

TripAdvisor, Inc.

Q1 about inline and maintained 2023 positive outlook. Outlook is improving with travel industry growth and possible spinoffs. Lowering P/T to \$28.

COMPANY UPDATE

Rating: BUY

Ticker: TRIP

Price: \$16.31

Target: \$28.00
(from \$29)

Q1 about inline: TripAdvisor recently (on May 3) reported its fiscal Q1 2023 (ending March) results. Revenue was \$371 million (+42% y-o-y), compared with our estimate of \$314 million and consensus of \$359 million. EBITDA was \$33 million (vs. \$27 million y-o-y), compared with our estimate of \$34 million. Pro forma EPS was \$0.05 compared with our estimates of \$(0.01) and consensus of \$0.07. There was no Q1 guidance.

Q1 growth: Its core hotel revenue was \$244 million (+28% y-o-y), Viator was \$115 million (+105% y-o-y), and TheFork was \$35 million (+35% y-o-y). and all have rebounded strongly from Q2 2020 when the pandemic lockdowns started. Total Q1 revenue was 99% of Q1 2019's, the 3rd straight quarter to be at or exceed pre-pandemic levels.

With strong Viator and TheFork growth: The company's Viator and TheFork business (was formally the Experiences & Dining (E&D) Segment) has continued to have strong growth and revenue rebounding from the pandemic, and they have both again surpassed pre-pandemic levels and are growing strongly.

Travel's strong growth: Like all other travel services providers, TripAdvisor had material negative impact from the recent coronavirus pandemic. However, with pandemic impact waning over time since the initial outbreak in March 2020, TripAdvisor has returned to and even above normalized (pre-pandemic) business in 2022 and is now growing strongly in 2023. The company expects increased consumer confidence and pent up demand to drive a rebound in the travel industry over the next several years.

2023 guidance for growth: The company maintained general qualitative guidance for 2023 revenue growth close to the travel industry's growth (which we estimate to be around mid-teens growth rates).

Raising estimates: We are raising our 2023 estimates for revenue to \$1,737 million, from \$1,700 million, and for EPS to \$1.07 from \$1.06. We are raising our 2024 estimates for revenue to \$1,839 million, from \$1,800 million, and for EPS to \$1.47 from \$1.46.

Positive risk versus reward: Despite volatility from the coronavirus (which we believe future impact will be minimal) and macro conditions, we continue to be positive on TRIP longer term. We believe traveling and the travel industry has now returned back to normal and will continue to grow stronger and that TRIP as one of the world's largest travel website is in good position to capture a significant share of the economics within the travel industry.

Long term positive: We believe that execution of TRIP's long term plan, unlocking strategic value, a strong rebound/long term travel industry, and a positive long-term growth outlook bodes well for its share price to increase longer term.

Valuation attractive: Maintaining our BUY rating, but lowering our 12-month price target to \$28 from \$29, which reflects a forward P/E of ~20x our 2024 EPS estimate of \$1.47. This P/E multiple is about inline with online travel companies to reflect our expectations for normalized earnings growth similar to its peers over the near term.

Company Description

Based in Needham, MA, TripAdvisor is the world's largest online travel review company with information and opinions about destinations, accommodations, restaurants, and activities throughout the world.

Stock Data

Exchange:	NasdaqGS
52-week Range:	\$14.39 – 28.05
Shares Outstanding (million):	147
Market cap (\$million):	\$2,398
EV (\$million):	\$2,070
Debt (\$million):	\$837
Cash (\$million):	\$1,165
Avg. Daily Trading Vol. (\$million):	\$45
Floating (million shares):	103
Short Interest (million shares):	10
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Mar	371A	314E	393E	333E
Q2 Jun	471E	480E	499E	508E
Q3 Sep	505E	514E	535E	545E
Q4 Dec	389E	392E	411E	414E
Total	1,737E	1,700E	1,839E	1,800E
EV/Revs	1.2x		1.1x	

Earnings per Share (pro forma)

	2023E (Cur.)	2023E (Old)	2024E (Cur.)	2024E (Old)
Q1 Mar	0.05A	(0.01)E	(0.02)E	(0.04)E
Q2 Jun	0.25E	0.39E	0.41E	0.39E
Q3 Sep	0.49E	0.45E	0.69E	0.70E
Q4 Dec	0.29E	0.23E	0.39E	0.40E
Total	\$1.07E	\$1.06E	\$1.47E	\$1.46E
P/E	15x		11x	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 8.

