



Earnings Call Q2 2018

25 July 2018



Disclaimer

All of the information herein has been prepared by the Company solely for use in this presentation. The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. The information contained in this presentation should be considered in the context of the circumstances prevailing at that time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes.

All trademarks, service marks and trade names appearing in this presentation are, to the Company's knowledge, the property of their respective owners. The Company does not intend its use or display of other companies' trademarks, service marks, copyrights or trade names to imply a relationship with, or endorsement or sponsorship of the Company by, any other companies.

We refer to increases in traffic quality in this presentation. We measure traffic quality by estimating booking conversion and value from data voluntarily provided to us by certain advertisers.

Special Note Regarding Forward-Looking Statements

This presentation contains statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. Examples include discussion of our strategies, Adjusted EBITDA forecasts, financing plans, growth opportunities and market growth. In some cases, you can identify such forward-looking statements by terminology such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project" or "expect." "may," "will," "would," "could" or "should," the negative of these terms or similar expressions. While we always intend to express our best judgment when we make statements about what we believe will occur in the future, and although we base these statements on assumptions that we believe to be reasonable when made, these forward-looking statements are not a guarantee of our performance, and you should not place undue reliance on such statements. Forward-looking statements are subject to many risks, uncertainties and other variable circumstances, such as negative worldwide economic conditions and ongoing instability and volatility in the worldwide financial markets; possible changes in current and proposed legislation, regulations and governmental policies; the dependency of our business on our ability to innovate, pressures from increasing competition and consolidation in our industry, our advertiser concentration, our ability to maintain and increase brand awareness, reliance on search engines and technology, fluctuations of our operating results due to the effect of exchange rates or other factors. Such risks and uncertainties may cause the statements to be inaccurate and readers are cautioned not to place undue reliance on such statements. Many of these risks are outside of our control and could cause our actual results to differ materially from those we thought would occur. The forward-looking statements included in this presentation are made only as of the date hereof. We do not undertake, and specifically decline, any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments.

Special Note Regarding Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures, including adjusted EBITDA. Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in this presentation in the Appendix and should be carefully evaluated.

These non-GAAP measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures should be read in conjunction with our financial statements prepared in accordance with GAAP.

Agenda

Company update

Financial performance

Guidance 2018

Appendix: Financial statements

Agenda

Company update

Financial performance

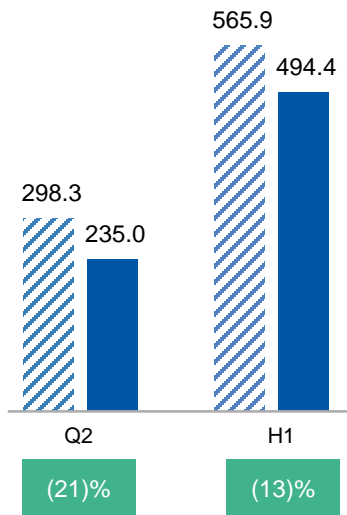
Guidance 2018

Appendix: Financial statements

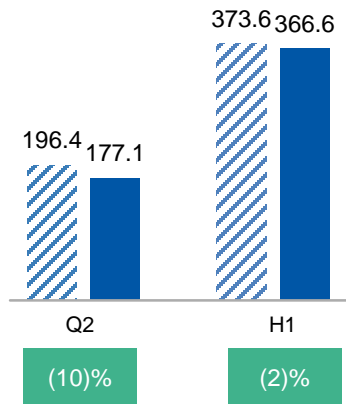
Q2 2018 – Financial Performance

▨ 2017
 ■ 2018
 ■ YoY

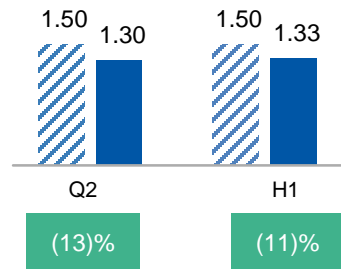
Total Revenue (€mm)



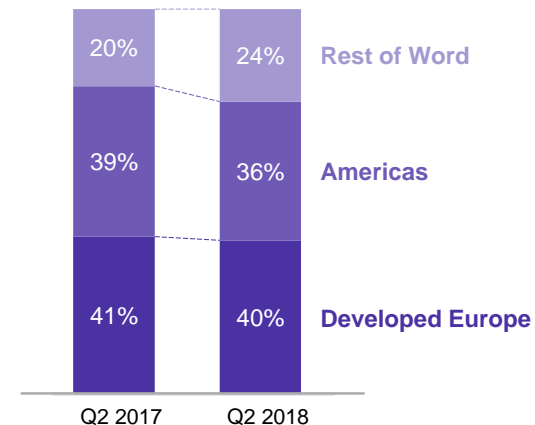
Qualified Referrals (mm)



RPQR¹ (€)



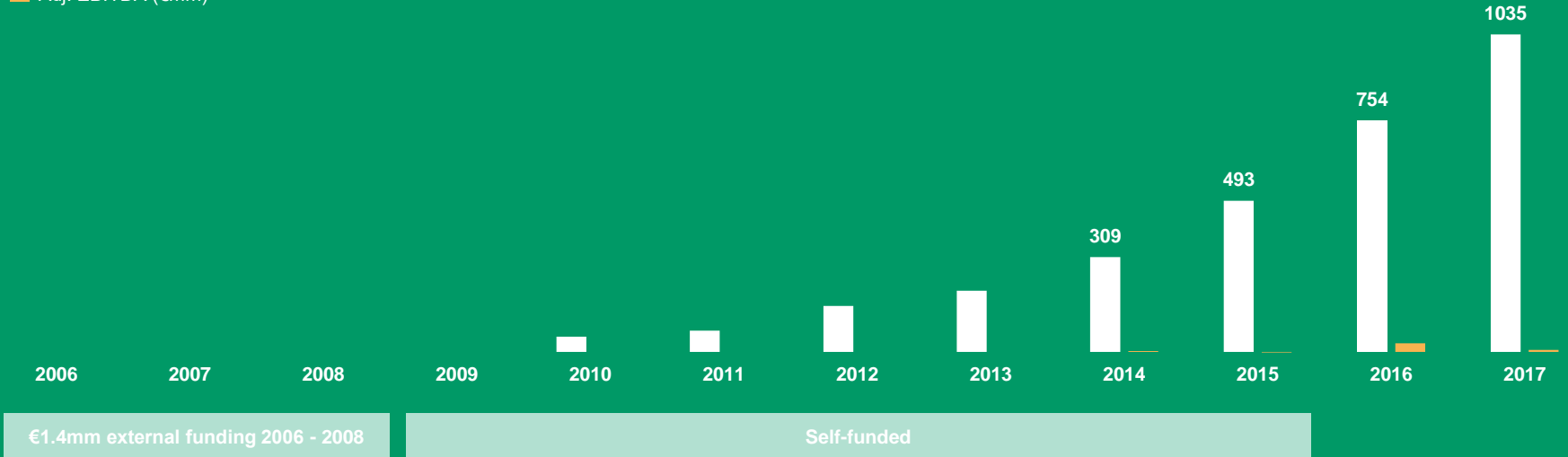
Referral Revenue by segment



We have operated with minimal external funding since inception...

