



# Earnings Call Q4 2019

12 February 2020



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We refer to increases in traffic quality in this presentation. We measure traffic quality by estimating booking conversion and booking value from data voluntarily provided to us by certain of our advertisers. While we believe the quality of the traffic we referred to our advertisers improved in the fourth quarter of 2019, the information we used as the basis for this analysis is subject to a number of uncertainties, including those related to the accuracy of the information we receive from our advertisers and the methodologies we and our advertisers use to track and analyze whether a user ultimately completes a booking.

## Special Note Regarding Forward-Looking Statements

This presentation contains statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. Examples include discussion of our strategies, Adjusted EBITDA forecasts, financing plans, growth opportunities and market growth. In some cases, you can identify such forward-looking statements by terminology such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project" or "expect," "may," "will," "would," "could" or "should," the negative of these terms or similar expressions. While we always intend to express our best judgment when we make statements about what we believe will occur in the future, and although we base these statements on assumptions that we believe to be reasonable when made, these forward-looking statements are not a guarantee of our performance, and you should not place undue reliance on such statements. Forward-looking statements are subject to many risks, uncertainties and other variable circumstances, such as 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.

## Special Note Regarding Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures, including adjusted EBITDA. Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in this presentation in the Appendix and should be carefully evaluated. These non-GAAP measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures should be read in conjunction with our financial statements prepared in accordance with GAAP.

# Agenda

**Company update**

**Financial performance**

**Appendix: Financial statements**

# Agenda

**Company update**

**Financial performance**

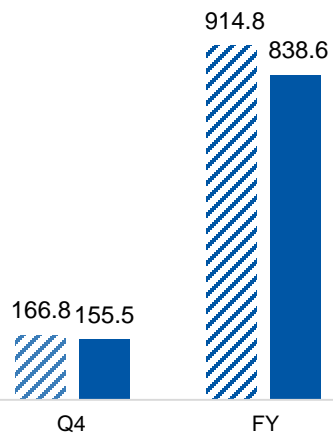
**Appendix: Financial statements**

# Q4 2019 – Financial Update

/ 2018   
 ■ 2019   
 ■ YoY

## Total Revenue

(€mm)

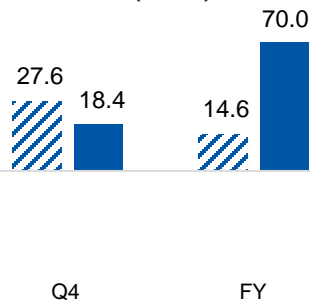


(7)%

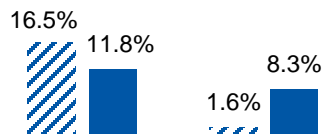
(8)%

## Adj. EBITDA<sup>1</sup>

(€mm)



(% of Total Revenue)

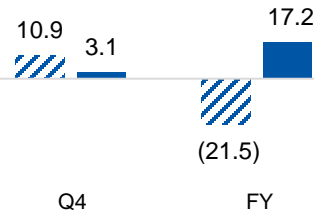


Q4

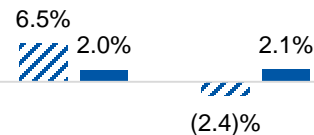
FY

## Net Income / (Loss)

(€mm)



(% of Total Revenue)

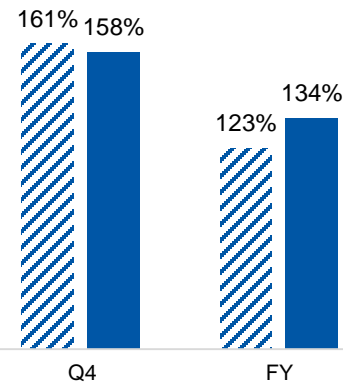


Q4

FY

## Return on Advertising Spend

(%)