OVERVIEW

- TripAdvisor recently (on May 3) reported its fiscal Q1 2023 (ending March) results.
- Revenue was \$371 million (+42% y-o-y), compared with our estimate of \$314 million and consensus of \$359 million.
- Pro forma EPS was \$0.05 compared with our estimates of \$(0.01) and consensus of \$0.07.
- EBITDA was \$33 million (vs. \$27 million y-o-y), compared with our estimate of \$34 million.
- There was no Q1 guidance.
- The company maintained general qualitative guidance for 2023 revenue growth close to the travel industry's growth (which we estimate to be around mid-teens growth rates).
- The company did not provide Q2 guidance.
- We are raising our 2023 estimates for revenue to \$1,737 million, from \$1,700 million, and for EPS to \$1.07 from \$1.06.
- We are raising our 2024 estimates for revenue to \$1,839 million, from \$1,800 million, and for EPS to \$1.47 from \$1.46.

ADDITIONAL DETAILS

- Core Hotel revenue was \$244 million (+28% y-o-y), Viator was \$115 million (+105% y-o-y), and TheFork was \$35 million (+35% y-o-y).
- Core Hotel EBITDA was \$72 million (vs. \$56 million y-o-y), Viator was \$(30) million (vs. \$(20) million y-o-y), and TheFork was \$(9) million (vs. \$(8) million y-o-y).
- Gross profit for the quarter was \$342 million, compared with our estimate of \$289 million.
- Gross margin for the quarter was 92%, versus 92% last year and our expectation of 92%.
- Operating expenses were \$356 million, versus our expectation of \$316 million.
- Operating loss was \$14 million, versus our expectation of a loss of \$27 million.
- Pro forma net income was \$7 million, versus our expectation of a net loss of \$1 million.
- In November 2021, the company announced that its co-founder and long-time CEO, Stephen Kaufer, will step down from his CEO position of Tripadvisor in 2022.
- In May 2022, Tripadvisor announced Matt Goldberg as its new CEO. Mr. Goldberg has leadership and experience in strategy and operations for more than 20 years across a number of leading media, advertising, and consumer-facing companies.
- In October 2022, the company announced that Ernst Teunissen will retire as Chief Financial Officer to pursue other interests and that Mike Noonan will join the company as its new CFO.
- In February 2022, the company announced that it will evaluate strategic value opportunities related to Viator and TheFork (the bulk of its Experiences & Dining (E&D) Segment) including opportunities with industry participants as well as independent opportunities, including a potential sub-IPO, which would involve selling a minority stake of the Viator business to the public market.
- TripAdvisor has submitted a confidential draft S-1 registration statement with the U.S. Securities and Exchange Commission related to its proposed initial public offering of Viator. In parallel, the company is also assessing options to drive value recognition at TheFork though this is at an earlier stage than Viator.

The company's balance sheet remains solid with \$1,165 million in cash and \$837 million in debt (~\$2 in net cash per share), compared with \$1,055 million in cash and \$836 million in debt in December.

