



Earnings Call Q3 2019

5 November 2019



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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 our ability to grow our revenue in future periods, or at rates deemed sufficient by the market without reducing our profits or incurring losses; our dependence on a relatively small number of advertisers for our revenue and adverse impacts that could result from their reduced spending or changes in their bidding strategy; factors that contribute to our period-over-period volatility in our financial condition and result of operations, and how they may negatively impact our ability to meet the financial guidance that we communicate to the market; our dependence on general economic conditions and adverse impacts that could result from declines in travel or discretionary spending; the effectiveness of our Advertising Spend, including as a result of increased competition or inadequate or ineffective innovation in or execution of our advertising; the effectiveness of our measures to increase advertiser diversity on our marketplace; increasing competition and consolidation in our industry; our focus on hotel and other accommodations if users expect other services; our ability to innovate and provide tools and services that are useful to our users and advertisers; our dependence on relationships with third parties to provide us consumer reviews; our reliance on search engines, which may change their business models or algorithms; any inaccuracies in, or misinterpretation of, the assumptions and estimates and data we use to make decisions about our business; changes to and our compliance with applicable laws, rules and regulations; the impact of any legal and regulatory proceedings to which we are or may become subject; potential disruptions in the operation of our systems, security breaches and data protection; impacts from our operating globally; as well as other risks and uncertainties detailed in our public filings with the SEC, including travigo's Annual Report on Form 20-F for the fiscal year ended December 31, 2018, as such risks and uncertainties may be updated from time to time. 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. Except as required by law, 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.

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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. We are not able to provide a reconciliation of our adjusted EBITDA guidance to net income/(loss), the comparable GAAP measure, because certain items that are excluded from adjusted EBITDA cannot be reasonably predicted or are not in our control. In particular, we are unable to forecast the timing or magnitude of share-based compensation, interest, taxes, depreciation and amortization without unreasonable efforts, and these items could significantly impact, either individually or in the aggregate, net income/(loss) in the future.

Agenda

Company update

Financial performance

Guidance 2019

Appendix: Financial statements

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Company update

Financial performance

Guidance 2019

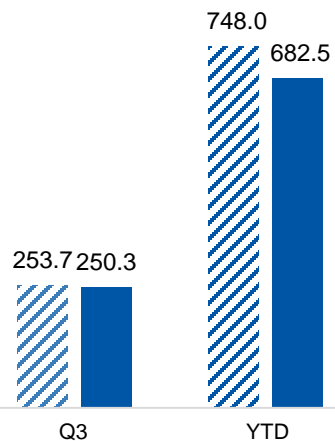
Appendix: Financial statements

Q3 2019 – Financial Update

2018 2019 YoY

Total Revenue

(€mm)

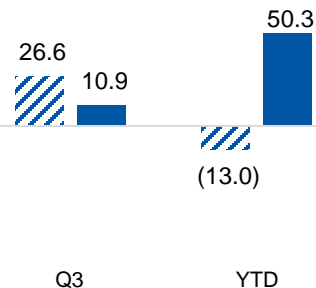


(1)%

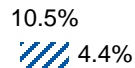
(9)%

Adj. EBITDA¹

(€mm)



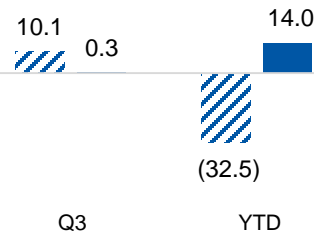
(% of Total Revenue)



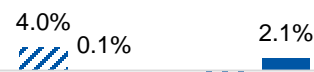
(1.7)%

Net Income / (Loss)

(€mm)



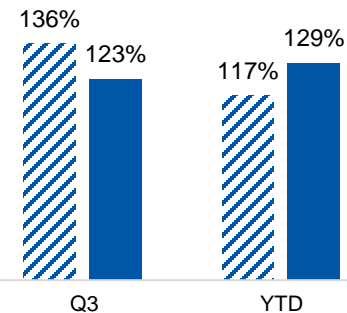
(% of Total Revenue)



(4.3)%

Return on Advertising Spend

(%)