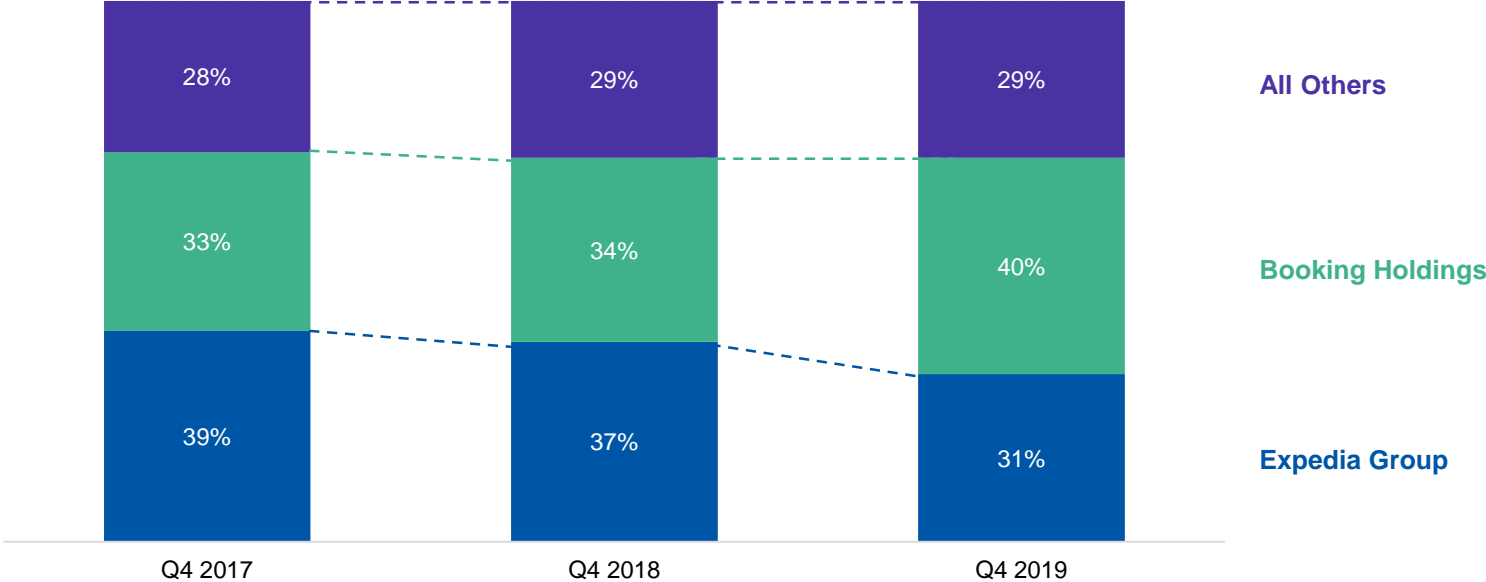


(3) ppts

11 ppts

# Our advertiser mix: year-over-year decline in related party revenue share

Advertiser revenue share as % of total revenue



# Agenda

Company update

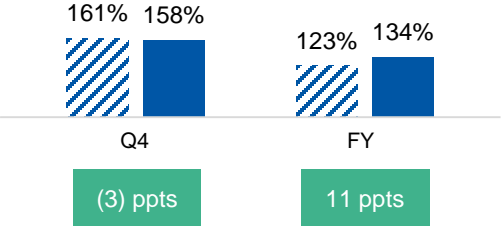
**Financial performance**

Appendix: Financial statements

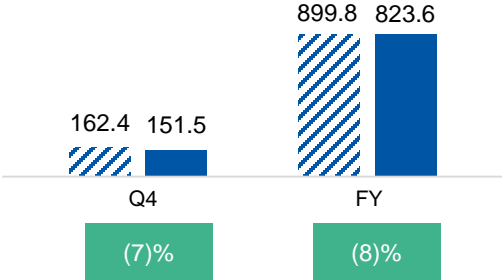
# KPI – Global

2018 2019 YoY

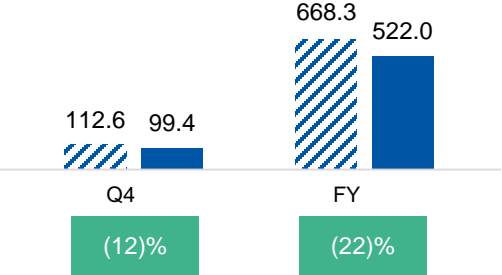
### ROAS (%)



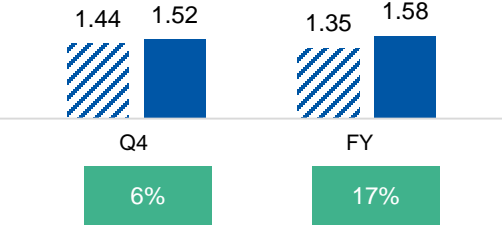
### Referral Revenue (€mm)



