Exhibit 99.3

trivago N.V.

Unaudited Condensed Consolidated Interim Financial Statements as of September 30, 2021

trivago N.V.

Condensed consolidated statements of operations

(€ thousands, except per share amounts, unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Revenue	€ 102,801	€ 47,399	€ 208,747	€ 154,279
Revenue from related party	35,838	13,243	63,592	62,298
Total revenue	**138,639**	**60,642**	**272,339**	**216,577**
Costs and expenses:				
Cost of revenue, including related party, excluding amortization (1)	3,136	2,644	8,683	8,112
Selling and marketing, including related party (1)(2)(3)	104,374	36,553	199,077	160,777
Technology and content, including related party (1)(2)(3)	12,746	14,786	39,139	50,695
General and administrative, including related party (1)(2)(3)	9,765	7,992	28,469	32,316
Amortization of intangible assets (2)	34	12	102	373
Impairment of goodwill	—	—	—	207,618
Operating income/(loss)	**8,584**	**(1,345)**	**(3,131)**	**(243,314)**
Other income/(expense)				
Interest expense	(106)	(45)	(308)	(150)
Other, net	353	(417)	985	(1,015)
Total other income/(expense), net	**247**	**(462)**	**677**	**(1,165)**
Income/(loss) before income taxes	**8,831**	**(1,807)**	**(2,454)**	**(244,479)**
Expense/(benefit) for income taxes	3,303	626	2,047	(7,409)
Income/(loss) before equity method investment	**5,528**	**(2,433)**	**(4,501)**	**(237,070)**
Income from equity method investment	—	120	—	333
Net income/(loss)	**€ 5,528**	**€ (2,313)**	**€ (4,501)**	**€ (236,737)**
Earnings per share available to common stockholders:				
Basic	€ 0.02	€ (0.01)	€ (0.01)	€ (0.67)
Diluted	0.02	(0.01)	(0.01)	(0.67)
Shares used in computing earnings per share:				
Basic	358,076	353,543	357,181	353,151
Diluted	368,322	353,543	357,181	353,151

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
(1) Includes share-based compensation as follows:				
Cost of revenue	€ 68	€ 70	€ 189	€ 190
Selling and marketing	259	231	784	908
Technology and content	1,135	904	2,864	3,085
General and administrative	3,566	2,490	9,206	7,199
(2) Includes amortization as follows:				
Amortization of internal use software costs included in selling and marketing	€ 19	€ 41	€ 82	€ 141
Amortization of internal use software and website development costs included in technology and content	1,159	997	3,479	2,919
Amortization of internal use software costs included in general and administrative	75	82	246	407
Amortization of acquired technology included in amortization of intangible assets	34	12	102	84
(3) Includes related party expense as follows:				
Cost of revenue	€ —	€ (32)	€ —	€ (32)
Selling and marketing	€ 28	€ 38	€ 101	€ 126
Technology and content	13	19	40	104
General and administrative	—	9	—	31

See accompanying notes

trivago N.V.

Condensed consolidated statements of comprehensive income/(loss)

(€ thousands, unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Net income/(loss)	€ 5,528	€ (2,313)	€ (4,501)	€ (236,737)
Other comprehensive income/(loss):				
Currency translation adjustments	12	(49)	4	(20)
Total other comprehensive income/(loss)	12	(49)	4	(20)
Comprehensive income/(loss)	**€ 5,540**	**€ (2,362)**	**€ (4,497)**	**€ (236,757)**

See accompanying notes

trivago N.V.

Condensed consolidated balance sheets

(€ thousands, except share and per share data, unaudited)

ASSETS	As of September 30, 2021	As of December 31, 2020
Current assets:		
Cash and cash equivalents	€ 194,438	€ 208,353
Restricted cash	—	103
Accounts receivable, net of allowance for credit losses of €573 and €348 at September 30, 2021 and December 31, 2020, respectively	55,252	11,642
Accounts receivable, related party	20,680	2,969
Short-term investments	—	19,448
Tax receivable	3,642	7,839
Prepaid expenses and other current assets	10,496	10,438
Total current assets	**284,508**	**260,792**
Property and equipment, net	17,121	26,682
Operating lease right-of-use assets	49,139	86,810
Deferred income taxes	1	1
Other long-term assets	3,313	4,399
Intangible assets, net	170,119	169,550
Goodwill	287,751	282,664
TOTAL ASSETS	**€ 811,952**	**€ 830,898**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	€ 19,921	€ 6,755
Income taxes payable	1,013	102
Deferred revenue	1,762	2,750
Payroll liabilities	3,269	2,983
Accrued expenses and other current liabilities	16,104	14,934
Operating lease liability	2,258	7,188
Total current liabilities	**44,327**	**34,712**
Operating lease liability	45,837	85,979
Deferred income taxes	44,264	42,176
Other long-term liabilities	3,210	3,514
Stockholders' equity:		
Class A common stock, €0.06 par value - 700,000,000 shares authorized, 95,317,292 and 55,967,976 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	5,719	3,358
Class B common stock, €0.60 par value - 320,000,000 shares authorized, 262,934,762 and 298,187,967 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	157,761	178,913
Reserves	831,102	798,017
Contribution from Parent	122,307	122,307
Accumulated other comprehensive income/(loss)	8	4
Accumulated deficit	(442,583)	(438,082)
Total stockholders' equity	**674,314**	**664,517**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**€ 811,952**	**€ 830,898**

See accompanying notes

trivago N.V.

