



Booking Holdings Inc.

Q1 strong as travel industry and execution strong. 2023 outlook well above pre-pandemic levels. Raising P/T to \$3,000.

Q1 strong: Booking recently (on May 4) reported its fiscal Q1 2023 (ending March) results. Revenue was \$3.78 billion (+40% y-o-y), compared to our estimate of \$3.64 billion and consensus of \$3.77 billion. Pro forma EPS was \$11.60, compared to our estimate of \$12.93 and consensus of \$10.60. Q1 qualitative guidance was for revenue growth ~+35% and operating income to be above Q1 2022's \$174 million.

Q1 strong growth: Gross bookings were \$39.4 billion (+44% y-o-y), compared to our estimate of \$34.0 billion. The company saw strong growth in most of its business around the world (with almost all above pre-pandemic levels with many regions well above it).

April room nights up mid-teens: In April (current Q2), room nights increased mid-teens (y-o-y), but is expected to moderate to mid-single digits due to very tough comps vs. Q2 2022 (revenue was +99% y-o-y).

2023 guidance: The company maintained general qualitative guidance for 2023 revenue growth of mid-teens and operating income to be above 2019's (\$5,398 million) and 2022's (\$5,102 million).

Q2 guidance: The company declined to provide any specific forward guidance, but it did provide general qualitative guidance for revenue growth of "about (our estimate)" mid-teens and EBITDA of ~\$1,462 million (growth of ~+35% y-o-y).

Raising 2023 estimates: We are raising our 2023 estimates for revenue to \$20.4 billion, from \$19.8 billion, and for EPS to \$129.40 from \$126.83. We are raising our 2024 estimates for revenue to \$21.5 billion, from \$20.6 billion, and for EPS to \$141.19 from \$130.37.

Travel's strong growth: Like all other travel services providers, Booking had material negative impact from the recent coronavirus pandemic. However, with pandemic impact waning over time since the initial outbreak in March 2020, Booking has returned and is even well above normalized (pre-pandemic) business in 2022, and 2023 is even stronger. The company expects increased consumer confidence and pent up demand to drive a rebound in the travel industry over the next several years. The 2023 summer travel season has been very strong for Booking.

Positive risk versus reward: Despite volatility from the coronavirus (which we believe future impact will be minimal) and macro conditions, we continue to be positive on Booking longer term. We believe longer term, traveling and the travel industry has now returned back to normal and will continue to grow stronger and that Booking as one of the world's largest OTA is in good position to capture a significant share of the economics within the travel industry.

Current valuation attractive: Maintaining our BUY rating, but raising our 12-month price target to \$3,000 from \$2,850, which reflects a forward P/E of ~21.3x our 2024 EPS estimate of \$141. This P/E multiple is slightly above the peer group of online travel companies to reflect its higher normalized earnings growth.

Company Description

Based in Norwalk, CT, Booking Holdings is a global online travel company that offers airline tickets, hotel rooms, car rentals, and other travel services through its Booking.com, priceline, and Agoda brands.

United States
Internet Software and Services

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COMPANY UPDATE

Rating: BUY

Ticker: BKNG

Price: \$2,646

Target: \$3,000
(from \$2,850)

Stock Data

Exchange:	NasdaqGS
52-week Range:	\$1,617 – 2,787
Shares Outstanding (million):	38
Market cap (\$million):	\$100,548
EV (\$million):	\$98,175
Debt (\$million):	\$12,126
Cash (\$million):	\$14,499
Avg. Daily Trading Vol. (\$million):	\$866
Float (million shares):	37
Short Interest (million shares):	1
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2023E</u> (Cur.)	<u>2023E</u> (Old)	<u>2024E</u> (Cur.)	<u>2024E</u> (Old)
Q1 Mar	3,778A	3,636E	4,068E	3,862E
Q2 Jun	5,041E	4,572E	5,393E	4,891E
Q3 Sep	6,717E	6,717E	6,959E	6,959E
Q4 Dec	<u>4,847E</u>	<u>4,847E</u>	<u>5,033E</u>	<u>4,847E</u>
Total	20,383E	19,772E	21,453E	20,559E
EV/Revs	5x		5x	

Earnings per Share (pro forma)

	<u>2023E</u> (Cur.)	<u>2023E</u> (Old)	<u>2024E</u> (Cur.)	<u>2024E</u> (Old)
Q1 Mar	11.60A	12.93E	15.64E	13.69E
Q2 Jun	30.40E	21.15E	26.61E	22.55E
Q3 Sep	56.24E	55.14E	59.34E	56.76E
Q4 Dec	<u>31.06E</u>	<u>37.48E</u>	<u>39.46E</u>	<u>37.23E</u>
Total	129.40E	126.83E	141.19E	130.37E
P/E	20x		19x	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 9.

