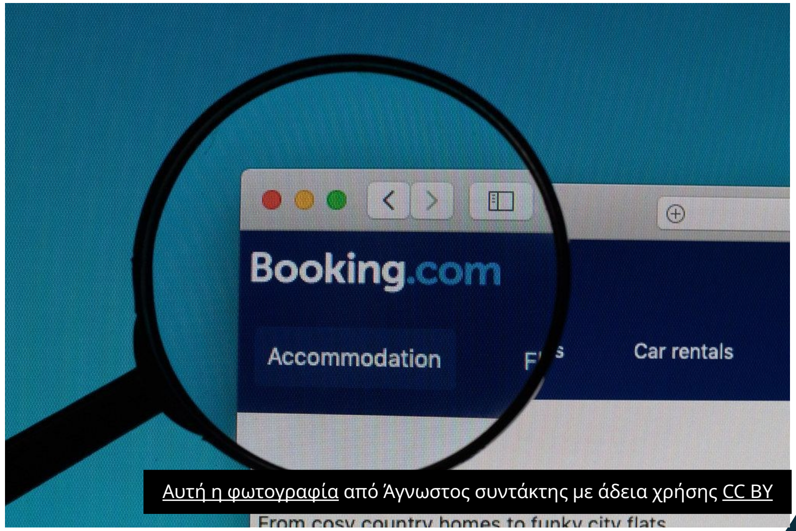
BOOKING HOLDINGS

INVESTMENT ANALYSIS

By Dimitris Matthes



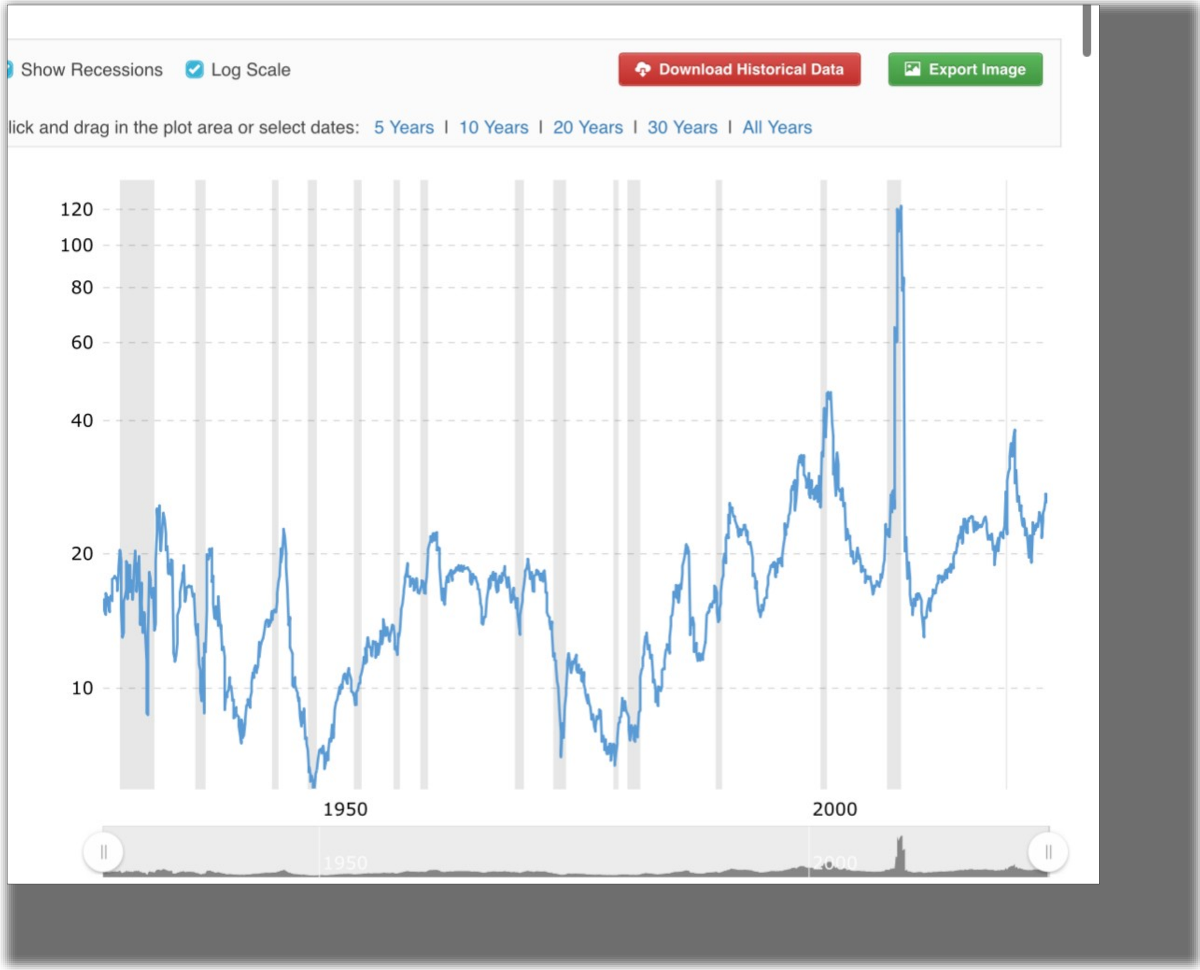
As a university student of Athens Economics and Business school.

All data was sourced between September 10 and September 28 .

Current portfolio value 41.000

Firstly lets talk about the general market .

•Based on many articles and beliefs todays market is highly overvalued .I believe that is a false narrative ; In my view Investors are willing to pay more years of earnings for companies in the S&P 500 over the long term because these businesses demonstrate strong predictability, efficiency, and recurring cash flows. As large, established businesses, S&P 500 companies typically have diversified revenue streams and proven business models, which provide investors with greater confidence in their future earnings. Their operational efficiency, driven by scale, technological advancements, and global reach, enables them to maintain profitability even in challenging economic environments. Additionally, many of these companies generate significant recurring cash flows from subscription-based services, long-term contracts, or repeat purchases, offering a steady stream of income that enhances their financial stability. This combination of predictability, operational excellence, and reliable cash generation makes these companies highly attractive to long-term investors, who are willing to pay a premium for the reduced risk and consistent returns associated with owning shares in such dominant market players.



FINRA MARGIN DEBT.

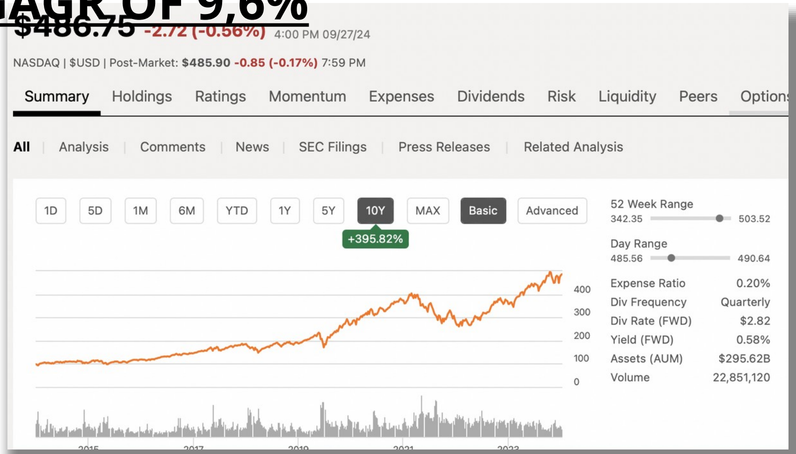
- The current margin debt levels of retail investors, as shown in the table, suggest a stable and healthy economy without excessive leverage. Moderate margin debt indicates that while investors are borrowing to enhance their portfolios, they are doing so within manageable limits. Unlike periods of high leverage that can signal speculative bubbles or excessive risk-taking, current levels reflect responsible borrowing and confidence in the market's growth potential.
- Retail investors are not overextending their positions, which reduces the risk of forced liquidations during market downturns.
- This balance of borrowing and investing suggests a sustainable investment environment, where credit is used to support growth rather than inflate asset prices artificially. Consequently, these levels are a positive indicator of market stability and economic health, as they demonstrate prudent financial behavior amid solid market fundamentals.

