

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
Commission File Number: 001-37429

EXPEDIA GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

20-2705720
(I.R.S. Employer Identification No.)

1111 Expedia Group Way W.
Seattle, Washington 98119
(Address of principal executive office, including zip code)
(206) 481-4252
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name exchange on which registered
Common stock, \$0.0001 par value	EXPE	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 24, 2026, the following shares of the registrant’s common stock were outstanding:

Common stock, \$0.0001 par value per share	114,495,891 shares
Class B common stock, \$0.0001 par value per share	5,523,452 shares

Expedia Group, Inc.

Form 10-Q

For the Quarter Ended June 30, 2026

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Part I. Item 1. Consolidated Financial Statements

EXPEDIA GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share and per share data)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Revenue	\$ 4,315	\$ 3,786	\$ 7,741	\$ 6,774
Costs and expenses:				
(1) Cost of revenue (exclusive of depreciation and amortization shown separately below)	403	377	780	734
Selling and marketing - direct	2,119	1,920	3,975	3,677
Selling and marketing - indirect ⁽¹⁾	217	213	419	412
Technology and content ⁽¹⁾	325	325	649	645
General and administrative ⁽¹⁾	204	197	400	377
Depreciation and amortization	228	223	456	442
Legal reserves, occupancy tax and other	6	2	(58)	2
Restructuring and related reorganization charges ⁽¹⁾	13	44	69	70
Operating income	800	485	1,051	415
Other income (expense):				
Interest income	73	74	133	128
Interest expense	(61)	(58)	(172)	(116)
Other, net	215	(78)	40	(221)
Total other income (expense), net	227	(62)	1	(209)
Income before income taxes	1,027	423	1,052	206
Provision for income taxes	(152)	(101)	(189)	(81)
Net income	875	322	863	125
Net loss attributable to non-controlling interests	3	8	9	5
Net income attributable to Expedia Group, Inc.	\$ 878	\$ 330	\$ 872	\$ 130
Earnings per share attributable to Expedia Group, Inc. available to common stockholders:				
Basic	\$ 7.30	\$ 2.61	\$ 7.21	\$ 1.02
Diluted	7.16	2.48	7.05	0.96
Shares used in computing earnings (loss) per share (000's):				
Basic	120,223	126,453	121,027	127,541
Diluted	122,552	132,809	123,763	134,296
 (1) Includes stock-based compensation as follows:				
Cost of revenue	\$ 4	\$ 4	\$ 8	\$ 7
Selling and marketing	24	23	42	43
Technology and content	40	39	78	77
General and administrative	44	36	83	73
Restructuring and related reorganization charges	2	3	6	3

See accompanying notes.

EXPEDIA GROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In millions)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net income	\$ 875	\$ 322	\$ 863	\$ 125
Other comprehensive income (loss):				
Currency translation adjustments, net of tax ⁽¹⁾	2	40	(26)	55
Net unrealized gains (losses) on cash flow hedges, net of tax ⁽²⁾	(1)	—	30	—
Change in unrealized losses on available for sale securities, net of tax	(1)	—	(2)	—
Total other comprehensive income	—	40	2	55
Comprehensive income	875	362	865	180
Less: Comprehensive income (loss) attributable to non-controlling interests	(4)	(1)	(11)	5
Comprehensive income attributable to Expedia Group, Inc.	\$ 879	\$ 363	\$ 876	\$ 175

- (1) Currency translation adjustments include tax benefit of approximately \$3 million and tax expense of \$1 million for the three and six months ended June 30, 2026 and tax expense of approximately \$1 million for the three and six months ended June 30, 2025.
- (2) Net unrealized gains (losses) on cash flow hedges include tax benefit of less than \$1 million and tax expense of approximately \$9 million for the three and six months ended June 30, 2026.

See accompanying notes.

EXPEDIA GROUP, INC.
CONSOLIDATED BALANCE SHEETS

(In millions, except number of shares, which are reflected in thousands, and par value)

	June 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,682	\$ 5,413
Restricted cash and cash equivalents	2,402	1,563
Short-term investments	445	320
Accounts receivable, net of allowance of \$95 and \$74	5,780	4,166
Income taxes receivable	50	38
Prepaid expenses and other current assets	943	699
Total current assets	16,302	12,199
Property and equipment, net	2,438	2,447
Operating lease right-of-use assets	269	296
Long-term investments and other assets	1,804	1,387
Deferred income taxes	346	432
Intangible assets, net	878	819
Goodwill	7,024	6,872
TOTAL ASSETS	\$ 29,061	\$ 24,452
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable, merchant	\$ 2,465	\$ 2,188
Accounts payable, other	1,328	1,103
Deferred merchant bookings	15,426	10,428
Deferred revenue	175	163
Income taxes payable	55	56
Accrued expenses and other current liabilities	905	1,027
Current maturities of long-term debt	—	1,692
Total current liabilities	20,354	16,657
Long-term debt, excluding current maturities	5,459	4,469
Deferred income taxes	19	20
Operating lease liabilities	226	254
Other long-term liabilities	532	505
Commitments and contingencies		
Stockholders' equity:		
Common stock: \$.0001 par value; Authorized shares: 1,600,000	—	—
Shares issued: 293,809 and 291,448; Shares outstanding: 114,473 and 116,975		
Class B common stock: \$.0001 par value; Authorized shares: 400,000	—	—
Shares issued: 12,800 and 12,800; Shares outstanding: 5,523 and 5,523		
Additional paid-in capital	16,783	16,565
Treasury stock - Common stock and Class B, at cost; Shares 186,613 and 181,749	(17,839)	(16,786)
Retained earnings	2,452	1,696
Accumulated other comprehensive income (loss)	(187)	(191)
Total Expedia Group, Inc. stockholders' equity	1,209	1,284
Non-redeemable non-controlling interests	1,262	1,263
Total stockholders' equity	2,471	2,547
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 29,061	\$ 24,452

See accompanying notes.

EXPEDIA GROUP, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions, except share and per share data)
(Unaudited)

Three months ended June 30, 2025	Common stock		Class B common stock		Additional paid-in capital	Treasury stock - Common and Class B		Retained earnings	Accumulated other comprehensive income (loss)	Non-redeemable non-controlling interest	Total
	Shares	Amount	Shares	Amount		Shares	Amount				
Balance as of March 31, 2025	288,477,142	\$ —	12,799,999	\$ —	\$ 16,184	173,533,787	\$ (15,243)	\$ 351	\$ (220)	\$ 1,249	\$ 2,321
Net income (loss)								330		(8)	322
Other comprehensive income, net of taxes									33	7	40
Payment of dividends to stockholders (declared at \$0.40 per share)					—			(51)			(51)
Proceeds from exercise of equity instruments and employee stock purchase plans	872,358	—			—						—
Treasury stock activity related to vesting of equity instruments						299,177	(51)				(51)
Common stock repurchases						3,824,293	(627)				(627)
Other changes in ownership of non-controlling interests					1					2	3
Stock-based compensation expense					132						132
Other					—		(3)				(3)
Balance as of June 30, 2025	<u>289,349,500</u>	<u>\$ —</u>	<u>12,799,999</u>	<u>\$ —</u>	<u>16,317</u>	<u>177,657,257</u>	<u>\$ (15,924)</u>	<u>\$ 630</u>	<u>\$ (187)</u>	<u>\$ 1,250</u>	<u>\$ 2,086</u>

Six months ended June 30, 2025	Common stock		Class B common stock		Additional paid-in capital	Treasury stock - Common and Class B		Retained earnings	Accumulated other comprehensive income (loss)	Non-redeemable non-controlling interest	Total
	Shares	Amount	Shares	Amount		Shares	Amount				
Balance as of December 31, 2024	287,508,795	\$ —	12,799,999	\$ —	\$ 16,043	171,514,683	\$ (14,856)	\$ 602	\$ (232)	\$ 1,242	\$ 2,799
Net income (loss)								130		(5)	125
Other comprehensive income, net of taxes									45	10	55
Payment of dividends to stockholders (declared at \$0.80 per share)								(102)			(102)
Proceeds from exercise of equity instruments and employee stock purchase plans	1,840,705	—			25						25
Treasury stock activity related to vesting of equity instruments						576,166	(105)				(105)
Common stock repurchases						5,566,408	(957)				(957)
Other changes in ownership of non-controlling interests					1					3	4
Stock-based compensation expense					248						248
Other					—		(6)				(6)
Balance as of June 30, 2025	<u>289,349,500</u>	<u>\$ —</u>	<u>12,799,999</u>	<u>\$ —</u>	<u>\$ 16,317</u>	<u>177,657,257</u>	<u>\$ (15,924)</u>	<u>\$ 630</u>	<u>\$ (187)</u>	<u>\$ 1,250</u>	<u>\$ 2,086</u>

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Three months ended June 30, 2026	Common stock		Class B common stock		Additional paid-in capital	Treasury stock - Common and Class B		Retained earnings	Accumulated other comprehensive income (loss)	Non-redeemable non-controlling interest	Total
	Shares	Amount	Shares	Amount		Shares	Amount				
Balance as of March 31, 2026	292,659,018	\$ —	12,799,999	\$ —	\$ 16,709	185,459,145	\$ (17,577)	\$ 1,632	\$ (188)	\$ 1,260	\$ 1,836
Net income (loss)								878		(3)	875
Other comprehensive income (loss), net of taxes									1	(1)	—
Payment of dividends to stockholders (declared at \$0.48 per share)								(58)			(58)
Proceeds from exercise of equity instruments and employee stock purchase plans	1,150,429	—			—						—
Withholding taxes for stock options					(65)						(65)
Treasury stock activity related to vesting of equity instruments						270,496	(59)				(59)
Common stock repurchases						883,479	(200)				(200)
Other changes in ownership of non-controlling interests					(2)					6	4
Stock-based compensation expense					142						142
Other					(1)		(3)				(4)
Balance as of June 30, 2026	293,809,447	\$ —	12,799,999	\$ —	\$ 16,783	186,613,120	\$ (17,839)	\$ 2,452	\$ (187)	\$ 1,262	\$ 2,471

Six months ended June 30, 2026	Common stock		Class B common stock		Additional paid-in capital	Treasury stock - Common and Class B		Retained earnings	Accumulated other comprehensive income (loss)	Non-redeemable non-controlling interest	Total
	Shares	Amount	Shares	Amount		Shares	Amount				
Balance as of December 31, 2025	291,447,577	\$ —	12,799,999	\$ —	\$ 16,565	181,749,380	\$ (16,786)	\$ 1,696	\$ (191)	\$ 1,263	\$ 2,547
Net income (loss)								872		(9)	863
Other comprehensive income (loss), net of taxes									4	(2)	2
Payment of dividends to stockholders (declared at \$0.96 per share)								(116)			(116)
Proceeds from exercise of equity instruments and employee stock purchase plans	2,361,870	—			25						25
Withholding taxes for stock options					(65)						(65)
Treasury stock activity related to vesting of equity instruments						675,297	(147)				(147)
Common stock repurchases						4,188,443	(900)				(900)
Other changes in ownership of non-controlling interests					(4)					10	6
Stock-based compensation expense					262						262
Other					—		(6)				(6)
Balance as of June 30, 2026	293,809,447	\$ —	12,799,999	\$ —	\$ 16,783	186,613,120	\$ (17,839)	\$ 2,452	\$ (187)	\$ 1,262	\$ 2,471

+See accompanying notes.

EXPEDIA GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Six months ended June 30,	
	2026	2025
Operating activities:		
Net income	\$ 863	\$ 125
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment, including internal-use software and website development	438	420
Amortization of intangible assets	18	22
Amortization of stock-based compensation	217	203
Deferred income taxes	83	1
Foreign exchange (gain) loss on cash, restricted cash and short-term investments, net	31	(137)
Realized (gain) loss on foreign currency forwards, net	185	(160)
(Gain) loss on minority equity investments, net	(125)	258
Other, net	32	43
Changes in operating assets and liabilities:		
Accounts receivable	(1,654)	(1,759)
Prepaid expenses and other assets	(230)	(250)
Accounts payable, merchant	283	119
Accounts payable, other, accrued expenses and other liabilities	282	296
Tax payable/receivable, net	(12)	(6)
Deferred merchant bookings	4,998	4,898
Net cash provided by operating activities	5,409	4,073
Investing activities:		
Capital expenditures, including internal-use software and website development	(383)	(396)
Purchases of investments	(760)	(428)
Sales and maturities of investments	335	441
Proceeds from exchange of cross-currency interest rate swaps	692	—
Payments for exchange of cross-currency interest rate swaps	(692)	—
Acquisitions and other, net	(400)	163
Net cash used in investing activities	(1,208)	(220)
Financing activities:		
Proceeds from issuance of long-term debt, net of issuance costs	986	985
Payments related to long-term debt	(1,828)	(1,044)
Purchases of treasury stock	(1,058)	(1,072)
Payment of dividends to stockholders	(116)	(102)
Proceeds from exercise of equity awards and employee stock purchase plan	25	25
Other, net	(66)	28
Net cash used in financing activities	(2,057)	(1,180)
Effect of exchange rate changes on cash, cash equivalents and restricted cash and cash equivalents	(36)	208
Net increase in cash, cash equivalents and restricted cash and cash equivalents	2,108	2,881
Cash, cash equivalents and restricted cash and cash equivalents at beginning of period	6,976	5,574
Cash, cash equivalents and restricted cash and cash equivalents at end of period	\$ 9,084	\$ 8,455
Supplemental cash flow information		
Cash paid for interest	\$ 112	\$ 100
Income tax payments, net	113	86

See accompanying notes.

