

Booking Holdings Inc

4Q preview and OTA results read-across

Reiterate Rating: NEUTRAL | PO: 3,900.00 USD | Price: 3,700.86 USD

Expect solid 4Q as October was low point for bookings

Booking reports 4Q on 02/22 (Thurs). Booking mgmt. had guided to 9% 4Q room night growth (vs 15% in 3Q), and we think trends improved post guidance, given Airbnb's results. We estimate 4Q Gross bookings/revenue at \$31.3bn/\$4.7bn in-line with Street and we see upside potential. We est. Booked nights at 232mn (+10% vs +15% in 3Q) and see a few points of upside given less deceleration at peers (ABNB reported 12% vs 13.5% in 3Q, and EXPE reported 9.3% vs 9.4% in 3Q). We also see upside potential for 4Q EBITDA vs Street at \$1.44bn with a healthy demand backdrop vs October.

1Q has tough comps, guide may have some S&M cushion

Top two reads from competitors was slowing 1Q bookings growth (comps & Easter) and added marketing spend. We est. 11.6% 1Q bookings growth, & given usual conservatism, we think Booking could guide to 8-9% nights growth in 4Q (vs. Street at +10%), with bookings growing a few points faster due to still positive ADRs in Europe and healthy air growth. We expect some cushion for added S&M competition in 1Q, with EBITDA outlook near Street at \$711mn. We think Street expects some caution in guide given competitor outlooks, and Booking's usual 1Q conservatism.

Positives and Risks for call

Positives could include: 1) Strong 4Q for bookings in Asia with upside rebound vs October slowdown, 2) Strength in AA category given improving inventory and execution, & 3) Positive early commentary on Summer travel demand. **Risks:** 1) Added marketing spend in 1Q outlook as marketing spend has increased in the industry, 2) Tough January booking comps adds conservatism to 1Q guide, and 3) slowing ADR trends in Europe impact any 2024 bookings growth outlook commentary.

Strong industry position, but expect Europe to slow

While Asia/intl. exposure will help Booking vs peers in 2024, we expect Europe nights and ADR growth to slow toward US (Europe RevPAR at +7% MTD in Feb through 2/15), driving a deceleration in bookings growth in 2024. Valuation is reasonable to constructive assuming a healthy consumer, stock trades at 18x our 2025 EPS est., near midpoint of 10-24x 10-year historical range. We roll forward our PO valuation basis to 2025E ests, and raise PO to \$3,900 (vs \$3,500) based 19x on 2025E EPS + cash (vs. 20x 2024E prior), in the upper half of historical range. Reiterate Neutral given our valuation framework.

Estimates (Dec) (US\$)	2021A	2022A	2023E	2024E	2025E
EPS	45.95	99.80	149.91	171.17	202.73
GAAP EPS	28.29	76.47	138.80	161.92	193.41
EPS Change (YoY)	873.5%	117.2%	50.2%	14.2%	18.4%
Consensus EPS (Bloomberg)			149.14	176.46	211.84
DPS	0	0	0	0	0
Valuation (Dec)					
P/E	80.5x	37.1x	24.7x	21.6x	18.3x
GAAP P/E	130.8x	48.4x	26.7x	22.9x	19.1x
EV / EBITDA*	52.9x	28.9x	21.7x	19.3x	9.6x
Free Cash Flow Yield*	1.7%	4.1%	3.9%	4.3%	4.9%

* For full definitions of *IQmethod*SM measures, see page 7.

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21 February 2024

Equity

Key Changes

(US\$)	Previous	Current
Price Obj.	3,500.00	3,900.00

Justin Post
Research Analyst
BofAS
+1 415 676 3547
justin.post@bofa.com

Nafeesa Gupta
Research Analyst
BofAS
+1 415 370 6386
nafeesa.gupta@bofa.com

Stock Data

Price	3,700.86 USD
Price Objective	3,900.00 USD
Date Established	21-Feb-2024
Investment Opinion	B-2-9
52-Week Range	2,382.55 USD - 3,844.76 USD
Mkt Val (mn) / Shares Out (mn)	151,735 USD / 41.0
Free Float	99.6%
Average Daily Value (mn)	901.91 USD
BofA Ticker / Exchange	BKNG / NAS
Bloomberg / Reuters	BKNG US / BKNG.OQ
ROE (2023E)	555.1%
Net Dbt to Eqty (Dec-2022A)	29.3%
ESGMeter TM	High

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to "BofA ESGMeter Methodology".

