Q1 2018 Preliminary Earnings Results Summary

May 3, 2018

SAFE HARBOR STATEMENT

This presentation may contain projections or other forward-looking statements within the meaning Section 27A of the Private Securities Litigation Reform Act. Forward-looking statements in this presentation may include, but are not limited to, expectations regarding our business outlook for 2018. These statements involve risks and uncertainties, and actual events or results may differ materially. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are the risk that our reduction in operating expenses may impact our ability to meet our business objectives and achieve our revenue targets and may not result in the expected improvement in our profitability; the fact that our future growth depends in part on further penetrating our addressable market and growing internationally, and we may not be successful in doing so; any inability to successfully manage frequent product introductions (including roadmap for new hardware and software products) and transitions, including managing our sales channel and inventory and accurately forecasting future sales; our reliance on third party suppliers, some of which are sole source suppliers, to provide components for our products; our dependence on sales of our cameras, mounts and accessories for substantially all of our revenue (and the effects of changes in the sales mix or decrease in demand for these products) and; the effects of a decrease in sales during the holiday season; the fact that an economic downturn or economic uncertainty in our key U.S. and international markets may adversely affect consumer discretionary spending; the effects of the highly competitive market in which we operate; the fact that we may not be able to achieve revenue growth or profitability in the future; risks related to inventory, purchase commitments and long-lived assets; difficulty in accurately predicting our future customer demand; the importance of maintaining the value and reputation of our brand; and other factors detailed in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, each of which are on file with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof or as of the date otherwise stated herein. GoPro disclaims any obligation to update these forward-looking statements.

USE OF NON-GAAP METRICS

We report gross margin, operating expenses, operating income (loss), net income (loss) and diluted net income (loss) per share in accordance with U.S. generally accepted accounting principles (GAAP) and on a non-GAAP basis. Additionally, we report non-GAAP adjusted EBITDA. We believe that non-GAAP information is useful because it can enhance the understanding of our ongoing economic performance. We use non-GAAP reporting internally to evaluate and manage our operations. We have chosen to provide this information to investors to enable them to perform comparisons of operating results in a manner similar to how we analyze our own operating results.

A full reconciliation of GAAP to non-GAAP financial data can be found in the appendix to this slide package and in our Q1 2018 earnings press release issued on May 3, 2018, which should be reviewed in conjunction with this presentation.

QUARTERLY NON-GAAP INCOME STATEMENT SUMMARY

($ in millions, except per share data)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Revenue	$ 202.3	$ 334.8	$ 329.8	$ 296.5	$ 218.6	$ 540.6	$ 240.6	$ 220.8	$ 183.5
Camera units shipped *(in thousands)*	758	1,361	1,144	1,061	738	2,284	1,018	759	701
Gross margin*	*24.3%*	*24.8%*	*40.1%*	*36.2%*	*32.3%*	*39.5%*	*40.6%*	*42.4%*	*33.0%*
Operating expenses*	$ 93.7	$ 120.3	$ 108.2	$ 116.5	$ 131.0	$ 182.1	$ 186.3	$ 182.9	$ 157.5
Operating income (loss)*	$ (44.5)	$ (37.4)	$ 24.0	$ (9.3)	$ (60.3)	$ 31.6	$ (88.6)	$ (89.3)	$ (96.8)
Net income (loss)*	$ (47.4)	$ (41.3)	$ 21.1	$ (12.9)	$ (62.8)	$ 42.4	$ (84.3)	$ (72.6)	$ (86.7)
Diluted net income (loss) per share*	$ (0.34)	$ (0.30)	$ 0.15	$ (0.09)	$ (0.44)	$ 0.29	$ (0.60)	$ (0.52)	$ (0.63)
Adjusted EBITDA*	$ (34.5)	$ (26.5)	$ 35.7	$ 5.1	$ (45.7)	$ 44.3	$ (73.6)	$ (76.8)	$ (86.8)
Headcount	1,020	1,273	1,254	1,247	1,327	1,552	1,722	1,621	1,483

* Non-GAAP metric. See reconciliations in Appendix.

