

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 April 28, 2024

OR

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

Commission file number: 0-23985



NVIDIA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

2788 San Tomas Expressway, Santa Clara, California  
(Address of principal executive offices)

94-3177549  
(I.R.S. Employer  
Identification No.)

95051  
(Zip Code)

(408) 486-2000  
(Registrant's telephone number, including area code)

N/A  
(Former name, former address and former fiscal year if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	NVDA	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 ☒

The number of shares of common stock, \$0.001 par value, outstanding as of May 24, 2024, was 2.46 billion.

**NVIDIA Corporation**  
**Form 10-Q**  
**For the Quarter Ended April 28, 2024**

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**Where You Can Find More Information**

Investors and others should note that we announce material financial information to our investors using our investor relations website, press releases, SEC filings and public conference calls and webcasts. We also use the following social media channels as a means of disclosing information about the company, our products, our planned financial and other announcements and attendance at upcoming investor and industry conferences, and other matters, and for complying with our disclosure obligations under Regulation FD:

NVIDIA Corporate Blog (<http://blogs.nvidia.com>)

NVIDIA Technical Blog (<http://developer.nvidia.com/blog/>)

NVIDIA LinkedIn Page (<http://www.linkedin.com/company/nvidia>)

NVIDIA Facebook Page (<https://www.facebook.com/nvidia>)

NVIDIA Instagram Page (<https://www.instagram.com/nvidia>)

NVIDIA X Account (<https://x.com/nvidia>)

In addition, investors and others can view NVIDIA videos on YouTube (<https://www.YouTube.com/nvidia>).

The information we post through these social media channels may be deemed material. Accordingly, investors should monitor these accounts and the blog, in addition to following our press releases, SEC filings and public conference calls and webcasts. This list may be updated from time to time. The information we post through these channels is not a part of this Quarterly Report on Form 10-Q. These channels may be updated from time to time on NVIDIA's investor relations website.

## Part I. Financial Information

### Item 1. Financial Statements (Unaudited)

**NVIDIA Corporation and Subsidiaries**  
**Condensed Consolidated Statements of Income**  
(In millions, except per share data)  
(Unaudited)

	Three Months Ended	
	Apr 28, 2024	Apr 30, 2023
Revenue	\$ 26,044	\$ 7,192
Cost of revenue	5,638	2,544
Gross profit	20,406	4,648
Operating expenses		
Research and development	2,720	1,875
Sales, general and administrative	777	633
Total operating expenses	3,497	2,508
Operating income	16,909	2,140
Interest income	359	150
Interest expense	(64)	(66)
Other, net	75	(15)
Other income (expense), net	370	69
Income before income tax	17,279	2,209
Income tax expense	2,398	166
Net income	\$ 14,881	\$ 2,043
Net income per share:		
Basic	\$ 6.04	\$ 0.83
Diluted	\$ 5.98	\$ 0.82
Weighted average shares used in per share computation:		
Basic	2,462	2,470
Diluted	2,489	2,490

See accompanying Notes to Condensed Consolidated Financial Statements.

**NVIDIA Corporation and Subsidiaries**  
**Condensed Consolidated Statements of Comprehensive Income**  
(In millions)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>Apr 28, 2024</b>	<b>Apr 30, 2023</b>
Net income	\$ 14,881	\$ 2,043
Other comprehensive loss, net of tax		
Available-for-sale securities:		
Net change in unrealized gain (loss)	(128)	17
Cash flow hedges:		
Net change in unrealized loss	(4)	(13)
Reclassification adjustments for net realized loss included in net income	(4)	(11)
Net change in unrealized loss	(8)	(24)
Other comprehensive loss, net of tax	(136)	(7)
Total comprehensive income	\$ 14,745	\$ 2,036

See accompanying Notes to Condensed Consolidated Financial Statements.

**NVIDIA Corporation and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(In millions)  
(Unaudited)

	Apr 28, 2024	Jan 28, 2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 7,587	\$ 7,280
Marketable securities	23,851	18,704
Accounts receivable, net	12,365	9,999
Inventories	5,864	5,282
Prepaid expenses and other current assets	4,062	3,080
Total current assets	53,729	44,345
Property and equipment, net	4,006	3,914
Operating lease assets	1,532	1,346
Goodwill	4,453	4,430
Intangible assets, net	986	1,112
Deferred income tax assets	7,798	6,081
Other assets	4,568	4,500
Total assets	\$ 77,072	\$ 65,728
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 2,715	\$ 2,699
Accrued and other current liabilities	11,258	6,682
Short-term debt	1,250	1,250
Total current liabilities	15,223	10,631
Long-term debt	8,460	8,459
Long-term operating lease liabilities	1,281	1,119
Other long-term liabilities	2,966	2,541
Total liabilities	27,930	22,750
Commitments and contingencies - see Note 12		
Shareholders' equity:		
Preferred stock	—	—
Common stock	2	2
Additional paid-in capital	12,651	13,132
Accumulated other comprehensive income (loss)	(109)	27
Retained earnings	36,598	29,817
Total shareholders' equity	49,142	42,978
Total liabilities and shareholders' equity	\$ 77,072	\$ 65,728

See accompanying Notes to Condensed Consolidated Financial Statements.