Exhibit 1: Q1 and 2023 Outlook and Guidance (as of February 14, 2023)**Outlook**

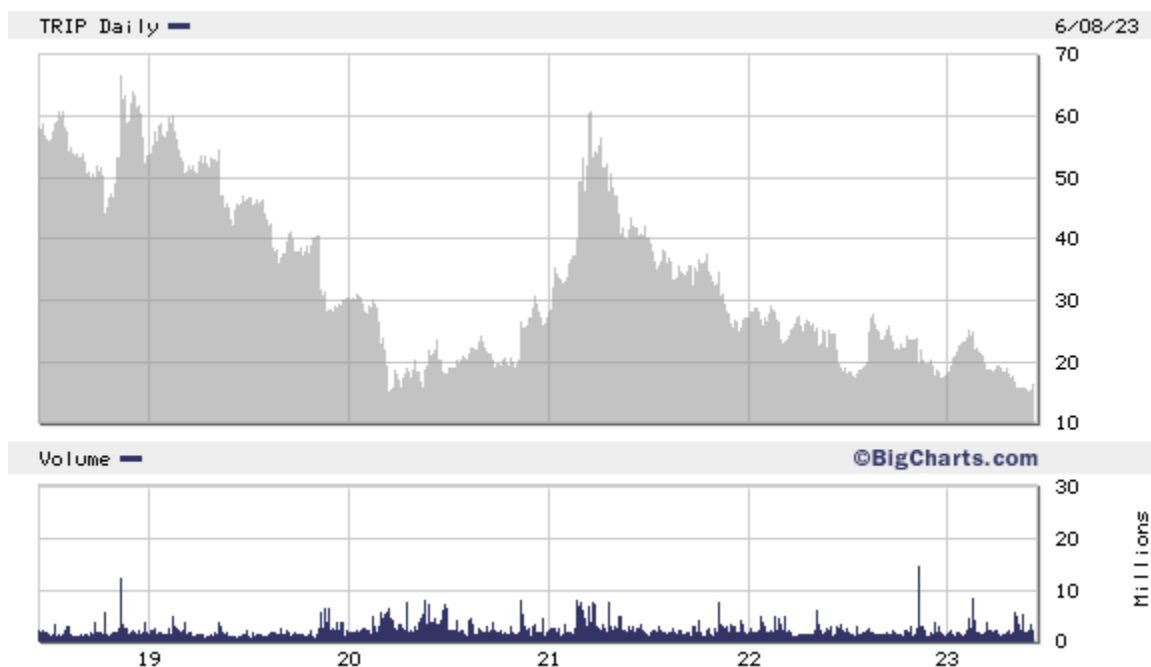
(As a reminder, we endeavor to be as accurate as possible with our forward-looking commentary; however, a number of factors outside of our control can limit our visibility into future financial performance and can cause our results to vary materially from our current expectations.)

Our fiscal 2023 outlook assumes no change in the macro environment, which remains uncertain, yet also assumes resilient travel demand. At this time, for the full year in 2023, we expect:

- Consolidated adjusted EBITDA margin to remain flat year-over-year, which assumes approximately flat year-over-year margins in TripAdvisor Core.
- Full year consolidated revenue growth that reflects the diverse growth profiles across our portfolio, and is consistent with broader travel growth trends.

Source: Company report.

Exhibit 2: TripAdvisor Stock Price (5-years)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 3: Consensus Expectations (as of May 3, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$359E		Q1 Mar	\$0.07E	
Q2 Jun	\$470E		Q2 Jun	\$0.43E	
Q3 Sep			Q3 Sep		
Q4 Dec			Q4 Dec		
Total	\$1,722E	\$1,898E	Total	\$1.18E	\$1.57E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

FINANCIAL MODEL

TripAdvisor, Inc.