### Qualified Referrals (mm)



### RPQR<sup>1</sup> (€)

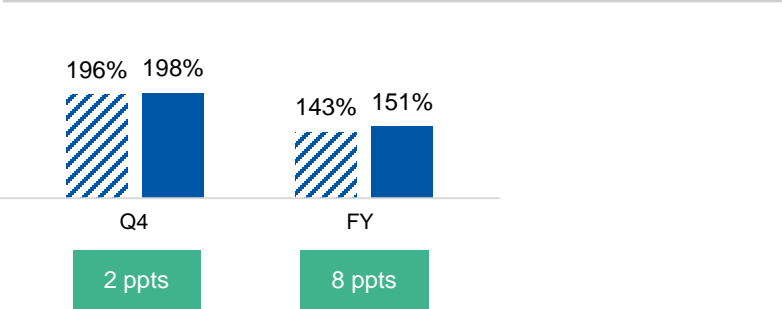




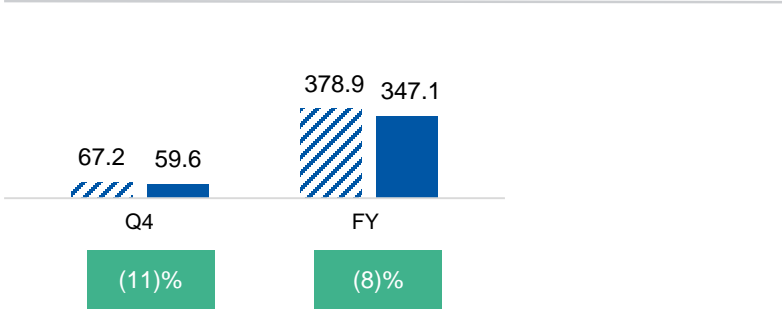
# KPI – Developed Europe

2018 2019 YoY

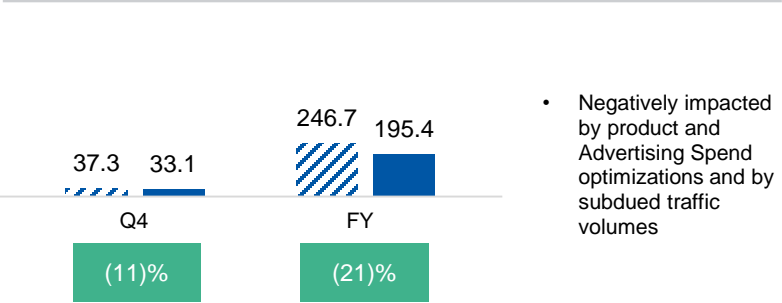
### ROAS (%)



### Referral Revenue (€mm)

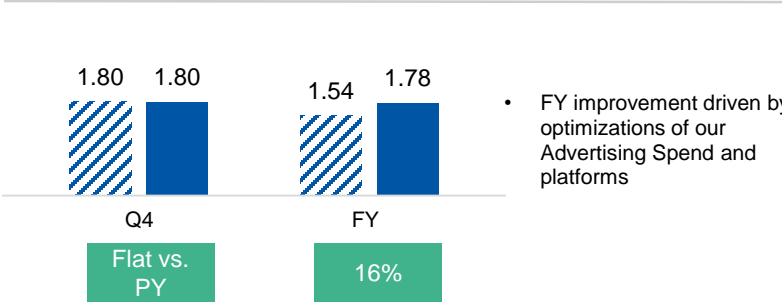


### Qualified Referrals (mm)



- Negatively impacted by product and Advertising Spend optimizations and by subdued traffic volumes

### RPQR<sup>1</sup> (€)

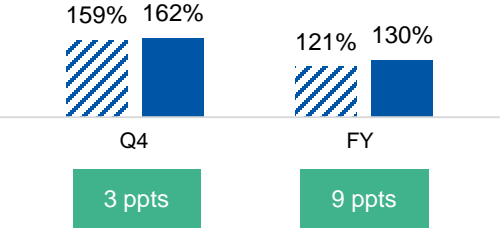


- FY improvement driven by optimizations of our Advertising Spend and platforms

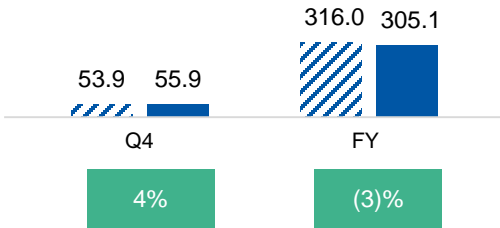
# KPI – Americas

2018 2019 YoY

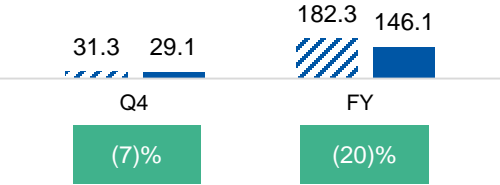
### ROAS (%)