OVERVIEW

- Booking recently (on May 4) reported its fiscal Q1 2023 (ending March) results.
- Revenue was \$3.78 billion (+40% y-o-y), compared to our estimate of \$3.64 billion and consensus of \$3.77 billion.
- Pro forma EPS was \$11.60, compared to our estimate of \$12.93 and consensus of \$10.60.
- Gross bookings were \$39.4 billion (+44% y-o-y), compared to our estimate of \$34.0 billion.
- EBITDA was \$586 million (vs. \$310 million y-o-y), compared to our estimate of \$654 million.
- Q1 qualitative guidance was for revenue growth ~+35% and operating income to be above Q1 2022's \$174 million.
- The company maintained general qualitative guidance for 2023 revenue growth of mid-teens and operating income to be above 2019's (\$5,398 million) and 2022's (\$5,102 million).
- The company provided initial Q2 general qualitative guidance for revenue growth of "about (our estimate)" mid-teens and EBITDA of ~\$1,462 million (growth of ~+35% y-o-y).
- We are raising our 2023 estimates for revenue to \$20.4 billion, from \$19.8 billion, and for EPS to \$129.40 from \$126.83.
- We are raising our 2024 estimates for revenue to \$21.5 billion, from \$20.6 billion, and for EPS to \$141.19 from \$130.37.

