Booking Holdings Reports First Quarter 2025 Financial Results

NORWALK, CT - April 29, 2025…Booking Holdings Inc. (NASDAQ: BKNG) (the “Company,” “we,” “our,” or “us”) today reported its first quarter 2025 financial results.

- Room nights grew 7% compared to the first quarter of 2024.
- Gross bookings grew 7% compared to the first quarter of 2024, or 10% on a constant currency basis.
- Revenue grew 8% compared to the first quarter of 2024, or 10% on a constant currency basis.

"I am pleased to report a good start to 2025 where healthy growth of room nights and gross bookings in the first quarter benefited from our globally diversified business," said Glenn Fogel, Chief Executive Officer of Booking Holdings. "While there is uncertainty in the market around the near-term geopolitical and macroeconomic environment, we remain focused on driving our business for the long term by delivering value to our supplier partners and our travelers and executing on our strategic priorities."

	Q1 2025	
	(#)	(Δ Y/Y)
Room Nights	319M	7%
Gross Bookings	$46.7B	7%
Revenue	$4.8B	8%
GAAP Net Income	$0.3B	(57%)
GAAP EPS	$10.07	(55%)
Adjusted EPS	$24.81	22%
Adjusted EBITDA	$1.1B	21%
Net Cash Provided By Operating Activities	$3.3B	21%
Free Cash Flow	$3.2B	23%

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, 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.

Additional Highlights

First Quarter 2025 vs. 2024

Top Line Metrics

- Alternative accommodation room nights at Booking.com increased by a low double digits percentage
- Constant Currency ADRs increased 1%[1]
- Gross bookings increased 7% and revenues increased 8%

Marketing Metrics

- Marketing expense as a percentage of gross bookings was 3.8% (3.7% in Q1 2024)
- Over the trailing four quarters, the mix of our total room nights booked through the direct channel was a mid-fifties percentage and increased year-over-year

GAAP EPS
-55%

Adjusted EPS
+22%

Fixed Cost Discipline

- Total operating expenses increased 2%, slower than the 8% growth in revenue
- Adjusted fixed operating expenses decreased 3%

Margins

- Net Income margin of 7.0% (17.6% in Q1 2024)
- Adjusted EBITDA margin of 22.9% (20.3% in Q1 2024)

Active Return of Capital to Shareholders

Second Quarter Dividend

- Our Board of Directors declared a cash dividend of $9.60 per share, payable on June 30, 2025 to stockholders of record as of the close of business on June 6, 2025.

Stock Repurchase Program

- We repurchased $1.8 billion of stock under our authorized stock repurchase program in the quarter ended March 31, 2025. Our total remaining stock repurchase authorization was $25.9 billion as of March 31, 2025.

Discrete Items

- During the quarter ended March 31, 2025, the Netherlands pension fund matter was resolved resulting in a reduction to the related accruals. The impact of the reduction related to 2023 and earlier years, of $129 million, has been excluded from Adjusted Net income and Adjusted EBITDA for the quarter ended March 31, 2025. 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.

[1]Accommodation average daily rates ("ADRs")

Consolidated Balance Sheets

(In millions, except share and per share data)

	March 31, 2025	December 31, 2024
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,578	$ 16,164
Accounts receivable, net (Allowance for expected credit losses of $137 and $146, respectively)	3,290	3,199
Prepaid expenses, net	530	587
Other current assets	552	541
Total current assets	19,950	20,491
Property and equipment, net	857	832
Operating lease assets	555	559
Intangible assets, net	1,333	1,382
Goodwill	2,816	2,799
Long-term investments	538	536
Other assets, net	1,142	1,109
Total assets	$ 27,191	$ 27,708
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 3,292	$ 3,824
Accrued expenses and other current liabilities	5,576	6,047
Deferred merchant bookings	6,871	4,031
Short-term debt	655	1,745
Total current liabilities	16,394	15,647
Deferred income taxes	154	289
Operating lease liabilities	476	483
Long-term U.S. transition tax liability	257	257
Other long-term liabilities	653	199
Long-term debt	15,369	14,853
Total liabilities	33,303	31,728
Commitments and contingencies		
Stockholders' deficit:		
Common stock, $0.008 par value, Authorized shares: 1,000,000,000 Issued shares: 64,500,484 and 64,276,130, respectively	1	—
Treasury stock: 31,801,349 and 31,329,265 shares, respectively	(50,131)	(47,877)
Additional paid-in capital	7,866	7,707
Retained earnings	36,539	36,525
Accumulated other comprehensive loss	(387)	(375)
Total stockholders' deficit	(6,112)	(4,020)
Total liabilities and stockholders' deficit	$ 27,191	$ 27,708

