

# Fact Sheet 2017

Closing Price\*: US\$27.48  
 Market Cap\*: US\$1.8 B  
 Shares Outstanding: 69.1 m  
 52 Wk range\*: US\$22.7- US\$34.7

As of Dec 29, 2017



NYSE: DESP

**Despegar (NYSE: DESP)** is the leading online travel company in Latin America, operating under two brands, Despegar, our global brand, and Decolar, our Brazilian brand. We operate across 20 markets and offer the broadest suite of travel products in the region, including airfare, hotel bookings, travel packages, and other travel products to over 17 million customers. With a mission “to make travel possible” to Latin American consumers, the Company’s one-stop marketplace enables millions of users to find, compare, plan and easily purchase travel services and products.

## Investment Highlights

- Significant market opportunity driven by multiple favorable secular trends
- Leading & comprehensive travel offering, with numerous payment methods
- Virtuous cycle underpinned by scale, brand and effective marketing
- Leading mobile offering & powerful data analytics
- Experienced management team combined with strong sponsorship
- Strong financial position with significant growth potential

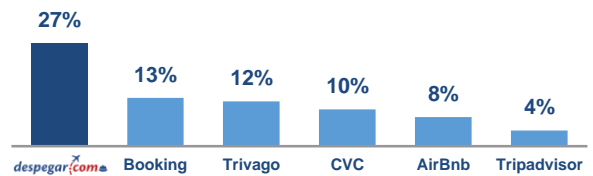
## Seasoned Expertise in Complex Latin American Markets

- Different languages, local customs and travel preferences
- Over 20 different tax regimes across Despegar’s markets
- Transitioning from cash to electronic payments and installments
- Highly fragmented market
- Proven experience in managing currency volatility
- Political & regulatory intricacies

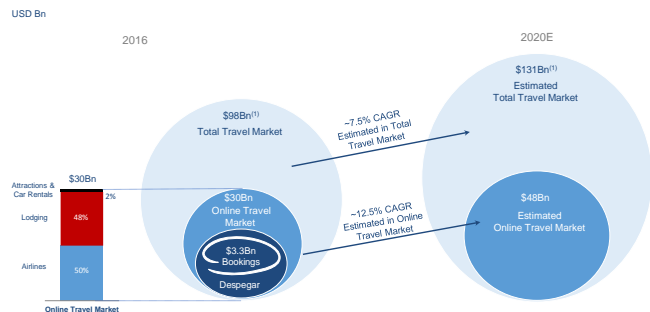
## Leading OTA in Latin America

Local Knowledge and Industry Leadership Provide Unique Competitive Advantages

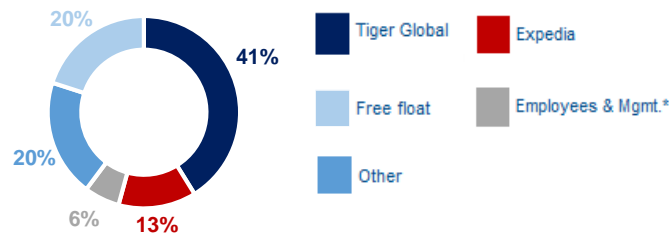
### Leading Market Share & Strong Brand Recognition in LatAm<sup>3</sup>



### Latin America Travel Market Size<sup>2</sup>



### Ownership Structure\*



\* Includes vested and unvested employees options of 3.8 million @ \$26 per share plus ~0.2 million of vested restricted shares