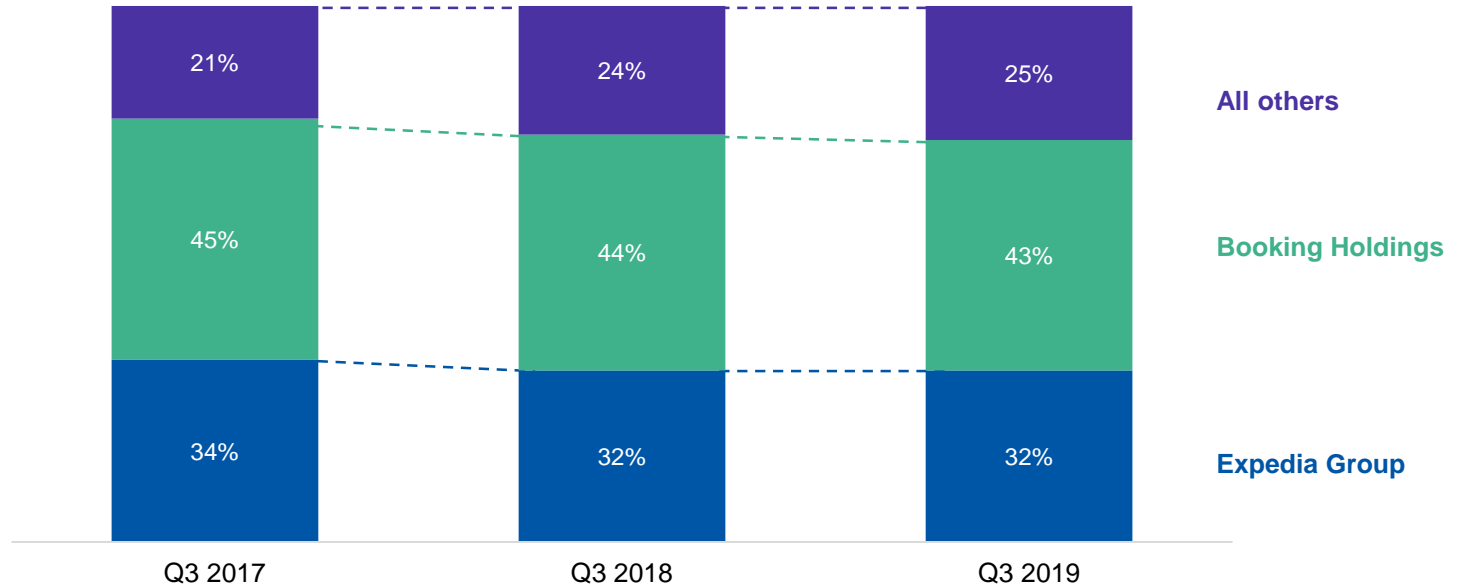


(13) ppts

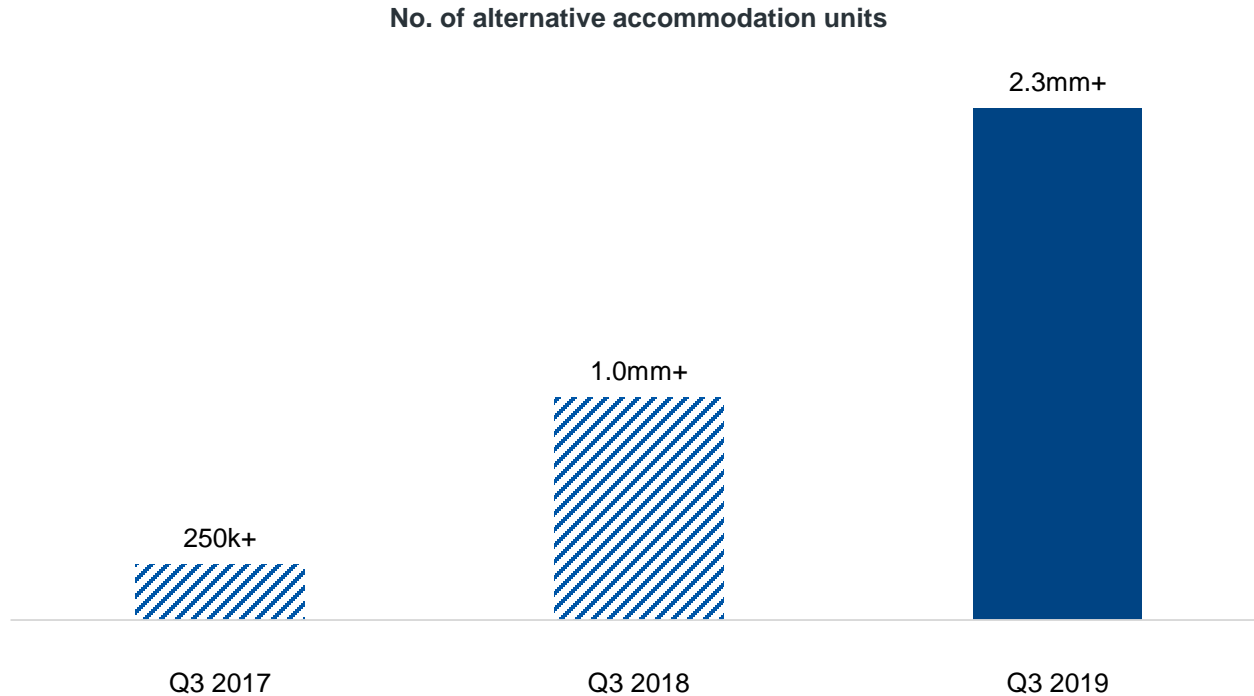
12 ppts

Our advertiser mix was broadly in line with the same period in prior years

Advertiser revenue share as % of total revenue



We more than doubled our alternative accommodation within a year



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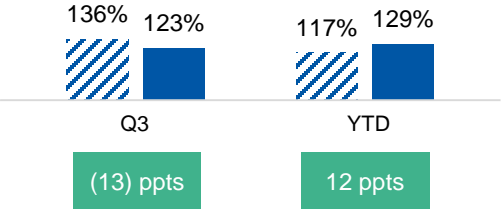
Guidance 2019