Condensed consolidated statements of changes in equity

(€ thousands, unaudited)

Three Months Ended September 30, 2021	Class A common stock	Class B common stock	Reserves	Retained earnings (accumulated deficit)	Accumulated other comprehensive income/(loss)	Contribution from Parent	Total stockholders' equity
Balance at July 1, 2021	€ 4,155	€ 173,138	€ 812,240	€ (448,111)	€ (4)	€ 122,307	€ 663,725
Net income				5,528			5,528
Other comprehensive income (net of tax)					12		12
Share-based compensation expense			5,028				5,028
Conversion of Class B shares	1,538	(15,377)	13,839				—
Issued capital, options exercised	26		(5)				21
Balance at September 30, 2021	**€ 5,719**	**€ 157,761**	**€ 831,102**	**€ (442,583)**	**€ 8**	**€ 122,307**	**€ 674,314**

Nine months ended September 30, 2021	Class A common stock	Class B common stock	Reserves	Retained earnings (accumulated deficit)	Accumulated other comprehensive income/(loss)	Contribution from Parent	Total stockholders' equity
Balance at January 1, 2021	€ 3,358	€ 178,913	€ 798,017	€ (438,082)	€ 4	€ 122,307	€ 664,517
Net loss				(4,501)			(4,501)
Other comprehensive income (net of tax)					4		4
Share-based compensation expense			13,043				13,043
Conversion of Class B shares	2,115	(21,152)	19,037				—
Issued capital, options exercised	246		1,005				1,251
Balance at September 30, 2021	**€ 5,719**	**€ 157,761**	**€ 831,102**	**€ (442,583)**	**€ 8**	**€ 122,307**	**€ 674,314**

Three months ended September 30, 2020	Class A common stock	Class B common stock	Reserves	Retained earnings (accumulated deficit)	Accumulated other comprehensive income/(loss)	Contribution from Parent	Total stockholders' equity
Balance at July 1, 2020	€ 3,307	€ 178,913	€ 790,629	€ (427,128)	€ 91	€ 122,307	€ 668,119
Net loss				(2,313)			(2,313)
Other comprehensive loss (net of tax)					(49)		(49)
Share-based compensation expense			3,695				3,695
Issued capital, options exercised	22		(3)				19
Balance at September 30, 2020	**€ 3,329**	**€ 178,913**	**€ 794,321**	**€ (429,441)**	**€ 42**	**€ 122,307**	**€ 669,471**

Nine months ended September 30, 2020	Class A common stock	Class B common stock	Reserves	Retained earnings (accumulated deficit)	Accumulated other comprehensive income/(loss)	Contribution from Parent	Total stockholders' equity
Balance at January 1, 2020	€ 3,049	€ 181,013	€ 781,060	€ (192,704)	€ 62	€ 122,307	€ 894,787
Net loss				(236,737)			(236,737)
Other comprehensive loss (net of tax)					(20)		(20)
Share-based compensation expense			11,382				11,382
Conversion of Class B shares	210	(2,100)	1,890				—
Issued capital, options exercised	70		(11)				59
Balance at September 30, 2020	**€ 3,329**	**€ 178,913**	**€ 794,321**	**€ (429,441)**	**€ 42**	**€ 122,307**	**€ 669,471**

See accompanying notes

trivago N.V.

Condensed consolidated statements of cash flows

(€ thousands, unaudited)

	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Operating activities:				
Net income/(loss)	€ 5,528	€ (2,313)	€ (4,501)	€(236,737)
Adjustments to reconcile net income/(loss) to net cash provided by/(used in):				
Depreciation (property and equipment and internal-use software and website development)	1,958	2,653	6,366	8,279
Amortization of intangible assets	34	12	102	373
Goodwill impairment loss	—	—	—	207,618
Impairment of long-lived assets including internal-use software and website development	—	549	—	549
Share-based compensation	5,028	3,695	13,043	11,382
Deferred income taxes	2,601	508	2,088	(6,914)
Foreign exchange loss/(gain)	(365)	480	(1,029)	123
Expected credit (gains)/losses, net	142	(550)	179	1,836
Loss on disposal of fixed assets	118	60	222	144
Gain from settlement of asset retirement obligation	—	(102)	(5)	(137)
(Gain)/loss from lease termination and modification, net	4	(21)	(1,307)	(56)
Income from equity method investment	—	(120)	—	(333)
Changes in operating assets and liabilities:				
Accounts receivable, including related party	(22,798)	(14,266)	(61,596)	41,224
Prepaid expenses and other assets	6,046	4,540	(2,756)	(1,603)
Accounts payable	(12,611)	2,535	12,845	(26,011)
Payroll liabilities	107	(322)	277	(907)
Accrued expenses and other liabilities	99	(2,151)	2,452	2,881
Deferred revenue	(52)	(198)	(988)	(1,758)
Taxes payable/receivable, net	6,055	(39)	5,108	225
Net cash provided by/(used in) operating activities	**€ (8,106)**	**€ (5,050)**	**€ (29,500)**	**€ 178**
Investing activities:				
Purchase of investments	—	—	(1,351)	(8,850)
Proceeds from sales of investments	9,338	—	19,338	—
Proceeds from sale of business (net of cash sold)	—	292	—	292
Business acquisition, net of cash acquired	—	—	(4,302)	—
Capital expenditures, including internal-use software and website development	(1,103)	(1,454)	(2,901)	(4,629)
Proceeds from sale of fixed assets	38	587	110	624
Net cash provided by/(used in) investing activities	**€ 8,273**	**€ (575)**	**€ 10,894**	**€ (12,563)**
Financing activities:				
Proceeds from exercise of option awards	21	19	1,251	59
Repayment of other non-current liabilities	(42)	(67)	(174)	(202)
Net cash provided by/(used in) financing activities	**€ (21)**	**€ (48)**	**€ 1,077**	**€ (143)**
Effect of exchange rate changes on cash	633	(523)	1,538	(532)
Net increase/(decrease) in cash, cash equivalents and restricted cash	**€ 779**	**€ (6,196)**	**€ (15,991)**	**€ (13,060)**
Cash, cash equivalents and restricted cash at beginning of the period	194,001	213,679	210,771	220,543
Cash, cash equivalents and restricted cash at end of the period	**€ 194,780**	**€ 207,483**	**€ 194,780**	**€ 207,483**

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Supplemental cash flow information:				
Cash paid for interest	€ 106	€ 45	€ 302	€ 150
Cash paid for taxes, net of (refunds)	(5,340)	152	(5,180)	(737)

See accompanying notes

trivago N.V.

