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Online Travel Q3'26 Preview: Analyzing the Industry Debates & Estimates

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As we head into Q3'26 Online Travel earnings, we frame key industry debates, refresh our operating estimates for industry data and channel checks, and update our 12-month price targets for names under coverage. In total, our industry work points to a broadly stable to strong end demand environment (most pronounced in the US travel market in the September quarter). Looking forward, we expect investor attention to be centered around a few key topics: 1) whether forward commentary reflects a continuation of industry trends and/or more conservatism around sustained elevated unit pricing in the travel industry; 2) how the framing of opportunities vs. challenges around the rise of agentic landscape might be characterized by company management teams; & 3) any early read on balance of growth investments with forward operating margin trajectory into 2027.

Building on our broader agentic commerce work (link) and on the back of our Communacopia + Technology conference in September (link), we examine how the emergence of action-based consumer agents could further reshape travel discovery, distribution and booking. A few key themes emerged from our work, which we summarize below: 1) We expect trip discovery and planning to scale before agentic led booking; 2) We see the key investor debate as remaining around whether consumer agents replace OTAs in the online travel funnel or become a new interface into existing travel infrastructure; 3) We'd characterize the largest potential risk as disintermediation of the interface rather than the underlying booking infrastructure; & 4) Trust, loyalty, and servicing will likely remain important aspects of the booking experience.

We also recently attended the 2026 Skift Global Forum in New York City. Our key takeaways from the conference include: 1) AI/Agents - the debate has shifted from whether AI will impact travel toward how AI changes discovery, distribution and the consumer interface; 2) Platform Expansion - companies are increasingly expanding beyond their historical core categories, suggesting competition could broaden out as platforms aim to capture more of the travel journey; 3) B2B - we see B2B as a continued area of investment as scaled online travel platforms look to distribute their supply and technology across a wider set of partners; & 4) Trust & Loyalty - as AI changes how consumers discover and interact with travel products, companies continue to reinforce the importance of brand trust, direct relationships, and unique inventory/community and servicing capabilities as sources of differentiation.

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Our third party data & industry checks point to a mixed but generally resilient travel demand environment in Q3. Short-term rental demand softened in both the US and Europe in August and foreign arrivals into the US remained pressured, while global airline capacity remained above pre-COVID levels. Across digital channels, mobile app engagement remained healthy (led by Booking.com and Priceline in the US), while generative AI continues to grow rapidly as a source of traffic, albeit from a small base.

Exhibit 1: Summary of Ratings & 12-Month Price Targets

Ticker	Company	Rating	12-Month PT		Current	% U/D
			New	*Old*		
BKNG	Booking Holdings	Neutral	$180	$225	$158	*14%*
EXPE	Expedia Group	Buy	$310	$370	$260	*19%*
ABNB	Airbnb	Neutral	$165	$165	$160	*3%*
TRIP	Tripadvisor	Buy	$11	$14	$9	*29%*
YOU	Clear Secure	Buy	$66	$75	$42	*59%*

Pricing as of 10/6/26 close

Source: FactSet, Goldman Sachs Global Investment Research

Framing the Impact of Consumer Agents Across the Online Travel Landscape

Building on our broader agentic commerce work (link) and on the back of our Communacopia + Technology conference in September (link), we examine how the emergence of action-based consumer agents could further reshape travel discovery, distribution and booking. We summarize a few key themes from our work below:

- **We expect trip discovery and planning to scale before agentic led booking.** Similar to the adoption of agentic shopping experiences, we view the shift toward agentic led trip booking as a long-duration transition across multiple stages (starting from trip inspiration/research, which is the most prominent use case today). Beyond trip inspiration, research and itinerary construction, we believe the shift toward transaction-ready recommendations, consumer-approved booking and, ultimately, agentic led execution and servicing is more likely to play out over a longer time horizon.
- **We see the key investor debate as remaining around whether consumer agents replace OTAs in the online travel funnel or become a new interface into existing travel infrastructure.** With respect to this debate, our view continues to be that supply aggregation remains an underappreciated factor - while horizontal agents could increasingly capture the initial expression of travel intent, we believe access to live inventory, booking capabilities, payments and post-booking support will likely continue to play a role in the travel funnel.
- **We'd characterize the largest potential risk as disintermediation of the interface rather than the underlying booking infrastructure.** While consumer agents may ultimately direct traffic away from traditional search interfaces and OTA platforms, we feel it is less likely for agentic platforms to entirely replicate complex functionality around supply aggregation, supplier connectivity, transaction processing and servicing.
- **Trust, loyalty, and servicing will likely remain important aspects of the booking experience.** As new AI-powered experiences continue to scale, we believe brand

loyalty & established customer relationships will increasingly help differentiate incumbent travel platforms from emerging AI competitors.

Against this backdrop, we examine how consumer agents are being used across the travel journey today and how we expect their role to evolve as action-based capabilities mature.

How are consumer agents used in travel planning today?

We view travel as a particularly relevant testing ground for the consumer-agent opportunity given the fragmented nature of the planning and booking journey, the number of independent decisions involved and the potential value of applying relevant consumer context across the trip. Travelers often move across multiple platforms to research destinations, compare flights and accommodations, read reviews, select activities and arrange transportation - a consumer agent may combine these searches into one conversational workflow, using preferences and behavior to create a more comprehensive itinerary. As we have published in prior reports (link), several companies in our coverage have reported an increase in usage of agentic commerce tools in the trip planning, research & discovery stage, while there remains less evidence of actual bookings made within these tools. However, utilization continues to increase — for example, according to Phocuswright (link), over half (~56%) of US leisure travelers used AI for travel in 1H26, up from ~33% a year ago.

How could agentic tools in travel evolve over time?

While the adoption of agentic tools is primarily concentrated in trip discovery, destination inspiration, and research today, the recent launch of several action-based consumer agents in the last few weeks (including Instinct and META's Muse AI), creates an opportunity for travel agents and AI tools to evolve toward end-to-end booking and execution capabilities. Our broader agentic commerce work distinguishes between upper-funnel discovery, where consumer adoption is more pronounced, and lower-funnel purchase and payment, where adoption and enabling infrastructure remain in the early innings (and where we see less disruption risk in an agentic world than currently feared). While we agree that the launch of personal agents represents a potential conversation-to-action shift in consumer behavior, we expect this transition to play out gradually across multiple stages. In-trip and post-booking servicing represent the most complex use case and, in our view, the portion of the travel journey that is most difficult to disintermediate over the long term.

With respect to consumer travel agents, we also expect to see the continued scaling of specialized agents (rather than one all-encompassing conversational interface). We believe specialized agents can scale more quickly given that they operate against narrower consumer needs, rely on more defined data sets and can be integrated into existing booking journeys without requiring consumers to delegate the entire trip. For example, EXPE has shifted toward more targeted tools, including a servicing agent, Property Expert, AI Compare and an activity planner, which management believes could become more integrated over time. BKNG is pursuing multiple approaches across its brands, with Priceline and Agoda developing tools that move from trip planning toward booking, while Booking.com has taken a more measured approach from the transaction layer upward.

Where do we see the greatest potential for disruption?
As we have detailed in prior research (link), we continue to believe that the complexity and value of supply aggregation remains underappreciated. Scaled travel platforms bring decades of supplier relationships, real-time inventory rates and availability, booking technology, payments, fraud prevention, and servicing capabilities that are difficult to recreate through a consumer-facing AI interface alone. We therefore see the initial risk as more pronounced at the consumer interface and demand acquisition layers than at the underlying supply and transaction layers. In addition, across fireside chats hosted at our 2026 Communacopia + Technology conference (link | link | link), company management teams reiterated the importance of building brand loyalty and establishing consumer trust within new AI-powered experiences, which we believe will increasingly help differentiate incumbent travel platforms from emerging AI competitors.

We believe the longer-term debate will increasingly shift from who facilitates the transaction to who controls consumer intent. Even if incumbent travel platforms continue to provide the underlying supply and booking infrastructure, the emergence of consumer agents could shift value toward the interface through which consumers initiate and refine travel searches. As a result, we continue to see greater potential disruption at the consumer interface and demand acquisition layers than within the underlying transaction infrastructure.

Key Takeaways from 2026 Skift Global Forum

We recently attended the 2026 Skift Global Forum in New York City. Key takeaways from the conference include: **1) AI/Agents –** the debate has shifted from whether AI will impact travel toward how AI changes discovery, distribution and the consumer interface; **2) Platform Expansion –** companies are increasingly expanding beyond their historical core categories, suggesting competition could broaden out as platforms aim to capture more of the travel journey; **3) B2B –** we see B2B as a continued area of investment as scaled online travel platforms look to distribute their supply and technology across a wider set of partners; & **4) Trust & Loyalty –** as AI changes how consumers discover and interact with travel products, companies continue to reinforce the importance of brand trust, direct relationships, and unique inventory/community and servicing capabilities as sources of differentiation.

- **AI/Agents –** Relative to prior travel conferences, the discussion around AI was increasingly focused around deployment and distribution rather than experimentation. Travel companies are developing their own AI-powered discovery, planning and servicing capabilities while also looking to participate across emerging AI/agentic interfaces. For example, ABNB plans to roll out an AI search product, while EXPE highlighted their participation across emerging AI platforms (including their announced partnership with META's Muse) and increasing focus on AEO. A key debate was around where the customer relationship ultimately resides as AI interfaces become a larger part of discovery, with travel platforms aiming to remain present wherever consumers search, and continuing to invest in direct relationships, personalization and product development. Over time, we see the debate evolving from whether AI will disrupt the travel funnel toward which players control the customer, transaction and economics as newer interfaces emerge.

- While AI investment is accelerating, many speakers highlighted that unlike more transactional areas of commerce, discovery and planning are important parts of the travel experience, with ~80% of travelers wanting to spend significant time discovering/planning. As a result, we feel the near term opportunity may be more around leveraging AI to improve the existing travel funnel including reducing friction, improving personalization and helping consumers navigate a wide range of choices. In the near term, we expect to see more hybrid experiences in which AI increasingly assists the traveler while the consumer retains control over inspiration and final purchase decisions.

- **Platform Expansion –** Another consistent theme was the continued effort by travel companies to expand beyond their historical core offerings and capture a larger portion of the travel journey (across accommodations, experiences, hotels, ground transportation and other travel verticals). Following their launch of Experiences & Services, ABNB is scaling independent/boutique hotel listings on the platform, and UBER has partnered with EXPE to roll out hotels and vacation rentals as extensions of its existing relationship with travelers. We continue to see OTAs, accommodations platforms and other scaled consumer platforms increasingly competing across overlapping portions of the travel funnel, increasing the importance of cross-sell, loyalty and the ability to leverage an existing customer base into adjacent categories.
- **B2B –** B2B remains an opportunity for scaled travel companies to further distribute inventory and technology beyond their owned consumer platforms. We expect continued debates around how incremental B2B demand is relative to traditional OTA demand, relative market share dynamics across platforms, and longer term addressable market opportunity as the channel continues to broaden in both scale and product scope.
- **Trust & Loyalty –** Across both suppliers and intermediaries, speakers emphasized loyalty, servicing, community and the importance of building trusted relationships with travelers. As underlying AI capabilities become more widely available, we believe proprietary supply, consumer trust, loyalty/direct relationships, personalization and fulfillment will become increasingly important differentiators.