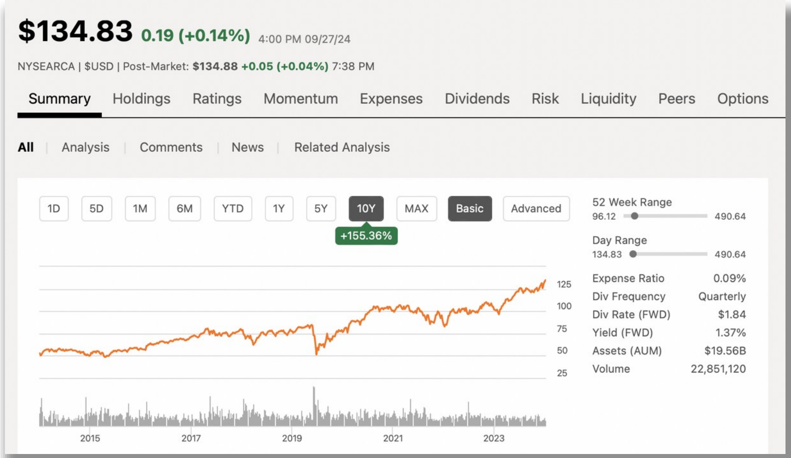
Year-Month	ustomers' Securit	nces in Customer	Customers' Securities
2024-08	797.162	148.702	152.107
2024-07	810.835	154.951	150.738
2024-06	809.322	157.240	149.714
2024-05	809.431	155.256	145.072
2024-04	775.464	161.749	149.855
2024-03	784.136	166.990	151.339
2024-02	742.963	166.144	150.620
2024-01	701.975	165.025	144.941
2023-12	700.774	161.639	147.019
2023-11	660.887	171.207	146.319
2023-10	635.276	162.865	142.117
2023-09	680.846	153.918	141.751
2023-08	689.185	177.711	145.989
2023-07	709.834	174.804	147.921
2023-06	681.228	181.569	145.173
2023-05	644.170	178.576	147.377
2023-04	631.949	175.460	145.594
2023-03	645.429	191.618	152.014
2023-02	624.379	198.644	159.103
2023-01	641.228	208.720	161.224
2022-12	606.659	205.902	164.065
2022-11	643.783	205.158	165.434
2022-10	649.618	216.057	172.976
2022-09	664.009	223.400	173.050
2022-08	687.787	226.182	175.974
2022-07	696.781	232.147	177.054
2022-06	683.445	249.399	186.931
2022-05	752.944	244.857	184.151
2022-04	772.940	242.724	188.652
2022-03	799.660	256.076	196.008
2022-02	835.255	250.686	195.269
2022-01	829.637	247.752	194.545
2021-12	910.021	250.435	215.116
2021-11	918.598	235.638	211.623
2021-10	935.862	226.159	200.548
2021-09	903.117	229.279	205.564
2021-08	911.545	219.365	198.913
2021-07	844.324	215.463	195.762
2021-06	882.103	221.862	239.290
2021-05	861.626	213.356	234.992
2021-04	847.186	218.132	233.145
2021-03	822.551	219.522	237.154
2021-02	813.680	220.840	240.481
2021-01	798.605	224.133	241.220
2020-12	778.037	224.987	227.127
2020-11	722.118	200.723	221.567
2020-10	659.313	193.293	217.739
2020-09	654.324	189.462	211.547
2020-08	645.547	185.113	215.042
2020-07	613.830	181.420	223.768
2020-06	584.676	185.497	229.078
2020-05	552.543	175.794	210.935
2020-04	524.696	180.942	217.187
2020-03	479.291	191.046	226.202
2020-02	545.127	163.001	197.716
2020-01	561.812	152.854	186.847
2019-12	579.221	151.543	186.315
2019-11	563.482	146.935	186.866
2019-10	554.604	145.650	183.966
2019-09	555.910	150.648	187.887

395% TOTAL EQUALS GAGR OF 17,4% VS 155% TOTAL EQUALS GAGR OF 9,6%

Why technology – low capex industries outperform other markets

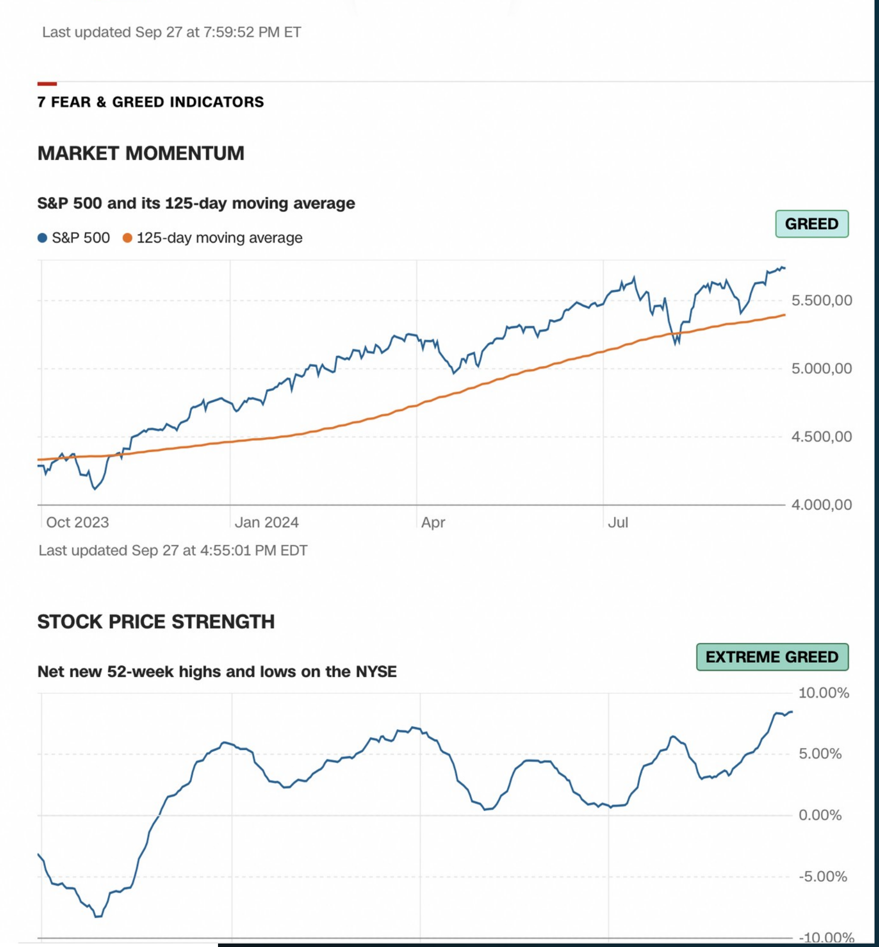
- Software companies with low capital expenditure (CAPEX) and high margins often outperform other investments over the long term due to their unique business model characteristics. Unlike traditional industries, software firms don't require substantial ongoing investments in physical assets or infrastructure, allowing them to scale rapidly with minimal additional costs.
- This scalability, combined with high gross margins driven by the low cost of distributing digital products, creates significant cash flow and profitability. These companies can reinvest their profits into research and development or strategic acquisitions, fostering continuous innovation and market dominance. As a result, they achieve robust and sustainable growth, which typically translates into superior long-term returns for investors compared to capital-intensive sectors.





What am I doing.

•Given that the current market sentiment, as reflected in the Fear and Greed Index, is leaning heavily towards greed, my investment strategy remains conservative. While market exuberance can often lead to overvaluations and increased volatility, I focus on maintaining discipline by prioritizing quality investments with strong fundamentals. That said, I am still selectively adding to my best positions, particularly those with solid growth prospects and reliable cash flows. If we see a shift in sentiment—whether due to market corrections or broader economic concerns—I will continue to strategically allocate capital, using such opportunities to strengthen my portfolio in high-conviction names at more attractive valuations. This balanced approach allows for both long-term growth and risk mitigation in periods of heightened market enthusiasm.



Why I stick always with the number one player.

- Monopolistic or dominant companies tend to outperform smaller players in their industry over the long term due to several key advantages. Firstly, their established market position and scale allow them to benefit from economies of scale, driving down costs and enabling them to offer competitive pricing and superior services. Secondly, these companies often have significant brand recognition and customer loyalty, creating a barrier for smaller competitors. Additionally, switching costs play a crucial role; customers who have invested time and resources into learning and integrating a larger company's products or services are often reluctant to switch to a smaller, less-proven alternative. This reluctance is heightened by the potential confusion and operational disruption associated with transitioning to a new provider, which may lack the comprehensive support and feature set of the incumbent. Consequently, monopolistic firms can maintain their market share and profitability, leveraging their dominance to continually invest in innovation and expansion, further entrenching their leadership position and delivering consistent long-term returns for investors.