Notes to the condensed consolidated financial statements (unaudited)

Note 1: Organization and basis of presentation

Description of business

trivago N.V., (“trivago” the “Company,” “us,” “we” and “our”) and its subsidiaries offer online meta-search for hotel and accommodation through online travel agencies (“OTAs”), hotel chains and independent hotels. Our search-driven marketplace, delivered on websites and apps, provides users with a tailored search experience via our proprietary matching algorithms. We generally employ a ‘cost-per-click’ (or “CPC”) pricing structure, allowing advertisers to control their own return on investment and the volume of lead traffic we generate for them. During 2013, the Expedia Group, Inc. (formerly Expedia, Inc., the "Parent" or "Expedia Group") completed the purchase of a controlling interest in the Company.

As of September 30, 2021, Expedia Group’s ownership interest and voting interest in trivago N.V. is 58.3% and 76.7%, respectively. The Class B shares of trivago N.V. held by Messrs. Schrömgens, Vinnemeier and Siewert (whom we collectively refer to as our Founders) as of September 30, 2021, had an ownership interest and voting interest of 15.1% and 19.8%, respectively.

COVID-19

Our business and operating results for 2021 continue to be negatively impacted by the COVID-19 pandemic. Our ultimate financial performance will depend on a number of factors relating to the world’s emergence from the COVID-19 pandemic, including rates of vaccination and the effectiveness of vaccinations against various mutations of the COVID-19 virus.

Basis of presentation

We have prepared the accompanying interim unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial reporting. We have included all adjustments necessary for a fair presentation of the results of the interim period. These adjustments consist of normal recurring items. Our interim unaudited condensed consolidated financial statements are not necessarily indicative of results that may be expected for any other interim period or for the full year.

Certain information and note disclosures normally included in the audited annual consolidated financial statements have been condensed or omitted in accordance with SEC rules. The condensed consolidated balance sheet as of December 31, 2020 was derived from our audited consolidated financial statements as of that date but does not contain all of the footnote disclosures from the annual financial statements. As such, these interim unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 20-F for the year ended December 31, 2020, previously filed with the Securities and Exchange Commission (“SEC”).

Seasonality

We experience seasonal fluctuations in the demand for our services as a result of seasonal patterns in travel. For example, absent the effect of the COVID-19 pandemic in 2020 and 2021, which has disrupted our usual seasonality trends, searches and consequently our revenue, are generally the highest in the first three quarters as travelers plan and book their spring, summer and winter holiday travel. Our revenue typically decreases in the fourth quarter. We generally expect to experience higher return on advertising spend in the first and fourth quarter of the year as we typically expect to advertise less in the periods outside of high travel seasons. Seasonal fluctuations affecting our revenue also affect the timing of our cash flows. We typically invoice once per month, with customary payment terms. Therefore, our cash flow varies seasonally with a slight delay to our revenue, and is significantly affected by the timing of our advertising spending. Changes in the relative revenue share of our offerings in countries and areas where seasonal travel patterns vary from those described above may influence the typical trend of our seasonal patterns in the future. It is difficult to forecast the seasonality for future periods, given the uncertainty around the duration of the impact from COVID-19 and the nature and timing of any sustained recovery.

Accounting estimates

We use estimates and assumptions in the preparation of our interim unaudited condensed consolidated financial statements in accordance with GAAP. Preparation of the interim unaudited condensed consolidated financial statements and accompanying notes requires that we make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the unaudited condensed consolidated financial statements, as well as revenue and expenses during the periods reported. Our actual financial results could differ significantly from these estimates. The significant estimates underlying our interim unaudited condensed consolidated financial statements include: leases, recoverability of goodwill, intangible assets and other long-lived assets, income taxes, legal and tax contingencies, business combinations and share-based compensation.

The COVID-19 pandemic has had, and is expected to continue to have, a material adverse impact on the travel industry, which may continue to have a significant adverse effect on our business and results of operations. The uncertainty associated with COVID-19 increased the level of judgement applied in our estimates and assumptions. Our estimates may change in future periods as a result of new events arising from the COVID-19 pandemic.

Note 2: Significant accounting policies

The significant accounting policies used in preparation of these unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2021 are consistent with those discussed in Note 2 to the consolidated financial statements in our Annual Report on Form 20-F for the year ended December 31, 2020, except as updated below.

Advertising expense

We incur advertising expense consisting of offline costs, including television and radio advertising expense, online advertising expense, as well as sponsorship and endorsement expense, in order to promote our brands. A significant portion of traffic from users is directed to our websites through our participation in display advertising campaigns on search engines, advertising networks, affiliate websites and social networking sites. We consider traffic acquisition costs to be indirect advertising fees. We expense the production costs associated with advertisements in the period in which the advertisement first takes place. We expense the costs of communicating the advertisement (e.g., television airtime) as incurred each time the advertisement is shown. These costs are included in selling and marketing expense in our condensed consolidated statements of operations.