Notes to Consolidated Financial Statements

June 30, 2026

(Unaudited)

Note 1 – Basis of Presentation

These accompanying financial statements present Expedia Group, Inc.'s results of operations, financial position and cash flows on a consolidated basis. We refer to Expedia Group, Inc. and its subsidiaries collectively as "Expedia Group," the "Company," "us," "we" and "our" in these consolidated financial statements. The unaudited consolidated financial statements include Expedia Group, Inc., our wholly-owned subsidiaries, and entities we control, or in which we have a variable interest and are the primary beneficiary of expected cash profits or losses. We record our investments in entities that we do not control, but over which we have the ability to exercise significant influence, using the equity method or at fair value. We have eliminated significant intercompany transactions and accounts.

We have prepared the accompanying unaudited consolidated financial statements in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial reporting. We have included all adjustments necessary for a fair presentation of the results of the interim period. These adjustments consist of normal recurring items. Our interim unaudited consolidated financial statements are not necessarily indicative of results that may be expected for any other interim period or for the full year. These interim unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K"), previously filed with the Securities and Exchange Commission ("SEC").

Accounting Estimates

We use estimates and assumptions in the preparation of our interim unaudited consolidated financial statements in accordance with GAAP. Our estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of our interim unaudited consolidated financial statements. These estimates and assumptions also affect the reported amount of net income or loss during any period. Our actual financial results could differ significantly from these estimates. The significant estimates underlying our interim unaudited consolidated financial statements include revenue recognition; recoverability of current and long-lived assets, intangible assets and goodwill; income and transactional taxes, such as potential settlements related to occupancy and excise taxes; loss contingencies; deferred loyalty rewards; stock-based compensation; and accounting for derivative instruments.

Reclassifications

We have reclassified prior period financial statements to conform to the current period presentation.

Seasonality

We generally experience seasonal fluctuations in the demand for our travel services. For example, traditional leisure travel bookings are generally the highest in the first three quarters as travelers plan and book their spring, summer and winter holiday travel. The number of bookings typically decreases in the fourth quarter. Since revenue for most of our travel services, including merchant and agency hotel, is recognized as the travel takes place rather than when it is booked, revenue typically lags bookings by several weeks for our hotel business and can be several months or more for our alternative accommodations business. Historically, Vrbo has seen seasonally stronger bookings in the first quarter of the year, with the relevant stays occurring during the peak summer travel months. The seasonal revenue impact is exacerbated with respect to income by the nature of our variable cost of revenue and direct sales and marketing costs, which we typically realize in closer alignment to booking volumes, and the more stable nature of our fixed costs. As a result on a consolidated basis, revenue and income are typically the lowest in the first quarter and highest in the third quarter.

Note 2 – Summary of Significant Accounting Policies

Recent Accounting Policies Not Yet Adopted

In November 2024, the FASB issued new guidance expanding disclosure requirements related to certain income statement expenses. The guidance requires tabular footnote disclosure of certain operating expenses disaggregated into categories, such as employee compensation, depreciation, and intangible asset amortization, included within each interim and annual income statement's expense caption, as applicable. The effective date is for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. We are in the process of evaluating the impact of adopting this new guidance on our consolidated financial statement disclosures.

Notes to Consolidated Financial Statements – (Continued)

In September 2025, the FASB issued new guidance related to accounting for internal-use software, which updates the cost capitalization threshold for internal-use software development costs by removing all references to software project development stages and providing new guidance on how to evaluate whether the probable-to-complete recognition threshold has been met. The effective date is for annual periods beginning after December 15, 2027, and interim periods within those annual reporting periods. Early application is permitted as of the beginning of an annual reporting period and the transition method may be prospective, modified, or retrospective. We are in the process of evaluating the impact of adopting this new guidance on our consolidated financial statements and disclosures.

Significant Accounting Policies

Below are the significant accounting policies with interim disclosure requirements as well as new accounting policies. For a comprehensive description of our accounting policies, refer to our 2025 Form 10-K.

Revenue

Prepaid Merchant Bookings. We classify payments made to suppliers in advance of Vrbo performance obligations as prepaid merchant bookings included within prepaid and other current assets. Prepaid merchant bookings was \$488 million as of June 30, 2026 and \$313 million as of December 31, 2025.

Deferred Merchant Bookings. We classify cash payments received in advance of our performance obligations as deferred merchant bookings. At December 31, 2025, \$9.3 billion of advance cash payments was reported within deferred merchant bookings, \$6.6 billion of which was recognized resulting in \$891 million of revenue during the six months ended June 30, 2026. At June 30, 2026, the related balance was \$14.4 billion.

At December 31, 2025, \$1.1 billion of deferred loyalty rewards related to internally administered loyalty programs was reported within deferred merchant bookings, \$561 million of which was recognized within revenue during the six months ended June 30, 2026. At June 30, 2026, the related balance was \$1.1 billion.

Deferred Revenue. At December 31, 2025, \$163 million was recorded as deferred revenue, \$95 million of which was recognized as revenue during the six months ended June 30, 2026. At June 30, 2026, the related balance was \$175 million.

Practical Expedients and Exemptions. We have used the portfolio approach to account for our loyalty points as the rewards programs share similar characteristics within each program in relation to the value provided to the traveler and their breakage patterns. Using this portfolio approach is not expected to differ materially from applying the guidance to individual contracts. However, we will continue to assess and refine, if necessary, how a portfolio within each rewards program is defined.

We do not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

Cash, Restricted Cash, and Cash Equivalents

Our cash and cash equivalents include cash and liquid financial instruments, including money market funds and term deposit investments, with maturities of three months or less when purchased. Restricted cash includes cash and cash equivalents that is restricted through legal contracts, regulations or our intention to use the cash for a specific purpose. Our restricted cash primarily relates to certain traveler deposits and to a lesser extent collateral for office leases. The following table reconciles cash, cash equivalents and restricted cash and cash equivalents reported in our consolidated balance sheets to the total amount presented in our consolidated statements of cash flows:

	June 30, 2026	December 31, 2025
	(in millions)	
Cash and cash equivalents	\$ 6,682	\$ 5,413
Restricted cash and cash equivalents	2,402	1,563
Total cash, cash equivalents and restricted cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 9,084</u>	<u>\$ 6,976</u>

Accounts Receivable and Allowances

Accounts receivable are generally due within thirty days and are recorded net of an allowance for expected uncollectible amounts. We consider accounts outstanding longer than the contractual payment terms as past due. The risk characteristics we generally review when analyzing our accounts receivable pools primarily include the type of receivable (for example, credit card vs hotel collect), collection terms and historical or expected credit loss patterns. For each pool, we make estimates of

Notes to Consolidated Financial Statements – (Continued)

expected credit losses for our allowance by considering a number of factors, including the length of time trade accounts receivable are past due, previous loss history continually updated for new collections data, the credit quality of our customers, current economic conditions, reasonable and supportable forecasts of future economic conditions and other factors that may affect our ability to collect from customers. The provision for estimated credit losses is recorded as cost of revenue in our consolidated statements of operations. During the six months ended June 30, 2026, we recorded approximately \$30 million of incremental allowance for expected uncollectible accounts, offset by \$9 million of write-offs.

Derivatives

Cash Flow Hedges. In the first quarter of 2026, we initiated a foreign exchange cash flow hedging program to minimize the effects of foreign currency fluctuations on future revenue. We generally hedge a portion of our forecasted foreign currency exposures associated with revenue using forward contracts with maturities up to 18 months. These forward contracts are designated as cash flow hedges.

The gain or loss on derivative instruments designated as cash flow hedges of forecasted foreign currency revenue is initially reported as a component of accumulated other comprehensive income (“AOCI”) and reclassified into revenue in our consolidated statements of operations in the same period the forecasted transaction effects earnings. We do not exclude any components in the assessment of hedge effectiveness for forward contracts. We classify cash flows related to our cash flow hedges as operating activities in our consolidated statement of cash flows.

In the event that the likelihood of occurrence of the underlying forecasted transactions is determined to be probable not to occur, the gains or losses on the related cash flow hedges are reclassified from AOCI to other, net in the consolidated statements of operations in the period it is determined the forecasted transactions are probable not to occur.

Note 3 – Fair Value Measurements

Financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2026 are classified using the fair value hierarchy in the table below:

	Total	Level 1 (In millions)	Level 2
Assets			
Cash equivalents:			
Money market funds	\$ 166	\$ 166	\$ —
Term deposits and certificates of deposit	196	—	196
Commercial paper	57	—	57
Derivatives:			
Foreign currency forward contracts	11	—	11
Investments:			
Equity investments	702	702	—
Corporate debt securities	810	—	810
U.S. treasury securities	15	—	15
Asset-backed securities	131	—	131
Term deposits and certificates of deposit	50	—	50
U.S. agency securities	16	—	16
Total assets measured at fair value on a recurring basis	<u>\$ 2,154</u>	<u>\$ 868</u>	<u>\$ 1,286</u>
Liabilities			
Derivatives:			
Cross-currency interest rate swaps	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ 5</u>

Notes to Consolidated Financial Statements – (Continued)

Financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 are classified using the fair value hierarchy in the table below:

	Total	Level 1 (In millions)	Level 2
Assets			
Cash equivalents:			
Money market funds	\$ 181	\$ 181	\$ —
Term deposits and certificates of deposit	160	—	160
Corporate debt securities	2	—	2
Commercial paper	44	—	44
Investments:			
Equity investments	577	577	—
Corporate debt securities	404	—	404
U.S. treasury securities	20	—	20
Asset-backed securities	121	—	121
Term deposits and certificates of deposit	17	—	17
U.S. agency securities	36	—	36
Commercial paper	2	—	2
Total assets measured at fair value on a recurring basis	\$ 1,564	\$ 758	\$ 806
Liabilities			
Derivatives:			
Foreign currency forward contracts	\$ 13	\$ —	\$ 13
Cross-currency interest rate swaps	11	—	11
Embedded derivative liability	126	—	126
Total liabilities measured at fair value on a recurring basis	\$ 150	\$ —	\$ 150

We classify our cash equivalents and investments within Level 1 and Level 2 as we value our cash equivalents and investments using quoted market prices or alternative pricing sources and models utilizing market observable inputs. Valuation of the foreign currency forward contracts is based on foreign currency exchange rates in active markets, a Level 2 input. Valuation of the cross-currency interest rate swaps is based on foreign currency exchange rates and the current interest rate curve, Level 2 inputs.

We hold term deposit investments with financial institutions. Term deposits with original maturities of less than three months are classified as cash equivalents. Those with remaining maturities of less than one year are classified within short-term investments and those with remaining maturities of greater than one year are classified within long-term investments and other assets.

As of June 30, 2026 and December 31, 2025, our cash and cash equivalents consisted primarily of term deposits, certificates of deposits, money market funds and commercial paper with maturities of three months or less and bank account balances.

We primarily invest in investment grade corporate debt securities, U.S. treasury securities, and asset-backed securities, most of which are classified as available-for-sale. As of June 30, 2026, we had \$445 million of short-term and \$577 million of long-term investments primarily classified as available-for-sale, which generally mature within five years. As of December 31, 2025, we had \$320 million in short-term and \$280 million of long-term available-for-sale investments. The amortized cost basis of the investments approximated their fair value with gross unrealized gains and gross unrealized losses of approximately \$2 million during the six months ended June 30, 2026 and less than \$1 million for the six months ended June 30, 2025. We review our available-for-sale securities on a regular basis for impairment. During both the six months ended June 30, 2026 and 2025, we did not recognize an allowance for credit-related losses on any of our investments.

As of June 30, 2026 and December 31, 2025, our equity investment represents our investment in Global Business Travel Group, Inc. (“GBTG”), a publicly traded company. We include this investment in long-term investments and other assets in our consolidated balance sheets. In May 2026, GBTG agreed to be acquired by Long Lake Management for \$9.50 per share in a take-private transaction, which is expected to close in the second half of 2026 subject to the satisfaction of certain closing conditions. During the six months ended June 30, 2026 and 2025, we recognized gains (losses) of approximately \$125 million and \$(223) million within other, net in our consolidated statements of operations related to the fair value changes of this

investment. In addition, during the six months ended June 30, 2025, we also recognized gains of approximately \$2 million related to an equity investment sold during 2025.