■ Revenue (€mm)

■ Adj. EBITDA (€mm)



€1.4mm external funding 2006 - 2008

Self-funded

\$ First financing round

\$ Second financing round

📺 First TV campaign DE and ES

📺 First steps in the US

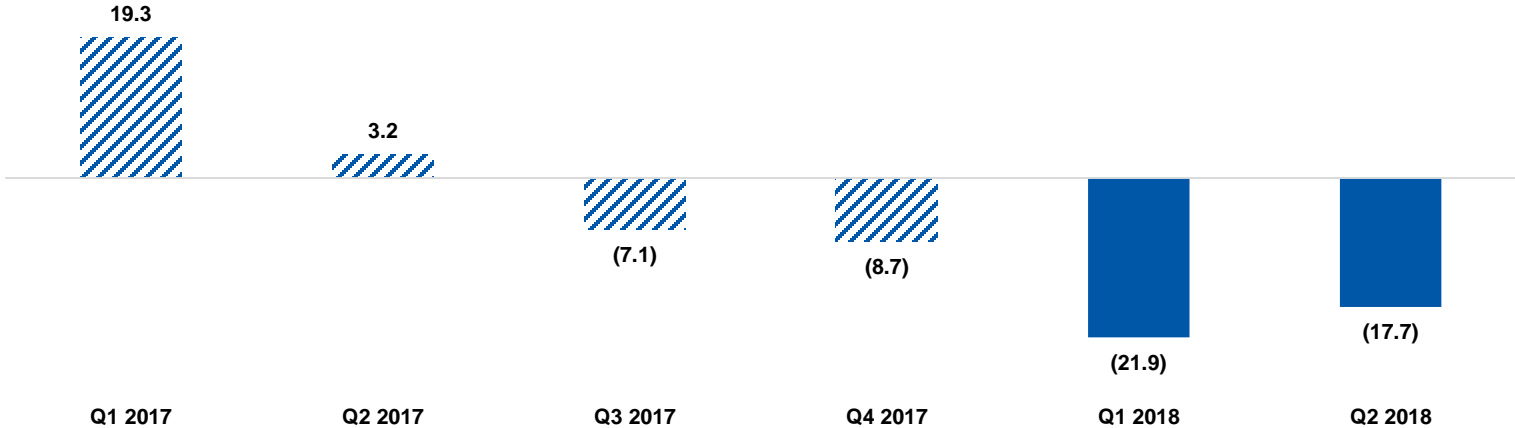
Expedia acquires a 63% stake in trivago through secondary purchase, mainly from early investors, founders keep 37%

\$ Listed on NASDAQ as TRVG

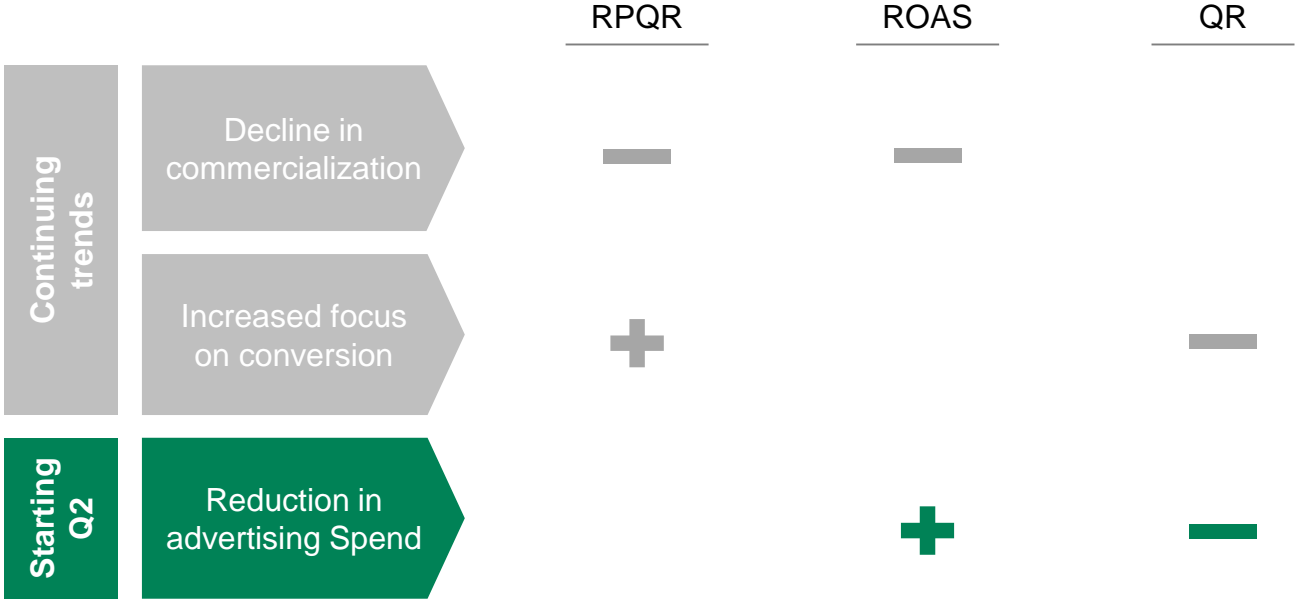
...but have incurred wider losses in recent quarters...

