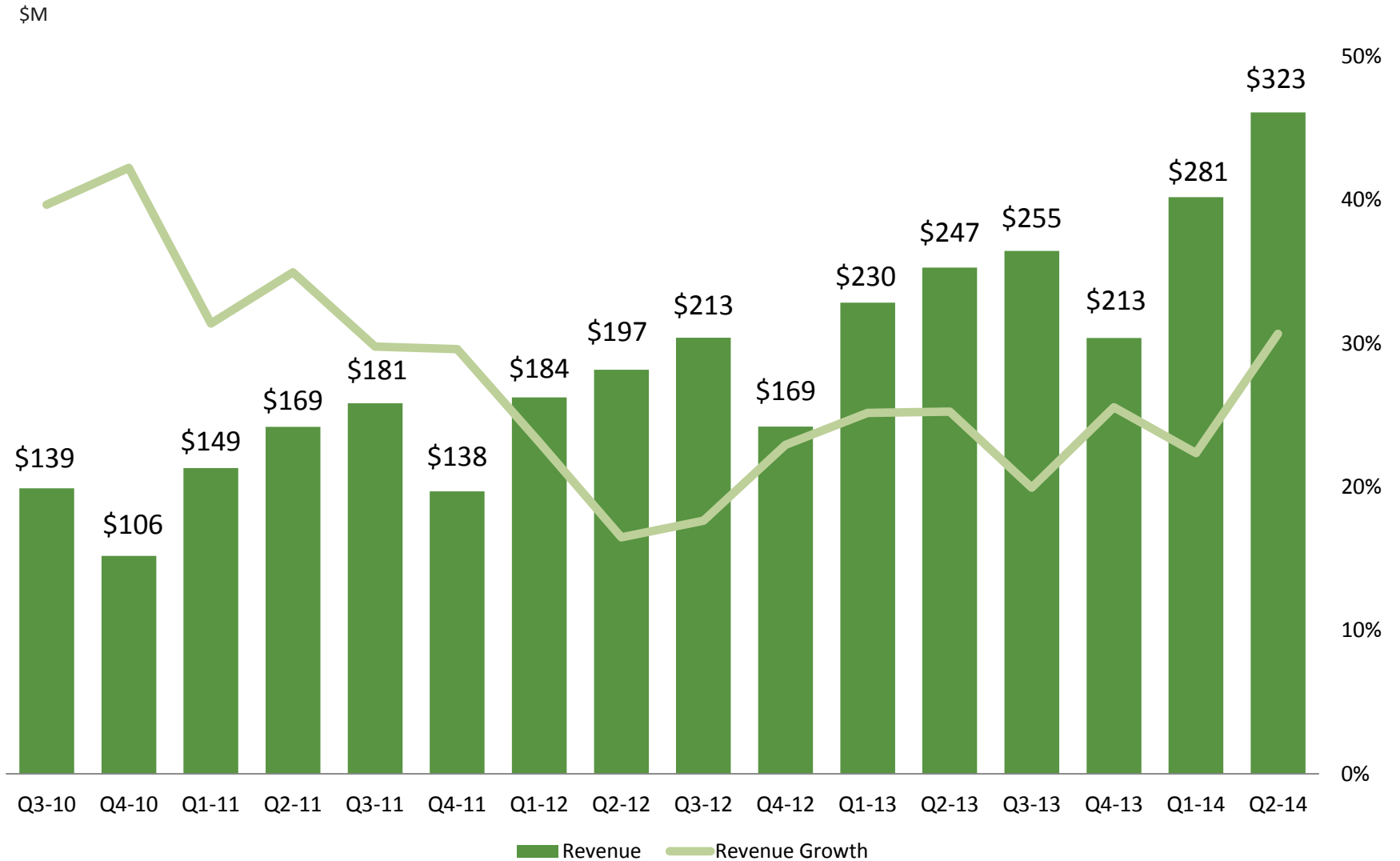


Restaurants &
Attractions



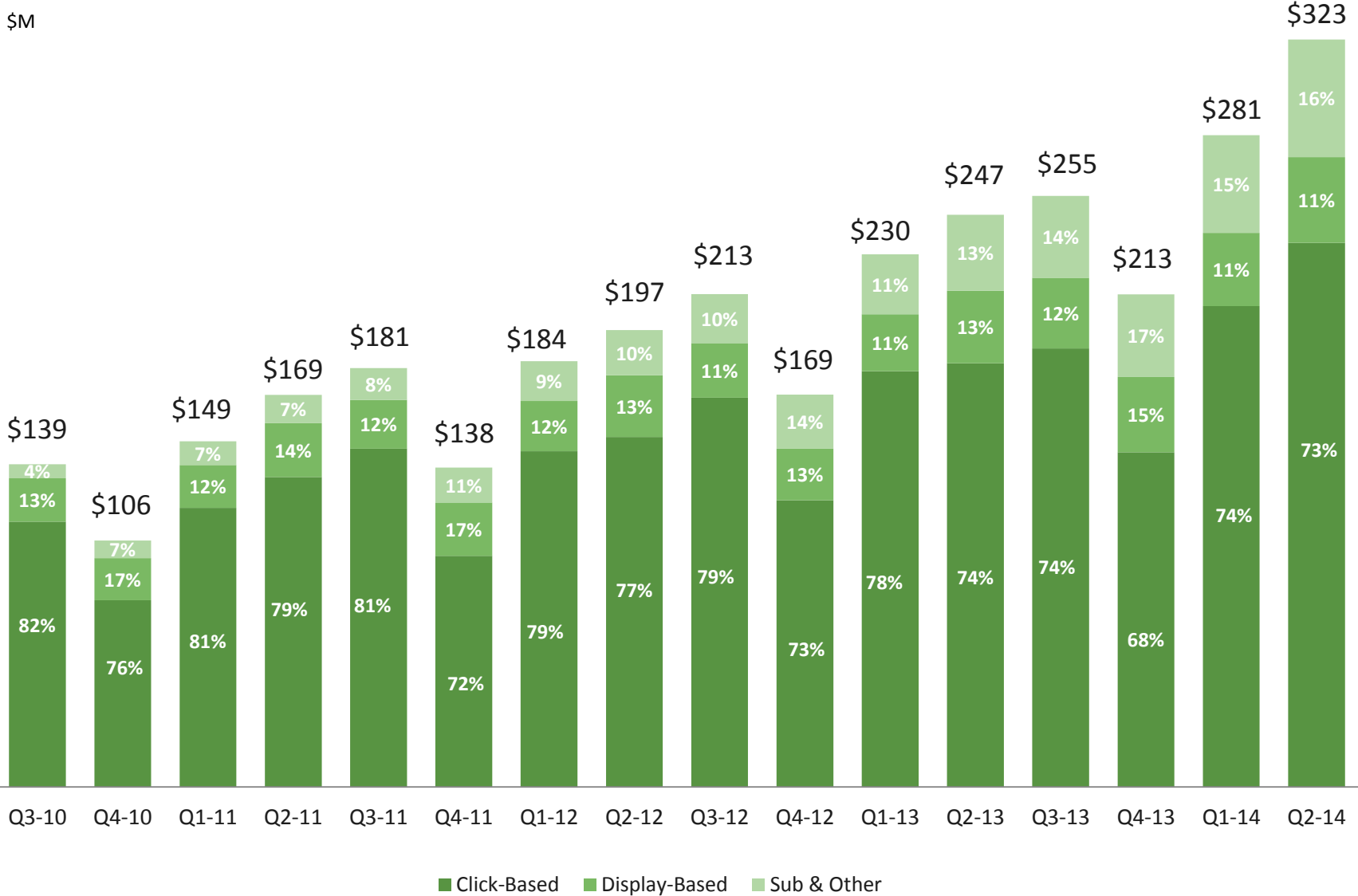
Financial Results

Total Revenue



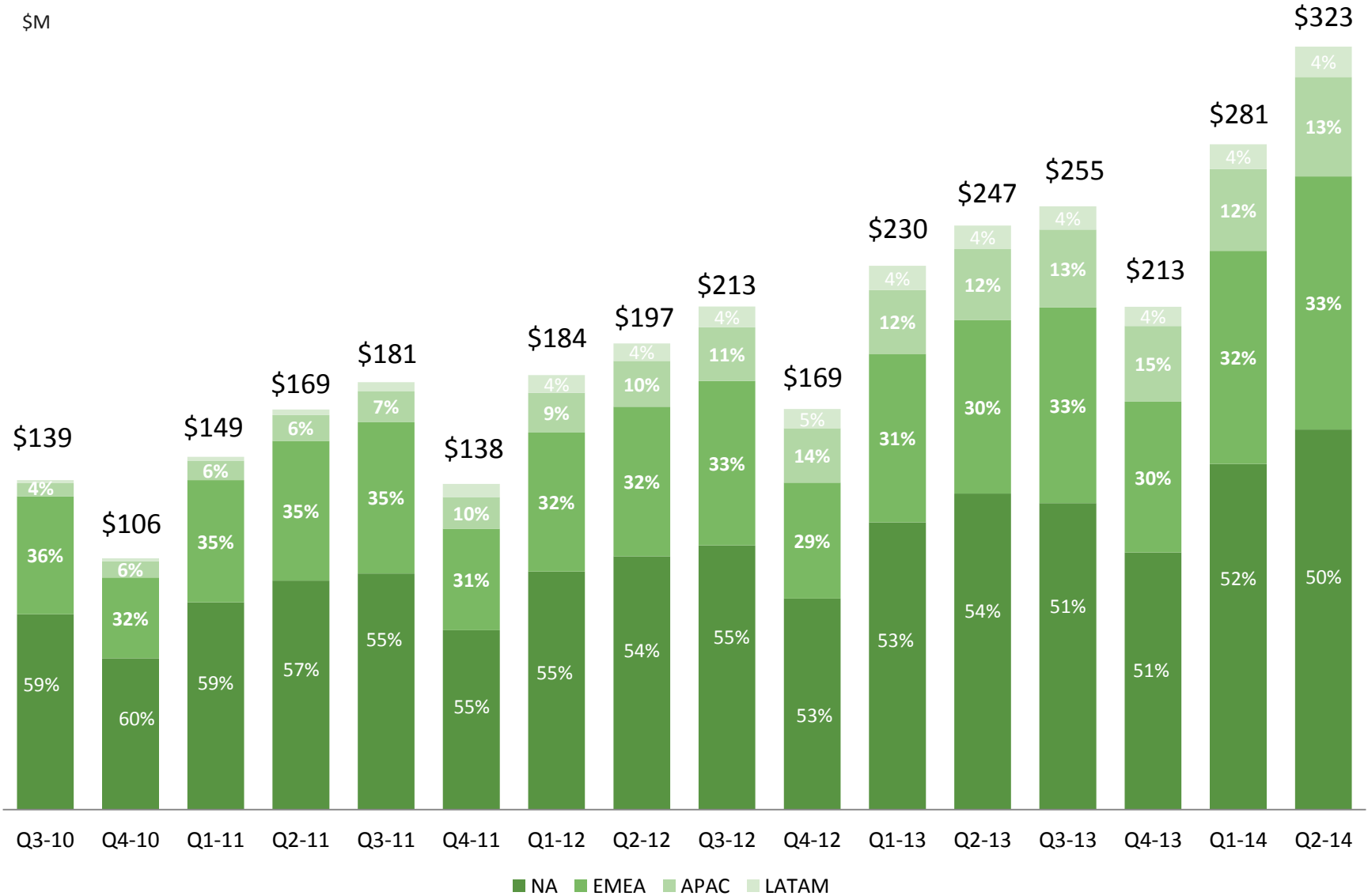
Revenue by Product

\$M

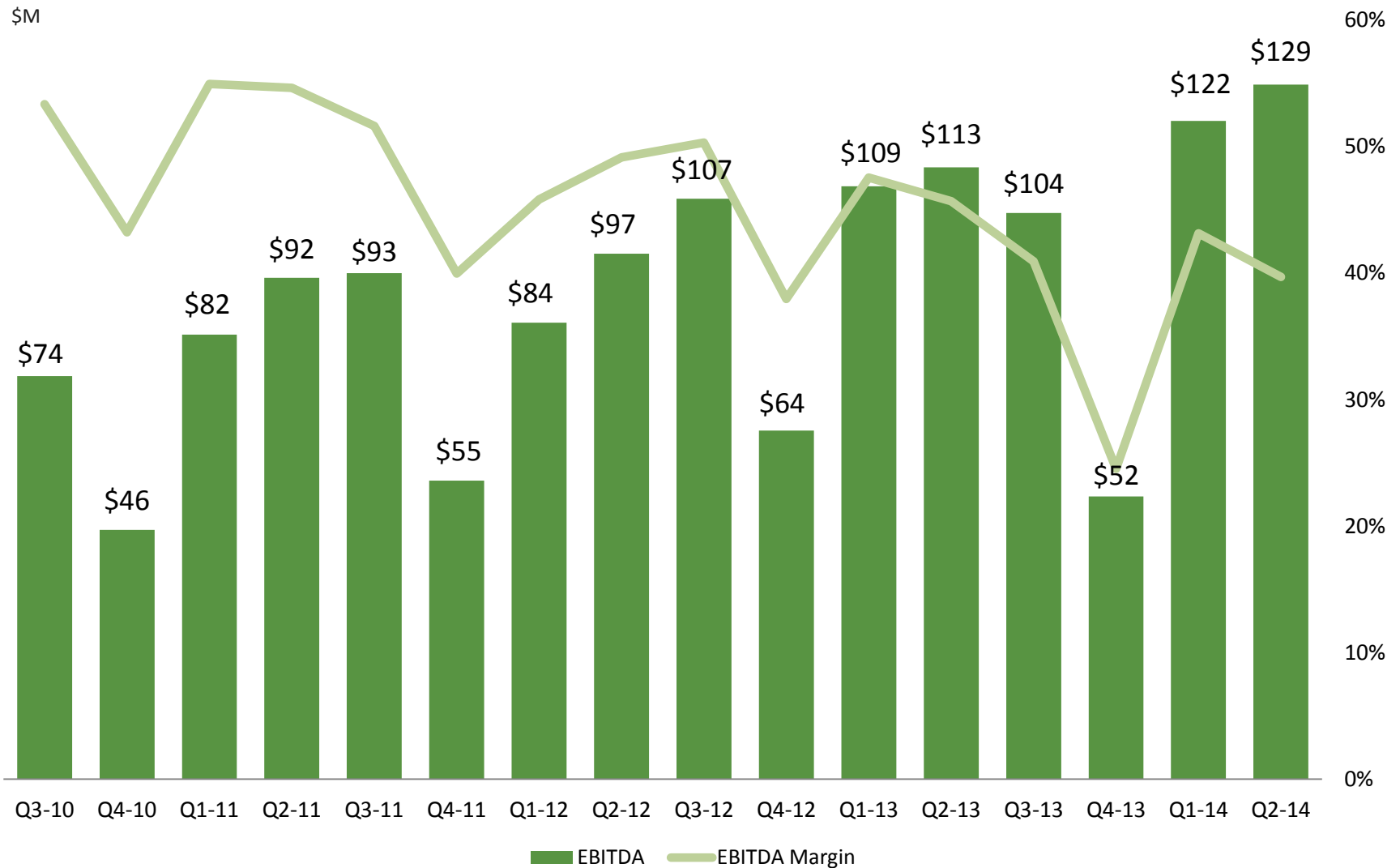


■ Click-Based ■ Display-Based ■ Sub & Other

Revenue by Geography



Adjusted EBITDA



