



# Supplemental Information

April 2019

**GRUBHUB**

# Safe harbor statement



This Presentation contains “forward-looking statements,” regarding management’s future expectations, beliefs, intentions, goals, strategies and protocols, which are made in reliance on the “safe harbor” provisions of the U.S. Private Securities Litigation Act of 1995. Forward-looking statements involve substantial risks, known and unknown, uncertainties, assumptions, and other factors that may cause actual results, performance, achievements or outcomes to differ materially from future results expressed or implied by such forward-looking statements. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “anticipates,” “believes,” “contemplates,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. While forward-looking statements are our best prediction at the time they are made, you should not rely upon them. Forward-looking statements represent our management’s beliefs and assumptions only as of April 25, 2019, unless otherwise indicated, and there is no implication that the information contained in this Presentation is subsequent to such date.

For additional information concerning factors that could affect our financial results or cause actual results to differ materially from those expressed or implied in the forward-looking statements, please refer to the cautionary statements included in our filings with the Securities and Exchange Commission (the “SEC”), including the “Risk Factors” section of our Annual Report on Form 10-K filed with the SEC on February 28, 2019 and our Quarterly Reports on Form 10-Q and any further disclosures we make in our Current Reports on Form 8-K. Our SEC filings are available electronically on our investor website at [investors.grubhub.com](http://investors.grubhub.com) or the SEC’s website at [www.sec.gov](http://www.sec.gov). Except as required by law, we assume no obligation to update these forward-looking statements or this Presentation, or to update, supplement or correct the information set forth in the Presentation or the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

