UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[x] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended January 25, 2015

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	**94-3177549**
(State or other jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**

2701 San Tomas Expressway
Santa Clara, California 95050
(408) 486-2000
(Address, including zip code, and telephone number, including area code, of principal executive offices)

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

Title of each class	**Name of each exchange on which registered**
Common Stock, $0.001 par value per share	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the registrant as of July 25, 2014 was approximately $9.38 billion (based on the closing sales price of the registrant's common stock as reported by the NASDAQ Global Select Market on July 25, 2014). This calculation excludes approximately 25,531,565 shares held by directors and executive officers of the registrant. This calculation does not exclude shares held by such organizations whose ownership exceeds 5% of the registrant's outstanding common stock that have represented to the registrant that they are registered investment advisers or investment companies registered under section 8 of the Investment Company Act of 1940.

The number of shares of common stock outstanding as of March 6, 2015 was 549,840,211 .

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for its 2015 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K.

NVIDIA CORPORATION

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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 Twitter Account (https://twitter.com/NVIDIA)

NVIDIA Company Blog (http://blogs.nvidia.com/)

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

NVIDIA LinkedIn Page (http://www.linkedin.com/company/nvidia?trk=hb_tab_compy_id_3608)

In addition, investors and others can use the Pulse news reader to subscribe to the NVIDIA Daily News feed and can view NVIDIA videos on YouTube.

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 annual report on Form 10-K. These channels may be updated from time to time on NVIDIA's investor relations website.

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "goal," "would," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," "potential" and similar expressions intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance, time frames or achievements to be materially different from any future results, performance, time frames or achievements expressed or implied by the forward-looking statements. We discuss many of these risks, uncertainties and other factors in this Annual Report on Form 10-K in greater detail under the heading "Risk Factors." Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this filing. You should read this Annual Report on Form 10-K completely and with the understanding that our actual future results may be materially different from what we expect. We hereby qualify our forward-looking statements by these cautionary statements. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

All references to "NVIDIA," "we," "us," "our" or the "Company" mean NVIDIA Corporation and its subsidiaries, except where it is made clear that the term means only the parent company.

PART I

ITEM 1. BUSINESS

Our Company

NVIDIA is dedicated to advancing visual computing. We enable individuals to interact with digital ideas, data and entertainment with an ease and efficiency unmatched by any other communication medium.

Our business model has three elements: creating NVIDIA-branded products and services, offering our processors to original equipment manufacturers, or OEMs, and licensing our intellectual property. NVIDIA-branded products and services are visual computing platforms that address four large markets: Gaming, Enterprise, High Performance Computing (HPC) & Cloud, and Automotive.

From our inception, we have been known for bringing computer information to life through computer graphics. Our invention of the GPU introduced the world to the power of programmable graphics. Our subsequent invention of CUDA has enabled the massively parallel processing capabilities of GPUs to be harnessed to accelerate general purpose computing. We have invested more than $10 billion in research and development since our inception, yielding some 7,000 patent assets, including inventions essential to modern computing.

NVIDIA GPUs are chosen by gamers to enjoy immersive, beautiful fantasy worlds. They are used by professional designers to create visual effects in movies and design products ranging from soft drink bottles to commercial aircraft. And they are used by scientists and researchers to accelerate a wide range of important applications, from simulations of viruses to deep learning and global oil exploration.

GPUs, the engines of visual computing, are among the world's most complex processors. Our GPU product brands aimed at specialized markets include GeForce for gamers; Quadro for designers; Tesla for researchers, deep learning and big-data analysts; and GRID for cloud-based visual computing users.

We also integrate our GPUs into tiny mobile chips called system-on-a-chip (SOC) processors, which power tablets, and automotive infotainment and safety systems. Our Tegra brand integrates an entire computer onto a single chip, incorporating GPUs and multi-core CPUs with audio, video and input/output capabilities. They can also be integrated with baseband processors to add voice and data communication. Tegra conserves power while delivering state-of-the-art graphics and multimedia processing.

Headquartered in Santa Clara, California, NVIDIA was incorporated in California in April 1993 and reincorporated in Delaware in April 1998.

Our Businesses

Our two reporting segments - GPU and Tegra Processor - are based on a single underlying graphics architecture. From our proprietary processors, we have created platforms that address four large markets where our visual computing expertise is critically important: Gaming, Enterprise, HPC & Cloud, and Automotive.

Businesses	NVIDIA Visual Computing Platforms and Brands
GPU	• **GeForce** for PC gaming • **Quadro** for design professionals working in computer-aided design, video editing, special effects and other creative applications • **Tesla** for deep learning and accelerated computing, leveraging the parallel computing capabilities of GPUs for general purpose computing • **GRID** to provide the power of NVIDIA graphics through the cloud and datacenters
Tegra Processor	• **Tegra** processors are primarily designed to enable our branded platforms - DRIVE and SHIELD. Tegra is also sold to OEMs for devices where graphics and overall performance is of great importance • **DRIVE** automotive computers that provide supercomputing capabilities to make driving safer and more enjoyable • **SHIELD** composed of a family of devices designed to harness the power of mobile-cloud to revolutionize gaming

Our Markets

We focus on specializing in markets in which visual computing and accelerated computing platforms are important, including:

Gaming

By focusing on open platforms and end-to-end experiences, we bring high fidelity and quality to gaming devices.

Our GPUs enhance the gaming experience by improving the visual quality of graphics, increasing the frame rate for smoother gameplay and improving realism by replicating the behavior of light and physical objects. These can be enjoyed independently or together to extend the gaming experience across platforms.

Our gaming platforms utilize sophisticated 3D software and algorithms - including our GameWorks investment in real-time graphics and simulation. These enable us to deliver realism and immersion, even when playing games remotely from the cloud. We further enhance gaming with GeForce Experience, our application for the gaming ecosystem that optimizes the PC user's settings for each title and enables players to record and share their victories. It has been downloaded by more than 50 million users.

Our products for the gaming market include GeForce GTX GPUs for PC gaming, the SHIELD family of tablet and portable devices for mobile gaming, and GRID for cloud-based streaming on gaming devices.

Enterprise

We serve the Enterprise market by working closely with independent software vendors to optimize their offerings for NVIDIA GPUs. Our visual computing solutions enhance productivity for critical parts of the workflow of such major industries as automotive, media and entertainment, oil and gas, and medical imaging - where our GPUs improve productivity and introduce new capabilities. For example, an architect designing a building with a computer-aided design package can interact with the model in real time, view the model in greater detail, and generate photorealistic renderings for the client.