Appendix: Financial statements

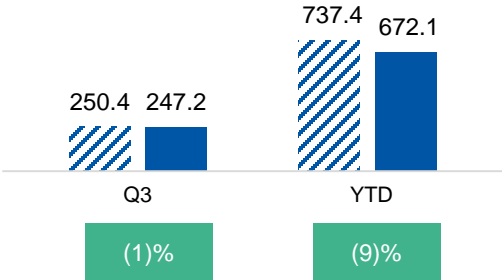
KPI – Global

2018 2019 YoY

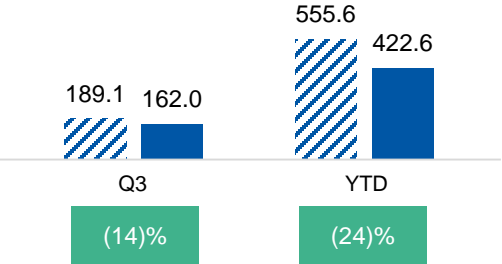
ROAS (%)



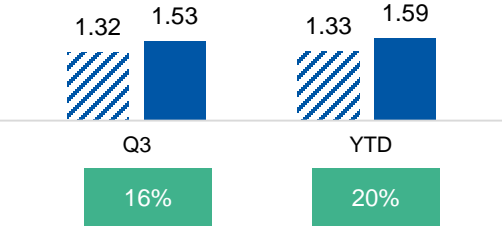
Referral Revenue (€mm)



Qualified Referrals (mm)



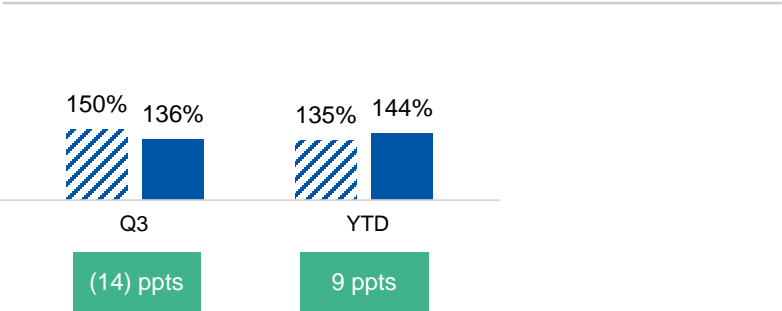
RPQR¹ (€)



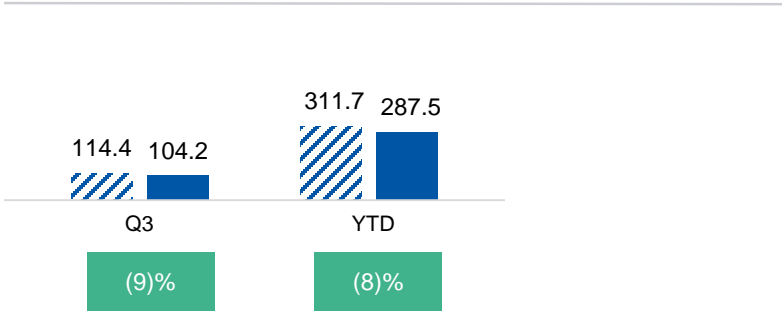
KPI – Developed Europe

2018 2019 YoY

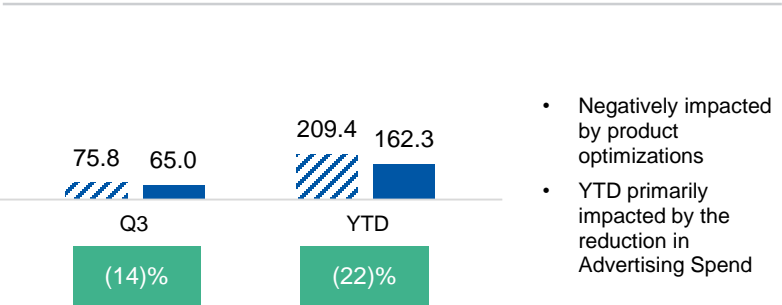
ROAS (%)



Referral Revenue (€mm)

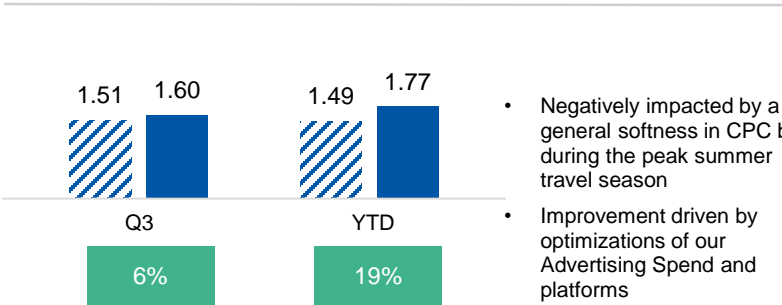


Qualified Referrals (mm)



