

Booking Holdings Reports Second Quarter 2026 Financial Results



NORWALK, CT - August 4, 2026...Booking Holdings Inc. (NASDAQ: BKNG) (the "Company," "we," "our," or "us") today reported its second quarter 2026 financial results.

- Room nights grew 5% compared to the second quarter of 2025.
- Gross bookings grew 9% compared to the second quarter of 2025, or approximately 8% on a constant currency basis.
- Revenue grew 8% compared to the second quarter of 2025, or approximately 7% on a constant currency basis.
- Net income, Adjusted Net income, and Adjusted EBITDA grew 118%, 8%, and 9%, respectively, compared to the second quarter of 2025.
- Increased our expected annual run-rate savings through the Transformation Program⁽¹⁾ to approximately \$650 million, and expect to realize these run-rate savings by the end of 2027.

"Despite continued geopolitical and macroeconomic uncertainty during the second quarter, the underlying desire to travel remained resilient, and we are pleased with our results, which reflect the strength of our global platform and the disciplined execution of our teams," said Glenn Fogel, Chief Executive Officer of Booking Holdings. "We also increased the expected annual run-rate savings enabled by our Transformation Program, creating additional capacity to invest in our strategic priorities. We remain focused on what we can control—building better experiences for travelers, creating greater value for our partners, and strengthening our business for the long term."

	Q2 2026	
	(#)	(Δ Y/Y)
Room Nights	325M	5%
Gross Bookings	\$51.0B	9%
Revenue	\$7.4B	8%
GAAP Net Income	\$2.0B	118%
Adjusted Net Income	\$2.0B	8%
GAAP EPS	\$2.53	131%
Adjusted EPS	\$2.54	15%
Adjusted EBITDA	\$2.6B	9%
Net Cash Provided By Operating Activities	\$3.7B	16%
Free Cash Flow	\$3.6B	16%

⁽¹⁾ See note (d) in the Reconciliation of GAAP to Non-GAAP Financial Information section at the end of this release.

Refer to the "Non-GAAP Financial Measures" section at the end of this release for an explanation of constant currency and non-GAAP financial measures, including Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, and Adjusted Fixed Operating Expenses, and reconciliations to the most directly comparable GAAP measures. Gross bookings is an operating and statistical metric that captures the total dollar value, generally inclusive of taxes and fees, of all travel services booked by our customers, net of cancellations.

On April 2, 2026, the Company effected the 25-for-1 stock split of its common stock. All share and per share information has been retroactively adjusted to reflect the stock split.

Additional Highlights



Second Quarter 2026 vs. 2025

Top Line Metrics

- Alternative accommodation room nights at Booking.com increased by 4%
- CC ADRs increased by about 2%⁽¹⁾
- Gross bookings increased 9% (approximately 8% on a CC basis) and revenue increased 8% (approximately 7% on a CC basis)

Marketing Metrics

- Marketing expense as a percentage of gross bookings was 4.7% (4.6% in Q2 2025)
- Over the trailing four quarters, the mix of our total room nights booked through the direct channel was a mid-fifties percentage, similar to last year

GAAP EPS

+131%

Adjusted EPS

+15%

Fixed Costs

- Total operating expenses increased 7%, slower than the 8% growth in revenue
- Adjusted fixed operating expenses increased 6%, driven by higher cloud computing costs and software license fees, as well as adverse changes in foreign currency exchange rates

Margins

- Net income margin of 26.5% (13.2% in Q2 2025)
- Adjusted EBITDA margin of 36.0% (35.6% in Q2 2025)

Return of Capital to Shareholders

Third Quarter Dividend

- Our Board of Directors declared a cash dividend of \$0.42 per share, payable on September 30, 2026 to stockholders of record as of the close of business on September 11, 2026.

Stock Repurchase Program

- We repurchased \$3.7 billion (excluding excise taxes) of stock in the quarter ended June 30, 2026 with a total remaining authorization of \$14.5 billion as of June 30, 2026.