Income Statement (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	123	235	303	241	902	262	417	459	354	1,492	371	471	505	389	1,737	393	499	535	411	1,839
Cost of Revenues	12	19	23	20	74	22	31	32	30	115	29	38	40	31	138	31	40	43	33	147
Gross Profit	111	216	280	221	828	240	386	427	324	1,377	342	434	465	358	1,598	362	460	492	378	1,692
Operating expenses:																				
Sales and marketing	73	123	148	126	470	141	217	234	194	786	219	252	247	175	894	165	210	212	164	752
Technology and content	55	54	52	51	212	54	53	55	60	222	68	66	50	70	255	114	100	70	78	362
General and administrative	38	46	37	46	167	40	28	45	58	171	48	57	61	47	212	75	60	64	49	248
Depreciation	29	28	27	26	110	25	25	23	25	98	21	28	28	28	105	28	28	28	28	112
Amortization of intangible					0					0		8	8	8	24	8	8	8	8	32
Related-party shared services fee					0					0					0					0
Restructuring and other					0					0		0	0	0	0	0	0	0	0	0
Total operating expenses	195	251	264	249	959	260	323	357	337	1,277	356	411	394	328	1,489	390	406	382	328	1,506
Operating income (loss)	(84)	(35)	16	(28)	(131)	(20)	63	70	(13)	100	(14)	23	70	30	109	(28)	54	110	50	186
Interest income (expense)	(11)	(11)	(12)	(11)	(45)	(13)	(10)	(7)	(2)	(32)	0	(6)	(6)	(6)	(18)	(6)	(6)	(6)	(6)	(24)
Other and minority interest	(1)		(1)	(8)	(10)			(1)	(1)	(2)	(1)				(1)					0
Income before income taxes	(96)	(46)	3	(47)	(186)	(33)	53	62	(16)	66	(15)	17	64	24	90	(34)	48	104	44	162
Income taxes	(16)	(6)	2	(18)	(38)	1	22	37	(13)	47	58	4	16	6	84	(9)	12	26	11	41
Net income (loss)	(80)	(40)	1	(29)	(148)	(34)	31	25	(3)	19	(73)	13	48	18	6	(26)	36	78	33	122
Nonrecurring/noncash adjustment	27	30	22	28	107	21	23	16	27	87	80	24	24	24	152	23	24	24	24	95
Net income	(53)	(10)	23	(1)	(41)	(13)	54	41	24	106	7	37	72	42	158	(3)	60	102	57	217
EBITDA	(26)	25	72	29	100	27	109	115	43	294	33	84	131	91	339	33	115	171	111	430
Shares, Basic	136	137	138	138	137	139	140	140	141	140	141	141	141	141	141	141	142	142	142	142
Shares, Diluted	136	137	144	138	137	139	145	146	146	146	147	147	147	147	147	147	148	148	148	148
EPS Basic (Pro forma)	(0.39)	(0.07)	0.17	(0.01)	(0.30)	(0.09)	0.39	0.29	0.17	0.76	0.05	0.26	0.51	0.30	1.12	(0.02)	0.42	0.72	0.40	1.53
EPS Diluted (Pro forma)	(0.39)	(0.07)	0.16	(0.01)	(0.30)	(0.09)	0.37	0.28	0.16	0.73	0.05	0.25	0.49	0.29	1.07	(0.02)	0.41	0.69	0.39	1.47
Income Statement Ratios																				
Gross margin	90%	92%	92%	92%	92%	92%	93%	93%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%
Sales and marketing	59%	52%	49%	52%	52%	54%	52%	51%	55%	53%	59%	54%	49%	45%	51%	42%	42%	40%	40%	41%
Technology and content	45%	23%	17%	21%	24%	21%	13%	12%	17%	15%	18%	14%	10%	18%	15%	29%	20%	13%	19%	20%
General and administrative	31%	20%	12%	19%	19%	15%	7%	10%	16%	11%	13%	12%	12%	12%	12%	19%	12%	12%	12%	13%
Operating margin	-68%	-15%	5%	-12%	-15%	-8%	15%	15%	-4%	7%	-4%	5%	14%	8%	6%	-7%	11%	21%	12%	10%
Tax rate, GAAP	17%	13%	67%	38%	20%	-3%	42%	60%	81%	71%	-387%	25%	25%	25%	93%	25%	25%	25%	25%	25%
Net margin	-65%	-17%	0%	-12%	-16%	-13%	7%	5%	-1%	1%	-20%	3%	10%	5%	0%	-6%	7%	15%	8%	7%
Y/Y % change																				
Total Revenue	-56%	298%	101%	108%	49%	113%	77%	51%	47%	65%	42%	13%	10%	10%	16%	6%	6%	6%	5%	6%
Gross margin	-57%	341%	103%	115%	51%	116%	79%	53%	47%	66%	43%	12%	9%	11%	16%	6%	6%	6%	5%	6%
Sales and marketing	-43%	128%	111%	91%	47%	93%	76%	58%	54%	67%	55%	16%	6%	-10%	14%	-25%	-17%	-14%	-6%	-16%
Technology and content	-25%	6%	13%	-7%	-6%	-2%	-2%	6%	18%	5%	26%	24%	-8%	17%	15%	68%	51%	38%	11%	42%
General and administrative	-27%	7%	6%	5%	-4%	5%	-39%	22%	26%	2%	20%	102%	35%	-19%	24%	56%	6%	6%	5%	17%
Operating income (loss)	NM	NM	NM	NM	NM	NM	NM	338%	NM	NM	NM	-64%	0%	NM	9%	NM	135%	57%	66%	71%
Net income (loss)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-59%	92%	NM	-69%	NM	184%	63%	83%	NM
EPS Diluted (Pro forma)	NM	NM	NM	NM	NM	NM	NM	76%	NM	NM	NM	-33%	74%	74%	48%	NM	63%	41%	35%	37%

Source: Company reports and Ascendant Capital Markets estimates.