- Negatively impacted by product optimizations
- YTD primarily impacted by the reduction in Advertising Spend

RPQR¹ (€)

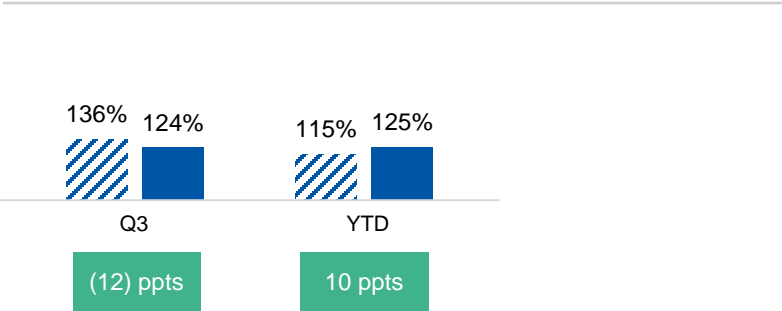


- Negatively impacted by a general softness in CPC bids during the peak summer travel season
- Improvement driven by optimizations of our Advertising Spend and platforms

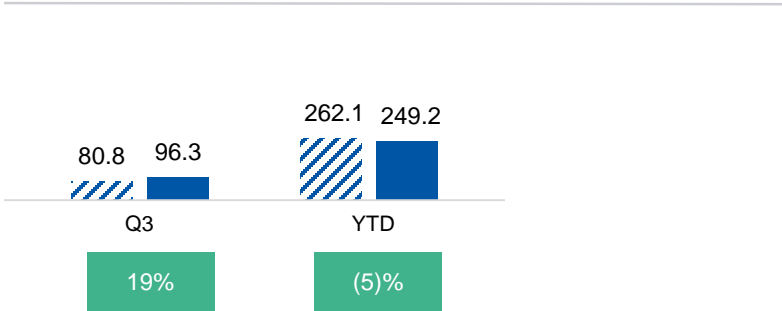
KPI – Americas

2018 2019 YoY

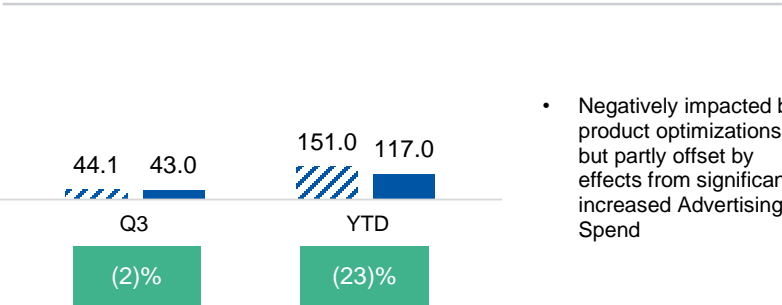
ROAS (%)



Referral Revenue (€mm)

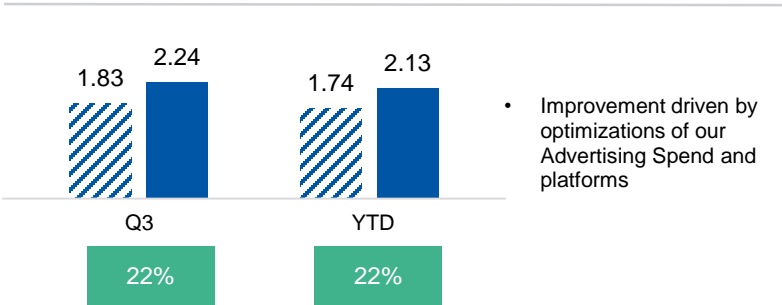


Qualified Referrals (mm)



- Negatively impacted by product optimizations but partly offset by effects from significantly increased Advertising Spend

RPQR¹ (€)

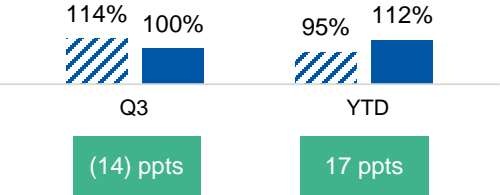


- Improvement driven by optimizations of our Advertising Spend and platforms

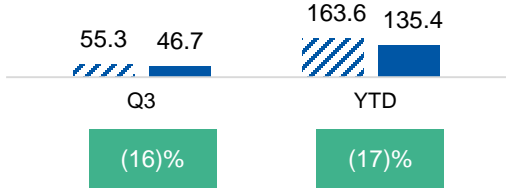
KPI – Rest of World

2018 2019 YoY

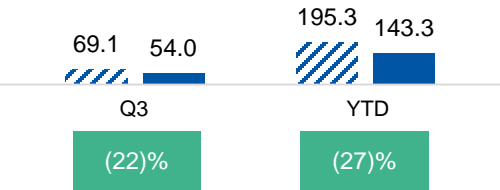
ROAS (%)



