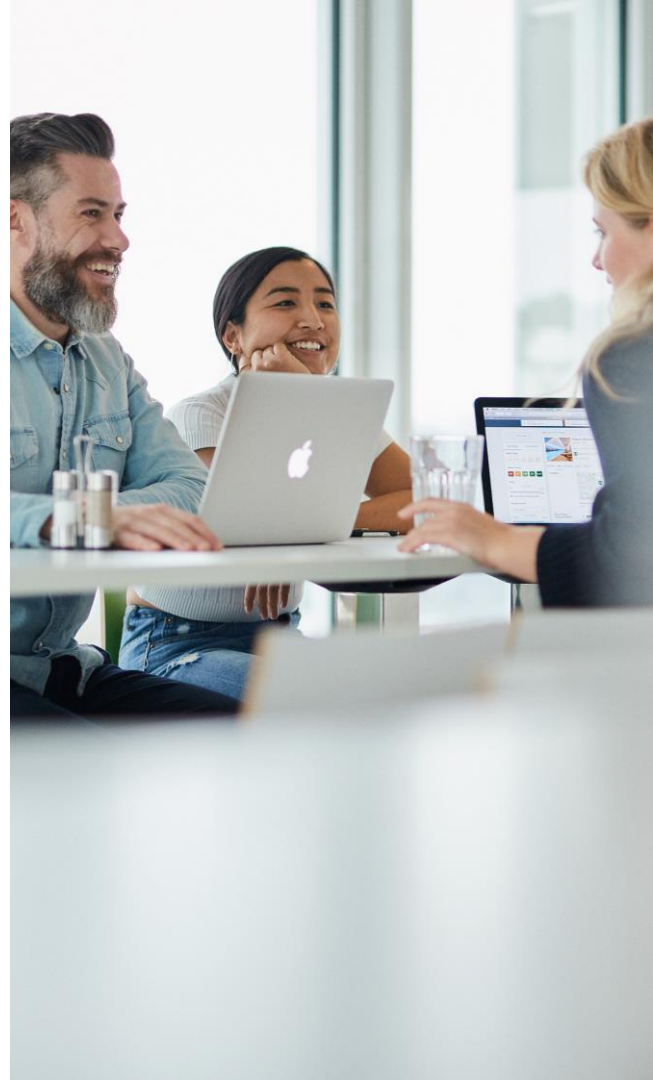




Earnings Call Q1 2018

25 April 2018



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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.

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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.

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Appendix: Financial statements

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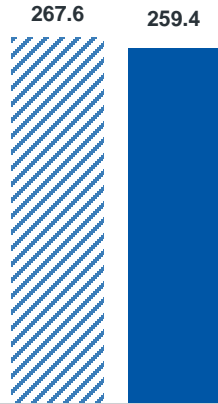
Guidance 2018

Appendix: Financial statements

Q1 2018 – Financial Performance

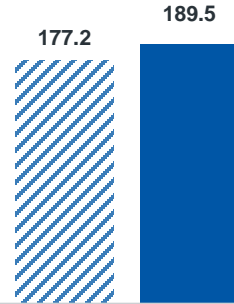
Q1 2017 Q1 2018

Total Revenue (€mm)



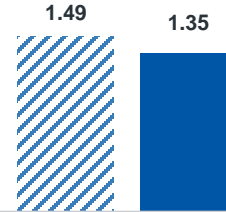
(3)%

Qualified Referrals (mm)



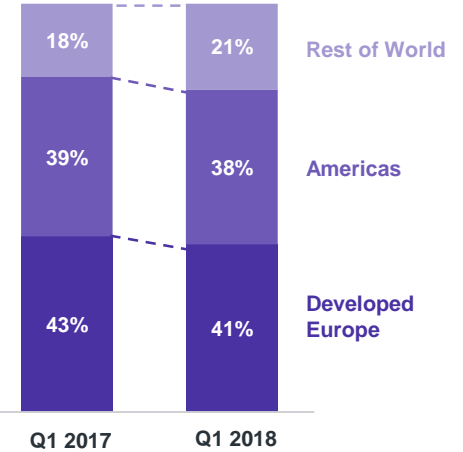
7%

RPQR¹ (€)