⁽¹⁾ Constant Currency ("CC") and accommodation average daily rates ("ADR")



Booking Holdings' guidance for the third quarter and full year of 2026 is as follows:

Global travel demand has remained resilient so far in the third quarter, supported by healthy domestic travel trends (travel within a traveler's own country). As we look ahead, we remain mindful of the Middle East conflict and continue to monitor the direct and indirect impacts on travel demand.

Our guidance assumes stability in the broader travel environment in line with recent trends. It also assumes that the indirect impacts of the conflict—including elevated flight ticket prices, reduced flight capacity on certain routes, and softer long-haul international travel demand—persist through the third quarter. In terms of the direct impact of the conflict, we continue to assume some pressure on inbound travel to the Middle East, while travel demand from Middle East bookers remains largely normalized.

Refer to the "Information About Forward-Looking Statements" section of this release.

<i>(growth is on a year-over-year basis)</i>	Q3 2026	FY 2026
Room Nights Growth	3% - 5%	
Gross Bookings Growth	4% - 6%	High Single Digits
<i>Constant Currency Gross Bookings Growth</i>	<i>5% - 7%</i>	<i>High Single Digits</i>
Revenue Growth ⁽¹⁾	4% - 6%	High Single Digits
<i>Constant Currency Revenue Growth ⁽¹⁾</i>	<i>5% - 7%</i>	<i>Mid to High Single Digits</i>
Adjusted EBITDA Growth ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	4% - 6%	High Single Digits
Adjusted EPS Growth ⁽²⁾⁽³⁾⁽⁵⁾		Low to Mid-Teens

(1) Revenue Growth includes a negative impact of about 1% in Q3 2026 and a benefit of about 1% for FY 2026 due to foreign currency exchange rates.

(2) We are not able to provide a reconciliation between forward-looking Adjusted EBITDA and GAAP Net income and Adjusted EPS and GAAP EPS as we cannot, without unreasonable effort, forecast certain items required to develop meaningful comparable GAAP Net Income and GAAP EPS and predict certain components of such reconciliation as they arise from events in future periods. This is due to the unpredictable nature of these reconciling items, which would require an unreasonable effort to forecast, and would result in a large range of projected values that would not be meaningful to investors. See Item 10(e)(1)(i)(B) of Securities and Exchange Commission ("SEC") Regulation S-K.

(3) Excludes certain costs expected to be incurred related to the Transformation Program. Refer to the "Non-GAAP Financial Measures" section of this release.

(4) Changes in foreign currency exchange rates are expected to impact our reported growth rates for Adjusted EBITDA by a similar amount of percentage points as Revenue Growth for the third quarter.

(5) Changes in foreign currency exchange rates are expected to impact our reported growth rate for Adjusted EBITDA and Adjusted EPS by about half a percentage point less than Revenue Growth for the full year.

Consolidated Balance Sheets

(In millions, except per share data)



	June 30, 2026	December 31, 2025
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,214	\$ 17,203
Accounts receivable, net (Allowance for expected credit losses of \$141 and \$137, respectively)	4,341	3,820
Prepaid expenses, net	601	611
Other current assets	901	630
Total current assets	23,057	22,264
Property and equipment, net	767	807
Operating lease assets	594	632
Intangible assets, net	852	918
Goodwill	2,672	2,669
Long-term investments	448	582
Other assets, net	1,292	1,392
Total assets	\$ 29,682	\$ 29,264
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 5,145	\$ 5,094
Accrued expenses and other current liabilities	3,805	4,454
Deferred merchant bookings	10,121	5,270
Short-term debt	2,000	1,880
Total current liabilities	21,071	16,698
Operating lease liabilities	514	557
Other long-term liabilities	700	731
Long-term debt	18,180	16,856
Total liabilities	40,465	34,842
Commitments and contingencies		
Stockholders' deficit:		
Common stock, \$0.008 par value, Authorized shares: 25,000 Issued shares: 1,618 and 1,613, respectively	13	13
Treasury stock: 860 and 816 shares, respectively	(62,129)	(54,315)
Additional paid-in capital	8,635	8,344
Retained earnings	43,046	40,670
Accumulated other comprehensive loss	(348)	(290)
Total stockholders' deficit	(10,783)	(5,578)
Total liabilities and stockholders' deficit	\$ 29,682	\$ 29,264