Key Industry Debates & Trends Heading Into Q3 Earnings

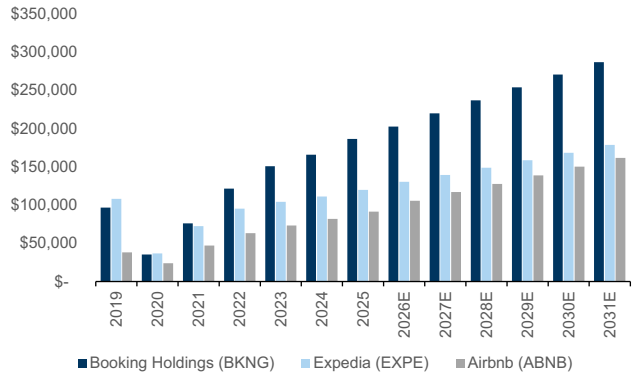
As we head into Q3'26 earnings season, we see a few key themes that are likely to remain the focus of debates going into and out of the upcoming season:

- **1)** How the online travel funnel evolves in a world where there is a potential shift in traffic to more generative AI/agentic focused interfaces;
- **2)** Normalized growth algorithm for online travel (with most investors continuing to land somewhere between ~MSD-HSD% YoY growth) and how any macro volatility may translate into changed operating trends;
- **3)** Market share dynamics across geographies & segments (hotel vs. alternative accommodation, etc.);
- **4)** In a decelerating growth environment, what level of marketing intensity is

required (vs. various initiatives to drive more direct traffic/demand);

- **5)** Levels of non-marketing investments that will drive leverage/deleverage as companies lap/lean into longer dated return investments (incl. geo & product expansion to extend platform utility); &
- **6)** The magnitude of future shareholder returns and the extent to which continued capital allocation activity could potentially result in GAAP EPS estimate revisions.

Exhibit 2: GSe Online Travel Gross Bookings Estimates
$mm, '19-'31E



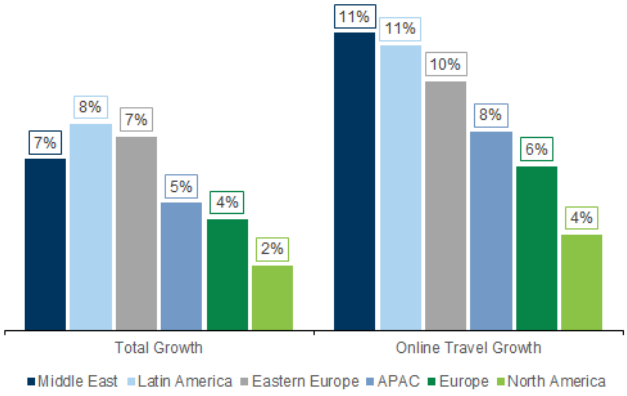
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 3: Global Travel TAM
$bn, '19-'31E



Source: Phocuswright, Goldman Sachs Global Investment Research

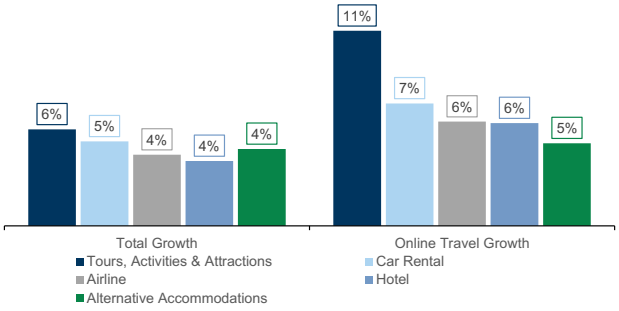
Exhibit 4: Travel Industry Growth by Region
'25-'31E CAGR



Growth in USD; Total includes managed corporate travel

Source: Phocuswright, Goldman Sachs Global Investment Research

Exhibit 5: Travel Industry Growth by Segment
'25-'31E CAGR



Growth in USD; Total includes managed corporate travel

Source: Phocuswright, Goldman Sachs Global Investment Research

2026 Investor Debates Center Around Demand Environment & Platform Evolution Against an Emerging Landscape

The Online Travel sector (**BKNG**, **ABNB**, **EXPE**, **YOU**, **TRIP**) demonstrated resilient travel demand in Q2 despite an uncertain macroeconomic backdrop. Key themes during Q2 earnings included: 1) travel demand environment remained resilient des geopolitical conflicts, with booking trends improving through June and generally characterizing summer demand as healthy; 2) increasing inves agentic capabilities across discovery, planning, and improving operatio with management teams highlighting progress in creating end-to-end t experiences, while noting that AI-driven direct bookings still represent

overall booking volumes; 3) continued birfurcation of the consumer, with premium travel remaining healthy while lower income consumers continued to be selective around trip timing, booking windows, and spend levels; & 4) continued platform expansion in experiences and attractions through new products, services and partnerships, as companies seek to broaden their addressable markets and increase wallet share.

On their 2Q26 earnings calls, the online travel companies in our coverage universe gave the following updates on travel trends:

- **Booking Holdings (BKNG) –** Q2 gross bookings and room nights exceeded guidance, reflecting consumer resilience despite an uncertain travel environment, driven primarily by domestic travel (domestic room nights +HSD% YoY). At a regional level, room night performance in the quarter showed US +HSD% YoY, Asia +MSD% YoY, Europe +MSD% YoY & RoW (including Middle East) +MSD% YoY. BKNG continues to see traction in Connected Trip (with transactions +LDD% YoY & representing LDD% of Booking.com total transactions), alongside progress in AI-led operational efficiencies and customer service initiatives (with cost per booking decreasing DD% YoY while maintaining high level of customer satisfaction). Mgmt also highlighted growth in attraction tickets (+DD% YoY) and flight tickets (+4% YoY), despite pressure from the Middle East conflict, reduced capacity on certain international routes, and higher flight ticket prices.
- **Expedia Group (EXPE) –** Total booked nights increased (+6% YoY), with mgmt. highlighting healthier consumer spending, particularly in the US, relative to Q1. Consumers continued prioritizing longer lengths of stay and booking windows despite higher air tickets and hotel prices, while Europe bookings remained pressured by macro headwinds. By region, US room nights were up +MSD% YoY, EMEA room nights +LSD% YoY, and RoW +LDD% YoY. The B2B business delivered strong performance, with +21% YoY gross bookings growth, while the consumer business saw +8% bookings growth alongside ongoing progress in AI-driven personalization and trip-planning tools aimed at improving customer experience. Brand Expedia remained the fastest growing consumer brand in Q2, driven by record attach rates and expanded flight coverage.
- **Airbnb (ABNB) –** Q2 gross bookings was driven by resilient travel demand and a smaller-than-expected impact from the ongoing Middle East conflict. Mgmt highlighted accelerating growth across both expansion and core markets, with nights booked growing 2x faster in expansion markets, while growth also continued to accelerate across key core markets, including the US, France, UK and Australia. More specifically, nights and seats booked grew +HSD% YoY in North America and Europe, Latin America +20% YoY, & APAC +high-teens % YoY. First-time bookers accelerated in Q2 (+11% YoY), with Gen Z identified as the fastest-growing demographic, while the company's ongoing "AI-native" transformation continued to drive efficiencies through lower customer support costs per booking (down (16)% YoY) and improved product development.
- **Tripadvisor (TRIP) –** Q2 demand continued to soften across both US and European travel corridors, pressuring average booking values driven by a higher mix of lower-priced experiences, adverse weather in the US, and increased cancellation

alongside weaker bookings growth in Europe. The Experiences segment remained the primary growth engine (bookings +5% YoY), however, ongoing macro impacts pressured growth in the quarter. Within the Hotels & Others segment (which declined (21)% YoY), management noted that the category remains profitable but challenged by structural changes in the SEO channel.

- **Clear Secure (YOU) –** In Q2, total CLEAR members grew +30% YoY to 43.5m, while Active CLEAR+ members grew +15% YoY to 8.3m, alongside a 4% average annualized increase in standard membership pricing. Technology deployment remained a key focus, with eGates expanding to 50 airports, and Clear Concierge growing to 39 airports, both enhancing the premium member experience and contributing to record NPS scores. B2B momentum continued to build, with CLEAR1 new partner signings increasing 50% sequentially from Q1 to Q2 in new partner signings, driven by expansion within the existing customer base, the rollout of a new tiered identity framework, and higher average deal sizes.

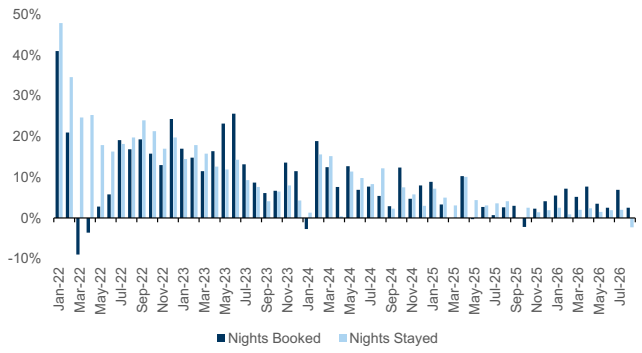
Q3 Online Travel Industry Data

We leverage insights from a number of third party data & industry sources to provide a health check on the state of the online travel consumer across lodging, flights, and overall user growth/traffic.

Lodging

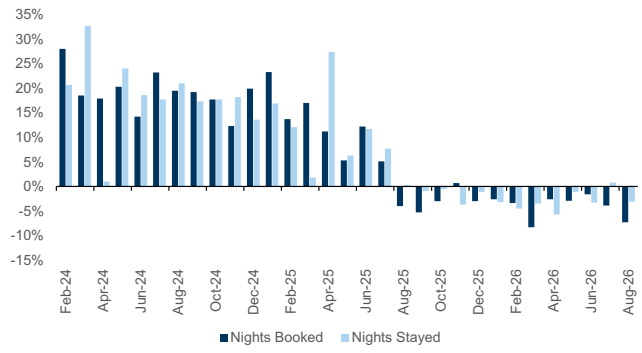
As it relates to alternative accommodations, AirDNA data would suggest US short-term rentals decelerated in Q3 (QTD), with total demand (nights stayed) down (2.3%) YoY in Aug (Jul. +2.0%). This included revenue per available listing (RevPAR) (0.6)% YoY (Jul. +7.2%), with ADR growth of +2.7% YoY (Jul. +6.9%) and stable occupancy (57.8%, down 330bps YoY; Jul. up 30bps). Further, nights booked for future stays were +2.5% YoY (Jul. +6.9%). In Europe, total demand increased to 66.4m, down (3.1)% YoY in Aug (Jul. +0.8%). This included ADRs +7.5% YoY (Jul. +8.2%) & rising occupancy 70.4%, down 300bps YoY (Jul. down 50bps). Total nights booked for future stays were down (7.3)% YoY (Apr. (3.9)%). On the supply side, AirDNA data indicates available listings in the US were +2% YoY in Aug (Jul. +2.6%) and +1.5% YoY in Europe (Jul. +1.9%).