### Referral Revenue (€mm)

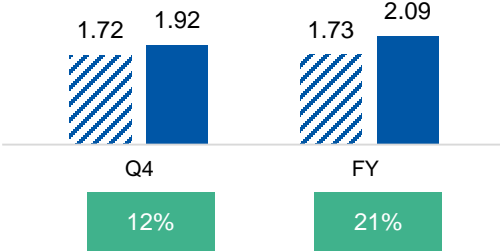


### Qualified Referrals (mm)



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

### RPQR<sup>1</sup> (€)

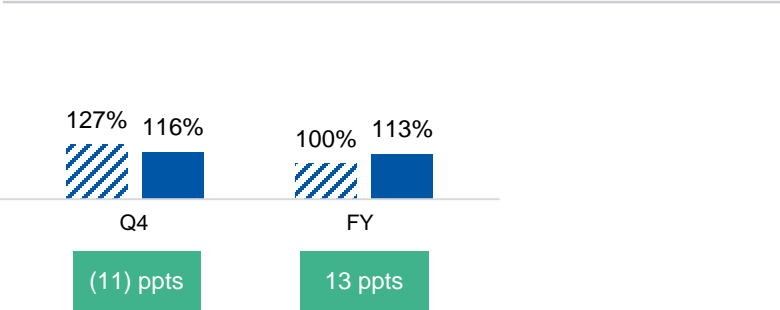


- Improvement driven by optimizations of our Advertising Spend and platforms

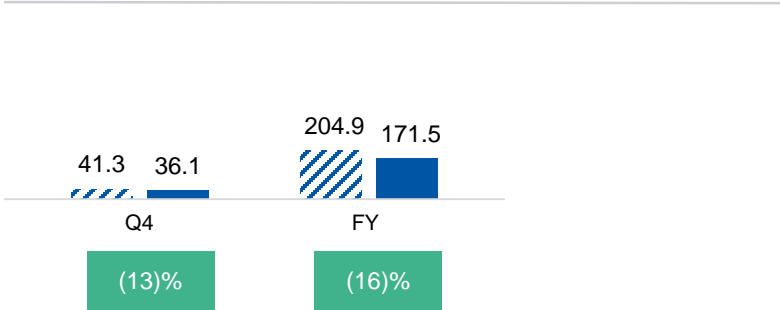
# KPI – Rest of World

2018 2019 YoY

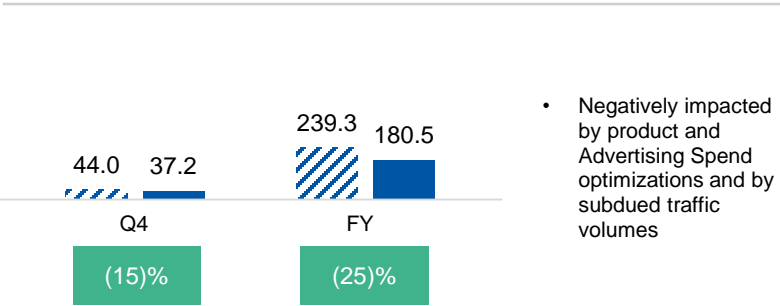
ROAS (%)



Referral Revenue (€mm)

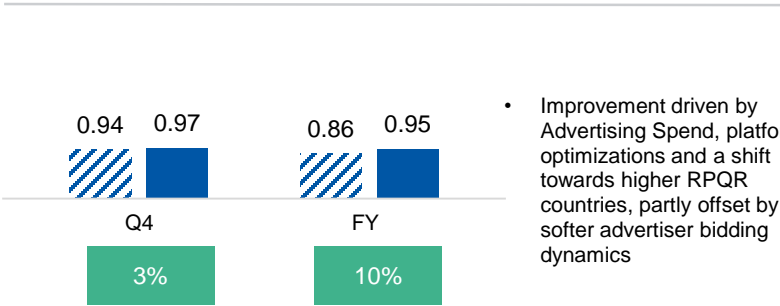


Qualified Referrals (mm)



- Negatively impacted by product and Advertising Spend optimizations and by subdued traffic volumes

RPQR<sup>1</sup> (€)



- Improvement driven by Advertising Spend, platforms optimizations and a shift towards higher RPQR countries, partly offset by softer advertiser bidding dynamics

# Appendix

# Consolidated Financials FY 2019, trivago N.V.

in €k	FY 2019	FY 2018	Abs Δ vs. FY'18	Δ vs. FY'18
Referral revenue	823,624	899,822	(76,198)	(8.5) %
Other revenue	14,993	14,994	(1)	— %
<b>Total revenue</b>	<b>838,617</b>	<b>914,816</b>	<b>(76,199)</b>	<b>(8.3) %</b>
Cost of revenue	9,159	5,435	3,724	68.5 %
<i>% of Total revenue</i>	1.1 %	0.6 %		
Selling and marketing	664,155	805,633	(141,478)	(17.6) %
<i>% of Total revenue</i>	79.2 %	88.1 %		
Technology and content	69,924	66,904	3,020	4.5 %
<i>% of Total revenue</i>	8.3 %	7.3 %		
General and administrative	55,543	54,326	1,217	2.2 %
<i>% of Total revenue</i>	6.6 %	5.9 %		
Amortization of intangible assets	1,685	1,684	1	0.1 %
<i>% of Total revenue</i>	0.2 %	0.2 %		
<b>Operating income (loss)</b>	<b>38,151</b>	<b>(19,166)</b>	<b>57,317</b>	<b>n.m.</b>
Net interests and other expenses	(461)	(1,300)	839	(64.5) %
<i>% of Total revenue</i>	(0.1) %	(0.1) %		
Income taxes	20,982	1,086	19,896	n.m.
<i>% of Total revenue</i>	2.5 %	0.1 %		
Income (loss) from equity method investment	453	63	390	n.m.
<i>% of Total revenue</i>	0.1 %	— %		
<b>Net income (loss)</b>	<b>17,161</b>	<b>(21,489)</b>	<b>38,650</b>	<b>(179.9) %</b>
<i>% of Total revenue</i>	2.0 %	(2.3) %		