Unaudited Consolidated Statements of Operations

(In millions, except per share data)



	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Merchant revenues	\$ 5,127	\$ 4,457	\$ 8,825	\$ 7,375
Agency revenues	1,903	2,044	3,431	3,608
Advertising and other revenues	322	297	628	577
Total revenues	7,352	6,798	12,884	11,560
Operating expenses:				
Marketing expenses	2,371	2,139	4,439	3,916
Sales and other expenses	942	899	1,746	1,601
Personnel, including stock-based compensation of \$140, \$154, \$281, and \$296, respectively	900	896	1,793	1,589
General and administrative	217	199	317	341
Information technology	263	219	503	419
Depreciation and amortization	129	158	260	312
Transformation costs	30	38	55	70
Total operating expenses	4,852	4,548	9,113	8,248
Operating income	2,500	2,250	3,771	3,312
Interest expense	(300)	(418)	(553)	(1,067)
Interest and dividend income	201	234	388	475
Other income (expense), net	159	(962)	353	(1,220)
Income before income taxes	2,560	1,104	3,959	1,500
Income tax expense	610	209	926	272
Net income	\$ 1,950	\$ 895	\$ 3,033	\$ 1,228
Net income applicable to common stockholders per basic common share	\$ 2.54	\$ 1.10	\$ 3.89	\$ 1.50
Weighted-average number of basic common shares outstanding	768	812	779	817
Net income applicable to common stockholders per diluted common share	\$ 2.53	\$ 1.10	\$ 3.88	\$ 1.50
Weighted-average number of diluted common shares outstanding	770	815	782	821

Unaudited Consolidated Statements of Cash Flows

(In millions)



	Six Months Ended June 30,	
	2026	2025
OPERATING ACTIVITIES:		
Net income	\$ 3,033	\$ 1,228
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	260	312
Provision for expected credit losses and chargebacks	217	206
Deferred income taxes	72	(402)
Net losses (gains) on equity securities	135	(23)
Stock-based compensation expense	281	297
Operating lease amortization	65	66
Unrealized foreign currency transaction (gains) losses related to Euro-denominated debt	(528)	1,398
Amortization of debt discount and change in fair value of the conversion option related to the convertible senior notes	—	360
Other	8	(44)
Changes in assets and liabilities:		
Accounts receivable	(795)	(1,078)
Deferred merchant bookings and other current liabilities	4,207	3,796
Other	(21)	368
Net cash provided by operating activities	6,934	6,484
INVESTING ACTIVITIES:		
Additions to property and equipment	(183)	(185)
Other investing activities	(13)	6
Net cash used in investing activities	(196)	(179)
FINANCING ACTIVITIES:		
Proceeds from the issuance of long-term debt	2,975	1,955
Payments on maturity of debt	(1,000)	(3,451)
Payments for repurchase of common stock	(7,758)	(3,668)
Dividends paid	(664)	(631)
Other financing activities	227	31
Net cash used in financing activities	(6,220)	(5,764)
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(279)	903
Net increase in cash and cash equivalents and restricted cash and cash equivalents	239	1,444
Total cash and cash equivalents and restricted cash and cash equivalents, beginning of period	17,269	16,193
Total cash and cash equivalents and restricted cash and cash equivalents, end of period	\$ 17,508	\$ 17,637

Non-GAAP Financial Measures



The Unaudited Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include all normal and recurring adjustments that management of the Company considers necessary for a fair presentation of its financial position and operating results.