Visual computing is vital to productivity in many environments:

- **Design and Manufacturing** - including computer-aided design, architectural design, consumer-products manufacturing, medical instrumentation and aerospace

- **Digital Content Creation** - including professional video editing and post production, special effects for films and broadcast-television graphics

- **Enterprise Graphics Virtualization** - including enterprises that virtualize their IT infrastructure using software from companies such as VMware, Inc. and Citrix Systems, Inc., which are significantly improved by NVIDIA GRID hardware and software

NVIDIA brands for this market are Quadro GPUs for workstations and GRID for virtualizing enterprise graphics. Quadro GPUs enhance the productivity of designers by improving performance and adding functionality, such as photorealistic rendering, high color fidelity and advanced scalable display capabilities. GRID makes it possible to run graphics-intensive applications remotely on a server in the datacenter, instead of locally on a PC or workstation. Applications include accelerating virtual desktop infrastructures and delivering graphics-intensive applications from the cloud.

HPC & Cloud

The NVIDIA Tesla accelerated computing platform applies the parallel-processing capability of GPUs and enabling software to general-purpose computing problems, greatly increasing performance and power efficiency over CPU-only solutions. Tesla-based servers and supercomputers increase the speed of applications used in such fields as aerospace, bio-science research, mechanical and fluid simulations, energy exploration, deep learning, computational finance and data analytics.

The fastest supercomputers in the U.S. and in Europe are powered by Tesla GPU accelerators. The U.S. Department of Energy recently announced that its next generation of supercomputers will be based on Tesla GPU accelerators.

Tesla has had a significant impact on scientific discovery, ranging from better understanding the HIV virus to enabling heart surgery on beating hearts. Consumer web and mobile companies like China’s Baidu use Tesla GPU accelerators to provide voice assistants, translation services and image analytics.

Automotive

As technology gets increasingly important in the automotive market, the car is on its way to becoming each individual’s most powerful computer. Cars will feature a multitude of devices, driven by sophisticated software algorithms. These devices are designed to ensure our safety and the safety of those around us, enhance our comfort and enjoyment, and search and navigate. They will use the tools of deep learning to sense their environment, ultimately driving themselves.

NVIDIA has the potential to own the entire stack of technology that makes this possible, including computing vision, deep learning and natural-language processing.

Beyond Automotive, we see the opportunity for Tegra in other embedded areas where visual computing is valued. Examples include robots that respond to voice and gesture commands, drones that process enormous amounts of visual-based data and smart monitors powered by Android that make a PC optional.

Business Strategies

NVIDIA’s key strategies that shape our overall business approach include:

Extending our technology leadership in visual computing. We believe that visual computing is fundamental to the continued expansion and evolution of computing. We apply our research and development resources to extending our leadership in visual computing, enabling us to enhance the user experience for consumer entertainment and professional visualization applications.

Extending our visual computing leadership into mobile and cloud-computing platforms. We believe that visual computing will remain a key component in the computing paradigm circumscribed by mobile, cloud and software as a service. We enable interactive graphics applications - such as games, movie and photo editing and design software - to be accessed by any device, anywhere. We believe that the user experience in virtual desktop infrastructures should be indistinguishable from physical environments and, accordingly, leverage our research and development resources to create differentiated devices and products that deliver this capability.

Revolutionizing computing with the GPU's parallel processing capability. We believe that the massively parallel processing capabilities of NVIDIA GPUs can solve complex computational problems in significantly less time and with less power consumption than a CPU. We work with developers worldwide who write programs for the CUDA platform using various high-level programming languages. Developers are able to accelerate applications in areas ranging from molecular dynamics to image processing, derivatives modeling for financial risk analysis and big-data analytics.

Protecting our intellectual property, and using it to enter into license and development contracts. We believe our intellectual property portfolio is a valuable asset that can be monetized by licensing our technology to customers that desire to build such capabilities directly into their own products. Such license and development arrangements can further enhance the reach of our graphics and mobile technology.

Enabling visual computing platforms in key focus areas. We believe that we are well positioned to use our expertise in visual and parallel computing to make contributions in four key markets where our visual computing expertise is valued:

- ***Gaming*** *:* Our strategy is to use advanced graphics technologies to create a range of gaming platforms, stretching across PCs, mobile devices and the cloud.

- ***Enterprise*** : Our strategy is to serve as our customers' most trusted graphics partner, working closely with independent software vendors to optimize their offerings for NVIDIA GPUs.

- ***HPC & Cloud*** *:* Our strategy is to serve growing demand for deep learning, big-data analytics and scientific computing.

- ***Automotive*** : Our strategy is to utilize Tegra's visual computing capabilities and extreme efficiency, as well as our significant computing software assets, to augment the driving experience.

Sales and Marketing

Our worldwide sales and marketing strategy is key to our objective of providing markets with our high-performance and efficient GPUs and mobile SOC products. Our sales and marketing teams work closely with each industry's respective OEMs, original design manufacturers, or ODMs, system builders, motherboard manufacturers, add-in board manufacturers, or AIBs, retailers/distributors and industry trendsetters, collectively referred to as our Channel, to define product features, performance, price and timing of new products. Members of our sales team have a high level of technical expertise and product and industry knowledge to support the competitive and complex design win process. We also employ a highly skilled team of application engineers to assist our Channel in designing, testing and qualifying system designs that incorporate our products. We believe that the depth and quality of our design support are keys to improving our Channel's time-to-market, maintaining a high level of customer satisfaction within our Channel and fostering relationships that encourage customers to use the next generation of our products.

As a result of our Channel strategy, a small number of our customers represent the majority of our revenue. However, their end customers consist of a large number of OEMs and system builders throughout the world. Sales to our largest customer accounted for 11% of our total revenue for fiscal year 2015.

Additionally, to encourage software title developers and publishers to develop games optimized for platforms utilizing our products and enterprise applications optimized for our GPUs, we seek to establish and maintain strong relationships in the software development community. Engineering and marketing personnel interact with and visit key software developers to promote and discuss our products, as well as to ascertain product requirements and solve technical problems. Our developer program makes certain that our products are available to developers prior to volume availability in order to encourage the development of software applications and game titles that are optimized for our products.

Backlog

Our sales are primarily made pursuant to standard purchase orders. The quantity of products purchased by our customers as well as our shipment schedules are subject to revisions that reflect changes in both the customers' requirements and in manufacturing availability. The semiconductor industry is characterized by short lead time orders and quick delivery schedules. In light of industry practice and experience, we believe that only a small portion of our backlog is non-cancelable and that the dollar amount associated with the non-cancelable portion is not significant.