Exhibit 6: US Short-Term Rental Industry Nights Booked & Stayed
% YoY Growth



Source: AirDNA, Data compiled by Goldman Sachs Global Investment Research

Exhibit 7: European Short-Term Rental Industry Nights Booked & Stayed
% YoY Growth



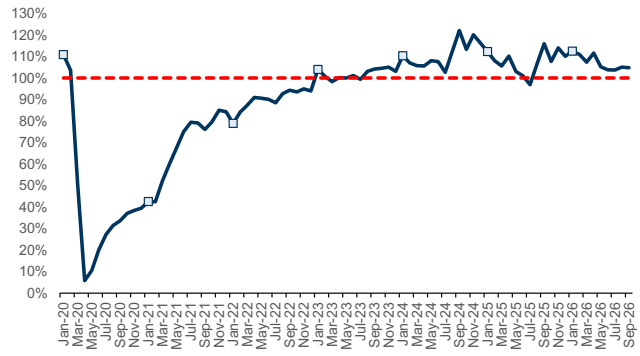
Source: AirDNA, Data compiled by Goldman Sachs Global Investment Research

Flights

On the flights side, we'd highlight the following key trends in Q3:

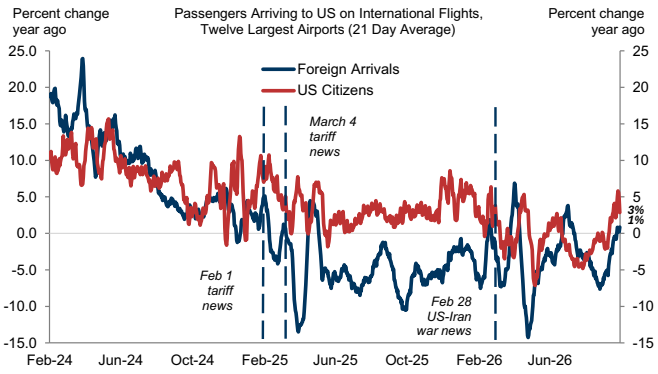
- **TSA Checkpoint Passenger Volumes Remain Above Pre-COVID Levels.** US Transportation Security Administration (TSA) data shows checkpoint travel throughput was (1)% YoY in Q3'26 (vs. +2% YoY in Q2), with Jul. +7% YoY, Aug. (2)% YoY & Sept. (10)% YoY.
- **Foreign Arrivals Continue to Decline.** According to US Customs and Border Protection, foreign arrivals into the US have remained under pressure in Q3, falling (5)% YoY, though trends improved modestly towards the end of the quarter.
- **Global Airline Seat Capacity Exceeded Pre-COVID Levels.** According to OAG, global airline seat capacity (which we use as a proxy / slightly leading indicator of flight demand) reached ~107% of 2019 levels in Q3 across all flights (vs. ~104% in Q2 & ~108% in Q1). Domestic flight capacity has reached ~106% of 2019 levels in Q3 (vs. ~104% in Q2 and ~106% in Q1), compared to ~109% for international flights (vs. ~104% in Q2 & ~110% in Q1).
- **US Airline Seat Capacity Continues to Lead Other Regions.** The US continues to lead other global regions (with respect to post-COVID recovery) - OAG data indicates that US airline seat capacity was at ~106% of 2019 levels in Q3 on an aggregate basis (vs. ~109% in Q2 & ~108% in Q1), including ~106% for domestic flights (vs. ~109% in Q2 & ~108% in Q1) and ~106% for international flights (vs. ~108% in Q2 & ~109% in Q1).

Exhibit 8: TSA Checkpoint Passenger Volumes
% of 2019 Levels



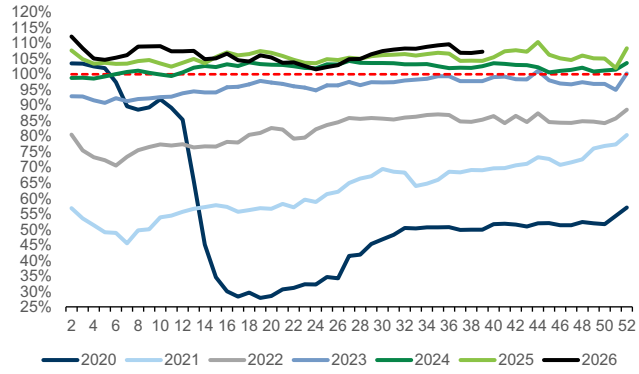
Source: Transportation Security Administration (TSA), Data compiled by Goldman Sachs Global Investment Research

Exhibit 9: Foreign Arrivals & US Citizens Entering the US
Passengers Arriving to the US on International Flights (12 Largest Airports), 21-day Average, % YoY Growth



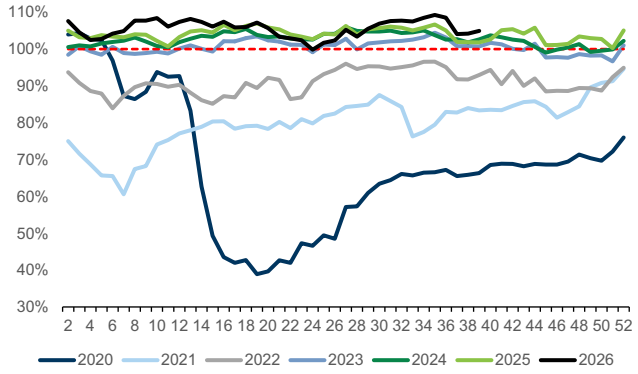
Source: US Customs and Border Protection, Data compiled by Goldman Sachs Global Investment Research

Exhibit 10: Global Weekly Airline Seat Capacity - All Flights
% of 2019 Levels



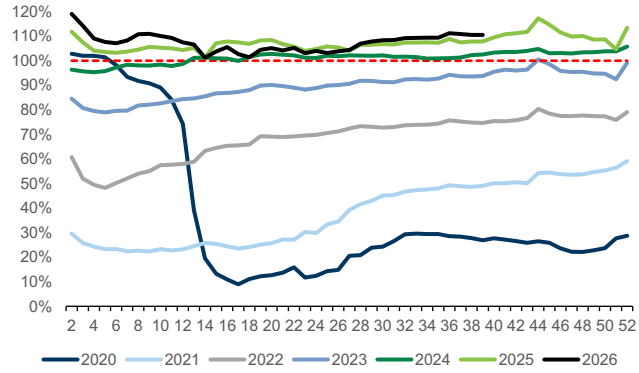
Source: OAG, Data compiled by Goldman Sachs Global Investment Research

Exhibit 11: Global Weekly Airline Seat Capacity - Domestic Flights
% of 2019 Levels



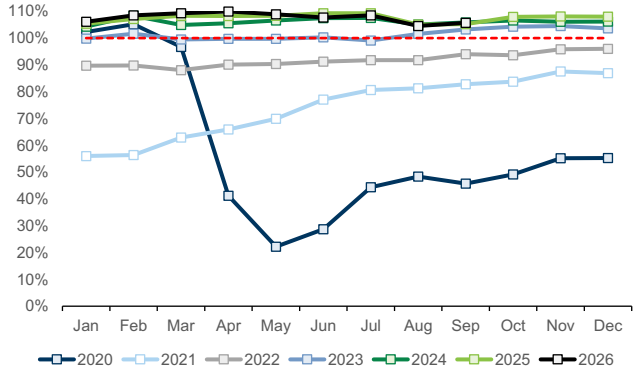
Source: OAG, Data compiled by Goldman Sachs Global Investment Research

Exhibit 12: Global Weekly Airline Seat Capacity - International Flights
% of 2019 Levels



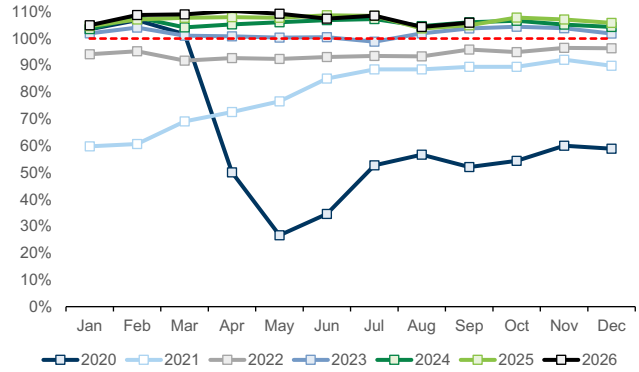
Source: OAG, Data compiled by Goldman Sachs Global Investment Research

Exhibit 13: US Monthly Airline Seat Capacity - All Flights
% of 2019 Levels



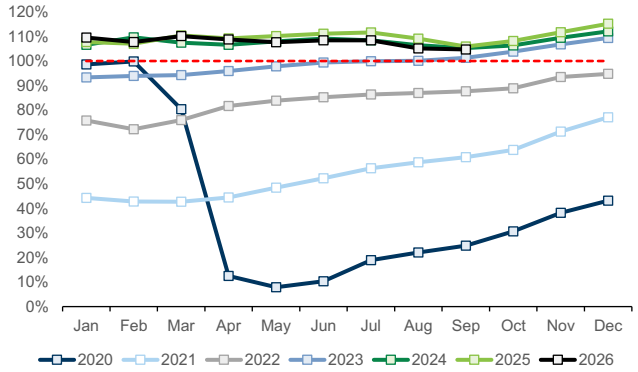
Source: OAG, Data compiled by Goldman Sachs Global Investment Research

Exhibit 14: US Monthly Airline Seat Capacity - Domestic Flights
% of 2019 Levels



Source: OAG, Data compiled by Goldman Sachs Global Investment Research

Exhibit 15: US Monthly Airline Seat Capacity - International Flights
% of 2019 Levels



Source: OAG, Data compiled by Goldman Sachs Global Investment Research

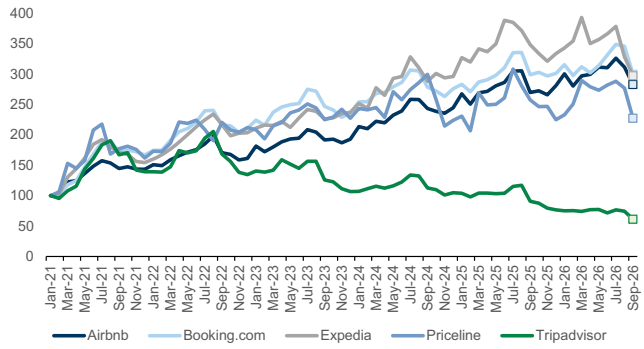
SensorTower Mobile App & Similarweb Web Traffic Trends

We leverage SensorTower to highlight monthly average users across both iOS and

Android. We believe that these data points are useful for flagging inflection points and drawing directional conclusions based around rate of change.

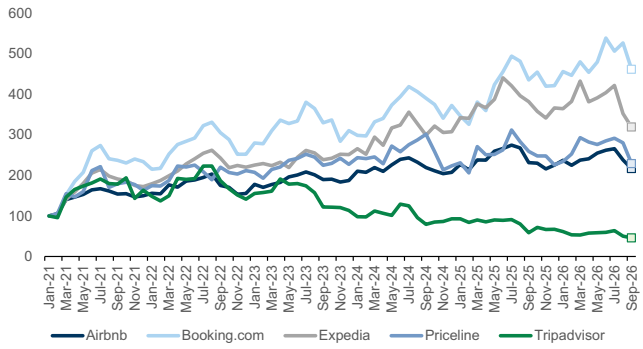
- The OTA platforms that have seen the largest monthly average user growth over the past ~5 years are **Expedia**, **Booking.com**, and **Airbnb** globally, & **Booking.com**, **Expedia**, and **Priceline** in the US, according to SensorTower.
- In Q3, specifically, **Airbnb** (+5% YoY) & **Booking.com** (+3% YoY) saw the strongest global MAU growth amongst the comp set.
- In the US, **Booking.com** (+19% YoY) & **Priceline** (+10% YoY) saw the most significant MAU growth in the quarter.