Adoption of new accounting pronouncements

Income Taxes. As of January 1, 2021, we have prospectively adopted ASU 2019-12, which eliminates certain exceptions in current guidance related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period, and the recognition of deferred tax liabilities for outside basis differences. It also clarifies and simplifies other aspects of the accounting for income taxes. The adoption of this new guidance did not have a material impact to our unaudited condensed consolidated financial statements.

Equity Method Investments. As of January 1, 2021, we have prospectively adopted ASU 2020-01, which clarifies the interaction between the accounting for investments in equity securities, equity method investments and certain derivative instruments. The adoption of this new guidance did not have a material impact to our unaudited condensed consolidated financial statements.

Certain risks and concentration of credit risk

Our business is subject to certain risks and concentrations including dependence on relationships with our advertisers, dependence on third-party technology providers, and exposure to risks associated with online commerce security. Our concentration of credit risk relates to depositors holding our cash and customers with significant accounts receivable balances.

Our customer base includes primarily OTAs, hotel chains and independent hotels. We perform ongoing credit evaluations of our customers and maintain allowances for potential credit losses. We generally do not require collateral or other security from our customers.

Expedia Group, our controlling shareholder, and its affiliates represent 26% and 23% respectively, of total revenues for the three and nine months ended September 30, 2021, compared to 21% and 28%, respectively, in the same periods in 2020. The Expedia Group represent 27% and 20% of total accounts receivable as of September 30, 2021 and December 31, 2020, respectively.

Booking Holdings and its affiliates represent 55% and 56%, respectively of total revenues for the three and nine months ended September 30, 2021, compared to 51% and 42%, respectively, in the same periods in 2020. Booking Holdings and its affiliates represent 56% and 47% of total accounts receivable as of September 30, 2021 and December 31, 2020, respectively.

Restricted cash

As of September 30, 2021 and December 31, 2020, restricted cash was €0.3 million and €2.4 million, respectively. From the total balance as of September 30, 2021 and December 31, 2020, €0.3 million and €2.3 million, respectively, is classified as other long-term assets based on the expected dates the restricted cash will be refunded or made available to the Company.

Deferred revenue

As of December 31, 2020, the deferred revenue balance was €2.8 million, €2.8 million of which was recognized as revenue during the nine months ended September 30, 2021.

Note 3: Acquisitions and divestitures

Acquisitions

Effective on January 12, 2021, we acquired 100% of weekengo GmbH ("Weekengo") shares for €6.7 million from former shareholders and the domain and related trademark for €0.7 million from a former shareholder, for an aggregate cash purchase price of €7.4 million of which €0.5 million are held in escrow to be released to the former shareholders one year after closing. Weekengo is a company based in Germany that operates the online travel search website “weekend.com”, which specializes in optimizing the delivery of search results for direct flights and hotel packages with a short-trip focus. A portion of the purchase consideration was paid in December 2020 as partial fulfillment of closing conditions amounting to €3.0 million. This amount was included in prepaid expenses and other current assets on the consolidated balance sheet as of December 31, 2020.

The acquisition was accounted for as a business combination using the acquisition method of accounting. Accordingly, we have allocated the consideration paid for Weekengo to the net tangible and identifiable intangible assets based on their estimated fair values. Our preliminary valuation of assets acquired and liabilities assumed, and the fair value of such amounts are included in the table below. Goodwill represents the excess of the purchase price over the fair value of the underlying net tangible and identifiable intangible assets.

The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed:

(in thousands)		**January 12, 2021**
Cash and cash equivalents	€	85
Prepaid expenses and other current assets		54
Property and equipment, net		1,662
Goodwill		5,085
Intangible assets, net		675
Total Assets		**7,561**
Accounts payable		(121)
Other liabilities		(15)
Net assets acquired	**€**	**7,425**

The Company applied variations of the cost approach to estimate the fair values of the acquired trademark and domain “WEEKEND.com”, recognized within intangible assets, of €0.7 million with an estimated useful life of 5 years, and capitalized software and software development costs, recognized within property and equipment, of €1.6 million with an estimated useful life of 3 years. The Company additionally recognized €0.3 million of deferred tax liabilities attributable to the fair value adjustment on capitalized software and software development costs, which are offset by acquired deferred tax assets.

The preliminary estimated fair values of the assets acquired and the liabilities assumed are determined based on currently available information. We are continuing to evaluate the underlying inputs and assumptions used in the valuations. Accordingly, these preliminary estimates are subject to change during the measurement period, which is up to one year from the date of the acquisition. A change in fair values of the assets acquired and the liabilities assumed would result in a corresponding change in the amount of goodwill resulting from the acquisition.

The goodwill balance of €5.1 million has been assigned to the Developed Europe and Americas segments in the amounts of €3.2 million and €1.9 million, respectively. The goodwill largely reflects our access to Weekengo’s development team and know-how, and expected synergies to strengthen our presence in the weekend getaway market. Goodwill is not expected to be deductible for tax purposes.

Revenues from Weekengo included in the Company's condensed consolidated statements of operations for the three and nine months ended September 30, 2021 were €0.0 million and €0.0 million, respectively. Net loss from Weekengo included in the Company's condensed consolidated statements of operations for the same periods were €0.8 million and €2.0 million respectively. The Company did not incur material transaction costs with respect to the Weekengo acquisition during the three and nine months ended September 30, 2021.

The following unaudited pro forma information reflects our consolidated results of operations as if the acquisition had occurred on January 1, 2020. The unaudited pro forma information is not necessarily indicative of the results of operations that we would have reported had the transaction actually occurred at the beginning of the period nor is it necessarily indicative of future results. The unaudited pro forma financial information does not reflect the impact of future events that may occur after the acquisition, including, but not limited to, anticipated costs savings from synergies or other operational improvements.