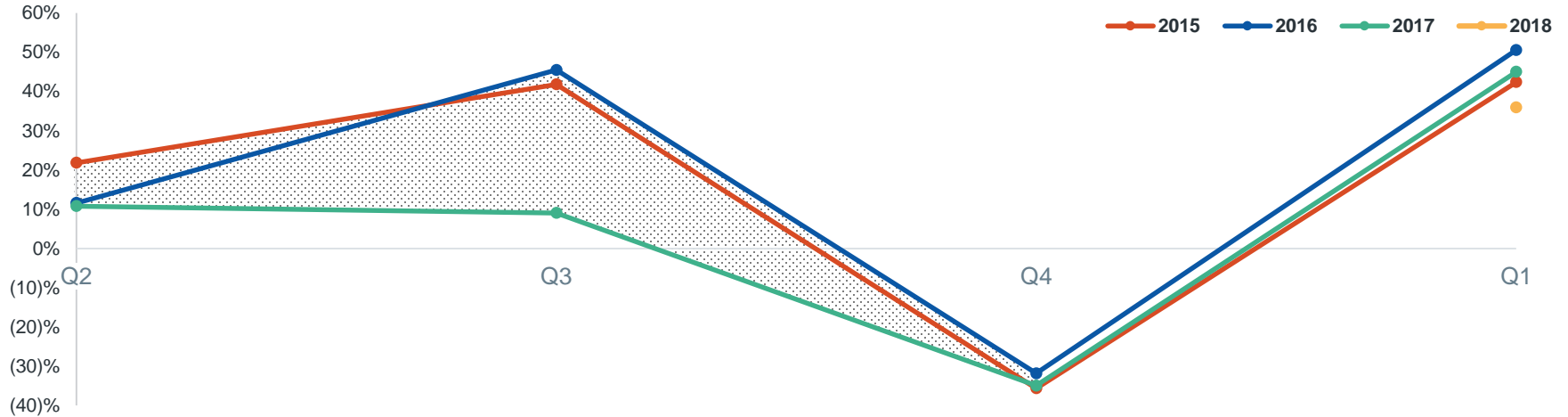
(9)%

Referral Revenue by segment



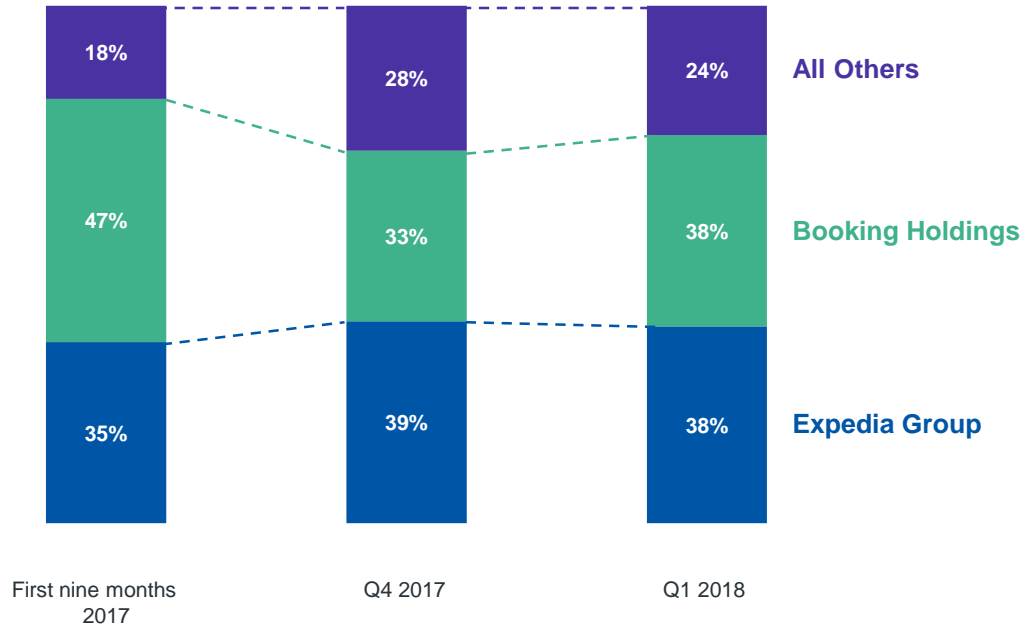
Seasonality pattern is back in line with previous years after the rebase in Q3 2017