To supplement the Unaudited Consolidated Financial Statements, the Company uses non-GAAP financial measures, including Adjusted Net income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, and Free cash flow (Net cash provided by operating activities less capital expenditures). The Company also uses information on (i) the impact of the adjustments required to compute Adjusted Net income and Adjusted EBITDA on Sales and other expenses, Personnel expenses, General and administrative expenses, Depreciation and amortization expenses, Impairment expense, Transformation costs, Interest expense, Interest and dividend income, Other income (expense), net, and Income tax expense, as reported in the Company's consolidated statements of operations, as applicable, and (ii) Adjusted fixed operating expenses, which is Total operating expenses, as reported in the Company's consolidated statements of operations, adjusted to exclude (a) certain operating expenses which are generally more likely to vary based on changes in business volumes and (b) amounts which are excluded in the computation of Adjusted EBITDA. The presentation of non-GAAP financial information should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

The Company uses non-GAAP financial measures for financial and operational decision-making and as a basis to evaluate performance and set targets for employee compensation programs. The Company believes that these non-GAAP financial measures are useful for analysts and investors to evaluate the Company's ongoing operating performance because they facilitate comparison of the Company's results for the current period and projected next-period results to those of prior periods and to those of its competitors (though other companies may calculate similar non-GAAP financial measures differently from those calculated by the Company). These non-GAAP financial measures, in particular Adjusted Net income, Adjusted EBITDA, and Free cash flow, are not intended to represent funds available for Booking Holdings' discretionary use and are not intended to represent or to be used as a substitute for Operating income, Net income, or Net cash provided by operating activities as measured under GAAP. The items excluded from these non-GAAP measures, but included in the calculation of their closest GAAP equivalent, are significant components of the Company's consolidated statements of operations and cash flows and must be considered in performing a comprehensive assessment of overall financial performance.

Reconciliations of (i) Net income to Adjusted Net income and Adjusted EPS, (ii) Net income to Adjusted EBITDA, (iii) Net cash provided by operating activities to Free cash flow, and (iv) Total operating expenses to Adjusted fixed operating expenses are detailed in the *Reconciliation of GAAP to Non-GAAP Financial Information* and *Additional Information on the Impact of Non-GAAP Adjustments* sections below, including the impact of the adjustments to the respective line item in the Company's consolidated statements of operations.

We evaluate certain operating and financial measures on both an as-reported and constant currency basis. We calculate constant currency measures based on the predominant transactional currency in each country, converting our current-year period results in currencies other than U.S. Dollars using the corresponding prior-year period monthly average exchange rates.

Information About Forward-Looking Statements



This press release contains forward-looking statements, within the meaning of the U.S. securities laws, including regarding our outlook, travel demand trends, the geopolitical and macroeconomic environment and potential effects on consumer spending and behavior, travel patterns and our partners, artificial intelligence trends, and changes in foreign currency exchange rates. These forward-looking statements reflect the views of the Company's management regarding current expectations based on currently available information about future events. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties, such as: the conflict in the Middle East; adverse changes in market conditions for travel services; the effects of competition; the Company's ability to manage growth and expand; adverse changes in third-party relationships; rapid technological or other market changes; success of the Company's marketing efforts; the development and use of generative AI; the Company's ability to attract and retain qualified personnel; impacts of impairments and changes in accounting estimates; operational and technological infrastructure risks; and other business and industry changes. Other risks and uncertainties relate to information security, cybersecurity, and data privacy; taxes; changes in, and compliance with, laws and regulations; the Company's facilitation of payments; foreign currency exchange rates; the Company's debt levels and stock price volatility; and the success of the Company's investments and acquisition strategy. For a detailed discussion of these and other factors that could cause the Company's actual results to differ materially from those described in the forward-looking statements included in this press release, refer to the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and any subsequently filed Quarterly Reports on Form 10-Q. Unless required by law, the Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

About Booking Holdings



Additional Information

We use the Investor Relations page of our website (ir.bookingholdings.com) to disclose material information for purposes of the SEC's Regulation Fair Disclosure. We encourage our investors to monitor this website in addition to our other public announcements and SEC filings as information posted on that page could be deemed to be material information. We will be posting our prepared remarks and a summary earnings presentation to the Investor Relations page of our website after the conclusion of the earnings call.