Seasonality

Our GPU and Tegra processor products serve many markets from consumer PC gaming to enterprise workstations to government and service provider cloud datacenters; however, a majority of our revenue is consumer focused. Our consumer products have typically seen stronger revenue in the second half of our fiscal year. However, there can be no assurance that this trend will continue.

Manufacturing

We do not directly manufacture semiconductor wafers used for our products. Instead, we utilize what is known as a fabless manufacturing strategy for all of our product-line operating segments whereby we employ world-class suppliers for all phases of the manufacturing process, including wafer fabrication, assembly, testing and packaging. This strategy uses the expertise of industry-leading suppliers that are certified by the International Organization for Standardization in such areas as fabrication, assembly, quality control and assurance, reliability and testing. In addition, this strategy allows us to avoid many of the significant costs and risks associated with owning and operating manufacturing operations. Our suppliers are also responsible for procurement of most of the raw materials used in the production of our products. As a result, we can focus our resources on product design, additional quality assurance, marketing and customer support.

We utilize industry-leading suppliers, such as Taiwan Semiconductor Manufacturing Company Limited and Samsung Electronics Co. Ltd, to produce our semiconductor wafers. We then utilize independent subcontractors, such as Advanced Semiconductor Engineering, Inc., BYD Auto Co. Ltd., Hon Hai Precision Industry Co., Ltd., JSI Logistics Ltd., King Yuan Electronics Co., Ltd. and Siliconware Precision Industries Company Ltd. to perform assembly, testing and packaging of most of our products. We purchase substrates from IbidenCo., Ltd., Nanya Technology Corporation, and Unimicron Technology Corporation.

We typically receive semiconductor products from our subcontractors, perform incoming quality assurance and then ship the semiconductors to contract equipment manufacturers, or CEMs, distributors, motherboard and AIB customers from our third-party warehouse in Hong Kong. Generally, these manufacturers assemble and test the boards based on our design kit and test specifications, and then ship our products to retailers, system builders or OEMs as motherboard and add-in board solutions.

Working Capital

We focus considerable attention on managing our inventories and other working-capital-related items. We manage inventories by communicating with our customers and then using our industry experience to forecast demand on a product-by-product basis. We then place manufacturing orders for our products that are based on forecasted demand. The quantity of products actually purchased by our customers as well as shipment schedules are subject to revisions that reflect changes in both the customers' requirements and in manufacturing availability. We generally maintain substantial inventories of our products because the semiconductor industry is characterized by short lead time orders and quick delivery schedules. A substantial amount of our inventories are maintained as semi-finished products that can be leveraged across a wide range of our processors to balance our customer demands.

Our existing cash and marketable securities balances decreased by 1.0% to $4.62 billion at the end of fiscal year 2015 compared with the end of fiscal year 2014. We believe that these balances and our anticipated cash flows from operations will be sufficient to meet our operating, acquisition, capital purchases and intended capital return to shareholders needs for at least the next twelve months.

Research and Development

We believe that the continued introduction of new and enhanced products designed to deliver leading visual computing technology including 3D graphics, HD video, audio, ultra-low power consumption and SOC architectures is essential to our future success. Our research and development strategy is to focus on concurrently developing multiple generations of GPUs and Tegra Processors, including GPUs for high-performance computing, and Tegra SOCs for SHIELD and other mobile products using independent design teams. Our research and development efforts are performed within specialized groups consisting of software engineering, hardware engineering, very large scale integration design engineering, process engineering, architecture and algorithms. These groups act as a pipeline designed to allow the efficient simultaneous development of multiple generations of products.

A critical component of our product development effort is our partnerships with leaders in the computer-aided design industry. We invest significant resources in the development of relationships with industry leaders, often assisting these companies in the product definition of their new products. We believe that forming these relationships and utilizing next-generation development tools to design, simulate and verify our products will help us remain at the forefront of the 3D graphics market and develop products that utilize leading-edge technology on a rapid basis. We believe this approach assists us in meeting the new design schedules of PC OEMs and other manufacturers. We believe in leveraging our significant research and development depth and scale to create differentiated products.

As of January 25, 2015 , we had 6,658 full-time employees engaged in research and development. During fiscal years 2015 , 2014 and 2013, we incurred research and development expense of $ 1.36 billion , $1.34 billion and $ 1.15 billion , respectively.

Competition

The market for our products is intensely competitive and is characterized by rapid technological change, evolving industry standards and declining average selling prices. We believe that the principal competitive factors in this market are performance, breadth of product offerings, access to customers and distribution channels, software support, conformity to industry standard Application Programming Interfaces, manufacturing capabilities, processor pricing and total system costs. We believe that our ability to remain competitive will depend on how well we are able to anticipate the features and functions that customers will demand and whether we are able to deliver consistent volumes of our products at acceptable levels of quality and at competitive prices. We expect competition to increase from both existing competitors and new market entrants with products that may be less costly than ours, or may provide better performance or additional features not provided by our products. In addition, it is possible that new competitors or alliances among competitors could emerge and acquire significant market share .

A significant source of competition comes from companies that provide or intend to provide GPUs and mobile SOC products. Some of our competitors may have greater marketing, financial, distribution and manufacturing resources than we do and may be more able to adapt to customer or technological changes.

Our current competitors include:

- suppliers of discrete and integrated GPUs, including supercomputers and chipsets that incorporate 3D graphics functionality as part of their existing solutions, such as Advanced Micro Devices, or AMD, and Intel Corporation, or Intel;
- suppliers of SOC products that are embedded into smart devices such as televisions, monitors, set-top boxes, gaming devices and automobiles, such as AMD, Apple, Inc., Freescale Semiconductor, Inc., Fuzhou Rockchip Electronics Co., Ltd., Intel, Marvell Technology Group Ltd., Mediatek, Mobileye N.V., Qualcomm Incorporated, Samsung, ST Microelectronics, and Texas Instruments Incorporated; and
- licensors of graphics technologies, such as ARM Holdings plc, or ARM, and Imagination Technologies Group plc.

Patents and Proprietary Rights

We rely primarily on a combination of patents, trademarks, trade secrets, employee and third-party nondisclosure agreements and licensing arrangements to protect our intellectual property in the United States and internationally. Our currently issued patents have expiration dates from April 2015 to December 2034. We have numerous patents issued, allowed and pending in the United States and in foreign jurisdictions. Our patents and pending patent applications primarily relate to our products and the technology used in connection with our products. We also rely on international treaties, organizations and foreign laws to protect our intellectual property. The laws of certain foreign countries in which our products are or may be manufactured or sold, including various countries in Asia, may not protect our products or intellectual property rights to the same extent as the laws of the United States. This decreased protection makes the possibility of piracy of our technology and products more likely. We continuously assess whether and where to seek formal protection for particular innovations and technologies based on such factors as:

- the location in which our products are manufactured;
- our strategic technology or product directions in different countries;
- the degree to which intellectual property laws exist and are meaningfully enforced in different jurisdictions; and
- the commercial significance of our operations and our competitors' operations in particular countries and regions.