Qualified Referrals: sequential QoQ growth rates



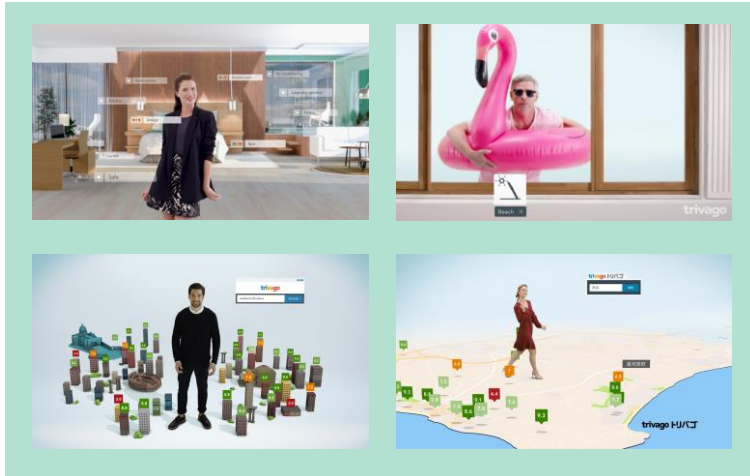
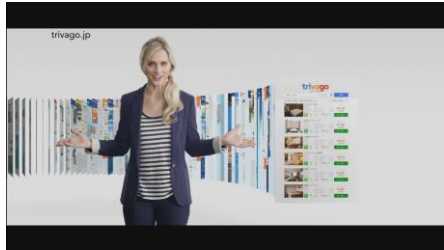
Our advertiser revenue share mix has stabilized