About Booking Holdings Inc.

Booking Holdings (NASDAQ: BKNG) is the world leader in online travel and services that support the entire travel journey. Our platforms - including [Booking.com](https://www.booking.com), [Priceline](https://www.priceline.com), [Agoda](https://www.agoda.com), [KAYAK](https://www.kayak.com) and [OpenTable](https://www.opentable.com) - utilize advanced AI, machine learning and other innovative technologies to simplify and personalize the travel experience for consumers and partners in over 220 countries and territories. Our mission is to make it easier for everyone to experience the world. For more information, visit [BookingHoldings.com](https://www.bookingholdings.com) and follow us on X [@BookingHoldings](https://twitter.com/BookingHoldings).

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#BKNG_Earnings

Reconciliation of GAAP to Non-GAAP Financial Information

(In millions, except per share data)⁽¹⁾



(Unaudited)

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED EPS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	\$ 1,950	\$ 895	\$ 3,033	\$ 1,228
(a) Adjustment related to the Netherlands pension fund matter	—	6	—	(123)
(b) Gain related to settlement of litigation matters	—	—	(89)	—
(c) Amortization of intangible assets	35	54	71	108
(d) Transformation costs	29	36	52	68
(e) Net losses (gains) on equity securities	25	(21)	132	(24)
(f) Foreign currency transaction (gains) losses on the remeasurement of certain Euro-denominated debt and accrued interest and gains on debt-related foreign currency derivative instruments	(195)	961	(528)	1,350
(g) Amortization of debt discount and change in fair value of the conversion option related to the convertible senior notes	—	126	—	360
(h) Other	—	—	(14)	—
(i) Discrete tax items	79	—	79	—
(j) Tax impact of Non-GAAP adjustments	32	(248)	122	(337)
Adjusted Net income	<u>\$ 1,958</u>	<u>\$ 1,807</u>	<u>\$ 2,860</u>	<u>\$ 2,628</u>
GAAP and Non-GAAP weighted-average number of diluted common shares outstanding	<u>770</u>	<u>815</u>	<u>782</u>	<u>821</u>
Net income applicable to common stockholders per diluted common share (GAAP EPS)	<u>\$ 2.53</u>	<u>\$ 1.10</u>	<u>\$ 3.88</u>	<u>\$ 1.50</u>
Adjusted Net income applicable to common stockholders per diluted common share (Adjusted EPS)	<u>\$ 2.54</u>	<u>\$ 2.22</u>	<u>\$ 3.66</u>	<u>\$ 3.20</u>
Net income growth YoY	<u>118 %</u>		<u>147 %</u>	
Adjusted Net income growth YoY	<u>8 %</u>		<u>9 %</u>	
Net income applicable to common stockholders per diluted common share (GAAP EPS) growth YoY	<u>131 %</u>		<u>159 %</u>	
Adjusted Net income applicable to common stockholders per diluted common share (Adjusted EPS) growth YoY	<u>15 %</u>		<u>14 %</u>	

(Unaudited)

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	\$ 1,950	\$ 895	\$ 3,033	\$ 1,228
(a) Adjustment related to the Netherlands pension fund matter	—	6	—	(123)
(b) Gain related to settlement of litigation matters	—	—	(89)	—
(k) Depreciation and amortization	129	158	260	312
(d) Transformation costs	29	36	52	68
(k) Interest and dividend income	(201)	(234)	(388)	(475)
(k) Interest expense	300	418	553	1,067
(e) Net losses (gains) on equity securities	25	(21)	132	(24)
(f) Foreign currency transaction (gains) losses on the remeasurement of certain Euro-denominated debt and accrued interest and gains on debt-related foreign currency derivative instruments	(195)	961	(528)	1,350
(g) Change in fair value of the conversion option related to the convertible senior notes	—	(5)	—	(163)
(h) Other	—	—	(14)	—
(k) Income tax expense	610	209	926	272
Adjusted EBITDA	<u>\$ 2,648</u>	<u>\$ 2,423</u>	<u>\$ 3,938</u>	<u>\$ 3,511</u>
Net income as a % of Total Revenues (Net income margin)	<u>26.5 %</u>	<u>13.2 %</u>	<u>23.5 %</u>	<u>10.6 %</u>
Net income growth YoY	<u>118 %</u>		<u>147 %</u>	
Adjusted EBITDA as a % of Total Revenues (Adjusted EBITDA margin)	<u>36.0 %</u>	<u>35.6 %</u>	<u>30.6 %</u>	<u>30.4 %</u>
Adjusted EBITDA growth YoY	<u>9 %</u>		<u>12 %</u>	