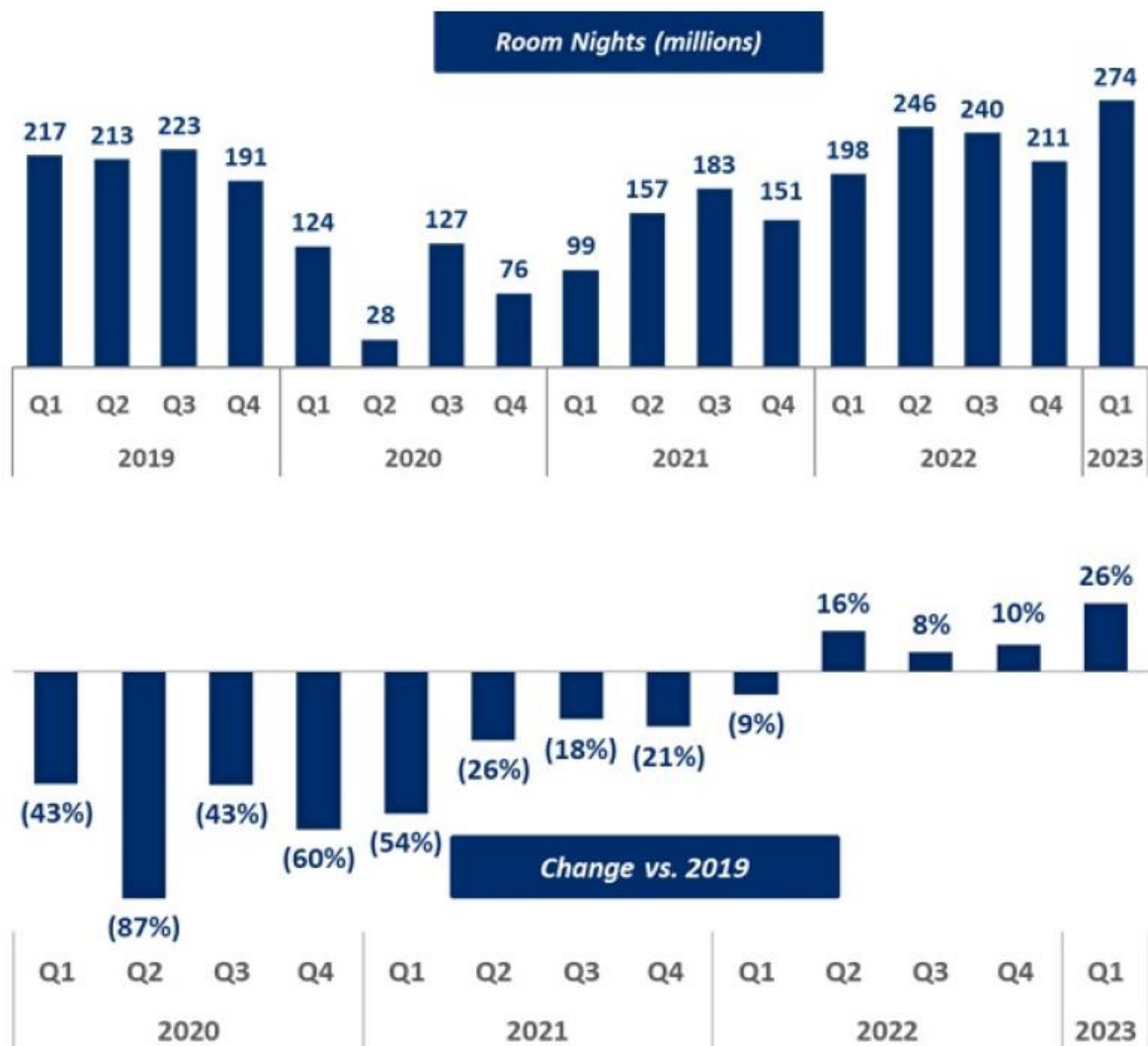
ADDITIONAL DETAILS

- Growth by product were: Hotels Room Nights +38% (vs. +40% in Q4 2022 and +100% in Q1 2022), Air Tickets +73% (vs. +62% in Q4 2022 and +69% in Q1 2022), and Rental Car Days +23% (vs. +28% in Q4 2022 and +53% in Q1 2022).
- Revenue as a percentage of gross bookings was 10%, compared with our estimate of 11% and 10% last year.
- Operating expenses were \$3.33 billion, versus our expectation of \$3.09 billion.
- Operating income was \$450 million, versus our expectation of \$549 million.
- Pro forma net income was \$441 million, versus our expectation of \$500 million.
- In November 2021, Booking announced that it has entered into an agreement with funds managed by CVC Capital Partners to acquire global flight booking provider, Etraveli Group, for approximately €1.63 billion. The deal has not yet closed and is expected to close in 2023. This deal was expected to have a "minor impact on P&L" in 2022.

The company's balance sheet remains solid, with \$14.5 billion in cash and \$12.1 billion in debt (~\$62/share in net cash), compared with \$12.4 billion in cash and \$12.5 billion in debt at the end of December.

Exhibit 1: Quarterly Room Nights Change versus 2019

Quarterly Room Nights and Change versus 2019



Source: Company report.

Exhibit 2: Q2 and 2023 Guidance (as of May 4, 2023)

Outlook

In April 2023, we continued to see strong travel demand with room night growth versus April 2019 that was slightly higher than the 26% growth we saw in the first quarter of 2023. On a year-over-year basis, room night growth in April 2023 was a mid-teens percentage. For the second quarter of 2023, we assume room nights will grow a mid-single digits percentage relative to the second quarter of 2022. Given that assumption for room night growth, we expect the following for the second quarter of 2023:

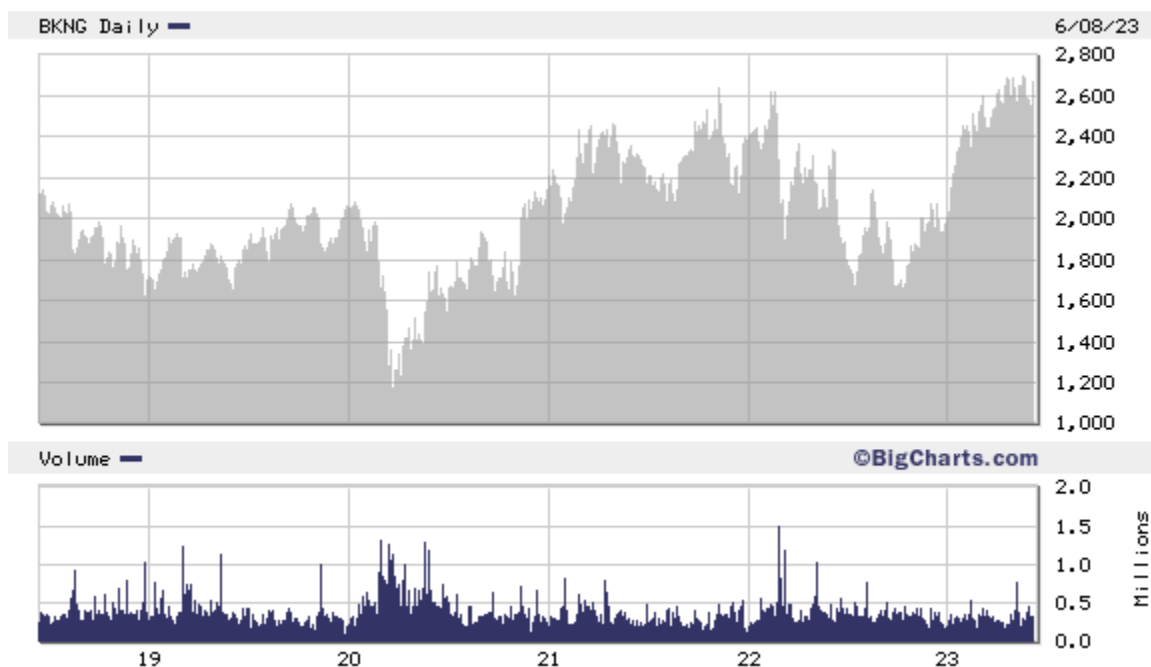
- the year-over-year growth in gross bookings will be about four percentage points higher than the year-over-year growth in room nights;
- revenues as a percentage of gross bookings will be higher than it was in the second quarter of 2022; and
- operating profit will be higher than in the second quarter of 2022.

For the full year, assuming gross bookings increase in 2023 compared to 2022 by a low teens percentage, we expect the following for full-year 2023:

- revenues as a percentage of gross bookings will be higher than it was in 2022; and
- operating profit will be higher than in 2019 and 2022.

