



## **2020 Investor Day**

November 19, 2020

## **Forward-Looking Statements**

This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, growth and expansion opportunities, benefits from the Certares partnership, future costs, market potential, future financial prospects, the impact of COVID-19, and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, possible changes in market acceptance of new services, the ability of Tripadvisor to monetize its website traffic, the ability of Tripadvisor to execute on expansion into adjacent services, competitive issues, regulatory matters, the impact of COVID-19, including on the general market conditions, Tripadvisor's ability to capitalize on acquisition opportunities and changes in law. These forward-looking statements speak only as of the date of this presentation, and Liberty TripAdvisor expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Liberty TripAdvisor's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Please refer to the publicly filed documents of Liberty TripAdvisor, including the most recent Annual and Quarterly Reports on Forms 10-K and 10-Q, for additional information about Liberty TripAdvisor and about the risks and uncertainties related to Liberty TripAdvisor's business which may affect the statements made in this presentation.

## **Non-GAAP Financial Measures**

This presentation includes non-GAAP financial measures, including Free Cash Flow for Tripadvisor. Information regarding the comparable GAAP metrics, along with required definitions and reconciliations can be found in the earnings release available on Tripadvisor's website.

## **Market and Financial Information**

Market data provided herein is as of 11/6/2020. Financial data pertaining to Liberty TripAdvisor provided herein is as reported in our Form 10-Q filed 11/5/2020 for the quarter ended September 30, 2020. Information regarding Tripadvisor is based on most recent publicly available information.

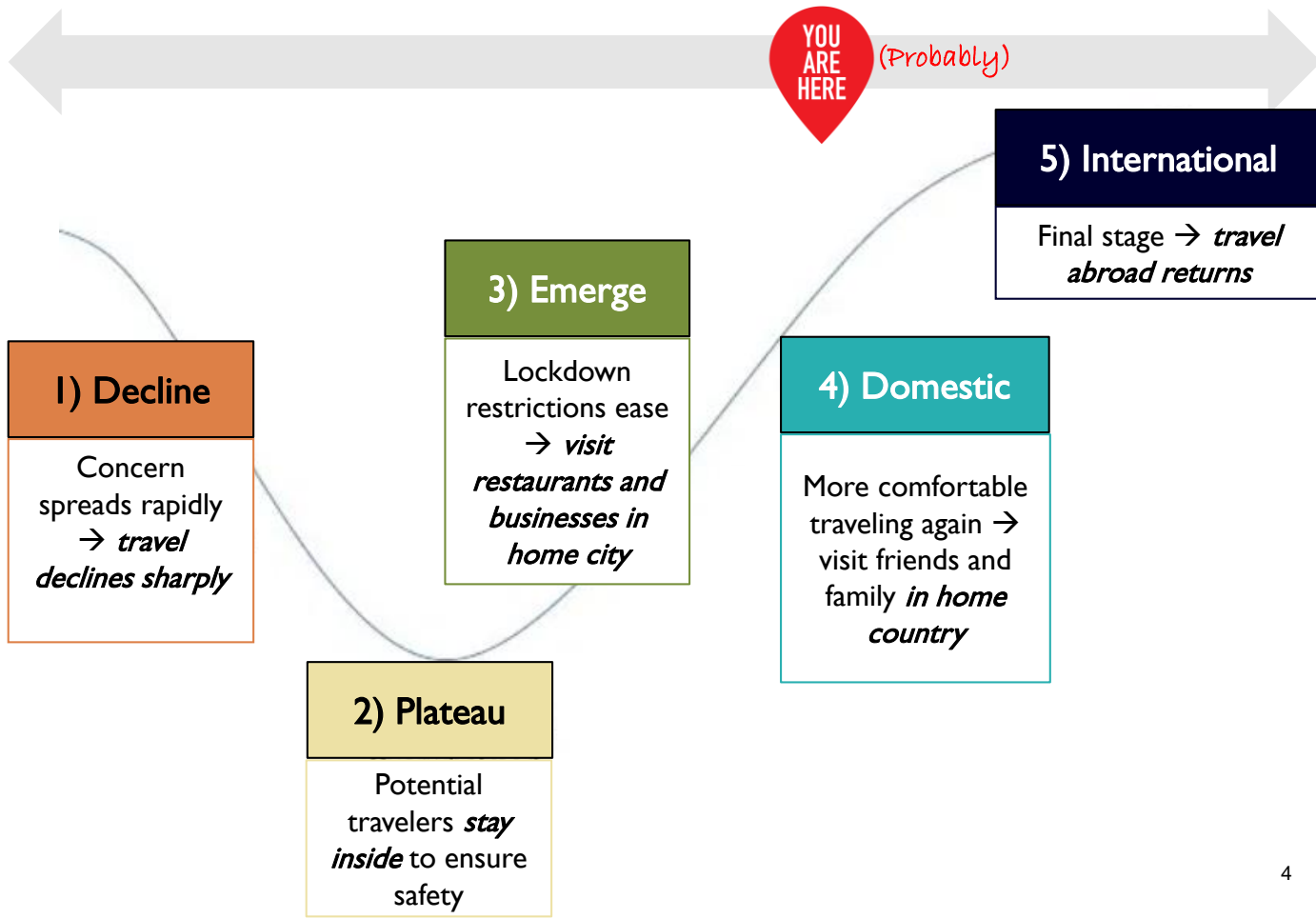


“Over the staycation?”