ADR – Average Daily Rate

S&M – Sales & Marketing

Int. – International

RevPAR – Revenue per Available Room

iQprofileSM Booking Holdings Inc

iQmethodSM – Bus Performance*

(US\$ Millions)	2021A	2022A	2023E	2024E	2025E
Return on Capital Employed	12.4%	24.6%	41.1%	55.6%	65.0%
Return on Equity	34.2%	89.2%	555.1%	NM	NM
Operating Margin	22.9%	28.7%	30.7%	31.2%	31.4%
Free Cash Flow	2,516	6,186	5,894	6,469	7,452

iQmethodSM – Quality of Earnings*

(US\$ Millions)	2021A	2022A	2023E	2024E	2025E
Cash Realization Ratio	1.5x	1.6x	1.1x	1.2x	1.2x
Asset Replacement Ratio	0.7x	0.8x	0.6x	0.7x	0.7x
Tax Rate	20.5%	22.0%	19.7%	19.5%	19.5%
Net Debt-to-Equity Ratio	2.4%	29.3%	NM	NM	NM
Interest Cover	7.5x	12.5x	6.9x	7.4x	8.3x

Income Statement Data (Dec)

(US\$ Millions)	2021A	2022A	2023E	2024E	2025E
Sales	10,958	17,090	21,287	23,700	26,398
% Change	61.2%	56.0%	24.6%	11.3%	11.4%
Gross Profit	10,958	NA	NA	NA	NA
% Change	61.2%	NA	NA	NA	NA
EBITDA	2,902	5,307	7,085	7,935	15,911
% Change	229.8%	82.9%	33.5%	12.0%	100.5%
Net Interest & Other Income	(1,044)	(980)	(210)	(560)	(662)
Net Income (Adjusted)	1,893	3,998	5,480	5,817	6,444
% Change	875.0%	111.3%	37.1%	6.2%	10.8%

Free Cash Flow Data (Dec)

(US\$ Millions)	2021A	2022A	2023E	2024E	2025E
Net Income from Cont Operations (GAAP)	1,165	3,058	5,074	5,503	6,148
Depreciation & Amortization	421	451	500	539	574
Change in Working Capital	537	2,490	407	629	1,034
Deferred Taxation Charge	(445)	(257)	(420)	(470)	(570)
Other Adjustments, Net	1,142	812	657	663	695
Capital Expenditure	(304)	(368)	(323)	(396)	(428)
Free Cash Flow	2,516	6,186	5,894	6,469	7,452
% Change	NM	145.9%	-4.7%	9.8%	15.2%
Share / Issue Repurchase	0	0	122	105	105
Cost of Dividends Paid	0	0	0	0	0
Change in Debt	0	(1,880)	1,393	(500)	(500)

Balance Sheet Data (Dec)

(US\$ Millions)	2021A	2022A	2023E	2024E	2025E
Cash & Equivalents	11,127	12,221	11,973	11,713	12,085
Trade Receivables	1,358	2,229	2,696	2,834	3,226
Other Current Assets	660	1,348	2,130	2,052	2,286
Property, Plant & Equipment	822	669	748	807	872
Other Non-Current Assets	9,674	8,894	6,423	6,875	6,875
Total Assets	23,641	25,361	23,970	24,281	25,344
Short-Term Debt	1,989	500	1,113	1,113	1,113
Other Current Liabilities	4,257	7,974	10,236	11,004	12,431
Long-Term Debt	9,288	12,537	12,403	11,811	11,811
Other Non-Current Liabilities	1,929	1,568	1,025	1,251	1,251
Total Liabilities	17,463	22,579	24,777	25,179	26,606
Total Equity	6,178	2,782	(808)	(899)	(1,261)
Total Equity & Liabilities	23,641	25,361	23,970	24,281	25,344

* For full definitions of iQmethodSM measures, see page 7.