QUARTERLY REVENUE METRICS

($ in millions)	Q1 2018		Q4 2017		Q3 2017		Q2 2017		Q1 2017	
Revenue by Channel:	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**
Direct	$ 99.7	49.3%	$ 179.4	53.6%	$ 171.0	51.9%	$ 169.7	57.2%	$ 114.8	52.5%
Distribution	102.6	50.7	155.4	46.4	158.8	48.1	126.8	42.8	103.8	47.5
Total Revenue	**$ 202.3**	**100.0%**	**$ 334.8**	**100.0%**	**$ 329.8**	**100.0%**	**$ 296.5**	**100.0%**	**$ 218.6**	**100.0%**
Revenue by Geography:	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**	**$**	**% of Rev**
Americas	$ 90.5	44.7%	$ 175.7	52.5%	$ 163.4	49.6%	$ 157.0	53.0%	$ 95.7	43.8%
Europe	62.3	30.8	89.6	26.8	97.2	29.4	80.2	27.0	67.9	31.0
Asia and Pacific	49.5	24.5	69.5	20.7	69.2	21.0	59.3	20.0	55.0	25.2
Total Revenue	**$ 202.3**	**100.0%**	**$ 334.8**	**100.0%**	**$ 329.8**	**100.0%**	**$ 296.5**	**100.0%**	**$ 218.6**	**100.0%**

SELECT BALANCE SHEET METRICS

($ in millions)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Cash, cash equivalents and marketable securities	$ 144.8	$ 247.4	$ 196.6	$ 149.8	$ 74.9	$ 218.0	$ 224.9	$ 279.2	$ 388.7
Days sales outstanding*	36	30	27	29	23	27	35	27	23
Inventory*	$ 132.6	$ 150.6	$ 177.2	$ 126.7	$ 207.7	$ 167.2	$ 145.2	$ 89.9	$ 139.7
Annualized inventory turns*	4.3x	6.1x	5.2x	4.5x	3.2x	8.4x	4.9x	4.4x	3.0x
Inventory days*	78	54	81	60	126	46	92	64	102

* Q1 2018 metrics reflect impact of adopting Accounting Standards Codification 606 on January 1, 2018.

APPENDIX

APPENDIX: GAAP TO NON-GAAP RECONCILIATIONS

To supplement our unaudited selected financial data presented on a basis consistent with GAAP, we disclose certain non-GAAP financial measures, including non-GAAP gross margin, operating expenses, operating income (loss), net income (loss), diluted net income (loss) per share and adjusted EBITDA. We use non-GAAP financial measures to help us understand and evaluate our core operating performance and trends, to prepare and approve our annual budget, and to develop short-term and long-term operational plans. Our management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing our operating results. These non-GAAP financial measures should not be considered in isolation from, or as an alternative to, the measures prepared in accordance with GAAP, and are not based on any comprehensive set of accounting rules or principles. We believe that these non-GAAP measures, when read in conjunction with our GAAP financials, provide useful information to investors by facilitating:

- the comparability of our on-going operating results over the periods presented;
- the ability to identify trends in our underlying business; and
- the comparison of our operating results against analyst financial models and operating results of other public companies that supplement their GAAP results with non-GAAP financial measures.

These non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP. Some of these limitations are:

- adjusted EBITDA does not reflect tax payments that reduce cash available to us;
- adjusted EBITDA excludes depreciation and amortization and, although these are non-cash charges, the property and equipment being depreciated and amortized often will have to be replaced in the future, and adjusted EBITDA does not reflect any cash capital expenditure requirements for such replacements;