TripAdvisor, Inc.

Balance Sheet (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	674	775	682	723	781	1,045	1,066	1,021	1,132	1,170	1,319	1,382	1,260	1,383	1,521	1,599
Restricted cash																
Short term investments										0	0	0	0	0	0	0
Accounts receivable, net	97	159	198	142	180	246	205	205	210	209	208	130	210	222	220	137
Prepaid expenses and other current assets	24	25	28	26	33	34	38	44	49	62	20	16	16	20	21	16
Deferred income taxes	50	47	52	49	49	12			48	48	48	48	11	11	11	11
Total current assets	845	1,006	960	940	1,043	1,337	1,309	1,270	1,439	1,490	1,595	1,576	1,497	1,636	1,773	1,763
Property and equipment, net	229	225	220	215	209	201	195	194	194	191	188	185	182	179	176	173
Long term investments and other	143	142	174	184	126	35	34	34	33	33	33	33	33	33	33	33
Goodwill and intangibles, net	932	929	915	908	901	878	858	873	874	866	858	850	842	834	826	818
Other	83	85	43	42	93	161	169	198	144	144	144	144	3	3	3	3
Total assets	2,232	2,387	2,312	2,289	2,372	2,612	2,565	2,569	2,684	2,724	2,818	2,788	2,557	2,685	2,811	2,790
Liabilities and stockholders' equity																
Accounts payable	13	15	22	27	12	50	67	39	34	33	35	27	28	35	37	29
Deferred merchant payable	71	173	123	113	197	323	240	203	311	311	311	311	311	311	311	311
Payable to Expedia										2	2	2	2	2	2	2
Deferred revenue	38	49	39	36	59	70	51	44	81	81	81	81	81	81	81	81
Tax payable									126	70	70	70	70	70	70	70
Accrued expenses and other	155	207	179	181	199	213	215	247	211	268	287	221	224	284	304	234
Short-term debt										0	0	0	0	0	0	0
Total current liabilities	277	444	363	357	467	656	573	533	763	765	786	713	715	783	806	726
Long-term debt	831	832	832	833	834	835	836	836	837	837	837	837	837	837	837	837
Deferred tax	2	2	2	1	1	1		1	1	1	1	1	25	25	25	25
Other long-term liabilities	337	330	321	309	303	324	343	338	275	275	275	275	18	18	18	18
Minority interest																
Total other liabilities	1,170	1,164	1,155	1,143	1,138	1,160	1,179	1,175	1,113	1,113	1,113	1,113	880	880	880	880
Common stock, class A										0	0	0	0	0	0	0
Common stock, class B										0	0	0	0	0	0	0
Additional paid-in capital	1,244	1,275	1,297	1,326	1,342	1,364	1,380	1,404	1,420	1,445	1,470	1,495	1,520	1,545	1,570	1,595
Treasury stock	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)	(722)
Retained earnings (deficit)	309	269	270	241	207	238	263	261	188	201	249	267	241	277	355	389
Unearned compensation										0	0	0	0	0	0	0
Accumulated other comprehensive (loss)	(46)	(43)	(51)	(56)	(60)	(84)	(108)	(82)	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)
Total stockholders' equity	785	779	794	789	767	796	813	861	808	846	919	962	961	1,022	1,125	1,184
Total stockholders' equity and liabilities	2,232	2,387	2,312	2,289	2,372	2,612	2,565	2,569	2,684	2,724	2,818	2,788	2,557	2,685	2,811	2,790