Source: Company report.

Exhibit 3: Booking Holdings Stock Price (Five Years)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 4: Consensus Expectations (as of May 4, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$3,774E		Q1 Mar	\$10.60E	
Q2 Jun	\$4,966E		Q2 Jun	\$28.21E	
Q3 Sep			Q3 Sep		
Q4 Dec			Q4 Dec		
Total	\$20,077E	\$22,266E	Total	\$130.35E	\$155.29E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

FINANCIAL MODEL

Booking Holdings Inc.

Income Statement (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	1,141	2,160	4,676	2,981	10,958	2,695	4,294	6,052	4,049	17,090	3,778	5,041	6,717	4,847	20,383	4,068	5,393	6,959	5,033	21,453
Cost of Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gross Profit	1,141	2,160	4,676	2,981	10,958	2,695	4,294	6,052	4,049	17,090	3,778	5,041	6,717	4,847	20,383	4,068	5,393	6,959	5,033	21,453
Advertising - brand					0					0					0					0
Marketing expenses	461	988	1,378	974	3,801	1,147	1,737	1,795	1,314	5,993	1,517	1,411	1,679	1,551	6,159	1,302	1,618	1,670	1,258	5,848
Sales and other	112	206	302	261	881	339	465	540	474	1,818	542	504	739	533	2,318	407	593	765	554	2,319
Personnel	552	686	591	485	2,314	596	635	636	598	2,465	722	1,059	1,075	776	3,631	1,058	1,240	1,113	805	4,217
General and administrative	119	134	179	188	620	158	207	262	307	934	289	454	336	339	1,418	366	485	348	352	1,552
IT	87	93	109	123	412	134	137	129	126	526	137	151	202	145	635	163	162	209	151	684
Depreciation and amortization	113	108	102	98	421	111	107	109	124	451	120	105	105	105	435	105	105	105	105	420
Restructuring and other	8	1		4	13	36	6	(2)	(239)	(199)	1				1					0
Total operating expenses	1,452	2,216	2,661	2,133	8,462	2,521	3,294	3,469	2,704	11,988	3,328	3,684	4,135	3,450	14,597	3,400	4,204	4,211	3,226	15,040
Operating income (loss)	(311)	(56)	2,015	848	2,496	174	1,000	2,583	1,345	5,102	450	1,357	2,582	1,398	5,786	668	1,189	2,748	1,808	6,413
Interest income (expense)	(98)	(81)	(80)	(75)	(334)	(68)	(76)	(102)	(145)	(391)	(194)	(82)	(85)	(84)	(445)	(83)	(83)	(83)	(82)	(331)
Other income (expense)	131	96	(967)	43	(697)	(955)	220	(305)	252	(788)	47	0	0	0	47	0	0	0	0	0
Income before income taxes	(278)	(41)	968	816	1,465	(849)	1,144	2,176	1,452	3,923	303	1,275	2,497	1,314	5,388	585	1,107	2,665	1,725	6,082
Income taxes	(223)	126	199	198	300	(149)	287	510	217	865	37	242	474	250	1,003	111	210	506	328	1,156
Net income (loss)	(55)	(167)	769	618	1,165	(700)	857	1,666	1,235	3,058	266	1,033	2,022	1,064	4,385	474	896	2,159	1,398	4,926
Nonrecurring/noncash adjustments	(160)	63	790	37	728	861	(81)	438	(278)	940	175	125	125	125	550	125	125	125	125	500
Net income	(215)	(105)	1,559	655	1,893	161	776	2,104	958	3,999	441	1,158	2,147	1,189	4,935	599	1,021	2,284	1,523	5,426
EBITDA	(195)	48	2,111	940	2,904	310	1,086	2,658	1,241	5,295	586	1,462	2,687	1,503	6,237	773	1,294	2,853	1,913	6,833
Shares, Basic	41.0	41.1	41.1	41.1	41.0	40.9	40.5	39.6	38.5	39.9	37.6	37.7	37.8	37.9	37.8	37.8	37.9	38.0	38.1	38.0
Shares, Diluted	41.0	41.1	41.3	41.4	41.4	41.2	40.7	39.7	38.7	40.1	38.0	38.1	38.2	38.3	38.1	38.3	38.4	38.5	38.6	38.4