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Greg Maffei – Chairman, President & CEO

# Travel Marching Through Five Stages of Recovery



## LTRP

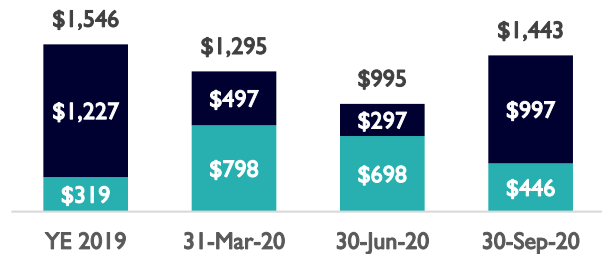
- Retired margin loan in Mar '20 using proceeds from:
  - \$325m: preferred non-voting stock to Certares with future value based on greater of:
    - Compounding 8% coupon (assumed PIK)
    - Accretion factor representing 80% of upside in TRIP shares since issuance
  - \$34m: variable prepaid forward
- Greg O'Hara & Certares - industry leading travel investors with history of value creation
- Notable Certares Travel Portfolio Cos:



## TRIP

- Completed revolver amendment in Q2
  - \$150m minimum liquidity requirement
- Inaugural offering of high-yield bonds
  - \$500m of 7% notes maturing 2025
- Cost optimization resulting in annualized savings of over \$200m

(\$ in millions) **TRIP Liquidity**



- TRIP is a trusted information source for consumers with top of funnel position
- New offerings created more value for travel partners & consumers during COVID
  - **Menu Connect** – manage menu and business information across the web
  - **Reputation Pro** – accelerate online review collection
  - **Travel Safe** – 120k+ businesses communicate safety standards to consumers

**The Standard, High Line**

Booking.com \$255  
View Deal

Hotels.com \$245  
Trip.com \$304  
Lol.travel \$310

View all 13 deals from \$245

4,269 reviews  
#2 Best Value of 852 places to stay in New York City

Free Wifi  
Restaurant  
Taking safety measures

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**Arlo SoHo**

Official Hotel Site \$99  
View Deal

Booking.com \$99  
Snaptavel \$78  
lovevacations \$151

View all 18 deals from \$78

2,047 reviews  
#3 Best Value of 852 places to stay in New York City

Free Wifi  
Restaurant  
Visit hotel website



## Travel safe during COVID-19

### What you can expect during your stay

- All linens sanitized in high-temperature wash
- Face masks required for guests in public areas
- Face masks required for staff in public areas
- Floors marked for social distancing
- Hand sanitizer available to guests & staff
- Regularly sanitized high-traffic areas
- Staff required to regularly wash hands
- Regular temperature checks for staff
- Doctors available 24/7

### Read less

Updated 08/21/20 Safety precautions are provided by the property and are not checked by Tripadvisor for accuracy.

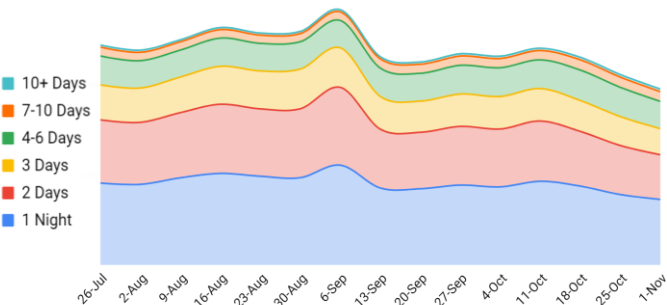
### Community

- Ask a question
- Write a review

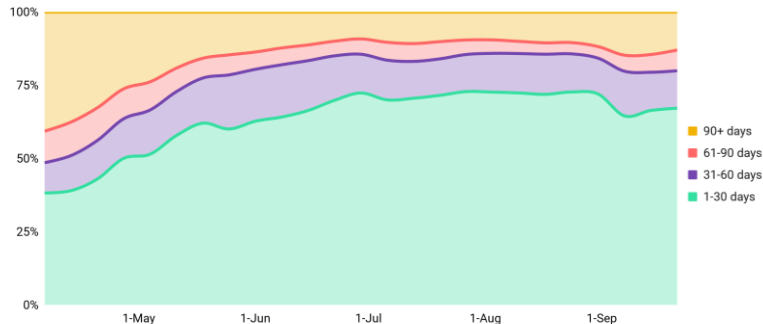
Enhancing value for 463m avg monthly unique visitors during pandemic

Given uncertainty, want shorter trips, planned on shorter notice...