Referral Revenue (€mm)

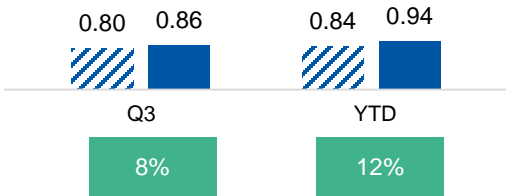


Qualified Referrals (mm)



- Negatively impacted by product optimizations
- YTD primarily impacted by the reduction in Advertising Spend

RPQR¹ (€)



- Improvement driven by optimizations of our Advertising Spend and platforms

Q3 2019 Highlights



Referral Revenue in Americas grew significantly as we increased our Advertising Spend



Continued to roll out **bid modifiers** and phased out the **relevance assessment** in our marketplace



Continued to increase our coverage of **alternative accommodation**

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Guidance for 2019

**Adjusted
EBITDA**

- FY 2019 **Adj. EBITDA**¹ expected to be between **€60mm – €80mm**

Appendix

Consolidated Financials YTD 2019, trivago N.V.

in €k	YTD 2019	YTD 2018	Abs Δ vs. YTD'18	Δ vs. YTD'18
Referral revenue	672,078	737,433	(65,355)	(8.9)%
Other revenue	10,391	10,605	(214)	(2.0)%
Total revenue	682,468	748,038	(65,570)	(8.8)%
Cost of revenue	6,538	4,434	2,104	47.5%
<i>% of Total revenue</i>	<i>1.0%</i>	<i>0.6%</i>		
Selling and marketing	557,189	687,915	(130,726)	(19.0)%
<i>% of Total revenue</i>	<i>81.6%</i>	<i>92.0%</i>		
Technology and content	53,595	49,631	3,964	8.0%
<i>% of Total revenue</i>	<i>7.9%</i>	<i>6.6%</i>		
General and administrative	38,032	42,777	(4,745)	(11.1)%
<i>% of Total revenue</i>	<i>5.6%</i>	<i>5.7%</i>		
Amortization of intangible assets	1,264	1,263	1	0.1%
<i>% of Total revenue</i>	<i>0.2%</i>	<i>0.2%</i>		
Operating income (loss)	25,850	(37,982)	63,832	n.m.
Net interests and other expenses	874	(1,365)	2,239	n.m.
<i>% of Total revenue</i>	<i>0.1%</i>	<i>(0.2)%</i>		
Income taxes	12,902	(6,828)	19,730	n.m.
<i>% of Total revenue</i>	<i>1.9%</i>	<i>(0.9)%</i>		
Income from equity method investment	208	41	167	n.m.
<i>% of Total revenue</i>	<i>0.0%</i>	<i>0.0%</i>		
Net income (loss)	14,030	(32,478)	46,508	n.m.
<i>% of Total revenue</i>	<i>2.1%</i>	<i>(4.3)%</i>		

Comments

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

Consolidated Financial Information YTD 2019, trivago N.V.

in €k	YTD 2019	YTD 2018	Abs Δ vs. YTD'18	Δ vs. YTD'18	
Referral revenue	672,077	737,433	(65,356)	(8.9)%	1
Other revenue	10,391	10,605	(214)	(2.0)%	2
Total revenue	682,468	748,038	(65,570)	(8.8)%	
Cost of revenue excl. SBC	6,334	4,296	2,038	47.4%	
% of Total revenue	0.9%	0.6%			
Selling and marketing excl. SBC	555,325	685,343	(130,018)	(19.0)%	
% of Total revenue	81.4%	91.6%			
Advertising spend excl. SBC	521,034	631,606	(110,572)	(17.5)%	3
% of Total revenue	76.3%	84.4%			
Other S&M excl. SBC	34,291	53,737	(19,446)	(36.2)%	4
% of Total revenue	5.0%	7.2%			
Technology and content excl. SBC	48,812	46,047	2,765	6.0%	5
% of Total revenue	7.2%	6.2%			
General and administrative excl. SBC	29,227	33,857	(4,630)	(13.7)%	6
% of Total revenue	4.3%	4.5%			
Depreciation add-back	7,531	8,490	(959)	(11.3)%	
% of Total revenue	1.1%	1.1%			
Adjusted EBITDA	50,301	(13,015)	63,316	n.m.	
% of Total revenue	7.4%	(1.7)%			
Share-based compensation (SBC)	15,656	15,214	442	2.9%	
% of Total revenue	2.3%	2.0%			
EBITDA	34,645	(28,229)	62,874	n.m.	
% of Total revenue	5.1%	(3.8)%			
Depreciation and amortization	8,794	9,753	(959)	(9.8)%	
% of Total revenue	1.3%	1.3%			
Net interests and other expenses	(874)	1,365	(2,239)	n.m.	
% of Total revenue	(0.1)%	0.2%			
Income taxes	12,902	(6,828)	19,730	n.m.	
% of Total revenue	1.9%	(0.9)%			
Income from equity method investment	208	41	167	n.m.	
% of Total revenue	0.0%	0.0%			
Net income (loss)	14,030	(32,478)	46,508	(143.2)%	
% of Total revenue	2.1%	(4.3)%			