MY RECENT ADDITION ; BOOKING HOLDINGS

Booking Holdings Inc. is a provider of travel and restaurant online reservation and related services. The Company offers its services through five consumer-facing brands: Booking.com, Priceline.com, agoda.com, KAYAK and OpenTable, Inc. (OpenTable). Through the Company's brands, consumers can: book a range of accommodations (including hotels, motels, resorts, homes, apartments, bed and breakfasts, hostels, and other accommodation properties) and a flight to their destinations; make a car rental reservation or arrange for an airport taxi; make a dinner reservation; or book a vacation package, tour, activity, or cruise. Consumers can also use the Company's meta-search services to easily compare travel reservation information, such as flight, hotel, and rental car reservations from online travel platforms at once. Booking.com offers accommodation reservation services for approximately 3.4 million properties in over 220 countries and

Booking Holdings Inc. is a leading global provider of online travel and related services. It operates several well-known travel and accommodation platforms, including:

REVENUE STREAMS;

1. **Booking.com**: Offers hotel and other accommodation bookings.
2. **Priceline**: Provides travel deals, including hotels, flights, and car rentals.
3. **Agoda**: Specializes in lodging reservations, especially in the Asia-Pacific region.
4. **Rentalcars.com**: Focuses on car rental services.
5. **Kayak**: A travel search engine that helps users compare prices for flights, hotels, and car rentals.
6. **OpenTable**: An online restaurant reservation service.

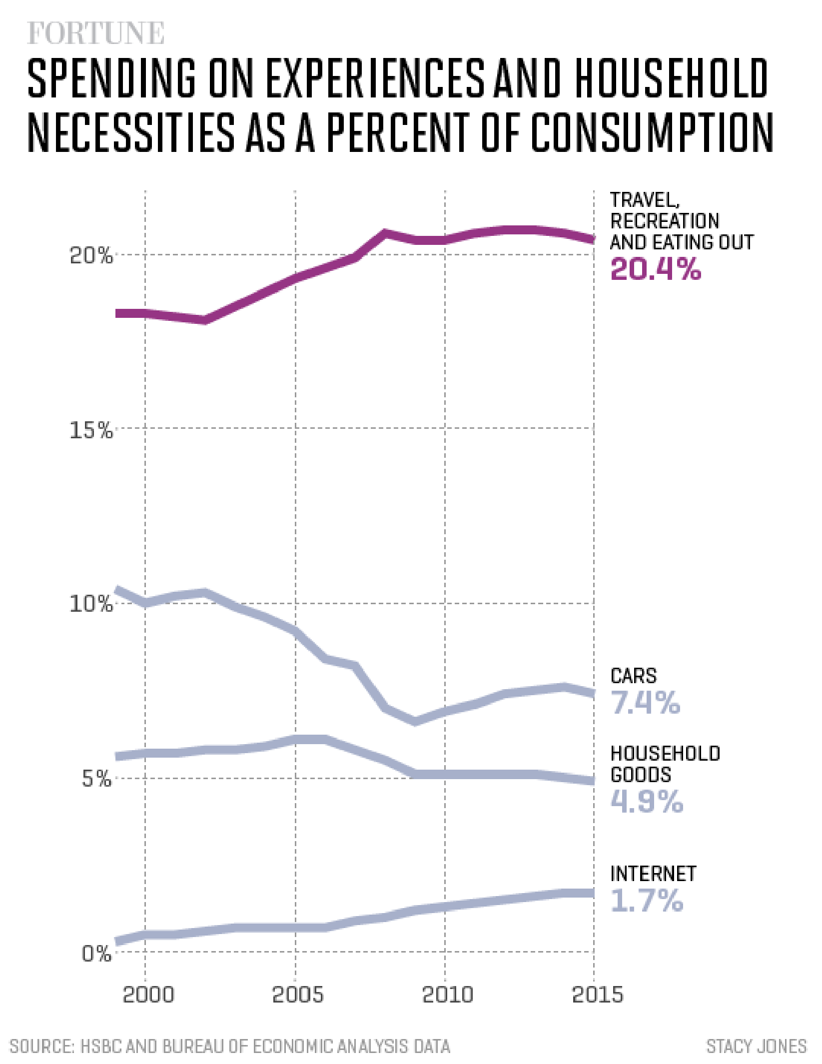
- **How Booking Holdings Generates Revenue**

1. **Agency Model**: Booking Holdings acts as an agent and receives a commission for bookings made through its platforms. The customer pays the hotel directly, and the hotel pays Booking Holdings a commission.
2. **Merchant Model**: In this model, Booking Holdings purchases room nights from hotels at a discounted rate and sells them to consumers. The difference between the purchase price and the sale price is Booking's revenue.
3. **Advertising and Other Revenues**: Platforms like Kayak generate revenue through advertising by travel service providers.
4. **Transaction Fees**: Platforms like OpenTable generate revenue by charging restaurants a fee for each reservation made through the platform.

- **Revenue Generation**
- Yes, Booking Holdings generates significant revenue through its various business models. It is one of the largest travel companies in the world by revenue, which primarily comes from commissions and fees on bookings made through its platforms. Despite the challenges posed by the COVID-19 pandemic, Booking Holdings has seen recovery in travel demand and continues to be a dominant player in the online travel market.

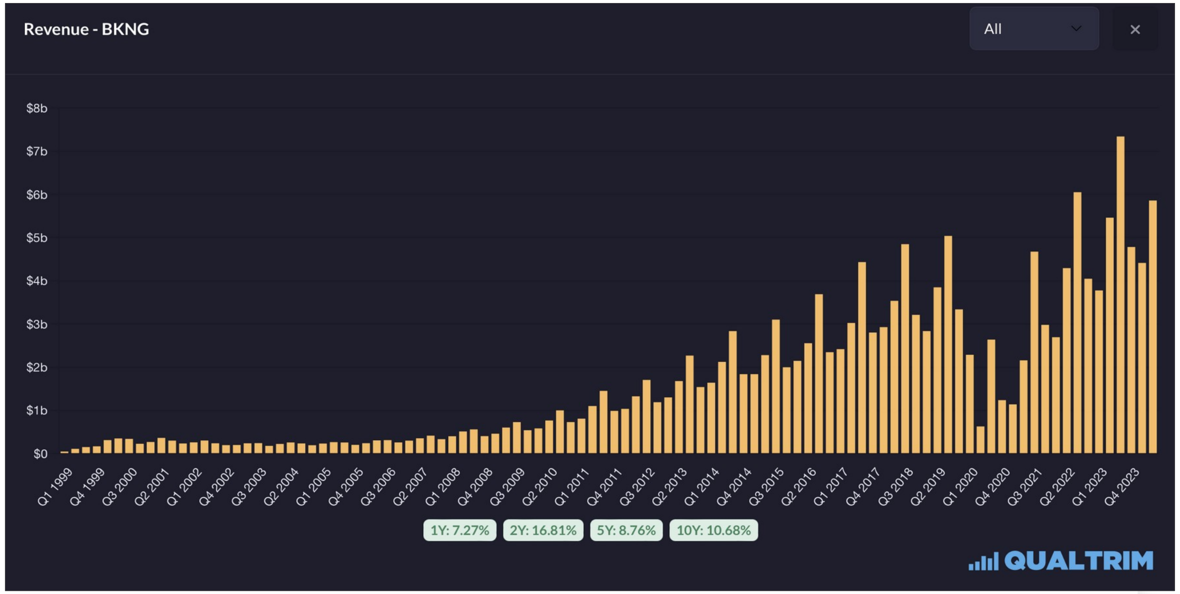
COMPETITIVE THESIS

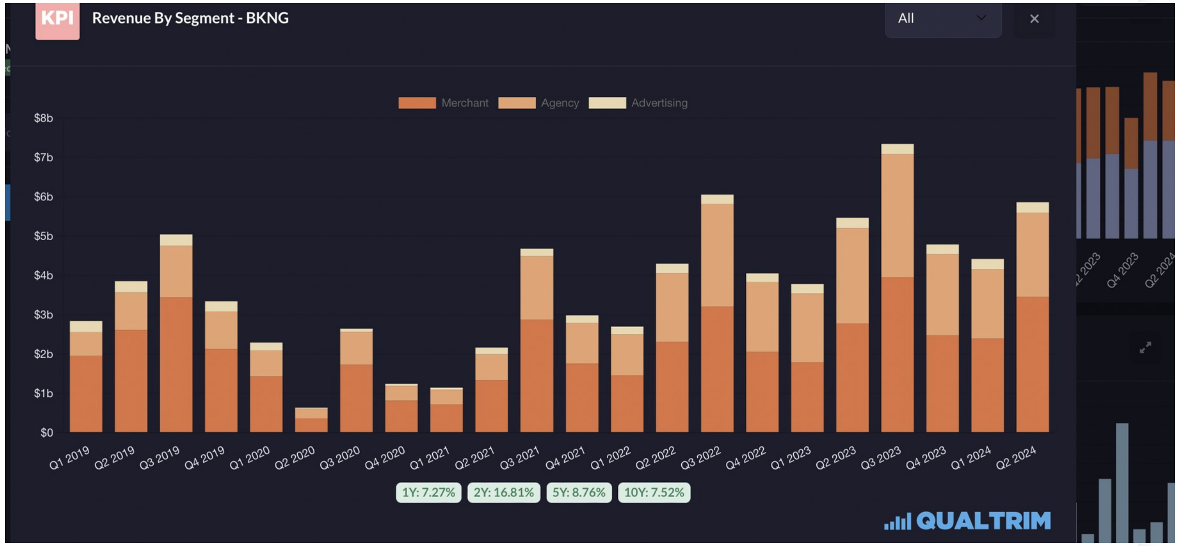
- **The long-term growth thesis for Booking Holdings is further supported by the global shift in consumer preferences toward spending more on activities and experiences rather than on material goods**. This trend, particularly among younger generations, reflects a growing desire for personal enrichment and shared experiences, such as travel, dining, and cultural activities. People increasingly value creating memories over accumulating possessions, and travel plays a central role in fulfilling this demand. As disposable income continues to rise in both developed and emerging markets, the prioritization of experiences is expected to drive sustained demand for Booking Holdings' services. With its dominant position in the online travel space and a comprehensive portfolio of brands catering to a global customer base, the company is well-positioned to capture a significant share of this growing experiential economy. This shift not only fuels long-term growth but also enhances the company's resilience, as consumers are likely to continue investing in experiences even as material spending fluctuates.