Advertiser revenue share development



We continued building the trivago brand

Shifting the focus in our creatives

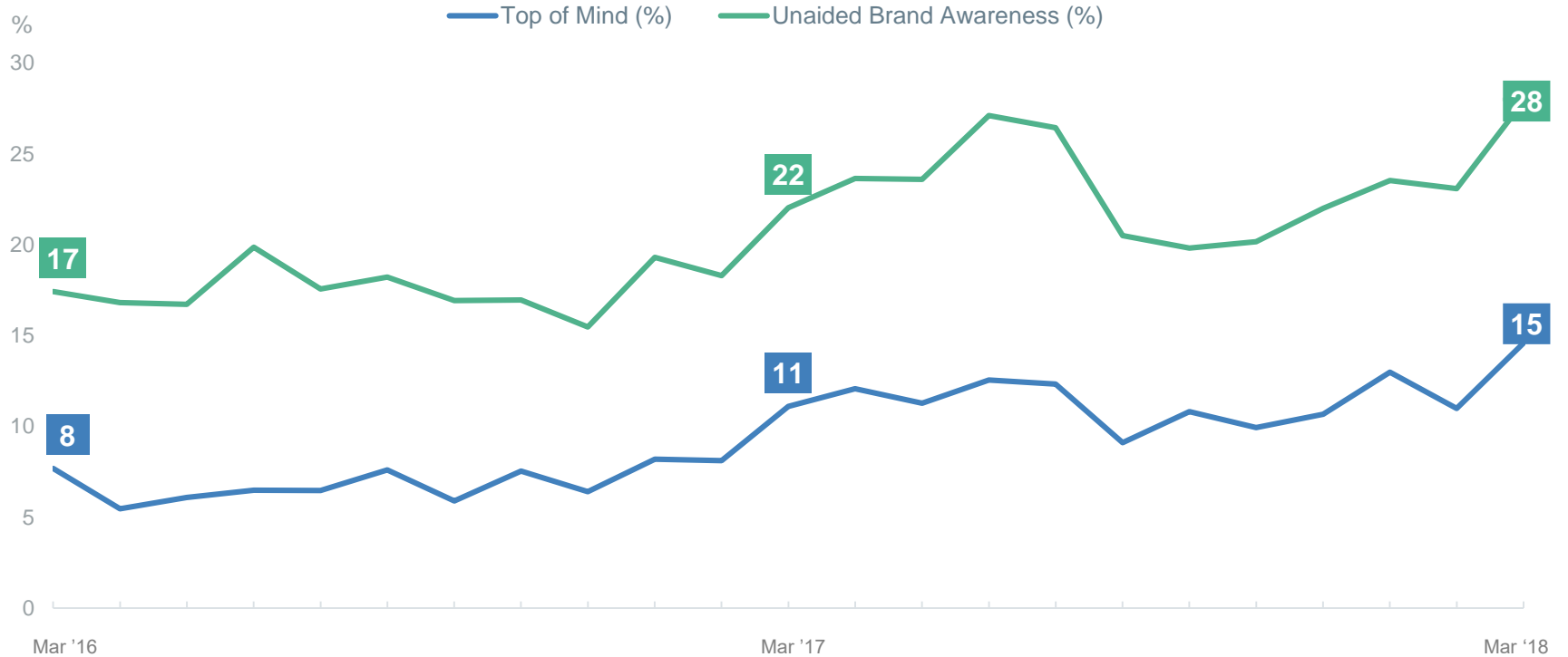


trivago's rank in regular usage of hotel related travel sites¹



We are increasing our brand awareness in the US

Top of Mind and Unaided Brand Awareness in the US since March 2016



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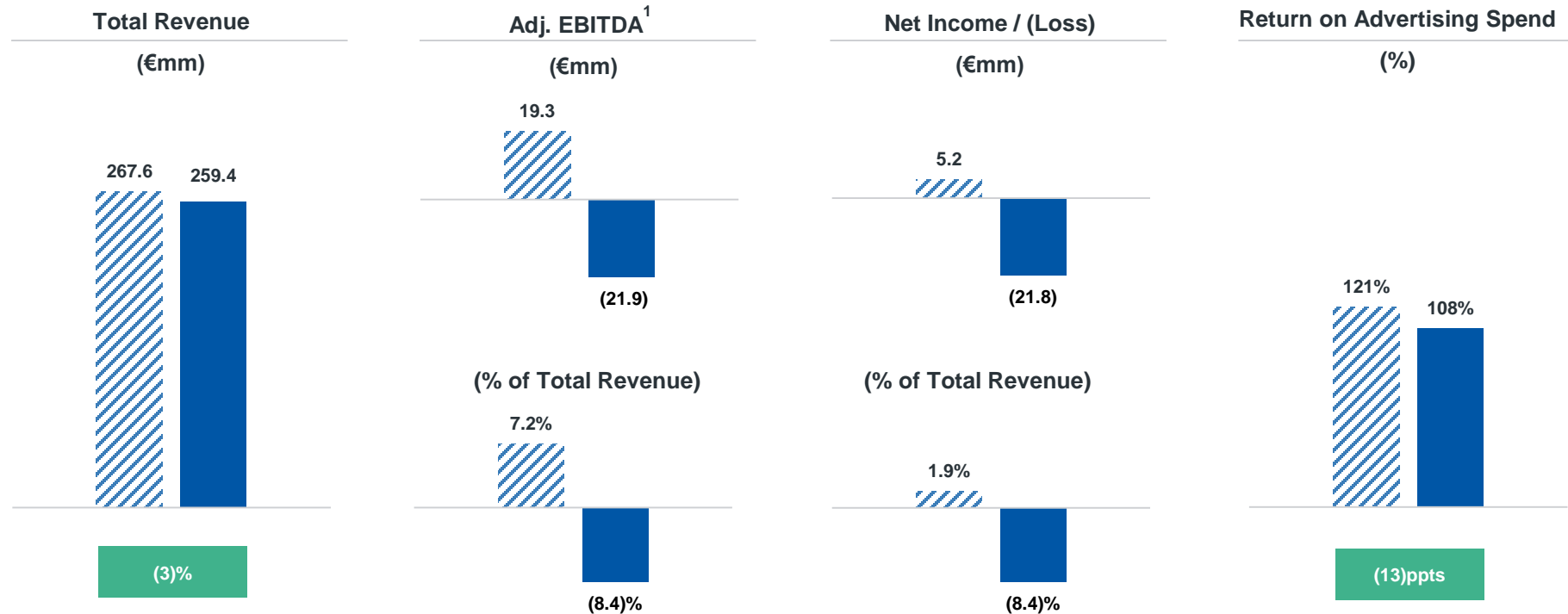
Financial performance

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Appendix: Financial statements

Revenue and profitability decreased YoY

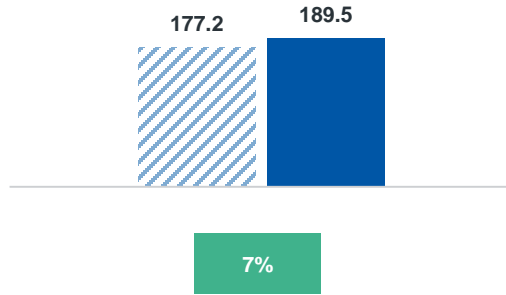
▨ Q1 2017 ■ Q1 2018



KPI – Global

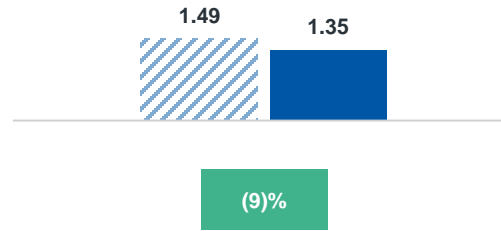
▨ Q1 2017 ■ Q1 2018

Qualified Referrals (mm)