2017 2018

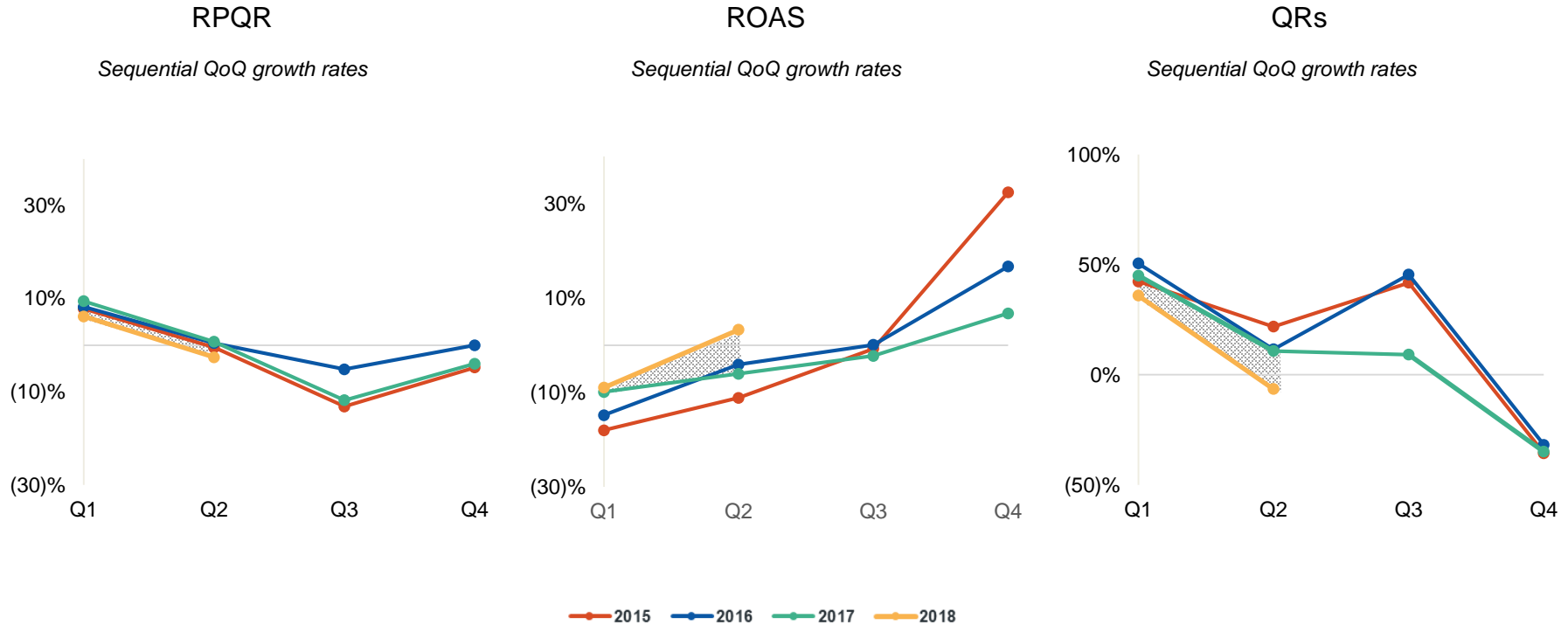
Adj. EBITDA (€mm)



...which we started to address in Q2

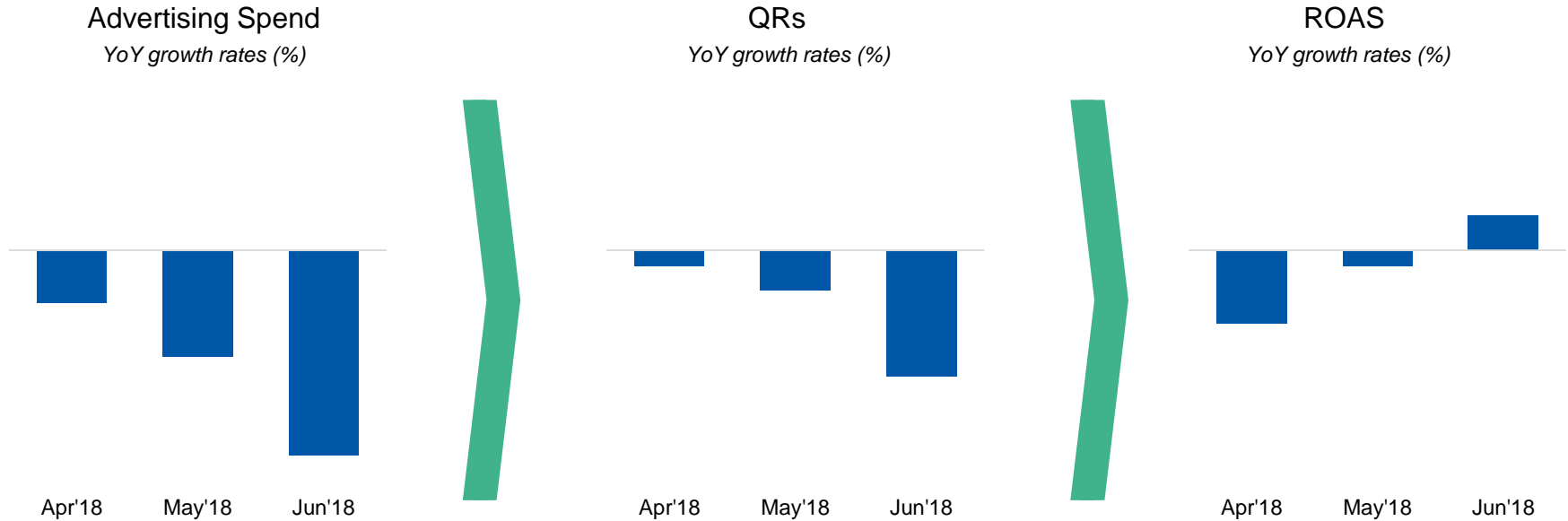


This has resulted in a significant decline in revenue but stabilized ROAS



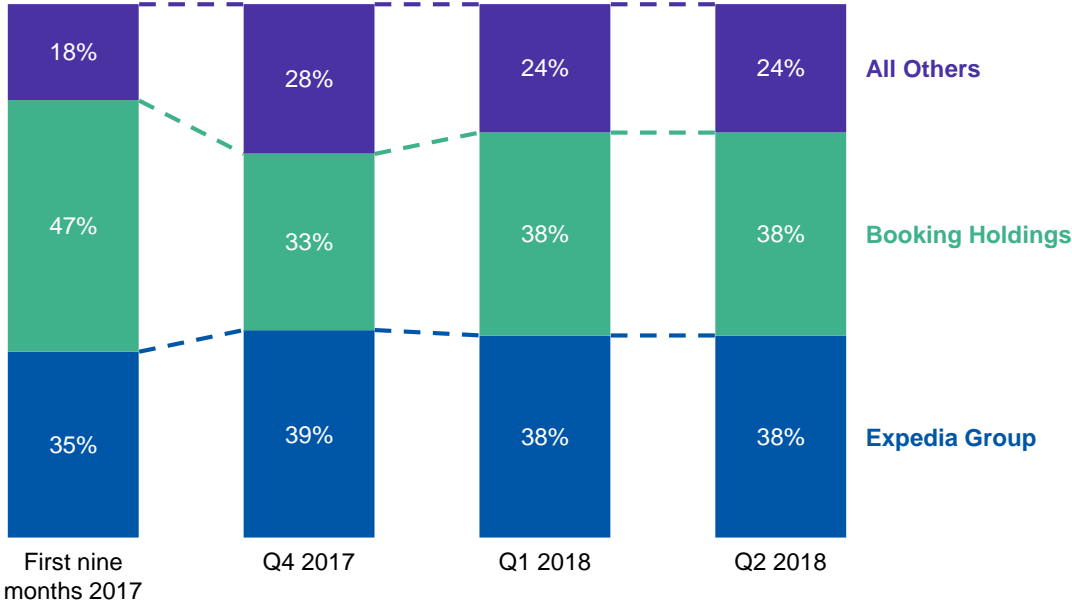
Source: Growth rates prior to Q2 2017 are based on internal data

Our reductions in advertising spend show early signs of profitability improvement