## Comments

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

# Consolidated Financial Information FY 2019, trivago N.V.

in €k	FY 2019	FY 2018	Abs Δ vs. FY'18	Δ vs. FY'18	
Referral revenue	823,624	899,822	(76,198)	(8.5) %	1
Other revenue	14,993	14,994	(1)	— %	2
<b>Total revenue</b>	<b>838,617</b>	<b>914,816</b>	<b>(76,199)</b>	<b>(8.3) %</b>	
Cost of revenue excl. SBC	8,890	5,251	3,639	69.3 %	
<i>% of Total revenue</i>	1.1 %	0.6 %			
Selling and marketing excl. SBC	661,796	802,360	(140,564)	(17.5) %	
<i>% of Total revenue</i>	78.9 %	87.7 %			
Advertising spend excl. SBC	616,705	732,458	(115,753)	(15.8) %	3
<i>% of Total revenue</i>	73.5 %	80.1 %			
Other S&M excl. SBC	45,091	69,902	(24,811)	(35.5) %	4
<i>% of Total revenue</i>	5.4 %	7.6 %			
Technology and content excl. SBC	63,946	61,644	2,302	3.7 %	5
<i>% of Total revenue</i>	7.6 %	6.7 %			
General and administrative excl. SBC	44,258	42,341	1,917	4.5 %	6
<i>% of Total revenue</i>	5.3 %	4.6 %			
Depreciation add-back	10,298	11,370	(1,072)	(9.4) %	
<i>% of Total revenue</i>	1.2 %	1.2 %			
<b>Adjusted EBITDA</b>	<b>70,025</b>	<b>14,590</b>	<b>55,435</b>	<b>n.m.</b>	
<i>% of Total revenue</i>	8.4 %	1.6 %			
Share-based compensation (SBC)	19,891	20,702	(811)	(3.9) %	
<i>% of Total revenue</i>	2.4 %	2.3 %			
<b>EBITDA</b>	<b>50,134</b>	<b>(6,112)</b>	<b>56,246</b>	<b>n.m.</b>	
<i>% of Total revenue</i>	6.0 %	(0.7) %			
Depreciation and amortization	11,983	13,054	(1,071)	(8.2) %	
<i>% of Total revenue</i>	1.4 %	1.4 %			
Net interests and other expenses	461	1,300	(839)	(64.5)	
<i>% of Total revenue</i>	0.1 %	0.1 %			
Income taxes	20,982	1,086	19,896	n.m.	
<i>% of Total revenue</i>	2.5 %	0.1 %			
Income / (loss) from equity method investment	453	63	390	n.m.	
<i>% of Total revenue</i>	0.1 %	— %			
<b>Net income (loss)</b>	<b>17,161</b>	<b>(21,489)</b>	<b>38,650</b>	<b>(179.9) %</b>	
<i>% of Total revenue</i>	2.0 %	(2.3) %			

## Comments

- 1 Referral revenue decreased by 9% due to revenue declines in Americas, Developed Europe and RoW of 3%, 8% and 16%, respectively
- 2 Other revenue remained stable
- 3 Advertising spend decreased by 11%, 13% and 26% in Americas, Developed Europe and RoW, respectively
- 4 Other selling and marketing expenses excl. SBC decreased by 36%, driven by lower personnel costs and lower investments in the production of television advertisements
- 5 Technology and content expense excl. SBC increased by 4%, driven by higher third-party IT service provider costs, higher office expenses, as well as higher personnel costs
- 6 General and administrative expense excl. SBC increased by 5%, mostly driven by an increase in our provisions recognized as a result of the recent judgment in Australia, partly offset by lower consulting and audit expense

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

in €mm	FY 2019	FY 2018	Abs Δ vs. FY'18
Net income/(loss)	17.2	(21.5)	38.7
Income from equity method investment	0.5	0.1	0.4
Income/(loss) before equity method investment	16.7	(21.6)	38.3
Expense for income taxes	21.0	1.1	19.9
<b>Income/(loss) before income taxes</b>	<b>37.7</b>	<b>(20.5)</b>	<b>58.2</b>
Add/(less):			
Interest expense	—	1.8	(1.8)
Gain on deconsolidation of entity	—	—	—
Other, net	0.4	(0.5)	0.9
<b>Operating income/(loss)</b>	<b>38.1</b>	<b>(19.2)</b>	<b>57.3</b>
Depreciation	10.3	11.4	(1.1)
Amortization of intangible assets	1.7	1.7	—
<b>EBITDA</b>	<b>50.1</b>	<b>(6.1)</b>	<b>56.2</b>
Share-based compensation	19.9	20.7	(0.8)
<b>Adjusted EBITDA</b>	<b>70.0</b>	<b>14.6</b>	<b>55.4</b>