Exhibit 16: Global Monthly Average Users
Indexed to January 2021 = 100



Source: SensorTower, Data compiled by Goldman Sachs Global Investment Research

Exhibit 17: US Monthly Average Users
Indexed to January 2021 = 100

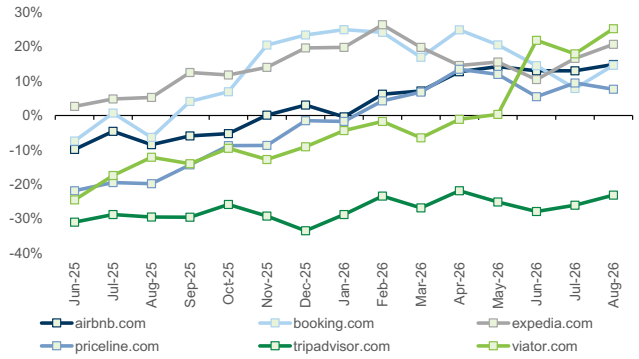


Source: SensorTower, Data compiled by Goldman Sachs Global Investment Research

In addition to mobile app MAU insights from SensorTower, we leverage Similarweb data to track website traffic trends in the US.

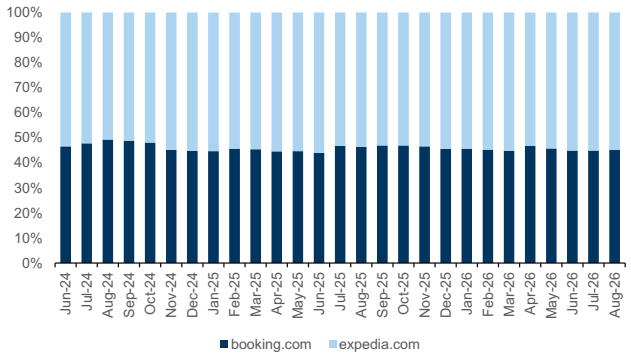
- **In Q3, Total Online Travel Website Traffic in the US Improved YoY**. Viator.com (+22% YoY) saw the highest YoY growth, with Tripadvisor ((25)% YoY) seeing continued traffic decreases.
- **Booking.com Took Share of Traffic From Expedia in the US**. In Q3 QTD, Booking.com's share of site visits (relative to Expedia) decreased by (1)% sequentially & (3)% YoY.
- **Airbnb Receives a Significant Portion of Total Website Traffic Direct.** However, the majority of Tripadvisor site visits are from organic search & social, Booking.com visits are primarily from affiliates, and Viator & Expedia primarily rely on paid search & social as their main source of website traffic.
- **Generative AI Sources Provide a Growing Source of Website Traffic for Online Travel Platforms.** While Gen AI traffic remains a small % of total site visits, growth has accelerated significantly — in Q3 QTD, total Gen AI traffic increased ~230% YoY for Airbnb, ~150% YoY for Booking.com, and ~63% YoY for Expedia.

Exhibit 18: US Total Website Visits
Desktop & Mobile, % YoY Growth



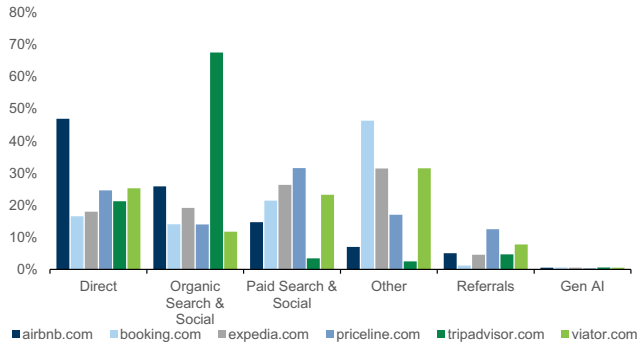
Source: Similarweb, Data compiled by Goldman Sachs Global Investment Research

Exhibit 19: US Share of Visits (BKNG vs. EXPE)
Desktop & Mobile, %



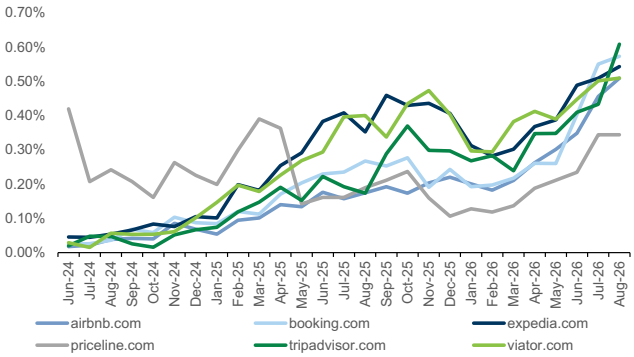
Source: Similarweb, Data compiled by Goldman Sachs Global Investment Research

Exhibit 20: US Online Travel Traffic Sources
% of Total Website Visits, August 2026



Source: Similarweb, Data compiled by Goldman Sachs Global Investment Research

Exhibit 21: US Generative AI Traffic
% of Total Website Visits



Source: Similarweb, Data compiled by Goldman Sachs Global Investment Research

Company Valuations & Key Risks

Below we detail our updated estimates (including vs. consensus) and our valuation/PT methodologies for each online travel company under our coverage. Please see each company's valuation section for additional details.

Exhibit 22: Summary of Estimates & 12-Month Price Target Changes

Ticker	Company	Rating	12-Month PT		Current	% U/D	Summary of Estimate Changes
			New	*Old*			
BKNG	Booking Holdings	Neutral	$180	$225	$158	*14%*	We adjust our agency vs. merchant mix assumptions and slightly raise long term EBITDA estimates on the back of continued performance marketing/fixed cost efficiency & raised Transformation Program target.
EXPE	Expedia Group	Buy	$310	$370	$260	*19%*	Our forward estimates are adjusted for Q3 stock price and hence largely unchanged.
ABNB	Airbnb	Neutral	$165	$165	$160	*3%*	While we leave our Q3 estimates largely unchanged, we tweak bookings and room night trajectory to better reflect a more normalized growth algorithm in '27 & beyond.
TRIP	Tripadvisor	Buy	$11	$14	$9	*29%*	While we leave our Q3 estimates largely unchanged, we update our Hotels & Other segment forecasts to better reflect ongoing SEO headwinds. We also adjust our EBITDA assumptions on the back of continued macro pressures impacting forward growth.
YOU	Clear Secure	Buy	$66	$75	$42	*59%*	Our forward estimates are adjusted for Q3 stock price and hence largely unchanged.

Pricing as of 10/6/26 close

Source: FactSet, Goldman Sachs Global Investment Research

Exhibit 23: GS Estimate Changes - New vs. Old % Change

	Q3 '26E	Q4 '26E	Q1 '27E	2026E	2027E	2028E
Gross Bookings ($mm)						
Booking Holdings (BKNG)	0%	0%	0%	0%	0%	0%
Expedia (EXPE)	0%	0%	0%	0%	0%	-1%
Airbnb (ABNB)	0%	0%	0%	0%	0%	0%
Clear Secure (YOU)	0%	0%	0%	0%	0%	0%
Room Nights						
Booking Holdings (BKNG)	0%	0%	0%	0%	0%	0%
Expedia (EXPE)	0%	0%	0%	0%	0%	-1%
Airbnb (ABNB)	0%	0%	0%	0%	0%	0%
Revenue						
Booking Holdings (BKNG)	0%	0%	0%	0%	0%	0%
Expedia (EXPE)	0%	0%	0%	0%	0%	-1%
Airbnb (ABNB)	0%	0%	0%	0%	0%	0%
Tripadvisor (TRIP)	0%	0%	-2%	0%	-1%	-2%
Clear Secure (YOU)	0%	0%	0%	0%	0%	0%
Adj. EBITDA						
Booking Holdings (BKNG)	0%	0%	0%	0%	0%	1%
Expedia (EXPE)	0%	0%	0%	0%	0%	-1%
Airbnb (ABNB)	0%	0%	0%	0%	0%	0%
Tripadvisor (TRIP)	0%	0%	-12%	0%	-6%	-7%
Clear Secure (YOU)	0%	0%	0%	0%	0%	0%