Our advertiser revenue share mix remains stable

Advertiser revenue share development



Agenda

Company update

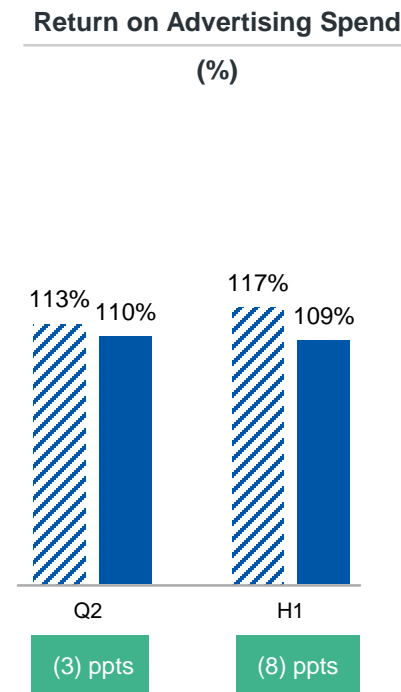
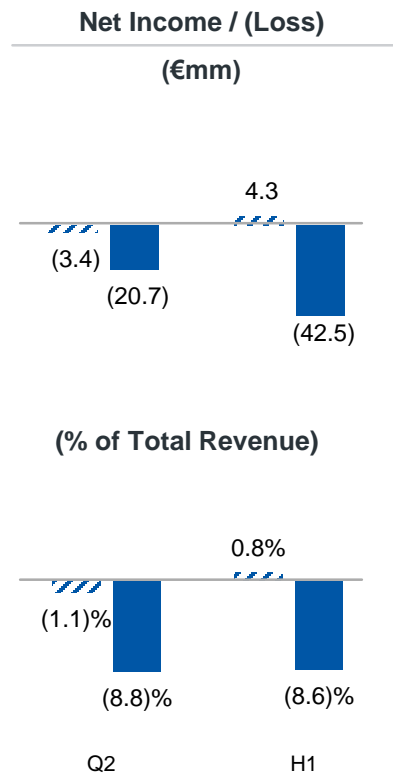
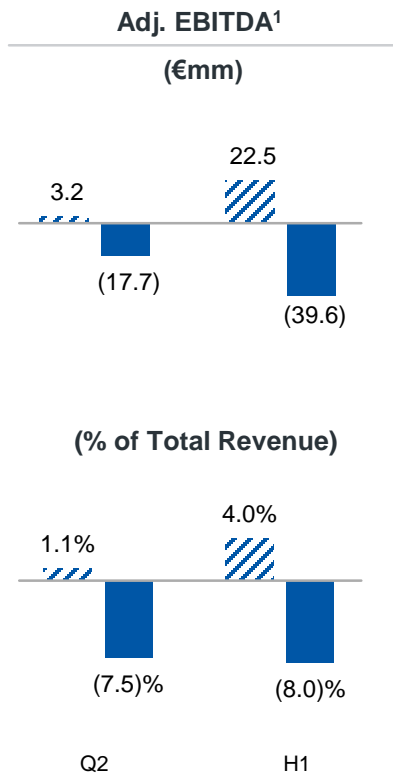
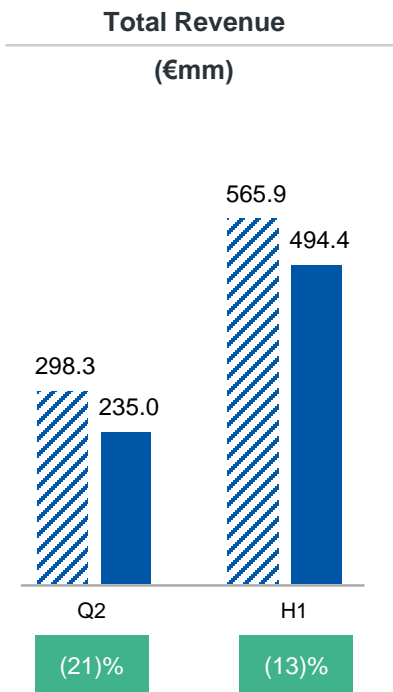
Financial performance

Guidance 2018

Appendix: Financial statements

Q2 2018 – Financial Update

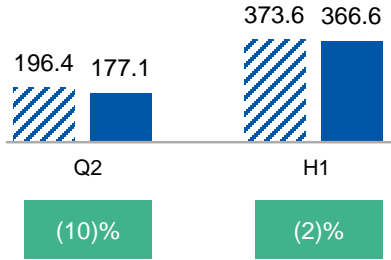
 2017
  2018
  YoY



KPI – Global

2017 2018 YoY

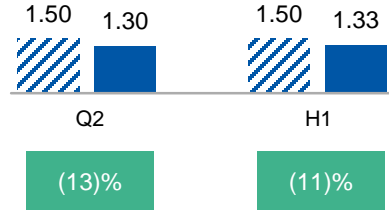
Qualified Referrals (mm)



Attribution model and platform optimizations

Increased marketing profitability targets

RPQR¹ (€)

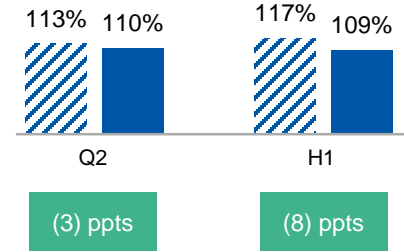


Commercialization

Attribution model and platform optimizations

FX effects

ROAS (%)



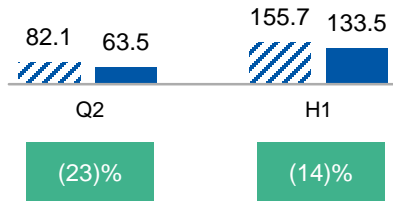
Commercialization

Increased marketing profitability targets

KPI – Developed Europe

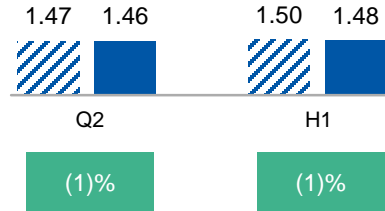
2017 2018 YoY

Qualified Referrals (mm)



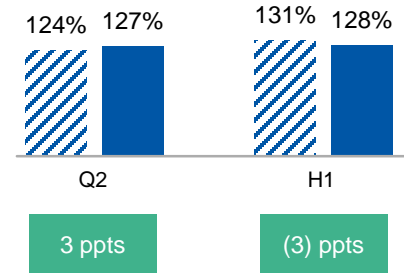
- Qualified Referrals decreased against a strong Q2 and H1 in 2017 and were negatively impacted by a reduction in advertising spend during Q2 2018

RPQR¹ (€)



- RPQR slightly decreased as lower commercialization more than offset the positive effects from the attribution model and platform optimizations

ROAS (%)

