

USE OF NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA is a “non-GAAP financial measure” as defined in Item 10(e) of Regulation S-K promulgated by the SEC. We use Adjusted EBITDA as a supplement to operating income (loss), the most comparable GAAP financial measure, to evaluate the operational performance of our reportable segment. Adjusted EBITDA represents operating income (loss) plus depreciation and amortization expense, share-based compensation expense, and net other income, less other loss. You should not consider our presentation of Adjusted EBITDA in isolation, or consider it superior to, or as a substitute for, financial information prepared and presented in accordance with GAAP. You should also note that our calculation of Adjusted EBITDA may be different from the calculation of Adjusted EBITDA or similarly-titled non-GAAP financial measures used by other companies; therefore, our Adjusted EBITDA may not be comparable to such other measures.

The following table presents certain financial information for our travel and entertainment segment (in thousands):

	Segment	Corporate Entity and Other	Consolidated
Year Ended December 31, 2016			
GAAP financial measures:			
Net revenue	\$ 56,831	\$ 2,497	\$ 59,328
Operating loss	\$ (1,047)	\$ (20,391)	\$ (21,438)
Non-GAAP financial measure:			
Adjusted EBITDA	\$ 6,605	\$ (12,024)	\$ (5,419)

The following table reconciles Adjusted EBITDA for the segment and for the corporate entity and other business units to Operating loss (in thousands):

	Segment	Corporate Entity and Other	Consolidated
Year Ended December 31, 2016			
Adjusted EBITDA	\$ 6,605	\$ (12,024)	\$ (5,419)
Less:			
Depreciation and amortization	(8,116)	(2,183)	(10,299)
Share-based compensation expense	—	(7,164)	(7,164)
Other income, net	(29)	—	(29)
Plus:			
Other loss	493	980	1,473
Operating loss	\$ (1,047)	\$ (20,391)	\$ (21,438)