**NVIDIA Corporation and Subsidiaries**  
**Condensed Consolidated Statements of Shareholders' Equity**  
**For the Three Months Ended April 28, 2024 and April 30, 2023**  
**(Unaudited)**

	Common Stock Outstanding		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
	Shares	Amount				
(In millions, except per share data)						
Balances, Jan 28, 2024	2,464	\$ 2	\$ 13,132	\$ 27	\$ 29,817	\$ 42,978
Net income	—	—	—	—	14,881	14,881
Other comprehensive loss	—	—	—	(136)	—	(136)
Issuance of common stock from stock plans	7	—	285	—	—	285
Tax withholding related to vesting of restricted stock units	(2)	—	(1,752)	—	—	(1,752)
Shares repurchased	(10)	—	(33)	—	(8,002)	(8,035)
Cash dividends declared and paid (\$0.04 per common share)	—	—	—	—	(98)	(98)
Stock-based compensation	—	—	1,019	—	—	1,019
Balances, Apr 28, 2024	2,459	\$ 2	\$ 12,651	\$ (109)	\$ 36,598	\$ 49,142
Balances, Jan 29, 2023	2,466	\$ 2	\$ 11,971	\$ (43)	\$ 10,171	\$ 22,101
Net income	—	—	—	—	2,043	2,043
Other comprehensive loss	—	—	—	(7)	—	(7)
Issuance of common stock from stock plans	9	—	246	—	—	246
Tax withholding related to vesting of restricted stock units	(2)	—	(507)	—	—	(507)
Cash dividends declared and paid (\$0.04 per common share)	—	—	—	—	(99)	(99)
Stock-based compensation	—	—	743	—	—	743
Balances, Apr 30, 2023	2,473	\$ 2	\$ 12,453	\$ (50)	\$ 12,115	\$ 24,520

See accompanying Notes to Condensed Consolidated Financial Statements.

**NVIDIA Corporation and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
(In millions)  
(Unaudited)

	Three Months Ended	
	Apr 28, 2024	Apr 30, 2023
Cash flows from operating activities:		
Net income	\$ 14,881	\$ 2,043
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation expense	1,011	735
Depreciation and amortization	410	384
Realized and unrealized (gains) losses on investments in non-affiliated entities, net	(69)	14
Deferred income taxes	(1,577)	(1,135)
Other	(145)	(34)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(2,366)	(252)
Inventories	(577)	566
Prepaid expenses and other assets	(726)	(215)
Accounts payable	(22)	11
Accrued and other current liabilities	4,202	689
Other long-term liabilities	323	105
Net cash provided by operating activities	15,345	2,911
Cash flows from investing activities:		
Proceeds from maturities of marketable securities	4,004	2,512
Proceeds from sales of marketable securities	149	—
Purchases of marketable securities	(9,303)	(2,801)
Purchases related to property and equipment and intangible assets	(369)	(248)
Acquisitions, net of cash acquired	(39)	(83)
Investments in non-affiliated entities	(135)	(221)
Net cash used in investing activities	(5,693)	(841)
Cash flows from financing activities:		
Proceeds related to employee stock plans	285	246
Payments related to repurchases of common stock	(7,740)	—
Payments related to tax on restricted stock units	(1,752)	(507)
Dividends paid	(98)	(99)
Principal payments on property and equipment and intangible assets	(40)	(20)
Net cash used in financing activities	(9,345)	(380)
Change in cash and cash equivalents	307	1,690
Cash and cash equivalents at beginning of period	7,280	3,389
Cash and cash equivalents at end of period	\$ 7,587	\$ 5,079

See accompanying Notes to Condensed Consolidated Financial Statements.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

## **Note 1 - Summary of Significant Accounting Policies**

### **Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP, for interim financial information and with the instructions to Form 10-Q and Article 10 of Securities and Exchange Commission, or SEC, Regulation S-X. The January 28, 2024 consolidated balance sheet was derived from our audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024, as filed with the SEC, but does not include all disclosures required by U.S. GAAP. In the opinion of management, all adjustments, consisting only of normal recurring adjustments considered necessary for a fair statement of results of operations and financial position, have been included. The results for the interim periods presented are not necessarily indicative of the results expected for any future period. The following information should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024.

### **Significant Accounting Policies**

There have been no material changes to our significant accounting policies disclosed in Note 1 - Organization and Summary of Significant Accounting Policies, of the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024.

### **Fiscal Year**

We operate on a 52- or 53-week year, ending on the last Sunday in January. Fiscal years 2025 and 2024 are both 52-week years. The first quarters of fiscal years 2025 and 2024 were both 13-week quarters.