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

in €k	FY 2019	FY 2018
Cost of revenue	269	184
Selling and marketing	2,359	3,273
Technology and content	5,978	5,260
General and administrative	11,285	11,985
<b>Share-based compensation</b>	<b>19,891</b>	<b>20,702</b>

# Consolidated Financials Q4 2019, trivago N.V.

in €k	Q4 2019	Q4 2018	Abs Δ vs. Q4'18	Δ vs. Q4'18
Referral revenue	151,547	162,389	(10,842)	(6.7) %
Other revenue	3,920	4,389	(469)	(10.7) %
<b>Total revenue</b>	<b>155,467</b>	<b>166,778</b>	<b>(11,311)</b>	<b>(6.8) %</b>
Cost of revenue	2,621	1,001	1,620	161.8 %
<i>% of Total revenue</i>	<i>1.7 %</i>	<i>0.6 %</i>		
Selling and marketing	107,124	117,718	(10,594)	(9.0) %
<i>% of Total revenue</i>	<i>68.9 %</i>	<i>70.6 %</i>		
Technology and content	16,660	17,273	(613)	(3.5) %
<i>% of Total revenue</i>	<i>10.7 %</i>	<i>10.4 %</i>		
General and administrative	17,652	11,549	6,103	52.8 %
<i>% of Total revenue</i>	<i>11.4 %</i>	<i>6.9 %</i>		
Amortization of intangible assets	422	421	1	0.2 %
<i>% of Total revenue</i>	<i>0.3 %</i>	<i>0.3 %</i>		
<b>Operating income (loss)</b>	<b>10,988</b>	<b>18,816</b>	<b>(8)</b>	<b>(41.6) %</b>
Net interests and other expenses	(22)	65	(87)	(133.8) %
<i>% of Total revenue</i>	<i>— %</i>	<i>— %</i>		
Income taxes	8,080	7,914	166	2.1 %
<i>% of Total revenue</i>	<i>5.2 %</i>	<i>4.7 %</i>		
Income (loss) from equity method investment	245	22	223	n.m.
<i>% of Total revenue</i>	<i>0.2 %</i>	<i>— %</i>		
<b>Net income (loss)</b>	<b>3,131</b>	<b>10,989</b>	<b>(7,858)</b>	<b>(71.5) %</b>
<i>% of Total revenue</i>	<i>2.0 %</i>	<i>6.6 %</i>		

## Comments

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



# Consolidated Financial Information Q4 2019, trivago N.V.

in €k	Q4 2019	Q4 2018	Abs Δ vs. Q4'18	Δ vs. Q4'18	
Referral revenue	151,547	162,389	(10,842)	(6.7) %	1
Other revenue	3,920	4,389	(469)	(10.7) %	2
<b>Total revenue</b>	<b>155,467</b>	<b>166,778</b>	<b>(11,312)</b>	<b>(6.8) %</b>	
Cost of revenue excl. SBC	2,556	955	1,601	167.6 %	
<i>% of Total revenue</i>	1.6 %	0.6 %			
Selling and marketing excl. SBC	106,629	117,017	(10,388)	(8.9) %	
<i>% of Total revenue</i>	68.6 %	70.2 %			
Advertising spend excl. SBC	95,671	100,853	(5,182)	(5.1) %	3
<i>% of Total revenue</i>	61.5 %	60.5 %			
Other S&M excl. SBC	10,958	16,165	(5,206)	(32.2) %	4
<i>% of Total revenue</i>	7.0 %	9.7 %			
Technology and content excl. SBC	15,465	15,597	(132)	(0.8) %	5
<i>% of Total revenue</i>	9.9 %	9.4 %			
General and administrative excl. SBC	15,172	8,484	6,688	78.8 %	6
<i>% of Total revenue</i>	9.8 %	5.1 %			
Depreciation add-back	2,767	2,880	(113)	(3.9) %	
<i>% of Total revenue</i>	1.8 %	1.7 %			
<b>Adjusted EBITDA</b>	<b>18,412</b>	<b>27,606</b>	<b>(9,194)</b>	<b>(33.3) %</b>	
<i>% of Total revenue</i>	11.8 %	16.6 %			
Share-based compensation (SBC)	4,235	5,488	(1,253)	(22.8) %	
<i>% of Total revenue</i>	2.7 %	3.3 %			
<b>EBITDA</b>	<b>14,176</b>	<b>22,117</b>	<b>(7,941)</b>	<b>(35.9) %</b>	
<i>% of Total revenue</i>	9.1 %	13.3 %			
Depreciation and amortization	3,189	3,301	(112)	(3.4) %	
<i>% of Total revenue</i>	2.1 %	2.0 %			
Net interests and other expenses	22	(65)	87	(133.8) %	
<i>% of Total revenue</i>	— %	— %			
Income taxes	8,080	7,914	166	2.1 %	
<i>% of Total revenue</i>	5.2 %	4.7 %			
Income / (loss) from equity method investment	245	22	223	n.m.	
<i>% of Total revenue</i>	0.2 %	— %			
<b>Net income (loss)</b>	<b>3,131</b>	<b>10,989</b>	<b>(7,858)</b>	<b>(71.5) %</b>	
<i>% of Total revenue</i>	2.0 %	6.6 %			