We use foreign currency forward contracts to economically hedge certain merchant revenue exposures once booked, foreign denominated liabilities related to certain of our loyalty programs and our other foreign denominated balance sheet exposures, which are not designated as cash flow hedges. In the first quarter of 2026, we initiated a foreign exchange cash flow hedging program to minimize the effects of foreign currency fluctuations on future revenue. As of June 30, 2026, forward contracts hedging our balance sheet, certain booked revenue and future revenue had a total net notional value of \$8.5 billion, of which \$960 million was designated as cash flow hedges. We had a net forward asset of \$11 million (\$66 million gross forward asset) as of June 30, 2026 recorded in prepaid and other current assets and \$13 million (\$31 million gross forward liability) as of December 31, 2025 recorded in accrued expenses and other current liabilities for these derivatives. The carrying value of the derivatives reflect the impact of a master netting agreement, which allows us to net settle assets and liabilities arising from different transactions with the same counterparty. For derivatives not designated as cash flow hedges, we recorded \$(70) million and \$151 million in net gains (losses) from foreign currency forward contracts in other, net during the three months ended June 30, 2026 and 2025, as well as \$(195) million and \$200 million during the six months ended June 30, 2026 and 2025. As of June 30, 2026, the net accumulated gain on our foreign currency cash flow hedges before tax effect was \$39 million, which is expected to be reclassified from AOCI into revenue within the next 12 months. During the three and six months ended June 30, 2026, \$3 million was reclassified from AOCI to revenue for our cash flow hedges.

From March 2022 to August 2025, we maintained two fixed-to-fixed cross-currency interest rate swaps with an aggregate notional amount of €300 million and maturity dates of February 2026 (the “2022 swaps”), which were designated as net investment hedges of Euro assets. In August 2025, the 2022 swaps were effectively closed out by entering into a swap with offsetting terms, and we de-designated the 2022 swaps and discontinued hedge accounting. Simultaneously Expedia Group entered into a new fixed-to-fixed cross-currency interest rate swap with a notional amount of €220 million and maturity date of February 2028 (the “2025 swap”). The 2025 swap was designated as a net investment hedge of Euro assets with the objective to protect the U.S. dollar value of our net investments in the Euro foreign operations due to movements in foreign currency. There was no exchange of cash at the inception of the 2025 swap. In February 2026, when the 2022 swaps matured, we settled the final exchange of the notional amounts with the contracted counterparties for both the 2022 swaps and the 2025 swap, which offset resulting in no impact to our consolidated cash balance. The fair value of the 2025 swap was a \$5 million liability as of June 30, 2026 and a liability of \$11 million as of December 31, 2025, recorded in other long-term liabilities. The gain related to these swaps recognized in interest expense was approximately \$1 million and \$3 million during the six months ended June 30, 2026 and 2025.

See Note 4 – Debt for information on the embedded derivative liability as of December 31, 2025 related to the convertible notes due in February 2026 measured at fair value using a lattice model based on factors such as our stock price, the principal outstanding, coupon rate, volatility, credit spread, risk-free rate and other market data considered Level 2 inputs.

Assets Measured at Fair Value on a Non-recurring Basis

Our non-financial assets, such as goodwill, intangible assets and property and equipment, are adjusted to fair value when an impairment charge is recognized or the underlying investment is sold. Such fair value measurements are based predominately on Level 3 inputs. We measure our minority investments that do not have readily determinable fair values at cost less impairment, adjusted by observable price changes with changes recorded within other, net on our consolidated statements of operations.

Minority Investments without Readily Determinable Fair Values. As of both June 30, 2026 and December 31, 2025, the carrying values of our minority investments without readily determinable fair values totaled \$256 million. During the six months ended June 30, 2026, we had no material gains or losses related to these recorded minority investments. During the six months ended June 30, 2025, we recorded \$37 million of losses related to a minority investment, resulting from a valuation using an option pricing model that utilized judgmental inputs such as discounts for lack of marketability and estimated exit event timing. As of June 30, 2026, total cumulative adjustments made to the initial cost basis of these investments included \$164 million in unrealized downward adjustments (including impairments).

Notes to Consolidated Financial Statements – (Continued)

Note 4 – Debt

The following table sets forth our outstanding debt:

	June 30, 2026	December 31, 2025
	(In millions)	
5.0% senior notes due 2026	\$ —	\$ 750
0% convertible senior notes due 2026	—	942
4.625% senior notes due 2027	749	748
3.8% senior notes due 2028	999	998
3.25% senior notes due 2030	1,243	1,242
2.95% senior notes due 2031	495	495
5.4% senior notes due 2035	987	986
5.5% senior notes due 2036	986	—
Total debt ⁽¹⁾	5,459	6,161
Current maturities of long-term debt	—	(1,692)
Long-term debt, excluding current maturities	\$ 5,459	\$ 4,469

(1) Net of applicable discounts and debt issuance costs.

Senior and Convertible Notes

April 2026 Senior Notes Issuance. In April 2026, we issued \$1 billion of registered senior unsecured notes, which bear interest at 5.5% and are due in April 2036 (the “5.5% Notes”). The 5.5% Notes were issued at 99.384% of par resulting in a discount, which is being amortized over their life. Interest is payable semi-annually in arrears in April and October of each year, beginning October 15, 2026. At any time prior to January 15, 2036, we may redeem some or all of the 5.5% Notes by paying a “make-whole” premium plus accrued and unpaid interest, if any. On or after January 15, 2036, we may redeem some or all of the 5.5% Notes at par plus accrued and unpaid interest, if any. The net proceeds from the issuance of the 5.5% Notes were approximately \$986 million after deducting the discount and debt issuance costs.

Maturity of 5.0% Notes. In February 2026, our \$750 million in senior unsecured notes that bore interest at 5.0% (the “5.0% Notes”) matured and the balance was repaid along with applicable accrued and unpaid interest.

Maturity of Convertible Notes. For information related to our \$1 billion aggregate principal amount of unsecured 0% convertible senior notes due 2026 (the “Convertible Notes”), see Note 7 – Debt of the Notes to Consolidated Financial Statements in our 2025 Form 10-K. Upon issuance and subsequent balance sheet-date reassessments through September 30, 2025, the conversion option on the Convertible Notes qualified for the equity scope exception under derivative accounting guidance because the Company had the option to deliver either cash, shares of our common stock or a combination of cash and shares of our common stock at our election. Under such exception, the conversion option is not required to be accounted for as a separate instrument. On November 12, 2025, the Company elected to irrevocably fix the settlement method to cash settlement. Upon that election, the conversion option no longer qualified for the exception and was deemed to be an embedded derivative which required bifurcation from the debt contract. Upon bifurcation of the conversion option, we recorded an embedded derivative liability at fair value of \$119 million and a corresponding debt discount of \$119 million reducing the carrying value of the Convertible Notes. The debt discount was amortized over the remaining term of the Convertible Notes using the straight-line method. The fair value of the embedded derivative liability (considered a “Level 2” fair value measurement; see Note 3 – Fair Value Measurements), was \$126 million as of December 31, 2025 and was included in accrued expenses and other current liabilities on the consolidated balance sheet. The unamortized debt discount and debt issuance costs were \$58 million as of December 31, 2025. In February 2026, upon maturity of the Convertible Notes, we paid approximately \$1.1 billion in cash to repay the principal amount and settle our payment obligations in connection with conversion elections of the holders thereof, which included a conversion premium of approximately \$78 million.

We recognized the following net expense related to the conversion option on the Convertible Notes in our consolidated statement of operations:

(In millions)	Classification in consolidated statements of operations	Six months ended June 30, 2026
Change in fair value of the embedded derivative	Other, net	\$ 48
Amortization of debt discount	Interest expense	(58)
Net expense		\$ (10)

Notes to Consolidated Financial Statements – (Continued)

For additional information about our other outstanding senior notes (collectively the “Senior Notes”), see Note 7 – Debt of the Notes to Consolidated Financial Statements in our 2025 Form 10-K.

All of our outstanding Senior Notes are senior unsecured obligations issued by Expedia Group and, those outstanding as of December 31, 2025, were guaranteed by certain domestic Expedia Group subsidiaries prior to the termination of our prior credit facility in March 2026, as discussed below. These subsidiaries were automatically released from their guarantees upon Expedia Group’s entry into the new revolving credit facility in accordance with the terms of the applicable indentures governing the Senior Notes. The Senior Notes rank equally in right of payment with all of the existing and any future unsecured and unsubordinated obligations of Expedia Group. In addition, the Senior Notes include covenants that limit our ability to (i) create certain liens, (ii) enter into sale/leaseback transactions and (iii) merge or consolidate with or into another entity or transfer substantially all of our assets. The Senior Notes are redeemable in whole or in part, at the option of the holders thereof, upon the occurrence of certain change of control triggering events at a purchase price in cash equal to 101% of the principal plus accrued and unpaid interest. Accrued interest related to the Senior Notes was \$80 million and \$82 million as of June 30, 2026 and December 31, 2025.

Estimated Fair Value. The total estimated fair value of our Senior Notes was approximately \$5.4 billion and \$5.2 billion as of June 30, 2026 and December 31, 2025. Additionally, the estimated fair value of the Convertible Notes was approximately \$1.1 billion as of December 31, 2025. The fair value was determined based on quoted market prices in less active markets and is categorized accordingly as Level 2 in the fair value hierarchy.

Credit Facility

As of June 30, 2026, Expedia Group maintained a \$2.5 billion revolving credit facility that matures in March 2031. As of June 30, 2026, we had no revolving credit facility borrowings outstanding. Loans under the revolving credit facility bear interest at a rate equal to an index rate plus a margin (a) in the case of term benchmark loans, ranging from 1.00% to 1.75% per annum, depending on Expedia Group’s credit ratings, and (b) in the case of base rate loans, ranging from 0.00% to 0.75% per annum, depending on Expedia Group’s credit ratings. A fee is payable quarterly in respect of undrawn commitments under the revolving credit facility at a rate ranging from 0.10% to 0.25% per annum, depending on Expedia Group’s credit ratings. The terms of the revolving credit facility require Expedia Group to not exceed a specified maximum consolidated leverage ratio as of the end of each fiscal quarter.

The revolving credit facility has a \$120 million letter of credit (“LOC”) sublimit, and the amount of LOCs issued under the facility reduced the credit amount available. Outstanding stand-by LOCs issued under the facility were \$66 million as of June 30, 2026.

The current facility was entered into in March 2026 and in connection Expedia Group terminated all outstanding commitments and repaid all outstanding obligations under our prior revolving credit facility. As of December 31, 2025, we had no revolving credit facility borrowings outstanding under the prior facility and \$43 million of outstanding stand-by LOCs issued under it.

Note 5 – Stockholders’ Equity

Dividends on our Common Stock

The Executive Committee, acting on behalf of the Board of Directors, declared and we paid the following dividends during the periods presented:

Declaration Date	Dividend Per Share	Record Date	Total Amount (in millions)	Payment Date
Six Months Ended June 30, 2026				
February 12, 2026	\$ 0.48	March 5, 2026	\$ 58	March 26, 2026
May 7, 2026	0.48	May 28, 2026	58	June 18, 2026
Six Months Ended June 30, 2025				
February 4, 2025	0.40	March 6, 2025	51	March 27, 2025
May 7, 2025	0.40	May 29, 2025	51	June 18, 2025

In addition, in August 2026, the Executive Committee, acting on behalf of the Board of Directors, declared a quarterly cash dividend of \$0.48 per share of outstanding common stock payable on September 17, 2026 to stockholders of record as of the close of business on August 27, 2026. Future declarations of dividends are subject to final determination by our Board of Directors.

Notes to Consolidated Financial Statements – (Continued)

Treasury Stock

As of June 30, 2026, the Company's treasury stock was comprised of approximately 179.3 million shares of common stock and 7.3 million Class B shares. As of December 31, 2025, the Company's treasury stock was comprised of approximately 174.5 million shares of common stock and 7.3 million Class B shares.

Share Repurchase Programs. In November 2023, the Executive Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized a program to repurchase up to \$5 billion of our common stock ("2023 Share Repurchase Program"). In May 2026, the Audit Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized a program to repurchase up to an additional \$5 billion of our common stock ("2026 Share Repurchase Program"). During the six months ended June 30, 2026, we repurchased, through open market transactions, 4.2 million shares under the 2023 Share Repurchase Program for a total cost of \$900 million, excluding transaction costs and excise tax due under the Inflation Reduction Act of 2022, representing an average repurchase price of \$214.86 per share. As of June 30, 2026, \$5.7 billion remained authorized for repurchase under the 2023 and 2026 Share Repurchase Programs.

Our 2023 and 2026 Share Repurchase Programs do not have fixed expiration dates and do not obligate the Company to acquire any specific number of shares. Under the programs, shares may be repurchased in the open market or in privately negotiated transactions. The timing, manner, price and amount of any repurchases will be subject to the discretion of the Company and depend on a variety of factors, including the market price of Expedia Group's common stock, general market and economic conditions, regulatory requirements and other business considerations.