Weekly Hotels Clickers by Avg. Length of Stay - AMER IPs

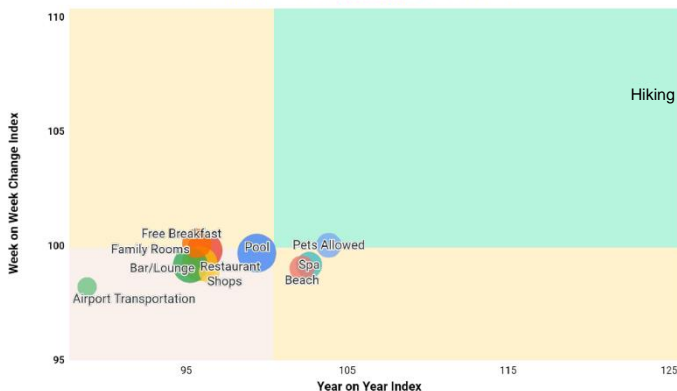


Weekly Domestic Clickers by Days to Arrival - AMER IPs



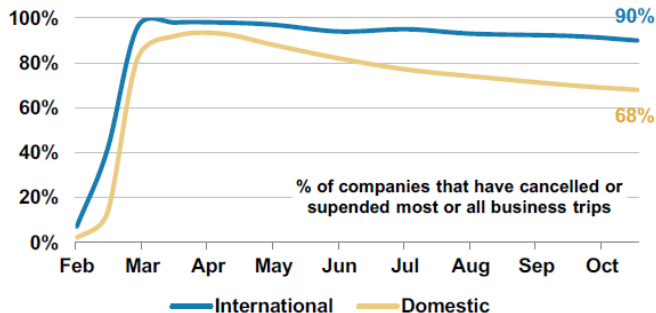
... safety, the outdoors and pets are top of mind

Accommodation Amenities Searched



Google searches for RV rentals nearly doubled...

...and searches for campgrounds surged +25% from the peak of the 2019 season

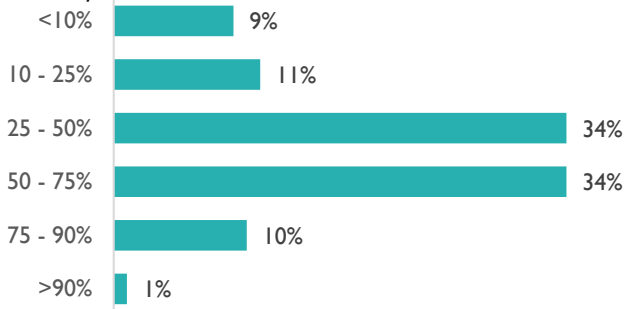
Cancelled business travel hasn't rebounded...<sup>(2)</sup>

- US residents logged 460m+ trips for business purposes in 2019<sup>(1)</sup>
- Urban destinations and convention hubs have been disproportionately affected
  - Standard hotel near Google HQ at 10 – 20% capacity on weekdays<sup>(4)</sup>
  - Las Vegas - no convention traffic for 6 months<sup>(5)</sup>
- Virtual is more efficient and affordable
  - 1/5 meetings may go virtual in 2022 and beyond<sup>(2)</sup>

... likely continues to an extent post-vaccine<sup>(3)</sup>

Percent of corporate travel expected for 2021 (vs. normal period),

% of respondents



*"There's no doubt that you could look back in hindsight and say running around 15 countries in 15 days [for a roadshow]... seems a bit crazy,"*

- Gareth McCartney, global head of equity syndicate at UBS<sup>(6)</sup>



\$1.1 Trillion in Annual U.S. Travel Spend in '19<sup>(1)</sup>

~\$300b in Business Travel



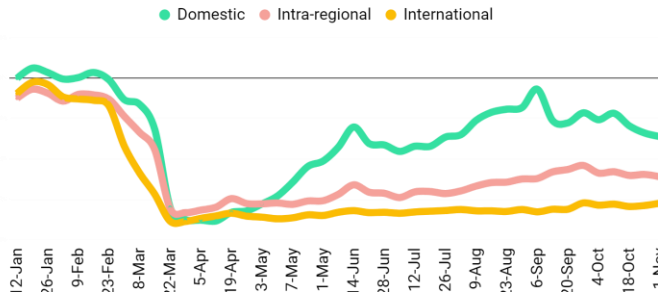
~\$800b in Leisure Travel



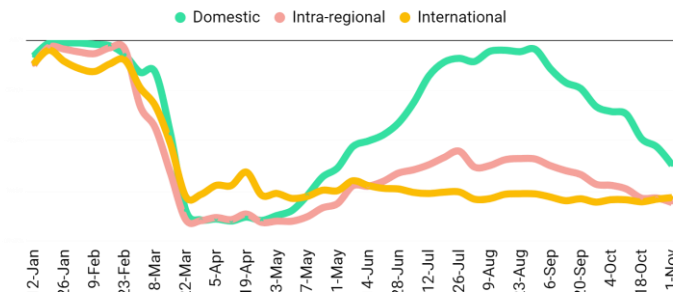
- Mix of travel spend may increasingly favor leisure going forward
- Recovery already underway, though pace of recovery has been inconsistent across the globe
  - 56% of Americans planning to travel Thanksgiving holiday<sup>(2)</sup>
  - Daily domestic hotel clickers visiting TRIP have rebounded from April lows with gradual recovery in US
  - EMEA domestic travel normalized August, fallen off with virus resurgence

### YoY Growth of Hotel Clickers on TRIP: US & EMEA<sup>(3)</sup>

#### Americas



#### EMEA



TRIP's exclusive focus on leisure travel makes it well positioned as leisure travel recovers

# TRIP Adding New Monetization Opportunities

463m avg monthly unique visitors

Improved Opportunity for Monetization through New TRIP Direct-to-Consumer Offerings



### Trip Designer offering for \$199 / trip

For \$199 per trip, Reco pairs travelers with trip designers who plan, book, and offer support for a memorable trip



### Year Round Travel Insurance

AllTrips Prime and AllTrips Basic offer year round travel insurance for \$275 and \$135 per person, respectively

### New Direct-to-Consumer Offering (Coming Soon)

Subscribers will get deals and perks across thousands of hotels and savings on ~400k experiences