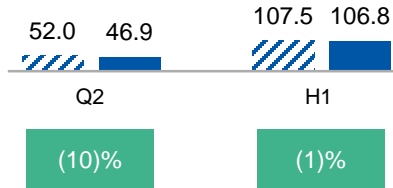


- ROAS improved in Q2 driven by increased marketing profitability targets

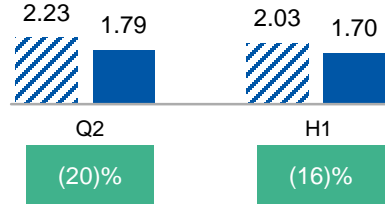
KPI – Americas

2017 2018 YoY

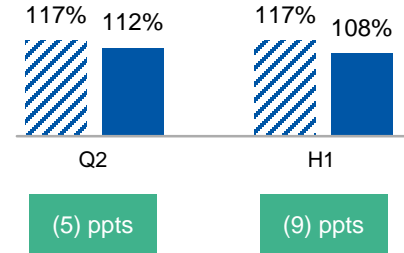
Qualified Referrals (mm)



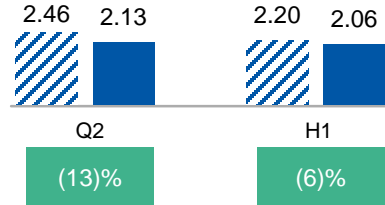
RPQR¹ (€)



ROAS (%)



RPQR¹ (US\$²)



- Qualified Referrals decreased against a strong Q2 and H1 in 2017 and were negatively impacted by a reduction in advertising spend during Q2 2018

- RPQR decreased mainly due to lower commercialization and negative FX effects, in particular the relative weakening of the U.S. dollar to the euro. These more than offset the positive effects from the attribution model and platform optimizations

- ROAS declined against a strong H1 in 2017 which was partly offset by the increased marketing profitability targets in Q2 2018

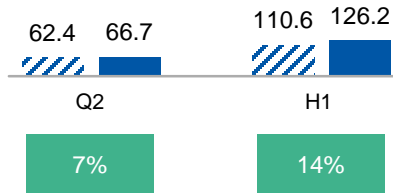
Source: Internal data
1. RPQR: Revenue per Qualified Referral

2. Note: We maintain our books and records in euros, and our reporting currency is in euros. Translations of euro amounts into U.S. dollars are solely for the convenience of the reader and were calculated using the average for the particular period of the daily foreign exchange reference rates published by the European Central Bank, which for the three months ended June 30, 2017 was €1.00 = \$1.1021, for three months ended June 30, 2018 was €1.00 = \$1.1915. For six months ended June 30, 2017 was €1.00 = \$1.0830, for six months ended June 30, 2018 was €1.00 = \$1.2104. You should not assume that, on that or any other date, one could have converted these amounts of euro into U.S. dollars at this or any other exchange rate.

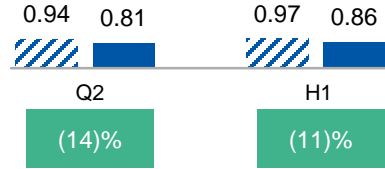
KPI – Rest of World

2017 2018 YoY

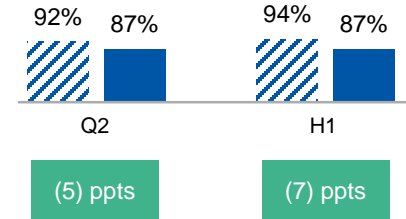
Qualified Referrals (mm)



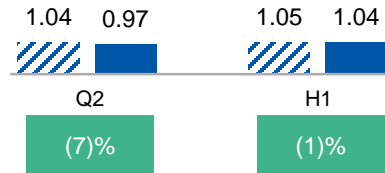
RPQR¹ (€)



ROAS (%)



RPQR¹ (US\$²)



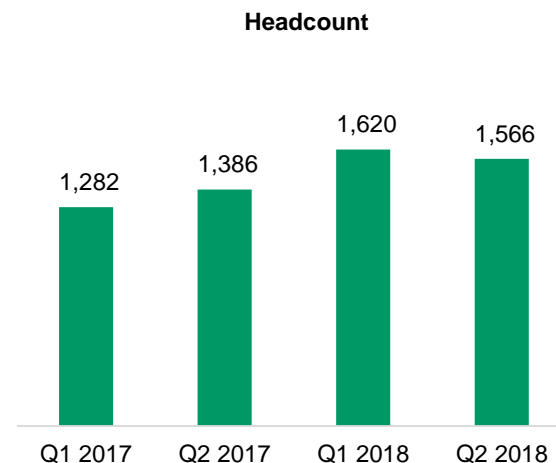
- Qualified Referrals increased against a strong Q2 and H1 in 2017 while traffic quality improved

- RPQR decreased due to lower commercialization and negative FX effects, in particular weakening of certain Asian Pacific currencies to the euro. These more than offset the positive effects from the attribution model and platform optimizations

- ROAS declined against a strong H1 in 2017 which was partly offset by the increased marketing profitability targets in Q2 2018

Opex and headcount development

Cost and expenses (€mm)	Q2 2017	Q2 2018	% YoY
Cost of revenue ¹	1.4	1.3	(7.1)%
Other selling & marketing ^{1,2}	14.3	16.7	16.8%
Technology & content ¹	12.0	15.7	30.8%
General & administrative ¹	9.1	12.2	34.1%
Costs and expenses^{1,2}	36.8	45.9	24.7%
Share-based compensation	4.1	5.4	31.7%
Amortization of intangible assets	0.4	0.4	-%
Total costs²	41.3	51.7	25.2%



Agenda

Company update

Financial performance

Guidance 2018

Appendix: Financial statements

Guidance for 2018



Adjusted EBITDA guidance¹

€(15)mm to €(30)mm

Appendix

Consolidated Financials H1 2018, trivago N.V.

in €k	H1 2018	H1 2017	Abs Δ vs. H1'17	Δ vs. H1'17
Referral revenue	486,984	559,327	(72,343)	(12.9)%
Other revenue	7,379	6,652	727	10.9%
Total revenue	494,363	565,980	(71,617)	(12.7)%
Cost of revenue	3,026	2,509	517	20.6%
<i>% of Total revenue</i>	<i>0.6%</i>	<i>0.4%</i>		
Selling and marketing	483,707	506,780	(23,073)	(4.6)%
<i>% of Total revenue</i>	<i>97.8%</i>	<i>89.5%</i>		
Technology and content	32,537	24,699	7,838	31.7%
<i>% of Total revenue</i>	<i>6.6%</i>	<i>4.4%</i>		
General and administrative	30,087	20,071	10,016	49.9%
<i>% of Total revenue</i>	<i>6.1%</i>	<i>3.5%</i>		
Amortization of intangible assets	842	2,386	(1,544)	(64.7)%
<i>% of Total revenue</i>	<i>0.2%</i>	<i>0.4%</i>		
Operating income (loss)	(55,836)	9,535	(65,371)	n.m.
Net interests and other expenses	(578)	(241)	(337)	139.8%
<i>% of Total revenue</i>	<i>(0.1)%</i>	<i>—%</i>		
Income taxes	(13,929)	5,021	(18,950)	n.m.
<i>% of Total revenue</i>	<i>(2.8)%</i>	<i>0.9%</i>		
Income (loss) from equity method investment	(46)	—	(46)	—%
<i>% of Total revenue</i>	<i>—%</i>	<i>—%</i>		
Net income (loss)	(42,531)	4,273	(46,804)	n.m.
<i>% of Total revenue</i>	<i>(8.6)%</i>	<i>0.8%</i>		
Net (income) loss attributable to non-controlling interest	—	(1,315)	1,315	(100.0)%
<i>% of Total revenue</i>	<i>—%</i>	<i>(0.2)%</i>		
Net income (loss) attributable to trivago N.V.	(42,531)	2,958	(45,323)	n.m.
<i>% of Total revenue</i>	<i>(8.6)%</i>	<i>0.5%</i>		