APPENDIX: GAAP TO NON-GAAP RECONCILIATIONS

- adjusted EBITDA excludes the amortization of POP display assets because it is a non-cash charge, and is treated similarly to depreciation of property and equipment and amortization of acquired intangible assets;
- adjusted EBITDA and non-GAAP net income (loss) exclude the impairment of intangible assets because it is a non-cash charge that is inconsistent in amount and frequency;
- adjusted EBITDA and non-GAAP net income (loss) exclude restructuring costs which primarily include severance-related costs, stock-based compensation expenses and facilities consolidation charges recorded in connection with restructuring actions announced in the first and fourth quarters of 2016, first quarter of 2017 and first quarter of 2018. These expenses were tied to unique circumstances related to organizational restructuring, do not reflect expected future operating expenses and do not contribute to a meaningful evaluation of current operating performance or comparisons to the operating performance in other periods;
- adjusted EBITDA and non-GAAP net income (loss) exclude stock-based compensation expense related to equity awards granted primarily to our workforce. We exclude stock-based compensation expense because we believe that the non-GAAP financial measures excluding this item provide meaningful supplemental information regarding operational performance. In particular, we note that companies calculate stock-based compensation expense for the variety of award types that they employ using different valuation methodologies and subjective assumptions. These non-cash charges are not factored into our internal evaluation of net income (loss) as we believe their inclusion would hinder our ability to assess core operational performance;
- non-GAAP net income (loss) excludes acquisition-related costs including the amortization of acquired intangible assets (primarily consisting of acquired technology), the impairment of acquired intangible assets (if applicable), as well as third-party transaction costs incurred for legal and other professional services. These costs are not factored into our evaluation of potential acquisitions, or of our performance after completion of the acquisitions, because these costs are not related to our core operating performance or reflective of ongoing operating results in the period, and the frequency and amount of such costs are inconsistent and vary significantly based on the timing and magnitude of our acquisition transactions and the maturities of the businesses being acquired;

APPENDIX: GAAP TO NON-GAAP RECONCILIATIONS

- non-GAAP net income (loss) excludes non-cash interest expense. In connection with the issuance of the Convertible Senior Notes in April 2017, we are required to recognize non-cash interest expense in accordance with the authoritative accounting guidance for convertible debt that may be settled in cash;
- non-GAAP net income (loss) includes income tax adjustments. Beginning in the first quarter of 2017, we implemented a cash-based non-GAAP tax expense approach (based upon expected annual cash payments for income taxes) for evaluating operating performance as well as for planning and forecasting purposes. This non-GAAP tax approach eliminates the effects of period specific items, which can vary in size and frequency and does not necessarily reflect our long-term operations. Historically, we computed a non-GAAP tax rate based on non-GAAP pre-tax income on a quarterly basis, which considered the income tax effects of the adjustments above; and
- other companies may calculate these non-GAAP financial measures differently than we do, limiting their usefulness as comparative measures.

APPENDIX: GAAP TO NON-GAAP RECONCILIATIONS

($ in thousands, except per share data)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
GAAP net income (loss)	$ (76,347)	$ (55,848)	$ 14,661	$ (30,536)	$ (111,150)	$ (115,709)	$ (104,068)	$ (91,767)	$ (107,459)
Stock-based compensation:									
Cost of revenue	382	580	445	415	495	421	426	412	357
Operating expenses	10,441	14,440	11,430	10,820	12,630	17,505	18,040	16,992	15,374
Total stock-based compensation	10,823	15,020	11,875	11,235	13,125	17,926	18,466	17,404	15,731
Acquisition-related costs:									
Cost of revenue	2,655	2,360	1,195	1,195	1,235	1,093	222	222	222
Operating expenses	3	—	946	947	1,113	2,607	8,351	2,453	2,176
Total acquisition-related costs	2,658	2,360	2,141	2,142	2,348	3,700	8,573	2,675	2,398
Restructuring costs:									
Cost of revenue	1,239	176	40	25	393	133	—	—	364
Operating expenses	15,499	3,328	1,937	2,331	12,062	36,448	—	—	6,144
Total restructuring costs	16,738	3,504	1,977	2,356	12,455	36,581	—	—	6,508
Non-cash interest expense	1,934	1,979	1,836	1,530	—	—	—	—	—
Income tax adjustments	(3,170)	(8,334)	(11,341)	359	20,439	99,869	(7,250)	(907)	(3,918)
Non-GAAP net income (loss)	$ (47,364)	$ (41,319)	$ 21,149	$ (12,914)	$ (62,783)	$ 42,367	$ (84,279)	$ (72,595)	$ (86,740)
Weighted-average dilutive shares*	137,857	136,886	140,288	136,288	142,899	146,261	140,124	138,942	137,543
Non-GAAP diluted net income (loss) per share	$ (0.34)	$ (0.30)	$ 0.15	$ (0.09)	$ (0.44)	$ 0.29	$ (0.60)	$ (0.52)	$ (0.63)