(in thousands, unaudited)	Three months ended September 30, 2020		Nine months ended September 30, 2020	
Revenue	€	60,671	€	216,934
Net loss		(2,753)		(238,093)

The unaudited pro forma financial information in the table above includes adjustments that are directly attributable to the business combination and are factually supportable. The pro forma financial information include adjustments of €0.1 million and €0.4 million for the three and nine months ended September 30, 2021 related to application of the Company's accounting policies, depreciation and amortization related to fair value adjustment on capitalized software and software development costs and recognition of the trademark and domain, and acquisition related transaction costs.

Divestitures

In December 2020, the Company entered into an agreement to sell its minority interest (49%) in myhotelshop GmbH ("myhotelshop") for a cash consideration of €70 thousand to the majority shareholder, who is not a related party to trivago. The transaction had not closed as of December 31, 2020 as there were still some outstanding closing conditions. However, due to imminent closing of the transaction, the Company recognized an impairment loss in 2020 to write down the equity method investment as of December 31, 2020 to the cash consideration value of €70 thousand. As a result of the closing of the sale on January 28, 2021, the remaining equity method investment of €70 thousand was derecognized on our condensed consolidated balance sheet with no further gain or loss recognized between the consideration and the carrying amount. As of the closing date, myhotelshop is no longer considered a related party.

Note 4: Fair value measurement

Financial assets measured at fair value on a recurring basis are classified using the fair value hierarchy in the tables below:

As of September 30, 2021	Total		Level 1		Level 2	
(in thousands)						
Assets						
Cash equivalents:						
Money market funds	€	19,966	€	19,966	€	—
Other long-term assets:						
Term deposits		1,351		—		1,351
Total	**€**	**21,317**	**€**	**19,966**	**€**	**1,351**

As of December 31, 2020	Total	Level 1	Level 2
(in thousands)			
Assets			
Cash equivalents:			
Money market funds	€ 65,111	€ 65,111	€ —
Short-term investments:			
Term deposits	9,448	—	9,448
Total	**€ 74,559**	**€ 65,111**	**€ 9,448**

We value our financial assets using quoted market prices or alternative pricing sources and models utilizing market observable inputs.

Money market funds are valued at the closing price reported by the fund sponsor from an actively traded exchange. This is included within cash equivalents as Level 1 measurements.

We hold term deposit investments with financial institutions. We classify our term deposits within Level 2 in the fair value hierarchy because they are valued at amortized cost, which approximates fair value. Term deposits with original maturity of more than three months but less than one year are classified as short-term investments and those with original maturity of more than one year are classified as other long-term assets.

Investments in term deposits with original maturity of more than one year are restricted by long-term obligations related to the new campus building.

Assets measured at fair value on a non-recurring basis

Our non-financial assets, such as goodwill, intangible assets and property and equipment, as well as equity method investments, are adjusted to fair value when an impairment charge is recognized or the underlying investment is sold. Such fair value measurements are based predominately on Level 3 inputs.

Goodwill

During the first quarter of 2020, we recognized goodwill impairment charges of €17.6 million, €107.5 million and €82.5 million in the Developed Europe, Americas and Rest of World reporting units, respectively. These impairment charges resulted from the significant negative impact of the COVID-19 pandemic on our business, which presented sufficient indicators to require us to perform an interim quantitative assessment as of March 31, 2020 in which we compared the fair value of the reporting units to their carrying value. Further details may be found in our Annual Report on Form 20-F for the year ended December 31, 2020 previously filed with the SEC.

The full duration and total impact of the COVID-19 pandemic remains uncertain and it is difficult to predict how the recovery will unfold for global economies, the travel industry or our business. As a result, we may continue to record impairment charges in the future due to the potential long-term economic impact and near-term financial impacts.

Note 5: Prepaid expenses and other current assets

(in thousands)	September 30, 2021	December 31, 2020
Prepaid advertising	€ 7,632	€ 2,297
Other prepaid expenses	2,399	4,132
Other assets	465	4,009
Total	**€ 10,496**	**€ 10,438**

In January 2021, we entered into a long-term marketing sponsorship agreement for various marketing rights beginning July 1, 2021. The first two contractual installment payments under this agreement have been paid and as of September 30, 2021, €5.6 million has been included within prepaid advertising in the above table.

As of December 31, 2020, €3.0 million in other assets related to a portion of the purchase consideration for the Weekengo acquisition. The transaction closed on January 12, 2021, at which time, the total consideration, inclusive of the €3.0 million paid prior to the closing of the acquisition, was allocated to the acquired assets as discussed in *Note 3: Acquisitions and divestitures*.

Note 6: Property and equipment, net

(in thousands)	September 30, 2021	December 31, 2020
Building and leasehold improvements	€ 6,964	€ 15,295
Capitalized software and software development costs	26,063	22,702
Computer equipment	17,156	17,248
Furniture and fixtures	3,701	5,480
Subtotal	53,884	60,725
Less: accumulated depreciation	37,739	34,352
Construction in process	976	309
Property and equipment, net	**€ 17,121**	**€ 26,682**

As part of the amendment to the campus operating lease agreement on January 29, 2021 which is further discussed in *Note 7: Leases*, we transferred long-lived assets with a net book value of €7.5 million related to the terminated floor space to the landlord. This transaction is partially offset in the condensed consolidated balance sheet by the lease termination penalty. The net amount is recorded in accounts receivable as of September 30, 2021. We recognized a gain of €0.1 million on the sale of these fixed assets.

