

SOFI Earnings call Q4 24

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- Adjusted net rev +26% YoY
- SOFI is not just a lender anymore
- Lending grew 11.5%
- EBITDA up 24%
- 2024 was first full year of GAAP profitability
- "FEELS LIKE ITS DAY ONE OF OUR JOURNEY - ANTHONY NOTO"
- Brand awareness grew 170 bp over 11%
- Plan to add additional fee based income
- Plan to build beyond LPB
- New sofi plus platform (fee based)
- 70% of growth comes from existing members***
- Products grew 51% in 2024
- 2024 was best year ever
- 26% effective tax rate expected
- Blow owl cap funds 5B capital funds in LPB revenue over 2 years (5b each year)
- Delinquency rate decreasing
- Student loan delinquency rate remained flat
- 40% of members get a 2nd product within 30 days
- Sell both high quality loans & loans outside of their credit box - 3rd parties
- Leverage origination platforms

GUIDANCE

- Add 2.8M members
- Adj net rev 3.0-3.57B dollars
- Adj ebitda 845-865M dollars
- Adj gaap net income 289-389M dollar
- Adj gaap eps .25 -.27/share
- 26% effective tax rate
- Exceed medium term guidance of revenue & eps in range of .55-.80 per share
- Annual eps growth beyond 2026 "for sure"

Q&A

- Lowered interest rates on sofi money & how does that impact the business?
- Answer: looking to widen margins but also still leading even though APY has changed to 3.9 from 4.5; provides additional funding & close to longterm funding of 80-95% of that APY payout
- Expecting north of 28% member growth in 2025
- APY has not been known to cause member decline - trying to convert sofi members to 9.99/month subscription based platforms
- Operating leverage on investments - confidence levels?
- Answer: putting perspective on margins; margin is 30% & in 2024 took conservative stance - **drove margin expansion at the expense of revenue growth; LT margins are 30% for ebitda (huge)**
- Most important about guidance is revenue expectations are higher than both sofi & wallstreets expectations
- Now margin growth is exploding, revenue growth is key in 2025
- Lending business outlook related to BS growth; what is valued by management?

- Answer: expect low double digit growth across personal & student - plan to scale home loaning
- Reiterated "business is just getting started today" - big theme
- Blue owl cap fund & PGIM & Ibs & PE funds money is pouring in
- How will you handle volatile capital markets
- Answer: they have multiple commitments in 2025 & beyond on loan packages & selling new original loans as well & sourcing some to 3rd parties - they 100% will monetize that demand
- Brokerage business is going to ramp up, tech platform fees ramp up

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