Source: Goldman Sachs Global Investment Research

Exhibit 24: GSe Online Travel Estimates
'19-'31E

	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E
Gross Bookings ($mm)													
Booking Holdings (BKNG)	$ 96,443	$ 35,394	$ 76,045	$ 121,252	$ 150,615	$ 165,580	$ 186,128	$ 202,415	$ 219,635	$ 236,719	$ 253,525	$ 270,161	$ 286,542
Expedia (EXPE)	$ 107,873	$ 36,796	$ 72,425	$ 95,049	$ 104,079	$ 110,921	$ 119,590	$ 130,112	$ 139,220	$ 148,617	$ 158,277	$ 168,169	$ 178,259
Airbnb (ABNB)	$ 37,963	$ 23,897	$ 46,877	$ 63,220	$ 73,258	$ 81,780	$ 91,273	$ 105,550	$ 116,734	$ 127,531	$ 138,690	$ 150,132	$ 161,392
Gross Bookings Growth (% YoY)													
Booking Holdings (BKNG)	*4.0%*	*-63.3%*	*114.9%*	*59.4%*	*24.2%*	*9.9%*	*12.4%*	*8.8%*	*8.5%*	*7.8%*	*7.1%*	*6.6%*	*6.1%*
Expedia (EXPE)	*8.2%*	*-65.9%*	*96.8%*	*31.2%*	*9.5%*	*6.6%*	*7.8%*	*8.8%*	*7.0%*	*6.7%*	*6.5%*	*6.3%*	*6.0%*
Airbnb (ABNB)	*28.9%*	*-37.1%*	*96.2%*	*34.9%*	*15.9%*	*11.6%*	*11.6%*	*15.6%*	*10.6%*	*9.3%*	*8.8%*	*8.3%*	*7.5%*
Room Night Growth (% YoY)													
Booking Holdings (BKNG)	*11.1%*	*-57.9%*	*66.2%*	*51.7%*	*17.2%*	*9.1%*	*8.0%*	*5.9%*	*8.4%*	*7.0%*	*6.3%*	*5.7%*	*5.2%*
Expedia (EXPE)	*9.8%*	*-63.0%*	*70.6%*	*26.0%*	*12.5%*	*9.4%*	*8.2%*	*5.1%*	*7.0%*	*6.7%*	*6.5%*	*6.3%*	*6.0%*
Airbnb (ABNB)	*30.5%*	*-40.9%*	*55.6%*	*31.0%*	*13.8%*	*9.7%*	*8.4%*	*10.2%*	*9.5%*	*9.2%*	*8.7%*	*8.3%*	*7.5%*
ADR Growth (% YoY)													
Booking Holdings (BKNG)	*-2.6%*	*-18.5%*	*32.4%*	*3.1%*	*7.0%*	*0.5%*	*0.5%*	*2.7%*	*1.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Expedia (EXPE)	*-0.8%*	*-0.3%*	*27.6%*	*3.0%*	*-1.6%*	*-1.4%*	*1.0%*	*4.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Airbnb (ABNB)	*-1.2%*	*6.5%*	*26.1%*	*3.0%*	*1.8%*	*1.8%*	*2.9%*	*4.9%*	*1.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Revenue ($mm)													
Booking Holdings (BKNG)	$ 15,066	$ 6,796	$ 10,958	$ 17,090	$ 21,365	$ 23,739	$ 26,917	$ 29,197	$ 31,712	$ 34,131	$ 36,520	$ 38,895	$ 41,236
Expedia (EXPE)	$ 12,067	$ 5,199	$ 8,598	$ 11,667	$ 12,839	$ 13,691	$ 14,733	$ 16,176	$ 17,395	$ 18,673	$ 20,005	$ 21,386	$ 22,810
Airbnb (ABNB)	$ 4,805	$ 3,378	$ 5,992	$ 8,399	$ 9,917	$ 11,102	$ 12,241	$ 14,165	$ 15,714	$ 17,168	$ 18,670	$ 20,210	$ 21,726
Tripadvisor (TRIP)	$ 1,561	$ 604	$ 902	$ 1,492	$ 1,788	$ 1,835	$ 1,720	$ 1,549	$ 1,598	$ 1,721	$ 1,873	$ 2,036	$ 2,212
Clear Secure (YOU)	$ 192	$ 231	$ 254	$ 437	$ 614	$ 770	$ 901	$ 1,115	$ 1,269	$ 1,400	$ 1,529	$ 1,653	$ 1,780
Revenue Growth (% YoY)													
Booking Holdings (BKNG)	*3.7%*	*-54.9%*	*61.2%*	*56.0%*	*25.0%*	*11.1%*	*13.4%*	*8.5%*	*8.6%*	*7.6%*	*7.0%*	*6.5%*	*6.0%*
Expedia (EXPE)	*7.5%*	*-56.9%*	*65.4%*	*35.7%*	*10.0%*	*6.6%*	*7.6%*	*9.8%*	*7.5%*	*7.3%*	*7.1%*	*6.9%*	*6.7%*
Airbnb (ABNB)	*31.6%*	*-29.7%*	*77.4%*	*40.2%*	*18.1%*	*11.9%*	*10.3%*	*15.7%*	*10.9%*	*9.3%*	*8.8%*	*8.3%*	*7.5%*
Tripadvisor (TRIP)	*-3.3%*	*-61.3%*	*49.3%*	*65.4%*	*19.8%*	*2.6%*	*-6.3%*	*-9.9%*	*3.1%*	*7.7%*	*8.8%*	*8.7%*	*8.6%*
Clear Secure (YOU)		*20.0%*	*10.0%*	*72.2%*	*40.3%*	*25.6%*	*16.9%*	*23.7%*	*13.8%*	*10.3%*	*9.2%*	*8.1%*	*7.7%*
Adj. EBITDA ($mm)													
Booking Holdings (BKNG)	$ 5,855	$ 879	$ 2,904	$ 5,295	$ 7,110	$ 8,306	$ 9,937	$ 10,779	$ 12,108	$ 13,229	$ 14,357	$ 15,512	$ 16,685
Expedia (EXPE)	$ 2,134	$ (368)	$ 1,477	$ 2,349	$ 2,680	$ 2,934	$ 3,501	$ 4,107	$ 4,527	$ 4,929	$ 5,386	$ 5,901	$ 6,420
Airbnb (ABNB)	$ (253)	$ (251)	$ 1,593	$ 2,903	$ 3,653	$ 4,041	$ 4,297	$ 5,056	$ 5,822	$ 6,519	$ 7,283	$ 8,105	$ 8,935
Tripadvisor (TRIP)	$ 438	$ (52)	$ 100	$ 294	$ 334	$ 342	$ 295	$ 223	$ 266	$ 310	$ 357	$ 411	$ 471
Clear Secure (YOU)	$ (28)	$ 46	$ (51)	$ 30	$ 86	$ 188	$ 262	$ 391	$ 466	$ 528	$ 593	$ 655	$ 723
Adj. EBITDA Margin													
Booking Holdings (BKNG)	*38.9%*	*12.9%*	*26.5%*	*31.0%*	*33.3%*	*35.0%*	*36.9%*	*36.9%*	*38.2%*	*38.8%*	*39.3%*	*39.9%*	*40.5%*
Expedia (EXPE)	*17.7%*	*-7.1%*	*17.2%*	*20.1%*	*20.9%*	*21.4%*	*23.8%*	*25.4%*	*26.0%*	*26.4%*	*26.9%*	*27.6%*	*28.1%*
Airbnb (ABNB)	*-5.3%*	*-7.4%*	*26.6%*	*34.6%*	*36.8%*	*36.4%*	*35.1%*	*35.7%*	*37.0%*	*38.0%*	*39.0%*	*40.1%*	*41.1%*
Tripadvisor (TRIP)	*28.1%*	*-8.6%*	*11.1%*	*19.7%*	*18.7%*	*18.6%*	*17.1%*	*14.4%*	*16.7%*	*18.0%*	*19.1%*	*20.2%*	*21.3%*
Clear Secure (YOU)	*-14.4%*	*19.8%*	*-20.1%*	*6.9%*	*14.0%*	*24.3%*	*29.1%*	*35.1%*	*36.7%*	*37.7%*	*38.8%*	*39.6%*	*40.6%*
Adj. EBITDA Margin (YoY Change in bps)													
Booking Holdings (BKNG)	*3886bps*	*-2593bps*	*1357bps*	*448bps*	*230bps*	*171bps*	*193bps*	*bps*	*126bps*	*58bps*	*56bps*	*57bps*	*58bps*
Expedia (EXPE)	*1768bps*	*-2476bps*	*2426bps*	*296bps*	*74bps*	*56bps*	*233bps*	*163bps*	*63bps*	*38bps*	*53bps*	*67bps*	*55bps*
Airbnb (ABNB)	*-527bps*	*-215bps*	*3401bps*	*797bps*	*227bps*	*-44bps*	*-130bps*	*59bps*	*135bps*	*93bps*	*103bps*	*110bps*	*102bps*
Tripadvisor (TRIP)	*2806bps*	*-3667bps*	*1970bps*	*862bps*	*-103bps*	*-7bps*	*-147bps*	*-272bps*	*225bps*	*133bps*	*106bps*	*111bps*	*111bps*
Clear Secure (YOU)		*3420bps*	*-3990bps*	*2705bps*	*712bps*	*1031bps*	*477bps*	*596bps*	*167bps*	*101bps*	*100bps*	*86bps*	*103bps*

Source: Company data, Goldman Sachs Global Investment Research

Booking Holdings (BKNG) - Maintain Neutral Rating & Lower PT to $180 (from $225)

We adjust our agency vs. merchant mix assumptions and slightly raise long term EBITDA estimates on the back of continued performance marketing/fixed cost efficiency & raised Transformation Program target.

Exhibit 25: BKNG - Summary of Estimate Changes
$mm, except per share data

	Q3 2026			2026			2027			2028		
	Old	New	% Change	Old	New	% Change	Old	New	% Change	Old	New	% Change
Gross Bookings	$ 52,070	$ 52,070	0%	$ 202,415	$ 202,415	0%	$ 219,635	$ 219,635	0%	$ 236,719	$ 236,719	0%
Room Nights	337.5	337.5	0%	1308.3	1308.3	0%	1418.0	1418.0	0%	1517.3	1517.3	0%
Revenue	$ 9,520	$ 9,519	0%	$ 29,197	$ 29,197	0%	$ 31,739	$ 31,712	0%	$ 34,150	$ 34,131	0%
Agency Revenue	$ 2,615	$ 2,580	-1%	$ 7,854	$ 7,777	-1%	$ 8,227	$ 7,801	-5%	$ 8,528	$ 7,734	-9%
Merchant Revenue	$ 6,575	$ 6,608	1%	$ 20,056	$ 20,129	0%	$ 22,155	$ 22,530	2%	$ 24,194	$ 24,922	3%
Other Revenue	$ 330	$ 331	0%	$ 1,287	$ 1,291	0%	$ 1,357	$ 1,382	2%	$ 1,429	$ 1,475	3%
Take Rate %	*18.3%*	*18.3%*	*0 bps*	*14.4%*	*14.4%*	*0 bps*	*14.5%*	*14.4%*	*-1 bps*	*14.4%*	*14.4%*	*-1 bps*
GAAP EBITDA	$ 4,369	$ 4,369	0%	$ 10,776	$ 10,777	0%	$ 12,009	$ 12,038	0%	$ 13,142	$ 13,229	1%
Adj. EBITDA	$ 4,419	$ 4,419	0%	$ 10,778	$ 10,779	0%	$ 12,079	$ 12,108	0%	$ 13,142	$ 13,229	1%
Adj. EBITDA Margin %	*46.4%*	*46.4%*	*0 bps*	*36.9%*	*36.9%*	*0 bps*	*38.1%*	*38.2%*	*12 bps*	*38.5%*	*38.8%*	*28 bps*
GAAP EPS	$ 4.42	$ 4.41	0%	$ 10.58	$ 10.58	0%	$ 12.12	$ 12.09	0%	$ 13.85	$ 13.85	0%
Adj. EPS	$ 4.42	$ 4.42	0%	$ 10.37	$ 10.36	0%	$ 12.47	$ 12.45	0%	$ 14.13	$ 14.13	0%

Source: Goldman Sachs Global Investment Research

Exhibit 26: BKNG - GS Estimates vs. Consensus (FactSet)
$mm, except per share data

	Q3 2026			2026			2027		
	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons
Gross Bookings	$ 52,070	$ 52,723	-1%	$ 202,415	$ 203,415	0%	$ 219,635	$ 222,273	-1%
Room Nights	337.5	340.0	-1%	1308.3	1304.8	0%	1418.0	1396.6	2%
Revenue	$ 9,519	$ 9,538	0%	$ 29,197	$ 29,260	0%	$ 31,712	$ 32,009	-1%
Agency Revenue	$ 2,580	$ 2,490	4%	$ 7,777	$ 7,667	1%	$ 7,801	$ 7,689	1%
Merchant Revenue	$ 6,608	$ 6,735	-2%	$ 20,129	$ 20,312	-1%	$ 22,530	$ 23,002	-2%
Other Revenue	$ 331	$ 327	1%	$ 1,291	$ 1,281	1%	$ 1,382	$ 1,398	-1%
Take Rate %	*18.3%*	*18.1%*	*19 bps*	*14.4%*	*14.4%*	*4 bps*	*14.4%*	*14.4%*	*4 bps*
GAAP EBITDA	$ 4,369	$ 4,576	-5%	$ 10,777	$ 11,171	-4%	$ 12,038	$ 12,509	-4%
Adj. EBITDA	$ 4,419	$ 4,483	-1%	$ 10,779	$ 10,845	-1%	$ 12,108	$ 12,263	-1%
Adj. EBITDA Margin %	*46.4%*	*47.0%*	*-58 bps*	*36.9%*	*37.1%*	*-15 bps*	*38.2%*	*38.3%*	*-13 bps*
GAAP EPS	$ 4.41	$ 4.41	0%	$ 10.58	$ 10.51	1%	$ 12.09	$ 12.11	0%
Adj. EPS	$ 4.42	$ 4.49	-2%	$ 10.36	$ 10.46	-1%	$ 12.45	$ 12.36	1%

Source: FactSet, Goldman Sachs Global Investment Research

Our $180 (from $225), 12-month price target is based on an equal blend of (1) EV/GAAP EBITDA applied to our NTM + 1 year estimates and (2) a modified DCF using an EV/FCF-SBC multiple applied to our NTM + 4 years estimates discounted back 3 years. Specifically:

- 11.0x EV/GAAP EBITDA (from 14.0x) applied to our NTM + 1 year estimates. We lower our absolute multiple to reflect ongoing macroeconomic volatility and geopolitical uncertainty (particularly in the EMEA region) impacting forward growth.
- 13.0x EV/FCF-SBC (from 16.0x) applied to our NTM + 4 years estimates discounted back 3 years at 12%. The discount rate represents CAPM using the blended average of companies within our coverage universe consisting of: (1) 3% risk free rate (based on the normalized 10-year rate); (2) average beta of ~1.3; (3) equity risk premium of 7%. We lower our absolute multiple to reflect ongoing macroeconomic volatility and geopolitical uncertainty (particularly in the EMEA region) impacting forward growth.