Balance Sheet Drivers

	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	20%	11%	9%	11%	13%	8%	8%	12%	13%	13%	4%	4%	4%	4%	4%	4%
Accounts payable as % of total rev	11%	6%	7%	11%	5%	12%	15%	11%	9%	7%	7%	7%	7%	7%	7%	7%
Accrued expenses as % of total rev	126%	88%	59%	75%	76%	51%	47%	70%	57%	57%	57%	57%	57%	57%	57%	57%
Activity Ratios																
A/R Days Sales Outstanding	71	61	59	53	62	53	40	52	51	40	37	30	48	40	37	30
A/P Days Payable	98	71	86	122	49	145	188	117	106	79	79	79	79	79	79	79
Book & Cash Value (per share)																
Book Value per Share (diluted)	\$5.77	\$5.69	\$5.51	\$5.72	\$5.52	\$5.49	\$5.57	\$5.90	\$5.50	\$5.75	\$6.24	\$6.53	\$6.52	\$6.93	\$7.62	\$8.01
Cash per Share (diluted)	\$6.01	\$6.69	\$5.94	\$6.57	\$6.53	\$7.45	\$7.53	\$7.23	\$7.93	\$8.18	\$9.19	\$9.61	\$8.77	\$9.60	\$10.53	\$11.05
Net cash per Share (diluted)	(\$0.10)	\$0.62	\$0.17	\$0.54	\$0.53	\$1.69	\$1.81	\$1.50	\$2.23	\$2.49	\$3.50	\$3.93	\$3.09	\$3.93	\$4.86	\$5.38
Total Debt	\$831	\$832	\$832	\$833	\$834	\$835	\$836	\$836	\$837	\$837	\$837	\$837	\$837	\$837	\$837	\$837

Source: Company reports and Ascendant Capital Markets estimates.

TripAdvisor, Inc.