EPS Basic (Pro forma)	(\$5.26)	(\$2.55)	\$37.96	\$15.94	\$46.13	\$3.94	\$19.15	\$53.18	\$24.85	\$100.28	\$11.71	\$30.69	\$56.78	\$31.35	\$130.64	\$15.83	\$26.93	\$60.07	\$39.94	\$142.91
EPS Diluted (Pro forma)	(\$5.26)	(\$2.55)	\$37.70	\$15.83	\$45.77	\$3.91	\$19.08	\$53.03	\$24.74	\$99.83	\$11.60	\$30.40	\$56.24	\$31.06	\$129.40	\$15.64	\$26.61	\$59.34	\$39.46	\$141.19
Income Statement Ratios																				
Gross margin	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Advertising - brand	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Advertising - performance	40.4%	45.7%	29.5%	32.7%	34.7%	42.6%	40.5%	29.7%	32.5%	35.1%	40.2%	28.0%	25.0%	32.0%	30.2%	32.0%	30.0%	24.0%	25.0%	27.3%
Sales and marketing	9.8%	9.5%	6.5%	8.8%	8.0%	12.6%	10.8%	8.9%	11.7%	10.6%	14.3%	10.0%	11.0%	11.0%	11.4%	10.0%	11.0%	11.0%	11.0%	10.8%
Personnel	48.4%	31.8%	12.6%	16.3%	21.1%	22.1%	14.8%	10.5%	14.8%	14.4%	19.1%	21.0%	16.0%	16.0%	17.8%	26.0%	23.0%	16.0%	16.0%	19.7%
General and administrative	10.4%	6.2%	3.8%	6.3%	5.7%	5.9%	4.8%	4.3%	7.6%	5.5%	7.6%	9.0%	5.0%	7.0%	7.0%	9.0%	9.0%	5.0%	7.0%	7.2%
IT	7.6%	4.3%	2.3%	4.1%	3.8%	5.0%	3.2%	2.1%	3.1%	3.1%	3.6%	3.0%	3.0%	3.0%	3.1%	4.0%	3.0%	3.0%	3.0%	3.2%
Operating margin	-27.3%	-2.6%	43.1%	28.4%	22.8%	6.5%	23.3%	42.7%	33.2%	29.9%	11.9%	26.9%	38.4%	28.8%	28.4%	16.4%	22.1%	39.5%	35.9%	29.9%
Tax rate, GAAP	80.2%	-307.3%	20.6%	24.3%	20.5%	17.6%	25.1%	23.4%	14.9%	22.0%	12.2%	19.0%	19.0%	19.0%	18.6%	19.0%	19.0%	19.0%	19.0%	19.0%
Net margin	-4.8%	-7.7%	16.4%	20.7%	10.6%	-26.0%	20.0%	27.5%	30.5%	17.9%	7.0%	20.5%	30.1%	21.9%	21.5%	11.6%	16.6%	31.0%	27.8%	23.0%
Y/Y % change																				
Total Revenue	-50.1%	242.9%	77.1%	140.8%	61.2%	136.2%	98.8%	29.4%	35.8%	56.0%	40.2%	17.4%	11.0%	19.7%	19.3%	7.7%	7.0%	3.6%	3.8%	5.2%
Gross margin	-50.1%	242.9%	77.1%	140.8%	61.2%	136.2%	98.8%	29.4%	35.8%	56.0%	40.2%	17.4%	11.0%	19.7%	19.3%	7.7%	7.0%	3.6%	3.8%	5.2%
Advertising - brand	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Advertising - performance	-45.8%	368.2%	88.5%	152.3%	74.4%	148.8%	75.8%	30.3%	34.9%	57.7%	32.3%	-18.7%	-6.5%	18.0%	2.8%	-14.2%	14.6%	-0.5%	-18.9%	-5.0%
Sales and marketing	-70.3%	57.3%	134.1%	121.2%	16.7%	202.7%	125.7%	78.8%	81.6%	106.4%	59.9%	8.4%	36.8%	12.5%	27.5%	-25.0%	17.7%	3.6%	3.8%	0.0%
Personnel	14.0%	51.8%	14.3%	-1.2%	19.0%	8.0%	-7.4%	7.6%	23.3%	6.5%	21.1%	66.7%	69.0%	29.7%	47.3%	46.5%	17.2%	3.6%	3.8%	16.1%
General and administrative	-40.8%	28.8%	20.9%	46.9%	6.7%	32.8%	54.5%	46.4%	63.3%	50.6%	82.9%	119.2%	28.2%	10.5%	51.8%	26.7%	7.0%	3.6%	3.8%	9.4%
IT	11.5%	32.9%	53.5%	53.8%	37.8%	54.0%	47.3%	18.3%	2.4%	27.7%	2.2%	10.4%	56.2%	15.4%	20.8%	18.8%	7.0%	3.6%	3.8%	7.7%
Operating income (loss)	NM	NM	NM	NM	NM	NM	NM	28.2%	58.6%	104.4%	158.6%	35.7%	-0.1%	3.9%	13.4%	48.4%	-12.3%	6.4%	29.3%	10.8%
Net income (loss)	NM	NM	-4.0%	NM	NM	NM	NM	116.6%	99.8%	162.5%	NM	20.5%	21.4%	-13.8%	43.4%	78.1%	-13.2%	6.7%	31.4%	12.3%
EPS Diluted (Pro forma)	NM	NM	207.3%	NM	NM	NM	NM	40.7%	56.3%	118.1%	196.5%	59.3%	6.0%	25.6%	29.6%	34.9%	-12.5%	5.5%	27.1%	9.1%

Source: Company reports and Ascendant Capital Markets estimates

Booking Holdings Inc.