## 2017 Highlights<sup>4</sup>

**+26%**  
Y/Y TRANSACTION GROWTH

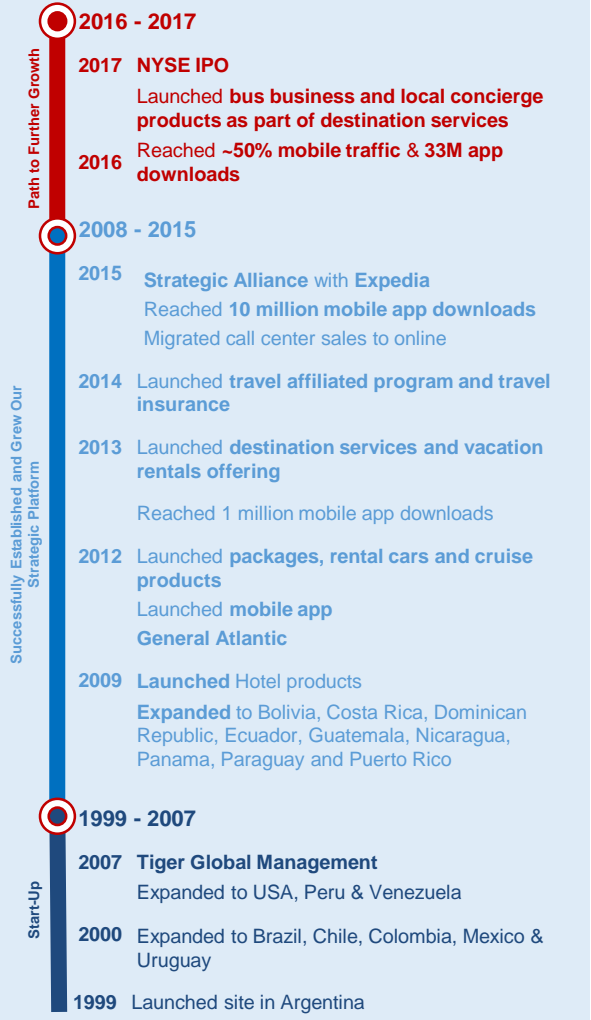
**+37%**  
Y/Y GROSS BOOKINGS GROWTH

**+27%**  
Y/Y REVENUES GROWTH

**54%**  
REVENUE MIX NON-AIR

**+53%**  
Y/Y MOBILE TRANSACTIONS GROWTH

(1) Online travel market from Euromonitor including airlines, lodging, attractions and car rentals. Air segment includes all Latin American countries and outbound globally; US\$ ticket values includes round trip for intra-country, single trip for intra-region and single trip for outbound trips; Online Air includes direct and intermediaries sales; Offline Air covers all transactions not booked or paid over the internet.  
 (2) Despegar market share in terms of online travel market in Latin America by gross bookings.  
 (3) Google’s Share of Voice report based on Google’s Trend data as of December 31st 2017. Graph shows relative number of searches of the Brand related keywords. Desktop & Web Responsive.  
 (4) Reflects YoY change.



## Full Service Offering & Flexible Financing with Significant Cross Sell Opportunity

- 300+** Airlines
- 1,000+** Car Rentals
- 280+** Bus Carriers
- 450K+** Hotels (Incl. Vacation Rentals)
- 240+** Destination Service Suppliers  
**7 Cruise Lines & 7,700+** Activities
- Flexible Payments through Financing Arrangements with Banking Partners (no collection risk for Despegar)



## Priorities Driving Growth

Grow customer engagement	➔	Drive repeat purchase rate
Expand reach in the region	➔	Address new customers
Enhance offering & cross-sell	➔	Accelerate & diversify revenue streams
Deepen supplier relationships	➔	Increase & optimize inventory
Further investment in mobile	➔	Improve customer experience
Investment in IT & data	➔	Drive efficiency & margin growth
Pursue strategic acquisition	➔	Broaden platform & market share

## FINANCIAL & OPERATING HIGHLIGHTS

FINANCIAL RESULTS (in millions, except EPS)	FY15	FY16	FY17	% Chg	KEY OPERATING METRICS	FY15	FY16	FY17	% Chg
<b>Revenue</b>	<b>421.7</b>	<b>411.2</b>	<b>523.9</b>	<b>27%</b>	<b>Number of transactions</b>	<b>7.7</b>	<b>7.2</b>	<b>9.1</b>	<b>25.6%</b>
Cost of revenue	154.2	126.7	142.5	12%	Air	4.4	4.2	5.3	24.3%
<b>Gross profit</b>	<b>267.5</b>	<b>284.5</b>	<b>381.5</b>	<b>34%</b>	Packages, Hotels & Other Travel Products	3.3	3.0	3.8	27.3%
<b>Operating expenses</b>					<b>Gross bookings (US\$ Bn)</b>	<b>3.6</b>	<b>3.3</b>	<b>4.5</b>	<b>36.6%</b>
Selling and marketing	170.1	121.5	166.3	37%	<b>Revenue Mix (% of total revenues)</b>				
General and administrative	78.2	64.7	72.6	12%	Air	52%	50%	46%	(403) bps
Technology and product development	73.5	63.3	71.3	13%	Packages, Hotels & Other Travel Products	48%	50%	54%	+403 bps
<b>Total operating expenses</b>	<b>321.9</b>	<b>249.4</b>	<b>310.2</b>	<b>24%</b>	<b>Revenue per transaction (US\$)</b>				
<b>Operating income</b>	<b>(54.4)</b>	<b>35.1</b>	<b>71.2</b>	<b>103%</b>	Air	50.1	48.4	45.6	(5.8%)
Net financial income (expense)	(12.9)	(6.8)	(16.9)	150%	Packages, Hotels & Other Travel Products	60.8	69.3	75.0	8.2%
<b>Net income before income taxes</b>	<b>(67.3)</b>	<b>28.3</b>	<b>54.4</b>	<b>92%</b>					
Income tax expense	18.0	10.5	12.0	14%					
<b>Net income</b>	<b>(85.3)</b>	<b>17.8</b>	<b>42.4</b>	<b>138%</b>					
Diluted EPS	(1.49)	0.30	0.69	127%					
Adjusted EBITDA <sup>1</sup>	(39.1)	48.6	89.4	84%					
Adjusted EBITDA excl. one-time Items <sup>1,2</sup>	(39.1)	51.8	86.6	67%					

<sup>1</sup> Excludes one-time tax recovery gains in 3Q 16 and 3Q 17.  
<sup>2</sup> Refer to Company IR website for Adjusted EBITDA reconciliation to Net Income.

### Disclaimer

This fact sheet may include forward-looking statements. These forward-looking statements are based largely on our current beliefs, expectations and projections about future events and financial trends affecting our business and our market. Many important factors could cause our actual results to differ substantially from those anticipated in our forward-looking statements. Forward-looking statements are not guarantees of future performance. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly or to revise any forward-looking statements.

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