We have also licensed technology from third parties for incorporation in some of our products and for defensive reasons, and expect to continue to enter into such license agreements.

Employees

As of January 25, 2015 , we had 9,228 employees, 6,658 of whom were engaged in research and development and 2,570 of whom were engaged in sales, marketing, operations and administrative positions.

Environmental Regulatory Compliance

To date, we have not incurred significant expenses related to environmental regulatory compliance matters.

Financial Information by Reporting Segment and Geographic Data

The information included in Note 16 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K, including financial information by reporting segment and revenue and long-lived assets by geographic region, is hereby incorporated by reference. For additional detail regarding the risks attendant to our foreign operations see “Item 1A. Risk Factors - Risks Related to Our Business, Industry and Partners - *We are subject to risks and uncertainties associated with international operations which may harm our business.* ”

Executive Officers of the Registrant

The following sets forth certain information regarding our executive officers, their ages and positions as of March 6, 2015 :

Name	Age	Position
Jen-Hsun Huang	52	President, Chief Executive Officer and Director
Colette M. Kress	47	Executive Vice President and Chief Financial Officer
Ajay K. Puri	60	Executive Vice President, Worldwide Field Operations
David M. Shannon	59	Executive Vice President, Chief Administrative Officer and Secretary
Debora Shoquist	60	Executive Vice President, Operations

Jen-Hsun Huang co-founded NVIDIA in April 1993 and has served as its President, Chief Executive Officer and a member of the Board of Directors since its inception. From 1985 to 1993, Mr. Huang was employed at LSI Logic Corporation, a computer chip manufacturer, where he held a variety of positions including as Director of Coreware, the business unit responsible for LSI's “system-on-chip”. From 1983 to 1985, Mr. Huang was a microprocessor designer for Advanced Micro Devices, Inc., a semiconductor company. Mr. Huang holds a B.S.E.E. degree from Oregon State University and an M.S.E.E. degree from Stanford University.

Colette M. Kress joined NVIDIA in September 2013 as Executive Vice President and Chief Financial Officer. Prior to NVIDIA, Ms. Kress most recently served as Senior Vice President and Chief Financial Officer of the Business Technology and Operations Finance organization at Cisco Systems, Inc., a networking equipment company, since 2010. At Cisco, Ms. Kress was responsible for financial strategy, planning, reporting and business development for all business segments, engineering and operations. From 1997 to 2010 Ms. Kress held a variety of positions at Microsoft Corporation, a software company, including, beginning in 2006, Chief Financial Officer of the Server and Tools division, where Ms. Kress was responsible for financial strategy, planning, reporting and business development for the division. Prior to joining Microsoft, Ms. Kress spent eight years at Texas Instruments Incorporated, a semiconductor company, where she held a variety of finance positions. Ms. Kress holds a B.S. degree in Finance from University of Arizona and an M.B.A. degree from Southern Methodist University.

Ajay K. Puri joined NVIDIA in December 2005 as Senior Vice President, Worldwide Sales and became Executive Vice President, Worldwide Sales (subsequently renamed to Worldwide Field Operations) in January 2009. Prior to NVIDIA, he held positions in sales, marketing, and general management over a 22-year career at Sun Microsystems, Inc., a computing systems company. Mr. Puri previously held marketing, management consulting, and product development positions at Hewlett-Packard Company, an information technology company, Booz Allen Hamilton Inc., a management and technology consulting company, and Texas Instruments. Mr. Puri holds a B.S.E.E. degree from the University of Minnesota, an M.S.E.E. degree from the California Institute of Technology and an M.B.A. degree from Harvard Business School.

David M. Shannon serves as Executive Vice President, Chief Administrative Officer and Secretary of NVIDIA. In this role, he is responsible for NVIDIA’s legal and human resources functions, as well as intellectual property licensing. Mr. Shannon joined NVIDIA in August 2002 as Vice President and General Counsel. Mr. Shannon became Secretary of NVIDIA in April 2005, a Senior Vice President in December 2005 and an Executive Vice President in January 2009. In January 2013, Mr. Shannon also became the head of Human Resources. Mr. Shannon was promoted to the role of Chief Administrative Officer in January 2014. From 1993 to 2002, Mr. Shannon held various counsel positions at Intel, most recently the position of Vice President and Assistant General Counsel. Mr. Shannon also practiced for eight years in the law firm of Gibson Dunn and Crutcher, focusing on complex commercial and high-technology related litigation. Mr. Shannon holds B.A. and J.D. degrees from Pepperdine University.

Debora Shoquist joined NVIDIA in September 2007 as Senior Vice President of Operations and became Executive Vice President of Operations in January 2009. From 2004 to 2007, Ms. Shoquist served as Executive Vice President of Operations at JDS Uniphase Corporation, a provider of communications test and measurement solutions and optical products for the telecommunications industry. From 2002 to 2004, Ms. Shoquist served as Senior Vice President and General Manager of the Electro-Optics business at Coherent, Inc., a manufacturer of commercial and scientific laser equipment. Ms. Shoquist’s experience includes her role at Quantum Corporation, a data protection company, as the President of the Personal Computer Hard Disk Drive Division. Ms. Shoquist’s experience also includes senior roles at Hewlett-Packard. Ms. Shoquist holds a B.S. degree in Electrical Engineering from Kansas State University and a B.S. degree in Biology from Santa Clara University.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and, if applicable, amendments to those reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended, are available free of charge on or through our web site, *http://www.nvidia.com* , as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission, or the SEC. Our web site and the information on it or connected to it are not a part of this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

In evaluating NVIDIA and our business, the following factors should be considered in addition to the other information in this Annual Report on Form 10-K. Before you buy our common stock, you should know that making such an investment involves risks including, but not limited to, the risks described below. Any one of the following risks could harm our business, financial condition and results of operations, which could cause our stock price to decline. Additional risks, trends and uncertainties not presently known to us or that we currently deem immaterial may also harm our business.

Risks Related to Our Business, Industry and Partners

If we are unable to successfully compete in our target markets, our revenue and financial results will be adversely impacted .

NVIDIA-branded products and services are visual computing platforms that address four large markets: Gaming, Enterprise, High Performance Computing & Cloud, and Automotive. Our GPUs and Tegra processors are designed to meet the evolving needs of these markets; however, these markets remain extremely competitive, and we expect competition to intensify as current competitors expand their product and/or service offerings, industry standards continue to evolve and new competitors enter these markets. Our success depends to a significant extent on our ability to identify and develop new products, services and technologies, and enhancements to our existing products, services and technologies, in a timely and cost-effective manner and to achieve consumer and market acceptance of our products, services and technologies.