Unaudited Consolidated Statements of Operations

(In millions, except share and per share data)

	Three Months Ended March 31,	
	2025	2024
Merchant revenues	$ 2,918	$ 2,388
Agency revenues	1,564	1,763
Advertising and other revenues	280	264
Total revenues	4,762	4,415
Operating expenses:		
Marketing expenses	1,777	1,610
Sales and other expenses	702	678
Personnel, including stock-based compensation of $142 and $144, respectively	693	826
General and administrative	142	186
Information technology	200	187
Depreciation and amortization	154	137
Transformation costs	32	—
Total operating expenses	3,700	3,624
Operating income	1,062	791
Interest expense	(649)	(219)
Interest and dividend income	241	243
Other income (expense), net	(258)	122
Income before income taxes	396	937
Income tax expense	63	161
Net income	$ 333	$ 776
Net income applicable to common stockholders per basic common share	$ 10.14	$ 22.69
Weighted-average number of basic common shares outstanding (in 000's)	32,845	34,206
Net income applicable to common stockholders per diluted common share	$ 10.07	$ 22.37
Weighted-average number of diluted common shares outstanding (in 000's)	33,093	34,706

Unaudited Consolidated Statements of Cash Flows

(In millions)

	Three Months Ended March 31,	
	2025	2024
OPERATING ACTIVITIES:		
Net income	$ 333	$ 776
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	154	137
Provision for expected credit losses and chargebacks	89	89
Deferred income taxes	(144)	(35)
Stock-based compensation expense	143	144
Operating lease amortization	30	40
Unrealized foreign currency transaction losses (gains) related to Euro-denominated debt	437	(167)
Amortization of debt discount on convertible senior notes	392	—
Change in fair value of the conversion option of the convertible senior notes	(158)	—
Other	(44)	16
Changes in assets and liabilities:		
Accounts receivable	(99)	(185)
Prepaid expenses and other current assets	84	(98)
Deferred merchant bookings and other current liabilities	1,903	2,123
Other	163	(136)
Net cash provided by operating activities	3,283	2,704
INVESTING ACTIVITIES:		
Proceeds from maturity of investments	—	218
Additions to property and equipment	(121)	(130)
Other investing activities	3	(19)
Net cash (used in) provided by investing activities	(118)	69
FINANCING ACTIVITIES:		
Proceeds from the issuance of long-term debt	—	2,959
Payments on maturity of debt	(1,530)	—
Payments for repurchase of common stock	(2,170)	(1,856)
Dividends paid	(319)	(299)
Other financing activities	52	(20)
Net cash (used in) provided by financing activities	(3,967)	784
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	222	(28)
Net (decrease) increase in cash and cash equivalents and restricted cash and cash equivalents	(580)	3,529
Total cash and cash equivalents and restricted cash and cash equivalents, beginning of period	16,193	12,135
Total cash and cash equivalents and restricted cash and cash equivalents, end of period	$ 15,613	$ 15,664

Non-GAAP Financial Measures

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 the following non-GAAP financial measures: Adjusted Net income, Adjusted EPS, Adjusted EBITDA, 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, 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 additional information on the items excluded from non-GAAP measures.

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.

The attached financial and statistical supplement includes reconciliations of our financial results under GAAP to non-GAAP financial information. We are not able to provide a reconciliation between forward-looking Adjusted EBITDA and GAAP Net income because we cannot predict certain components of such reconciliation without unreasonable effort as they arise from events in future periods.

Information About Forward-Looking Statements

This press release contains forward-looking statements, which 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: 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; success of the Company's marketing efforts; rapid technological or other market changes; 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 data privacy, cyberattacks, and information security; taxes; 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 risk 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.

We will be posting our prepared remarks and a summary earnings presentation to the Booking Holdings investor relations website after the conclusion of the earnings call.

About Booking Holdings

About Booking Holdings Inc.

Booking Holdings (NASDAQ: BKNG) is the world's leading provider of online travel and related services, provided to consumers and local partners in more than 220 countries and territories through five primary consumer-facing brands: Booking.com, Priceline, Agoda, KAYAK and OpenTable. The mission of Booking Holdings is to make it easier for everyone to experience the world. For more information, visit BookingHoldings.com and follow us on X @BookingHoldings.