## Tier Definitions:

Tier 1: Markets launched prior to 2012

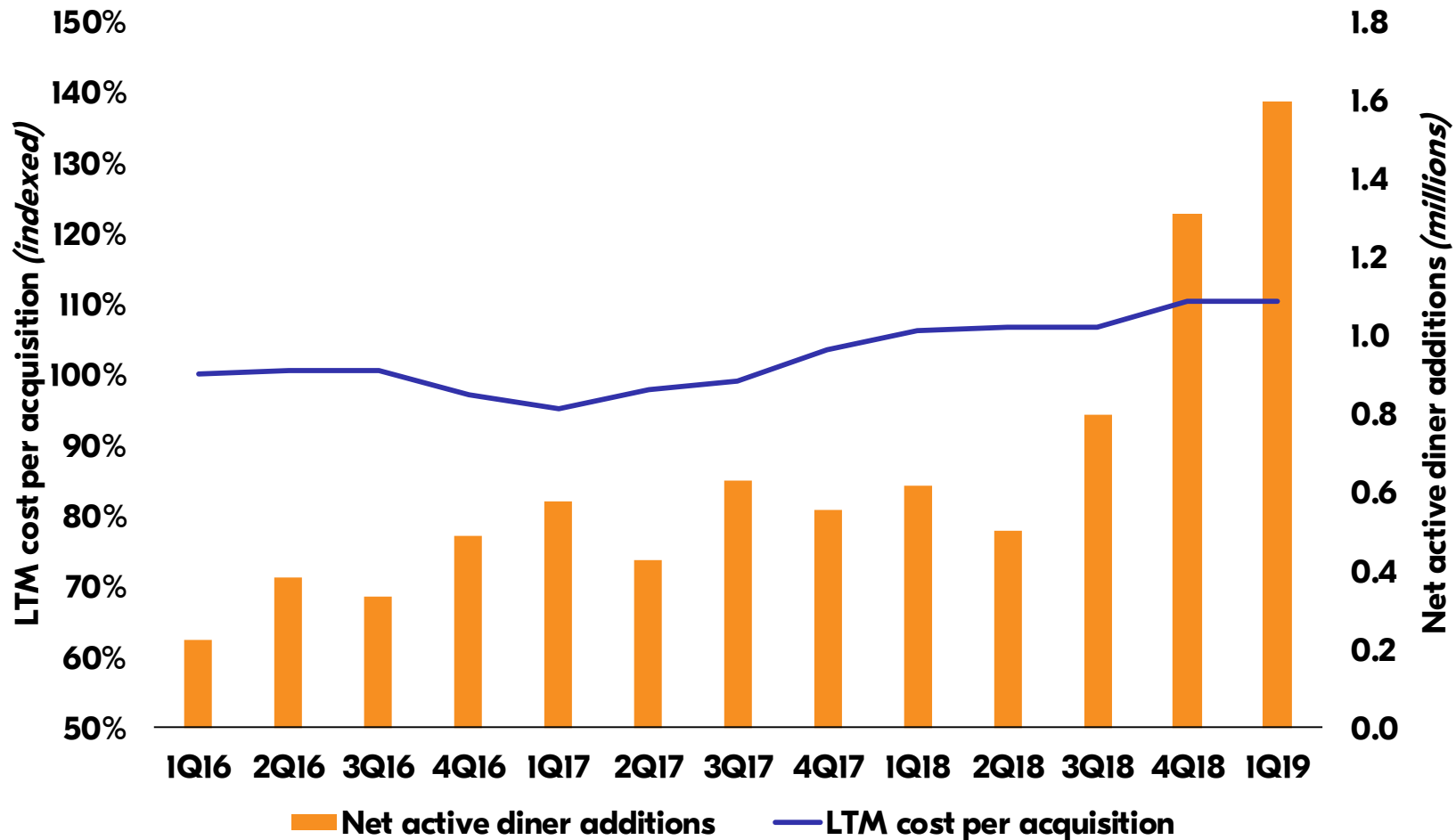
Tier 2: Markets launched in 2012

Tier 3: All other markets



# Net active diner adds have increased dramatically while CPA has remained relatively flat over multiple years

Indexed LTM Cost per Acquisition (CPA)<sup>(1)</sup> and Net Active Diner Additions<sup>(2)</sup>



Note: Grubhub consumer business

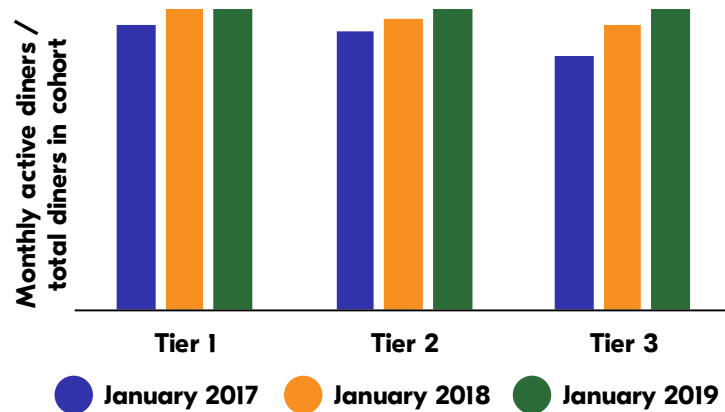
(1) LTM cost per acquisition indexed starting at 1Q16. Cost per acquisition includes all Grubhub consumer advertising spend and consumer discounts which are recognized as contra revenue.

(2) Net active diner additions is the sequential change in active diners. Net active diner additions excludes 4.1 million active diners acquired in the fourth-quarter of 2017 from Eat24.