Comments

- 1 Referral revenue decreased by 9% due to revenue declines in Americas, Developed Europe and RoW of 5%, 8% and 17%, respectively
- 2 Other revenue decreased by 2%, driven by a decrease in subscription revenue, partly offset by higher related party revenue and royalties
- 3 Advertising spend decreased by 12%, 13% and 30% in Americas, Developed Europe and RoW, respectively
- 4 Other selling and marketing expenses excl. SBC decreased by 36%, driven by lower investment in the production of television advertisements and by lower personnel costs
- 5 Technology and content expense excl. SBC increased by 6%, driven by higher compensation expense, lower capitalization of our developers' salaries in the first half of the year 2019 and higher office expense
- 6 General and administrative expense excl. SBC decreased by 14%, driven by lower professional fees

Reconciliation of non-GAAP Financial Measures YTD 2019, trivago N.V.

in €mm	YTD 2019	YTD 2018	Abs Δ vs. YTD'18
Net income/(loss)	14.0	(32.5)	46.5
Income/(loss) from equity method investment	0.2	(0.0)	0.2
Income/(loss) before equity method investment	13.8	(32.5)	46.3
Expense/(benefit) for income taxes	12.9	(6.8)	19.7
Income/(loss) before income taxes	26.7	(39.3)	66.0
Add/(less):			
Interest expense	0.0	1.0	(1.0)
Other, net	(0.9)	0.4	(1.3)
Operating income/(loss)	25.9	(38.0)	63.9
Depreciation	7.5	8.5	(1.0)
Amortization of intangible assets	1.3	1.3	—
EBITDA	34.6	(28.2)	62.8
Share-based compensation	15.7	15.2	0.5
Adjusted EBITDA	50.3	(13.0)	63.3

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

in €k	YTD 2019	YTD 2018
Cost of revenue	204	138
Selling and marketing	1,864	2,572
Technology and content	4,783	3,584
General and administrative	8,805	8,920
Share-based compensation	15,656	15,214

Consolidated Financials Q3 2019, trivago N.V.

in €k	Q3 2019	Q3 2018	Abs Δ vs. Q3'18	Δ vs. Q3'18
Referral Revenue	247,166	250,449	(3,283)	(1.3)%
Other revenue	3,112	3,226	(114)	(3.5)%
Total revenue	250,278	253,675	(3,397)	(1.3)%
Cost of revenue	2,558	1,408	1,150	81.7%
<i>% of Total revenue</i>	<i>1.0%</i>	<i>0.6%</i>		
Selling and marketing	212,986	204,208	8,778	4.3%
<i>% of Total revenue</i>	<i>85.1%</i>	<i>80.5%</i>		
Technology and content	17,502	17,094	408	2.4%
<i>% of Total revenue</i>	<i>7.0%</i>	<i>6.7%</i>		
General and administrative	14,409	12,690	1,719	13.5%
<i>% of Total revenue</i>	<i>5.8%</i>	<i>5.0%</i>		
Amortization of intangible assets	421	421	—	—%
<i>% of Total revenue</i>	<i>0.2%</i>	<i>0.2%</i>		
Operating income (loss)	2,402	17,854	(15,452)	(86.5)%
Net interests and other expenses	188	(787)	975	(123.9)%
<i>% of Total revenue</i>	<i>0.1%</i>	<i>(0.3)%</i>		
Income taxes	2,376	7,101	(4,725)	(66.5)%
<i>% of Total revenue</i>	<i>0.9%</i>	<i>2.8%</i>		
Income (loss) from equity method investment	79	87	(8)	(9.2)
<i>% of Total revenue</i>	<i>0.0%</i>	<i>0.0%</i>		
Net income (loss)	293	10,053	(9,760)	(97.1)%
<i>% of Total revenue</i>	<i>0.1%</i>	<i>4.0%</i>		

Comments

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

Consolidated Financial Information Q3 2019, trivago N.V.