*Opportunity to Drive Recurring Revenue*

# Appendix

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# LTRP Net Asset Value

<u>Net Asset Value</u>			
	Liberty Own.	Effective Share Price	Value
	(m shares)		(\$m)
Tripadvisor Common Stock (excl. VPF)	28.6	\$19.98	\$571
Tripadvisor Shares Held as Collateral for VPF	2.4	19.98	48
<b>Total Tripadvisor</b>	<b>31.0</b>		<b>\$619</b>
Plus: Cash			7
Less: Variable Prepaid Forward			(41)
Less: Series A Preferred Stock			(370)
<b>Net Asset Value</b>			<b>\$215</b>

# Footnotes and Other Sourcing Information

## Slide 4

- Source: Tripadvisor

## Slide 5

- Leverage ratio resumes in Q3-21 per 2015 Credit Facility (“Second Amendment”)
- Sources: Tripadvisor and Liberty TripAdvisor company filings

## Slide 6

- Average monthly unique visitors as of Q3-19
- Source: [Menu Connect](#), [Reputation Pro](#), [Travel Safe](#), Tripadvisor management

## Slide 7

- Search results per Google Trends
- Source: Charts provided by Tripadvisor, based on Tripadvisor data

## Slide 8

- (1) Source: [US Travel Association](#)
- (2) Source: Morgan Stanley Research – *Global Corporate Travel Survey: 1 in 5 Corporate Meetings Could Still Go Virtual Long Term* (report dated 11/6/20)
- (3) Source: Skift Research in Partnership with McKinsey & Company – *The Travel Industry Turned Upside Down* (dated 9/2020)
- (4) Source: [Financial Times](#)
- (5) Source: [Las Vegas Convention & Visitors Authority](#)
- (6) Source: [Financial Times](#)

## Slide 9

- (1) Source: [US Travel Association](#)
- (2) Source: [Tripadvisor Press Release](#)
- (3) Source: Tripadvisor

## Slide 10

- Average monthly unique visitors as of Q3-19
- Sources: [Reco Beta Site](#), [Trip Protection Site](#), Tripadvisor Management

## Slide 12

Source: Tripadvisor and Liberty TripAdvisor company filings. CapIQ market data as of 11/6/20

# Liberty Investor Meeting

November 19, 2020



Forward-Looking Statements. Our presentation today, including the slides contained herein, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not historical facts or guarantees of future performance and are based on management's assumptions and expectations, which are inherently subject to difficult to predict uncertainties, risks and changes in circumstances. The use of words such as "intends," "expects," "may," "believes," "should," "seeks," "intends," "plans," "potential," "will," "projects," "estimates," "anticipates" or similar expressions generally identify forward-looking statements. However, these words are not the exclusive means of identifying such statements, and any statements that refer to expectations, beliefs, plans, predictions, projections, forecasts, objectives, assumptions, models, illustrations, profiles or other characterizations of future events or circumstances are forward-looking statements, including without limitation statements relating to future revenues, expenses, margins, performance, profitability, cash flows, net income/(loss), earnings per share, growth rates and other measures of results of operations (such as adjusted EBITDA) and future growth prospects for Tripadvisor's business. Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others, those discussed in the "Risk Factors" section of our Quarterly Report on Form 10-Q. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on forward-looking statements.

Non-GAAP Measures. This presentation also includes discussion of both GAAP and non-GAAP financial measures. Important information regarding Tripadvisor's definitions and use of these measures, as well as reconciliations of the non-GAAP financial measure to the most directly comparable GAAP financial measure are included in the earnings release reporting our third quarter 2020 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 <sup>(2)</sup>