🔄 Attribution model and platform optimizations

RPQR¹ (€)

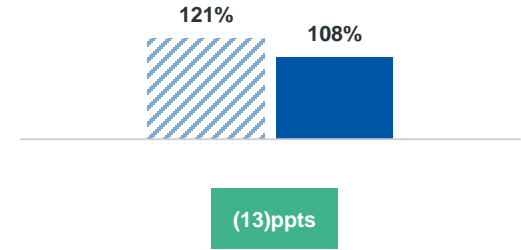


🔄 Commercialization

🔄 Attribution model and platform optimizations

📊 FX effects

ROAS (%)

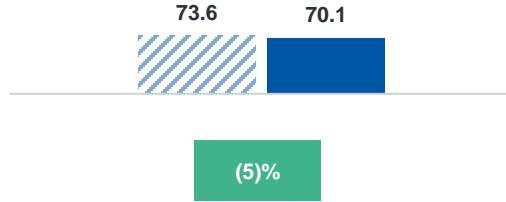


🔄 Commercialization

KPI – Developed Europe

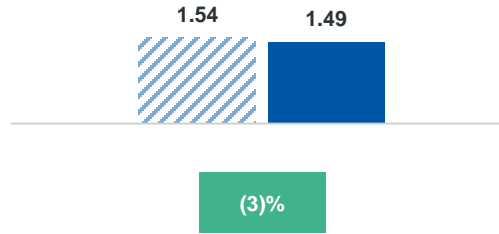
▨ Q1 2017 ■ Q1 2018

Qualified Referrals (mm)



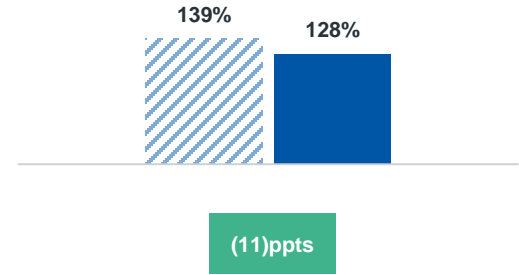
- Qualified Referrals decreased against a strong Q1 2017 while traffic quality increased

RPQR¹ (€)



- RPQR decreased 3% due to lower commercialization, partly offset by the increase in traffic quality resulting from the attribution model and platform optimizations

ROAS (%)



- ROAS was negatively impacted by lower commercialization

KPI – Americas

▨ Q1 2017 ■ Q1 2018

Qualified Referrals (mm)



8%

- Qualified Referrals increased 8% against a strong first quarter in 2017 mainly driven by an increase in advertising spend while traffic quality improved

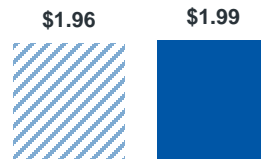
RPQR¹ (€)



(12)%

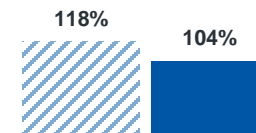
- RPQR decreased mainly due to negative FX effects, in particular the relative weakening of the US dollar to the euro
- The negative impact from lower commercialization was more than offset by an increase in traffic quality

RPQR¹ (USD²)



2%

ROAS (%)



(14)ppts

- ROAS was negatively impacted by lower commercialization

KPI – Rest of World

▨ Q1 2017 ■ Q1 2018

Qualified Referrals (mm)



23%

RPQR¹ (€)



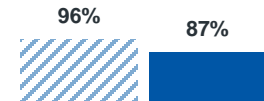
(10)%

RPQR¹ (USD²)



4%

ROAS (%)



(9)ppts

- Qualified Referrals increased 23% against a strong first quarter 2017 mainly driven by an increase in advertising spend while traffic quality improved