Accumulated Other Comprehensive Income (Loss)

The balance of AOCI as of June 30, 2026 and December 31, 2025 was primarily comprised of foreign currency translation adjustments. These translation adjustments include foreign currency transaction losses as of June 30, 2026 of \$5 million (\$6 million before tax) and foreign currency transaction losses of \$8 million (\$10 million before tax) as of December 31, 2025 associated with our cross-currency interest rate swaps as described in Note 3 – Fair Value Measurements. Additionally, translation adjustments include foreign currency transaction losses of \$7 million (\$10 million before tax) as of both June 30, 2026 and December 31, 2025 associated with previously settled Euro-denominated notes that were designated as net investment hedges.

In addition, the balance of AOCI also includes net gains from cash flow hedges as of June 30, 2026 of \$30 million (\$39 million before tax).

Note 6 – Earnings Per Share

The following table represents our basic and diluted earnings per share:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(In millions, except share and per share data)			
Net income attributable to Expedia Group, Inc.	\$ 878	\$ 330	\$ 872	\$ 130
Earnings per share attributable to Expedia Group, Inc. available to common stockholders:				
Basic	\$ 7.30	\$ 2.61	\$ 7.21	\$ 1.02
Diluted	7.16	2.48	7.05	0.96
Weighted average number of shares outstanding (000's):				
Basic	120,223	126,453	121,027	127,541
Dilutive effect of:				
Convertible Notes	—	3,933	—	3,928
Stock-based awards	2,329	2,423	2,736	2,827
Diluted	122,552	132,809	123,763	134,296

Basic earnings per share is calculated using our weighted-average outstanding common shares. The earnings per share amounts are the same for common stock and Class B common stock because the holders of each class are legally entitled to equal per share distributions whether through dividends or in liquidation.

Diluted earnings per share is calculated using our weighted-average outstanding common shares including the dilutive effect of stock awards and common stock warrants as determined under the treasury stock method and of our Convertible Notes using the if-converted method prior to the date of our irrevocable election to settle in cash discussed in Note 4 – Debt. In

periods when we recognize a net loss, we exclude the impact of outstanding stock awards and the potential share settlement impact related to our Convertible Notes, if applicable, from the diluted loss per share calculation as their inclusion would have an antidilutive effect. For the three and six months ended June 30, 2026, less than 1 million of outstanding stock awards have been excluded from the calculations of diluted earnings per share attributable to common stockholders because their effect would have been antidilutive. For the three and six months ended June 30, 2025, approximately 1 million of outstanding stock awards were excluded.

Note 7 - Restructuring and Related Reorganization Charges

We have continued to recalibrate resources and expand the restructure efforts that began in 2024 due to the significant completion of the Company's organizational and technological transformation. As a result, we recognized \$69 million and \$70 million in restructuring and related reorganization charges during the six months ended June 30, 2026 and 2025. The charges were predominately related to employee severance, stock-based compensation and benefit costs and approximately \$15 million was included in accrued expenses and other current liabilities on our consolidated balance sheet as of June 30, 2026. Based on current plans which are subject to change, we expect approximately \$35 million in additional reorganization charges. We continue to evaluate additional cost reduction efforts, and should we make additional decisions in future periods to take further actions we may incur additional reorganization charges.

Note 8 – Income Taxes

Our tax provision for interim periods is determined using an estimate of our annual effective tax rate. We record any changes affecting the estimated annual effective tax rate in the interim period in which the change occurs, including discrete items.

For the three months ended June 30, 2026, the effective tax rate was 14.8%, compared to 23.9% for the three months ended June 30, 2025. For the six months ended June 30, 2026, the effective tax rate was 17.9%, compared to 39.3% for the six months ended June 30, 2025. The change in the effective tax rate for both periods was primarily due to nontaxable mark-to-market gains.

We are subject to taxation in the United States and foreign jurisdictions. Our income tax filings are routinely examined by federal, state, and foreign tax authorities. Prior to June 30, 2026, for tax years 2011 to 2013 and 2014 to 2016, the Internal Revenue Service ("IRS") issued adjustments related to transfer pricing with our foreign subsidiaries. The 2011 to 2013 and the 2014 to 2016 adjustments would result in federal income tax of approximately \$244 million and \$431 million, respectively, subject to interest. These audit cycles have remained in administrative procedures with the IRS.

Subsequent to June 30, 2026, the IRS replaced the prior adjustments and issued new adjustments for tax years 2011 to 2016 that apply a different method of adjusting transfer pricing with our foreign subsidiaries. The IRS also issued adjustments for 2017 and 2018. The adjustments, as proposed, would result in a federal income tax of approximately \$287 million to \$313 million for tax years 2011 to 2013, approximately \$488 million to \$531 million for tax years 2014 to 2016, and approximately \$213 million to \$380 million for tax years 2017 to 2018, subject to interest. We do not agree with these adjustments and will continue to vigorously defend our position through administrative procedures. The IRS has indicated that adjustments for this matter are not relevant for tax years 2019 to 2020.

Note 9 – Commitments and Contingencies***Legal Proceedings***

In the ordinary course of business, we are a party to various lawsuits. Management does not expect these lawsuits to have a material impact on the liquidity, results of operations, or financial condition of Expedia Group. We also evaluate other potential contingent matters, including value-added tax, excise tax, sales tax, transient occupancy or accommodation tax and similar matters. We do not believe that the aggregate amount of liability that could be reasonably possible with respect to these matters would have a material adverse effect on our financial results; however, litigation is inherently uncertain and the actual losses incurred in the event that our legal proceedings were to result in unfavorable outcomes could have a material adverse effect on our business and financial performance.

Litigation Relating to Occupancy Taxes. We currently have two active lawsuits involving hotel occupancy taxes and we continue to defend against the claims made in them vigorously. With respect to the principal claims in these and previous similar matters, we believe that the statutes or ordinances at issue do not apply to us or the services we provide and, therefore, that we do not owe the taxes that are claimed to be owed. We believe that the statutes or ordinances at issue generally impose occupancy and other taxes on entities that own, operate or control hotels (or similar businesses) or furnish or provide hotel rooms or similar accommodations. We have established reserves for the potential settlement of issues related to hotel

occupancy and other taxes, consistent with applicable accounting principles and in light of all current facts and circumstances, which were not material as of both June 30, 2026 and December 31, 2025. Our settlement reserves are based on our best estimate of probable losses and the ultimate resolution of these contingencies may be greater or less than the liabilities recorded. An estimate for a reasonably possible loss or range of loss in excess of the amounts reserved cannot be made. Changes to the settlement reserves are included within legal reserves, occupancy tax and other in the consolidated statements of operations.

Pay-to-Play. Certain jurisdictions may assert that we are required to pay any assessed taxes prior to being allowed to contest or litigate the applicability of the ordinances. This prepayment of contested taxes is referred to as “pay-to-play.” Payment of these amounts is not an admission that we believe we are subject to such taxes and, even when such payments are made, we continue to defend our position vigorously. If we prevail in the litigation, for which a pay-to-play payment was made, the jurisdiction collecting the payment will be required to repay such amounts and also may be required to pay interest.

We are in various stages of inquiry or audit with various tax authorities, some of which may impose a pay-to-play requirement to challenge an adverse inquiry or audit result in court.

International Withholding Tax. In July 2025, the Guardia di Finanza (“GdF”) of Milan issued a tax audit report to Expedia Group, proposing an amount of unpaid withholding tax to the Italian Tax Authorities (“ITA”) of 150 million Euros (\$175 million), excluding penalties and interest, for the years 2017 through 2023. The GdF’s tax audit report purports the Company had an obligation under a 2017 law to withhold and remit 21% income tax from certain short-term rental partners in Italy. In the third quarter of 2025, we entered into discussions with the ITA to resolve this matter and we recorded a reserve for the potential settlement of this matter, consistent with applicable accounting principles and in light of all current facts and circumstances, in the amount of \$90 million within legal reserves, occupancy tax and other in the consolidated statements of operations. In the fourth quarter of 2025, we recorded additional expense of \$88 million related to this matter. While we continued to believe Expedia Group was compliant with Italian tax laws, on December 10, 2025, we reached an agreement with the Italian tax authorities and paid \$156 million for tax years 2017 to 2023. We are in ongoing discussions with the Italian tax authorities to resolve withholding tax claims related to subsequent years. As of June 30, 2026, our remaining settlement reserve was approximately \$9 million included within accrued expenses and other current liabilities. Our settlement reserve is based on our reasonable estimate, and the ultimate resolution of the contingency may be greater than the liability recorded.

Note 10 – Segment Information

We have the following reportable segments: B2C, B2B, and trivago. Our B2C segment provides a full range of travel and advertising services to our worldwide customers primarily through our three flagship brands, Expedia.com, Hotels.com, and Vrbo. Our B2B segment fuels a wide range of travel and non-travel companies including airlines, offline travel agents, online retailers, corporate travel management and financial institutions, who leverage our leading travel technology and tap into our diverse supply to augment their offerings and market Expedia Group rates and availabilities to their travelers. Our trivago segment generates advertising revenue primarily from sending referrals to online travel companies and travel service providers from its hotel metasearch websites. trivago is a separately listed company on the Nasdaq Global Select Market and is therefore required to separately report its own financial results, which may differ from the segment information included herein.

Our chief operating decision makers (“CODMs”) are our Chief Executive Officer and our Chairman. We determined our operating segments based on how our chief operating decision makers manage our business, make operating decisions and evaluate operating performance. Our primary operating metric is Adjusted EBITDA. Adjusted EBITDA for our B2C and B2B segments includes allocations of certain expenses, primarily related to our global travel supply organization and the majority of costs from our product and technology platform, as well as facility costs and the realized foreign currency gains or losses related to the forward contracts hedging a component of our net merchant lodging revenue. We base the allocations primarily on transaction volumes and other usage metrics. We do not allocate certain shared expenses such as accounting, human resources, certain information technology and legal to our reportable segments, which are included in Unallocated corporate and other expenses in our segment tables below. Our allocation methodology is periodically evaluated and may change.

Our CODMs use Adjusted EBITDA to allocate resources for each segment predominantly in the annual budget and forecasting process. The CODMs consider budget-to-actual variances on a monthly basis using Adjusted EBITDA when making decisions about allocating capital and personnel to the segments. The CODMs also use Adjusted EBITDA to assess the performance for each segment and in the compensation of certain employees.

Our segment disclosure includes intersegment revenues, which primarily consist of advertising and media services provided by our trivago segment to our B2C segment. These intersegment transactions are recorded by each segment at amounts that approximate fair value as if the transactions were between third parties, and therefore, impact segment performance. However, the revenue and corresponding expense are eliminated in consolidation.

The following tables present our segment information for the three and six months ended June 30, 2026 and 2025. As a significant portion of our property and equipment is not allocated to our reportable segments and depreciation is not included in

Notes to Consolidated Financial Statements – (Continued)

our segment measure, we do not report assets by segment as it would not be meaningful. We do not regularly provide such information to our CODMs.