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net cash provided by operating activities	\$ 3,719	\$ 3,201	\$ 6,934	\$ 6,484
(l) Additions to property and equipment	(76)	(64)	(183)	(185)
Free cash flow	<u>\$ 3,643</u>	<u>\$ 3,137</u>	<u>\$ 6,751</u>	<u>\$ 6,299</u>
Net cash provided by operating activities as a % of Total Revenues	<u>50.6 %</u>	<u>47.1 %</u>	<u>53.8 %</u>	<u>56.1 %</u>
Free cash flow as a % of Total Revenues	<u>49.6 %</u>	<u>46.1 %</u>	<u>52.4 %</u>	<u>54.5 %</u>
Net cash provided by operating activities growth YoY	<u>16 %</u>		<u>7 %</u>	
Free cash flow growth YoY	<u>16 %</u>		<u>7 %</u>	

⁽¹⁾ Amounts may not total due to rounding.

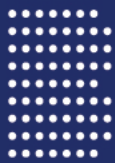
Notes:

- (a) During the six months ended June 30, 2025, the Netherlands pension fund matter related to 2023 and earlier years was resolved resulting in a \$123 million reduction to the related accruals. When the liability related to these years was initially recorded in the Company's Consolidated Financial Statements for 2023, its impact was excluded from the Non-GAAP results for that year.
- (b) In the first quarter of 2026, the Company entered into favorable settlement agreements to resolve litigation matters in which it was a plaintiff, for which it received a benefit of \$89 million.
- (c) Amortization of intangible assets is excluded from Net income to calculate Adjusted Net income.
- (d) In November 2024, the Company announced its intention to implement certain organizational changes to improve operating expense efficiency, increase organizational agility, free up resources that can be reinvested into further improving its offering to travelers and partners, and better position the Company for the long-term (the "Transformation Program"). Certain costs incurred in connection with this Transformation Program, which are not considered normal operating expenses, are excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA. These costs primarily consist of professional fees and employee termination benefits.
- (e) Net losses (gains) on equity securities with readily determinable fair values.
- (f) Foreign currency transaction (gains) losses on the remeasurement of Euro-denominated debt and accrued interest that are not designated as hedging instruments for accounting purposes and gains on debt-related foreign currency derivative instruments used as economic hedges.
- (g) Adjustment for the amortization of the debt discount of \$131 million and \$523 million and the change in fair value of the conversion option of \$5 million and \$163 million for the three and six months ended June 30, 2025, respectively, both related to the convertible senior notes that matured in May 2025.
- (h) Benefit related to the Canadian digital services taxes for the years ended December 31, 2022 and 2023 as it was repealed in March 2026. When the retrospective liability related to these years was initially recorded in 2024, its impact was excluded from the Non-GAAP results for that year.
- (i) Discrete tax items include a tax expense of \$56 million related to the one-time deemed repatriation income tax liability resulting from the U.S. Tax Cuts and Jobs Act and the tax impacts of certain intercompany asset transfers.
- (j) Reflects the tax impact of Non-GAAP adjustments above and changes in tax estimates, as applicable.
- (k) Depreciation and amortization, Interest and dividend income, Interest expense, and Income tax expense are excluded from Net income to calculate Adjusted EBITDA.
- (l) Cash used for additions to property and equipment is included in the calculation of Free cash flow.