Exhibit 27: BKNG Valuation Analysis
$mm, except per share data

Scenario Analysis	Downside	Base	Upside
Valuation	$ 100	$ 180	$ 250
% upside/downside	-37%	14%	59%
Sales (NTM)	$ 27,571	$ 29,969	$ 32,366
Downside/Upside Adjustment	-8%	-	8%
Sales (NTM + 1 year)	$ 29,480	$ 32,755	$ 36,031
Downside/Upside Adjustment	-10%	-	10%
EV / NTM Sales (implied)	2.9x	4.3x	5.4x
Sales CAGR	2.2%	7.7%	13.0%
EV / Sales to Growth (implied)	1.33x	0.55x	0.41x
GAAP EBITDA (NTM)	$ 9,926	$ 10,888	$ 12,202
EBITDA Margin %	36.0%	36.3%	37.7%
GAAP EBITDA (NTM + 1 year)	$ 10,760	$ 12,522	$ 13,944
EBITDA Margin %	36.5%	38.2%	38.7%
EV / NTM GAAP EBITDA	7.0x	11.0x	14.0x
EBITDA CAGR	4.5%	12.7%	18.9%
EV / EBITDA to Growth	1.56x	0.86x	0.74x
Enterprise Value	$ 75,320	$ 137,739	$ 195,214
FCF-SBC (NTM + 4 years)	$ 14,361	$ 15,324	$ 15,957
FCF % of Sales	36.0%	38.4%	40.0%
EV / FCF-SBC	10.0x	13.0x	16.0x
FCF-SBC CAGR	6.3%	8.6%	10.1%
EV / FCF-SBC to Growth	1.59x	1.51x	1.58x
Discount Rate	15%	12%	10%
Discount Period (Years)	3	3	3
Enterprise Value (NTM + 3 years)	$ 143,614	$ 199,210	$ 255,315
Discounted Enterprise Value	$ 94,429	$ 141,794	$ 191,822
Weighting			
EV derived from GAAP EBITDA	50%	50%	50%
EV derived from (FCF-SBC)	50%	50%	50%
Enterprise Value	$ 84,875	$ 139,766	$ 193,518
Capital Structure Adjustments			
Adjusted Net Debt - NTM Ending	$ 11,660	$ 11,660	$ 11,660
Dividend	$ 1,254	$ 1,254	$ 1,254
Shares Outstanding - NTM Ending	729	729	729

Source: Company data, Goldman Sachs Global Investment Research

Key Risks: Upside and Downside risks to our Neutral rating and price target include: a) broader macroeconomic trends and impact on consumer discretionary spend could cause bookings & revenue growth to outperform/underperform our base case estimates; b) market share dynamics in North America and/or Europe could cause bookings & revenue growth to outperform/underperform our base case estimates; c) competitive intensity increasing across the online travel funnel (including from GenAI) could cause pressure on margins as a result of the need to invest more in marketing; d) capturing greater share of travel budgets through executing on the “connected trip” or investments related to this initiative having lower ROI and not yielding better revenue trajectory in coming years could lead bookings, revenue and Adj. EBITDA to outperform/underperform our base case estimates; & e) an accelerated pace of capital returns (or lack of capital returns for an extended period of time) could act as a positive catalyst for the stock in the future (or act as an overhang).

Airbnb (ABNB) - Maintain Neutral Rating & $165 PT

Our forward estimates are adjusted for Q3 stock price and hence largely unchanged.

Exhibit 28: ABNB – Summary of Estimate Changes
$mm, except per share data

	Q3 2026			2026			2027			2028		
	Old	New	% Change	Old	New	% Change	Old	New	% Change	Old	New	% Change
Gross Bookings	$ 26,164	$ 26,164	0%	$ 105,550	$ 105,550	0%	$ 116,734	$ 116,734	0%	$ 127,531	$ 127,531	0%
Nights/Exp. Booked	148.3	148.3	0%	587.5	587.5	0%	643.3	643.3	0%	702.8	702.8	0%
GBV per Night/Exp.	$ 176	$ 176	0%	$ 180	$ 180	0%	$ 181	$ 181	0%	$ 181	$ 181	0%
Revenue	$ 4,721	$ 4,721	0%	$ 14,165	$ 14,165	0%	$ 15,714	$ 15,714	0%	$ 17,168	$ 17,168	0%
Take Rate	*18.0%*	*18.0%*	*0 bps*	*13.4%*	*13.4%*	*0 bps*	*13.5%*	*13.5%*	*0 bps*	*13.5%*	*13.5%*	*0 bps*
GAAP Gross Profit	$ 4,088	$ 4,088	0%	$ 11,764	$ 11,764	0%	$ 13,049	$ 13,049	0%	$ 14,256	$ 14,256	0%
GAAP EBITDA	$ 1,928	$ 1,928	0%	$ 3,305	$ 3,305	0%	$ 3,952	$ 3,952	0%	$ 4,528	$ 4,528	0%
Adj. EBITDA	$ 2,347	$ 2,347	0%	$ 5,056	$ 5,056	0%	$ 5,822	$ 5,822	0%	$ 6,519	$ 6,519	0%
Adj. EBITDA Margin	*49.7%*	*49.7%*	*0 bps*	*35.7%*	*35.7%*	*0 bps*	*37.0%*	*37.0%*	*0 bps*	*38.0%*	*38.0%*	*0 bps*
GAAP EPS	$ 2.89	$ 2.89	0%	$ 5.41	$ 5.41	0%	$ 6.49	$ 6.51	0%	$ 7.52	$ 7.57	1%

Source: Goldman Sachs Global Investment Research

Exhibit 29: ABNB – GS Estimates vs. Consensus (FactSet)
$mm, except per share data

	Q3 2026			2026			2027		
	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons
Gross Bookings	$ 26,164	$ 26,389	-1%	$ 105,550	$ 105,581	0%	$ 116,734	$ 116,757	0%
Nights/Exp. Booked	148.3	148.0	0%	587.5	585.6	0%	643.3	638.2	1%
GBV per Night/Exp.	$ 176	$ 177	0%	$ 180	$ 180	0%	$ 181	$ 182	-1%
Revenue	$ 4,721	$ 4,746	-1%	$ 14,165	$ 14,180	0%	$ 15,714	$ 15,815	-1%
Take Rate	*18.0%*	*18.0%*	*6 bps*	*13.4%*	*13.4%*	*-1 bps*	*13.5%*	*13.5%*	*-8 bps*
GAAP Gross Profit	$ 4,088	$ 4,108	0%	$ 11,764	$ 11,751	0%	$ 13,049	$ 13,082	0%
GAAP EBITDA	$ 1,928	$ 1,888	2%	$ 3,305	$ 3,207	3%	$ 3,952	$ 3,726	6%
Adj. EBITDA	$ 2,347	$ 2,361	-1%	$ 5,056	$ 5,047	0%	$ 5,822	$ 5,790	1%
Adj. EBITDA Margin	*49.7%*	*49.8%*	*-4 bps*	*35.7%*	*35.6%*	*10 bps*	*37.0%*	*36.6%*	*44 bps*
GAAP EPS	$ 2.89	$ 2.85	2%	$ 5.41	$ 5.31	2%	$ 6.51	$ 6.26	4%

Source: FactSet, Goldman Sachs Global Investment Research

Our $165 (unchanged), 12-month price target is based on an equal blend of (1) EV/GAAP EBITDA applied to our NTM + 1 year estimates and (2) a modified DCF using an EV/FCF-SBC multiple applied to our NTM + 4 years estimates discounted back 3 years. Specifically:

- 20.0x EV/GAAP EBITDA (unchanged) applied to our NTM + 1 year estimates, which implies 0.94x EV/GAAP EBITDA-to-growth (unchanged).
- 18.0x EV/FCF-SBC (unchanged) applied to our NTM + 4 years estimates discounted back 3 years at 12%. The discount rate represents CAPM using the blended average of companies within our coverage universe consisting of: (1) 3% risk free rate (based on the normalized 10-year rate); (2) average beta of ~1.3; (3) equity risk premium of 7%.

Exhibit 30: ABNB Valuation Analysis
$mm, except per share data

Scenario Analysis	Downside	Base	Upside
Valuation	$ 110	$ 165	$ 225
% upside/downside	-31%	3%	40%
Sales (NTM)	$ 13,689	$ 14,879	$ 16,070
Downside/Upside Adjustment	-8%	-	8%
Sales (NTM + 1 year)	$ 14,725	$ 16,362	$ 17,998
Downside/Upside Adjustment	-10%	-	10%
EV / NTM Sales (implied)	3.6x	5.3x	6.8x
Sales CAGR	5.8%	11.5%	16.9%
EV / Sales to Growth (implied)	0.63x	0.46x	0.40x
GAAP EBITDA (NTM)	$ 2,806	$ 3,581	$ 3,857
EBITDA Margin %	20.5%	24.1%	24.0%
GAAP EBITDA (NTM + 1 year)	$ 3,166	$ 4,155	$ 4,679
EBITDA Margin %	21.5%	25.4%	26.0%
EV / NTM GAAP EBITDA	15.0x	20.0x	25.0x
EBITDA CAGR	5.9%	21.3%	28.8%
EV / EBITDA to Growth	2.53x	0.94x	0.87x
Enterprise Value	$ 47,490	$ 83,103	$ 116,986
FCF-SBC (NTM + 4 years)	$ 6,474	$ 7,103	$ 7,728
FCF % of Sales	31.0%	34.0%	37.0%
EV / FCF-SBC	14.0x	18.0x	22.0x
FCF-SBC CAGR	10.8%	14.3%	17.5%
EV / FCF-SBC to Growth	1.30x	1.26x	1.26x
Discount Rate	15%	12%	10%
Discount Period (Years)	3	3	3
Enterprise Value (NTM + 3 years)	$ 90,642	$ 127,850	$ 170,006
Discounted Enterprise Value	$ 59,599	$ 91,001	$ 127,728
Weighting			
EV derived from GAAP EBITDA	50%	50%	50%
EV derived from (FCF-SBC)	50%	50%	50%
Enterprise Value	$ 53,544	$ 87,052	$ 122,357
Capital Structure Adjustments			
Net Debt - NTM Ending	$ (12,110)	$ (12,110)	$ (12,110)
Shares Outstanding - NTM Ending	602	602	602

Source: Company data, Goldman Sachs Global Investment Research

Key Risks: Risks to our Neutral rating and price target include: a) faster or slower growth in overall travel demand and accelerating adoption of alternative accommodations as a category within travel from current levels; b) success (or not) in gaining market share in international markets &/or entering new travel adjacency (e.g. Experiences); c) competitive intensity across the online travel funnel; d) expanding categories offered on the platform and seeing strong adoption by both existing and new users; & e) investments in new product & geos being faster or slower to manifest in growth outputs.

Expedia Group (EXPE) – Maintain Buy Rating; Lower PT to $310 (from $370)

While we leave our Q3 estimates largely unchanged, we tweak bookings and room night trajectory to better reflect a more normalized growth algorithm in '27 & beyond.