Comments

- Overview of P&L under US GAAP
- See next page for a detailed discussion of business development

Consolidated Financial Information H1 2018, trivago N.V.

in €k	H1 2018	H1 2017	Abs Δ vs. H1'17	Δ vs. H1'17	
Referral revenue	486,984	559,327	(72,343)	(12.9)%	1
Other revenue	7,379	6,652	727	10.9%	2
Total revenue	494,363	565,980	(71,617)	(12.7)%	
Cost of revenue excl.SBC	2,945	2,457	488	19.9%	
<i>% of Total revenue</i>	<i>0.6%</i>	<i>0.4%</i>			
Selling and marketing excl. SBC	481,908	504,890	(22,982)	(4.6)%	
<i>% of Total revenue</i>	<i>97.5%</i>	<i>89.2%</i>			
Advertising spend excl.SBC	447,264	479,065	(31,801)	(6.6)%	3
<i>% of Total revenue</i>	<i>90.5%</i>	<i>84.6%</i>			
Other s&m excl.SBC	34,644	25,825	8,819	34.1%	4
<i>% of Total revenue</i>	<i>7.0%</i>	<i>4.6%</i>			
Technology and content excl.SBC	30,445	22,659	7,786	34.4%	5
<i>% of Total revenue</i>	<i>6.2%</i>	<i>4.0%</i>			
General and administrative excl.SBC	24,202	16,638	7,564	45.5%	6
<i>% of Total revenue</i>	<i>4.9%</i>	<i>2.9%</i>			
Depreciation add-back	5,529	3,130	2,399	76.6%	
<i>% of Total revenue</i>	<i>1.1%</i>	<i>0.6%</i>			
Adjusted EBITDA	(39,608)	22,466	(62,074)	n.m.	
<i>% of Total revenue</i>	<i>(8.0)%</i>	<i>4.0%</i>			
Share-based compensation (SBC)	9,857	7,415	2,442	32.9%	
<i>% of Total revenue</i>	<i>2.0%</i>	<i>1.3%</i>			
EBITDA	(49,465)	15,051	(64,516)	n.m.	
<i>% of Total revenue</i>	<i>(10.0)%</i>	<i>2.7%</i>			
Depreciation and amortization	6,371	5,516	855	15.5%	
<i>% of Total revenue</i>	<i>1.3%</i>	<i>1.0%</i>			
Net interests and other expenses	578	241	337	139.8%	
<i>% of Total revenue</i>	<i>0.1%</i>	<i>—%</i>			
Income taxes	(13,929)	5,021	(18,878)	n.m.	
<i>% of Total revenue</i>	<i>(2.8)%</i>	<i>0.9%</i>			
(income) / loss from equity method investment	46	—	46	—%	
<i>% of Total revenue</i>	<i>—%</i>	<i>—%</i>			
Net income (loss)	(42,531)	4,273	(46,804)	n.m.	
<i>% of Total revenue</i>	<i>(8.6)%</i>	<i>0.8%</i>			
Net (income) loss attributable to non-controlling interest	—	(1,315)	1,315	(100.0)%	
<i>% of Total revenue</i>	<i>—%</i>	<i>(0.2)%</i>			
Net income (loss) attributable to trivago N.V.	(42,531)	2,958	(45,489)	n.m.	
<i>% of Total revenue</i>	<i>(8.6)%</i>	<i>0.5%</i>			

Comments

- 1 Referral revenue decreased by 13% YoY due to revenue decline in Americas by 17% YoY and in Developed Europe by 16% YoY
- 2 Other revenue grew 11% YoY through subscription revenue for Hotel Manager Pro
- 3 Advertising spend decreased by 10% YoY in Americas and 14% YoY in Developed Europe while it increased by 9% YoY in RoW
- 4 Other selling and marketing expenses increased by 34% YoY driven by higher investments in advertisement production as well as increase in personnel costs
- 5 Technology and content expense increased by 32% YoY driven by increased investment in headcount and higher office expenses
- 6 General and administrative expense increased by 50% YoY due to increase in professional fees and headcount

Reconciliation of non-GAAP Financial Measures H1 2018, trivago N.V.

in €mm	H1 2018	H1 2017	Abs Δ vs. H1'17	Δ vs. H1'17	
Net income/(loss)	(42.5)	4.3	(46.8)		n.m.
Income/(loss) from equity method investment	—	—	—		—%
Income/(loss) before equity method investment	(42.5)	4.3	(46.8)		n.m.
Expense/(benefit) for income taxes	(13.9)	5.0	(18.9)		n.m.
Income/(loss) before income taxes	(56.4)	9.3	(65.7)		n.m.
Add/(less):					—%
Interest expense	0.3	—	0.3		—%
Gain on deconsolidation of entity	—	—	—		—%
Other, net	0.3	0.2	0.1		50.0%
Operating income/(loss)	(55.8)	9.5	(65.3)		n.m.
Depreciation	5.5	3.2	2.3		71.9%
Amortization of intangible assets	0.8	2.4	(1.6)		(66.7)%
EBITDA	(49.5)	15.1	(64.6)		n.m.
Share-based compensation	9.9	7.4	2.5		33.8%
Adjusted EBITDA	(39.6)	22.5	(62.1)		n.m.

Provided below are the amounts of share-based compensation excluded from the expense items:

in €k	H1 2018	H1 2017
Cost of revenue	81	52
Selling and marketing	1,799	1,890
Technology and content	2,092	2,040
General and administrative	5,885	3,433
Share-based compensation	9,857	7,415

Consolidated Financials Q2 2018, trivago N.V.