## Comments

- 1 Referral Revenue decreased by 7% as Referral Revenue decreased in Developed Europe and RoW by 11% and 13%, respectively which was partly offset by an increase of 4% in Americas
- 2 Other revenue decreased by 11%, mainly driven by lower subscription revenue
- 3 Advertising Spend increased by 2% in Americas but decreased by 12% and 5% in Developed Europe and RoW, respectively
- 4 Other selling and marketing expenses excl. SBC decreased by 32%, driven by lower personnel costs and by lower investments in the production of television advertisements
- 5 Technology and content expense excl. SBC decreased by 1%, mainly driven by higher social security expense in the fourth quarter of 2018 resulting from an audit assessment by the German Social Security authorities
- 6 General and administrative expense excl. SBC increased by 79%, mostly driven by an increase in our provisions recognized as a result of the recent judgment in Australia

# Reconciliation of non-GAAP Financial Measures Q4 2019, trivago N.V.

in €mm	Q4 2019	Q4 2018	Abs Δ vs. Q4'18	Δ vs. Q4'18
Net income/(loss)	3.1	10.9	(7.8)	(71.6) %
Income from equity method investment	0.2	0.0	0.1	100.0
Income/(loss) before equity method investment	2.9	10.9	(8.0)	(73.4) %
Expense for income taxes	8.1	8.0	0.1	1.3 %
<b>Income/(loss) before income taxes</b>	<b>11.0</b>	<b>18.9</b>	<b>(7.9)</b>	<b>(41.8) %</b>
Add/(less):				
Interest expense	—	0.8	(0.8)	(100.0) %
Other, net	—	(0.9)	0.9	n.m.
<b>Operating income/(loss)</b>	<b>11.0</b>	<b>18.8</b>	<b>(7.8)</b>	<b>(41.5) %</b>
Depreciation	2.8	2.9	(0.1)	(3.4) %
Amortization of intangible assets	0.4	0.4	—	— %
<b>EBITDA</b>	<b>14.2</b>	<b>22.1</b>	<b>(7.9)</b>	<b>(35.7) %</b>
Share-based compensation	4.2	5.5	(1.3)	(23.6) %
<b>Adjusted EBITDA</b>	<b>18.4</b>	<b>27.6</b>	<b>(9.2)</b>	<b>(33.3) %</b>

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

in €k	Q4 2019	Q4 2018
Cost of revenue	65	46
Selling and marketing	495	701
Technology and content	1,195	1,676
General and administrative	2,480	3,065
<b>Share-based compensation</b>	<b>4,235</b>	<b>5,488</b>

Source: Unaudited US GAAP financials  
Note: Some numbers may not add up due to roundings.

# Consolidated Statement of Cash Flows FY 2019, trivago N.V.

in €k	FY 2019	FY 2018	
Net income/(loss)	17,161	(21,489)	1
Adjustments to reconcile net income/(loss) to net cash provided by/(used in):			
Depreciation	10,298	11,370	
Amortization of intangible assets	1,685	1,684	
Impairment of internal-use software and website development	96	1,437	
Share-based compensation	19,891	20,702	
Deferred income taxes	1,904	(1,755)	
Foreign exchange loss	429	587	
Bad debt expense	754	630	
Loss on disposal of fixed assets	2	605	
(Gain)/loss from settlement of asset retirement obligation	(209)	—	
(Gain)/loss from equity method investment	(453)	(19)	
<b>Change in operating assets and liabilities</b>			2
Accounts receivable, including related party	24,926	(13,432)	
Prepaid expense and other assets	3,696	11,127	
Accounts payable	(665)	(18,012)	
Payroll liabilities	(4,476)	2,951	
Accrued expenses and other liabilities	7,591	199	
Deferred revenue	(2,310)	(773)	
Taxes payable/receivable, net	(6,099)	(396)	
<b>Net cash provided by/(used in) operating activities</b>	<b>74,221</b>	<b>(4,584)</b>	
Purchase of investments	(10,000)		
Capital expenditures	(8,017)	(24,779)	3
Proceeds from sale of fixed assets	36	634	
<b>Net cash used in investing activities</b>	<b>(17,981)</b>	<b>(24,145)</b>	
Proceeds from exercise of option awards	202	161	
Repayment of other non-current liabilities	(301)		
<b>Net cash provided by/(used in) financing activities</b>	<b>(99)</b>	<b>161</b>	
Effect of exchange rate changes on cash	94	(24)	
<b>Net increase/(decrease) in cash, cash equivalents and restricted cash</b>	<b>56,235</b>	<b>(28,592)</b>	
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 the period	220,543	164,308	