TOP LINE GROWTH

- Looking at the revenue graph, it's clear that Booking Holdings has consistently hit new all-time high revenue targets quarter after quarter, underscoring the company's strong performance and growth momentum. **<u>Historically, the company has maintained an impressive long-term average growth rate of around 10% on the top line</u>**, demonstrating its ability to steadily expand its business over time. However, in recent years, we’ve seen a notable reacceleration in revenue growth, driven by strong recovery in global travel demand, enhanced digital offerings, and the company’s ability to capture a larger share of the growing experiential economy. This robust acceleration highlights the company’s operational excellence and adaptability in capitalizing on macro trends, further reinforcing the strength of Booking Holdings as a high-growth, high-quality investment.



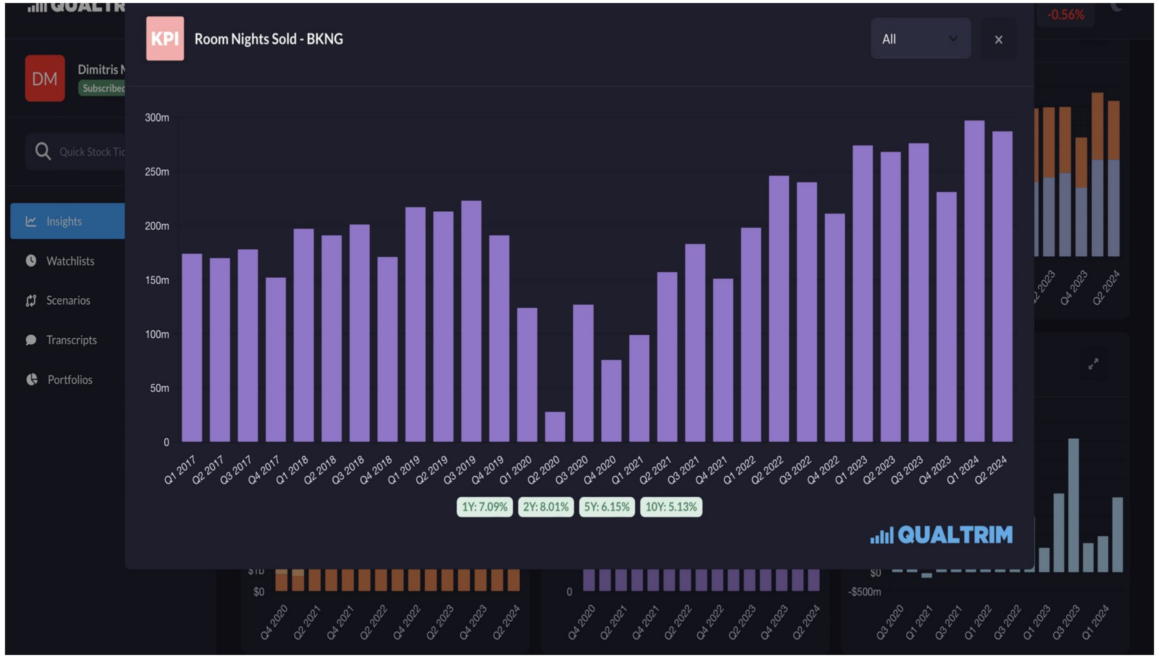


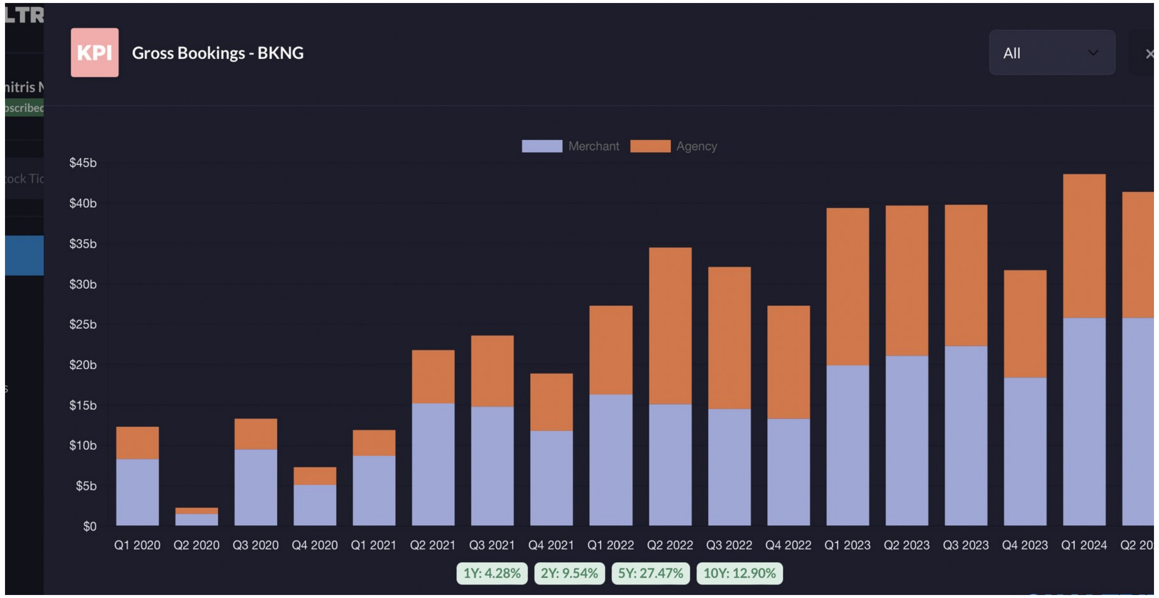
KPI'S

The key performance indicators for gross booking volume and room nights sold are crucial metrics that demonstrate the strength and efficiency of Booking Holdings' business model.

Gross booking volume ,measures the total dollar value of travel services booked through the platform, which is a direct indicator of the company's ability to capture demand in the global travel market. As seen in the graphs, this metric has shown strong growth over time, reflecting Booking Holdings' expanding market share and the increasing preference for online travel booking.

Similarly, room nights sold is another vital KPI, as it tracks the actual utilization of hotel and accommodation services booked through the platform. Consistent growth in this metric highlights the company's ability to drive high levels of engagement and repeat usage among customers. The strong upward trajectory of room nights sold, even during challenging economic periods, underscores the resilience of Booking Holdings and its capacity to scale. Both metrics are leading indicators of the company's revenue potential and are strong contributors to its top-line growth, making them critical components of the overall investment thesis.