in €k	Q2 2018	Q2 2017	Abs Δ vs. Q2'17	Δ vs. Q2'17
Referral revenue	231,094	295,035	(63,941)	(21.7)%
Other revenue	3,905	3,300	605	18.3%
Total revenue	234,999	298,336	(63,337)	(21.2)%
Cost of revenue	1,447	1,411	36	2.6%
<i>% of Total revenue</i>	<i>0.6%</i>	<i>0.5%</i>		
Selling and marketing	227,481	275,325	(47,844)	(17.4)%
<i>% of Total revenue</i>	<i>96.8%</i>	<i>92.3%</i>		
Technology and content	17,067	12,984	4,083	31.4%
<i>% of Total revenue</i>	<i>7.3%</i>	<i>4.4%</i>		
General and administrative	15,208	11,202	4,006	35.8%
<i>% of Total revenue</i>	<i>6.5%</i>	<i>3.8%</i>		
Amortization of intangible assets	421	388	33	8.5%
<i>% of Total revenue</i>	<i>0.2%</i>	<i>0.1%</i>		
Operating income (loss)	(26,625)	(2,974)	(23,651)	n.m.
Net interests and other expenses	(657)	(92)	(565)	n.m.
<i>% of Total revenue</i>	<i>(0.3)%</i>	<i>—%</i>		
Income taxes	(6,578)	319	(6,897)	n.m.
<i>% of Total revenue</i>	<i>(2.8)%</i>	<i>0.1%</i>		
Income (loss) from equity method investment	(29)	—	(29)	—%
<i>% of Total revenue</i>	<i>—%</i>	<i>—%</i>		
Net income (loss)	(20,733)	(3,385)	(17,348)	n.m.
<i>% of Total revenue</i>	<i>(8.8)%</i>	<i>(1.1)%</i>		
Net (income) loss attributable to non-controlling interest	—	1,108	(1,108)	(100.0)%
<i>% of Total revenue</i>	<i>—%</i>	<i>0.4%</i>		
Net income (loss) attributable to trivago N.V.	(20,733)	(2,277)	(18,456)	n.m.
<i>% of Total revenue</i>	<i>(8.8)%</i>	<i>(0.8)%</i>		

Comments

- Overview of P&L under US GAAP
- See next page for a detailed discussion of business development

Consolidated Financial Information Q2 2018, trivago N.V.

in €k	Q2 2018	Q2 2017	Abs Δ vs. Q2'17	Δ vs. Q2'17	
Referral revenue	231,094	295,035	(63,941)	(21.7)%	1
Other revenue	3,905	3,300	605	18.3%	2
Total revenue	234,999	298,336	(63,337)	(21.2)%	
Cost of revenue excl.SBC	1,395	1,372	23	1.7%	
<i>% of Total revenue</i>	<i>0.6%</i>	<i>0.5%</i>			
Selling and marketing excl. SBC	226,436	274,414	(47,978)	(17.5)%	
<i>% of Total revenue</i>	<i>96.4%</i>	<i>92.0%</i>			
Advertising spend excl.SBC	209,844	260,112	(50,268)	(19.3)%	3
<i>% of Total revenue</i>	<i>89.3%</i>	<i>87.2%</i>			
Other s&m excl.SBC	16,592	14,302	2,290	16.0%	4
<i>% of Total revenue</i>	<i>7.1%</i>	<i>4.8%</i>			
Technology and content excl.SBC	15,820	11,948	3,872	32.4%	5
<i>% of Total revenue</i>	<i>6.7%</i>	<i>4.0%</i>			
General and administrative excl.SBC	12,197	9,077	3,120	34.4%	6
<i>% of Total revenue</i>	<i>5.2%</i>	<i>3.0%</i>			
Depreciation add-back	3,106	1,655	1,451	87.7%	
<i>% of Total revenue</i>	<i>1.3%</i>	<i>0.6%</i>			
Adjusted EBITDA	(17,743)	3,180	(20,923)	n.m.	
<i>% of Total revenue</i>	<i>(7.6)%</i>	<i>1.1%</i>			
Share-based compensation (SBC)	5,355	4,111	1,244	30.3%	
<i>% of Total revenue</i>	<i>2.3%</i>	<i>1.4%</i>			
EBITDA	(23,098)	(931)	(22,167)	n.m.	
<i>% of Total revenue</i>	<i>(9.8)%</i>	<i>(0.3)%</i>			
Depreciation and amortization	3,527	2,043	1,484	72.6%	
<i>% of Total revenue</i>	<i>1.5%</i>	<i>—%</i>			
Net interests and other expenses	657	92	565	n.m.	
<i>% of Total revenue</i>	<i>0.3%</i>	<i>—%</i>			
Income taxes	(6,578)	319	(6,897)	n.m.	
<i>% of Total revenue</i>	<i>(2.8)%</i>	<i>0.1%</i>			
(n)come) / loss from equity method investment	29	—	29	—%	
<i>% of Total revenue</i>	<i>—%</i>	<i>—%</i>			
Net income (loss)	(20,733)	(3,385)	(17,348)	n.m.	
<i>% of Total revenue</i>	<i>(8.8)%</i>	<i>(1.1)%</i>			
Net (income) loss attributable to non-controlling interest	—	1,108	(1,108)	(100.0)%	
<i>% of Total revenue</i>	<i>—%</i>	<i>0.4%</i>			
Net income (loss) attributable to trivago N.V.	(20,733)	(2,277)	(18,456)	n.m.	
<i>% of Total revenue</i>	<i>(8.8)%</i>	<i>(0.8)%</i>			

Comments

- 1 Referral revenue decreased by 22% YoY due to revenue decline in Americas, Developed Europe and RoW by 27% YoY, 23% YoY and 8% YoY respectively
- 2 Other revenue grew 18% YoY through subscription revenue for Hotel Manager Pro
- 3 Advertising spend decreased by 25% YoY in Americas and 25% YoY in Developed Europe and by 2% YoY in RoW
- 4 Other selling and marketing expenses increased by 17% YoY driven by higher investments in advertisement production
- 5 Technology and content expense increased by 31% YoY driven by higher office expenses
- 6 General and administrative expense increased by 36% YoY due to increase in professional fees and headcount

Reconciliation of non-GAAP Financial Measures Q2 2018, trivago N.V.

in €mm	Q2 2018	Q2 2017	Abs Δ vs. Q2'17	Δ vs. Q2'17	
Net income/(loss)	(20.7)	(3.4)	(17.3)	(17.3)	n.m.
Income/(loss) from equity method investment	—	—	—	—	—%
Income/(loss) before equity method investment	(20.7)	(3.4)	(17.3)	(17.3)	n.m.
Expense/(benefit) for income taxes	(6.6)	0.3	(6.9)	(6.9)	n.m.
Income/(loss) before income taxes	(27.3)	(3.1)	(24.2)	(24.2)	n.m.
Add/(less):					
Interest expense	0.3	—	0.3	0.3	—%
Gain on deconsolidation of entity	—	—	—	—	—%
Other, net	0.4	0.1	0.3	0.3	n.m.
Operating income/(loss)	(26.6)	(3.0)	(23.6)	(23.6)	n.m.
Depreciation	3.1	1.7	1.4	1.4	82.4%
Amortization of intangible assets	0.4	0.4	—	—	—%
EBITDA	(23.1)	(0.9)	(22.2)	(22.2)	n.m.
Share-based compensation	5.4	4.1	1.3	1.3	31.7%
Adjusted EBITDA	(17.7)	3.2	(20.9)	(20.9)	n.m.