### **Principles of Consolidation**

Our condensed consolidated financial statements include the accounts of NVIDIA Corporation and our wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from our estimates. On an on-going basis, we evaluate our estimates, including those related to revenue recognition, cash equivalents and marketable securities, accounts receivable, inventories and product purchase commitments, income taxes, goodwill, stock-based compensation, litigation, investigation and settlement costs, property, plant, and equipment, and other contingencies. These estimates are based on historical facts and various other assumptions that we believe are reasonable.

### **Recently Issued Accounting Pronouncements**

#### **Recent Accounting Pronouncements Not Yet Adopted**

In November 2023, the Financial Accounting Standards Board, or FASB, issued a new accounting standard to provide for additional disclosures about significant expenses in operating segments. The standard is effective for our annual reporting starting with fiscal year 2025 and for interim period reporting starting in fiscal year 2026 retrospectively. We are currently evaluating the impact of this standard on our Consolidated Financial Statements.

In December 2023, the FASB issued a new accounting standard which provides for new and updated income tax disclosures, including disaggregation of rate reconciliation and income taxes paid. The standard is effective for annual periods beginning after December 15, 2024. Early adoption is permitted and should be applied prospectively, with retrospective application permitted. We expect to adopt this standard in our annual reporting starting with fiscal year 2026. We are currently evaluating the impact of this standard on our Consolidated Financial Statements.



**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note 2 - Leases**

Our lease obligations primarily consist of operating leases for our headquarters complex, domestic and international office facilities, and data center space, with lease periods expiring between fiscal years 2025 and 2035.

Future minimum lease payments under our non-cancelable operating leases as of April 28, 2024 were as follows:

	<b>Operating Lease Obligations</b>
	<i>(In millions)</i>
<b>Fiscal Year:</b>	
2025 (excluding first quarter of fiscal year 2025)	\$ 221
2026	306
2027	290
2028	270
2029	236
2030 and thereafter	410
Total	1,733
Less imputed interest	206
Present value of net future minimum lease payments	1,527
Less short-term operating lease liabilities	246
Long-term operating lease liabilities	\$ 1,281

In addition, we have operating leases, primarily for our data centers, that are expected to commence during fiscal year 2025 with lease terms of 2 to 11 years for \$923 million.

Operating lease expenses were \$80 million and \$59 million for the first quarter of fiscal years 2025 and 2024, respectively. Short-term and variable lease expenses for the first quarter of fiscal years 2025 and 2024 were not significant.

Other information related to leases was as follows:

	<b>Three Months Ended</b>	
	<b>Apr 28, 2024</b>	<b>Apr 30, 2023</b>
	<i>(In millions)</i>	
<b>Supplemental cash flows information</b>		
Operating cash flows used for operating leases	\$ 69	\$ 61
Operating lease assets obtained in exchange for lease obligations	250	106

As of April 28, 2024, our operating leases had a weighted average remaining lease term of 6.3 years and a weighted average discount rate of 3.89%. As of January 28, 2024, our operating leases had a weighted average remaining lease term of 6.1 years and a weighted average discount rate of 3.76%.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Note 3 - Stock-Based Compensation**

Our stock-based compensation expense is associated with restricted stock units, or RSUs, performance stock units that are based on our corporate financial performance targets, or PSUs, performance stock units that are based on market conditions, or market-based PSUs, and our employee stock purchase plan, or ESPP.

Our Condensed Consolidated Statements of Income include stock-based compensation expense, net of amounts capitalized into inventory and subsequently recognized to cost of revenue, as follows:

	Three Months Ended	
	Apr 28, 2024	Apr 30, 2023
	<i>(In millions)</i>	
Cost of revenue	\$ 36	\$ 27
Research and development	727	524
Sales, general and administrative	248	184
Total	<u>\$ 1,011</u>	<u>\$ 735</u>

**Equity Award Activity**

The following is a summary of our equity award transactions under our equity incentive plans:

	RSUs, PSUs, and Market-based PSUs Outstanding	
	Number of Shares	Weighted Average Grant-Date Fair Value Per Share
	<i>(In millions, except per share data)</i>	
Balances, Jan 28, 2024	37	\$ 245.94
Granted	7	\$ 801.79
Vested	(6)	\$ 176.59
Balances, Apr 28, 2024	<u>38</u>	<u>\$ 361.45</u>

As of April 28, 2024, there was \$13.2 billion of aggregate unearned stock-based compensation expense. This amount is expected to be recognized over a weighted average period of 2.6 years for RSUs, PSUs, and market-based PSUs, and 0.8 years for ESPP.

**Note 4 - Net Income Per Share**

The following is a reconciliation of the denominator of the basic and diluted net income per share computations for the periods presented:

	Three Months Ended	
	Apr 28, 2024	Apr 30, 2023
	<i>(In millions, except per share data)</i>	
Numerator:		
Net income	\$ 14,881	\$ 2,043
Denominator:		
Basic weighted average shares	2,462	2,470
Dilutive impact of outstanding equity awards	27	20
Diluted weighted average shares	<u>2,489</u>	<u>2,490</u>
Net income per share:		
Basic (1)	\$ 6.04	\$ 0.83
Diluted (2)	<u>\$ 5.98</u>	<u>\$ 0.82</u>
Equity awards excluded from diluted net income per share because their effect would have been anti-dilutive	6	4

(1) Calculated as net income divided by basic weighted average shares.