	Three months ended June 30, 2026			
	B2C	B2B	trivago	Total
	(In millions)			
Third-party revenue	\$ 2,677	\$ 1,493	\$ 145	\$ 4,315
Intersegment revenue	—	—	51	51
	\$ 2,677	\$ 1,493	\$ 196	\$ 4,366
<i>Reconciliation of revenue:</i>				
Elimination of intersegment revenue				(51)
Total consolidated revenue				\$ 4,315
<i>Less: ⁽¹⁾</i>				
Cost of revenue	346	39	13	
Selling and marketing - direct	1,101	915	154	
Other segment items ⁽²⁾	341	170	28	
Segment Adjusted EBITDA	\$ 889	\$ 369	\$ 1	\$ 1,259
Unallocated corporate and other expenses ⁽³⁾				(140)
Depreciation and amortization				(228)
Stock-based compensation				(114)
Legal reserves, occupancy tax and other				(6)
Restructuring and related reorganization charges, excluding stock-based compensation				(11)
Other income, net, excluding realized gain/loss on revenue hedges ⁽⁴⁾				267
Income before income taxes				\$ 1,027

	Three months ended June 30, 2025			
	B2C	B2B	trivago	Total
	(In millions)			
Third-party revenue	\$ 2,479	\$ 1,209	\$ 98	\$ 3,786
Intersegment revenue	—	—	60	60
	\$ 2,479	\$ 1,209	\$ 158	\$ 3,846
<i>Reconciliation of revenue:</i>				
Elimination of intersegment revenue				(60)
Total consolidated revenue				\$ 3,786
<i>Less: ⁽¹⁾</i>				
Cost of revenue	340	28	4	
Selling and marketing - direct	1,092	752	136	
Other segment items ⁽²⁾	319	98	24	
Segment Adjusted EBITDA	\$ 728	\$ 331	\$ (6)	\$ 1,053
Unallocated corporate and other expenses ⁽³⁾				(145)
Depreciation and amortization				(223)
Stock-based compensation				(105)
Legal reserves, occupancy tax and other				(2)
Restructuring and related reorganization charges, excluding stock-based compensation				(41)
Other expense, net, excluding realized gain/loss on revenue hedges ⁽⁴⁾				(114)
Income before income taxes				\$ 423

Notes to Consolidated Financial Statements – (Continued)

	Six months ended June 30, 2026			
	B2C	B2B	trivago	Total
	(In millions)			
Third-party revenue	\$ 4,795	\$ 2,676	\$ 270	\$ 7,741
Intersegment revenue	—	—	93	93
	\$ 4,795	\$ 2,676	\$ 363	\$ 7,834
<i>Reconciliation of revenue:</i>				
Elimination of intersegment revenue				(93)
Total consolidated revenue				\$ 7,741
<i>Less: ⁽¹⁾</i>				
Cost of revenue	670	78	22	
Selling and marketing - direct	2,136	1,641	291	
Other segment items ⁽²⁾	674	319	56	
Segment Adjusted EBITDA	\$ 1,315	\$ 638	\$ (6)	\$ 1,947
Unallocated corporate and other expenses ⁽³⁾				(286)
Depreciation and amortization				(456)
Stock-based compensation				(217)
Legal reserves, occupancy tax and other				58
Restructuring and related reorganization charges, excluding stock-based compensation				(63)
Other income, net, excluding realized gain/loss on revenue hedges ⁽⁴⁾				69
Income before income taxes				\$ 1,052

	Six months ended June 30, 2025			
	B2C	B2B	trivago	Total
	(In millions)			
Third-party revenue	\$ 4,435	\$ 2,156	\$ 183	\$ 6,774
Intersegment revenue	—	—	106	106
	\$ 4,435	\$ 2,156	\$ 289	\$ 6,880
<i>Reconciliation of revenue:</i>				
Elimination of intersegment revenue				(106)
Total consolidated revenue				\$ 6,774
<i>Less: ⁽¹⁾</i>				
Cost of revenue	652	66	8	
Selling and marketing - direct	2,207	1,329	247	
Other segment items ⁽²⁾	631	214	45	
Segment Adjusted EBITDA	\$ 945	\$ 547	\$ (11)	\$ 1,481
Unallocated corporate and other expenses ⁽³⁾				(277)
Depreciation and amortization				(442)
Stock-based compensation				(203)
Legal reserves, occupancy tax and other				(2)
Restructuring and related reorganization charges, excluding stock-based compensation				(67)
Other expense, net, excluding realized gain/loss on revenue hedges ⁽⁴⁾				(284)
Income before income taxes				\$ 206

Notes to Consolidated Financial Statements – (Continued)

- (1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODMs, exclusive of stock-based compensation. Intersegment expenses are included within the amounts shown.
- (2) Other segment items for each reportable segment primarily include selling and marketing - indirect, technology and content and general and administrative expenses as well as the realized foreign currency gains or losses related to the forward contracts hedging a component of our net merchant lodging revenue for our B2C and B2B segments.
- (3) Unallocated corporate and other expenses include certain shared expenses such as accounting, human resources, certain information and technology and legal costs.
- (4) Other expense, net is adjusted to exclude the realized foreign currency gains (losses) related to the forward contracts hedging a component of our net merchant lodging revenue for our B2C and B2B segments of \$(40) million and \$52 million of gains (losses) for the three months ended June 30, 2026 and 2025 and \$(68) million and \$75 million of gains (losses) for the six months ended June 30, 2026 and 2025, respectively, which are included within our Segment Adjusted EBITDA.

Revenue by Business Model and Service Type

The following table presents revenue by business model and service type:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(in millions)			
<u>Business Model:</u>				
Merchant	\$ 3,065	\$ 2,624	\$ 5,466	\$ 4,670
Agency	872	852	1,547	1,504
Advertising, media and other	378	310	728	600
Total revenue	<u>\$ 4,315</u>	<u>\$ 3,786</u>	<u>\$ 7,741</u>	<u>\$ 6,774</u>
<u>Service Type:</u>				
Lodging	\$ 3,429	\$ 3,040	\$ 6,039	\$ 5,329
Air	91	105	198	212
Expedia Group (“EG”) Advertising	206	182	403	356
trivago Advertising	145	98	270	183
Other ⁽¹⁾	444	361	831	694
Total revenue	<u>\$ 4,315</u>	<u>\$ 3,786</u>	<u>\$ 7,741</u>	<u>\$ 6,774</u>

- (1) Other includes revenue from insurance, car rental, activities and cruise revenue, among other revenue streams, none of which are individually material.

Our B2C and B2B segments generate revenue from the merchant, agency and advertising, media and other business models as well as all service types. trivago segment revenue is generated through advertising and media.

Part I. Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "believes," "could," "estimates," "expects," "goal," "intends," "likely," "may," "plans," "potential," "predicts," "projected," "seeks," "should" and "will," or the negative of these terms or other similar expressions, among others, generally identify forward-looking statements; however, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements reflect the views of our management regarding current expectations and projections about future events and are based on currently available information. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, but not limited to, those discussed in our Annual Report on Form 10-K for the year ended December 31, 2025, Part I, Item 1A, "Risk Factors," as well as those discussed elsewhere in this report. Other unknown or unpredictable factors also could have a material adverse effect on our business, financial condition and results of operations. Accordingly, readers should not place undue reliance on these forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, because of new information, future events, or otherwise.

The information included in this management's discussion and analysis of financial condition and results of operations should be read in conjunction with our consolidated financial statements and the notes included in this Quarterly Report, and the audited consolidated financial statements and notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2025.

Overview

Expedia Group is the global travel marketplace with one purpose: to help travelers explore the world, one journey at a time. We connect travelers, partners, and advertisers throughout our trusted brands, leading technology, and rich first-party data, delivering predictive, personalized experiences that shape the future of travel. We make available, on a stand-alone and package basis, travel services provided by numerous lodging properties, airlines, car rental companies, activities and experiences providers, cruise lines, alternative accommodations property owners and managers, and other travel product and service companies. We also offer travel and non-travel advertisers access to a potential source of incremental traffic and transactions through our various media and advertising offerings on our websites.

All percentages within this section are calculated on actual, unrounded numbers.

Trends

The Company continues to operate in an increasingly complex business environment and global macroeconomic and geopolitical pressures, including trade disruptions, currency fluctuations and energy price volatility, contributed to this environment for the travel industry. For example, events in the Middle East and Mexico late in the first quarter of 2026 negatively affected the travel industry, and that pressure continued into the second quarter, particularly in Europe, where macro headwinds and reduced air capacity weighed on demand. If these pressures are intensified or sustained, travel behaviors may be impacted and any associated decrease in overall demand would negatively impact our business. In addition, our suppliers, business and service partners could also be impacted, thereby increasing our risk of credit losses and service level or other disruptions. Our future operational results may be subject to volatility, particularly in the short-term, due to the impact of the aforementioned trends.

These broader economic and regulatory uncertainties also extend to the global tax environment in which we operate. Domestic and international taxing authorities have in recent years become increasingly focused on ways to increase tax revenue, including the enactment of new taxes such as digital services taxes, and have become more aggressive in their interpretation and enforcement of existing tax laws, rules and regulations. We are in various stages of inquiry or audit with various tax authorities, some of which may require that we prepay any assessed taxes prior to contesting the validity of the assessment ("pay-to-play") which will be repaid if we prevail in our challenge. However, any significant pay-to-play payment or litigation loss could negatively impact our liquidity.

Other events that could have a negative impact on the travel industry and our businesses in the future are discussed in our Annual Report on Form 10-K for the year ended December 31, 2025, Part I, Item 1A, Risk Factors – "Declines or disruptions in the travel industry could adversely affect our business and financial performance."

Online Travel

The market opportunity for online travel is broad and highly competitive. Online penetration of travel expenditures is higher in the U.S. and Western European markets with online penetration rates in some emerging markets, such as Latin

America and Eastern European regions, lagging behind those regions. Emerging markets continue to present an attractive growth opportunity for our business, while also attracting many competitors to online travel. Technological developments in generative artificial intelligence (“AI”) tools are increasingly being used to create competing offerings, such as AI powered digital planning and assistance, further increasing competition.

In addition to the growth of online travel agencies, we have seen continued interest in the online travel industry from search engine companies such as Google, evidenced by continued product enhancements, and prioritizing its own AdWords and metasearch products such as Google Travel, Google Flights and Hotel Ads, in search results. Competitive entrants such as “metasearch” companies, including Kayak.com (owned by Booking Holdings), trivago (in which Expedia Group owns a majority interest) as well as TripAdvisor, introduced differentiated features, pricing and content compared with the legacy online travel agency companies, as well as various forms of direct or assisted booking tools. Further, airlines and lodging companies are aggressively pursuing direct online distribution of their products and services.

In addition, the increasing popularity of the “sharing economy,” accelerated by online penetration, has had a direct impact on the travel and lodging industry. Businesses such as Airbnb, Vrbo and Booking.com have emerged as the leaders, bringing incremental alternative accommodation inventory to the market. Other competitors have arisen, including alternative accommodation property managers, who operate their own booking sites in addition to listing on Airbnb, Vrbo, and Booking.com. Additionally, traditional consumer ecommerce players have expanded their local offerings by adding hotel offers to their websites. Ride sharing app Uber has added transportation and experience offerings to its app via partnerships with other travel providers. Our B2B business has grown significantly but faces competition from other online travel agencies (“OTAs”) with B2B offerings, as well as other competitors such as independent B2B providers.

The online travel industry also saw the development of alternative business models and variations in the timing of payment by travelers and to suppliers, which in some cases place pressure on historical business models. In particular, the agency hotel model saw rapid adoption in Europe. Expedia Group facilitates both merchant (Expedia Collect) and agency (Hotel Collect) hotel offerings with our hotel supply partners through both agency-only contracts as well as our hybrid Expedia Traveler Preference (“ETP”) program, which offers travelers the choice of whether to pay Expedia Group at the time of booking or pay the hotel at the time of stay.

Lodging

Lodging includes both hotel and alternative accommodations. As a percentage of our total worldwide revenue in the second quarter of 2026, lodging accounted for 79%. Room nights booked grew 6% in the second quarter of 2026, as compared to growth of 8% in 2025 and 9% in 2024. Average Daily Rates (“ADRs”) booked for Expedia Group increased 5% in the second quarter of 2026, increased 1% in 2025 and decreased 1% in 2024.

As of June 30, 2026, our global lodging marketplace had approximately 3.9 million total lodging properties available, including approximately 2.6 million online bookable alternative accommodations through Vrbo and approximately 1.3 million hotels and alternative accommodations through our other brands.

Hotel. We generate the majority of our revenue through the facilitation of hotel reservations (stand-alone and package bookings). Our relationships and overall economics with hotel supply partners have been broadly stable in recent years. As we continue to expand the breadth and depth of our global hotel offering, in some cases we have reduced our economics in various geographies based on local market conditions. These impacts are due to specific initiatives intended to drive greater global size and scale through faster overall room night growth. Additionally, increased promotional activities such as growing loyalty programs, discounting, and couponing have contributed to declines in revenue per room night and profitability in certain cases.

Further, while the global lodging industry remains very fragmented, there has been consolidation in the hotel space among chains as well as ownership groups. In the meantime, certain hotel chains have been focusing on driving direct bookings on their own websites and mobile applications by advertising lower rates than those available on third-party websites as well as incentives such as loyalty programs, increased or exclusive product availability and complimentary benefits.

Alternative Accommodations. Over the past decade, we expanded into the alternative accommodations market. Vrbo is a leader, specializing in unique whole home inventory, primarily in North American leisure markets, and represents an attractive growth opportunity for Expedia Group.

Vrbo has transitioned from a listings-based classified advertising model to an online transactional model that optimizes for both travelers and homeowner and property manager partners, with a goal of increasing monetization and driving growth through investments in marketing as well as in product and technology. Vrbo primarily offers pay-per-booking service model and generates revenue from a traveler service fee for bookings, as well as insurance products.

Since our hotel and alternative accommodation supplier agreements are generally negotiated on a percentage basis, any increase or decrease in ADRs has an impact on the revenue we earn per room night. In the future, we could see macroeconomic

factors influence ADR trends, including rising living costs due to inflation and higher interest rates. Other factors that could lead to moderating ADRs include growth in hotel supply and the increase in alternative accommodation inventory.

Advertising & Media

Expedia Group (“EG”) Advertising is responsible for generating advertising revenue on our global online travel brands through a variety of digital marketing solutions. In the second quarter of 2026, we generated \$206 million of advertising revenue from EG Advertising, a 13% increase from the same period in 2025.