in €k	Q3 2019	Q3 2018	Abs Δ vs. Q3'18	Δ vs. Q3'18
Referral Revenue	247,166	250,449	(3,283)	(1.3)%
Other revenue	3,112	3,226	(114)	(3.5)%
Total revenue	250,278	253,675	(3,397)	(1.3)%
Cost of revenue excl. SBC	2,492	1,351	1,141	84.5%
% of Total revenue	1.0%	0.5%		
Selling and marketing excl. SBC	212,523	203,435	9,088	4.5%
% of Total revenue	84.9%	80.2%		
Advertising Spend excl. SBC	201,285	184,342	16,943	9.2%
% of Total revenue	80.4%	72.7%		
Other S&M excl. SBC	11,238	19,093	(7,855)	(41.1)%
% of Total revenue	4.5%	7.5%		
Technology and content excl. SBC	16,365	15,602	763	4.9%
% of Total revenue	6.5%	6.2%		
General and administrative excl. SBC	10,749	9,655	1,094	11.3%
% of Total revenue	4.3%	3.8%		
Depreciation add-back	2,712	2,961	(249)	(8.4)%
% of Total revenue	1.1%	1.2%		
Adjusted EBITDA	10,861	26,593	(15,732)	(59.2)%
% of Total revenue	4.3%	10.5%		
Share-based compensation (SBC)	5,326	5,357	(31)	(0.6)%
% of Total revenue	2.1%	2.1%		
EBITDA	5,535	21,236	(15,701)	(73.9)%
% of Total revenue	2.2%	8.4%		
Depreciation and amortization	3,133	3,382	(249)	(7.4)%
% of Total revenue	1.3%	1.3%		
Net interests and other expenses	(188)	787	(975)	n.m.
% of Total revenue	(0.1)%	0.3%		
Income taxes	2,376	7,101	(4,725)	(66.5)%
% of Total revenue	0.9%	2.8%		
Income from equity method investment	79	87	(8)	(9.2)%
% of Total revenue	0.0%	0.0%		
Net income (loss)	293	10,053	(9,760)	(97.1)%
% of Total revenue	0.1%	4.0%		

Comments

- 1 Referral Revenue decreased by 1% as Referral Revenue increased by 19% in Americas, which was significantly offset by the declines in Developed Europe and RoW of 9% and 16%, respectively
- 2 Other revenue decreased by 4%, mainly driven by lower subscription revenue, partially offset by higher related party revenue
- 3 Advertising Spend increased by 31% and 1% in Americas and Developed Europe, respectively, but decreased by 4% in RoW
- 4 Other selling and marketing expenses excl. SBC decreased by 41%, driven by lower investment in the production of television advertisements and by lower personnel costs
- 5 Technology and content expense excl. SBC increased by 5%, mainly driven by higher personnel costs and higher office expense
- 6 General and administrative expense excl. SBC increased by 11%, mainly driven by higher professional fees and other expenses

Reconciliation of non-GAAP Financial Measures Q3 2019, trivago N.V.

in €mm	Q3 2019	Q3 2018	Abs Δ vs. Q3'18
Net income/(loss)	0.3	10.1	(9.8)
Income/(loss) from equity method investment	0.1	0.1	—
Income/(loss) before equity method investment	0.2	10.0	(9.8)
Expense/(benefit) for income taxes	2.4	7.1	(4.7)
Income/(loss) before income taxes	2.6	17.1	(14.5)
Add/(less):			
Interest expense	0.0	0.7	(0.7)
Other, net	(0.2)	0.1	(0.3)
Operating income/(loss)	2.4	17.9	(15.5)
Depreciation	2.7	3.0	(0.3)
Amortization of intangible assets	0.4	0.4	—
EBITDA	5.5	21.2	(15.7)
Share-based compensation	5.3	5.4	(0.1)
Adjusted EBITDA	10.9	26.6	(15.7)

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

in €k	Q3 2019	Q3 2018
Cost of revenue	66	57
Selling and marketing	463	773
Technology and content	1,137	1,492
General and administrative	3,660	3,035
Share-based compensation	5,326	5,357

Consolidated Statement of Cash Flows YTD 2019, trivago N.V.

in €k	YTD 2019	YTD 2018	
Net income/(loss)	14,030	(32,478)	1
Adjustments to reconcile net income/(loss) to net cash provided by/(used in):			
Depreciation	7,531	8,490	
Amortization of intangible assets	1,263	1,263	
Impairment of internal-use software and website development	96	1,145	
Share-based compensation	15,656	15,214	
Deferred income taxes	1,986	(7,270)	
Foreign exchange loss	401	340	
Bad debt expense	538	320	
Loss on disposal of fixed assets	1	390	
Gain from settlement of asset retirement obligation	(209)	—	
Gain from equity method investment	(50)	(41)	
Change in operating assets and liabilities			2
Accounts receivable, including related party	(2,859)	(18,997)	
Prepaid expense and other assets	2,356	8,300	
Accounts payable	14,901	(1,820)	
Payroll liabilities	(4,423)	(67)	
Accrued expenses and other liabilities	1,981	3,486	
Deferred revenue	(1,069)	681	
Taxes payable/receivable, net	(2,293)	(2,240)	
Net cash provided by/(used in) operating activities	49,837	(23,284)	
Purchase of investments	(10,000)	—	
Capital expenditures	(6,290)	(22,176)	
Proceeds from sale of fixed assets	30	85	
Net cash used in investing activities	(16,260)	(22,091)	3
Proceeds from exercise of option awards	193	11	
Repayment of other non-current liabilities	(234)	—	
Net cash provided by/(used in) financing activities	(41)	11	
Effect of exchange rate changes on cash	263	(67)	
Net increase/(decrease) in cash, cash equivalents and restricted cash	33,799	(45,431)	
Cash and cash equivalents and restricted cash at beginning of the period	164,308	192,900	
Cash and cash equivalents and restricted cash at end of period	198,107	147,469	