Note 7: Leases

On January 29, 2021, we entered into an amendment to the operating lease agreement for office space in our corporate headquarters, whereby the landlord agreed to grant us partial termination of the lease related to certain floor spaces from January 1, 2021 for a penalty of €6.7 million, and from May 31, 2023 for a penalty of €2.3 million. The amendment was treated as a modification to the existing lease agreement with an effective date of January 29, 2021 and the termination penalties will be expensed over the remaining lease term. As part of the amendment, the landlord agreed to pay trivago €2.6 million as a settlement of prior claims for defects in the leased office space, which has been treated as a lease incentive and will reduce lease expense over the lease term. As a result of this lease modification, we recognized a gain of €1.2 million on the lease modification, agreed to pay €0.5 million as a settlement of prior claims for defects that had previously been accrued for and reduced our operating lease right-of-use assets and operating lease liability by €34.7 million and €36.4 million, respectively.

Note 8: Share-based awards and other equity instruments

Amendments to the 2016 Omnibus Incentive Plan

On March 2, 2021, our supervisory board amended the trivago N.V. 2016 Omnibus Incentive Plan to increase the maximum number of Class A shares available for issuance. As of September 30, 2021 the maximum number of Class A shares available for issuance are 59,635,698 Class A shares (34,711,009 as of December 31, 2020), which does not include any Class B share conversions. Class A shares issuable under 2016 Plan are represented by ADSs for such Class A shares.

Share-based compensation expense

The following table presents the amount of share-based compensation expense included in our condensed consolidated statements of operations during the periods presented:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	**2021**	**2020**	**2021**	**2020**
Cost of revenue	€ 68	€ 70	€ 189	€ 190
Selling and marketing	259	231	784	908
Technology and content	1,135	904	2,864	3,085
General and administrative	3,566	2,490	9,206	7,199
Total share-based compensation expense	**€ 5,028**	**€ 3,695**	**€ 13,043**	**€ 11,382**

Share-based award activity

The following table presents a summary of our share option activity for the nine months ended September 30, 2021:

	Options	Weighted average exercise price	Remaining contractual life	Aggregate intrinsic value
		(in €)	(In years)	(€ in thousands)
Balance as of December 31, 2020	26,347,149	3.29	12	28,356
Granted	5,962,197	0.06		
Exercised	3,663,117	0.34		
Cancelled	4,231,967	6.28		
Balance as of September 30, 2021	**24,414,262**	2.58	11	34,718
Exercisable as of September 30, 2021	12,484,343	4.60	16	11,624
Vested and expected to vest after September 30, 2021	**24,414,262**	2.58	11	34,718

The following table presents a summary of our restricted stock units (RSUs) for the nine months ended September 30, 2021:

	RSUs	Weighted Average Grant Date Fair Value	Remaining contractual life
		(in €)	(in years)
Balance as of December 31, 2020	1,624,461	1.39	5
Granted	1,033,015	3.81	
Vested	434,994	2.08	
Cancelled	39,639	2.87	
Balance as of September 30, 2021	2,182,843	2.37	5

Note 9: Income taxes

We determine our provision for income taxes for interim periods using an estimate of our annual effective tax rate. We record any changes affecting the estimated annual effective tax rate in the interim period in which the change occurs, including discrete items.

Income tax expense was €3.3 million in the third quarter ended September 30, 2021, compared to an income tax expense of €0.6 million in the third quarter ended September 30, 2020. The total weighted average tax rate was 33.0%, which was mainly driven by the German statutory tax rate of approximately 31%. Our effective tax rate was 37.4% compared to (34.7)% in the third quarter in 2020. The difference between the weighted average tax rate of 33.0% and the effective tax rate of 37.4% in the third quarter of 2021 is primarily attributable to share-based compensation expense, which is non-deductible for tax purposes.

Income tax expense was €2.0 million in the nine months ended September 30, 2021, compared to an income tax benefit of €7.4 million in the nine months ended September 30, 2020. Our effective tax rate was (83.4)% compared to 3.0% for the nine months ended September 30, 2020. The difference between the weighted average tax rate and the effective tax rate for the nine months ended September 30, 2021 is primarily attributable to the impact of share-based compensation expense, which is non-deductible for tax purposes.

An uncertain tax position in connection with unrecognized tax benefits relating to the deductibility of expenses amounted to €2.9 million as of September 30, 2021. A liability for these tax benefits was included under other long-term liabilities in the unaudited condensed consolidated financial statements.

Note 10: Stockholders' equity

Each Class B share is convertible into one Class A share at any time by the holder. The share premium derived from the conversion is recognized within reserves.

During the nine months ended September 30, 2021, 35,253,205 Class B shares were converted into Class A shares. During the nine months ended September 30, 2020, 3,500,000 Class B shares were converted into Class A shares.

Note 11: Earnings per share

Basic and diluted earnings per share of Class A and Class B common stock is computed by dividing net income/(loss) by the weighted average number of Class A and Class B common stock outstanding during the same period. Diluted earnings per share is calculated using our weighted-average outstanding common shares including the dilutive effect of stock awards as determined under the treasury stock method.

The following table presents our basic and diluted earnings per share:

	Three months ended September 30,		Nine months ended September 30,	
(€ thousands, except per share data)	**2021**	**2020**	**2021**	**2020**
Numerator:				
Net income/(loss)	€ 5,528	€ (2,313)	€ (4,501)	€ (236,737)
Denominator:				
Weighted average shares of Class A and Class B common stock outstanding:				
Basic	358,076	353,543	357,181	353,151
Diluted	368,322	353,543	357,181	353,151
Net income/(loss) per share:				
Basic	€ 0.02	€ (0.01)	€ (0.01)	€ (0.67)
Diluted	€ 0.02	€ (0.01)	€ (0.01)	€ (0.67)

For the nine months ended September 30, 2021 and 2020, and for the three months ended September 30, 2020, diluted weighted average common shares outstanding does not include the effects of the exercise of outstanding stock options and RSUs as the inclusion of these instruments would have been anti-dilutive.