For a more detailed discussion of the adjustments described above, please see the section in this press release under the heading "Non-GAAP Financial Measures" which provides information about the use of non-GAAP financial measures. Additional information on the impact of the adjustments above to the respective line item in the Company's consolidated statements of operations are presented in the following pages. The reconciliation of Total operating expenses to Adjusted fixed operating expenses is also provided.

Additional Information on the Impact of Non-GAAP Adjustments

(In millions)



(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Sales and other expenses:				
Sales and other expenses	\$ 942	\$ 899	\$ 1,746	\$ 1,601
Benefit related to prior-period Canadian digital services taxes	—	—	14	—
Adjusted Sales and other expenses	<u>\$ 942</u>	<u>\$ 899</u>	<u>\$ 1,760</u>	<u>\$ 1,601</u>
Personnel expenses:				
Personnel expenses	\$ 900	\$ 896	\$ 1,793	\$ 1,589
Adjustment related to the Netherlands pension fund matter	—	(6)	—	128
Adjusted Personnel expenses	<u>\$ 900</u>	<u>\$ 890</u>	<u>\$ 1,793</u>	<u>\$ 1,717</u>
General and administrative expenses:				
General and administrative expenses	\$ 217	\$ 199	\$ 317	\$ 341
Adjustment related to the Netherlands pension fund matter	—	—	—	(5)
Gain related to settlement of litigation matters	—	—	89	—
Adjusted General and administrative expenses	<u>\$ 217</u>	<u>\$ 199</u>	<u>\$ 406</u>	<u>\$ 336</u>
Depreciation and amortization expenses:				
Depreciation and amortization expenses	\$ 129	\$ 158	\$ 260	\$ 312
Amortization of intangible assets	(35)	(54)	(71)	(108)
Depreciation expenses	<u>\$ 94</u>	<u>\$ 104</u>	<u>\$ 189</u>	<u>\$ 204</u>
Transformation costs:				
Transformation costs	\$ 30	\$ 38	\$ 55	\$ 70
Adjustment related to transformation costs	(29)	(36)	(52)	(68)
Adjusted Transformation costs	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 2</u>
Interest expense:				
Interest expense	\$ (300)	\$ (418)	\$ (553)	\$ (1,067)
Amortization of debt discount on convertible senior notes	—	131	—	523
Adjusted Interest expense	<u>\$ (300)</u>	<u>\$ (287)</u>	<u>\$ (553)</u>	<u>\$ (544)</u>
Other income (expense), net:				
Other income (expense), net	\$ 159	\$ (962)	\$ 353	\$ (1,220)
Net losses (gains) on equity securities	25	(21)	132	(24)
Foreign currency transaction (gains) losses on the remeasurement of certain Euro-denominated debt and accrued interest and gains on debt-related foreign currency derivative instruments	(195)	961	(528)	1,350
Change in fair value of the conversion option related to the convertible senior notes	—	(5)	—	(163)
Adjusted Other income (expense), net	<u>\$ (11)</u>	<u>\$ (27)</u>	<u>\$ (43)</u>	<u>\$ (57)</u>

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Income tax expense:				
Income tax expense	\$ 610	\$ 209	\$ 926	\$ 272
Discrete tax items	(79)	—	(79)	—
Tax impact of Non-GAAP adjustments	(32)	248	(122)	337
Adjusted Income tax expense	<u>\$ 499</u>	<u>\$ 457</u>	<u>\$ 725</u>	<u>\$ 609</u>
RECONCILIATION OF TOTAL OPERATING EXPENSES TO ADJUSTED FIXED OPERATING EXPENSES				
Total operating expenses	\$ 4,852	\$ 4,548	\$ 9,113	\$ 8,248
Marketing expenses	(2,371)	(2,139)	(4,439)	(3,916)
Sales and other expenses	(942)	(899)	(1,746)	(1,601)
Depreciation and amortization	(129)	(158)	(260)	(312)
Adjustment related to the Netherlands pension fund matter	—	(6)	—	123
Gain related to settlement of litigation matters	—	—	89	—
Adjustment related to transformation costs	(29)	(36)	(52)	(68)
Adjusted fixed operating expenses	<u>\$ 1,381</u>	<u>\$ 1,310</u>	<u>\$ 2,705</u>	<u>\$ 2,474</u>
<i>Total operating expenses growth YoY</i>	<u>7 %</u>		<u>10 %</u>	
<i>Adjusted fixed operating expenses growth YoY</i>	<u>6 %</u>		<u>9 %</u>	