If we are unable to successfully compete in our target markets, including in significant international markets, such as China, demand for our products, services and technologies could decrease which would cause our revenue to decline and our financial results to suffer. In addition, if we fail to anticipate the changing needs of our target markets and emerging technology trends, our business will be harmed.

Our competitors' products, services and technologies may be less costly, or their products, services and technologies may offer superior functionality or different features than ours. In addition, many of our competitors operate and maintain their own fabrication facilities and have longer operating histories, greater name recognition, larger customer bases, and greater financial, sales, marketing and distribution resources than we do. These competitors may be able to more effectively identify and capitalize upon opportunities in new markets, quickly transition their semiconductor products to increasingly smaller line width geometries and obtain sufficient foundry capacity and packaging materials, which could harm our business.

If we fail to achieve design wins for our products our business will be harmed.

For our products that we do not sell directly to consumers, achieving design wins is an integral part of our future success. Our OEM, ODM, and AIB and motherboard manufacturers' customers typically introduce new system configurations as often as twice per year, typically based on spring and fall design cycles or in connection with trade shows. If OEMs, ODMs, and AIB and motherboard manufacturers do not include our products in their systems, they will typically not use our products in their systems until at least the next design configuration. In order to achieve design wins, we must:

- anticipate the features and functionality that customers and consumers will demand;
- incorporate those features and functionalities into products that meet the exacting design requirements of our customers; and
- price our products competitively.

In general, we are limited in our ability to introduce new products and enhancements to our customers' design cycles and we must maintain compliance with evolving industry standards. Unanticipated changes in industry standards could render our products incompatible with products developed by major hardware manufacturers and software developers. If our products are not in compliance with prevailing industry standards, our customers may not incorporate our products into their design strategies.

If our intellectual property licensing strategy is not successful, our licensing revenues may decline.

We intend to license our GPU cores and visual computing patent portfolio to device manufacturers who offer products in markets such as mobile. The extent of the demand to license our GPU cores or other elements of our visual computing patent portfolio is unknown and may be limited. In addition, we may not be able to renew our existing license agreements. In January 2011, we entered into a patent cross licensing agreement under which Intel agreed to pay us an aggregate of $1.50 billion over six years. The final $200.0 million payment under this agreement is scheduled to be received in January 2016, and recognized as revenue into the first quarter of fiscal year 2018. If we are unable to enter into new licensing agreements or renew our existing agreements, and these agreements are not offset by other growth in income, our financial results may be adversely affected.

If our products contain significant defects, we could incur significant expenses to remediate such defects, our reputation could be damaged and we could lose market share.

Our products are complex and may contain defects or experience failures or unsatisfactory performance due to any number of issues in design, fabrication, packaging, materials and/or use within a system. Our products are used by a variety of industries, including the automotive industry. Failure of our products to perform to specifications, or other product defects, could lead to substantial damage to the products we sell directly to customers, the end product in which our device has been integrated by OEMs, ODMs, AIBs and Tier 1 automotive suppliers, and to the user of such end product. Any such defect may cause us to incur significant warranty, support and repair or replacement costs, cause us to lose market share, and divert the attention of our engineering personnel from our product development efforts to find and correct the issue. In addition, an error or defect in new products or releases or related software drivers after commencement of commercial shipments could result in failure to achieve market acceptance or loss of design wins and harm our relationships with customers. Also, we may be required to reimburse customers, including our customers' costs to repair or replace products in the field. A product recall, particularly an automotive recall, or a significant number of product returns could be expensive, could damage our reputation, could result in the shifting of business to our competitors and could result in litigation against us such as product liability suits. If a product liability claim is brought against us, the cost of defending the claim could be significant and would divert the efforts of our technical and management personnel, and harm our business.

System security and data protection breaches, as well as cyber-attacks, could disrupt our operations, reduce our expected revenue and increase our expenses, which could adversely affect our stock price and damage our reputation.

Security breaches, computer malware and cyber-attacks have become more prevalent and sophisticated in recent years. These attacks have occurred on our systems in the past and may occur in the future. Experienced computer programmers, hackers and employees may be able to penetrate our security controls and misappropriate or compromise our confidential information, or that of our employees or third parties. These attacks may create system disruptions or cause shutdowns. These hackers may also develop and deploy viruses, worms and other malicious software programs that attack or otherwise exploit security vulnerabilities in our products. For portions of our IT infrastructure, including business management and communication software products, we rely on products and services provided by third parties. These providers may also experience breaches and attacks to their products which may impact our systems. Data security breaches may also result from non-technical means, such as actions by an employee with access to our systems.

Actual or perceived breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or confidential data about us, our partners, our customers or third parties could expose us, our partners, our customers, third parties or the individuals affected, to a risk of loss or misuse of this information, resulting in litigation and potential liability, damage to our brand and reputation or other harm to our business. Our efforts to prevent and overcome these challenges could increase our expenses and may not be successful. We may experience interruptions, delays, cessation of service and loss of existing or potential customers. Such disruptions could adversely impact our ability to fulfill orders and interrupt other critical functions. Delayed sales, lower margins or lost customers as a result of these disruptions could adversely affect our financial results, stock price and reputation.

We depend on third parties and their technology to manufacture, assemble, test and/or package our products, which reduces our control over product quantity and quality, development, enhancement and product delivery schedule and could harm our business .

We do not manufacture the silicon wafers used for our GPUs and Tegra processors and do not own or operate a wafer fabrication facility. Instead, we are dependent on industry-leading foundries, such as Taiwan Semiconductor Manufacturing Company Limited and Samsung Electronics Co. Ltd., to manufacture our semiconductor wafers using their fabrication equipment and techniques. Similarly, we do not assemble, test or package our products, but instead rely on independent subcontractors, such as Advanced Semiconductor Engineering, Inc., BYD Auto Co., Ltd., Hon Hai Precision Industry Co., Ltd., JSI Logistics, Ltd., King Yuan Electronics Co. and Siliconware Precision Industries Co. Ltd. We do not have long-term commitment contracts with these foundries or subcontractors. As a result, we face several significant risks which could have an adverse effect on our ability to meet customer demands and/or negatively impact our business operations, gross margin, revenue and/or financial results, including:

- a lack of guaranteed supply of wafers and other components and potential higher wafer and component prices due to supply constraints;
- a failure by our foundries to procure raw materials or to provide or allocate adequate manufacturing or test capacity for our products;
- a failure to develop, obtain or successfully implement high quality, leading-edge process technologies, including transitions to smaller geometry process technologies, needed to manufacture our products profitably or on a timely basis;
- loss of a supplier and additional expense and/or production delays as a result of qualifying a new foundry or subcontractor and commencing volume production or testing in the event of a loss of or a decision to add or change a supplier;
- a lack of direct control over delivery schedules or product quantity and quality; and
- delays in product shipments, shortages, a decrease in product quality and/or higher expenses in the event our subcontractors or foundries prioritize our competitors orders over our orders or otherwise.