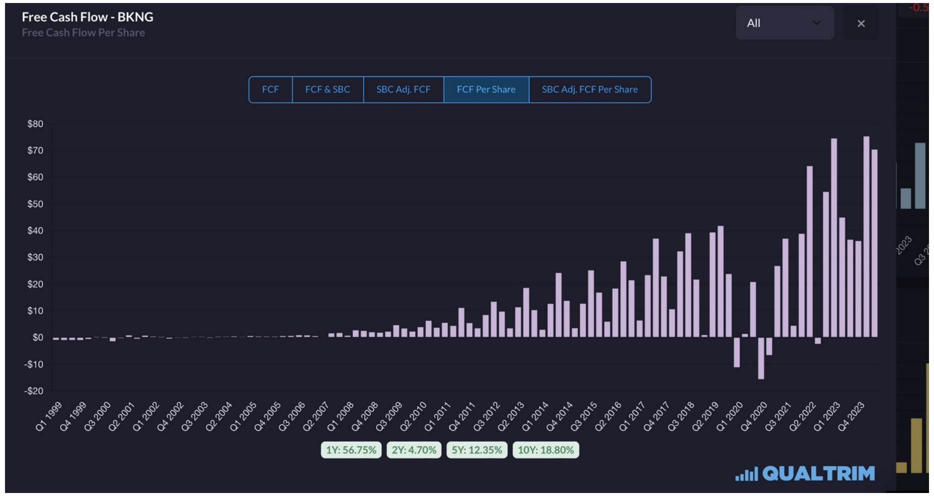


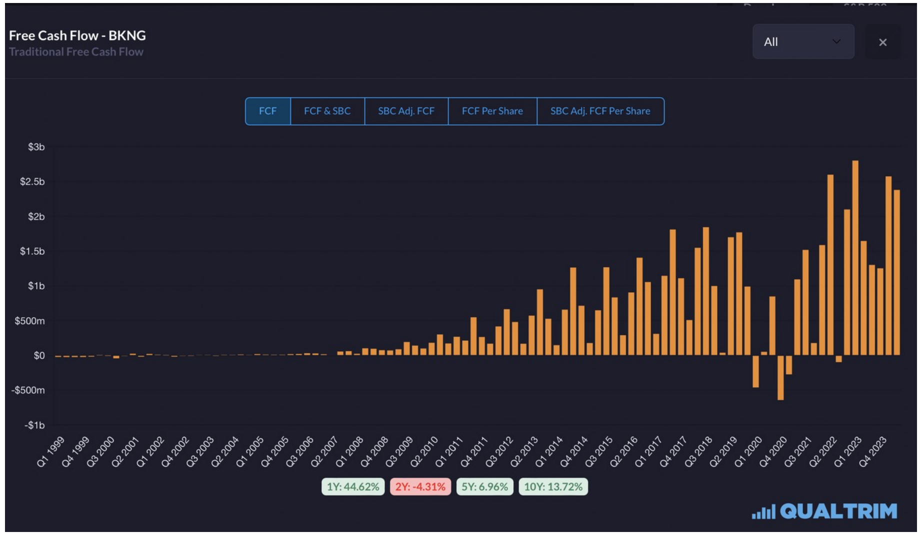


BOTTOM LINE GROWTH

•The graphs illustrating free cash flow growth and free cash flow per share growth highlight Booking Holdings' exceptional financial performance**, with long-term averages of 13% and 18% growth, respectively.** This remarkable cash flow growth is closely tied to the company's revenue performance, showcasing its ability to efficiently convert sales into cash. The higher growth rates in free cash flow indicate that Booking Holdings not only generates substantial revenue but also manages its costs and capital expenditures effectively, resulting in a greater portion of that revenue translating into cash for shareholders.

•**Such impressive free cash flow metrics are indicative of a well-managed company with strong products and a solid market position, like Booking Holdings**. The company’s strategic focus on enhancing customer experiences and expanding its offerings has led to robust demand and superior operational efficiency. Moreover, these growth rates are nearly double the market's average metrics, underscoring Booking Holdings’ competitive advantage and ability to thrive in a dynamic industry. This strong cash flow generation not only supports ongoing investment in growth initiatives but also reinforces the company's commitment to returning value to shareholders through dividends and share repurchases, further enhancing its appeal as a high-quality investment.



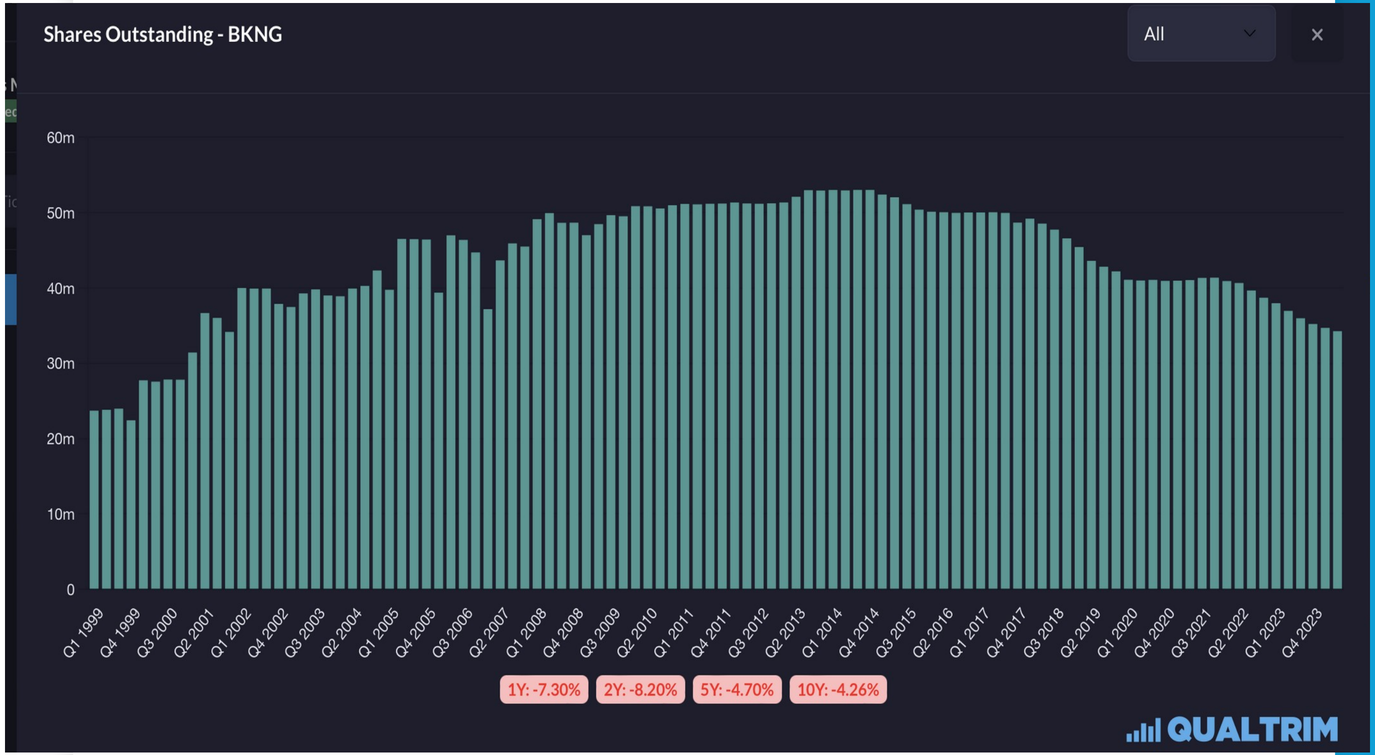


INVESTORS VALUE CREATION

•**The higher growth rate of free cash flow per share compared to overall free cash flow can be attributed to the continuous decrease in the number of shares outstanding over time**, as illustrated in the accompanying graph. As Booking Holdings engages in effective share buyback programs, it reduces the total share count, allowing the same amount of free cash flow to be distributed over a smaller number of shares. This leads to an increase in free cash flow per share, which directly benefits investors by enhancing their ownership stake in the company's cash-generating capacity.