We also generate advertising revenue from trivago, a leading hotel metasearch website. In the second quarter of 2026, we generated \$145 million of third-party revenue from trivago, a 48% increase from the same period in 2025.

As a percentage of our total worldwide revenue in the second quarter of 2026, total advertising and media accounted for 8%.

Air

During 2026, events in the Middle East reduced global air capacity and drove a material increase in prices, which adversely affected our booked air ticket volume, while having a less pronounced impact on total booked value. Our air bookings grew in the second quarter of 2026 compared to the same period in 2025 in line with growth in our lodging business.

In the future, we could encounter pressure on air remuneration as air carriers combine, more air carriers shift to our “direct connect” technology, certain supply agreements renew, and as we continue to add airlines to ensure local coverage in new markets.

Booked air tickets decreased 5% in the second quarter of 2026, increased 3% in 2025 and increased 6% in 2024. As a percentage of our total worldwide revenue in the second quarter of 2026, air accounted for 2%.

Business Strategy

As we endeavor to power global travel for everyone, everywhere our focus is to leverage our brand, supply and platform technology strength to provide greater services and value to our travelers, suppliers and business partners, and build longer-lasting direct relationships with our customers. We continue to integrate artificial intelligence across our platform, including in traveler-facing experiences, customer service operations and internal processes, with the goal of improving conversion, personalization and operational efficiency. We also collaborate with leading AI platforms to enhance our capabilities and accelerate innovation.

We believe the strength of our core brand portfolio and consistent enhancements to product and service offerings, combined with our global scale and broad-based supply, drive increasing value to customers and customer demand. With our significant global audience of travelers, and our deep and broad selection of travel products, we are also able to provide value to supply partners seeking to grow their business through sophisticated technology, a better understanding of travel retailing and reaching consumers in markets beyond their reach. Our deep product and supply footprint allows us to tailor offerings to target different types of consumers and travel needs, employ geographic segmentation in markets around the world, and leverage brand differentiation, among other benefits. We also market to consumers through a variety of channels, including internet search, metasearch and social and digital media.

We have coordinated our technology, product, data engineering, and data science teams in order to build services and capabilities that can be leveraged across our business units to provide value-add services to our travel suppliers and serve our end customers. The synergies in our team structure enable us to deliver more scalable services and operate more efficiently with our core B2C brands benefiting from a unified technology front-end infrastructure. Going forward, we expect to continue to cement our leadership in the B2B segment as our B2B business also benefits from all the work we have done in product and technology for our B2C brands.

As we continue to mature our shared platform infrastructure, our focus is on developing configurable technical capabilities that support various travel products while using simpler, standard architecture and common applications and frameworks. We believe this strategy will enable us to: simultaneously build pieces of technology that work in tandem; ship new capabilities and features faster; create a foundation for more innovative solutions; and achieve greater economies of scope and scale. Ultimately, we believe this will result in more product improvements faster and therefore better traveler experiences. All of our transaction-based businesses now benefit from our shared platform infrastructure, including customer servicing and support, data centers, search capabilities, payment processing, and fraud operations.

We launched One Key in the United States and United Kingdom, which serves as a unified loyalty program for Brand Expedia, Hotels.com and Vrbo, enabling travelers to cross-earn and cross-redeem rewards across these brands and our range of products such as air, hotels and alternative accommodations. During the second half of 2025, One Key was expanded to a number of new Brand Expedia markets across the globe with the majority of Expedia Rewards members now migrated to the

program.

Seasonality

We generally experience seasonal fluctuations in the demand for our travel services. For example, traditional leisure travel bookings are generally the highest in the first three quarters as travelers plan and book their spring, summer and winter holiday travel. The number of bookings typically decreases in the fourth quarter. Since revenue for most of our travel services, including merchant and agency hotel, is recognized as the travel takes place rather than when it is booked, revenue typically lags bookings by several weeks for our hotel business and can be several months or more for our alternative accommodations business. Historically, Vrbo has seen seasonally stronger bookings in the first quarter of the year, with the relevant stays occurring during the peak summer travel months. The seasonal revenue impact is exacerbated with respect to income by the nature of our variable cost of revenue and direct sales and marketing costs, which we typically realize in closer alignment to booking volumes, and the more stable nature of our fixed costs. As a result, on a consolidated basis, revenue and income are typically the lowest in the first quarter and highest in the third quarter.

The growth in our B2B segment, international operations, advertising business or a change in our product mix, among others, may also influence the typical trend of seasonality in the future.

Critical Accounting Policies and Estimates

Critical accounting policies and estimates are those that we believe are important in the preparation of our consolidated financial statements because they require that we use judgment and estimates in applying those policies. We prepare our consolidated financial statements and accompanying notes in accordance with generally accepted accounting principles in the United States (“GAAP”). Preparation of the consolidated financial statements and accompanying notes requires that we make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements as well as revenue and expenses during the periods reported. We base our estimates on historical experience, where applicable, and other assumptions that we believe are reasonable under the circumstances. Actual results may differ from our estimates under different assumptions or conditions.

There are certain critical estimates that we believe require significant judgment in the preparation of our consolidated financial statements. We consider an accounting estimate to be critical if:

- It requires us to make an assumption because information was not available at the time or it included matters that were highly uncertain at the time we were making the estimate; and
- Changes in the estimate or different estimates that we could have selected may have had a material impact on our financial condition or results of operations.

For additional information about our critical accounting policies and estimates, see the disclosure included in our Annual Report on Form 10-K for the year ended December 31, 2025 as well as updates in the current fiscal year provided in Note 2 – Summary of Significant Accounting Policies in the notes to the consolidated financial statements.

Segments

We have the following reportable segments: B2C, B2B, and trivago. Our B2C segment provides a full range of travel and advertising services to our worldwide customers primarily through our three flagship brands, Expedia.com, Hotels.com, and Vrbo. Our B2B segment fuels a wide range of travel and non-travel companies including airlines, offline travel agents, online retailers, corporate travel management and financial institutions, who leverage our leading travel technology and tap into our diverse supply to augment their offerings and market Expedia Group rates and availabilities to their travelers. Our trivago segment generates advertising revenue primarily from sending referrals to online travel companies and travel service providers from its hotel metasearch websites.

Operating Metrics

Our operating results are affected by certain metrics, such as gross bookings and revenue margin, which we believe are necessary for understanding and evaluating us. Gross bookings generally represent the total retail value of transactions booked for agency and merchant transactions, recorded at the time of booking reflecting the total price due for travel by travelers, including taxes, fees and other charges, and are reduced for cancellations and refunds. Revenue margin is defined as revenue as a percentage of gross bookings.

Gross Bookings and Revenue Margin

	Three months ended June 30,				Six months ended June 30,		
	2026	2025	% Change	2026	2025	% Change	
	(\$ in millions)				(\$ in millions)		
Gross Bookings							
B2C	\$ 23,186	\$ 21,565	8 %	\$ 47,970	\$ 44,180	9 %	
B2B	10,742	8,844	21 %	21,488	17,680	22 %	
trivago ⁽¹⁾	—	—	N/A	—	—	N/A	
Total gross bookings	\$ 33,928	\$ 30,409	12 %	\$ 69,458	\$ 61,860	12 %	
Revenue Margin							
B2C	11.5 %	11.5 %		10.0 %	10.0 %		
B2B	13.9 %	13.7 %		12.5 %	12.2 %		
trivago ⁽¹⁾	N/A	N/A		N/A	N/A		
Total revenue margin ⁽¹⁾	12.7 %	12.4 %		11.1 %	10.9 %		

(1) trivago, which is comprised of a hotel metasearch business that differs from our transaction-based websites, does not have associated gross bookings or revenue margin. However, third-party revenue from trivago is included in revenue used to calculate total revenue margin.

Gross bookings increased 12% for both the three and six months ended June 30, 2026, compared to the same periods in 2025. B2C gross bookings growth was driven by sustained momentum in the U.S. B2B gross bookings grew globally with Rapid API the largest contributor to growth. Booked room nights for our lodging business increased 6% for both the three and six months ended June 30, 2026, which was led by continued strength at B2B.

Results of Operations**Revenue**

	Three months ended June 30,				Six months ended June 30,					
	2026	2025	% Change		2026	2025	% Change			
	(\$ in millions)				(\$ in millions)					
<u>Revenue by Segment</u>										
B2C	\$	2,677	\$	2,479	8 %	\$	4,795	\$	4,435	8 %
B2B		1,493		1,209	23 %		2,676		2,156	24 %
trivago (Third-party revenue)		145		98	48 %		270		183	48 %
Total revenue	\$	4,315	\$	3,786	14 %	\$	7,741	\$	6,774	14 %

Revenue increased 14% for both the three and six months ended June 30, 2026, compared to the same periods in 2025, driven by lodging growth in both our B2B and B2C segments.

	Three months ended June 30,				Six months ended June 30,		
	2026	2025	% Change	2026	2025	% Change	
	(\$ in millions)			(\$ in millions)			
<i>Revenue by Service Type</i>							
Lodging	\$ 3,429	\$ 3,040	13 %	\$ 6,039	\$ 5,329	13 %	
Air	91	105	(13)%	198	212	(7)%	
EG Advertising	206	182	13 %	403	356	13 %	
trivago Advertising	145	98	48 %	270	183	48 %	
Other	444	361	23 %	831	694	20 %	
Total revenue	\$ 4,315	\$ 3,786	14 %	\$ 7,741	\$ 6,774	14 %	

Lodging revenue increased 13% for both the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily driven by higher ADRs stayed and an increase in room nights stayed in our hotel business.

Air revenue decreased for the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily driven by lower revenue per ticket, as well as 5% lower air tickets sold during the three months ended June 30, 2026.

EG Advertising revenue increased 13% for both the three and six months ended June 30, 2026, compared to the same periods in 2025, driven by our sponsored listing business. trivago Advertising revenue increased 48% for both the three and six months ended June 30, 2026, compared to the same periods in 2025, driven by its strategic focus on brand rebuilding in recent years.

All other revenue, which includes insurance, car, cruise and activities, increased 23% and 20% for the three and six months ended June 30, 2026, compared to the same periods in 2025 primarily due to higher insurance and activities revenue.

In addition to the above segment and product revenue discussion, our revenue by business model is as follows:

	Three months ended June 30,				Six months ended June 30,					
	2026	2025		% Change	2026	2025		% Change		
	(\$ in millions)				(\$ in millions)					
<i>Revenue by Business Model</i>										
Merchant	\$	3,065	\$	2,624	17 %	\$	5,466	\$	4,670	17 %
Agency		872		852	2 %		1,547		1,504	3 %
Advertising, media and other		378		310	22 %		728		600	21 %
Total revenue	\$	4,315	\$	3,786	14 %	\$	7,741	\$	6,774	14 %

The increase in merchant revenue for the three and six months ended June 30, 2026, compared to the same periods in 2025, was primarily due to an increase in merchant lodging revenue. Agency revenue increased for the three and six months ended June 30, 2026, as compared to the same periods in 2025, primarily due to increase in activities and insurance revenue. Advertising, media and other increased for the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily due to healthy growth in both trivago revenue and EG Advertising.

Cost of Revenue

	Three months ended June 30,		% Change	Six months ended June 30,		% Change
	2026	2025		2026	2025	
	(\$ in millions)			(\$ in millions)		
Direct costs	\$ 328	\$ 302	9 %	\$ 632	\$ 588	7 %
Personnel and overhead	75	75	— %	148	146	1 %
Total cost of revenue	<u>\$ 403</u>	<u>\$ 377</u>	7 %	<u>\$ 780</u>	<u>\$ 734</u>	6 %
% of revenue	9.3 %	9.9 %		10.1 %	10.8 %	

Cost of revenue primarily consists of direct costs to support our customer operations, including our customer support and telesales as well as fees to air ticket fulfillment vendors; credit card processing, including merchant fees, fraud and chargebacks; and other costs, primarily including data center and cloud costs to support our websites, supplier operations, destination supply, certain transactional level taxes as well as related personnel and overhead costs, including stock-based compensation.

Cost of revenue increased \$26 million and \$46 million during the three and six months ended June 30, 2026 compared to the same periods in 2025, but decreased as a percentage of revenue during the period driven by continued efficiencies in payments.

Selling and Marketing - Direct and Indirect

	Three months ended June 30,			% Change	Six months ended June 30,			% Change
	2026	2025			2026	2025		
	(\$ in millions)				(\$ in millions)			
Selling and marketing - direct	\$ 2,119	\$ 1,920		10 %	\$ 3,975	\$ 3,677		8 %
% of revenue	49.1 %	50.7 %			51.4 %	54.3 %		
Selling and marketing - indirect	217	213		2 %	419	412		2 %
% of revenue	5.0 %	5.6 %			5.4 %	6.1 %		

Selling and marketing - direct costs primarily include traffic generation costs from search engines and internet portals, television and print spending, private label and affiliate program commissions, public relations and other costs. Selling and marketing - indirect costs include personnel and related overhead in our various brands and global supply organization as well as stock-based compensation costs.

