

ModernGraham Valuation

Company Name:

Expedia Group Inc

Company Ticker EXPE

Date of Analysis

3/5/2019



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$18,454,719,409	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.64	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	32.73%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	32.96	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.37	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.64	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.30	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.81
MG Growth Estimate	1.23%
MG Value	\$41.76
MG Value based on 3% Growth	\$55.29
MG Value based on 0% Growth	\$32.41
Market Implied Growth Rate	12.23%

MG Opinion

Current Price	\$125.67
% of Intrinsic Value	300.94%
Opinion	Overvalued
MG Grade	D

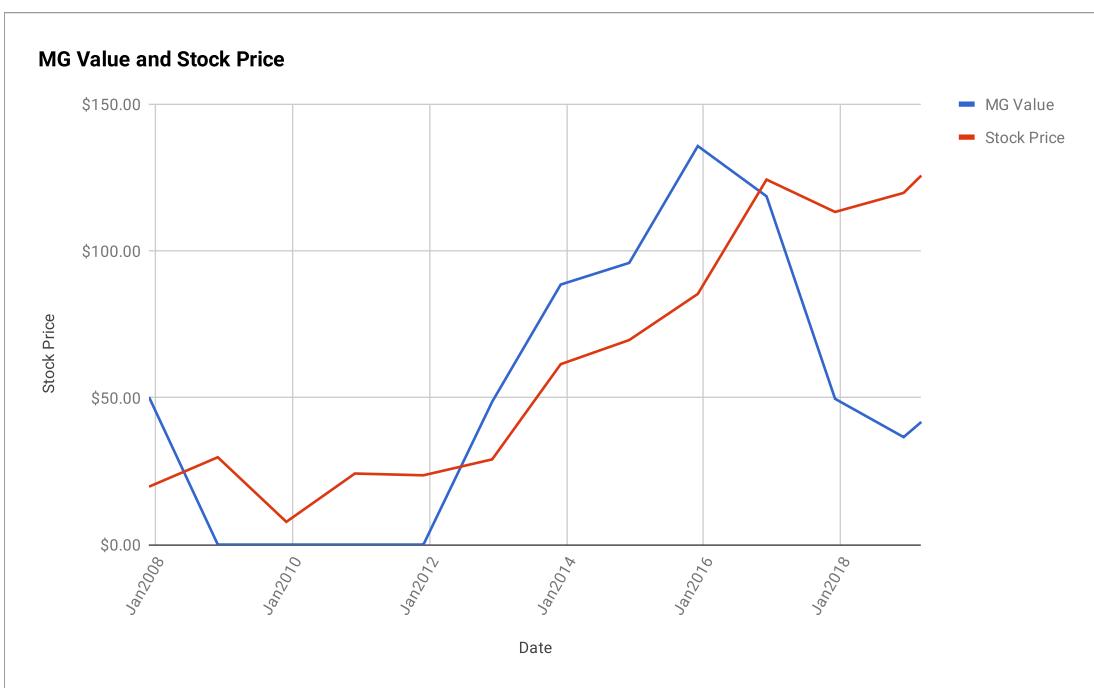
Stage 3: Information for Further Research