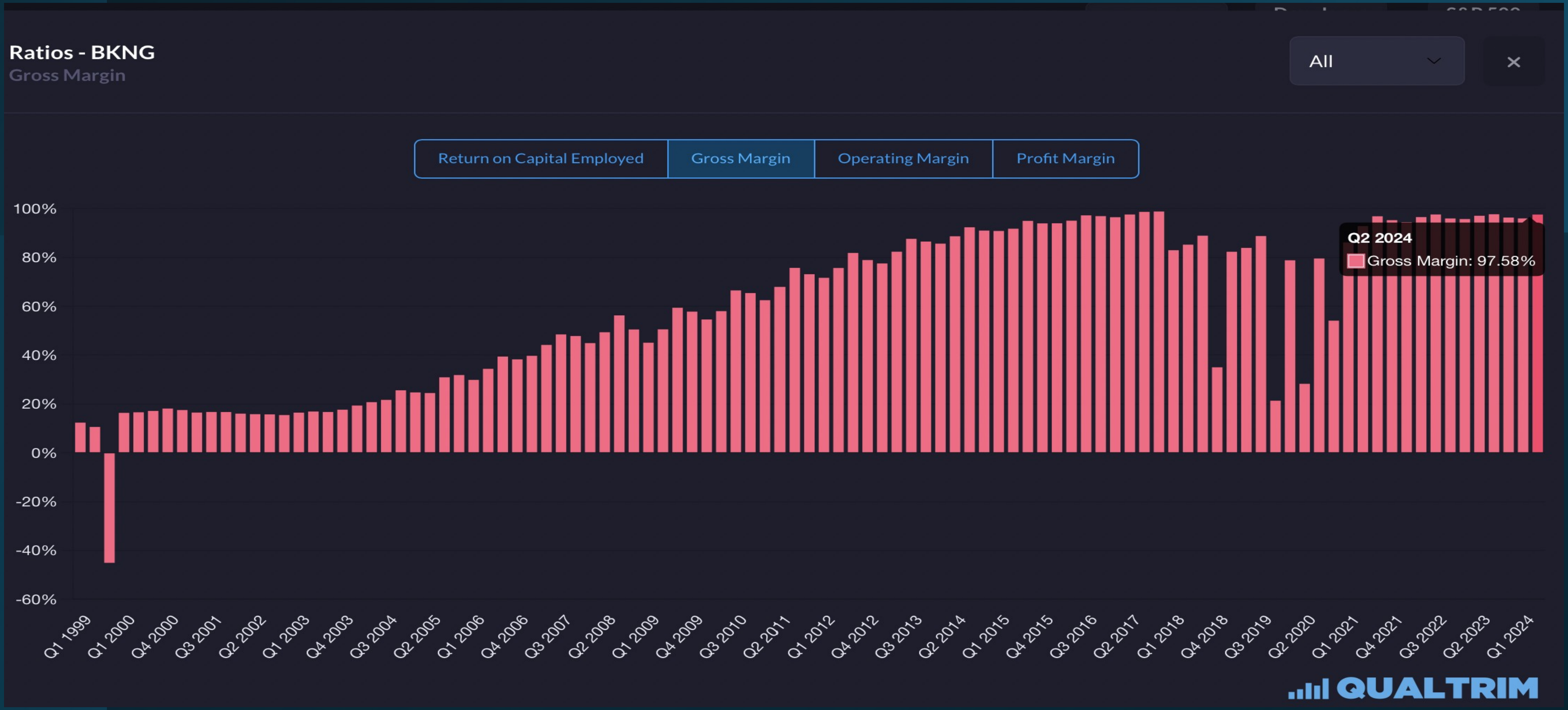
•**The reduction in shares outstanding by around 4,7% on average per year** not only amplifies the free cash flow per share growth rate but also increases earnings per share, thereby improving key financial metrics that are crucial for investors. This strategy signals management's confidence in the company's financial health and future prospects, further enhancing shareholder value.

•As a result, investors are rewarded not only through the cash flow generated by the business but also through a greater claim on that cash flow, making Booking Holdings an even more attractive investment. This dual benefit of increased cash flow efficiency and reduced share count exemplifies the company's commitment to delivering value to its shareholders.



PROFITABILLITY

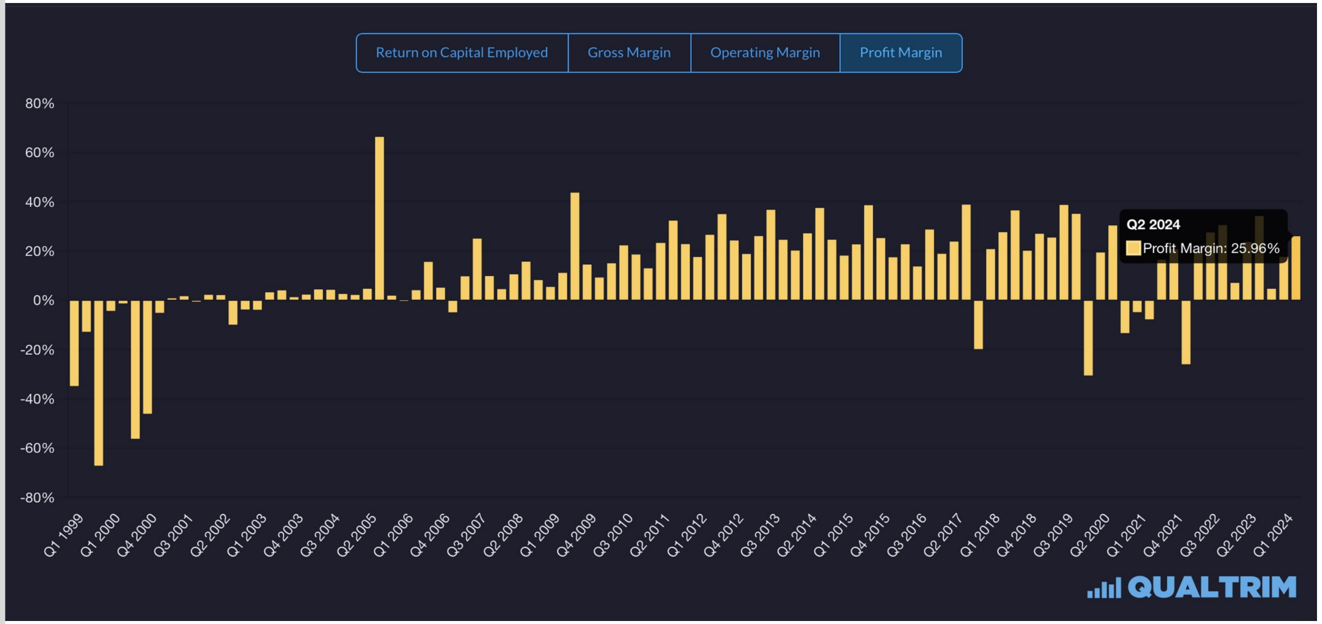
- The graph of Booking Holdings’ gross margin, which has consistently remained around 97% over many years, underscores the extraordinary profitability and efficiency of the company’s business model.
- As a software-driven platform, Booking Holdings benefits from a highly scalable and asset-light structure, where incremental costs for adding new customers or bookings are minimal. This allows the company to operate with exceptionally high gross margins compared to more capital-intensive businesses.

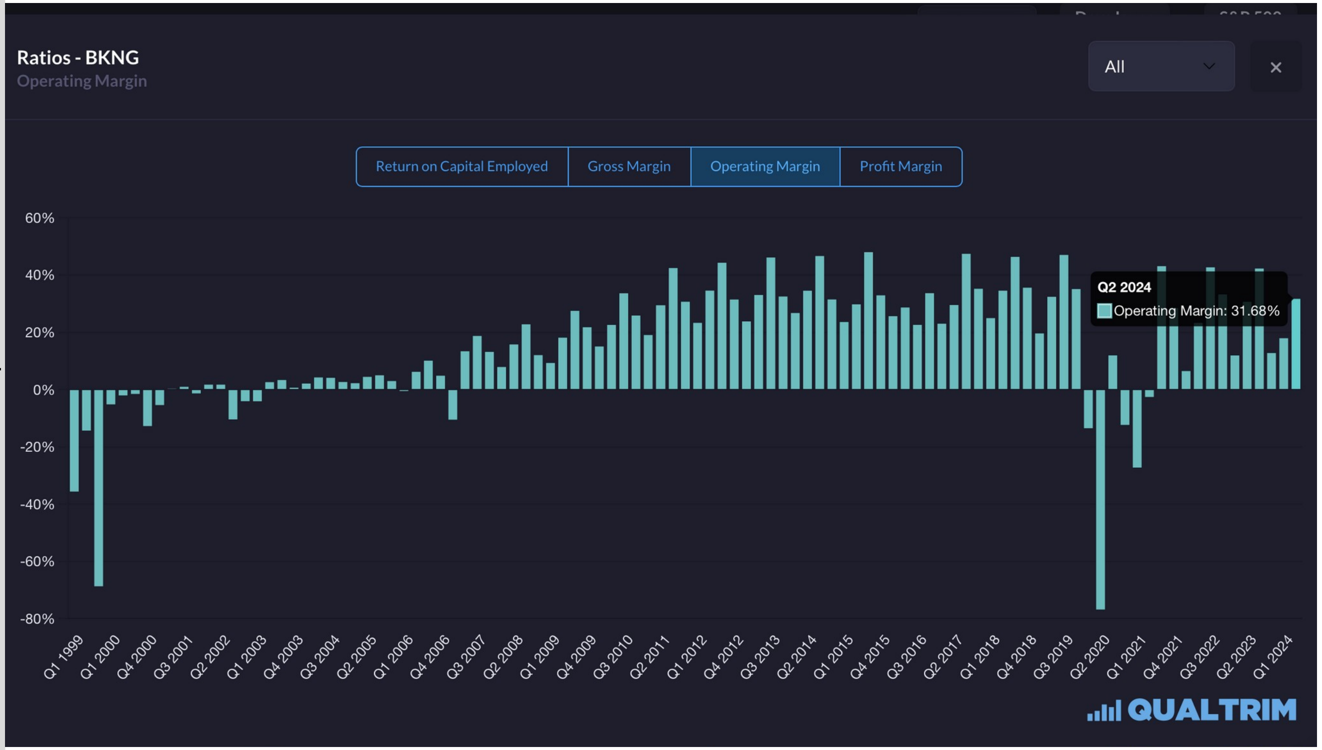


THE GRAPHS OF BOOKING HOLDINGS' OPERATING MARGIN AT 32% AND PROFIT MARGIN AT 26% FURTHER EMPHASIZE THE COMPANY'S STRONG PROFITABILITY AND OPERATIONAL EFFICIENCY. THESE METRICS, CONSISTENTLY HIGH OVER THE YEARS. **THE 32% OPERATING MARGIN INDICATES THAT AFTER COVERING ALL OPERATING EXPENSES—SUCH AS SALES, MARKETING, AND ADMINISTRATIVE COSTS—BOOKING HOLDINGS RETAINS A SIGNIFICANT PORTION OF ITS REVENUE, DEMONSTRATING ITS LEAN COST STRUCTURE AND SCALABLE BUSINESS MODEL.**