Selling and marketing - direct increased \$199 million and \$298 million during the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily driven by an increase in B2B partner commissions to support revenue growth. The increase in the year-to-date period was partially offset by a decrease in marketing spend at B2C, which had significant marketing leverage. Selling and marketing - indirect costs remained relatively consistent during the three and six months ended June 30, 2026, compared to the same periods in 2025.

Technology and Content

	Three months ended June 30,			% Change	Six months ended June 30,			% Change
	2026	2025			2026	2025		
	(\$ in millions)				(\$ in millions)			
Personnel and overhead	\$ 219	\$ 235		(7)%	\$ 446	\$ 472		(5)%
Other	106	90		19 %	203	173		18 %
Total technology and content	\$ 325	\$ 325		— %	\$ 649	\$ 645		1 %
% of revenue	7.5 %	8.6 %			8.4 %	9.5 %		

Technology and content expense includes product development and content expense, as well as information technology costs to support our infrastructure, back-office applications and overall monitoring and security of our networks, and is principally comprised of personnel and overhead, including stock-based compensation, as well as other costs including cloud expense and licensing and maintenance expense.

Technology and content expense remained relatively consistent during the three and six months ended June 30, 2026, compared to the same periods in 2025 as higher license and maintenance costs and cloud costs were mostly offset by lower personnel costs in connection with previously announced cost saving initiatives.

General and Administrative

	Three months ended June 30,			% Change	Six months ended June 30,			% Change
	2026	2025			2026	2025		
	(\$ in millions)				(\$ in millions)			
Personnel and overhead	\$ 159	\$ 151		5 %	\$ 307	\$ 297		3 %
Professional fees and other	45	46		(2)%	93	80		17 %
Total general and administrative	\$ 204	\$ 197		4 %	\$ 400	\$ 377		6 %
% of revenue	4.7 %	5.2 %			5.2 %	5.6 %		

General and administrative expense consists primarily of personnel-related costs, including our executive leadership, finance, legal and human resource functions and related stock-based compensation as well as fees for external professional services.

General and administrative expense increased during the three and six months ended June 30, 2026, compared to the

same periods in 2025, primarily due to higher stock-based compensation. In addition, the current year to date period was also impacted by higher miscellaneous items, including charitable contributions.

Depreciation and Amortization

	Three months ended June 30,		% Change	Six months ended June 30,		% Change
	2026	2025		2026	2025	
	(\$ in millions)			(\$ in millions)		
Depreciation	\$ 217	\$ 212	2 %	\$ 438	\$ 420	4 %
Amortization of intangible assets	11	11	4 %	18	22	(16)%
Total depreciation and amortization	\$ 228	\$ 223	2 %	\$ 456	\$ 442	3 %

Depreciation increased \$5 million and \$18 million during the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily as a result of increased capitalized website development costs. Amortization of intangible assets remained consistent during the three months ended June 30, 2026 and decreased \$4 million during the six months ended June 30, 2026, compared to the same periods in 2025.

Legal Reserves, Occupancy Tax and Other

	Three months ended June 30,		% Change	Six months ended June 30,		% Change
	2026	2025		2026	2025	
	(\$ in millions)			(\$ in millions)		
Legal reserves, occupancy tax and other	\$ 6	\$ 2	178 %	\$ (58)	2	N/A

Legal reserves, occupancy tax and other primarily consists of increases in our reserves for court decisions and the potential and final settlement of issues related to hotel occupancy and other taxes, expenses recognized related to monies paid in advance of occupancy and other tax proceedings (“pay-to-play”) as well as legal reserves and certain other items.

The net credit in legal reserves, occupancy tax and other for the six months ended June 30, 2026 was primarily due to the reversal of Canadian digital service taxes (“DST”). On March 26, 2026, the government of Canada enacted legislation as part of its 2026 federal budget that repealed the Digital Services Tax Act, with retroactive effect to June 20, 2024.

We had previously recognized, during 2024 and 2025, accruals for anticipated Canadian DST liabilities related to certain digital services revenues, based on enacted law at that time and guidance then available from the Canada Revenue Agency. In connection with the repeal, during the six months ended June 30, 2026, we reversed \$71 million of previously recognized Canadian DST liabilities, covering in-scope periods from January 1, 2022 through December 31, 2025. As of June 30, 2026, the Company no longer has an obligation related to the Canadian DST.

Restructuring and Related Reorganization Charges

We have continued to recalibrate resources and expand the restructure efforts that began in 2024 due to the significant completion of the Company’s organizational and technological transformation. As a result, we recognized \$69 million and \$70 million in restructuring and related reorganization charges during the six months ended June 30, 2026 and 2025, which were predominately related to employee severance, stock-based compensation and benefits costs. Based on current plans which are subject to change, we expect approximately \$35 million in additional reorganization charges. We continue to evaluate additional cost reduction efforts, and should we make additional decisions in future periods to take further actions we may incur additional reorganization charges.

Operating Income

	Three months ended June 30,				Six months ended June 30,					
	2026	2025		% Change	2026	2025		% Change		
	(\$ in millions)				(\$ in millions)					
Operating income	\$	800	\$	485	65 %	\$	1,051	\$	415	153 %
% of revenue		18.6 %		12.8 %			13.6 %		6.1 %	

During the three and six months ended June 30, 2026, the increase in operating income in the current year periods was primarily due to a growth in revenue in excess of operating costs.

Adjusted EBITDA by Segment

	Three months ended June 30,			% Change	Six months ended June 30,			% Change		
	2026		2025		2026		2025			
	(\$ in millions)				(\$ in millions)					
B2C	\$	889	\$	728	22 %	\$	1,315	\$	945	39 %
B2B		369		331	12 %		638		547	17 %
trivago		1		(6)	N/A		(6)		(11)	(52)%
Segment Adjusted EBITDA		1,259		1,053			1,947		1,481	
Unallocated corporate and other expenses		(140)		(145)	(3)%		(286)		(277)	3 %
Total Adjusted EBITDA ⁽¹⁾	\$	1,119	\$	908	23 %	\$	1,661	\$	1,204	38 %

(1) Adjusted EBITDA is a non-GAAP measure. See “Definition and Reconciliation of Adjusted EBITDA” below for more information.

Adjusted EBITDA is our primary segment operating metric. See Note 10 – Segment Information in the notes to the consolidated financial statements for additional information on intersegment transactions, unallocated corporate and other costs and for a reconciliation of Adjusted EBITDA by segment to income (loss) before income taxes for the periods presented above.

Our B2C segment Adjusted EBITDA increased during the three and six months ended June 30, 2026, compared to the same periods in 2025 as a result of revenue growth and disciplined cost management, particularly in direct selling and marketing in the year-to-date period. Our B2B segment experienced an increase in Adjusted EBITDA during the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily as a result of strong revenue growth, partially offset by a prioritization of investments to support future growth. Our trivago segment Adjusted EBITDA returned to positive during the three months ended June 30, 2026 and its Adjusted EBITDA loss decreased during the six months ended June 30, 2026, compared to the same periods in 2025, as a result of revenue growth, partially offset by higher operating costs, including direct selling and marketing expenses.

Interest Income and Expense

	Three months ended June 30,				Six months ended June 30,					
	2026		2025	% Change	2026		2025	% Change		
	(\$ in millions)				(\$ in millions)					
Interest income	\$	73	\$	74	(1)%	\$	133	\$	128	4 %
Interest expense		(61)		(58)	5 %		(172)		(116)	48 %

Interest income decreased slightly for the three months ended June 30, 2026, compared to the same period in 2025. Interest income increased for the six months ended June 30, 2026, compared to the same period in 2025, as a result of higher average cash and investment balances, partially offset by lower rates of return.

Interest expense increased for the three months ended June 30, 2026, compared to the same period in 2025, as a result of higher average senior notes outstanding in the current year period. The interest expense increase for the six months ended June 30, 2026 was also due to the amortization of the debt discount related to our Convertible Notes that matured in February 2026 as discussed in Note 4 – Debt in the notes to the consolidated financial statements.

Other, Net

Other, net is comprised of the following:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(\$ in millions)			
Foreign exchange rate gains (losses), net	\$ (54)	\$ 28	\$ (114)	\$ 40
Gains (losses) on minority equity investments, net	280	(102)	125	(258)
Gain related to the conversion option on Convertible Notes	—	—	48	—
Other	(11)	(4)	(19)	(3)
Total other, net	\$ 215	\$ (78)	\$ 40	\$ (221)

For further information on our gains (losses) on minority equity investments, net, see Note 3 – Fair Value Measurements in the notes to the consolidated financial statements. For further information on the gain related to the conversion option on our Convertible Notes, see Note 4 – Debt in the notes to the consolidated financial statements.

Provision for Income Taxes

	Three months ended June 30,		% Change	Six months ended June 30,		% Change
	2026	2025		2026	2025	
	(\$ in millions)			(\$ in millions)		
Provision for income taxes	\$ 152	\$ 101	50 %	\$ 189	\$ 81	133 %
Effective tax rate	14.8 %	23.9 %		17.9 %	39.3 %	

Our tax provision for interim periods is determined using an estimate of our annual effective tax rate. We record any changes affecting the estimated annual effective tax rate in the interim period in which the change occurs, including discrete items.

For the three months ended June 30, 2026, the effective tax rate was 14.8%, compared to 23.9% for the three months ended June 30, 2025. For the six months ended June 30, 2026, the effective tax rate was 17.9%, compared to 39.3% for the six months ended June 30, 2025. The change in the effective tax rate for both periods was primarily due to nontaxable mark-to-market gains.

We are subject to taxation in the United States and foreign jurisdictions. Our income tax filings are routinely examined by federal, state, and foreign tax authorities. Prior to June 30, 2026, for tax years 2011 to 2013 and 2014 to 2016, the IRS issued adjustments related to transfer pricing with our foreign subsidiaries. The 2011 to 2013 and the 2014 to 2016 adjustments would result in federal income tax of approximately \$244 million and \$431 million, respectively, subject to interest. These audit cycles have remained in administrative procedures with the IRS.

Subsequent to June 30, 2026, the IRS replaced the prior adjustments and issued new adjustments for tax years 2011 to 2016 that apply a different method of adjusting transfer pricing with our foreign subsidiaries. The IRS also issued adjustments for 2017 and 2018. The adjustments, as proposed, would result in a federal income tax of approximately \$287 million to \$313 million for tax years 2011 to 2013, approximately \$488 million to \$531 million for tax years 2014 to 2016, and approximately \$213 million to \$380 million for tax years 2017 to 2018, subject to interest. We do not agree with these adjustments and will continue to vigorously defend our position through administrative procedures. The IRS has indicated that adjustments for this matter are not relevant for tax years 2019 to 2020.

Definition and Reconciliation of Adjusted EBITDA

We report Adjusted EBITDA as a supplemental measure to U.S. generally accepted accounting principles (“GAAP”). Adjusted EBITDA is among the primary metrics by which management evaluates the performance of the business and on which internal budgets are based. Management believes that investors should have access to the same set of tools that management uses to analyze our results. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP. Adjusted EBITDA has certain limitations in that it does not take into account the impact of certain expenses to our consolidated statements of operations. We endeavor to compensate for the limitation of the non-GAAP measure presented by also providing the most directly comparable GAAP measure and a description of the reconciling items and adjustments to derive the non-GAAP measure. Adjusted EBITDA also excludes certain items related to transactional tax matters, which may ultimately be settled in cash, and we urge

investors to review the detailed disclosure regarding these matters included above, in the Legal Proceedings section, as well as the notes to the financial statements. The non-GAAP financial measure used by the Company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

Adjusted EBITDA is defined as net income (loss) attributable to Expedia Group, Inc. adjusted for (1) net income (loss) attributable to non-controlling interests; (2) provision for income taxes; (3) total other expenses, net; (4) stock-based compensation expense, including compensation expense related to certain subsidiary equity plans; (5) acquisition-related impacts, including (i) amortization of intangible assets and goodwill and intangible asset impairment, (ii) gains (losses) recognized on changes in the value of contingent consideration arrangements, if any, and (iii) upfront consideration paid to settle employee compensation plans of the acquiree, if any; (6) certain other items, including restructuring; (7) items included in legal reserves, occupancy tax and other; (8) that portion of gains (losses) on revenue hedging activities that are included in other, net that relate to revenue recognized in the period; and (9) depreciation.

The above items are excluded from our Adjusted EBITDA measure because these items are noncash in nature, or because the amount and timing of these items is unpredictable, not driven by core operating results and renders comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA is a useful measure for analysts and investors to evaluate our future on-going performance as this measure allows a more meaningful comparison of our performance and projected cash earnings with our historical results from prior periods and to the results of our competitors. Moreover, our management uses this measure internally to evaluate the performance of our business as a whole and our individual business segments. In addition, we believe that by excluding certain items, such as stock-based compensation and acquisition-related impacts, Adjusted EBITDA corresponds more closely to the cash operating income generated from our business and allows investors to gain an understanding of the factors and trends affecting the ongoing cash earnings capabilities of our business, from which capital investments are made and debt is serviced.