Company Sector

Internet/e-Commerce

Company Description

Booking Holdings (formerly Priceline) is an online travel business offering price disclosed and opaque airline tickets, hotel rooms, rental cars, vacation packages and cruises. The company generates the majority of gross profit from its International brands. Booking Holdings operates Priceline.com, Booking.com, Kayak.com, Agoda.com, Rentalcars.com and OpenTable.com.

Investment Rationale

Booking is a leader in the European travel mkt and has an opportunity to leverage its Booking.com platform and customer base to gain share in North America, Asia and LatAm. The company is also pursuing a large opportunity in alternative accommodations. However, we think the travel recovery will slow in 2024 and rate the stock Neutral.

Stock Data

Average Daily Volume 243,703

Quarterly Earnings Estimates

	2022	2023
Q1	3.88A	11.58A
Q2	19.08A	37.66A
Q3	53.04A	72.25E
Q4	24.75A	29.70E

BofA estimates vs Street

4Q travel data points suggest improving bookings post October slowdown, and we think Booking could see some relative strength vs peers from growth and seasonality in Asia. See our For 4Q, we estimate bookings at \$31.3bn, 0.5% above Street at \$31.2mn. Our nights booked estimate of 232mn (+10% y/y) is also slightly above Street at 231mn. We also see upside potential for 4Q EBITDA vs BofA and Street at \$1.44bn with a healthy demand backdrop.

Exhibit 1: Booking (BKNG) 4Q BofA estimates vs Street (Visible Alpha)

We estimate Bookings growth of 15% y/y, decelerating vs 24% in 3Q due to tougher comps

Metric	BofA Ests.	Consensus	Comments
Hotel Room Nights (000s)	231,710	231,268	10% y/y (4.9pt deceleration on a 8pt tougher comp)
Merchant Bookings (mn)	\$17,454	\$16,893	32% y/y (22pt decel on a 21pt tougher comp)
Agency Bookings (mn)	\$13,891	\$14,243	-1% y/y (0.6pt deceleration on a 0.3pt easier comp)
Total Bookings (mn)	\$31,345	\$31,175	15% y/y (9.1pt deceleration on a 8.0pt tougher comp)
Merchant Revenue (mn)	\$2,409	\$2,383	35% y/y (16pt deceleration on a 10pt tougher comp)
Agency Revenue (mn)	\$2,056	\$2,070	0% y/y (2pt acceleration on a 5pt tougher comp)
Other Revenue (mn)	\$242	\$246	10% y/y (1pt deceleration on a 10pt easier comp)
Revenue (mn)	\$4,706	\$4,704	16% y/y (5.1pt deceleration on a 6.4pt tougher comp)
EBITDA (mn)	\$1,435	\$1,443	30.5% EBITDA margin vs. Cons. est. of 30.7%
EPS Pro Forma Diluted	\$29.70	\$29.97	
Airline Tickets Sold (000s)	9,367	9,114	45% y/y (12pt deceleration on a 16pt tougher comp)
Rental Car Days (000s)	16,422	16,214	17% y/y (3.0pt deceleration on a 2.7pt tougher comp)

Source: BofA Global Research estimates, Visible Alpha

BofA GLOBAL RESEARCH

For 1Q, we expect slowing bookings growth vs 4Q, partially due to tougher comps in January/early Feb. (Omicron) and Easter moving from 2Q to 1Q. We estimate 11.6% 1Q bookings growth for Booking, and think Booking could guide to around 8-9% nights growth in 1Q (Airbnb guided to roughly 8-10% est. nights growth in 1Q vs 12% in 4Q) with bookings growing a few points faster due to ADR growth in Europe and still healthy flights growth. We expect some cushion for marketing competition in 1Q, with EBITDA outlook near Street at \$711mn. This may be CFO David Goulden's last earnings call as a new CFO is joining in March (announced in Dec last year).