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#BKNG_Earnings

Reconciliation of GAAP to Non-GAAP Financial Information

(In millions, except share and per share data)[1]

(Unaudited)

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED EPS		Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
	Net income	$ 333	$ 776
(a)	Adjustment related to the Netherlands pension fund matter	(129)	—
(b)	Amortization of intangible assets	54	55
(c)	Transformation costs	32	—
(d)	Net (gains) losses on equity securities	(3)	16
(e)	Foreign currency transaction losses (gains) on the remeasurement of certain Euro-denominated debt and accrued interest and debt-related foreign currency derivative instruments	389	(167)
(f)	Amortization of debt discount and change in fair value of the conversion option related to the convertible senior notes	234	—
(g)	Tax impact of Non-GAAP adjustments	(89)	27
	Adjusted Net income	$ 821	$ 708
	GAAP and Non-GAAP weighted-average number of diluted common shares outstanding (in 000's)	33,093	34,706
	Net income applicable to common stockholders per diluted common share (GAAP EPS)	$ 10.07	$ 22.37
	Adjusted Net income applicable to common stockholders per diluted common share (Adjusted EPS)	$ 24.81	$ 20.39
	Net income applicable to common stockholders per diluted common share (GAAP EPS) decline YoY	*(55)%*	
	Adjusted Net income applicable to common stockholders per diluted common share (Adjusted EPS) growth YoY	*22 %*	

(Unaudited)

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA		Three Months Ended March 31,	
		2025	2024
	Net income	$ 333	$ 776
(a)	Adjustment related to the Netherlands pension fund matter	(129)	—
(h)	Depreciation and amortization	154	137
(c)	Transformation costs	32	—
(h)	Interest and dividend income	(241)	(243)
(h)	Interest expense	649	219
(d)	Net (gains) losses on equity securities	(3)	16
(e)	Foreign currency transaction losses (gains) on the remeasurement of certain Euro-denominated debt and accrued interest and debt-related foreign currency derivative instruments	389	(167)
(f)	Change in fair value of the conversion option of the convertible senior notes	(158)	—
(h)	Income tax expense	63	161
	Adjusted EBITDA	$ 1,088	$ 898
	Net income as a % of Total Revenues (Net income margin)	*7.0 %*	*17.6 %*
	Net income decline YoY	*(57)%*	
	Adjusted EBITDA as a % of Total Revenues (Adjusted EBITDA margin)	*22.9 %*	*20.3 %*
	Adjusted EBITDA growth YoY	*21 %*	

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW		Three Months Ended March 31,	
		2025	2024
	Net cash provided by operating activities	$ 3,283	$ 2,704
(i)	Additions to property and equipment	(121)	(130)
	Free cash flow	$ 3,162	$ 2,574
	Net cash provided by operating activities as a % of Total Revenues	*68.9 %*	*61.3 %*
	Free cash flow as a % of Total Revenues	*66.4 %*	*58.3 %*
	Net cash provided by operating activities growth YoY	*21 %*	
	Free cash flow growth YoY	*23 %*	

[(1)] *Amounts may not total due to rounding.*

Notes:

(a) See the section in this press release under the heading "Additional Highlights - Discrete Items" for more information. Adjustments to the accruals related to the Netherlands pension fund matter are recorded in Personnel expenses and General and administrative expenses, as applicable, and excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA.

(b) Amortization of intangible assets is recorded in Depreciation and amortization expenses and excluded from Net income to calculate Adjusted Net income.

(c) In November 2024, the Company announced its intention to implement certain organizational changes that are expected 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. Certain costs incurred in connection with this transformation program, primarily professional fees, are recorded in Transformation costs and excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA.

(d) Net (gains) losses on equity securities with readily determinable fair values are recorded in Other income (expense), net and excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA.

(e) Foreign currency transaction losses (gains) on the remeasurement of Euro-denominated debt and accrued interest that are not designated as hedging instruments for accounting purposes and debt-related foreign currency derivative instruments used as economic hedges are recorded in Other income (expense), net and excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA.

(f) Adjustment for the amortization of the debt discount of $392 million and the change in fair value of the conversion option of $158 million, both related to the convertible senior notes, which are recorded in Interest expense and Other income (expense), net, as applicable, and excluded from Net income to calculate Adjusted Net income and Adjusted EBITDA.

(g) Reflects the tax impact of Non-GAAP adjustments above and changes in tax estimates, as applicable, which are excluded from Net income to calculate Adjusted Net income.

(h) Depreciation and amortization, Interest and dividend income, Interest expense, and Income tax expense are excluded from Net income to calculate Adjusted EBITDA.