(2) Calculated as net income divided by diluted weighted average shares.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

Diluted net income per share is computed using the weighted average number of common and potentially dilutive shares outstanding during the period, using the treasury stock method. Any anti-dilutive effect of equity awards outstanding is not included in the computation of diluted net income per share.

**Note 5 - Income Taxes**

Income tax expense was \$2.4 billion and \$166 million for the first quarter of fiscal years 2025 and 2024, respectively. Income tax expense as a percentage of income before income tax was 13.9% and 7.5% for the first quarter of fiscal years 2025 and 2024, respectively.

The effective tax rate increased primarily due to a decreased effect of tax benefits from the foreign-derived intangible income deduction and stock-based compensation relative to the increase in income before income tax.

Our effective tax rates for the first quarter of fiscal years 2025 and 2024 were lower than the U.S. federal statutory rate of 21% due to tax benefits from stock-based compensation, the foreign-derived intangible income deduction, income earned in jurisdictions that are subject to taxes lower than the U.S. federal statutory tax rate, and the U.S. federal research tax credit.

While we believe that we have adequately provided for all uncertain tax positions, or tax positions where we believe it is not more-likely-than-not that the position will be sustained upon review, amounts asserted by tax authorities could be greater or less than our accrued position. Accordingly, our provisions on federal, state and foreign tax related matters to be recorded in the future may change as revised estimates are made or the underlying matters are settled or otherwise resolved with the respective tax authorities. As of April 28, 2024, we do not believe that our estimates, as otherwise provided for, on such tax positions will significantly increase or decrease within the next 12 months.

**Note 6 - Cash Equivalents and Marketable Securities**

Our cash equivalents and marketable securities related to publicly held debt securities are classified as “available-for-sale” debt securities.

The following is a summary of cash equivalents and marketable securities:

	Apr 28, 2024						
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value	Reported as		
					Cash Equivalents	Marketable Securities	
	(In millions)						
Corporate debt securities	\$ 11,397	\$ 3	\$ (43)	\$ 11,357	\$ 733	\$ 10,624	
Debt securities issued by the U.S. Treasury	11,314	—	(62)	11,252	886	10,366	
Money market funds	5,374	—	—	5,374	5,374	—	
Debt securities issued by U.S. government agencies	2,826	—	(7)	2,819	189	2,630	
Certificates of deposit	286	—	—	286	69	217	
Foreign government bonds	14	—	—	14	—	14	
Total	\$ 31,211	\$ 3	\$ (112)	\$ 31,102	\$ 7,251	\$ 23,851	

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

	Jan 28, 2024					
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value	Reported as	
					Cash Equivalents	Marketable Securities
	(In millions)					
Corporate debt securities	\$ 10,126	\$ 31	\$ (5)	\$ 10,152	\$ 2,231	\$ 7,921
Debt securities issued by the U.S. Treasury	9,517	17	(10)	9,524	1,315	8,209
Money market funds	3,031	—	—	3,031	3,031	—
Debt securities issued by U.S. government agencies	2,326	8	(1)	2,333	89	2,244
Certificates of deposit	510	—	—	510	294	216
Foreign government bonds	174	—	—	174	60	114
Total	\$ 25,684	\$ 56	\$ (16)	\$ 25,724	\$ 7,020	\$ 18,704

The following tables provide the breakdown of unrealized losses, aggregated by investment category and length of time that individual securities have been in a continuous loss position:

	Apr 28, 2024					
	Less than 12 Months		12 Months or Greater		Total	
	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss
	(In millions)					
Debt securities issued by the U.S. Treasury	\$ 9,720	\$ (60)	\$ 756	\$ (2)	\$ 10,476	\$ (62)
Corporate debt securities	6,943	(42)	188	(1)	7,131	(43)
Debt securities issued by U.S. government agencies	2,391	(7)	—	—	2,391	(7)
Total	\$ 19,054	\$ (109)	\$ 944	\$ (3)	\$ 19,998	\$ (112)

	Jan 28, 2024					
	Less than 12 Months		12 Months or Greater		Total	
	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss
	(In millions)					
Debt securities issued by the U.S. Treasury	\$ 3,343	\$ (5)	\$ 1,078	\$ (5)	\$ 4,421	\$ (10)
Corporate debt securities	1,306	(3)	618	(2)	1,924	(5)
Debt securities issued by U.S. government agencies	670	(1)	—	—	670	(1)
Total	\$ 5,319	\$ (9)	\$ 1,696	\$ (7)	\$ 7,015	\$ (16)

The gross unrealized losses are related to fixed income securities, driven primarily by changes in interest rates. Net realized gains and losses were not significant for all periods presented.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

The amortized cost and estimated fair value of cash equivalents and marketable securities are shown below by contractual maturity.