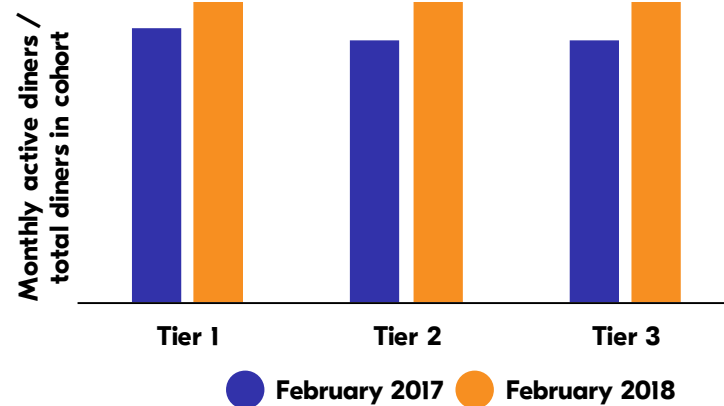
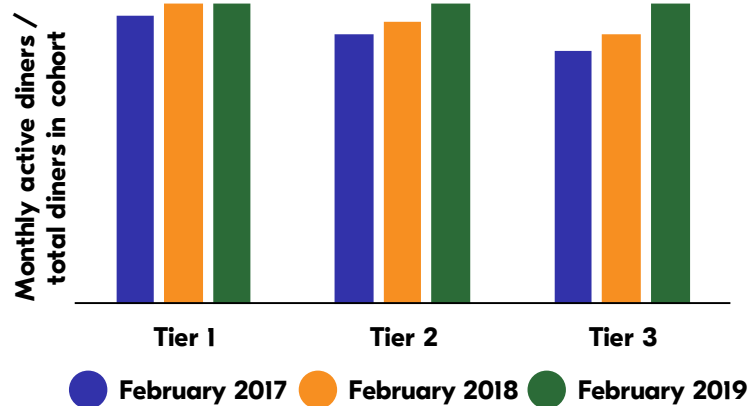
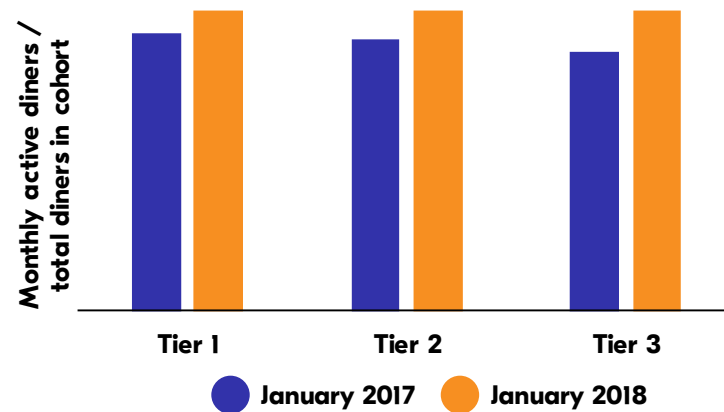
# Diner quality improving even with increased investment; retention rates higher than historical cohorts



**Cohort Retention Rates - Month 1<sup>(1)(2)</sup>**



**Cohort Retention Rates - Month 12<sup>(1)(3)</sup>**



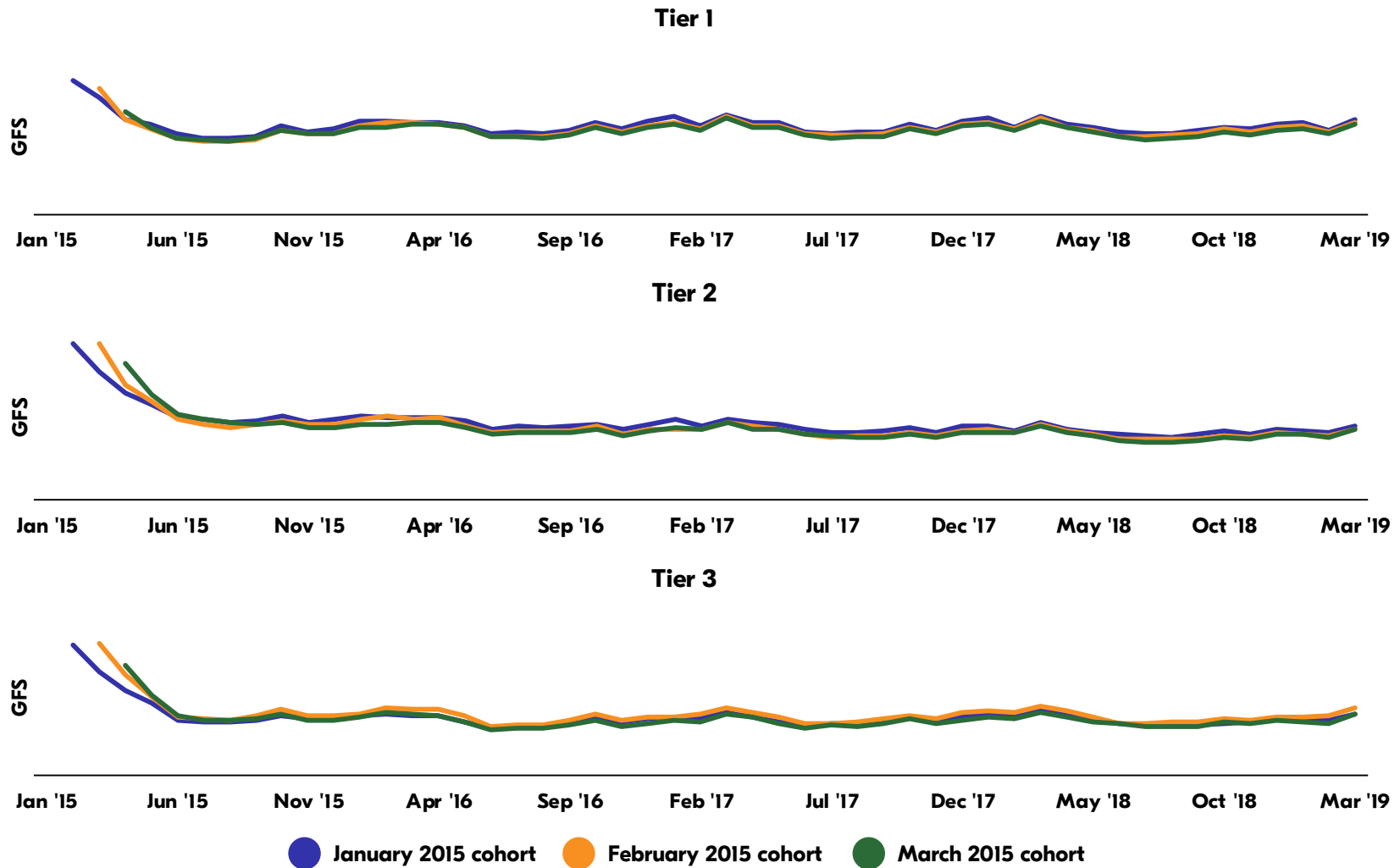
Note: Grubhub consumer business; retention levels are indexed to newest cohort within tier for relative comparisons