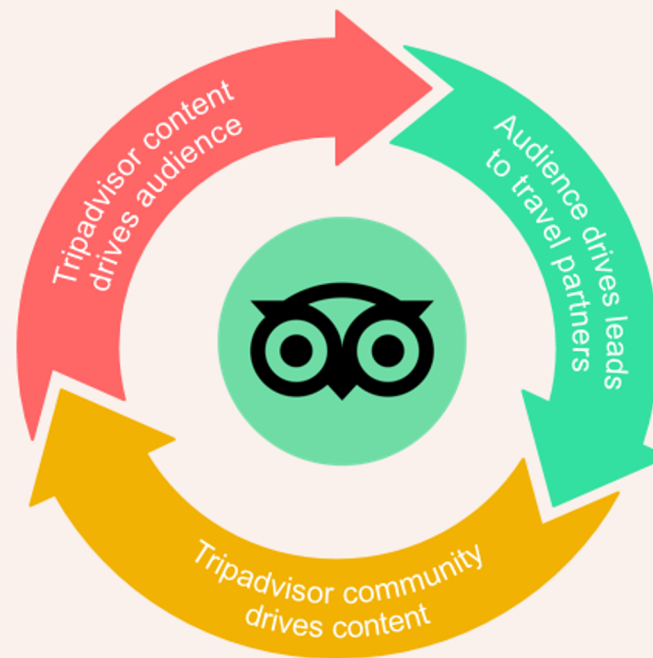
 **~65%**  
% of users on mobile

 **878M**  
reviews and opinions

 **212M**  
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>

 **1.3M**  
Travel activities and experiences listings

 **4.7M**  
Restaurant listings

 **500+**  
Airlines

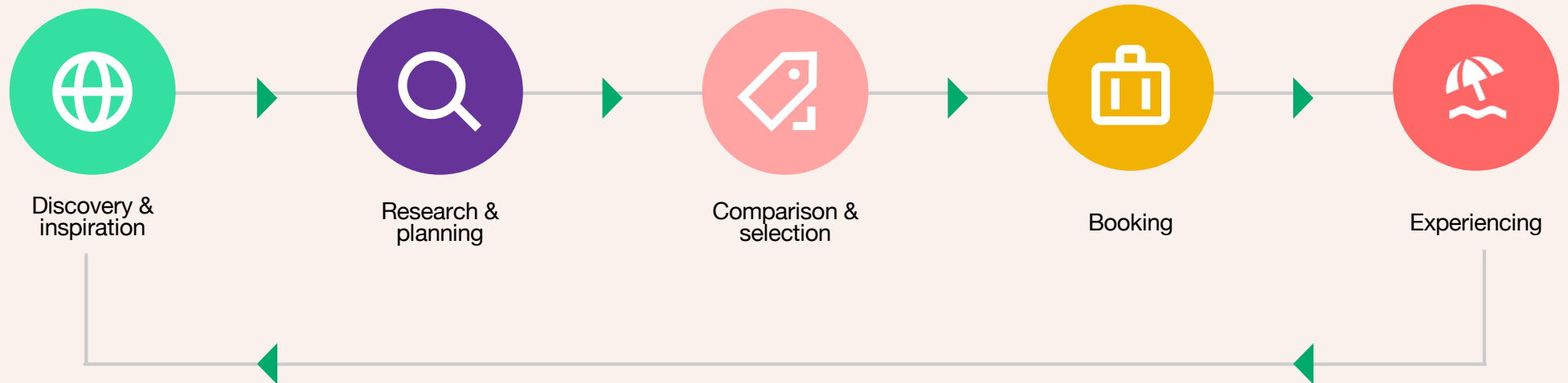
 **30K+**  
Cruises

(1) Tripadvisor internal log files; unless otherwise noted, all numbers as of 9/30/2020

(2) Tripadvisor internal log files, Q3 2019

(3) Includes approximately 1.5M hotels, inns, B&Bs, and specialty lodging, as well as 790K rental listings

# Reaching travelers at every stage of their journey



# Unique and significant influence on the global leisure travel market

## \$546B

Annual travel expenditures influenced

## 2.2B

Vacation nights influenced

## 433M

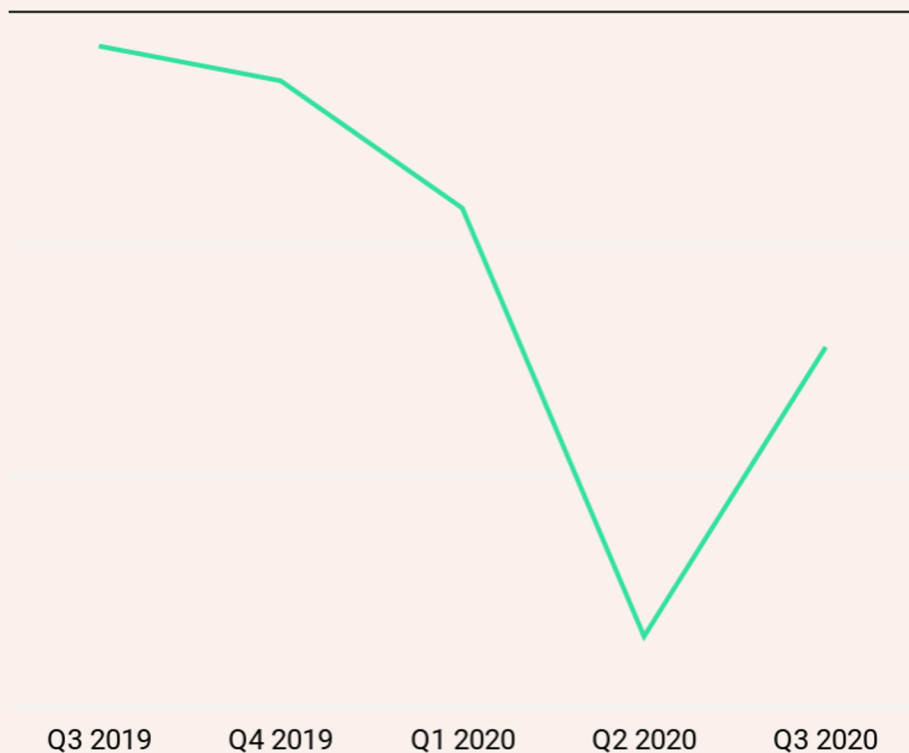
Annual trips influenced



**We're successfully  
navigating  
a challenging  
2020 backdrop**

# Monthly consumer trends showed notable improvement from the April lows, though Oct/Nov trends proving uneven

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



YTD average monthly unique visitor trends reflect recovery off the April/Q2 lows:

- In July, August, and September, monthly unique users were approximately 67%, 73%, and 74% of last year's comparable period, respectively
- This compares very favorably to April, which was 33% of last year's comparable period
- Travel industry's recovery trends have slowed in October and early November, reflecting the expected unevenness of leisure travel's recovery path