	Apr 28, 2024		Jan 28, 2024	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
	<i>(In millions)</i>			
Less than one year	\$ 16,811	\$ 16,800	\$ 16,336	\$ 16,329
Due in 1 - 5 years	14,400	14,302	9,348	9,395
Total	\$ 31,211	\$ 31,102	\$ 25,684	\$ 25,724

**Note 7 - Fair Value of Financial Assets and Liabilities and Investments in Non-Affiliated Entities**

The fair values of our financial assets and liabilities are determined using quoted market prices of identical assets or quoted market prices of similar assets from active markets. We review fair value hierarchy classification on a quarterly basis.

		Fair Value at	
	Pricing Category	Apr 28, 2024	Jan 28, 2024
		(In millions)	
Assets			
Cash equivalents and marketable securities:			
Money market funds	Level 1	\$ 5,374	\$ 3,031
Corporate debt securities	Level 2	\$ 11,357	\$ 10,152
Debt securities issued by the U.S. Treasury	Level 2	\$ 11,252	\$ 9,524
Debt securities issued by U.S. government agencies	Level 2	\$ 2,819	\$ 2,333
Certificates of deposit	Level 2	\$ 286	\$ 510
Foreign government bonds	Level 2	\$ 14	\$ 174
Other assets (Investments in non-affiliated entities):			
Publicly-held equity securities	Level 1	\$ 287	\$ 225
Liabilities (1)			
0.584% Notes Due 2024	Level 2	\$ 1,242	\$ 1,228
3.20% Notes Due 2026	Level 2	\$ 960	\$ 970
1.55% Notes Due 2028	Level 2	\$ 1,096	\$ 1,115
2.85% Notes Due 2030	Level 2	\$ 1,331	\$ 1,367
2.00% Notes Due 2031	Level 2	\$ 1,026	\$ 1,057
3.50% Notes Due 2040	Level 2	\$ 805	\$ 851
3.50% Notes Due 2050	Level 2	\$ 1,487	\$ 1,604
3.70% Notes Due 2060	Level 2	\$ 368	\$ 403

(1) These liabilities are carried on our Condensed Consolidated Balance Sheets at their original issuance value, net of unamortized debt discount and issuance costs.

**Investments in Non-Affiliated Entities**

Our investments in non-affiliated entities include marketable equity securities, which are publicly traded, and non-marketable equity securities, which are primarily investments in privately held companies.

Our marketable equity securities have readily determinable fair values and are recorded in long-term other assets on our Condensed Consolidated Balance Sheets at fair value with changes in fair value recorded in Other income and expense, net on our Condensed Consolidated Statements of Income. Marketable equity securities totaled \$287 million and \$225 million as of April 28, 2024 and January 28, 2024, respectively. The net unrealized and realized gains and losses of investments in marketable securities were not significant for the first quarter of fiscal years 2025 and 2024.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

Our non-marketable equity securities are recorded in long-term other assets on our Condensed Consolidated Balance Sheets and valued under the measurement alternative. The carrying value of our non-marketable equity securities totaled \$1.5 billion and \$1.3 billion as of April 28, 2024 and January 28, 2024, respectively. Gains and losses on these investments, realized and unrealized, are recognized in Other income and expense, net on our Condensed Consolidated Statements of Income.

Adjustments to the carrying value of our non-marketable equity securities during the first quarter of fiscal years 2025 and 2024 were as follows:

	Apr 28, 2024	Apr 30, 2023
	<i>(In millions)</i>	
Balance at beginning of period	\$ 1,321	\$ 288
Adjustments related to non-marketable equity securities:		
Net additions	127	221
Unrealized gains	15	—
Impairments and unrealized losses	—	(13)
Balance at end of period	<u>\$ 1,463</u>	<u>\$ 496</u>

The following table summarizes the cumulative gross unrealized gains, losses and impairments related to non-marketable equity securities:

	Apr 28, 2024
	<i>(In millions)</i>
Cumulative gross unrealized gains	\$ 285
Cumulative gross impairments and unrealized losses	(45)

#### Note 8 - Amortizable Intangible Assets and Goodwill

The components of our amortizable intangible assets are as follows:

	Apr 28, 2024			Jan 28, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	<i>(In millions)</i>					
Acquisition-related intangible assets	\$ 2,648	\$ (1,844)	\$ 804	\$ 2,642	\$ (1,720)	\$ 922
Patents and licensed technology	442	(260)	182	449	(259)	190
Total intangible assets	<u>\$ 3,090</u>	<u>\$ (2,104)</u>	<u>\$ 986</u>	<u>\$ 3,091</u>	<u>\$ (1,979)</u>	<u>\$ 1,112</u>

Amortization expense associated with intangible assets was \$143 million and \$181 million for the first quarter of fiscal year 2025 and 2024, respectively.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

The following table outlines the estimated amortization expense related to the net carrying amount of intangible assets as of April 28, 2024:

	<b>Future Amortization Expense</b>	
	<i>(In millions)</i>	
<b>Fiscal Year:</b>		
2025 (excluding first quarter of fiscal year 2025)	\$	418
2026		267
2027		155
2028		37
2029		9
2030 and thereafter		100
Total	\$	986

In the first quarter of fiscal year 2025, goodwill increased by \$23 million from business combinations, and was assigned to our Compute & Networking segment.

