

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 October 29, 2023

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)

94-3177549

(I.R.S. Employer  
Identification No.)

2788 San Tomas Expressway, Santa Clara, California

(Address of principal executive offices)

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 November 17, 2023, was 2.47 billion.

The effective tax rate increased due to a decreased impact of tax benefits from the foreign-derived intangible income deduction, stock-based compensation, and the U.S. federal research tax credit, relative to the increase in income before income tax. The increase in the effective tax rate was partially offset by a benefit due to the IRS audit resolution.

## Liquidity and Capital Resources

	October 29, 2023	January 29, 2023
	(In millions)	
Cash and cash equivalents	\$ 5,519	\$ 3,389
Marketable securities	12,762	9,907
Cash, cash equivalents and marketable securities	\$ 18,281	\$ 13,296

	Nine Months Ended	
	October 29, 2023	October 30, 2022
	(In millions)	
Net cash provided by operating activities	\$ 16,591	\$ 3,393
Net cash provided by (used in) investing activities	\$ (4,457)	\$ 7,378
Net cash used in financing activities	\$ (10,004)	\$ (9,961)

As of October 29, 2023, we had \$18.28 billion in cash, cash equivalents, and marketable securities, an increase of \$4.99 billion from the end of fiscal year 2023. Our investment policy requires the purchase of highly rated fixed income securities, the diversification of investment types and credit exposures, and certain maturity limits on our portfolio.

Cash provided by operating activities increased in the first nine months of fiscal year 2024 compared to the first nine months of fiscal year 2023, due to growth in revenue, partially offset by higher accounts receivable balance and taxes paid. Accounts receivable balance in the third quarter of fiscal year 2024 reflected approximately \$570 million from customer payments received ahead of the invoice due date.

Cash provided by investing activities decreased in the first nine months of fiscal year 2024 compared to the first nine months of fiscal year 2023, primarily driven by lower marketable securities maturities.

Cash used in financing activities increased in the first nine months of fiscal year 2024 compared to the first nine months of fiscal year 2023, due to a debt repayment in the second quarter of fiscal year 2024 and higher tax payments related to RSUs, partially offset by lower share repurchases.

## Liquidity

Our primary sources of liquidity are our cash, cash equivalents, and marketable securities, and the cash generated by our operations. As of October 29, 2023, we had \$18.28 billion in cash, cash equivalents, and marketable securities. Our marketable securities consist of debt securities issued by the USG and its agencies, highly rated corporations and financial institutions, and foreign government entities, as well as certificates of deposit issued by highly rated financial institutions. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 7 of the Notes to Condensed Consolidated Financial Statements for additional information. We believe that we have sufficient liquidity to meet our operating requirements for at least the next twelve months, and for the foreseeable future, including our debt obligations, future supply obligations and vendor and supplier prepayments. We continuously evaluate our liquidity and capital resources, including our access to external capital, to ensure we can finance future capital requirements.

Except for approximately \$1.38 billion of cash, cash equivalents, and marketable securities held outside the U.S. for which we have not accrued any related foreign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketable securities held outside of the U.S. as of October 29, 2023 are available for use in the U.S. without incurring additional U.S. federal income taxes. We

paid \$4.35 billion in cash taxes in the third quarter of fiscal year 2024, largely for previously deferred federal income tax payments related to the disaster relief made available by the IRS for certain California taxpayers.

### Capital Return to Shareholders

During the third quarter and first nine months of fiscal year 2024, we returned \$3.72 billion and \$7.01 billion, respectively, in share repurchases and \$99 million and \$296 million, respectively, in cash dividends.

Our cash dividend program and the payment of future cash dividends under that program are subject to the continuing determination by our Board of Directors that the dividend program and the declaration of dividends thereunder are in the best interests of our shareholders.

On August 21, 2023, our Board of Directors approved an increase to our share repurchase program of an additional \$25.00 billion, without expiration. As of October 29, 2023, we were authorized, subject to certain specifications, to repurchase additional shares of our common stock up to \$25.24 billion. From October 30, 2023 through November 17, 2023, we repurchased 0.8 million shares for \$366 million pursuant to a Rule 10b5-1 trading plan. Our share repurchase program aims to offset dilution from shares issued to employees. We may pursue additional share repurchases as we weigh market factors and other investment opportunities. We plan to continue share repurchases this fiscal year.

The U.S. Inflation Reduction Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made after December 31, 2022. This provision has not had a material effect on our consolidated financial statements.

### Outstanding Indebtedness and Commercial Paper

Our aggregate debt maturities as of October 29, 2023, by year payable, are as follows:

	<b>October 29, 2023</b>	
	<i>(In millions)</i>	
Due in one year	\$	1,250
Due in one to five years		2,250
Due in five to ten years		2,750
Due in greater than ten years		3,500
Unamortized debt discount and issuance costs		(44)
Net carrying amount		9,706
Less short-term portion		(1,249)
Total long-term portion	\$	8,457

We have a \$575 million commercial paper program to support general corporate purposes. As of October 29, 2023, we had not issued any commercial paper.

### Material Cash Requirements and Other Obligations

We have unrecognized tax benefits of \$1.10 billion, which includes related interest and penalties of \$115 million recorded in non-current income tax payable as of October 29, 2023. We are unable to reasonably estimate the timing of any potential tax liability, interest payments, or penalties in individual years due to uncertainties in the underlying income tax positions and the timing of the effective settlement of such tax positions. Refer to Note 6 of the Notes to Condensed Consolidated Financial Statements for further information.

Other than the contractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations from those disclosed in our Annual Report on Form 10-K for the fiscal year ended January 29, 2023. Refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources" in our Annual Report on Form 10-K for the fiscal year ended January 29, 2023 for a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Note 3, Note 12, and Note 13 of the Notes to Condensed Consolidated Financial Statements, respectively.