- (1) Diner retention is calculated as number of diners in the highlighted cohort that ordered in a month divided by all the diners within that cohort. A diner "cohort" is defined as all diners that ordered for the first time in the given month, whether or not they are still ordering.
- (2) For example, Month 1 diner retention for the January 2019 cohort would be calculated by dividing the diners in the January 2019 cohort that ordered in February 2019 by all the diners in the January 2019 cohort.
- (3) For example, Month 12 diner retention for the January 2018 cohort would be calculated by dividing the diners in the January 2018 cohort that ordered in January 2019 by all the diners in the January 2018.

# Grubhub diner cohorts are extremely stable, across our older and newer markets alike



Gross Food Sales (GFS) by Cohorts Over Time<sup>(1)(2)</sup>



Note: Grubhub consumer business

- (1) Monthly spend for specific diner cohorts over time. A diner "cohort" is defined as all diners that ordered for the first time in the given month, whether or not they are still ordering.
- (2) For clarity, changes in diner spend and diner attrition would all affect the monthly GFS of a diner cohort.



# As a reminder, illustrative unit level economics at steady state<sup>(1)</sup>

<b>Business Model:</b>	<b>Self-Delivery</b>	<b>Grubhub Delivery</b>
Average Order Size	\$30.00	\$30.00
<i>Commission Paid by Restaurant</i>	<i>15.0%</i>	<i>30.0%</i>
Commission	\$4.50	\$9.00
Delivery Fee Paid to Grubhub by Diner	\$0.00	\$2.00
<b>Grubhub Revenue per Order</b>	<b>\$4.50</b>	<b>\$11.00</b>
Credit Card & Care Expenses	\$1.10	\$1.10
Payment to Delivery Partner	\$0.00	\$6.50
<b>Grubhub Profit per Order</b>	<b>\$3.40</b>	<b>\$3.40</b>
<i>Profit Margin</i>	<i>76%</i>	<i>31%</i>

- In the Self-Delivery model, the delivery fee (typically \$2 to \$5 per order) is kept by restaurant
- Grubhub sets fees in the Grubhub Delivery model (including diner delivery fees and fees paid to delivery partners)
- Efficiency of scale allows Grubhub to drive down cost to the consumer

(1) Actual average order size, commission rate to restaurant, diner facing fees and payment to driver partner will vary based on market.