We also rely on third-party software development tools to assist us in the design, simulation and verification of new products or product enhancements. To bring new products and enhancements to market in a timely manner, we utilize sophisticated and technologically advanced software development tools to complete our design, simulations and verifications. In the past, we have experienced delays in the introduction of products and enhancements as a result of the inability of then available software development tools to fully simulate the complex features and functionalities of our products. In the future, the design requirements necessary to meet consumer demands for more features and greater functionality from our products may exceed the capabilities of available software development tools. If we miss design cycles or lose design wins due to the unavailability of such software development tools, we could lose market share and our revenues could decline.

If our products fail to achieve expected manufacturing yields, our financial results could be adversely impacted and our reputation with our customers may be harmed.

Manufacturing yields for our products are a function of product design, which is developed largely by us, and process technology, which typically is proprietary to the foundry. Low yields may result from either product design or process technology failure. We do not know whether a yield problem will exist until our design is actually manufactured by the foundry. When a yield issue is identified, the product is analyzed and tested to determine the cause. As a result, yield problems may not be identified until well into the manufacturing process and require us and the foundry to cooperate to resolve the problem. Because of our potentially limited access to wafer foundry capacity, any decrease in manufacturing yields could result in higher manufacturing costs and require us to allocate our available product supply among our customers. Lower than expected yields could harm customer relationships, our reputation and our financial results.

Business disruptions could harm our business, lead to a decline in revenues and increase our costs.

Our worldwide operations could be disrupted by earthquakes, telecommunications failures, power or water shortages, tsunamis, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics or pandemics and other natural or man-made disasters, catastrophic events or climate change. The occurrence of any of these business disruptions could harm our business and result in significant losses, a decline in revenue and increase our costs and expenses. Any of these business disruptions could require substantial expenditures and recovery time in order to fully resume operations. Our corporate headquarters, and a portion of our research and development activities, are located in California, and other critical business operations and some of our suppliers are located in Asia, near major earthquake faults known for seismic activity. In addition, a majority of our principal IT datacenters are located in California, making our operations vulnerable to natural disasters or other business disruptions occurring in this geographical area. The manufacture of product components, the final assembly of our products and other critical operations are concentrated in certain geographic locations, including Taiwan, China and Korea. Our operations could be harmed if manufacturing, logistics or other operations in these locations are disrupted for any reason, including natural disasters, high heat events or water shortages, information technology system failures, military actions or economic, business, labor, environmental, public health, regulatory or political issues. The ultimate impact on us, our third-party foundries and other suppliers and our general infrastructure of being located near major earthquake faults and being consolidated in certain geographical areas is unknown. In the event of a major earthquake or other natural disaster or catastrophic event, our revenue could decline and our business may be harmed.

We receive a significant amount of our revenue from a limited number of customers and our revenue could decline if we lose any of these customers.

We receive a significant amount of our revenue from a limited number of customers. Revenue from significant customers, those representing 10% or more of total revenue, was 11% of our total revenue from one customer in fiscal year 2015, 21% of our total revenue from two customers in fiscal year 2014, and 13% of our total revenue from one customer in fiscal year 2013. The percentage of revenue we receive from our largest customers has fluctuated significantly from period to period primarily due to the timing and number of design wins with each customer, as well as the continued diversification of our customer base as we expand into new markets, and will likely continue to fluctuate in the future. Our operating results in the foreseeable future will continue to depend on sales to a relatively small number of customers, as well as the ability of these customers to sell products that incorporate our GPUs and Tegra processors. In the future, these customers may decide not to purchase our products at all, purchase fewer products than they did in the past, or alter their purchasing patterns in some other way, particularly because:

- substantially all of our sales are made on a purchase order basis, which permits our customers to cancel, change or delay product purchase commitments with little or no notice to us and without penalty;
- our customers may develop their own solutions;
- our customers may purchase products from our competitors; or
- our customers may discontinue sales or lose market share in the markets for which they purchase our products.

The loss of any of our large customers or a significant reduction in purchases by them would likely harm our financial condition and results of operations and any difficulties in collecting accounts receivable could harm our operating results and financial condition.

We maintain an allowance for doubtful accounts for estimated losses resulting from the inability of certain of our customers to make required payments and obtain credit insurance over the purchasing credit extended to these customers. In the future, we may have to record additional provisions or write-offs and/or defer revenue on certain sales transactions which could negatively impact our financial results and we may not be able to acquire credit insurance on the credit we extend to these customers or in amounts that we deem sufficient.

Our gross margin depends on a number of factors and changes in any of these factors could adversely affect our gross margin.

Our gross margin for any period depends on a number of factors, including the mix of our products sold, average selling prices, introduction of new products, product transitions, sales discounts, pricing actions by our competitors, the cost of product components and the yield of wafers produced by the foundries that manufacture our products. We are focused on improving our gross margin and if we are not able to control or estimate the impact of the above factors or other factors we do not foresee, our gross margins may be negatively impacted. In addition, gross margins for our Tegra processors are lower than our overall corporate gross margins. If Tegra processors comprise a higher percentage of our future revenue, or if we continue to enter into new business areas with comparatively lower margins, our overall gross margins may decline.

If we fail to estimate customer demand properly our financial results could be harmed.

We manufacture our GPUs and Tegra processors based on estimates of customer demand. In order to have shorter shipment lead times and quicker delivery schedules for our customers, we may build inventories for anticipated periods of growth which do not occur, or may build inventory anticipating demand for a customer’s product that does not materialize. In estimating demand, we make multiple assumptions any of which may prove to be incorrect. Situations that may result in excess or obsolete inventory include:

- changes in business and economic conditions, including downturns in our target markets and/or overall economy;
- changes in consumer confidence caused by changes in market conditions, including changes in the credit market;
- a sudden and significant decrease in demand for our products;
- a higher incidence of inventory obsolescence because of rapidly changing technology or customer requirements;
- our introduction of new products resulting in lower demand for older products ; or
- increased competition, including competitive pricing actions.