**Note 9 - Balance Sheet Components**

Two customers accounted for 16% and 15% of our accounts receivable balance as of April 28, 2024. Two customers accounted for 24% and 11% of our accounts receivable balance as of January 28, 2024.

Certain balance sheet components are as follows:

	<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
	<i>(In millions)</i>	
<b>Inventories (1):</b>		
Raw materials	\$ 1,991	\$ 1,719
Work in process	1,625	1,505
Finished goods	2,248	2,058
Total inventories	\$ 5,864	\$ 5,282

(1) During the first quarter of fiscal years 2025 and 2024, we recorded an inventory provision of \$210 million and \$105 million, respectively, in cost of revenue.

	<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
	<i>(In millions)</i>	
<b>Other Assets:</b>		
Prepaid supply and capacity agreements (1)	\$ 2,232	\$ 2,458
Investments in non-affiliated entities	1,750	1,546
Prepaid royalties	358	364
Other	228	132
Total other assets	\$ 4,568	\$ 4,500

(1) As of April 28, 2024 and January 28, 2024, there were an additional \$3.3 billion and \$2.5 billion of short-term prepaid supply and capacity agreements included in Prepaid expenses and other current assets, respectively.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

	<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
	<i>(In millions)</i>	
<b>Accrued and Other Current Liabilities:</b>		
Taxes payable (1)	\$ 3,881	\$ 296
Customer program accruals	2,744	2,081
Excess inventory purchase obligations (2)	1,684	1,655
Deferred revenue (3)	845	764
Product warranty and return provisions	643	415
Accrued payroll and related expenses	639	675
Unsettled share repurchases	262	187
Operating leases	246	228
Licenses and royalties	164	182
Other	150	199
<b>Total accrued and other current liabilities</b>	<b>\$ 11,258</b>	<b>\$ 6,682</b>

- (1) We did not make any estimated federal or state tax payments in the first quarter and expect our cash taxes to substantially increase in the second quarter as we will make two federal and state estimated tax payments.
- (2) During the first quarter of fiscal years 2025 and 2024, we recorded an expense of approximately \$183 million and \$29 million, respectively, in cost of revenue for inventory purchase obligations in excess of our current demand projections, supplier charges, and penalties related to cancellations and underutilization.
- (3) Deferred revenue primarily includes customer advances and deferrals related to hardware support, software support, cloud services, and license and development arrangements. \$274 million and \$233 million of the balance in the first quarter of fiscal year 2025 and in fiscal year 2024, respectively, were related to customer advances.

	<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
	<i>(In millions)</i>	
<b>Other Long-Term Liabilities:</b>		
Income tax payable (1)	\$ 1,553	\$ 1,361
Deferred revenue (2)	704	573
Deferred income tax	583	462
Licenses payable	60	80
Other	66	65
<b>Total other long-term liabilities</b>	<b>\$ 2,966</b>	<b>\$ 2,541</b>

- (1) Income tax payable is comprised of the long-term portion of the one-time transition tax payable, unrecognized tax benefits, and related interest and penalties.
- (2) Deferred revenue primarily includes deferrals related to hardware support and software support.

### Deferred Revenue

The following table shows the changes in short and long term deferred revenue during the first quarter of fiscal years 2025 and 2024:

	<b>Apr 28, 2024</b>	<b>Apr 30, 2023</b>
	<i>(In millions)</i>	
Balance at beginning of period	\$ 1,337	\$ 572
Deferred revenue additions during the period	553	287
Revenue recognized during the period	(341)	(262)
<b>Balance at end of period</b>	<b>\$ 1,549</b>	<b>\$ 597</b>

We recognized \$188 million in revenue in the first quarter of fiscal year 2025 from deferred revenue as of January 28, 2024.

Revenue allocated to remaining performance obligations, which includes deferred revenue and amounts that will be invoiced and recognized as revenue in future periods, was \$1.3 billion as of April 28, 2024. We expect to recognize approximately 38% of this revenue over the next twelve months and the remainder thereafter. This excludes revenue related to performance obligations for contracts with a length of one year or less.



**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
(Unaudited)

**Note 10 - Derivative Financial Instruments**

We enter into foreign currency forward contracts to mitigate the impact of foreign currency exchange rate movements on our operating expenses. These contracts are designated as cash flow hedges for hedge accounting treatment. Gains or losses on the contracts are recorded in accumulated other comprehensive income or loss and reclassified to operating expense when the related operating expenses are recognized in earnings or ineffectiveness should occur.