For the full year 2024, we expect Booking to maintain its outlook for 15% earnings growth, driven by high single to low double-digit top line growth, flat to growing margins, and a reduction in share count. We estimate 11.3% revenue growth in 2024, modest margin improvement to drive 12% EBITDA growth, and buybacks to reduce the share count by 7%. The Street has larger y/y margin improvement in 2024 vs our estimates, aided by lower S&M spend.

Exhibit 2: BofA 2024/2025 estimates vs Street (Visible Alpha)

We are above Street on 2024 Revenue, but below on EBITDA and EPS on higher S&M spend

	4Q23			1Q24			FY24			FY25		
	BofA	Street	Variance	BofA	Street	Variance	BofA	Street	Variance	BofA	Street	Variance
Total Nights (mn)	232	231.3	0.2%	304	302.1	0.6%	1,157	1,148.7	0.8%	1,273	1,248.8	1.9%
Merchant Bookings (\$mn)	17,454	16,893	3.3%	24,112	23,301	3.5%	93,080	91,671	1.5%	106,111	103,631	2.4%
Agency Bookings (\$mn)	13,891	14,243	-2.5%	19,890	20,247	-1.8%	72,671	73,790	-1.5%	76,304	76,797	-0.6%
Gross Bookings Value (\$mn)	31,345	31,175	0.5%	44,002	43,493	1.2%	165,751	165,533	0.1%	182,416	180,629	1.0%
Take-rate (%)	15.0%	15.1%	(7)	9.8%	9.8%	8	14.3%	14.3%	(0)	14.5%	14.3%	14
Total Revenue	4,706	4,704	0.0%	4,332	4,249	2.0%	23,700	23,670	0.1%	26,398	25,892	2.0%
Sales & Marketing	2,047	2,003	2.2%	2,289	2,253	1.6%	10,269	10,047	2.2%	11,404	10,884	4.8%
Personnel (ex-SBC)	607	620	-2.0%	693	680	2.0%	2,831	2,791	1.4%	3,168	3,009	5.3%
G&A	306	338	-9.5%	312	317	-1.6%	1,322	1,386	-4.6%	1,452	1,488	-2.4%
Technology	184	180	2.0%	191	171	11.7%	792	743	6.6%	898	815	10.1%
Net Income GAAP (\$mn)	1,007	1,003	0.3%	358	414	-13.5%	5,503	5,979	-8.0%	6,148	6,731	-8.7%
EPS Diluted GAAP (\$)	28.5	28.3	0.9%	10.3	11.9	-13.2%	161.9	173.3	-6.6%	193.4	205.7	-6.0%
EPS Diluted Non-GAAP (\$)	29.7	30.0	-0.9%	12.5	13.1	-4.6%	171.2	178.1	-3.9%	202.7	210.8	-3.8%
EBITDA (\$mn)	1,435	1,443	-0.6%	717	711	0.9%	7,935	8,190	-3.1%	8,873	9,137	-2.9%
EBITDA margin	30.5%	30.7%	(20)	16.6%	16.7%	(18)	33.5%	34.6%	(112)	33.6%	35.3%	(168)

Source: BofA Global Research estimates, Visible Alpha

BofA GLOBAL RESEARCH



Reads from Airbnb, Expedia and hotels (Hilton, Marriott)

- **Airbnb** 4Q ([read our Feb 14 report](#)) booked room nights grew at 12% y/y, decelerating 1.5pts from 3Q23, and we expect nights growth to decelerate to 9% in 1Q24. For Booking we estimate 4Q overall nights booked at 232mn (+10% y/y), with growth decelerating from 15% in 3Q on tough comps, and the limited deceleration in Airbnb nights growth suggests Booking 4Q can meet/beat our estimates by a few points. However, for 1Q24 the Street estimates Booking's nights to be stable at 10%, while Airbnb's outlook suggests 1Q deceleration. As for Airbnb's investment outlook, we expect Airbnb to focus more on building out its International presence (supply and guests), which could compete more directly with Booking.
- **Expedia's** booking miss in 4Q/1Q ([See our 1Q earnings report](#)) seemed primarily company specific and US based due to lower air prices (Expedia has more air exposure than peers) and VRBO share loss. Expedia's lodging bookings growth held steady at 8% in 4Q, though we saw potential for acceleration on an easy comp given weather related issues in 4Q'22. Expedia's outlook for more marketing spend to support VRBO and International traction suggest more competition for Airbnb and Booking in 2024, though Expedia will likely be competing in their strongest markets.
- **Marriott/Hilton:** Mgmt. commentary from both Marriott and Hilton suggests that international travel demand strength is expected to continue, but most incremental growth is expected to come from the pending recovery in APAC/China. However, both companies guided to 1Q RevPAR decelerating vs 4Q. While International strength is a positive for Booking (60% of revenue in Europe and roughly 20% in Asia), slowing European ADR trends should slow bookings growth in 2024 vs 2023.

