

**Airbnb, Inc.**Bloomberg  
ReutersABNB.US  
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**While Airbnb surpassed expectations in 3Q23, its forecast for 4Q23 fell short, attributed to unstable macroeconomic conditions.**

**Earnings Result**

The company's outlook for the current quarter and fiscal year remains positive, with expectations for growth in bookings, active listings, and cross-border travel. They also aim to attract and retain more hosts and expand internationally. Financial performance indicators such as revenue, implied take rate, Adjusted EBITDA, and Adjusted EBITDA margin are anticipated to be positive. The company emphasizes their strategic priorities, investments, and expectations for travel trends and the industry. They also highlight their focus on long-term stays and enhancing their products and services. However, it is important to consider the potential risks and uncertainties that may impact actual results.

**Significant growth in net income**

In Q3 2023, the company experienced significant growth in net income, with a net income of \$4.4 billion, a \$3.2 billion improvement from Q3 2022. This increase was largely due to a one-time tax benefit of \$2.8 billion from the release of a valuation allowance on certain deferred tax assets. Adjusted EBITDA also saw a 26% increase from Q3 2022, demonstrating the strength of the business and cost management. Overall, the company's financial performance in Q3 2023 showed positive growth and improved profitability.

**Revenue growth driven by strength in travel demand**

The revenue in Q3 2023 increased by 18% compared to Q3 2022, driven by growth in Nights and Experiences Booked, a modest increase in Average Daily Rate, and a favorable foreign exchange rate. The company experienced strong growth in Nights and Experiences Booked in all regions, with Asia Pacific leading the way. Gross Booking Value reached \$18.3 billion, representing a 17% year-over-year increase. The company saw growth in North America, EMEA, and Latin America, with cross-border nights booked showing strong year-over-year growth.

**Balance sheet and cashflow**

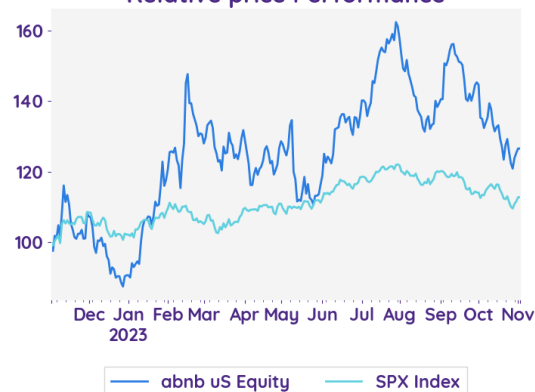
Between December 31, 2022, and September 30, 2023, the company's total assets grew from \$16.0 billion to \$21.4 billion, with \$11.0 billion in liquid assets. Operating activities generated \$1.3 billion in net cash in Q3 2023, up from \$964 million in Q3 2022. The company also repurchased \$500 million of Class A common stock in Q3 2023, showcasing a robust financial position.

**Risks and concerns**

In September 2023, Local Law 18 in NYC prohibited short-term rentals, negatively impacting tourism and residents dependent on home sharing, highlighting Airbnb's vulnerability to regulatory changes. Additionally, Airbnb faces risks from the COVID-19 pandemic aftermath, increasing competition, and various legal and regulatory shifts.

**Business Outlook**

For Q4 2023, Airbnb expects revenue growth of 12% to 14% compared to the previous year, with a slightly higher implied take rate. They anticipate a moderation in nights booked growth compared to Q3 2023, but stable to slightly higher average daily rates (ADR). The company also expects a record-high fourth quarter Adjusted EBITDA and margin that exceeds Q4 2022. They are closely monitoring macroeconomic trends and geopolitical conflicts that may impact travel demand.