Provided below are the amounts of share-based compensation excluded from the expense items:

in €k	Q2 2018	Q2 2017
Cost of revenue	52	39
Selling and marketing	1,045	911
Technology and content	1,247	1,036
General and administrative	3,011	2,125
Share-based compensation	5,355	4,111

Consolidated Statement of Cash Flows H1 2018, trivago N.V.

in €k	H1 2018	H1 2017
Net income/(loss)	(42,531)	4,273
Adjustments to reconcile net income/(loss) to net cash used:		
Depreciation	5,529	3,130
Amortization of intangible assets	842	2,386
Impairment of internal-use software and website development	1,145	—
Share-based compensation	9,857	7,415
Deferred income taxes	(14,371)	(933)
Foreign exchange (gain) loss	231	134
Bad debt expense	188	112
(Gain)/loss on sale of fixed assets	7	—
Loss from equity method investment	46	—
Change in operating assets and liabilities		
Accounts receivable, including related party	(59,827)	(89,988)
Prepaid expense and other assets	873	(2,643)
Accounts payable	23,301	66,529
Accrued expenses and other liabilities	962	3,536
Deferred revenue	654	2,627
Taxes payable/receivable, net	(1,175)	2,796
Net cash used in operating activities	(74,269)	(626)
Capital expenditures	(17,283)	(5,537)
Proceeds from sale of fixed assets	26	—
Net cash used in investing activities	(17,257)	(5,537)
Payments of initial public offering costs	—	(4,038)
Dividends paid to NCI	—	(158)
Net proceeds from issuance of common stock	8	—
Net cash (used in)/provided by financing activities	8	(4,196)
Effect of exchange rate changes on cash	(102)	(627)
Net decrease in cash, cash equivalents and restricted cash	(91,620)	(10,986)
Cash, cash equivalents and restricted cash at beginning of the period	192,900	228,182
Cash, cash equivalents and restricted cash at end of period	101,280	217,196

1

Comments

- 1 Negative cash flow from operating activities driven by net loss of €42.5mm in H1 2018
- 2 Accounts receivable increased more than accounts payable in the period thus leading to a net decrease in cash and cash equivalents position
- 3 Capital expenditures increased year-over-year mainly driven by capital expenditures related to the new campus

2

3

Consolidated Statement of Cash Flows Q2 2018, trivago N.V.

in €k	Q2 2018	Q2 2017
Net income/(loss)	(20,733)	(3,385)
Adjustments to reconcile net income/(loss) to net cash used:		
Depreciation	3,106	1,655
Amortization of intangible assets	421	388
Impairment of internal-use software and website development	980	—
Share-based compensation	5,355	4,111
Deferred income taxes	(6,578)	245
Foreign exchange (gain) loss	365	58
Bad debt expense	61	83
(Gain)/loss on sale of fixed assets	5	—
Loss from equity method investment	29	—
Change in operating assets and liabilities		
Accounts receivable, including related party	(17,388)	(28,061)
Prepaid expense and other assets	1,492	(3,675)
Accounts payable	(13,137)	30,844
Accrued expenses and other liabilities	(241)	2,252
Deferred revenue	(472)	158
Taxes payable/receivable, net	(416)	(1,112)
Net cash used in operating activities	(47,151)	3,561
Capital expenditures	(11,525)	(3,179)
Proceeds from sale of fixed assets	7	—
Net cash used in investing activities	(11,518)	(3,179)
Payments of initial public offering costs	—	—
Dividends paid to NCI	—	—
Net proceeds from issuance of common stock	2	—
Net cash (used in)/provided by financing activities	2	—
Effect of exchange rate changes on cash	230	(606)
Net decrease in cash, cash equivalents and restricted cash	(58,437)	(224)
Cash, cash equivalents and restricted cash at beginning of the period	159,717	217,420
Cash, cash equivalents and restricted cash at end of period	101,280	217,196

1

2

2

3

Comments

- 1 Negative cash flow from operating activities driven by net loss of €20.7mm in Q2 2018
- 2 Accounts receivable increased while accounts payable decreased in the period thus leading to decrease in cash and cash equivalents position
- 3 Capital expenditures increased year-over-year mainly driven by capital expenditures related to the new campus

Consolidated Balance Sheet H1 2018, trivago N.V.

in €k	As of June 30, 2018	As of December 31, 2017
Cash & cash equivalents	98,581	190,201
Restricted cash	103	103
Accounts receivable, less allowance	83,427	43,062
Accounts receivable, related party	58,067	39,063
Tax receivable	1,806	2,092
Prepaid expenses and other current assets	18,436	18,758
Total current assets	260,420	293,279
Property and equipment, net	146,740	114,471
Other long-term assets	6,528	6,955
Intangible assets, net	172,452	173,294
Goodwill	490,477	490,455
Total assets	1,076,617	1,078,454
Accounts payable	75,642	51,307
Income taxes payable	1,967	3,428
Deferred revenue	9,290	8,941
Accrued expenses and other current liabilities	15,055	14,711
Total current liabilities	101,954	78,387
Deferred income taxes	33,934	48,305
Other long-term liabilities	119,325	97,787
Class A common stock	1,860	1,855
Class B common stock	191,880	191,880
Reserves	740,292	730,431
Contribution from parent	122,307	122,307
Accumulated other comprehensive income (loss)	(179)	(180)
Retained earnings (accumulated deficit)	(234,756)	(192,318)
Total stockholders' equity attributable to trivago N.V.	821,404	853,975
Noncontrolling interest	—	—
Total stockholders' equity	821,404	853,975
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,076,617	1,078,454

Comments

- 1 Decrease in cash and cash equivalent was driven by cash outflow from operating activities and changes in operating assets and liabilities
- 2 Accounts receivable increased over the previous six months mainly due to delayed payments from advertisers as well as seasonal revenue increase
- 3 Increased net property and equipment due to build-to-suit lease accounting for new campus
- 4 Accounts payable increased as a result of increased advertising spend according to seasonal revenue trend
- 5 Other long-term liabilities increased primarily due to build-to-suit lease accounting for new campus

Reconciliation of non-GAAP Financial Measures from Q1 2017- Q1 2018

in €mm	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Net income/(loss)	7.7	(3.4)	(7.7)	(9.6)	(21.8)
Income/(loss) from equity method investment	—	—	—	—	—
Income/(loss) before equity method investment	7.7	(3.4)	(7.7)	(9.6)	(21.8)
Expense/(benefit) for income taxes	4.7	0.3	(6.3)	(3.5)	(7.4)
Income/(loss) before income taxes	12.4	(3.1)	(14.0)	(13.1)	(29.1)
Add/(less):					
Interest expense	—	—	—	—	—
Gain on deconsolidation of entity	—	—	—	(2.0)	—
Other, net	0.1	0.1	(0.3)	(0.5)	(0.1)
Operating income/(loss)	12.5	(3.0)	(14.3)	(15.6)	(29.2)
Depreciation	1.5	1.7	1.9	2.8	2.4
Amortization of intangible assets	2.0	0.4	0.4	0.4	0.4
EBITDA	16.0	(0.9)	(12.0)	(12.4)	(26.4)
Share-based compensation	3.3	4.1	4.9	3.7	4.5
Adjusted EBITDA	19.3	3.2	(7.1)	(8.7)	(21.9)