We also enter into foreign currency forward contracts to mitigate the impact of foreign currency movements on monetary assets and liabilities. The change in fair value of these non-designated contracts is recorded in other income or expense and offsets the change in fair value of the hedged foreign currency denominated monetary assets and liabilities, which is also recorded in other income or expense.

The table below presents the notional value of our foreign currency contracts outstanding:

	<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
	<i>(In millions)</i>	
Designated as cash flow hedges	\$ 1,198	\$ 1,168
Non-designated hedges	\$ 704	\$ 597

The unrealized gains and losses or fair value of our foreign currency contracts was not significant as of April 28, 2024 and January 28, 2024.

As of April 28, 2024, all designated foreign currency contracts mature within 18 months. The expected realized gains and losses deferred to accumulated other comprehensive income or loss related to foreign currency contracts was not significant.

During the first quarter of fiscal years 2025 and 2024, the impact of derivative financial instruments designated for hedge accounting treatment in other comprehensive income or loss was not significant and the instruments were determined to be highly effective.

**Note 11 - Debt**

**Long-Term Debt**

	<b>Expected Remaining Term (years)</b>	<b>Effective Interest Rate</b>	<b>Carrying Value at</b>	
			<b>Apr 28, 2024</b>	<b>Jan 28, 2024</b>
			<i>(In millions)</i>	
0.584% Notes Due 2024	0.1	0.66%	1,250	1,250
3.20% Notes Due 2026	2.4	3.31%	1,000	1,000
1.55% Notes Due 2028	4.1	1.64%	1,250	1,250
2.85% Notes Due 2030	5.9	2.93%	1,500	1,500
2.00% Notes Due 2031	7.1	2.09%	1,250	1,250
3.50% Notes Due 2040	15.9	3.54%	1,000	1,000
3.50% Notes Due 2050	25.9	3.54%	2,000	2,000
3.70% Notes Due 2060	36.0	3.73%	500	500
Unamortized debt discount and issuance costs			(40)	(41)
Net carrying amount			9,710	9,709
Less short-term portion			(1,250)	(1,250)
Total long-term portion			\$ 8,460	\$ 8,459

Our notes are unsecured senior obligations. Existing and future liabilities of our subsidiaries will be effectively senior to the notes. Our notes pay interest semi-annually. We may redeem each of our notes prior to maturity, as defined in the applicable form of note. The maturity of the notes are calendar year.

As of April 28, 2024, we were in compliance with the required covenants, which are non-financial in nature, under the outstanding notes.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Commercial Paper**

We have a \$575 million commercial paper program to support general corporate purposes. As of April 28, 2024, we had no commercial paper outstanding.

**Note 12 - Commitments and Contingencies**

**Purchase Obligations**

Our purchase obligations reflect our commitment to purchase components used to manufacture our products, including long-term supply and capacity agreements, certain software and technology licenses, other goods and services and long-lived assets.

As of April 28, 2024, we had outstanding inventory purchases and long-term supply and capacity obligations totaling \$18.8 billion. We enter into agreements with contract manufacturers that allow them to procure inventory based upon our defined criteria, and in certain instances, these agreements are cancellable, able to be rescheduled, and adjustable for our business needs prior to placing firm orders. These changes may result in costs incurred through the date of cancellation. Other non-inventory purchase obligations were \$10.6 billion, including \$8.8 billion of multi-year cloud service agreements. We expect our cloud service agreements to be used to support our research and development efforts and our DGX Cloud offerings.

Total future purchase commitments as of April 28, 2024 are as follows:

	<b>Commitments</b>
	<i>(In millions)</i>
<b>Fiscal Year:</b>	
2025 (excluding first quarter of fiscal year 2025)	\$ 19,306
2026	3,438
2027	2,573
2028	2,222
2029	1,585
2030 and thereafter	249
Total	<u>\$ 29,373</u>

In addition to the purchase commitments included in the table above, at the end of the first quarter of fiscal year 2025, we had commitments of approximately \$1.2 billion to complete business combinations, subject to closing conditions, and acquire land and buildings.

**Accrual for Product Warranty Liabilities**

The estimated amount of product warranty liabilities was \$532 million and \$306 million as of April 28, 2024 and January 28, 2024, respectively. The estimated product returns and product warranty activity consisted of the following:

	<b>Three Months Ended</b>	
	<b>Apr 28, 2024</b>	<b>Apr 30, 2023</b>
	<i>(In millions)</i>	
Balance at beginning of period	\$ 306	\$ 82
Additions	234	13
Utilization	(8)	(18)
Balance at end of period	<u>\$ 532</u>	<u>\$ 77</u>

We have provided indemnities for matters such as tax, product, and employee liabilities. We have included intellectual property indemnification provisions in our technology-related agreements with third parties. Maximum potential future payments cannot be estimated because many of these agreements do not have a maximum stated liability. We have not recorded any liability in our Condensed Consolidated Financial Statements for such indemnifications.