Marriott reported 4Q (on 02/14) RevPAR at +7.2%, in-line with BofA est ([see BofA lodging analyst Shaun Kelley's report](#)). By region, Marriott cited international strength in RevPAR (up 17%): with China up +87%, APAC +11%, Europe +9%, and NA up 3%. By segment, MAR called out resilient leisure demand, strength in group (pacing up +13% for 2024), but large corporates continue to lag pre-pandemic levels. MAR's January RevPAR is up 7% globally, with International RevPAR up 14% and U.S. & Canada RevPAR up 4%. Marriott guided to Q1 RevPAR growth of +4-5% and 2024 guidance of 3-5%. Growth is expected to remain higher in international markets than in the U.S. & Canada, with particular strength in Asia Pacific.

Hilton's 4Q earnings on 02/07 ([read BofA lodging analyst's report](#)) also beat Street estimates. System-wide RevPAR increased 5.7% y/y (vs BofA est. of 5.4%), driven by strong international and group trends. HLT guided to 1Q and 2024 RevPAR of +2-4% y/y. Hilton mgmt. highlighted that they expect international markets to modestly outpace the US in 2024, partly due to ongoing recovery in Asia/China.

Accor is scheduled to report on Feb 22.

Key items to watch in 4Q/1Q are:

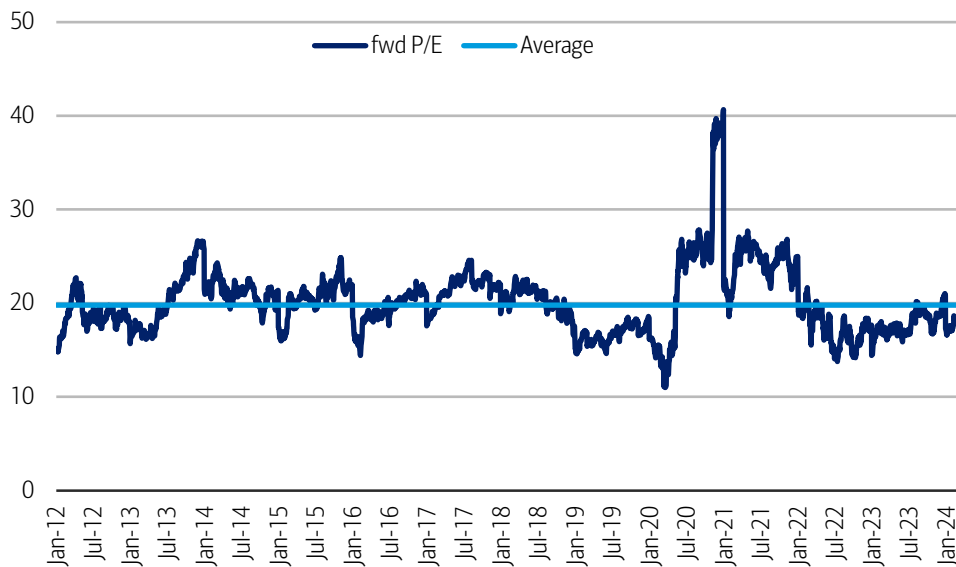
- 1) Booking's nights growth vs Airbnb at 12% in 4Q and 9% est. (by BofA) in 1Q
- 2) Outlook for S&M spend given increasing spend by Expedia
- 3) Potential for any guidance philosophy changes given CFO change
- 4) Any indications that 1Q could be a near-term low point for bookings growth
- 5) Consistent commentary on 15% earnings growth outlook

Valuation: Rolling forward PO basis to 2025

We are rolling forward our PO valuation basis to 2025E estimates and raise our PO to \$3,900 (vs prior of \$3,500) based 19x on 2025E EPS + cash (vs 20x 2024E prior), in the upper half of the stock's historical valuation range. Booking is currently trading at around 18.3x our 2025 EPS, or around 18x ex-cash, which compares to a historical 10-year range of 10-24x (excluding pandemic surge) and is in line with historical averages (excluding the pandemic period).