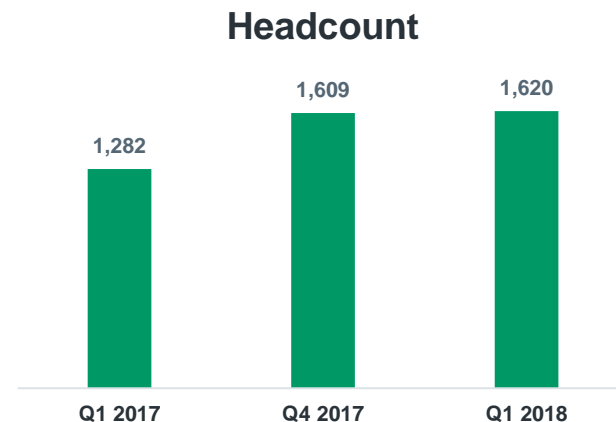
- RPQR decreased mainly due to negative FX effects, in particular the relative weakening of certain Asian Pacific currencies to the euro
- The negative impact from lower commercialization was more than offset by an increase in traffic quality

- ROAS was negatively impacted by lower commercialization

Opex and headcount development

Cost and expenses (€mm)	Q1 2017	Q1 2018	% YoY
Cost of revenue ¹	1.1	1.6	45%
Other selling & marketing ^{1,2}	11.5	18.0	57%
Technology & content ¹	10.7	14.7	37%
General & administrative ¹	7.6	12.0	58%
Costs and expenses^{1,2}	30.9	46.3	50%
Share-based compensation	3.3	4.5	36%
Amortization of intangible assets	2.0	0.4	(80)%
Total costs²	36.2	51.2	41%

Note: Some numbers might not add due to rounding



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Guidance for 2018

	H1 2018 ¹	H2 2018 ¹	Full Year 2018 ¹
Revenue	-	+	Revenue guidance Revenue growth expected to be flat ²
ROAS	-	+	
OPEX	+	+	Adjusted EBITDA guidance Continue to expect negative adjusted EBITDA (between €mm -25 and -50)
RPQR	-- --	-	
Adjusted EBITDA	-	+	

1. Year-over-Year comparison for the same period in 2017

2. Assumes constant FX rates as of January 31, 2018

Appendix

Consolidated Financials Q1 2018, trivago N.V.

(in €k)	Q1 2018	Q1 2017	Abs Δ vs. Q1'17	Δ vs. Q1'17
Referral revenue	255,891	264,292	(8,401)	(3.2%)
Other revenue	3,473	3,352	121	3.6%
Total revenue	259,364	267,644	(8,280)	(3.1%)
Cost of revenue	(1,579)	(1,098)	(481)	43.8%
<i>% of Total revenue</i>	<i>(0.6%)</i>	<i>(0.4%)</i>		
Selling and marketing	(256,226)	(231,455)	(24,771)	10.7%
<i>% of Total revenue</i>	<i>(98.8%)</i>	<i>(86.5%)</i>		
Technology and content	(15,470)	(11,715)	(3,755)	32.1%
<i>% of Total revenue</i>	<i>(6.0%)</i>	<i>(4.4%)</i>		
General and administrative	(14,879)	(8,869)	(6,010)	67.8%
<i>% of Total revenue</i>	<i>(5.7%)</i>	<i>(3.3%)</i>		
Amortization of intangible assets	(421)	(1,998)	1,577	(78.9%)
<i>% of Total revenue</i>	<i>(0.2%)</i>	<i>(0.7%)</i>		
Operating income (loss)	(29,211)	12,509	(41,720)	n.m.
Net interest and other expenses	79	(149)	228	(153.0%)
<i>% of Total revenue</i>	<i>0.0%</i>	<i>(0.1%)</i>		
Income taxes	7,351	(4,702)	12,053	n.m.
<i>% of Total revenue</i>	<i>2.8%</i>	<i>(1.8%)</i>		
Income (loss) from equity method investment	(17)	-	(17)	-
<i>% of Total revenue</i>	<i>(0.0%)</i>	<i>-</i>		
Net income (loss)	(21,798)	7,658	(29,456)	n.m.
<i>% of Total revenue</i>	<i>(8.4%)</i>	<i>2.9%</i>		
Net (income)/ loss attributable to noncontrolling interest	-	(2,423)	2,423	(100.0%)
<i>% of Total revenue</i>	<i>-</i>	<i>(0.9%)</i>		
Net income (loss) attributable to trivago N.V.	(21,798)	5,235	(27,033)	n.m.
<i>% of Total revenue</i>	<i>(8.4%)</i>	<i>2.0%</i>		

Comments

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

Consolidated Financial Information Q1 2018, trivago N.V.