Exhibit 31: EXPE – Summary of Estimate Changes
$mm, except per share data

	Q3 2026			2026			2027			2028		
	Old	New	% Change	Old	New	% Change	Old	New	% Change	Old	New	% Change
Gross Bookings	$ 32,571	$ 32,571	0%	$ 130,112	$ 130,112	0%	$ 139,870	$ 139,220	0%	$ 150,011	$ 148,617	-1%
Room Nights	112.5	112.5	0%	436.6	436.6	0%	469.4	467.2	0%	503.4	498.7	-1%
Revenue	$ 4,718	$ 4,718	0%	$ 16,176	$ 16,176	0%	$ 17,461	$ 17,395	0%	$ 18,814	$ 18,673	-1%
B2C Revenue	$ 2,953	$ 2,953	0%	$ 9,905	$ 9,905	0%	$ 10,387	$ 10,347	0%	$ 10,956	$ 10,874	-1%
B2B Revenue	$ 1,617	$ 1,617	0%	$ 5,748	$ 5,748	0%	$ 6,526	$ 6,499	0%	$ 7,293	$ 7,234	-1%
Other Revenue	$ 148	$ 148	0%	$ 523	$ 523	0%	$ 549	$ 549	0%	$ 565	$ 565	0%
Take Rate %	*14.5%*	*14.5%*	*0 bps*	*12.4%*	*12.4%*	*0 bps*	*12.5%*	*12.5%*	*1 bps*	*12.5%*	*12.6%*	*2 bps*
GAAP EBITDA	$ 1,433	$ 1,433	0%	$ 3,743	$ 3,743	0%	$ 4,091	$ 4,075	0%	$ 4,484	$ 4,450	-1%
Adj. EBITDA	$ 1,539	$ 1,539	0%	$ 4,107	$ 4,107	0%	$ 4,543	$ 4,527	0%	$ 4,964	$ 4,929	-1%
Adj. EBITDA Margin %	*32.6%*	*32.6%*	*0 bps*	*25.4%*	*25.4%*	*0 bps*	*26.0%*	*26.0%*	*1 bps*	*26.4%*	*26.4%*	*1 bps*
GAAP EPS	$ 7.91	$ 7.90	0%	$ 18.77	$ 18.74	0%	$ 19.30	$ 19.01	-2%	$ 26.29	$ 25.51	-3%
Adj. EPS	$ 8.93	$ 8.92	0%	$ 21.24	$ 21.21	0%	$ 23.63	$ 23.29	-1%	$ 31.16	$ 30.27	-3%

Source: Goldman Sachs Global Investment Research

Exhibit 32: EXPE – GS Estimates vs. Consensus (FactSet)
$mm, except per share data

	Q3 2026			2026			2027		
	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons
Gross Bookings	$ 32,571	$ 32,680	0%	$ 130,112	$ 130,354	0%	$ 139,220	$ 138,594	0%
Room Nights	112.5	111.6	1%	436.6	434.3	1%	467.2	457.8	2%
Revenue	$ 4,718	$ 4,731	0%	$ 16,176	$ 16,216	0%	$ 17,395	$ 17,373	0%
B2C Revenue	$ 2,953	$ 2,991	-1%	$ 9,905	$ 9,967	-1%	$ 10,347	$ 10,265	1%
B2B Revenue	$ 1,617	$ 1,615	0%	$ 5,748	$ 5,733	0%	$ 6,499	$ 6,556	-1%
Other Revenue	$ 148	$ 148	0%	$ 523	$ 517	1%	$ 549	$ 569	-4%
Take Rate %	*14.5%*	*14.5%*	*1 bps*	*12.4%*	*12.4%*	*-1 bps*	*12.5%*	*12.5%*	*-4 bps*
GAAP EBITDA	$ 1,433	$ 1,454	-1%	$ 3,743	$ 3,740	0%	$ 4,075	$ 4,087	0%
Adj. EBITDA	$ 1,539	$ 1,552	-1%	$ 4,107	$ 4,130	-1%	$ 4,527	$ 4,560	-1%
Adj. EBITDA Margin %	*32.6%*	*32.8%*	*-19 bps*	*25.4%*	*25.5%*	*-8 bps*	*26.0%*	*26.2%*	*-22 bps*
GAAP EPS	$ 7.90	$ 8.04	-2%	$ 18.74	$ 18.98	-1%	$ 19.01	$ 21.52	-12%
Adj. EPS	$ 8.92	$ 8.83	1%	$ 21.21	$ 20.93	1%	$ 23.29	$ 24.53	-5%

Source: FactSet, Goldman Sachs Global Investment Research

Our $310 (from $370), 12-month price target is based on an equal blend of (1) EV/GAAP EBITDA applied to our NTM + 1 year estimates and (2) a modified DCF using an EV/FCF-SBC multiple applied to our NTM + 4 years estimates discounted back 3 years. Specifically:

- 11.0x EV/GAAP EBITDA (from 12.0x) applied to our NTM + 1 year estimates. We lower our absolute multiple on the back of ongoing macroeconomic uncertainty and geopolitical volatility impacting forward growth.
- 14.0x EV/FCF-SBC (from 16.0x) applied to our NTM + 4 years estimates discounted back 3 years at 12%. The discount rate represents CAPM using the blended average of companies within our coverage universe consisting of: (1) 3% risk free rate (based on the normalized 10-year rate); (2) average beta of ~1.3; (3) equity risk premium of 7%. We lower our absolute multiple on the back of ongoing macroeconomic uncertainty and geopolitical volatility impacting forward growth.

Exhibit 33: EXPE Valuation Analysis
$mm, except per share data

Scenario Analysis	Downside	Base	Upside
Valuation	$ 145	$ 310	$ 495
% upside/downside	-44%	19%	90%
Sales (NTM)	$ 15,415	$ 16,755	$ 18,095
Downside/Upside Adjustment	-8%	-	8%
Sales (NTM + 1 year)	$ 16,202	$ 18,002	$ 19,802
Downside/Upside Adjustment	-10%	-	10%
EV / NTM Sales (implied)	1.7x	2.6x	3.4x
Sales CAGR	1.6%	7.1%	12.3%
EV / Sales to Growth (implied)	1.04x	0.36x	0.28x
GAAP EBITDA (NTM)	$ 3,237	$ 3,884	$ 4,343
EBITDA Margin %	21.0%	23.2%	24.0%
GAAP EBITDA (NTM + 1 year)	$ 3,564	$ 4,238	$ 4,852
EBITDA Margin %	22.0%	23.5%	24.5%
EV / NTM GAAP EBITDA	7.0x	11.0x	14.0x
EBITDA CAGR	2.3%	11.5%	19.3%
EV / EBITDA to Growth	3.09x	0.95x	0.72x
Enterprise Value	$ 24,951	$ 46,623	$ 67,922
FCF-SBC (NTM + 4 years)	$ 3,971	$ 4,589	$ 5,074
FCF % of Sales	18.0%	20.8%	23.0%
EV / FCF-SBC	11.0x	14.0x	17.5x
FCF-SBC CAGR	7.3%	12.6%	16.5%
EV / FCF-SBC to Growth	1.50x	1.11x	1.06x
Discount Rate	15%	12%	10%
Discount Period (Years)	3	3	3
Enterprise Value (NTM + 3 years)	$ 43,682	$ 64,252	$ 88,799
Discounted Enterprise Value	$ 28,722	$ 45,733	$ 66,716
Weighting			
EV derived from GAAP EBITDA	50%	50%	50%
EV derived from (FCF-SBC)	50%	50%	50%
Enterprise Value	$ 26,836	$ 46,178	$ 67,319
Capital Structure Adjustments			
Adjusted Net Debt - NTM Ending	$ 10,650	$ 10,650	$ 10,650
Dividend - NTM	$ 225	$ 225	$ 225
Shares Outstanding - NTM Ending	115	115	115

Source: Company data, Goldman Sachs Global Investment Research

Key Risks: Risks to our Buy rating and price target include: a) a slower pace of travel demand resulting from potential macroeconomic headwinds and/or consumer discretionary spend shifts between services and goods could result in bookings & revenue growth underperforming our base case estimates; b) loss of North America market share to its peers would likely cause bookings & revenue to underperform our base case estimates and result in the need to incrementally invest in marketing; c) industry competitive intensity pressures revenue take rates and operating margins; & d) disappointing level of shareholder returns in forward years would limit a potential positive catalyst for the stock in the future.

Tripadvisor (TRIP) - Maintain Buy Rating; Lower PT to $11 (from $14)

While we leave our Q3 estimates largely unchanged, we update our Hotels & Other segment forecasts to better reflect ongoing SEO headwinds. We also adjust our EBITDA assumptions on the back of continued macro pressures impacting forward growth.

Exhibit 34: TRIP – Summary of Estimate Changes
$mm, except per share data

	Q3 2026			2026			2027			2028		
	Old	New	% Change	Old	New	% Change	Old	New	% Change	Old	New	% Change
Revenue	$ 447	$ 447	0%	$ 1,549	$ 1,549	0%	$ 1,620	$ 1,598	-1%	$ 1,759	$ 1,721	-2%
Hotels and Other	$ 155	$ 155	0%	$ 604	$ 604	0%	$ 576	$ 554	-4%	$ 564	$ 527	-7%
Experiences	$ 291	$ 291	0%	$ 946	$ 946	0%	$ 1,043	$ 1,043	0%	$ 1,195	$ 1,195	0%
Gross Profit (GAAP)	$ 411	$ 411	0%	$ 1,429	$ 1,429	0%	$ 1,496	$ 1,476	-1%	$ 1,627	$ 1,590	-2%
Gross Margin %	*92%*	*92%*	*0bps*	*92%*	*92%*	*0bps*	*92%*	*92%*	*0bps*	*92%*	*92%*	*-10bps*
Adj. EBITDA	$ 83	$ 83	0%	$ 223	$ 223	0%	$ 284	$ 266	-6%	$ 333	$ 310	-7%
Adj. EBITDA Margin %	*19%*	*19%*	*0bps*	*14%*	*14%*	*0bps*	*18%*	*17%*	*-84bps*	*19%*	*18%*	*-94bps*
Hotels and Other	$ 37	$ 37	0%	$ 146	$ 146	0%	$ 168	$ 139	-17%	$ 173	$ 137	-21%
Experiences	$ 46	$ 46	0%	$ 78	$ 78	0%	$ 116	$ 127	10%	$ 160	$ 173	8%
GAAP EPS	$ 0.19	$ 0.19	0%	$ 0.08	$ 0.08	0%	$ 0.54	$ 0.42	-21%	$ 0.80	$ 0.66	-18%

Source: Goldman Sachs Global Investment Research

Exhibit 35: TRIP – GS Estimates vs. Consensus (FactSet)
$mm, except per share data

	Q3 2026			2026			2027		
	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons
Revenue	$ 447	$ 450	-1%	$ 1,549	$ 1,572	-1%	$ 1,598	$ 1,583	1%
Hotels and Other	$ 155	$ 156	0%	$ 604	$ 609	-1%	$ 554	$ 550	1%
Experiences	$ 291	$ 293	-1%	$ 946	$ 946	0%	$ 1,043	$ 1,047	0%
Gross Profit (GAAP)	$ 411	$ 415	-1%	$ 1,429	$ 1,443	-1%	$ 1,476	$ 1,449	2%
Gross Margin %	*92%*	*92%*	*-22bps*	*92%*	*92%*	*44bps*	*92%*	*92%*	*85bps*
Adj. EBITDA	$ 83	$ 86	-3%	$ 223	$ 221	1%	$ 266	$ 226	18%
Adj. EBITDA Margin %	*19%*	*19%*	*-45bps*	*14%*	*14%*	*33bps*	*17%*	*14%*	*238bps*
Hotels and Other	$ 37	$ 35	6%	$ 146	$ 140	4%	$ 139	$ 119	17%
Experiences	$ 46	$ 46	1%	$ 78	$ 72	9%	$ 127	$ 97	31%
GAAP EPS	$ 0.19	$ 0.27	-30%	$ 0.08	$ 0.18	-54%	$ 0.42	$ 0.31	36%

Source: FactSet, Goldman Sachs Global Investment Research

Our $11, 12-month price target (from $14) is based on an equal blend of: (1) EV/GAAP EBITDA applied to our NTM + 1 year estimates and (2) a modified DCF using an EV/FCF-SBC multiple applied to our NTM + 4 years estimates discounted back 3 years. Specifically:

- 8.0x EV/GAAP EBITDA (unchanged) applied to our NTM + 1 year estimates.
- 12.0x EV/FCF-SBC multiple (from 14.0x) applied to our NTM + 4 years estimates discounted back 3 years at 12%. The discount rate represents CAPM using the blended average of companies within our coverage universe consisting of: (1) 3% risk free rate (based on the normalized 10-year rate); (2) average beta of ~1.3; (3) equity risk premium of 7%. We lower our absolute multiple due to ongoing macroeconomic headwinds impacting forward growth.