The reconciliation of net income attributable to Expedia Group, Inc. to Adjusted EBITDA is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(In millions)			
Net income attributable to Expedia Group, Inc.	\$ 878	\$ 330	\$ 872	\$ 130
Net income (loss) attributable to non-controlling interests	(3)	(8)	(9)	(5)
Provision for income taxes	152	101	189	81
Total other (income) expense, net	(227)	62	(1)	209
Operating income	800	485	1,051	415
Gain (loss) on revenue hedges related to revenue recognized	(40)	52	(68)	75
Restructuring and related reorganization charges, excluding stock-based compensation	11	41	63	67
Legal reserves, occupancy tax and other	6	2	(58)	2
Stock-based compensation	114	105	217	203
Depreciation and amortization	228	223	456	442
Adjusted EBITDA	\$ 1,119	\$ 908	\$ 1,661	\$ 1,204

Financial Position, Liquidity and Capital Resources

Our principal sources of liquidity are typically cash flows generated from operations, cash available under our credit facility as well as our cash and cash equivalents and short-term investment balances, which were \$7.1 billion and \$5.7 billion at June 30, 2026 and December 31, 2025. As of June 30, 2026, the total cash and cash equivalents and short-term investments held outside the United States was \$398 million (\$220 million in wholly-owned foreign subsidiaries and \$178 million in majority-owned subsidiaries).

New Revolving Credit Facility. On March 27, 2026, we entered into a new revolving credit facility with aggregate commitments of \$2.5 billion, which replaced our previous credit facility with the same commitment level and matures in March 2031. The revolving credit facility was essentially untapped at June 30, 2026.

5.5% Senior Notes Issuance. In April 2026, we issued \$1 billion of registered senior unsecured notes, which bear interest at 5.5% and are due in April 2036 (the “5.5% Notes”). The 5.5% Notes were issued at 99.384% of par resulting in a discount, which is being amortized over their life. Interest is payable semi-annually in arrears in April and October of each year, beginning October 15, 2026. We used or expect to use the net proceeds of this offering of approximately \$986 million for

general corporate purposes, which may include, but not limited to: (i) repayment, prepayment, redemption or repurchase of outstanding debt, (ii) dividends and stock repurchases, and (iii) funding for working capital, capital expenditures and acquisitions.

Redemption of our 5.0% Senior Notes and 0% Convertible Notes. In February 2026, our \$750 million in senior unsecured notes that bore interest at 5.0% (the “5.0% Notes”) matured and the balance was repaid along with applicable accrued and unpaid interest. Also in February 2026, upon maturity of the Convertible Notes, we paid approximately \$1.1 billion in cash to repay the principal amount and settle our payment obligations in connection with conversion elections of the holders thereof, which included a conversion premium of approximately \$78 million.

Our credit ratings are periodically reviewed by rating agencies. As of June 30, 2026, Moody’s rating was Baa2 with an outlook of “positive,” S&P’s rating was BBB with an outlook of “stable” and Fitch’s rating was BBB with an outlook of “stable.” Changes in our operating results, cash flows, financial position, capital structure, financial policy or capital allocations to share repurchase, dividends, investments and acquisitions could impact the ratings assigned by the various rating agencies. Should our credit ratings be adjusted downward, we may incur higher costs to borrow and/or limited access to capital markets and interest rates on our 4.625% senior notes as well as our 2.95% senior notes will increase, which could have a material impact on our financial condition and results of operations.

As of June 30, 2026, we were in compliance with the covenants and conditions in our revolving credit facility and outstanding debt as detailed in Note 4 – Debt in the notes to the consolidated financial statements.

Under the merchant model, we receive cash from travelers at the time of booking and we record these amounts on our consolidated balance sheets as deferred merchant bookings. We pay our airline suppliers related to these merchant model bookings generally within a few weeks after completing the transaction. For most other merchant bookings, which is primarily our merchant lodging business, we generally pay after the travelers’ use and, in some cases, subsequent billing from the hotel suppliers. Therefore, generally we receive cash from the traveler prior to paying our supplier, and this operating cycle represents a working capital source of cash to us. Typically, the seasonal fluctuations in our merchant hotel bookings have affected the timing of our annual cash flows. Generally, during the first half of the year, hotel bookings have traditionally exceeded stays, resulting in much higher cash flow related to working capital. During the second half of the year, this pattern typically reverses and cash flows are typically negative.

Our cash flows are as follows:

	Six months ended June 30,		\$ Change
	2026	2025 (In millions)	
Cash provided by (used in):			
Operating activities	\$ 5,409	\$ 4,073	\$ 1,336
Investing activities	(1,208)	(220)	(988)
Financing activities	(2,057)	(1,180)	(877)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash and cash equivalents	(36)	208	(244)

For the six months ended June 30, 2026, net cash provided by operating activities increased compared to the prior year period due to higher working capital benefits driven mostly from an increase in deferred merchant bookings and merchant accounts payable as well as higher operating income after adjusting for impacts of depreciation and amortization.

For the six months ended June 30, 2026, net cash used in investing activities was \$1.2 billion compared to \$220 million used in the prior year period. The change was primarily due to net purchase of investments in the current year compared to net sales and maturities of investments in the prior year, uses of cash for the settlement of currency forward contract losses in the current year compared to sources of cash for gains in the prior year as well as cash used for acquisitions in the current year.

For the six months ended June 30, 2026, net cash used in financing activities primarily included \$1.8 billion of payments related to the redemption of our 5.0% Notes and our 0% Convertible Notes in February 2026 as discussed above as well as \$1.1 billion of cash paid to acquire shares, including the repurchased shares under the authorization discussed below and for treasury stock activity related to the vesting of equity instruments as well as cash dividend payments of \$116 million, partially offset by proceeds from the issuance of 5.5% senior notes with net proceeds of \$986 million. For the six months ended June 30, 2025, net cash used in financing activities primarily included the February 2025 redemption of approximately \$1 billion of our 6.25% senior notes, \$1.1 billion of cash paid to acquire shares, and cash dividend payments of \$102 million, partially offset by the

February 2025 issuance of 5.4% senior notes with net proceeds of \$985 million as well as \$25 million of proceeds from the exercise of options and employee stock purchase plans.

In November 2023, the Executive Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized an additional program to repurchase up to \$5 billion of our common stock (“2023 Share Repurchase Program”). In May 2026, the Audit Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized a program to repurchase up to an additional \$5 billion of our common stock (“2026 Share Repurchase Program”). During the six months ended June 30, 2026, we repurchased, through open market transactions, 4.2 million shares under 2023 Share Repurchase Program for a total cost of approximately \$900 million, excluding transaction costs and excise tax due under the Inflation Reduction Act of 2022. As of June 30, 2026, \$5.7 billion remained authorized for repurchase under the 2023 and 2026 Share Repurchase Programs. Our 2023 and 2026 Share Repurchase Programs do not have fixed expiration dates and do not obligate the Company to acquire any specific number of shares. Under the programs, shares may be repurchased in the open market or in privately negotiated transactions. The timing, manner, price and amount of any repurchases will be subject to the discretion of the Company and depend on a variety of factors, including the market price of Expedia Group’s common stock, general market and economic conditions, regulatory requirements and other business considerations.

The Executive Committee, acting on behalf of the Board of Directors, declared and we paid the following dividends during the period presented:

Declaration Date	Dividend Per Share	Record Date	Total Amount (in millions)	Payment Date
Six Months Ended June 30, 2026				
February 12, 2026	\$ 0.48	March 5, 2026	\$ 58	March 26, 2026
May 7, 2026	\$ 0.48	May 28, 2026	\$ 58	June 18, 2026
Six Months Ended June 30, 2025				
February 4, 2025	\$ 0.40	March 6, 2025	\$ 51	March 27, 2025
May 7, 2025	\$ 0.40	May 29, 2025	\$ 51	June 18, 2025

In addition, in August 2026, the Executive Committee, acting on behalf of the Board of Directors, declared a quarterly cash dividend of \$0.48 per share of outstanding common stock payable on September 17, 2026 to stockholders of record as of the close of business on August 27, 2026. Future declarations of dividends are subject to final determination by our Board of Directors.

Foreign exchange rate changes resulted in a decrease of our cash and restricted cash balances denominated in foreign currency during the six months ended June 30, 2026 of \$36 million reflecting a net depreciation in foreign currencies relative to the U.S. dollar compared to \$208 million increase in the prior year period reflecting a net appreciation in foreign currencies relative to the U.S. dollar.

Other than discussed above, there have been no material changes outside the normal course of business to our contractual obligations and commercial commitments since December 31, 2025.

In our opinion, our liquidity position provides sufficient capital resources to meet our foreseeable cash needs. There can be no assurance, however, that the cost or availability of future borrowings, including refinancings, if any, will be available on terms acceptable to us.

Part I. Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Management

There have been no material changes in our market risk during the three and six months ended June 30, 2026. For additional information, see Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in Part II of our Annual Report on Form 10-K for the year ended December 31, 2025.

Part I. Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures.

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), our management, including our Chairman and Senior Executive, Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, our Chairman and Senior Executive, Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective.

Changes in internal control over financial reporting.

There were no changes to our internal control over financial reporting that occurred during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Item 1. Legal Proceedings

In the ordinary course of business, Expedia Group and its subsidiaries are parties to legal proceedings and claims involving property, tax, personal injury, contract, alleged infringement of third-party intellectual property rights and other claims. A discussion of certain legal proceedings can be found in the section titled “Legal Proceedings,” of our Annual Report on Form 10-K for the year ended December 31, 2025 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2026. The following are developments regarding, as applicable, such legal proceedings and/or new legal proceedings:

Helms Burton Litigation. On June 18, 2026, the court in *Echevarria II* stayed the case pending resolution of the appeal in *Echevarria I*.

Part II. Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, Item 1A, “Risk Factors,” in our Annual Report on Form 10-K for the year ended December 31, 2025, which could materially affect our business, financial condition or future results. These are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Part II. Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

In November 2023, the Executive Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized a program to repurchase up to \$5 billion of our common stock. In May 2026, the Audit Committee of the Board of Directors, pursuant to a delegation of authority from the Board, authorized a program to repurchase up to an additional \$5 billion of our common stock. A summary of the repurchase activity for the second quarter of 2026 is as follows:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased Under Plans or Programs
			(In thousands, except per share data)	
April 1-30, 2026	—	\$ —	—	\$ 870,219
May 1-31, 2026	304	219.35	304	5,803,471
June 1-30, 2026	579	230.05	579	5,670,233
Total	883		883	

Part II. Item 5. Other Information**Rule 10b5-1 Plan Elections**

During the quarter ended June 30, 2026, none of our directors or executive officers adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined under Item 408 of Regulation S-K.

Part II. Item 6. Exhibits

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q.

Exhibit No.	Exhibit Description	Filed Herewith	Incorporated by Reference			
			Form	SEC File No.	Exhibit	Filing Date
31.1	<u>Certification of the Chairman and Senior Executive pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>	X				
31.2	<u>Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>	X				
31.3	<u>Certification of the Chief Financial Officer pursuant Section 302 of the Sarbanes-Oxley Act of 2002</u>	X				
32.1	<u>Certification of the Chairman and Senior Executive pursuant Section 906 of the Sarbanes-Oxley Act of 2002</u>	X				
32.2	<u>Certification of the Chief Executive Officer pursuant Section 906 of the Sarbanes-Oxley Act of 2002</u>	X				
32.3	<u>Certification of the Chief Financial Officer pursuant Section 906 of the Sarbanes-Oxley Act of 2002</u>	X				
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in XBRL: (i) Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Income (Loss), (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Changes in Stockholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.	X				

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 5, 2026

Expedia Group, Inc.

By: /s/ Derek Andersen

Derek Andersen

Chief Financial Officer

Certification

I, Barry Diller, Chairman and Senior Executive of Expedia Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Expedia Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ BARRY DILLER

Barry Diller

Chairman and Senior Executive

Certification

I, Ariane Gorin, Chief Executive Officer of Expedia Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Expedia Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ ARIANE GORIN

Ariane Gorin

Chief Executive Officer

Certification

I, Derek Andersen, Chief Financial Officer of Expedia Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Expedia Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

/s/ DEREK ANDERSEN

Derek Andersen

Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Barry Diller, Chairman and Senior Executive of Expedia Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1. the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the “Report”) which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ BARRY DILLER

Barry Diller

Chairman and Senior Executive

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Ariane Gorin, Chief Executive Officer of Expedia Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1. the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the “Report”) which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ ARIANE GORIN

Ariane Gorin

Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Derek Andersen, Chief Financial Officer of Expedia Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1. the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the “Report”) which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ DEREK ANDERSEN

Derek Andersen

Chief Financial Officer