Comments

- 1 Net income improved to €14.0 million, reflecting a substantial increase in our profitability, especially in the first half of the year 2019
- 2 Change in operating assets and liabilities led to an increase in cash and cash equivalents, mainly due to an increase in Accounts payable of €14.9 million in YTD 2019
- 3 Capital expenditures decreased period-over-period, mainly driven by higher capital expenditures related to the new campus in YTD 2018

Consolidated Statement of Cash Flows Q3 2019, trivago N.V.

in €k	Q3 2019	Q3 2018
Net income/(loss)	293	10,053
Adjustments to reconcile net income/(loss) to net cash provided by/(used in):		
Depreciation	2,712	2,961
Amortization of intangible assets	421	421
Share-based compensation	5,326	5,357
Deferred income taxes	254	7,101
Foreign exchange loss	270	109
Bad debt expense	192	132
Loss on disposal of fixed assets	—	383
(Gain)/loss from equity method investment	79	(87)
Change in operating assets and liabilities		
Accounts receivable, including related party	11,348	40,830
Prepaid expense and other assets	453	7,427
Accounts payable	(17,394)	(25,121)
Payroll liabilities	591	651
Accrued expenses and other liabilities	665	1,806
Deferred revenue	(411)	27
Taxes payable/receivable, net	(10,422)	(1,065)
Net cash provided by/(used in) operating activities	(5,623)	50,985
Purchase of investments	(10,000)	—
Capital expenditures	(3,085)	(4,893)
Proceeds from sale of fixed assets	3	59
Net cash used in investing activities	(13,082)	(4,834)
Proceeds from exercise of option awards	28	3
Repayment of other non-current liabilities	(66)	—
Net cash provided by/(used in) financing activities	(38)	3
Effect of exchange rate changes on cash	275	35
Net increase/(decrease) in cash, cash equivalents and restricted cash	(18,468)	46,189
Cash and cash equivalents and restricted cash at beginning of the period	216,575	101,280
Cash and cash equivalents and restricted cash at end of the period	198,107	147,469

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Comments

- 1 Net income excluding non-cash expenses led to an increase in cash and cash equivalents of €9.5 million in the third quarter of 2019
- 2 Net cash used in operating activities was mainly driven by the change in operating assets and liabilities of €15.2 million which was mainly due to an increase in accounts payable of €17.4 million. This was partly compensated by an increase in accounts receivable of €11.3 million
- 3 Net decrease in cash, cash equivalents and restricted cash was mainly driven by Net cash used in investing activities of €13.0 million, thereof €10.0 million for purchase of investments

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3

Consolidated Balance Sheet YTD 2019, trivago N.V.

in €k	As of September 30, 2019	As of December 31, 2018	
Cash and cash equivalents	195,670	161,871	1
Restricted cash	122	122	
Accounts receivable, less allowance	51,453	54,981	2
Accounts receivable, related party	45,461	39,655	
Short-term investments	10,000	—	
Tax receivable	1,617	281	
Prepaid expenses and other current assets	5,855	8,346	
Total current assets	310,178	265,256	
Property and equipment, net	34,129	162,001	3
Operating lease right-of-use assets	97,451	—	
Deferred income taxes	640	—	
Other long-term assets	7,179	6,148	
Intangible assets, net	170,345	171,609	
Goodwill	490,591	490,529	
Total assets	1,110,513	1,095,543	
Accounts payable	49,145	33,656	4
Income taxes payable	264	1,221	
Deferred revenue	6,794	7,863	
Payroll liabilities	4,108	8,531	
Accrued expenses and other current liabilities	9,102	9,650	
Operating lease liability	5,301	—	5
Total current liabilities	74,714	60,921	
Operating lease liability	95,971	—	5
Financing obligations	—	127,705	
Deferred income taxes	50,179	46,550	
Other long-term liabilities	2,234	6,784	
Class A common stock	3,038	2,554	
Class B common stock	181,013	185,213	
Reserves	776,827	757,262	
Contribution from parent	122,307	122,307	
Accumulated other comprehensive loss	65	(89)	
Accumulated deficit	(195,835)	(213,664)	
Total stockholders' equity	887,415	853,583	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,110,513	1,095,543	

Comments

- 1 Increase in cash and cash equivalents was mainly driven by positive cash flows from operating activities which were mainly due to net income excluding non-cash expenses and additional positive effects from changes in operating assets and liabilities
- 2 Accounts receivable from non-related parties decreased slightly to €51.5 million, partially compensating delayed payments from advertisers in the fourth quarter of 2018
- 3 Property and equipment decreased mainly due to the transition from build-to-suit to operating lease treatment of our campus as a result of the adoption ASC 842, the new leasing standard
- 4 Accounts payable increased to €49.1 million, mainly driven by an increase in Advertising Spend
- 5 Financing obligations as of December 31, 2018, mainly relating to build-to-suit treatment of our campus, were transitioned to Operating lease liabilities in Q1 2019 as a result of the adoption ASC 842, the new leasing standard