Statistical Data

(Units Sold in millions and Gross Bookings and Total Revenues in billions)⁽¹⁾



(Unaudited)

	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Units Sold									
Room Nights	287	299	261	319	309	323	285	338	325
Year/Year Growth	7.1 %	8.1 %	13.2 %	7.2 %	7.7 %	8.2 %	9.0 %	5.9 %	5.3 %
Rental Car Days	22	23	17	22	24	23	18	21	23
Year/Year Growth (Decline)	10.0 %	16.2 %	12.1 %	7.7 %	9.0 %	2.1 %	4.2 %	(4.9)%	(6.5)%
Flight Tickets	11	13	14	16	16	17	18	21	17
Year/Year Growth	27.7 %	38.7 %	52.3 %	44.8 %	44.2 %	32.3 %	27.7 %	28.5 %	3.7 %
Gross Bookings ⁽²⁾									
Merchant	\$ 25.8	\$ 28.4	\$ 24.2	\$ 31.2	\$ 32.3	\$ 35.7	\$ 30.8	\$ 38.7	\$ 37.0
Year/Year Growth	22.3 %	27.3 %	31.7 %	21.0 %	25.1 %	26.0 %	27.2 %	24.3 %	14.5 %
Agency	\$ 15.6	\$ 15.1	\$ 12.9	\$ 15.5	\$ 14.4	\$ 13.9	\$ 12.2	\$ 15.0	\$ 14.0
Year/Year Decline	(16.0)%	(14.0)%	(2.7)%	(12.8)%	(7.5)%	(7.6)%	(5.6)%	(3.1)%	(3.3)%
Total Gross Bookings	\$ 41.4	\$ 43.4	\$ 37.2	\$ 46.7	\$ 46.7	\$ 49.7	\$ 43.0	\$ 53.8	\$ 51.0
Year/Year Growth	4.4 %	9.1 %	17.3 %	7.2 %	12.8 %	14.3 %	15.8 %	15.2 %	9.0 %
Constant currency Basis ⁽³⁾	6 %	9 %	18 %	10 %	9 %	10 %	11 %	8 %	8 %
Total Revenues	\$ 5.9	\$ 8.0	\$ 5.5	\$ 4.8	\$ 6.8	\$ 9.0	\$ 6.3	\$ 5.5	\$ 7.4
Year/Year Growth	7.3 %	8.9 %	14.4 %	7.9 %	16.0 %	12.7 %	16.1 %	16.2 %	8.1 %
Constant currency Basis ⁽³⁾	9 %	9 %	15 %	10 %	12 %	8 %	11 %	10 %	7 %
Reconciliation of As Reported Total Revenues Growth to Constant Currency Total Revenues Growth									
As reported Total revenues growth YoY	7 %	9 %	14 %	8 %	16 %	13 %	16 %	16 %	8 %
Foreign currency impact ⁽³⁾	2 %	— %	1 %	2 %	(4)%	(4)%	(5)%	(6)%	(1)%
Constant currency Total revenues growth YoY ⁽³⁾	9 %	9 %	15 %	10 %	12 %	8 %	11 %	10 %	7 %

⁽¹⁾ Amounts may not total due to rounding.

⁽²⁾ Gross bookings is an operating and statistical metric that captures the total dollar value, generally inclusive of taxes and fees, of all travel services booked by our customers, net of cancellations.

⁽³⁾ Approximate values.