Note: Adjusted EBITDA is a Non-GAAP financial measure. For a reconciliation of Adjusted EBITDA to net income please see slide 22. 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

\$M, except earnings per share

| | <u>Three Months Ended</u> | | | <u>Six Months Ended</u> | |
|--|---------------------------|-------|-------|-------------------------|-------|
| | Q2-14 | Q1-14 | Q2-13 | Q2-14 | Q2-13 |
| GAAP Net income | \$68 | \$68 | \$67 | \$136 | \$129 |
| Non-GAAP net income ¹ | \$81 | \$80 | \$76 | \$161 | \$149 |
| GAAP EPS | 0.47 | 0.47 | 0.46 | 0.93 | 0.89 |
| Non-GAAP EPS ² | 0.55 | 0.54 | 0.52 | 1.10 | 1.02 |
| Operating cash flow | \$158 | \$109 | \$90 | \$267 | \$133 |
| Free Cash Flow ³ | \$136 | \$89 | \$76 | \$225 | \$109 |
| Cash, cash equivalents & marketable securities | \$721 | \$745 | \$616 | \$721 | \$616 |

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 and warrants 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 amortization of internal-use software development costs.

2014 Acquisitions

| | Acquisition | Date | Purpose |
|--|-----------------------|--------------------|------------------------------|
|  | La Fourchette | May 2014 | Restaurants, International |
|  | Vacation Home Rentals | May 2014 | Vacation Rentals |
|  | tripbod | May 2014 | Travel Expert Network, Tours |
|  | Viator | Pending (Aug 2014) | Attractions |

Non-GAAP Reconciliations

(in millions, except share amounts which are reflected in thousands and per share amounts)

| | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | 2013 | | | | FY 2013 | 2014 | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | | | | | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | 1H 2014 |
| Adjusted EBITDA and OIBA Reconciliation | | | | | | | | | | | | | |
| Adjusted EBITDA (1) | \$ 147 | \$ 197 | \$ 262 | \$ 322 | \$ 351 | \$ 109 | \$ 113 | \$ 104 | \$ 52 | \$ 378 | \$ 122 | \$ 129 | \$ 251 |
| Depreciation (2) | 5 | 9 | 13 | 18 | 20 | 6 | 7 | 8 | 9 | 30 | 10 | 11 | 21 |
| Amortization of intangible assets | 11 | 14 | 15 | 7 | 6 | 1 | 2 | 1 | 2 | 6 | 2 | 3 | 5 |
| Stock-based compensation | 6 | 6 | 8 | 17 | 29 | 14 | 10 | 11 | 13 | 48 | 14 | 15 | 29 |
| Spin-off costs | - | - | - | 7 | - | - | - | - | - | - | - | - | - |
| GAAP Operating Income | \$ 125 | \$ 168 | \$ 226 | \$ 273 | \$ 296 | \$ 88 | \$ 94 | \$ 84 | \$ 28 | \$ 294 | \$ 96 | \$ 100 | \$ 196 |
| Other interest income (expense), net | (4) | (1) | - | - | (10) | (3) | (2) | (2) | (2) | (9) | (2) | (2) | (4) |
| Other, net | (2) | (1) | (2) | (1) | (4) | (1) | (2) | 2 | - | (1) | - | - | - |
| Income before income taxes | 119 | 166 | 224 | 272 | 282 | 84 | 90 | 84 | 26 | 284 | 94 | 98 | 192 |
| Provision for income taxes | 47 | 64 | 85 | 94 | 87 | 22 | 23 | 28 | 6 | 79 | 26 | 30 | 56 |
| GAAP Net income | 72 | 102 | 139 | 178 | 195 | 62 | 67 | 56 | 20 | 205 | 68 | 68 | 136 |
| GAAP Net (income) loss attributable to noncontrolling interest | - | - | - | - | (1) | - | - | - | - | - | - | - | - |
| GAAP Net income attributable to TripAdvisor, Inc. | \$ 72 | \$ 102 | \$ 139 | \$ 178 | \$ 194 | \$ 62 | \$ 67 | \$ 56 | \$ 20 | \$ 205 | \$ 68 | \$ 68 | \$ 136 |
| Non-GAAP Net income Reconciliation | | | | | | | | | | | | | |
| Non-GAAP Net income | \$ 82 | \$ 114 | \$ 153 | \$ 198 | \$ 218 | \$ 73 | \$ 76 | \$ 64 | \$ 30 | \$ 243 | \$ 80 | \$ 81 | \$ 161 |
| Stock-based compensation | 6 | 6 | 8 | 17 | 29 | 14 | 10 | 11 | 13 | 48 | 14 | 15 | 29 |
| Amortization of intangible assets | \$ 11 | \$ 14 | \$ 15 | \$ 7 | \$ 6 | \$ 1 | \$ 2 | \$ 1 | \$ 2 | \$ 6 | \$ 2 | \$ 3 | \$ 5 |
| Spin-off costs | - | - | - | 7 | - | - | - | - | - | - | - | - | - |
| Income tax effect of non-GAAP adjustments (3) | 7 | 8 | 9 | 11 | 11 | 4 | 3 | 4 | 5 | 16 | 4 | 5 | 9 |
| GAAP Net income attributable to TripAdvisor, Inc. | \$ 72 | \$ 102 | \$ 139 | \$ 178 | \$ 194 | \$ 62 | \$ 67 | \$ 56 | \$ 20 | \$ 205 | \$ 68 | \$ 68 | \$ 136 |
| Non-GAAP Share Count Reconciliation | | | | | | | | | | | | | |
| Non-GAAP Diluted Shares Outstanding | 133,461 | 133,461 | 133,461 | 135,551 | 141,878 | 145,067 | 146,487 | 146,253 | 146,029 | 145,959 | 146,512 | 146,816 | 146,664 |
| Additional restricted stock units | - | - | - | 686 | 537 | 412 | 823 | 799 | 749 | 696 | 847 | 1,034 | 940 |
| GAAP Diluted Shares Outstanding | 133,461 | 133,461 | 133,461 | 134,865 | 141,341 | 144,655 | 145,664 | 145,454 | 145,280 | 145,263 | 145,665 | 145,782 | 145,724 |
| Non-GAAP Earnings Per Share | | | | | | | | | | | | | |
| Diluted Non-GAAP EPS | \$ 1.04 | \$ 1.04 | \$ 1.04 | \$ 1.46 | \$ 1.54 | \$ 0.50 | \$ 0.52 | \$ 0.45 | \$ 0.21 | \$ 1.68 | \$ 0.54 | \$ 0.55 | \$ 1.10 |
| Revenue growth ex-Foreign Exchange Reconciliation | | | | | | | | | | | | | |
| Non-GAAP Revenue growth | - | - | - | - | - | 24% | 25% | 18% | 24% | 23% | 21% | 29% | 23% |
| Foreign exchange impact | - | - | - | - | - | 1% | 0% | 2% | 2% | 1% | 1% | 2% | 4% |
| GAAP Revenue growth | - | - | - | - | - | 25% | 25% | 20% | 26% | 24% | 22% | 31% | 27% |

(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 amortization of internal use software and website development; (iv) amortization of intangible assets; (v) stock-based compensation; and (vi) 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.



Thank You