In addition, the cancellation or deferral of customer purchase orders could result in our holding excess inventory, which could adversely affect our gross margins. In addition, because we often sell a substantial portion of our products in the last month of each quarter, we may not be able to reduce our inventory purchase commitments in a timely manner in response to customer cancellations or deferrals. We could be required to write-down our inventory to the lower of cost or market or write-off excess inventory, and we could experience a reduction in average selling prices if we incorrectly forecast product demand, any of which could harm our financial results.

Conversely, if we underestimate our customers' demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production and we may not be able to obtain sufficient inventory to fill customers' orders on a timely basis. Even if we are able to increase production levels to meet customer demand, we may not be able to do so in a cost-effective or timely manner. If we fail to fulfill our customers' orders on a timely basis, or at all, our customer relationships could be damaged, we could lose revenue and market share and our reputation could be damaged.

We are subject to risks and uncertainties associated with international operations which may harm our business.

We conduct our business worldwide and we have offices in various countries outside of the United States. Our semiconductor wafers are manufactured, assembled, tested and packaged by third parties located outside of the United States and Other Americas. We also generate a significant portion of our revenue from sales to customers outside the United States and Other Americas. Revenue from sales to customers outside of the United States and Other Americas accounted for 75% of total revenue for both fiscal year 2015 and 2014 and 74% of total revenue for fiscal year 2013. The global nature of our business subjects us to a number of risks and uncertainties, including:

- international economic and political conditions, such as political tensions between countries in which we do business;
- unexpected changes in, or impositions of, legislative or regulatory requirements;
- differing legal standards with respect to protection of intellectual property and employment practices;
- local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anticorruption laws and regulations;
- exporting or importing issues related to export or import restrictions, tariffs, quotas and other trade barriers and restrictions;
- financial risks such as longer payment cycles, difficulty in collecting accounts receivable and foreign exchange rate fluctuations; and
- increased costs due to imposition of climate change regulations, such as carbon taxes, fuel or energy taxes, and pollution limits.

If sales to any of our customers outside of the United States and Other Americas are delayed or cancelled because of any of the above factors, our revenue may be negatively impacted.

We may not be able to realize the potential financial or strategic benefits of business acquisitions or strategic investments and we may not be able to successfully integrate acquisition targets, which could hurt our ability to grow our business, develop new products or sell our products.

We have in the past and intend to continue to acquire and invest in other businesses that offer products, services and technologies that we believe will help expand or enhance our existing products and business. Any of the following risks associated with past or future acquisitions or investments could impair our ability to grow our business, develop new products or sell our products, and ultimately could have a negative impact on our growth or our financial results:

- difficulty in combining the technology, products, operations or workforce of the acquired business with our business;
- diversion of capital and other resources, including management's attention;
- assumption of liabilities;
- incurring amortization expenses, impairment charges to goodwill or write-downs of acquired assets;
- potential failure of our due diligence processes to identify significant issues with product quality, architecture and development, or legal and financial contingencies, among other things; and
- impairment of relationships with employees, vendors and customers, or the loss of any of our key employees, vendors or customers or our target's key employees, vendors or customers, as a result of our acquisition or investment.

Risks Related to Regulatory, Legal, Our Common Stock and Other Matters

Actions to adequately protect our intellectual property rights, such as litigation to defend against alleged infringement of intellectual property rights or to enforce our intellectual property rights, could result in substantial costs to us and our ability to compete could be harmed if we fail to take such actions or are unsuccessful in doing so.

We rely primarily on a combination of patents, trademarks, trade secrets, employee and third-party nondisclosure agreements, licensing arrangements, and the laws of the countries in which we operate to protect our intellectual property in the United States and internationally. The laws of certain foreign countries may not protect our products or intellectual property rights to the same extent as the laws of the United States. This makes the possibility of piracy of our technology and products more likely. We continuously assess whether and where to seek formal protection for existing and new innovations and technologies, but cannot be certain whether our applications for such protections will be approved, and, if approved, whether we will be able to enforce such protections.

We have in the past and may in the future become involved in lawsuits or other legal proceedings alleging patent infringement or other intellectual property rights violations by us, our employees or parties that we have agreed to indemnify for certain claims of infringement. An unfavorable ruling in any such intellectual property related litigation could include significant damages, invalidation of a patent or family of patents, indemnification of customers, payment of lost profits, or, when it has been sought, injunctive relief.

We may commence litigation or other legal proceedings in order to protect our intellectual property rights. Such proceedings may increase our operating expenses, which could negatively impact our operating results. Further, we could be subject to countersuits as a result of our initiation of litigation. For example, in September 2014, we filed complaints against Qualcomm, Inc. and various Samsung entities with both the ITC and the United States District Court for the District of Delaware for infringement of seven patents relating to graphics processing. In November 2014, various Samsung entities filed a complaint against us and Velocity Micro for alleged infringement of Samsung’s patents. If infringement claims are made against us or our products are found to infringe a third parties' patent or intellectual property, we or one of our indemnitees may have to seek a license to the third parties' patent or other intellectual property rights. However, we may not be able to obtain licenses at all or on terms acceptable to us particularly from our competitors. If we or one of our indemnitees is unable to obtain a license from a third party for technology that we use or that is used in one of our products, we could be subject to substantial liabilities or have to suspend or discontinue the manufacture and sale of one or more of our products. We may also have to make royalty or other payments, or cross license our technology. If these arrangements are not concluded on commercially reasonable terms, our business could be negatively impacted. Furthermore, the indemnification of a customer or other indemnitee may increase our operating expenses which could negatively impact our operating results.

Our operating results have in the past fluctuated and may in the future fluctuate, and if our operating results are below the expectations of securities analysts or investors, our stock price could decline.

Our operating results have in the past fluctuated and may in the future continue to fluctuate due to numerous factors. For example, our operating expenses represent a significant portion of total revenue and are largely independent of revenue in any particular period. In particular, our research and development expenses reflect multi-year commitments to the development of new products and enhancements that will not result in revenue, if any, until future periods. Therefore, investors should not rely on quarterly comparisons of our results of operations as an indication of our future performance.