Balance Sheet (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E	
Assets																	
Cash and cash equivalents	\$12,151	\$11,231	\$11,643	\$11,127	\$10,549	\$11,841	\$9,021	\$12,221	\$14,140	\$9,276	\$10,510	\$12,337	\$12,506	\$12,516	\$13,529	\$15,186	
Short term investments	500	501	522	25			116	175	359	359	359	359	359	359	359	359	
Restricted cash									0	0	0	0	0	0	0	0	
Accounts receivable, net	586	1,290	1,555	1,358	1,611	2,249	2,284	2,229	2,048	1,456	1,940	1,077	1,130	1,558	2,010	1,119	
Prepaid expenses and other current assets	871	767	632	635	715	834	989	1,173	1,085	252	269	388	285	270	278	403	
Deferred income taxes									0	0	0	0	0	0	0	0	
Total current assets	14,108	13,789	14,352	13,145	12,875	14,924	12,410	15,798	17,632	11,343	13,078	14,161	14,279	14,702	16,177	17,066	
Property and equipment, net	734	748	762	822	844	858	879	669	699	1,007	1,035	1,343	1,651	2,503	2,811	3,663	
Intangibles, net	3,644	3,611	3,549	4,944	4,875	4,767	4,663	4,636	4,593	4,548	4,503	4,458	4,413	4,368	4,323	4,278	
Deferred income taxes									0	0	0	0	0	0	0	0	
Long term investments	3,788	4,319	3,283	3,175	2,200	2,381	2,650	2,789	806	806	806	806	806	806	806	806	
Other	1,381	1,414	1,395	1,555	1,590	1,563	1,461	1,469	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476	
Total assets	23,655	23,881	23,341	23,641	22,384	24,493	22,063	25,361	25,206	19,180	20,898	22,244	22,625	23,855	25,593	27,289	
Liabilities and stockholders' equity																	
Accounts payable	570	1,028	1,466	1,586	1,504	2,240	2,131	2,507	2,132	756	806	582	569	809	835	604	
Accrued expenses	1,350	1,620	2,069	1,765	1,876	2,364	2,925	3,244	3,584	1,260	1,343	1,454	1,627	1,348	1,392	1,510	
Deferred merchant	643	1,896	1,086	906	2,765	4,395	2,253	2,223	4,500	1,109	672	1,066	814	1,187	696	1,107	
Income tax payable and other																	
Convertible/short term debt	3,905	2,180	1,158	1,989	1,333	1,283	1,234	500	854	854	854	854	854	854	854	854	
Total current liabilities	6,468	6,724	5,779	6,246	7,478	10,282	8,543	8,474	11,070	3,979	3,675	3,956	3,864	4,198	3,777	4,075	
Deferred income taxes	2,034	1,107	906	905	721	805	723	685	368	368	368	368	368	368	368	368	
Other long term liabilities	459	1,260	1,235	1,375	1,377	1,214	1,177	1,435	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	
Convertible/long term debt	9,930	9,991	9,876	8,937	8,435	8,190	7,950	11,985	11,272	11,272	11,272	11,272	11,272	11,272	11,272	11,272	
Minority interest									0	0	0	0	0	0	0	0	
Total other liabilities	12,423	12,358	12,017	11,217	10,533	10,209	9,850	14,105	13,062	13,062	13,062	13,062	13,062	13,062	13,062	13,062	
Common stock									0	0	0	0	0	0	0	0	
Treasury Stock	(24,274)	(24,283)	(24,286)	(24,290)	(25,390)	(26,664)	(28,630)	(30,983)	(33,178)	(33,178)	(33,178)	(33,178)	(33,178)	(33,178)	(33,178)	(33,178)	
Additional paid-in capital	5,965	6,059	6,068	6,159	6,163	6,278	6,385	6,491	6,712	6,712	6,712	6,712	6,712	6,712	6,712	6,712	
Retained earnings	23,233	23,066	23,835	24,453	23,783	24,640	26,306	27,541	27,807	28,840	30,862	31,926	32,400	33,296	35,455	36,852	
Accumulated other comprehensive (loss) income	(160)	(43)	(72)	(144)	(183)	(252)	(391)	(267)	(267)	(267)	(267)	(267)	(267)	(267)	(267)	(267)	
Other									32	32	32	32	32	32	32	32	
Total stockholders' equity	4,764	4,799	5,545	6,178	4,373	4,002	3,670	2,782	1,074	2,139	4,161	5,225	5,699	6,595	8,754	10,152	
Total stockholders' equity and liabilities	\$23,655	\$23,881	\$23,341	\$23,641	\$22,384	\$24,493	\$22,063	\$25,361	\$25,206	\$19,180	\$20,898	\$22,244	\$22,625	\$23,855	\$25,593	\$27,289	