(in €k)	Q1 2018	Q1 2017	Abs Δ vs. Q1'17	Δ vs. Q1'17	
Referral revenue	255,891	264,292	(8,401)	(3.2%)	1
Other revenue	3,473	3,352	121	3.6%	2
Total revenue	259,364	267,644	(8,280)	(3.1%)	
Cost of revenue excl. SBC	(1,550)	(1,085)	(465)	42.9%	
<i>% of Total revenue</i>	<i>(0.6%)</i>	<i>(0.4%)</i>			
Selling and marketing excl. SBC	(255,472)	(230,476)	(24,996)	10.8%	
<i>% of Total revenue</i>	<i>(98.5%)</i>	<i>(86.1%)</i>			
Adv.exp excl.SBC	(237,420)	(218,954)	(18,466)	8.4%	3
<i>% of Total revenue</i>	<i>(91.5%)</i>	<i>(81.8%)</i>			
Other S&M excl.SBC	(18,053)	(11,522)	(6,531)	56.7%	4
<i>% of Total revenue</i>	<i>(7.0%)</i>	<i>(4.3%)</i>			
Technology and content excl. SBC	(14,625)	(10,711)	(3,914)	36.5%	5
<i>% of Total revenue</i>	<i>(5.6%)</i>	<i>(4.0%)</i>			
General and administrative excl. SBC	(12,005)	(7,561)	(4,444)	58.8%	6
<i>% of Total revenue</i>	<i>(4.6%)</i>	<i>(2.8%)</i>			
Depreciation add-back	2,423	1,475	948	64.3%	
<i>% of Total revenue</i>	<i>0.9%</i>	<i>0.6%</i>			
Adj. EBITDA	(21,865)	19,286	(41,151)	n.m.	
<i>% of Total revenue</i>	<i>(8.4%)</i>	<i>7.2%</i>			
Share-based compensation (SBC)	(4,502)	(3,304)	(1,198)	36.3%	
<i>% of Total revenue</i>	<i>(1.7%)</i>	<i>(1.2%)</i>			
EBITDA	(26,367)	15,982	(42,349)	n.m.	
<i>% of Total revenue</i>	<i>(10.2%)</i>	<i>6.0%</i>			
D&A	(2,844)	(3,473)	629	(18.1%)	
<i>% of Total revenue</i>	<i>(1.1%)</i>	<i>(1.3%)</i>			
Net interest and other expenses	79	(149)	228	(153.0%)	
<i>% of Total revenue</i>	<i>0.0%</i>	<i>(0.1%)</i>			
Income taxes	7,351	(4,702)	12,053	n.m.	
<i>% of Total revenue</i>	<i>2.8%</i>	<i>(1.8%)</i>			
Income (loss) from equity method investment	(17)	-	(17)	-	
<i>% of Total revenue</i>	<i>(0.0%)</i>	<i>-</i>			
Net income (loss)	(21,798)	7,658	(29,456)	n.m.	
<i>% of Total revenue</i>	<i>(8.4%)</i>	<i>2.9%</i>			
Net (income)/loss attributable to noncontrolling interest	-	(2,423)	2,423	(100.0%)	
<i>% of Total revenue</i>	<i>-</i>	<i>0.9%</i>			
Net income (loss) attributable to trivago N.V.	(21,798)	5,235	(27,033)	n.m.	
<i>% of Total revenue</i>	<i>(8.4%)</i>	<i>2.0%</i>			

Comments

- 1 Referral revenue decreased 3% YoY with growth in Rest of World (+12% YoY), offset by revenue decline in Americas (-5% YoY) and in Developed Europe (-8% YoY)
- 2 Other revenue grew 4% YoY through subscription revenue for Hotel Manager Pro
- 3 Advertising expenses increased 8% YoY led by Rest of World (+24% YoY), followed by Americas (+8% YoY) and flat in Developed Europe
- 4 Other selling and marketing expenses increased 57% YoY mainly driven by higher investments in the production of television advertisement
- 5 Technology and content increased 37% YoY driven by an increase in personnel costs as we continued to invest in headcount and website content
- 6 General and administrative expenses increased 59% YoY primarily driven by higher professional fees and personnel expense

Source: unaudited US GAAP financials
 Note: Several expense items above are adjusted, where indicated, for share-based compensation

Reconciliation of non-GAAP Financial Measures Q1 2018, trivago N.V.