Note 12: Commitments and contingencies

In January 2021 we entered into a marketing sponsorship agreement in return for various marketing rights. Based on the terms of the agreement and payments made, we have an outstanding commitment value of approximately €16.3 million as of September 30, 2021.

Legal proceedings

On August 23, 2018, the Australian Competition and Consumer Commission, or ACCC, instituted proceedings in the Australian Federal Court against us. The ACCC alleged a number of breaches of the Australian Consumer Law, or ACL, relating to certain advertisements in Australia concerning the hotel prices available on our Australian site, our Australian strike-through pricing practice and other aspects of the way offers for accommodation were displayed on our Australian website. The matter went to trial in September 2019 and, on January 20, 2020, the Australian Federal Court issued a judgment finding that we had engaged in conduct in breach of the ACL. On March 4, 2020, we filed a notice of appeal at the Australian Federal Court appealing part of that judgment. On November 4, 2020, the Australian Federal Court dismissed trivago's appeal. On October 18 and 19, 2021, the Australian Federal Court heard submissions from the parties in relation to relief. In its submissions, the ACCC proposed a penalty of at least AUD90 million and an injunction restraining us from engaging in misleading conduct of the type found by the Australian Federal Court to be in contravention of the ACL. trivago submitted that an appropriate penalty for the court to impose would be in the order of up to AUD15 million. The court's decision will be forthcoming.

Management recorded a provision of AUD15 million for the probable and currently estimable loss in connection with these proceedings within current other liabilities. The ultimate penalty amount could substantially exceed the level of provision that we established for this litigation. In establishing a provision in respect of the ACCC matter, management took into account the information currently available, including judicial precedents. However, there is considerable uncertainty regarding how the Australian Federal Court would calculate the penalties that will be ultimately assessed on us. In particular, the Australian Federal Court determined that we engaged in certain conduct after September 1, 2018 that will result in the applicability of the new penalty regime under the ACL, which significantly increased the maximum penalty applicable to parts of our conduct. Only a few cases have been decided so far assessing penalties for contraventions of the ACL under the new regime. In cases involving conduct before and after September 1, 2018, the Australian Federal Court in each case did not allocate the total penalty imposed between the old and new penalty regime. As a result, an estimate of the reasonable possible loss or range of probable loss in excess of the amount reserved cannot be made.

Note 13: Related party transactions

Relationships with Expedia

We have commercial relationships with Expedia Group, Inc. and many of its affiliated brands, including Brand Expedia, Hotels.com, Orbitz, Travelocity, Hotwire, Wotif, Vrbo and ebookers. These are arrangements terminable at will or upon three to seven days prior notice by either party and on customary commercial terms that enable Expedia Group's brands to advertise on our platform, and we receive payment for users we refer to them. We are also party to a letter agreement pursuant to which Expedia Group refers traffic to us when a particular hotel or region is unavailable on the applicable Expedia Group website. Related-party revenue from Expedia Group primarily consists of click-through fees and other advertising services provided to Expedia Group and its affiliates.

Related-party revenue from Expedia Group and its affiliates was €35.8 million and €63.6 million for the three and nine months ended September 30, 2021, compared to €13.0 million and €61.3 million, respectively, in the same periods in 2020. These amounts are recorded at contract value, which we believe is a reasonable reflection of the value of the services provided. Related-party revenue represented 26% and 23% of our total revenue for the three and nine months ended September 30, 2021, compared to 21% and 28%, respectively, in the same periods in 2020.

For the three and nine months ended September 30, 2020 and 2021, we did not incur significant operating expenses of related-party services and support agreements with Expedia Group.

The related party trade receivable balances with Expedia Group and its affiliates as of December 31, 2020 and September 30, 2021 was €2.9 million and €20.6 million.

Guarantee

As of December 31, 2020, we had an uncommitted credit facility with Bank of America Merrill Lynch International Ltd., one of the underwriters of our initial public offering, with a maximum principal amount of €50.0 million. Advances under this facility bear interest at a rate of LIBOR, floored at zero, plus 1.0% per annum. Our obligations under this facility were guaranteed by Expedia Group. We did not utilize the credit facility during the year ended December 31, 2020. On January 7, 2021 the uncommitted credit facility was cancelled by the lender.

myhotelshop

Subsequent to the deconsolidation of myhotelshop in December 2017, myhotelshop remained a related party to trivago until January 28, 2021, when we sold our minority interest. Related-party revenue from myhotelshop for the nine months ended September 30, 2021 was not significant. Related-party revenue of €0.3 million and €1.0 million for the three and nine months ended September 30, 2020 primarily consists of referral revenue. As a result of the sale, we derecognized the remaining equity method investment of €70 thousand on our condensed consolidated balance sheet and no longer consider myhotelshop a related party.

Note 14: Segment information

Management has identified three reportable segments, which correspond to our three operating segments: the Americas, Developed Europe and Rest of World (RoW). Our Americas segment is comprised of Argentina, Barbados, Brazil, Canada, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama, Peru, Puerto Rico, the United States and Uruguay. Our Developed Europe segment is comprised of Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Malta, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Our Rest of World segment is comprised of all other countries where trivago operates.