Balance Sheet Drivers

	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	76%	36%	14%	21%	27%	19%	16%	29%	29%	5%	4%	8%	7%	5%	4%	8%
Deferred Merchant as % of total rev	56%	88%	23%	30%	103%	102%	37%	55%	119%	22%	10%	22%	20%	22%	10%	22%
Accounts payable as % of total rev	50%	48%	31%	53%	56%	52%	35%	62%	56%	15%	12%	12%	14%	15%	12%	12%
Accrued expenses as % of total rev	118%	75%	44%	59%	70%	55%	48%	80%	95%	25%	20%	30%	40%	25%	20%	30%
Activity Ratios																
A/R Days Sales Outstanding	46	54	30	41	54	47	34	50	49	26	26	20	25	26	26	20
Deferred Merchant (w/ Revenue)	51	79	21	27	92	92	34	49	107	20	9	20	18	20	9	20
Book & Cash Value (per share)																
Book Value per Share (diluted)	\$116.27	\$116.89	\$134.10	\$149.33	\$106.16	\$98.41	\$92.51	\$71.87	\$28.28	\$56.32	\$109.27	\$136.85	\$148.87	\$171.83	\$227.48	\$263.11
Cash per Share (diluted)	\$308.76	\$285.77	\$294.20	\$269.56	\$256.10	\$291.18	\$230.32	\$320.24	\$381.72	\$253.67	\$285.41	\$332.50	\$336.04	\$335.42	\$360.89	\$402.89
Net cash per Share (diluted)	(\$28.90)	(\$10.69)	\$27.35	\$5.46	\$18.96	\$58.23	(\$1.18)	(\$2.30)	\$62.48	(\$65.58)	(\$33.00)	\$14.92	\$19.29	\$19.50	\$45.79	\$88.61

Source: Company reports and Ascendant Capital Markets estimates

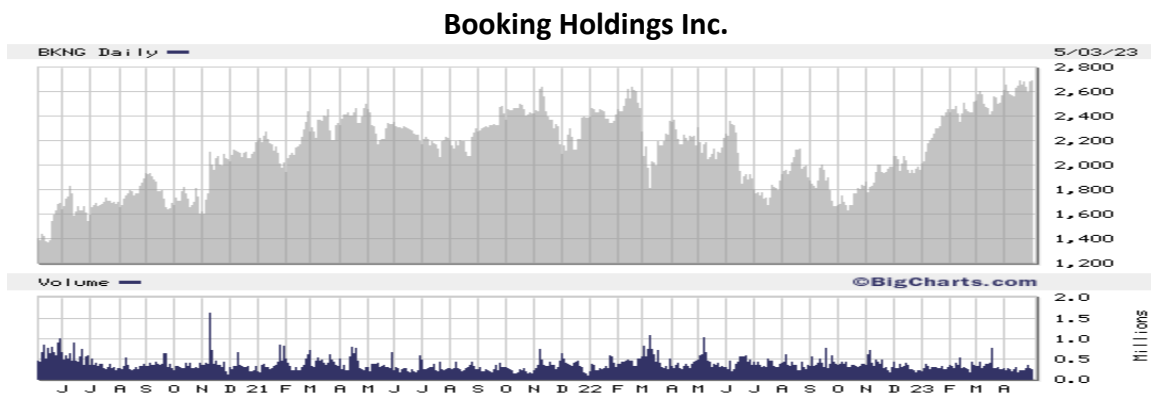
Booking Holdings Inc.