(i) 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 on Personnel expenses, General and administrative expenses, Depreciation and amortization expenses, Transformation costs, Interest expense, Other income (expense), net, and Income tax expense, as applicable, 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)

Personnel expenses:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Personnel expenses	$ 693	$ 826
Adjustment related to the Netherlands pension fund matter	134	—
Adjusted Personnel expenses	$ 827	$ 826

General and administrative expenses:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
General and administrative expenses	$ 142	$ 186
Adjustment related to the Netherlands pension fund matter	(5)	—
Adjusted General and administrative expenses	$ 137	$ 186

Depreciation and amortization expenses:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Depreciation and amortization expenses	$ 154	$ 137
Amortization of intangible assets	(54)	(55)
Depreciation expenses	$ 100	$ 82

Transformation costs:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Transformation costs	$ 32	$ —
Adjustment related to transformation costs	(32)	—
Adjusted Transformation costs	$ —	$ —

Interest expense:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Interest expense	$ (649)	$ (219)
Amortization of debt discount on convertible senior notes	392	—
Adjusted Interest expense	$ (257)	$ (219)

(Unaudited)

Other income (expense), net:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Other income (expense), net	$ (258)	$ 122
Net (gains) losses on equity securities	(3)	16
Foreign currency transaction losses (gains) on the remeasurement of certain Euro-denominated debt and accrued interest and debt-related foreign currency derivative instruments	389	(167)
Change in fair value of the conversion option of the convertible senior notes	(158)	—
Adjusted Other income (expense), net	$ (30)	$ (29)

Income tax expense:	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Income tax expense	$ 63	$ 161
Tax impact of Non-GAAP adjustments	89	(27)
Adjusted Income tax expense	$ 152	$ 134

RECONCILIATION OF TOTAL OPERATING EXPENSES TO ADJUSTED FIXED OPERATING EXPENSES	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Total operating expenses	$ 3,700	$ 3,624
Marketing expenses	(1,777)	(1,610)
Sales and other expenses	(702)	(678)
Depreciation and amortization	(154)	(137)
Adjustment related to the Netherlands pension fund matter	129	—
Transformation costs	(32)	—
Adjusted fixed operating expenses	$ 1,164	$ 1,199
Total operating expenses growth YoY	*2 %*	
Adjusted fixed operating expenses decline YoY	*(3)%*	

Statistical Data

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

(Unaudited)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Units Sold									
Room Nights	274	268	276	231	297	287	299	261	319
Year/Year Growth	*38.3 %*	*8.8 %*	*14.9 %*	*9.2 %*	*8.5 %*	*7.1 %*	*8.1 %*	*13.2 %*	*7.2 %*
Rental Car Days	19	20	20	15	21	22	23	17	22
Year/Year Growth	*22.7 %*	*24.0 %*	*20.0 %*	*10.7 %*	*10.7 %*	*10.0 %*	*16.2 %*	*12.1 %*	*7.7 %*
Airline Tickets	8	9	9	9	11	11	13	14	16
Year/Year Growth	*73.3 %*	*58.3 %*	*56.6 %*	*45.8 %*	*33.1 %*	*27.7 %*	*38.7 %*	*52.3 %*	*44.8 %*
Gross Bookings[2]									
Merchant	$ 19.9	$ 21.1	$ 22.3	$ 18.4	$ 25.8	$ 25.8	$ 28.4	$ 24.2	$ 31.2
Year/Year Growth	*81.0 %*	*39.9 %*	*53.5 %*	*38.7 %*	*29.3 %*	*22.3 %*	*27.3 %*	*31.7 %*	*21.0 %*
Agency	$ 19.5	$ 18.6	$ 17.5	$ 13.3	$ 17.8	$ 15.6	$ 15.1	$ 12.9	$ 15.5
Year/Year Growth (Decline)	*19.7 %*	*(4.5)%*	*(0.4)%*	*(5.3)%*	*(8.9)%*	*(16.0)%*	*(14.0)%*	*(2.7)%*	*(12.8)%*
Total Gross Bookings	$ 39.4	$ 39.7	$ 39.8	$ 31.7	$ 43.5	$ 41.4	$ 43.4	$ 37.2	$ 46.7
Year/Year Growth	*44.5 %*	*14.9 %*	*24.0 %*	*16.1 %*	*10.4 %*	*4.4 %*	*9.1 %*	*17.3 %*	*7.2 %*
Constant currency Basis	*51 %*	*15 %*	*20 %*	*13 %*	*10 %*	*6 %*	*9 %*	*18 %*	*10 %*
Total Revenues	$ 3.8	$ 5.5	$ 7.3	$ 4.8	$ 4.4	$ 5.9	$ 8.0	$ 5.5	$ 4.8
Year/Year Growth	*40.2 %*	*27.2 %*	*21.3 %*	*18.1 %*	*16.9 %*	*7.3 %*	*8.9 %*	*14.4 %*	*7.9 %*
Constant currency Basis	*46 %*	*27 %*	*16 %*	*15 %*	*17 %*	*9 %*	*9 %*	*15 %*	*10 %*

[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.