* For all periods presented, weighted-average dilutive shares utilized for computing non-GAAP net income (loss) per share was equal to GAAP with the exception of Q4 2016. Shares of 146.3 million in Q4 2016 included 5.2 million potentially dilutive common shares that would have been anti-dilutive for computing GAAP net loss per share.

APPENDIX: GAAP TO NON-GAAP RECONCILIATIONS

($ in thousands)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
GAAP gross margin	22.2%	23.8%	39.6%	35.6%	31.4%	39.2%	40.3%	42.1%	32.5%
Stock-based compensation	0.2	0.2	0.1	0.1	0.2	0.1	0.2	0.2	0.2
Acquisition-related costs	1.3	0.7	0.4	0.4	0.6	0.2	0.1	0.1	0.1
Restructuring costs	0.6	0.1	—	0.1	0.1	—	—	—	0.2
Non-GAAP gross margin	24.3%	24.8%	40.1%	36.2%	32.3%	39.5%	40.6%	42.4%	33.0%
GAAP operating expenses	$ 119,655	$ 138,097	$ 122,497	$ 130,615	$ 156,781	$ 238,703	$ 212,658	$ 202,379	$ 181,149
Stock-based compensation	(10,441)	(14,440)	(11,430)	(10,820)	(12,630)	(17,505)	(18,040)	(16,992)	(15,374)
Acquisition-related costs	(3)	—	(946)	(947)	(1,113)	(2,607)	(8,351)	(2,453)	(2,176)
Restructuring costs	(15,499)	(3,328)	(1,937)	(2,331)	(12,062)	(36,448)	—	—	(6,144)
Non-GAAP operating expenses	$ 93,712	$ 120,329	$ 108,184	$ 116,517	$ 130,976	$ 182,143	$ 186,267	$ 182,934	$ 157,455
GAAP operating income (loss)	$ (74,739)	$ (58,311)	$ 8,049	$ (24,983)	$ (88,215)	$ (26,568)	$ (115,589)	$ (109,377)	$ (121,435)
Stock-based compensation	10,823	15,020	11,875	11,235	13,125	17,926	18,466	17,404	15,731
Acquisition-related costs	2,658	2,360	2,141	2,142	2,348	3,700	8,573	2,675	2,398
Restructuring costs	16,738	3,504	1,977	2,356	12,455	36,581	—	—	6,508
Non-GAAP operating income (loss)	$ (44,520)	$ (37,427)	$ 24,042	$ (9,250)	$ (60,287)	$ 31,639	$ (88,550)	$ (89,298)	$ (96,798)

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($ in thousands)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
GAAP net income (loss)	$ (76,347)	$ (55,848)	$ 14,661	$ (30,536)	$ (111,150)	$ (115,709)	$ (104,068)	$ (91,767)	$ (107,459)
Income tax expense (benefit)	(2,782)	(6,943)	(10,844)	1,991	22,282	87,391	(12,329)	(16,950)	(14,283)
Interest (income) expense, net	4,212	4,163	4,228	3,652	761	1,022	596	117	(334)
Depreciation and amortization	8,907	9,218	9,100	11,467	11,693	11,100	12,734	9,482	8,323
POP display amortization	3,912	4,342	4,728	4,955	5,165	4,944	4,979	4,957	4,743
Stock-based compensation	10,823	15,020	11,875	11,235	13,125	17,926	18,466	17,404	15,731
Impairment of intangible assets	—	—	—	—	—	1,088	6,000	—	—
Restructuring costs	16,738	3,504	1,977	2,356	12,455	36,581	—	—	6,508
Adjusted EBITDA	$ (34,537)	$ (26,544)	$ 35,725	$ 5,120	$ (45,669)	$ 44,343	$ (73,622)	$ (76,757)	$ (86,771)