Exhibit 36: TRIP Valuation Analysis
$mm, except per share data

Scenario Analysis	Downside	Base	Upside
Valuation	$ 4	$ 11	$ 18
% upside/downside	-53%	29%	111%
Sales (NTM)	$ 1,432	$ 1,557	$ 1,681
Downside/Upside Adjustment	-8%	-	8%
Sales (NTM + 1 year)	$ 1,488	$ 1,654	$ 1,819
Downside/Upside Adjustment	-10%	-	10%
EV / NTM Sales (implied)	0.5x	1.0x	1.3x
Sales CAGR	-4.0%	1.2%	6.2%
EV / Sales to Growth (implied)	-0.14x	0.78x	0.21x
GAAP EBITDA (NTM)	$ 129	$ 166	$ 210
EBITDA Margin %	9.0%	10.7%	12.5%
GAAP EBITDA (NTM + 1 year)	$ 164	$ 197	$ 255
EBITDA Margin %	11.0%	11.9%	14.0%
EV / NTM GAAP EBITDA	5.0x	8.0x	10.0x
EBITDA CAGR	-10.9%	-2.1%	11.1%
EV / EBITDA to Growth	-0.46x	-3.74x	0.90x
Enterprise Value	$ 819	$ 1,580	$ 2,546
FCF-SBC (NTM + 4 years)	$ 148	$ 188	$ 212
FCF % of Sales	7.0%	8.9%	10.0%
EV / FCF-SBC	8.0x	12.0x	14.0x
FCF-SBC CAGR	19.9%	29.8%	35.0%
EV / FCF-SBC to Growth	0.40x	0.40x	0.40x
Discount Rate	15%	12%	10%
Discount Period (Years)	3	3	3
Enterprise Value (NTM + 3 years)	$ 1,186	$ 2,261	$ 2,964
Discounted Enterprise Value	$ 780	$ 1,609	$ 2,227
Weighting			
EV derived from GAAP EBITDA	50%	50%	50%
EV derived from (FCF-SBC)	50%	50%	50%
Enterprise Value	$ 799	$ 1,595	$ 2,387
Capital Structure Adjustments			
Adjusted Net Debt - NTM Ending	$ 321	$ 321	$ 321
Shares Outstanding - NTM Ending	118	118	118

Source: Company data, Goldman Sachs Global Investment Research

Key Risks: Risks to our Buy rating and price target include: a) Competitive Intensity – The company competes with a variety of players in the travel ecosystem. Rising competitive intensity from the likes of Google iterating its travel advertising products & new technology (generative AI as a risk to re-architecting the online travel funnel) could have implications for how travel advertising budgets are spent and where consumers engage, b) Traffic Acquisition Costs – The company relies on performance marketing to acquire traffic. Any fluctuations in the acquisition costs could negatively impact margins, c) Broader Macro & Travel Demand – Risks around a normalization of consumer spend on travel and/or widespread macro headwinds could pose a risk to revenue growth, & d) Online Penetration in Experiences Market – A slower pace of consumer adoption in the online tours, travels and attractions (Experiences) market would likely lead to our estimates for Viator being too optimistic.

Clear Secure (YOU) – Maintain Buy Rating & Lower PT to $66 (from $75)

Our forward estimates are adjusted for Q3 stock price and hence largely unchanged.

Exhibit 37: YOU - Summary of Estimate Changes
$mm, except per share data

	Q3 2026			2026			2027			2028		
	Old	New	% Change	Old	New	% Change	Old	New	% Change	Old	New	% Change
Bookings	$ 315	$ 315	0%	$ 1,237	$ 1,237	0%	$ 1,368	$ 1,368	0%	$ 1,496	$ 1,496	0%
CLEAR Plus Members	8,364	8,364	0%	8,327	8,327	0%	8,770	8,770	0%	9,228	9,228	0%
Net Adds (YoY)	965	965	0%	960	960	0%	443	443	0%	458	458	0%
Revenue	$ 286	$ 286	0%	$ 1,115	$ 1,115	0%	$ 1,269	$ 1,269	0%	$ 1,400	$ 1,400	0%
Gross Profit (GAAP)	$ 192	$ 192	0%	$ 752	$ 752	0%	$ 868	$ 868	0%	$ 966	$ 966	0%
Gross Margin %	*67%*	*67%*	*0 bps*	*67%*	*67%*	*0 bps*	*68%*	*68%*	*0 bps*	*69%*	*69%*	*0 bps*
Adj. EBITDA	$ 103	$ 103	0%	$ 391	$ 391	0%	$ 466	$ 466	0%	$ 528	$ 528	0%
Adj. EBITDA Margin %	*36%*	*36%*	*0 bps*	*35%*	*35%*	*0 bps*	*37%*	*37%*	*0 bps*	*38%*	*38%*	*0 bps*
GAAP EPS	$ 0.50	$ 0.50	0%	$ 1.88	$ 1.89	0%	$ 2.27	$ 2.27	0%	$ 2.63	$ 2.64	0%

Source: Goldman Sachs Global Investment Research

Exhibit 38: YOU - GS Estimates vs. Consensus (FactSet)
$mm, except per share data

	Q3 2026			2026			2027		
	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons	GS Est	Cons Est	% GS vs. Cons
Bookings	$ 315	$ 316	0%	$ 1,237	$ 1,232	0%	$ 1,368	$ 1,350	1%
CLEAR Plus Members	8,364	8,413	-1%	8,327	8,453	-1%	8,770	8,909	-2%
Net Adds (YoY)	965	1,014	-5%	960	1,085	-12%	443	456	-3%
Revenue	$ 286	$ 287	0%	$ 1,115	$ 1,111	0%	$ 1,269	$ 1,271	0%
Gross Profit (GAAP)	$ 192	$ 193	0%	$ 752	$ 792	-5%	$ 868	$ 909	-5%
Gross Margin %	*67.1%*	*67.4%*	*-24 bps*	*67.4%*	*71.2%*	*-378 bps*	*68.4%*	*71.5%*	*-311 bps*
Adj. EBITDA	$ 103	$ 98	5%	$ 391	$ 380	3%	$ 466	$ 454	3%
Adj. EBITDA Margin %	*35.8%*	*34.2%*	*163 bps*	*35.1%*	*34.2%*	*90 bps*	*36.7%*	*35.7%*	*102 bps*
GAAP EPS	$ 0.50	$ 0.50	0%	$ 1.89	$ 1.88	1%	$ 2.27	$ 2.45	-7%

Source: FactSet, Goldman Sachs Global Investment Research

Ou $66, 12-month price target (from $75) is based on an equal blend of: (1) EV/GAAP EBITDA applied to our NTM + 1 year estimates and (2) a modified DCF using an EV/FCF-SBC multiple applied to our NTM + 4 years estimates discounted back 3 years.

Specifically, we use:

- 18.0x EV/GAAP EBITDA (from 20.0x) applied to our NTM + 1 year estimates. We lower our absolute multiple to reflect a more measured approach given the balance between current growth expectations and the longer-term opportunity across airport and newer vertical initiatives.
- 15.0x EV/FCF-SBC (from 18.0x) applied to our NTM + 4 years estimates discounted back 3 years at 12%. The discount rate represents CAPM using the blended average of companies within our coverage universe consisting of: (1) 3% risk free rate (based on the normalized 10-year rate); (2) average beta of ~1.3; (3) equity risk premium of 7%. We lower our absolute multiple to reflect a more measured approach given the balance between current growth expectations and the longer-term opportunity across airport and newer vertical initiatives.

Exhibit 39: YOU Valuation Analysis
$mm, except per share data

Scenario Analysis	Downside	Base	Upside
Valuation	$ 36	$ 66	$ 90
% upside/downside	-13%	59%	117%
Sales (NTM)	$ 1,109	$ 1,205	$ 1,302
Downside/Upside Adjustment	-8%	-	8%
Sales (NTM + 1 year)	$ 1,207	$ 1,342	$ 1,476
Downside/Upside Adjustment	-10%	-	10%
EV / NTM Sales (implied)	3.2x	6.0x	7.7x
Sales CAGR	9.8%	15.8%	21.4%
EV / Sales to Growth (implied)	0.33x	0.38x	0.36x
GAAP EBITDA (NTM)	$ 333	$ 389	$ 443
EBITDA Margin %	30.0%	32.3%	34.0%
GAAP EBITDA (NTM + 1 year)	$ 374	$ 450	$ 509
EBITDA Margin %	31.0%	33.5%	34.5%
EV / NTM GAAP EBITDA	10.0x	18.0x	24.0x
EBITDA CAGR	14.3%	25.4%	33.4%
EV / EBITDA to Growth	0.70x	0.71x	0.72x
Enterprise Value	$ 3,743	$ 8,100	$ 12,219
FCF-SBC (NTM + 4 years)	$ 619	$ 743	$ 774
FCF % of Sales	36.0%	43.2%	45.0%
EV / FCF-SBC	10.0x	15.0x	18.0x
FCF-SBC CAGR	3.8%	10.3%	11.8%
EV / FCF-SBC to Growth	2.61x	1.45x	1.52x
Discount Rate	15%	12%	10%
Discount Period (Years)	3	3	3
Enterprise Value (NTM + 3 years)	$ 6,192	$ 11,142	$ 13,931
Discounted Enterprise Value	$ 4,071	$ 7,931	$ 10,467
Weighting			
EV derived from GAAP EBITDA	50%	50%	50%
EV derived from (FCF-SBC)	50%	50%	50%
Enterprise Value	$ 3,907	$ 8,015	$ 11,343
Capital Structure Adjustments			
Net Debt - NTM Ending	$ (895)	$ (895)	$ (895)
Dividend - NTM	$ 82	$ 82	$ 82
Shares Outstanding - NTM Ending	136	136	136

Source: Company data, Goldman Sachs Global Investment Research

Key Risks: Risks to our Buy rating and price target include: a) CLEAR Plus Members - Lower than expected member acquisition and retention might lead to our topline estimates being optimistic. A worsening customer experience through longer times to get through CLEAR lanes could result in members seeing less value/utility in the subscription product, b) Airport Ramp Efficiency - Lower than expected ramp in cost efficiency at the airport level following new airport launches in the coming years could lead to longer payback periods and impact margins, c) Competition - The potential for competing product offerings in the coming years could impact customer acquisition efficiency and/or absolute level of member adoption, d) Security - Core to the business is trust around personal data. A breach of CLEAR's information technology systems could impact consumer trust of the platform related to their personal data, e) Regulation - CLEAR's ability to meet the standards set by their airport partners & or governmental stakeholders is critical to maintaining designations & access, & f) Macro - A broader macro slowdown causing lower travel demand could negatively impact CLEAR Plus member additions & retention.