(in €mm)	Q1 2018	Q1 2017	Abs Δ vs. Q1'17	Δ vs. Q1'17
Net income (loss)	(21.8)	7.7	(29.5)	n.m
Provision (benefit) for income taxes	(7.4)	4.7	(12.1)	n.m
Income (loss) before income tax	(29.1)	12.4	(41.5)	n.m
Add/(Deduct): Net interest and other expenses	(0.1)	0.1	(0.2)	n.m.
Operating Income/(loss)	(29.2)	12.5	(41.7)	n.m
Add: Depreciation & Amortization	2.8	3.5	(0.7)	(20.0%)
EBITDA	(26.4)	16.0	(42.4)	n.m
Share-based compensation (SBC)	4.5	3.3	1.2	36.4%
Adjusted EBITDA	(21.9)	19.3	(41.2)	n.m

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

(in €k)	Q1 2018	Q1 2017
Cost of revenue	29	13
Selling and marketing	754	979
Technology and content	845	1,004
General and administrative	2,874	1,308
Share-based compensation	4,502	3,304

Consolidated Statement of Cash Flows Q1 2018, trivago N.V.

(in €k)	Q1 2018	Q1 2017
Net Income/(loss)	(21,798)	7,658
Adjustments to reconcile net income/(loss) to net cash used:		
Depreciation	2,423	1,475
Amortization of intangible assets	421	1,998
Impairment of intangible assets	165	-
Share-based compensation	4,502	3,304
Deferred income taxes	(7,793)	(1,178)
Foreign exchange (gain) loss	(134)	76
Bad debt expense	127	29
Loss on sale of fixed assets	2	-
Loss from equity method investment	17	-
Changes in operating assets and liabilities		
Accounts receivable, including related party	(42,439)	(61,927)
Prepaid expense and other assets	(619)	1,032
Accounts payable	36,438	35,685
Accrued expenses and other liabilities	1,203	1,284
Deferred revenue	1,126	2,469
Taxes payable/receivable, net	(759)	3,908
Net cash used in operating activities	(27,118)	(4,187)
Capital expenditures	(5,758)	(2,358)
Proceeds from sale of fixed assets	19	-
Net cash used in investing activities	(5,739)	(2,358)
Payments of initial public offering costs	-	(4,038)
Dividends paid to NCI	-	(158)
Proceeds from exercise of option awards	6	-
Net cash (used in)/provided by financing activities	6	(4,196)
Effect of exchange rate changes on cash	(332)	(21)
Net change in cash and cash equivalents	(33,183)	(10,762)
Cash and cash equivalents at beginning of period	192,900	228,182
Cash and cash equivalents at end of period	159,717	217,420

Comments

- Accounts receivable increased more than accounts payable in the period thus leading to a net decrease in cash and cash equivalents position.
- Capital expenditures increased year-over-year driven by increased investment in net property and equipment including internally use software and website

Consolidated Balance Sheet Q1 2018, trivago N.V.

(in €k)	Mar 31, 2018	Dec 31, 2017	
Cash and cash equivalent	157,018	190,201	1
Restricted cash	103	103	
Accounts receivable	57,526	43,062	2
Accounts receivable, related party	66,625	39,063	
Tax receivable	2,845	2,092	
Prepaid expenses and other current assets	19,463	18,758	
Total Current Assets	303,580	293,279	
Property and equipment, net	129,032	114,471	3
Other long-term assets	6,946	6,955	
Intangible assets, net	172,873	173,294	
Goodwill	490,442	490,455	
Total Assets	1,102,873	1,078,454	
Accounts payable	87,514	51,307	4
Income taxes payable	3,422	3,428	
Deferred revenue	9,762	8,941	
Accrued expenses and other current liabilities	15,882	14,711	
Total Current Liabilities	116,580	78,387	
Deferred income taxes	40,512	48,305	
Other long-term liabilities	109,045	97,787	
Redeemable noncontrolling interests	-	-	
Class A common stock	1,859	1,855	
Class B common stock	191,880	191,880	
Reserves	734,935	730,431	
Contribution from parent	122,307	122,307	
Accumulated other comprehensive income/(loss)	(223)	(180)	
Retained earnings (accumulated deficit)	(214,022)	(192,318)	
Total Stockholders' Equity attributable to trivago N.V	836,736	853,975	
Noncontrolling interest	-	-	
Total Stockholders' Equity	836,736	853,975	
Total Liabilities and Stockholders' Equity	1,102,873	1,078,454	

Comments

- 1 Decrease in cash and cash equivalent was driven by negative cash flow from operating activities
- 2 Accounts receivable increased quarter-over-quarter due to seasonal revenue increase
- 3 Increased Property and Equipment due to Build to Suit
- 4 Increased advertising spend quarter-over-quarter according to seasonal revenue trend