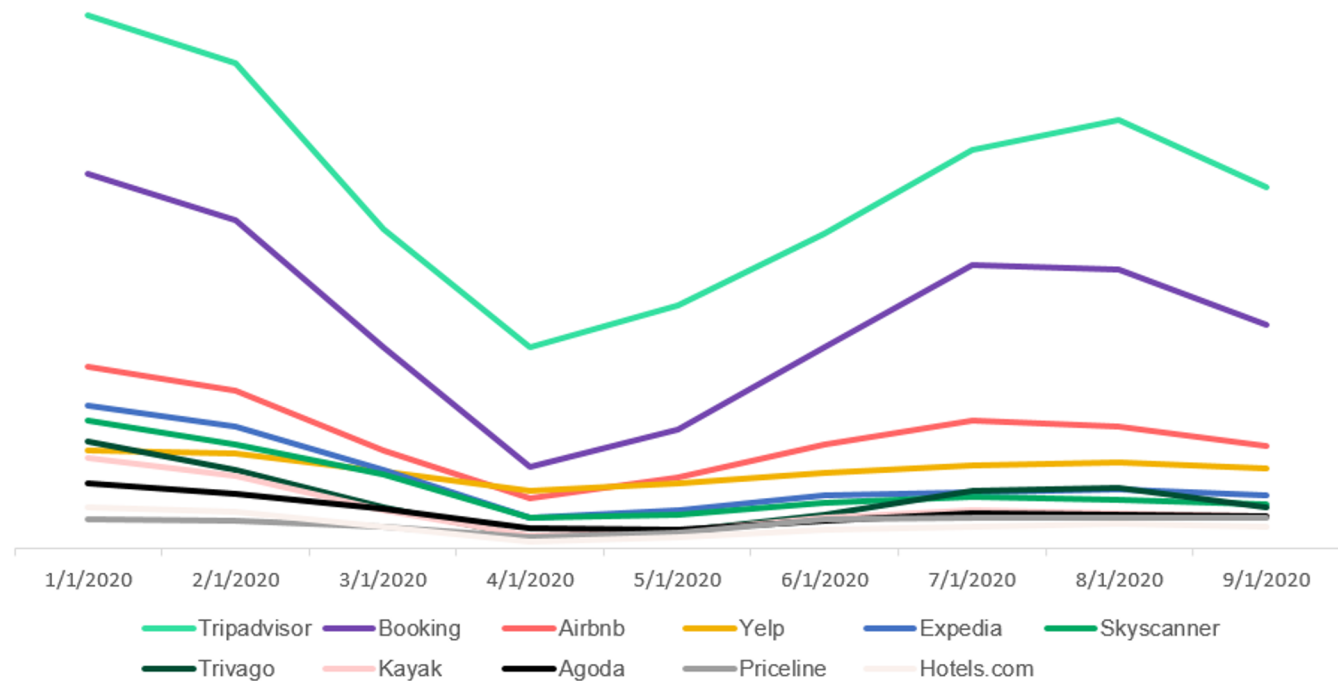
(1) Tripadvisor internal log files

Tripadvisor  
has remained  
the #1 travel site  
throughout the  
pandemic

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

### Travel Sites Globally in 2020

De-duplicated unique users



(1) Source: SimilarWeb, September 2020

Executing important initiatives to support key stakeholders

**Consumers**

Partners

Shareholders



# Safety is top of mind for travelers right now.

65%

of respondents will not travel until they see **physical changes that make them feel safer.**

92%

of travelers said **cleanliness is the most important factor** in selecting accommodations for their future trips

84%

of consumers mentioned that **cleanliness or sanitization certificates are important** when booking a travel experience

74%

of travelers said a **checklist of safety measures on Tripadvisor listings** would be very or extremely helpful.



# Making significant progress in 2020 along our One Tripadvisor consumer vision

- **Launched Travel Safe**, to help consumers to make more informed decisions
- Aligning consumer experience for **planning considered trips**
- Rolling out a **refreshed Tripadvisor mobile app**
- Launched initial **Direct-to-Consumer offering**, Reco, which connects consumers with a curated community of expert Trip Designers
- **Repositioned brand: There's Good Out There**



Repositioned Brand

# There's Good Out There



# Rolling out an exciting new subscription-based direct-to-consumer offering within the next few months

- Subscribers will be able to access **valuable deals and perks** across tens of thousands of top-ranked hotels as well as **exclusive savings** on our nearly 400,000 bookable experiences and with more benefits to be added over time
- Goals are to **deepen relationships** with more users on our platform and capture compelling, **long-term recurring revenue** opportunity
- **Serving more value** to the high-intent traffic that's already planning a trip on our site



Executing important initiatives to support key stakeholders

Consumers  
**Partners**  
Shareholders



# Leveraging our platform to help partners recover quicker and more profitably

- Provided financial relief, including free months of service
- Providing **data and actionable market insights** to navigate the current uncertain landscape
- Launched a number of **new B2B offerings and tools** to help partners recover