Exhibit 3: BKNG: forward year consensus P/E

Forward 2025 P/E consensus est. of 18x is near the long term average at around 18x (excluding pandemic period)



Source: BofA Global Research, Bloomberg

BofA GLOBAL RESEARCH

We like Booking's position in the travel industry, but continue to favor Uber in our travel/transportation coverage for stronger relative growth. We recognize that Uber's stock appreciation has driven a valuation premium to Booking at 18x 2025 EBITDA vs Booking at 15x, but we expect higher 39% 3-year EBITDA growth for Uber vs 11% for Booking.



Price objective basis & risk

Booking Holdings Inc (BKNG)

Our price objective is \$3,900, based on 19x our 2025E EPS + Cash. Historically Booking Holdings' multiple range is 10-24x. We think a forward P/E multiple premium to some travel peers is appropriate given higher quality of non-GAAP earnings that includes SBC expense, and strong FCF generation.

Risks to estimates and PO are: 1) a global economic downturn or Global conflicts that reduce travel activity, 2) competition for traffic from Google lowering growth or margins, 3) hotels favoring their own distribution channels, 4) FX volatility, and 5) increased competition from Expedia, TripAdvisor, Trip.com, and Airbnb. The stock has been subject to heavy volatility in the past based on travel disruptions and this volatility could increase due to greater economic uncertainty.

Analyst Certification

I, Justin Post, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

US - Internet Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Alphabet	GOOGL	GOOGL US	Justin Post
	Alphabet	GOOG	GOOG US	Justin Post
	Amazon.com	AMZN	AMZN US	Justin Post
	AppLovin	APP	APP US	Omar Dessouky, CFA
	DoorDash	DASH	DASH US	Michael McGovern
	DoubleVerify Holdings, Inc.	DV	DV US	Omar Dessouky, CFA
	Electronic Arts	EA	EA US	Omar Dessouky, CFA
	Integral Ad Science Holding Corp.	IAS	IAS US	Omar Dessouky, CFA
	LegalZoom	LZ	LZ US	Michael McGovern
	Match Group	MTCH	MTCH US	Curtis Nagle, CFA
	Meta Platforms Inc	META	META US	Justin Post
	Pinterest	PINS	PINS US	Justin Post
	RH	RH	RH US	Curtis Nagle, CFA
	Roblox Corp. Class A	RBLX	RBLX US	Omar Dessouky, CFA
	Squarespace, Inc.	SQSP	SQSP US	Michael McGovern
	Uber	UBER	UBER US	Justin Post
	Udemy Inc	UDMY	UDMY US	Curtis Nagle, CFA
	Vivid Seats	SEAT	SEAT US	Curtis Nagle, CFA
	Wayfair	W	W US	Curtis Nagle, CFA
	Wix.com	WIX	WIX US	Michael McGovern
NEUTRAL				
	ACV Auctions	ACVA	ACVA US	Curtis Nagle, CFA
	Airbnb	ABNB	ABNB US	Justin Post
	Beyond Inc	BYON	BYON US	Curtis Nagle, CFA
	Booking Holdings Inc	BKNG	BKNG US	Justin Post
	Bumble	MBL	MBL US	Curtis Nagle, CFA
	Digital Turbine, Inc	APPS	APPS US	Omar Dessouky, CFA
	Duolingo	DUOL	DUOL US	Curtis Nagle, CFA
	eBay	EBAY	EBAY US	Justin Post
	Etsy, Inc.	ETSY	ETSY US	Curtis Nagle, CFA
	Expedia	EXPE	EXPE US	Justin Post
	Instacart	CART	CART US	Justin Post
	Magnite, Inc.	MGNI	MGNI US	Omar Dessouky, CFA
	Snap	SNAP	SNAP US	Justin Post
	Take-Two Interactive	TTWO	TTWO US	Omar Dessouky, CFA
	Zillow	ZG	ZG US	Curtis Nagle, CFA