## Comments

- 1 Net income improved to €17.2 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 a decrease in Accounts receivable of €25.8m in 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 Q4 2019, trivago N.V.

in €k	Q4 2019	Q4 2018	
Net income/(loss)	3,131	10,989	1
Adjustments to reconcile net income/(loss) to net cash provided by/(used in):			
Depreciation	2,767	2,880	
Amortization of intangible assets	422	421	
Impairment of internal-use software and website development	—	292	
Share-based compensation	4,235	5,488	
Deferred income taxes	(82)	5,515	
Foreign exchange loss	28	247	
Bad debt expense	216	310	
Loss on disposal of fixed assets	1	215	
(Gain)/loss from settlement of asset retirement obligation	—	—	
(Gain)/loss from equity method investment	(245)	22	
<b>Change in operating assets and liabilities</b>			2
Accounts receivable, including related party	27,785	5,565	
Prepaid expense and other assets	1,182	2,827	
Accounts payable	(15,566)	(16,192)	
Payroll liabilities	(53)	3,018	
Accrued expenses and other liabilities	5,610	(3,287)	
Deferred revenue	(1,241)	(1,454)	
Taxes payable/receivable, net	(3,806)	1,844	
<b>Net cash provided by/(used in) operating activities</b>	<b>24,384</b>	<b>18,700</b>	
Purchase of investments	—	—	
Capital expenditures	(1,727)	(2,603)	
Proceeds from sale of fixed assets	6	549	
<b>Net cash used in investing activities</b>	<b>(1,721)</b>	<b>(2,054)</b>	3
Proceeds from exercise of option awards	9	150	
Repayment of other non-current liabilities	(67)	—	
<b>Net cash provided by/(used in) financing activities</b>	<b>(58)</b>	<b>150</b>	
Effect of exchange rate changes on cash	(169)	43	
<b>Net increase/(decrease) in cash, cash equivalents and restricted cash</b>	<b>22,436</b>	<b>16,839</b>	
Cash and cash equivalents and restricted cash at beginning of the period	198,107	147,469	
Cash and cash equivalents and restricted cash at end of the period	220,543	164,308	

## Comments

- 1 Net income excluding non-cash expenses led to an increase in cash and cash equivalents of €10.5 million in the fourth quarter of 2019
- 2 Net cash provided by operating activities was mainly driven by the change in operating assets and liabilities of €13.9 million which was mainly due to a decrease in Accounts receivable of €27.8 million. This was partly compensated by a decrease in Accounts payable of €15.6 million
- 3 Net cash used in investing activities of €1.7 million partly offset the net cash provided in operating activities

# Consolidated Balance Sheet FY 2019, trivago N.V.

in €k	As of		
	December 31, 2019	December 31, 2018	
Cash and cash equivalents	218,106	161,871	1
Restricted cash	122	122	
Accounts receivable, less allowance	37,747	54,981	2
Accounts receivable, related party	31,139	39,655	
Short-term investments	10,000	—	
Tax receivable	8,565	281	
Prepaid expenses and other current assets	4,607	8,346	
<b>Total current assets</b>	<b>310,286</b>	<b>265,256</b>	
Property and equipment, net	33,172	162,001	3
Operating lease right-of-use assets	96,030	—	
Deferred income taxes	735	—	
Other long-term assets	7,274	6,148	
Intangible assets, net	169,924	171,609	
Goodwill	490,590	490,529	
<b>Total assets</b>	<b>1,108,011</b>	<b>1,095,543</b>	
Accounts payable	33,391	33,656	
Income taxes payable	549	1,221	
Deferred revenue	5,553	7,863	
Payroll liabilities	4,055	8,531	
Accrued expenses and other current liabilities	14,763	9,650	
Operating lease liability	5,037	—	
<b>Total current liabilities</b>	<b>63,348</b>	<b>60,921</b>	
Operating lease liability	94,660	—	
Financing obligations	—	127,705	4
Deferred income taxes	50,927	46,550	
Other long-term liabilities	4,289	6,784	
Class A common stock	3,049	2,554	
Class B common stock	181,013	185,213	
Reserves	781,060	757,262	
Contribution from parent	122,307	122,307	
Accumulated other comprehensive income/(loss)	62	(89)	
Accumulated deficit	(192,704)	(213,664)	
<b>Total stockholders' equity attributable to trivago N.V.</b>	<b>894,787</b>	<b>853,583</b>	
Noncontrolling interest	—	—	
<b>Total stockholders' equity</b>	<b>894,787</b>	<b>853,583</b>	
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>1,108,011</b>	<b>1,095,543</b>	

## 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 to €37.7 million, mainly due to 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 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