

Adobe - Q3 2024 Financial Report

Metric	Value
Revenue	\$44,055,463.00
Growth Rate	19.7%
Profit Margin	26.4%

****Adobe Inc. - Q3 2024 Financial Report**** ****Executive Summary**** Adobe (Nasdaq: ADBE) reports solid Q3 2024 financial results, demonstrating continued strength in its core Creative Cloud and Document Cloud offerings. Revenue reached \$5.35 billion, representing an 11% year-over-year increase, reflecting sustained demand for digital creativity and workflow solutions. Diluted earnings per share (EPS) were \$3.40, exceeding previous guidance. While the broader macroeconomic environment presents ongoing challenges, Adobe's subscription-based model and diverse product portfolio provides resilience and positions the company for continued growth.

****Revenue and Growth Metrics**** Total revenue for Q3 2024 was \$5.35 billion, an 11% increase compared to Q3 2023. Digital Media segment revenue reached \$3.91 billion, up 12% year-over-year. Within Digital Media, Creative Cloud revenue grew by 11% to \$3.2 billion, driven by growth in subscriptions for flagship products like Photoshop, Illustrator, and Premiere Pro, along with increased adoption of Creative Cloud for Teams. Document Cloud revenue increased by 14% to \$710 million, fueled by strong demand for Adobe Acrobat and Adobe Sign. Digital Experience segment revenue grew by 10% to \$1.44 billion. International revenue accounted for approximately 35% of total revenue.

****Key Business Highlights**** During Q3, Adobe unveiled significant updates to its Creative Cloud suite, leveraging AI and machine learning to enhance user workflows and creative capabilities. The company expanded its partnership with enterprise clients, integrating Adobe Experience Cloud with their existing technology stacks. Successful marketing campaigns drove adoption of Adobe Express among a broader user base. We experienced notable growth in the Asia-Pacific region, particularly in emerging markets where digital transformation is accelerating.

****Market Conditions and Competitive Landscape**** The creative software and digital marketing landscape remains competitive. Adobe faces ongoing challenges from established players like Microsoft and emerging competitors offering specialized solutions. Market conditions are influenced by fluctuating global economic conditions and changing customer demands. Adobe remains focused on innovation and integration to maintain its leadership position.

****Forward-Looking Statements and Guidance**** For Q4 2024, Adobe anticipates total revenue between \$5.4 and \$5.45 billion. Digital Media segment revenue is projected to grow between 10% and 11%. Diluted EPS is expected to be between \$3.45 and \$3.50. This guidance reflects our current assessment of market conditions and assumes no significant changes in the macroeconomic environment. Adobe remains confident in its long-term growth strategy, driven by continued innovation and a commitment to serving its diverse customer base.