**NVIDIA Corporation and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**Litigation**

**Securities Class Action and Derivative Lawsuits**

The plaintiffs in the putative securities class action lawsuit, captioned 4:18-cv-07669-HSG, initially filed on December 21, 2018 in the United States District Court for the Northern District of California, and titled In Re NVIDIA Corporation Securities Litigation, filed an amended complaint on May 13, 2020. The amended complaint asserted that NVIDIA and certain NVIDIA executives violated Section 10(b) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and SEC Rule 10b-5, by making materially false or misleading statements related to channel inventory and the impact of cryptocurrency mining on GPU demand between May 10, 2017 and November 14, 2018. Plaintiffs also alleged that the NVIDIA executives who they named as defendants violated Section 20(a) of the Exchange Act. Plaintiffs sought class certification, an award of unspecified compensatory damages, an award of reasonable costs and expenses, including attorneys' fees and expert fees, and further relief as the Court may deem just and proper. On March 2, 2021, the district court granted NVIDIA's motion to dismiss the complaint without leave to amend, entered judgment in favor of NVIDIA and closed the case. On March 30, 2021, plaintiffs filed an appeal from judgment in the United States Court of Appeals for the Ninth Circuit, case number 21-15604. On August 25, 2023, a majority of a three-judge Ninth Circuit panel affirmed in part and reversed in part the district court's dismissal of the case, with a third judge dissenting on the basis that the district court did not err in dismissing the case. On November 15, 2023, the Ninth Circuit denied NVIDIA's petition for rehearing *en banc* of the Ninth Circuit panel's majority decision to reverse in part the dismissal of the case, which NVIDIA had filed on October 10, 2023. On November 21, 2023, NVIDIA filed a motion with the Ninth Circuit for a stay of the mandate pending NVIDIA's petition for a writ of certiorari in the Supreme Court of the United States and the Supreme Court's resolution of the matter. On December 5, 2023, the Ninth Circuit granted NVIDIA's motion to stay the mandate. NVIDIA filed a petition for a writ of certiorari on March 4, 2024. Four amicus briefs in support of NVIDIA's petition were filed on April 5, 2024.

The putative derivative lawsuit pending in the United States District Court for the Northern District of California, captioned 4:19-cv-00341-HSG, initially filed January 18, 2019 and titled In re NVIDIA Corporation Consolidated Derivative Litigation, was stayed pending resolution of the plaintiffs' appeal in the In Re NVIDIA Corporation Securities Litigation action. On February 22, 2022, the court administratively closed the case, but stated that it would reopen the case once the appeal in the In Re NVIDIA Corporation Securities Litigation action is resolved. The stay remains in place. The lawsuit asserts claims, purportedly on behalf of us, against certain officers and directors of the Company for breach of fiduciary duty, unjust enrichment, waste of corporate assets, and violations of Sections 14(a), 10(b), and 20(a) of the Exchange Act based on the dissemination of allegedly false and misleading statements related to channel inventory and the impact of cryptocurrency mining on GPU demand. The plaintiffs are seeking unspecified damages and other relief, including reforms and improvements to NVIDIA's corporate governance and internal procedures.

The putative derivative actions initially filed September 24, 2019 and pending in the United States District Court for the District of Delaware, Lipchitz v. Huang, et al. (Case No. 1:19-cv-01795-UNA) and Nelson v. Huang, et. al. (Case No. 1:19-cv-01798-UNA), remain stayed pending resolution of the plaintiffs' appeal in the In Re NVIDIA Corporation Securities Litigation action. The lawsuits assert claims, purportedly on behalf of us, against certain officers and directors of the Company for breach of fiduciary duty, unjust enrichment, insider trading, misappropriation of information, corporate waste and violations of Sections 14(a), 10(b), and 20(a) of the Exchange Act based on the dissemination of allegedly false, and misleading statements related to channel inventory and the impact of cryptocurrency mining on GPU demand. The plaintiffs seek unspecified damages and other relief, including disgorgement of profits from the sale of NVIDIA stock and unspecified corporate governance measures.

Another putative derivative action was filed on October 30, 2023 in the Court of Chancery of the State of Delaware, captioned Horanic v. Huang, et al. (Case No. 2023-1096-KSJM). This lawsuit asserts claims, purportedly on behalf of us, against certain officers and directors of the Company for breach of fiduciary duty and insider trading based on the dissemination of allegedly false and misleading statements related to channel inventory and the impact of cryptocurrency mining on GPU demand. The plaintiffs seek unspecified damages and other relief, including disgorgement of profits from the sale of NVIDIA stock and reform of unspecified corporate governance measures. This derivative matter is stayed pending the final resolution of In Re NVIDIA Corporation Securities Litigation action.

**Accounting for Loss Contingencies**

As of April 28, 2024, there are no accrued contingent liabilities associated with the legal proceedings described above based on our belief that liabilities, while possible, are not probable. Further, except as described above, any possible loss or range of loss in these matters cannot be reasonably estimated at this time. We are engaged in legal actions not described above arising in the ordinary course of business and, while there can be no assurance of favorable outcomes, we believe that the ultimate outcome of these actions will not have a material adverse effect on our operating results, liquidity or financial position.