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Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Zillow	Z	Z US	Curtis Nagle, CFA
UNDERPERFORM				
	Chewy Inc	CHWY	CHWY US	Curtis Nagle, CFA
	Lyft, Inc.	LYFT	LYFT US	Michael McGovern
	Opendoor Technologies	OPEN	OPEN US	Curtis Nagle, CFA
	Peloton	PTON	PTON US	Curtis Nagle, CFA
	Playtika	PLTK	PLTK US	Omar Dessouky, CFA
	Redfin Corp	RDFN	RDFN US	Curtis Nagle, CFA
	Shutterstock	SSTK	SSTK US	Curtis Nagle, CFA

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill Amortization

Shareholders' Equity

Sales

N/A

N/A

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

iQmethodSM is the set of BofA Global Research standard measures that serve to maintain global consistency under three broad headings: Business Performance, Quality of Earnings, and validations. The key features of iQmethod are: A consistently structured, detailed, and transparent methodology. Guidelines to maximize the effectiveness of the comparative valuation process, and to identify some common pitfalls.

iQdatabase[®] is our real-time global research database that is sourced directly from our equity analysts' earnings models and includes forecasted as well as historical data for income statements, balance sheets, and cash flow statements for companies covered by BofA Global Research.

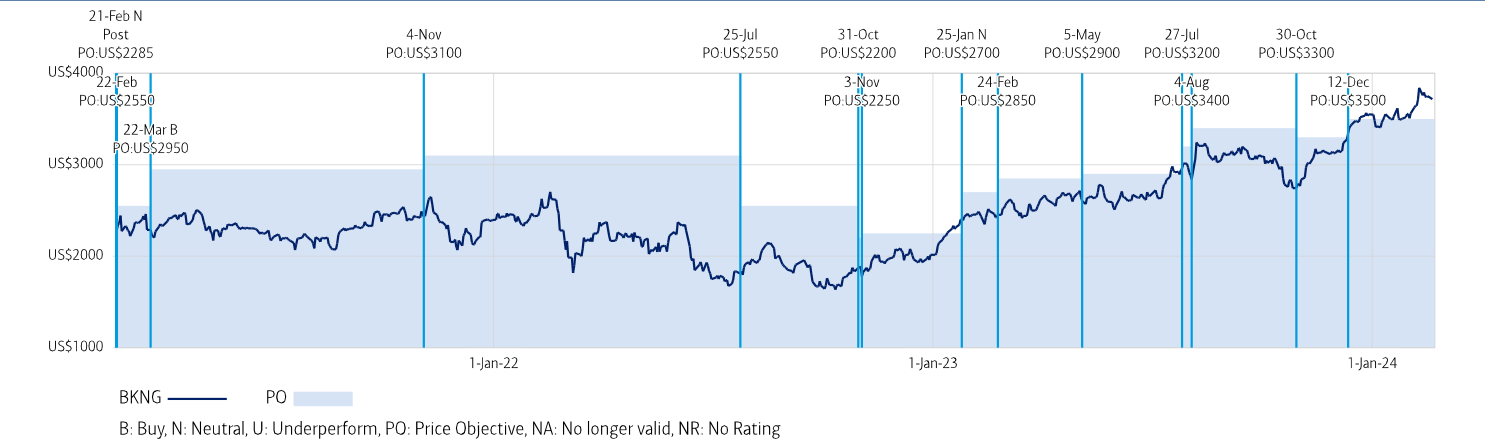
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Booking Holdings (BKNG) Price Chart



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Equity Investment Rating Distribution: Technology Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	215	53.09%	Buy	111	51.63%
Hold	97	23.95%	Hold	45	46.39%
Sell	93	22.96%	Sell	24	25.81%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
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^{R1} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Underperform	N/A	≥ 20%

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