**Relative price Performance**

SENTIMENT	4Q22	1Q23	2Q23	3Q23
net profit	Positive	Positive	Positive	Positive
margin	Neutral	Neutral	Positive	Neutral
revenue	Positive	Positive	Positive	Positive

STOCK DATA	
Market Cap (USD Million)	77.33
Beta	1.75
Last close	119.47
12-m Low / High	81.9 / 155
Target price	145.00
Return Potential	21.4 %
% of Buy / Sell rating	41.0 % / 15.0 %

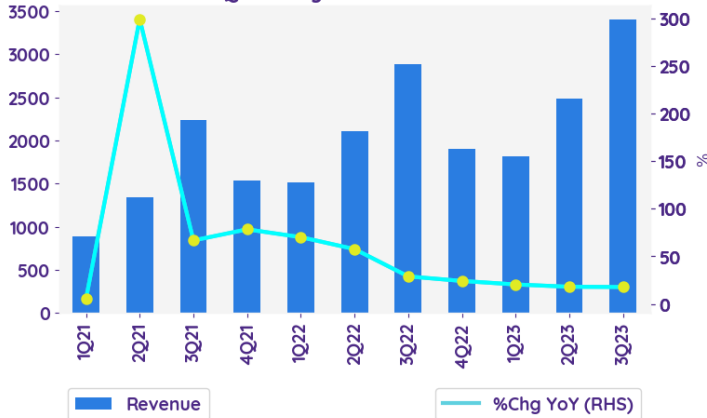
VALUATION DATA	12M FORWARD	5-YR AVERAGE
P/E	26.43	
P/B	8.40	
P/S	6.96	
EV/EBITDA	17.41	33.69
Dividend Yield	0.0 %	

REVENUE - %CHG YOY	3Q22	4Q22	1Q23	2Q23	3Q23
International	24.4%	-69.8%	-10.4%	44.7%	44.3%
United States	32.3%	-66.7%	2.2%	28.9%	28.6%

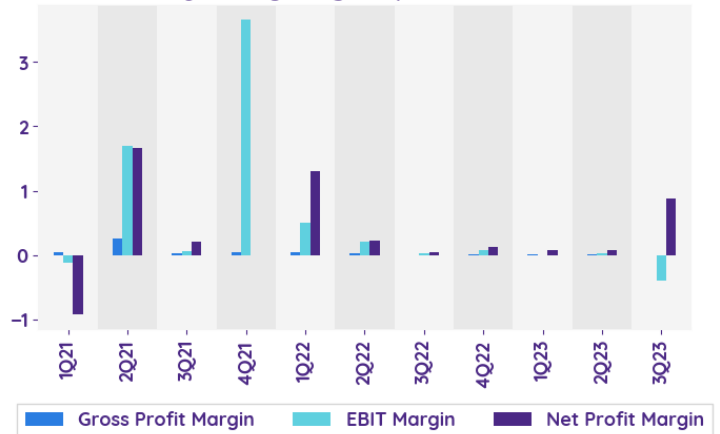
**Airbnb, Inc.**

Airbnb, Inc. operates an online marketplace for travel information and booking services. The Company offers lodging, home-stay, and tourism services via websites and mobile applications. Airbnb serves clients worldwide.

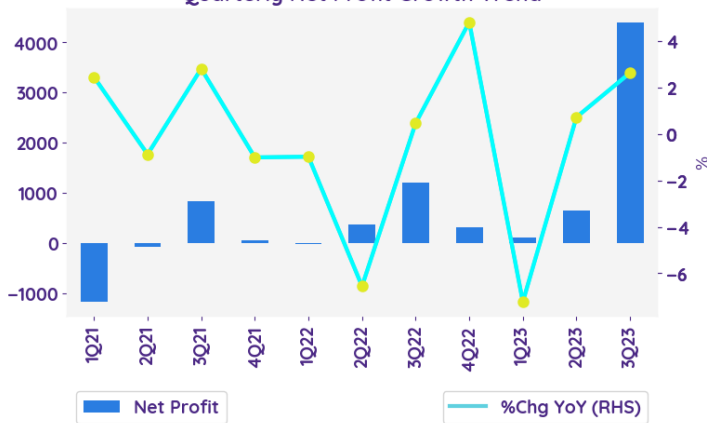
**Quarterly Revenue Trend**



**Quarterly Margin Expansion Trend**



**Quarterly Net Profit Growth Trend**



**Quarterly ROE and ROA Trend**



**Quarterly Liquidity and Leverage**



**Quarterly Cash Flows Trend**