## Menu Connect

Manage your complete online presence



## Reputation Pro

Give travelers the confidence to book with you



## Spotlight

Business-driving advice - all in one place

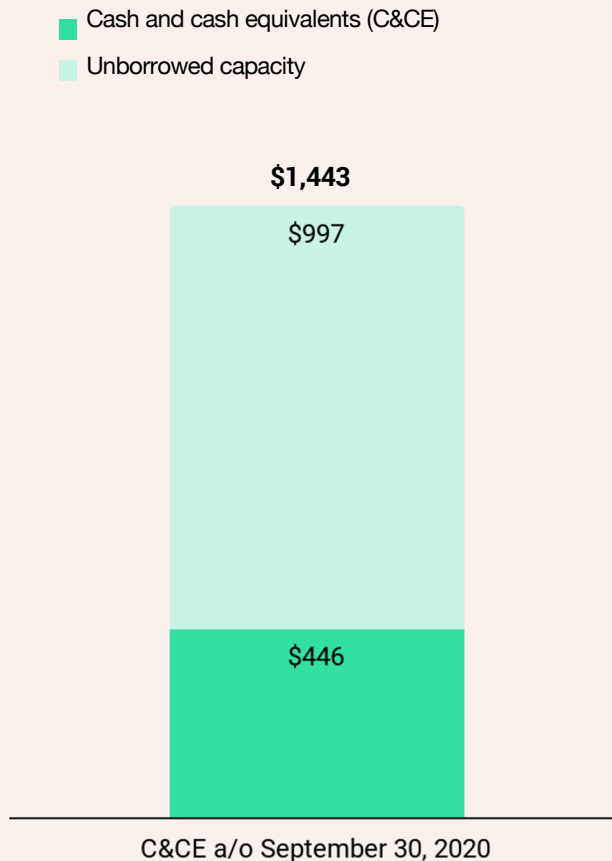
Executing important initiatives to support key stakeholders

Consumers  
Partners  
**Shareholders**



# \$1.4B+ of liquidity; Cost measures have positioned the business for a variety of recovery scenarios

## Liquidity position a/o 9/30/20 (\$ millions)



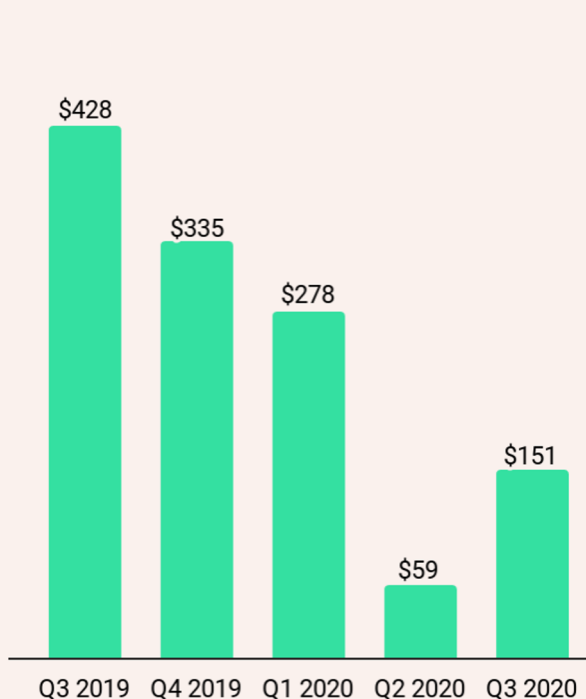
- \$446 million in cash and cash equivalents at 9/30/20
- \$1B revolving credit facility
- Highly flexible cost structure:
  - Discretionary and workforce-related reductions expected to drive more than \$200 million of fixed cost savings in 2020 vs 2019<sup>(1)</sup>
  - Fixed cost savings even greater on a run-rate basis and majority expected to persist in 2021 and beyond
  - Retain ability to ramp variable investments in response to broader consumer demand improvements

**BOTTOM LINE: Our streamlined cost structure can enable us to regain prior profitability ahead of regaining prior revenue levels**

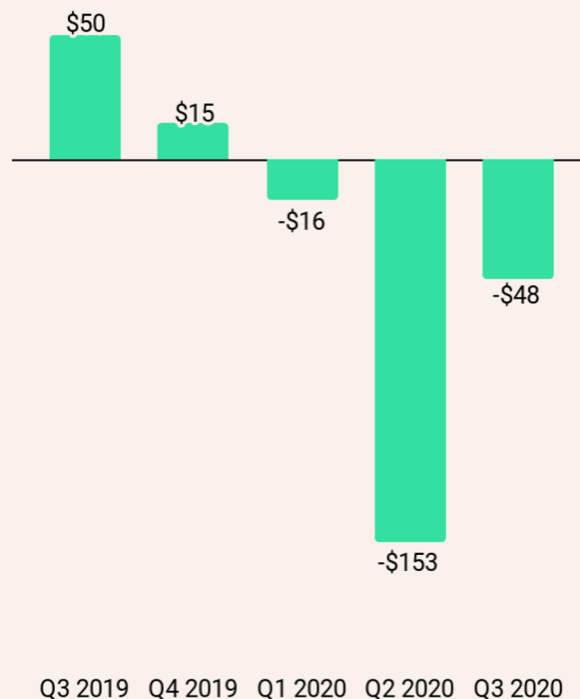
(1) Estimated savings do not consider depreciation, amortization, restructuring and related reorganization costs, and stock-based compensation