SIMILARLY, THE 26% PROFIT MARGIN REFLECTS THE COMPANY'S ABILITY TO CONVERT A LARGE PORTION OF ITS REVENUE INTO ACTUAL PROFIT, EVEN AFTER ACCOUNTING FOR TAXES AND OTHER NON-OPERATING EXPENSES. **THIS MARGIN IS PARTICULARLY IMPRESSIVE WHEN COMPARED TO OTHER COMPANIES IN THE TRAVEL INDUSTRY, WHICH TEND TO HAVE MORE CAPITAL-INTENSIVE OPERATIONS AND LOWER PROFIT MARGINS**. BOOKING HOLDINGS' ABILITY TO MAINTAIN SUCH STRONG MARGINS HIGHLIGHTS THE ADVANTAGES OF ITS SOFTWARE-BASED PLATFORM, WHERE INCREMENTAL COSTS ARE LOW AND PROFIT

THESE HIGH MARGINS REINFORCE THE COMPANY'S LONG-TERM PROFITABILITY AND ITS CAPACITY TO CONTINUE RETURNING VALUE TO SHAREHOLDERS THROUGH DIVIDENDS AND SHARE BUYBACKS. TOGETHER WITH THE GROSS MARGIN OF 97%, THE OPERATING AND PROFIT MARGINS SHOWCASE BOOKING HOLDINGS AS A HIGHLY EFFICIENT AND PROFITABLE COMPANY, MAKING IT AN ATTRACTIVE INVESTMENT IN BOTH GOOD ECONOMIC TIMES AND DOWNTURNS.

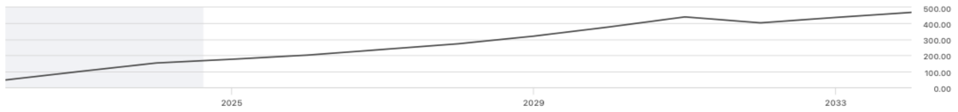




Analysts' Forecasts and Future Growth

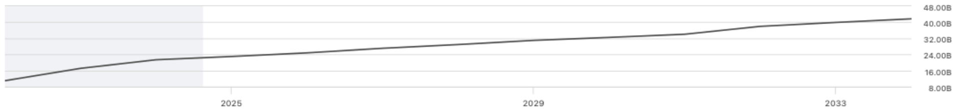
- Analysts project that Booking Holdings' revenue will grow between 7% to 9% annually in the coming years, with earnings per share (EPS) expected to grow around 15%. These targets are not only achievable but also well within the company's historical performance range. Booking Holdings has consistently demonstrated its ability to capture growing demand in the travel industry, driven by its scalable platform and dominant market position. The projected revenue growth aligns with its long-term historical average, supported by continued global travel recovery, increasing adoption of online booking, and the broader shift towards experiential spending.
- Additionally, the expected 15% EPS growth is easily attainable given Booking's efficient capital allocation through aggressive share buybacks, which continue to reduce the share count and amplify earnings per share. The company's high margins, disciplined cost management, and substantial free cash flow generation further strengthen its ability to deliver strong earnings growth.
- **Importantly, Booking Holdings has a track record of outperforming market expectations and beating analyst estimates, thanks to its consistent operational excellence and ability to adapt to changing market conditions. This historical outperformance suggests that the current forecasts could prove conservative, giving investors confidence in Booking's ability to continue exceeding targets and driving long-term shareholder value.**

Consensus EPS Estimates



Fiscal Period Ending	EPS Estimate	YoY Growth	Forward PE	Low	High	# of Analysts
Dec 2024	175.64	15.39%	20.31	157.09	186.42	27
Dec 2025	201.51	14.73%	17.71	176.16	235.72	26
Dec 2026	236.96	17.59%	15.06	212.93	248.19	12
Dec 2027	272.54	15.01%	13.09	249.62	289.84	4
Dec 2028	320.44	17.58%	11.13	288.12	353.38	4
Dec 2029	377.94	17.94%	9.44	327.70	428.18	2
Dec 2030	440.61	16.58%	8.10	365.46	515.75	2
Dec 2031	403.64	-8.39%	8.84	403.64	403.64	1
Dec 2032	437.37	8.36%	8.16	437.37	437.37	1
Dec 2033	468.96	7.22%	7.61	468.96	468.96	1

Consensus Revenue Estimates



Fiscal Period Ending	Revenue Estimate	YoY Growth	FWD Price/Sales	Low	High	# of Analysts
Dec 2024	22.98B	7.56%	5.20	22.73B	23.51B	32
Dec 2025	24.79B	7.87%	4.82	24.32B	25.92B	32
Dec 2026	27.06B	9.17%	4.42	26.13B	28.51B	18
Dec 2027	28.92B	6.85%	4.14	27.78B	29.53B	7
Dec 2028	30.99B	7.16%	3.86	29.48B	32.06B	6
Dec 2029	32.47B	4.77%	3.68	31.20B	33.53B	4
Dec 2030	34.03B	4.83%	3.51	32.91B	35.88B	3
Dec 2031	37.95B	11.50%	3.15	37.95B	37.95B	1
Dec 2032	39.90B	5.13%	3.00	39.90B	39.90B	1
Dec 2033	41.68B	4.47%	2.87	41.68B	41.68B	1

VALUATION MODEL 1

Here is the first valuation model of free cash flow discounted to the present day .
The model is based on three scenarios the ‘worst’ , ‘normal’ and ‘best’.
With some key assumptions presented at the start we can preject each years free cash flows .

BOOKING HOLDINGS INC. (XNAS:BKNG)				
Current Stock Price	$ 4.248,10			
TTM Revenue	$ 22,40	Billions		
TTM Free Cash Flow	$ 7,51	Billions		
TTM Free Cash Flow Margin	34%			
Expected FCF Margin	31,3%	https://stockanalysis		
Discount Rate	10,5%	https://finbox.com/N		
US Treasury 10Y	3,79%	https://www.cnbc.co		
US Treasury 30Y	4,12%	https://www.cnbc.co		
Terminal Value's Long-term Expected Growth Rate	5,00%	*It should be higher t		
Diluted Shares Outstanding	0,034	Billions		
Company Financials				
Total Cash Equivalents & Marketable Securities	$ 16,80	Billions		
Total Debt + Lease Liabilities	$ 17,34	Billions	*Last updated on*	*14-Αύγ-24*
Net Cash	$ (0,54)	*Negative means the company has more debts than cash.		

=A1.Description

	Historical			Consensus Revenue Forecasts from Seeking Alpha				
Fiscal Period Ending	Δεκ-21	Δεκ-22	Δεκ-23	Δεκ-24	Δεκ-25	Δεκ-26	Δεκ-27	Δεκ-28
Total Revenues (Billions)	$ 10,96	$ 17,09	$ 21,37	$ 22,98	$ 24,79	$ 27,06	$ 28,92	$ 30,99

Worst Case Scenario

	Historical			Forecasts				
Fiscal Period Ending	Δεκ-21	Δεκ-22	Δεκ-23	Δεκ-24	Δεκ-25	Δεκ-26	Δεκ-27	Δεκ-28
Total Revenues (Billions)	$ 10,96	$ 17,09	$ 21,37	$ 22,86	$ 24,46	$ 26,17	$ 28,01	$ 29,97
Expected Growth Rates	N/A	N/A	N/A	7,0%	7,0%	7,0%	7,0%	7,0%
Expected FCF Margin	23,0%	36,2%	32,8%	31,3%	31,3%	31,3%	31,3%	31,3%
Free Cash Flows	$ 2,52	$ 6,19	$ 7,00	$ 7,16	$ 7,66	$ 8,19	$ 8,77	$ 9,38
Intrinsic Value (Company)	$ 138,56	Billions					Terminal Value	$ 179,09
Diluted Shares Outstanding	0,034267	Billions					Terminal Value's P/F(	19,09
Intrinsic Value/Share	$ 4.043,49							

Normal Case Scenario

	Historical			Forecasts				
Fiscal Period Ending	Δεκ-21	Δεκ-22	Δεκ-23	Δεκ-24	Δεκ-25	Δεκ-26	Δεκ-27	Δεκ-28
Total Revenues (Billions)	$ 10,96	$ 17,09	$ 21,37	$ 22,97	$ 24,69	$ 26,54	$ 28,53	$ 30,67
Expected Growth Rates	N/A	N/A	N/A	7,5%	7,5%	7,5%	7,5%	7,5%
Expected FCF Margin	23,0%	36,2%	32,8%	31,3%	31,3%	31,3%	31,3%	31,3%
Free Cash Flows	$ 2,52	$ 6,19	$ 7,00	$ 7,19	$ 7,73	$ 8,31	$ 8,93	$ 9,60
Intrinsic Value (Company)	$ 141,54	Billions					Terminal Value	$ 183,31
Diluted Shares Outstanding	0,034267	Billions					Terminal Value's P/F(	19,09
Intrinsic Value/Share	$ 4.130,55							

VALUATION MODEL 2

The second model is a 'forward sales valuation model'
Which requires a appropriate multiple based on competition and historic average of the industry to the next years revenues

Both model provide and instrisic value per share of 3.980$ per share . Which with current market data the stock looks about 6,7% overvalued.