Cash Flow Statement (\$ millions)	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																					
Net income	(\$55)	(\$167)	\$769	\$618	\$1,165	(\$700)	\$857	\$1,666	\$1,235	\$3,058	\$266	\$1,033	\$2,022	\$1,064	\$4,385	\$474	\$896	\$2,159	\$1,398	\$4,926	
Depreciation	113	106	102	98	421	111	107	226	7	451	120	60	60	60	300	60	60	60	60	240	
Amortization	45	46	(91)	0	0	0	0	0	0	0	41	45	45	45	176	45	45	45	45	180	
Provision for accounts receivable						109	58	66	53	232	54				54					0	
Deferred income taxes	(50)	(70)	(223)	(102)	(445)	(216)	51	(81)	(11)	(257)	(340)	0	0	0	(340)	0	0	0	0	0	
Stock comp	113	91	86	86	376	93	108	101	102	404	113	65	65	65	308	65	65	65	65	260	
Amortization of financing	16	14	14	10	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Tax benefit of stock option exercises					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other gains/losses	(32)	(153)	1,016	(20)	811	987	(181)	336	(419)	723	133				133					0	
F/X gains/losses	(91)	37	(54)	(27)	(135)	(30)	(38)	(2)	24	(46)	26				26					0	
Other	(4)	21	135	43	195	69	52	(81)	154	194		(65)	(65)	(65)	(195)	(65)	(65)	(65)	(65)	(260)	
Changes in operating assets and liabilities:																					
Accounts receivable	(72)	(748)	(352)	170	(1,002)	(326)	(790)	(242)	130	(1,228)	158	592	(484)	863	1,129	(53)	(428)	(452)	892	(41)	
Prepaid expenses & other current assets	(258)	85	138	41	6	(56)	(125)	(243)	207	(217)	118	833	(17)	(119)	815	103	15	(9)	(124)	(15)	
Accounts payable & accrued expenses	114	1,859	110	(544)	1,539	1,868	2,993	(1,270)	127	3,718	2,038	(7,091)	(304)	281	(5,076)	(92)	334	(421)	299	119	
Income tax payable and other	(46)	(8)	(105)	(115)	(274)	(160)	(408)	(474)	564	(478)	162	0	0	0	162	0	0	0	0	0	
Net cash (used in) provided by operating activities	(207)	1,152	1,596	279	2,820	1,695	2,684	2	2,173	6,554	2,889	(4,528)	1,322	2,194	1,877	537	922	1,382	2,569	5,409	
Cash flow from investing activities																					
Purchases of property and equipment	(65)	(59)	(79)	(101)	(304)	(109)	(86)	(98)	(75)	(368)	(88)	(368)	(88)	(368)	(912)	(368)	(912)	(368)	(912)	(2,560)	
Purchases of short-term investments		(7)	0	498	491	(12)	(709)	(15)	(15)	(736)	1,683	0	0	0	1,683	0	0	0	0	0	
Sale of short-term investments					0					0					0					0	
Acquisitions				(1,185)	(1,185)					0					0					0	
Other	0	(5)		5	0	(36)	22	600	586	(9)	0	0	0	0	(9)	0	0	0	0	0	
Net cash used in investing activities	(65)	(71)	(79)	(783)	(998)	(121)	(122)	(785)	510	(518)	1,586	(368)	(88)	(368)	762	(368)	(912)	(368)	(912)	(2,560)	
Cash flow from financing activities																					
Issuance of debt	2,015	(10)		10	2,015				3,621	3,621					0					0	
Repayment of debt		(1,982)	(1,086)		(3,068)	(1,102)			(778)	(1,880)	(500)	0	0	0	(500)	0	0	0	0	0	
Repurchase of common stock	(137)	(13)	(9)	(4)	(163)	(1,049)	(1,239)	(1,990)	(2,343)	(6,621)	(2,150)	0	0	0	(2,150)	0	0	0	0	0	
Proceeds from stock option exercises					0					0	105				105					0	
Other	(9)	(2)	(1)	(11)	(23)	12	1	(9)	(21)	(17)	(17)				(17)					0	
Proceeds from issuance of common stock					0					0	0	0	0	0	0	0	0	0	0	0	
Cash provided by (used in) financing activities	1,869	(2,007)	(1,096)	(5)	(1,239)	(2,139)	(1,238)	(1,999)	479	(4,897)	(2,562)	0	0	0	(2,562)	0	0	0	0	0	
Effect of exchange rate on cash and cash equivalents	(7)	6	(10)	(2)	(13)	(9)	(35)	(39)	43	(40)	8				8					0	
Net increase (decrease) in cash and equivalents	1,590	(920)	411	(511)	570	(574)	1,289	(2,821)	3,205	1,099	1,921	(4,896)	1,234	1,826	85	169	10	1,014	1,657	2,849	
Beginning cash and equivalents	10,582	12,172	11,252	11,663	10,582	11,152	10,578	11,867	9,046	11,152	12,251	14,172	9,276	10,510	12,251	12,337	12,506	12,516	13,529	12,337	
Ending cash and equivalents	\$12,172	\$11,252	\$11,663	\$11,152	\$11,152	\$10,578	\$11,867	\$9,046	\$12,251	\$12,251	\$14,172	\$9,276	\$10,510	\$12,337	\$12,337	\$12,506	\$12,516	\$13,529	\$15,186	\$15,186	

Source: Company reports and Ascendant Capital Markets estimates

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Source: <https://bigcharts.marketwatch.com/>

Report	Report Date	Rating	Price Target
32	2/28/2018	B	2,250.00
33	5/10/2018	B	2,350.00
34	8/11/2018	B	2,200.00
35	11/7/2018	B	2,275.00
36	3/1/2019	B	2,050.00
37	5/14/2019	B	2,000.00
38	8/9/2019	B	2,250.00
39	11/12/2019	B	2,150.00
40	2/27/2020	B	1,950.00
41	5/26/2020	B	1,900.00
42	8/7/2020	B	2,000.00
43	12/2/2020	B	2,400.00
44	2/26/2021	B	2,600.00
45	6/10/2021	B	2,700.00
46	9/11/2021	B	2,750.00
47	1/8/2022	B	2,800.00
48	3/23/2022	B	2,850.00
49	6/11/2022	B	2,555.00
50	9/11/2022	B	2,500.00
51	12/15/2022	B	2,400.00
52	3/26/2023	B	2,850.00

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HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

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Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	49	98%	18	37%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	50	100%	18	36%

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