# Q3 2020 y/y revenue and profitability improved vs Q2 2020

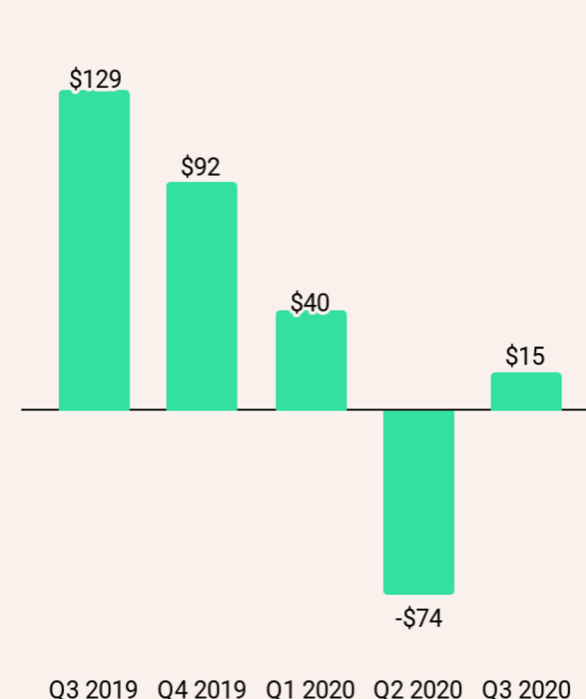
**Consolidated Revenue**  
(in \$ millions)



**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, long-lived asset and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income



# 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 & 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 ~400K things to do across 1.3M activities and attractions



## Dining

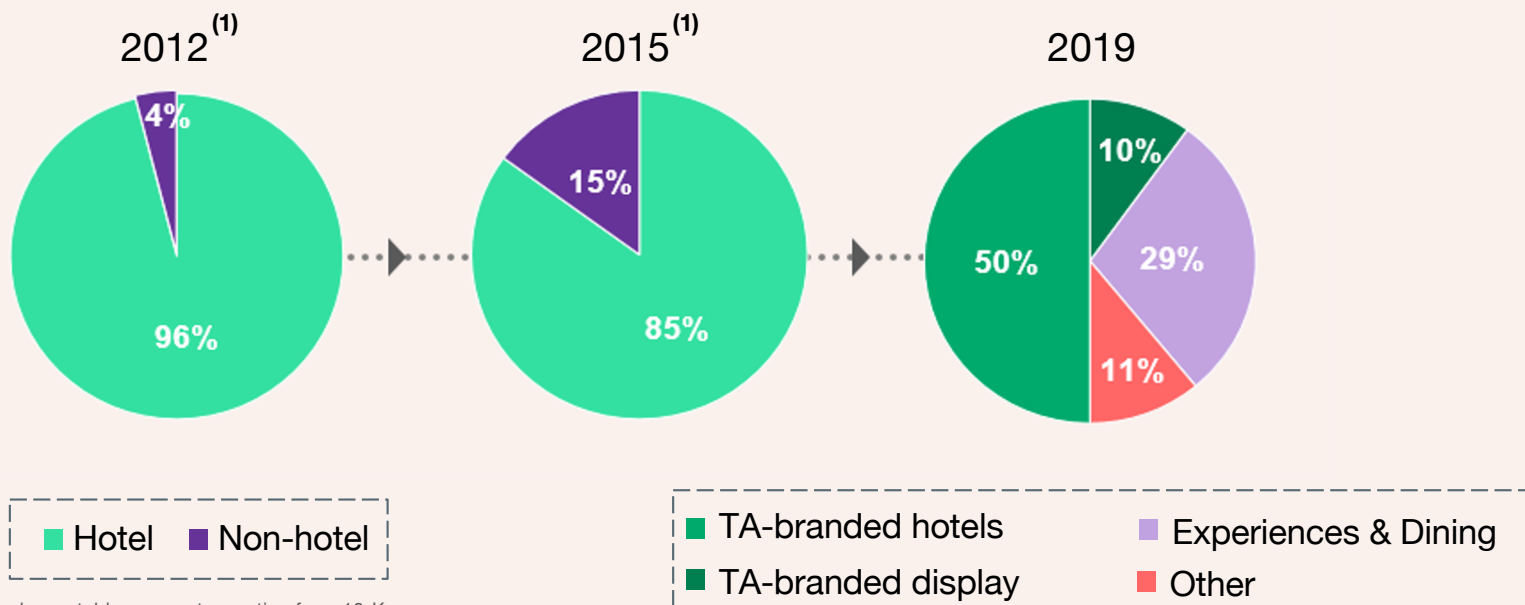
Travelers and locals can research and book restaurants in select geographies

Offer sponsored placements for restaurants to amplify their business



## Other

A collection of strategic assets, including vacation rentals, flights, cruise, car



(1) Note: 2012 and 2015 reflect historical reportable segment reporting from 10-Ks

# Investment highlights



World's largest travel 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

# Thank you

Liberty Investor Meeting  
November 19, 2020



# Appendix

# Non-GAAP Reconciliations



(in \$millions)

	2019		2020		
	Q3	Q4	Q1	Q2	Q3
<b>Reconciliation from GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP):</b>					
<b>GAAP Net Income (Loss)</b>	<b>\$50</b>	<b>\$15</b>	<b>(\$16)</b>	<b>(\$153)</b>	<b>(\$48)</b>
Add: Provision (benefit) for income taxes	23	5	(11)	(26)	(10)
Add: Other expense (income), net	(5)	3	-	15	12
Add: Restructuring and other related reorganization costs	-	1	9	33	-
Add: Impairment of goodwill	-	-	-	-	3
Add: Legal reserves and settlements	-	-	-	-	-
Add: Stock-based compensation expense	29	35	26	25	28
Add: Depreciation and amortization <sup>(1)</sup>	32	33	32	32	30
<b>Adjusted EBITDA (Non-GAAP) <sup>(2)</sup></b>	<b>\$129</b>	<b>\$92</b>	<b>\$40</b>	<b>(\$74)</b>	<b>\$15</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) Depreciation and amortization. Includes internal use software and website development amortization.

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