Fiscal Period Ending	Δεκ-21	Δεκ-22	Δεκ-23	Δεκ-24	Δεκ-25	Δεκ-26	Δεκ-27	Δεκ-28
Total Revenues (Billions)	$ 10,96	$ 17,09	$ 21,37	$ 22,97	$ 24,69	$ 26,54	$ 28,53	$ 30,67
Expected Growth Rates	N/A	N/A	N/A	7,5%	7,5%	7,5%	7,5%	7,5%
Expected FCF Margin	23,0%	36,2%	32,8%	31,3%	31,3%	31,3%	31,3%	31,3%
Free Cash Flows	$ 2,52	$ 6,19	$ 7,00	$ 7,19	$ 7,73	$ 8,31	$ 8,93	$ 9,60
Intrinsic Value (Company)	$ 141,54	Billions					Terminal Value	$ 183,31
Diluted Shares Outstanding	0,034267	Billions					Terminal Value's P/F	19,09
Intrinsic Value/Share	$ 4.130,55							

	Best Case Scenario							
	Historical			Forecasts				
Fiscal Period Ending	Δεκ-21	Δεκ-22	Δεκ-23	Δεκ-24	Δεκ-25	Δεκ-26	Δεκ-27	Δεκ-28
Total Revenues (Billions)	$ 10,96	$ 17,09	$ 21,37	$ 23,07	$ 24,92	$ 26,91	$ 29,07	$ 31,39
Expected Growth Rates	N/A	N/A	N/A	8,0%	8,0%	8,0%	8,0%	8,0%
Expected FCF Margin	23,0%	36,2%	32,8%	31,3%	31,3%	31,3%	31,3%	31,3%
Free Cash Flows	$ 2,52	$ 6,19	$ 7,00	$ 7,22	$ 7,80	$ 8,43	$ 9,10	$ 9,83
Intrinsic Value (Company)	$ 144,58	Billions					Terminal Value	$ 187,61
Diluted Shares Outstanding	0,034267	Billions					Terminal Value's P/F	19,09
Intrinsic Value/Share	$ 4.219,16							

DCF Valuation Model #1			
Intrinsic Value/Share		Probability	Partial
Worst Case Scenario	$ 4.043,49	25%	$ 1.010,87
Normal Case Scenario	$ 4.130,55	50%	$ 2.065,27
Best Case Scenario	$ 4.219,16	25%	$ 1.054,79
	Intrinsic Value Per Share		$ 4.130,93

Intrinsic Value Summary		
DCF Valuation Model #1	$ 4.130,93	
Forward Sales Valuation Model #2	$ 3.829,22	Morningstar's Fair Value
Intrinsic Value Per Share	$ 3.980,08	$ 3.650,00
Current Stock Price (Press Refresh All Unde	$ 4.248,10	
*Undervalued/Overvalued	-6,73%	

*Negative means it's overvalued.

Forward Sales Valuation Model #2		
Forward Revenue Estimate	$ 22,98	Billions
Use a Reasonable PS Multiple	5,71	https://www.finance
Intrinsic Value (Company)	$ 131,22	Billions
Diluted Shares Outstanding	0,034267	Billions
Intrinsic Value Per Share	$ 3.829,22	

Margin of Safety	Margin of Safety Price
0%	$ 3.980,08
5%	$ 3.781,07
10%	$ 3.582,07
20%	$ 2.865,65
30%	$ 2.005,96

Select Date Range	365	Days

Although Booking Holdings is currently trading around or even slightly above my intrinsic value per share, I am still holding the stock due to the company's many compelling qualities. First, its robust free cash flow generation and effective capital return strategy—through share buybacks and dividends—ensure that shareholders continue to benefit even at current valuations. Additionally, the company's market leadership, strong brand recognition, and global reach provide it with a competitive moat, making it difficult for new entrants to disrupt its position. Furthermore, Booking Holdings' resilience to economic downturns, driven by its affluent customer base, and the long-term growth potential from the global shift toward experience-based spending, solidify its appeal as a core holding. While the stock may appear fairly valued, its combination of stable cash flows, shareholder-friendly practices, and long-term growth drivers make it a high-quality investment that I believe can continue delivering solid returns over time. Therefore, I am comfortable maintaining my position, as the company's strengths justify holding it even near intrinsic value.

FEW REASONS WHY THE VALUATIONS KEEPS BEING LOW

I believe Booking Holdings offers great value to investors without a demanding valuation for several key reasons. First, the company boasts a robust free cash flow yield of 5%, signaling strong cash generation relative to its current market valuation. This high free cash flow allows Booking Holdings to return significant value to shareholders through effective share buybacks and dividends. The company's strategic share repurchase program is particularly beneficial because it leverages its strong cash flows to reduce share count, thereby increasing earnings per share and enhancing shareholder returns over time. Additionally, ongoing fears of a potential recession are keeping the company's valuation low, despite its strong fundamentals and global market leadership. As macroeconomic concerns ease, Booking Holdings is well-positioned to see multiple expansion, making it an attractive opportunity for long-term investors looking for both value and growth potential.

Booking Holdings is also more resilient to economic slowdowns because the majority of its customers are in the mid- to high-income brackets. These consumers are less sensitive to economic fluctuations and more likely to continue spending on travel and accommodations, even in periods of slower economic growth. This demographic typically prioritizes discretionary spending on experiences like travel, giving Booking Holdings a more stable revenue base compared to companies that rely heavily on lower-income consumers. As a result, the company is better equipped to weather downturns, maintaining consistent demand and profitability even in challenging economic conditions, further strengthening its long-term investment appeal.

At a price of around $4,000 per share, Booking Holdings' high share price can act as a barrier for many retail investors, keeping some on the sidelines and potentially limiting broader participation in the stock. This high entry point makes it less accessible for smaller investors who may prefer lower-priced stocks that allow for greater diversification within their portfolios. As a result, the stock remains less heavily traded by short-term speculators, which contributes to its relatively lower valuation despite the company's strong fundamentals. The limited investor base also helps reduce volatility, as the stock is primarily held by institutional investors and long-term holders who are less likely to engage in frequent buying and selling. This reduced volatility creates a more stable price environment for the stock, making it attractive to patient, value-oriented investors seeking consistent long-term returns from a high-quality company like Booking Holdings.

Conclusion of Investment Analysis

- **Monopolistic Market Position:** Booking Holdings enjoys a dominant position in the global online travel industry, benefiting from a significant competitive moat and high customer loyalty.
- **High Margins and Profitability:** With a gross margin of 97%, operating margin of 32%, and profit margin of 26%, the company operates with exceptional efficiency, driven by its software-based, asset-light model.
- **Strong Free Cash Flow Growth:** The company’s free cash flow has grown at 13% annually, while free cash flow per share has grown at 18%, bolstered by continuous share buybacks and efficient cash management.
- **Resilient and Scalable Business Model:** Booking’s mid-to-high-income customer base and the global shift towards experiential spending provide resilience during economic slowdowns and long-term growth potential.
- **Attractive Valuation:** Despite its monopolistic dominance and impressive financial performance, Booking Holdings’ stock remains relatively undervalued, partly due to its high starting share price and conservative market sentiment, offering an attractive entry point for investors.
- In conclusion, Booking Holdings presents a compelling investment opportunity due to its monopolistic dominance in the online travel industry, consistently high margins, and exceptional growth prospects. The company's ability to generate robust free cash flow, coupled with a disciplined capital return strategy, enhances its appeal to long-term investors. Despite these strengths, Booking Holdings remains undervalued, with a stock price that is modest relative to its market-leading position and financial performance. As the market continues to overlook these qualities, investors have the opportunity to invest in a high-quality company with strong growth potential and sustained profitability, making it an attractive choice for long-term portfolio growth.