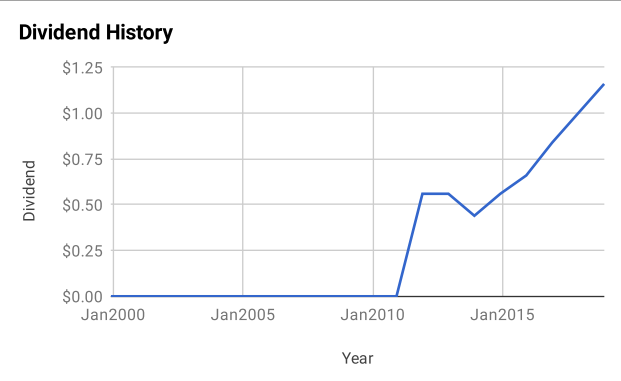
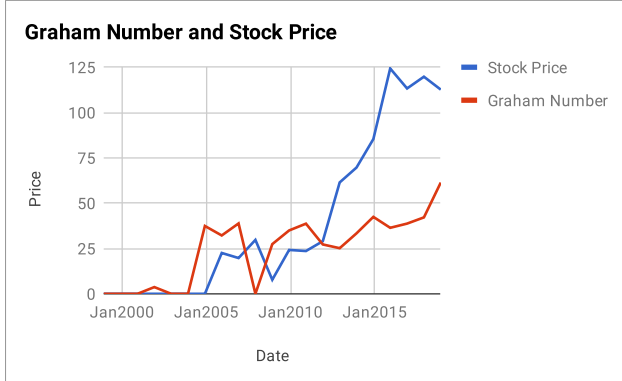
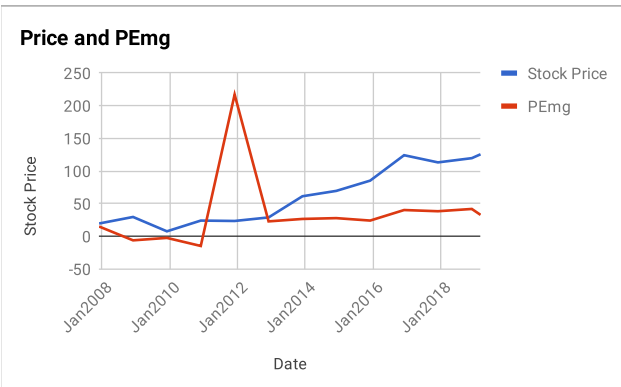
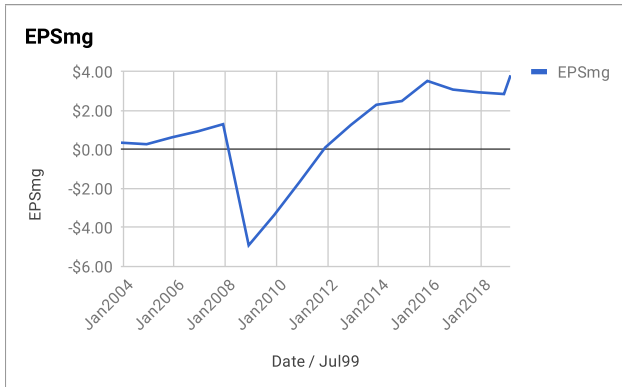
Net Current Asset Value (NCAV)	-\$47.47
Graham Number	\$61.37
PEmg	32.96
Current Ratio	0.64
PB Ratio	3.37
Current Dividend	\$1.24
Dividend Yield	0.99%
Number of Consecutive Years of Dividend Growth	6

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.00	Next Fiscal Year Estimate	\$3.81
Dec2018	\$2.65	Dec2018	\$2.85
Dec2017	\$2.42	Dec2017	\$2.94
Dec2016	\$1.82	Dec2016	\$3.08
Dec2015	\$5.70	Dec2015	\$3.53
Dec2014	\$2.99	Dec2014	\$2.49
Dec2013	\$1.67	Dec2013	\$2.30
Dec2012	\$2.00	Dec2012	\$1.26
Dec2011	\$3.41	Dec2011	\$0.11
Dec2010	\$2.93	Dec2010	-\$1.65
Dec2009	\$2.06	Dec2009	-\$3.36
Dec2008	-\$17.60	Dec2008	-\$4.91
Dec2007	\$1.88	Dec2007	\$1.30
Dec2006	\$1.40	Dec2006	\$0.93
Dec2005	\$1.30	Dec2005	\$0.63
Dec2004	\$0.00	Dec2004	\$0.28
Dec2003	\$0.66	Dec2003	\$0.35
Dec2002	\$0.46	Balance Sheet Information 12/1/2018	
Dec2001	\$0.06	Total Current Assets	\$5,197,000,000
Dec2000	\$0.00	Total Current Liabilities	\$8,060,000,000
Dec1999	\$0.00	Long-Term Debt	\$3,717,000,000
		Total Assets	\$18,033,000,000
		Intangible Assets	\$10,112,000,000
		Total Liabilities	\$12,382,000,000
		Shares Outstanding (Diluted Average)	151,344,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor. The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

- Other ModernGraham posts about the company**
- [Expedia Group Inc Valuation – May 2018 \\$EXPE](#)
 - [Expedia Inc Valuation – February 2017 \\$EXPE](#)
 - [Expedia Inc. Analysis – October 2015 Update \\$EXPE](#)
 - [17 Companies in the Spotlight This Week – 9/27/2014](#)
 - [Expedia Inc. Annual Stock Valuation – 2014 \\$EXPE](#)

- Other ModernGraham posts about related companies**
- [Booking Holdings Inc Valuation – January 2019 \\$BKNG](#)
 - [TripAdvisor Inc Valuation – January 2019 \\$TRIP](#)
 - [ILG Inc Valuation – July 2018 \\$ILG](#)
 - [Royal Caribbean Cruises Ltd Valuation – Initial Coverage June 2018 \\$RCL](#)
 - [Expedia Group Inc Valuation – May 2018 \\$EXPE](#)
 - [Booking Holdings Inc Valuation – April 2018 \\$BKNG](#)
 - [TripAdvisor Inc Valuation – March 2018 \\$TRIP](#)
 - [Expedia Inc Valuation – February 2017 \\$EXPE](#)
 - [Priceline Group Inc Valuation – July 2016 \\$PCLN](#)
 - [TripAdvisor Inc Valuation – June 2016 \\$TRIP](#)