We determined our operating segments based on how our chief operating decision makers manage our business, make operating decisions and evaluate operating performance. Our primary operating metric is Return on Advertising Spend, or ROAS, for each of our segments, which compares Referral Revenue to Advertising Spend. ROAS includes the allocation of revenue by segment which is based on the location of the website, or domain name, regardless of where the consumer resides. This is consistent with how management monitors and runs the business.

Corporate and Eliminations also includes all corporate functions and expenses except for direct advertising. In addition, we record amortization of intangible assets and any related impairment, share-based compensation expense, restructuring and related reorganization charges, legal reserves, occupancy tax and other taxes, and other items excluded from segment operating performance in Corporate and Eliminations. Such amounts are detailed in our segment reconciliations below. The following tables present our segment information for the three and nine months ended September 30, 2021 and 2020. As a significant portion of our property and equipment is not allocated to our operating segments and depreciation is not included in our segment measure, we do not report the assets by segment as it would not be meaningful. We do not regularly provide such information to our chief operating decision makers.

	Three months ended September 30, 2021				
(€ thousands)	Developed Europe	Americas	Rest of World	Corporate & Eliminations	Total
Referral revenue	€ 74,744	€ 48,102	€ 13,241	€ —	€ 136,087
Subscription revenue	—	—	—	1,043	1,043
Other revenue	—	—	—	1,509	1,509
Total revenue	€ 74,744	€ 48,102	€ 13,241	€ 2,552	€ 138,639
Advertising spend	52,863	38,278	6,984	—	98,125
ROAS contribution	€ 21,881	€ 9,824	€ 6,257	€ 2,552	€ 40,514
Costs and expenses:					
Cost of revenue, including related party, excluding amortization					3,136
Other selling and marketing, including related party (1)					6,249
Technology and content, including related party					12,746
General and administrative, including related party					9,765
Amortization of intangible assets					34
Operating income					€ 8,584
Other income/(expense)					
Interest expense					(106)
Other, net					353
Total other income/(expense), net					€ 247
Income before income taxes					€ 8,831
Expense for income taxes					3,303
Net income					**€ 5,528**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

(€ thousands)	Three months ended September 30, 2020 Developed Europe		Americas		Rest of World		Corporate & Eliminations		Total
Referral revenue	€	32,519	€	15,187	€	10,585	€	—	€	58,291
Subscription revenue		—		—		—		1,692		1,692
Other revenue		—		—		—		659		659
Total revenue	€	32,519	€	15,187	€	10,585	€	2,351	€	60,642
Advertising spend		19,934		6,043		4,662		—		30,639
ROAS contribution	€	12,585	€	9,144	€	5,923	€	2,351	€	30,003
Costs and expenses:										
Cost of revenue, including related party, excluding amortization										2,644
Other selling and marketing, including related party (1)										5,914
Technology and content, including related party										14,786
General and administrative, including related party										7,992
Amortization of intangible assets										12
Operating loss									€	(1,345)
Other income/(expense)										
Interest expense										(45)
Other, net										(417)
Total other income/(expense), net									€	(462)
Loss before income taxes									€	(1,807)
Expense for income taxes										626
Loss before equity method investment									€	(2,433)
Income from equity method investment										120
Net Loss									**€**	**(2,313)**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

(€ thousands)	Nine months ended September 30, 2021 Developed Europe	Americas	Rest of World	Corporate & Eliminations	Total
Referral revenue	€ 128,005	€ 103,964	€ 33,733	€ —	€ 265,702
Subscription revenue	—	—	—	3,606	3,606
Other revenue	—	—	—	3,031	3,031
Total revenue	€ 128,005	€ 103,964	€ 33,733	€ 6,637	€ 272,339
Advertising spend	87,528	76,831	17,020	—	181,379
ROAS contribution	€ 40,477	€ 27,133	€ 16,713	€ 6,637	€ 90,960
Costs and expenses:					
Cost of revenue, including related party, excluding amortization					8,683
Other selling and marketing, including related party (1)					17,698
Technology and content, including related party					39,139
General and administrative, including related party					28,469
Amortization of intangible assets					102
Operating loss					€ (3,131)
Other income/(expense)					
Interest expense					(308)
Other, net					985
Total other income/(expense), net					€ 677
Loss before income taxes					€ (2,454)
Expense for income taxes					2,047
Net loss					**€ (4,501)**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

	Nine months ended September 30, 2020				
(€ thousands)	**Developed Europe**	**Americas**	**Rest of World**	**Corporate & Eliminations**	**Total**
Referral revenue	€ 94,715	€ 76,357	€ 37,816	€ —	€ 208,888
Subscription revenue	—	—	—	6,062	6,062
Other revenue	—	—	—	1,627	1,627
Total revenue	€ 94,715	€ 76,357	€ 37,816	€ 7,689	€ 216,577
Advertising spend	57,554	52,037	29,067	—	138,658
ROAS contribution	€ 37,161	€ 24,320	€ 8,749	€ 7,689	€ 77,919
Costs and expenses:					
Cost of revenue, including related party, excluding amortization					8,112
Other selling and marketing, including related party (1)					22,119
Technology and content, including related party					50,695
General and administrative, including related party					32,316
Amortization of intangible assets					373
Impairment of goodwill					207,618
Operating loss					€ (243,314)
Other income/(expense)					
Interest expense					(150)
Other, net					(1,015)
Total other income/(expense), net					€ (1,165)
Loss before income taxes					€ (244,479)
Benefit for income taxes					(7,409)
Loss before equity method investment					€ (237,070)
Income from equity method investment					333
Net loss					**€ (236,737)**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

Note 15: Subsequent events

After the date of the balance sheet through the date of issuance of these unaudited condensed consolidated financial statements, 160,676 Class A shares were issued as a result of options exercised and RSUs released.