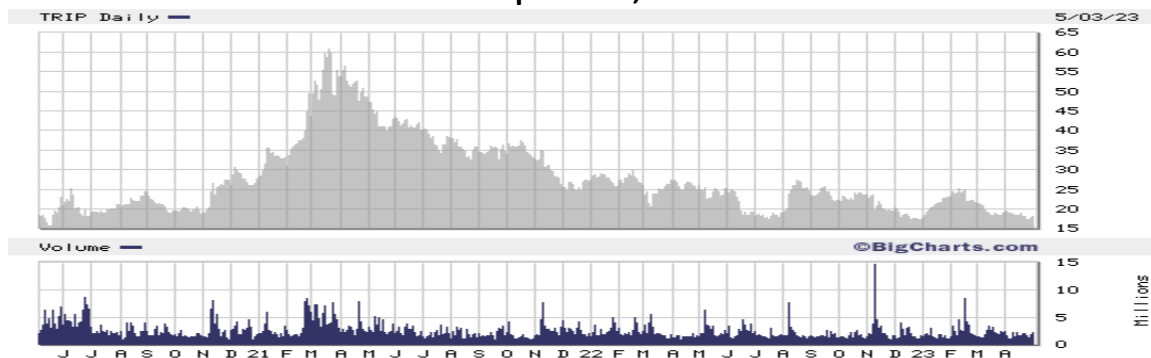
Cash Flow Statement (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(80)	(40)	1	(29)	(148)	(34)	31	25	(3)	19	(73)	13	48	18	6	(26)	36	78	33	122	
Depreciation	29	28	27	26	110	25	25	23	25	98	21	28	28	28	105	28	28	28	28	112	
Stock comp	29	32	29	31	121	22	21	22	23	88	23	25	25	25	98	25	25	25	25	100	
Tax benefit from stock comp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Amortization of intangibles	0	0	0	0	0	0	0	0	0	0	0	8	8	8	24	8	8	8	8	32	
Amortization of deferred financing costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deferred tax	(22)	(6)	2	(18)	(44)	14	(6)	(27)	(19)	(19)	8	0	0	0	0	61	0	0	0	61	
F/X gains/losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Expedia receivable and payable	0	0	0	0	0	0	0	0	0	0	0	2	0	0	2	0	0	0	0	0	
Other gains/losses	2	1	(2)	2	3	1	2	1	3	7	0	0	0	0	0	0	0	0	0	0	
Other	4	3	3	8	18	3	(1)	3	1	6	(1)	0	0	0	(1)	0	0	0	0	0	
Changes in operating assets and liabilities:																					
Accounts receivable	0	0	0	0	0	0	0	0	0	0	0	1	2	78	80	(80)	(12)	2	83	(7)	
Prepaid expenses & other current assets	0	0	0	0	0	0	0	0	0	0	(13)	42	5	33	(0)	(4)	(1)	5	(1)		
Accounts payable	0	0	0	0	0	0	0	0	0	0	(1)	2	(8)	(7)	0	7	2	(9)	1		
Tax payable	0	0	0	0	0	0	0	0	0	0	(56)	0	0	(56)	0	0	0	0	0		
Accrued expenses & other	0	0	0	0	0	0	0	0	0	0	57	19	(66)	10	2	60	20	(71)	12		
Deferred revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Other	19	108	(124)	45	48	69	203	(8)	(62)	202	157	0	0	0	157	(116)	0	0	0	(116)	
Net cash (used in) provided by oper.	(19)	126	(64)	65	108	86	295	60	(40)	401	135	63	174	88	460	(97)	148	162	103	317	
Cash flow from investing activities																					
Purchases of property and equipment	(10)	(14)	(15)	(14)	(53)	(14)	(13)	(14)	(15)	(56)	(16)	(25)	(25)	(25)	(91)	(25)	(25)	(25)	(25)	(100)	
Purchases of short-term investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sale of short-term investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Transfer to Expedia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other	0	(2)	1	1	0	0	1	3	4	4	0	0	0	0	0	0	0	0	0	0	
Net cash used in investing activities	(10)	(16)	(14)	(13)	(53)	(14)	(12)	(11)	(15)	(52)	(16)	(25)	(25)	(25)	(91)	(25)	(25)	(25)	(25)	(100)	
Cash flow from financing activities																					
Term loan borrowing (net)	303	(2)	(2)	(7)	292	(2)	(2)	(2)	(2)	(8)	(2)	0	0	0	(2)	0	0	0	0	0	
Repurchase of common stock	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proceeds from stock option exercise	(16)	(5)	(10)	(31)	(62)	(8)	(1)	(9)	(2)	(20)	(9)	0	0	0	(9)	0	0	0	0	0	
Change in restricted cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other	0	0	0	0	0	1	0	0	1	1	0	0	0	0	0	0	0	0	0	0	
Acquisition funding by Expedia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cash provided by (used in) financing	287	(7)	(12)	(7)	261	(10)	(2)	(11)	(4)	(27)	(11)	0	0	0	(11)	0	0	0	0	0	
Effect of exchange rate on cash and ca	(2)	(2)	(3)	(4)	(11)	(4)	(17)	(17)	14	(24)	3	0	0	0	3	0	0	0	0	0	
Net increase (decrease) in cash and	256	101	(93)	41	305	58	264	21	(45)	298	111	38	149	63	361	(122)	123	137	78	217	
Beginning cash and equivalents	418	674	775	682	418	723	781	1,045	1,066	723	1,021	1,132	1,170	1,319	1,021	1,382	1,260	1,383	1,521	1,382	
Ending cash and equivalents	674	775	682	723	723	781	1,045	1,066	1,021	1,021	1,132	1,170	1,319	1,382	1,382	1,260	1,383	1,521	1,599	1,599	

Source: Company reports and Ascendant Capital Markets estimates.

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TripAdvisor, Inc.



Source: <https://bigcharts.marketwatch.com/>

Report	Report Date	Rating	Price
Report	Date	Rating	Target
29	2/15/2018	B	48.00
30	5/9/2018	B	55.00
31	8/2/2018	B	56.00
32	11/8/2018	B	77.00
33	2/18/2019	B	70.00
34	5/9/2019	B	59.00
35	8/13/2019	B	52.00
36	11/14/2019	B	36.00
37	2/22/2020	B	35.00
38	5/26/2020	B	26.00
39	6/6/2020	B	32.00
40	8/8/2020	B	30.00
41	12/2/2020	B	36.00
42	2/21/2021	B	50.00
43	6/13/2021	B	54.00
44	8/8/2021	B	50.00
45	1/8/2022	B	40.00
46	3/27/2022	B	42.00
47	6/12/2022	B	36.00
48	9/13/2022	B	35.00
49	12/16/2022	B	30.00
50	3/26/2023	B	29.00

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HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

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Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
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Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	50	100%	18	36%

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