Factors that could affect our results of operations in the future include:

- demand and market acceptance for our products and/or our customers’ products;
- the successful development and volume production of our next-generation products;
- our inability to adjust spending to offset revenue shortfalls due to multi-year development cycle for some of our products and services;
- new product announcements or product introductions by our competitors;
- our introduction of new products in accordance with OEMs’ design requirements and design cycles;
- changes in the timing of product orders due to unexpected delays in the introduction of our customers’ products;
- the level of growth or decline of the PC industry in general;
- seasonal fluctuations associated with the PC and consumer products market;
- contraction in automotive and consumer end-market demand due to adverse regional or worldwide economic conditions;
- slower than expected growth of demand for new technologies;
- fluctuations in the availability of manufacturing capacity or manufacturing yields;
- our ability to reduce the manufacturing costs of our products;
- competitive pressures resulting in lower than expected average selling prices;
- product rates of return in excess of that forecasted or expected due to quality issues;
- rescheduling or cancellation of customer orders;
- the loss of a significant customer;
- substantial disruption in the operations of our foundries or other third-party subcontractors, as a result of a natural disaster, equipment failure, terrorism or other causes;
- supply constraints for and changes in the cost of the other components incorporated into our customers’ products, including memory devices;
- costs associated with the repair and replacement of defective products;
- unexpected inventory write-downs or write-offs;
- legal and other costs related to defending intellectual property and other types of lawsuits;
- availability of software and technology licenses at commercially reasonable terms for the continued sale or development of new products;
- customer bad debt write-offs;
- changes in our effective tax rate as a result of changes in the mix of earnings in countries with differing statutory tax rates, applicable tax laws or interpretations of tax laws;
- any unanticipated costs associated with environmental liabilities;
- unexpected costs related to our ownership of real property;
- costs to comply with new government regulations, such as the SEC’s conflict mineral regulations, and regulatory enforcement actions;
- costs to maintain effective internal control over financial reporting;
- our inability to forecast changes in financial accounting standards or interpretations of existing standards; and
- general macroeconomic events and factors affecting the overall semiconductor industry.

Any one or more of the factors discussed above could prevent us from achieving our expected future financial results. Any such failure to meet our expectations or the expectations of our investors or security analysts could cause our stock price to decline or experience substantial price volatility and, as a result, investors may suffer losses.

In the past, securities class action litigation has often been brought against a company following periods of volatility in the market price of its securities. We have been in the past, and may be in the future, the target of securities litigation. Such lawsuits generally result in the diversion of management's time and attention away from business operations, which could harm our business. In addition, the costs of defense and any damages resulting from litigation, a ruling against us, or a settlement of the litigation could adversely affect our cash flow and financial results.

We have a substantial amount of indebtedness which could adversely affect our financial position and prevent us from implementing our strategy or fulfilling our contractual obligations .

In December 2013, we issued $1.5 billion of 1.00% Convertible Senior Notes due 2018, or 1.00% Notes. Our substantial indebtedness may:

- limit our ability to use our cash flow or borrow additional funds for working capital, capital expenditures, acquisitions and general corporate and other purposes;
- make it difficult for us to satisfy our financial obligations;
- place us at a competitive disadvantage compared to our less leveraged competitors; and
- increase our vulnerability to the impact of adverse economic and industry conditions.

The exercise of warrants issued to Goldman, Sachs & Co. concurrently with our 1.00% Notes would, and the conversion of our 1.00% Notes could, dilute the ownership interest of our existing shareholders .

The warrants issued concurrently with our 1.00% Notes will be deemed to be automatically exercised on certain dates between March 2019 and June 2019, unless Goldman, Sachs & Co. notifies us otherwise. Any issuance by us of additional shares to Goldman, Sachs & Co. upon exercise of the warrants will dilute the ownership interest of our existing shareholders. In addition, the conversion of our 1.00% Notes will dilute the ownership interests of our existing shareholders and could have a dilutive effect on our net income per share to the extent that the price of our common stock exceeds the conversion price of the 1.00% Notes. Any sales in the public market by Goldman, Sachs & Co. of our common stock upon exercise of the warrants or sales in the public market of our common stock issuable upon conversion of the 1.00% Notes could adversely affect prevailing market prices of our common stock.

Delaware law and provisions in our certificate of incorporation, our bylaws and our agreement with Microsoft Corporation could delay or prevent a change in control.

Our status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested shareholder for a period of three years after the person becomes an interested shareholder, even if a change of control would be beneficial to our existing shareholders. In addition, our certificate of incorporation and bylaws contain provisions that could make it more difficult for a third party to acquire a majority of our outstanding voting stock. These provisions include the following:

- the ability of our Board of Directors to create and issue preferred stock without prior shareholder approval;
- the prohibition of shareholder action by written consent;
- advance notice requirements for director nominations and shareholder proposals;
- the ability of our Board of Directors to increase or decrease the number of directors without shareholder approval;
- a super-majority voting requirement to amend some provisions in our certificate of incorporation and bylaws;
- the inability of our shareholders to call special meetings of shareholders; and
- the ability of our Board of Directors to make, amend or repeal our bylaws.

On March 5, 2000, we entered into an agreement with Microsoft in which we agreed to develop and sell graphics chips and to license certain technology to Microsoft and its licensees for use in the Xbox. Under the agreement, if an individual or corporation makes an offer to purchase shares equal to or greater than 30% of the outstanding shares of our common stock, Microsoft may have first and last rights of refusal to purchase the stock. The Microsoft provision and the other factors listed above could also delay or prevent a change in control of NVIDIA. These provisions could also discourage proxy contests and make it more difficult for shareholders to elect directors of their choosing and to cause us to take other corporate actions they desire.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our headquarters complex is located in Santa Clara, California. It includes eight leased commercial buildings totaling 887,993 square feet and real property that we own, which consists of twelve commercial buildings on 36 acres of land. We expect to eventually build a new corporate headquarters campus on this owned property. However, during fiscal year 2014 we leased and occupied an office building within the boundaries of our Santa Clara campus that balanced the workspace needs for our Santa Clara staff and provided us the opportunity to delay the start of the new campus building and refine our design to further optimize for functionality and cost. In addition, we also lease datacenter space in Santa Clara.

Outside of Santa Clara, we lease space in Austin, Texas and a number of regional facilities in other U.S. locations, which are used as research and development centers and/or sales and administrative offices. Outside of the United States, we own a building in Hyderabad, India, which is being used primarily as a research and development center. We also lease facilities in various international locations as research and development centers and/or sales and administrative offices. These leased facilities are located primarily in Asia and Europe.

We believe that we currently have sufficient facilities to conduct our operations for the next twelve months. For additional information regarding obligations under leases, see Note 12 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K under the subheading “Lease Obligations,” which information is hereby incorporated by reference.

ITEM 3. LEGAL PROCEEDINGS

Please see Note 12 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for a discussion of our legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is traded on the NASDAQ Global Select Market under the symbol NVDA. Public trading of our common stock began on January 22, 1999. Prior to that, there was no public market for our common stock. As of March 6, 2015, we had approximately 349 registered shareholders, not including those shares held in street or nominee name. The following table sets forth for the periods indicated the high and low sales price for our common stock as quoted on the NASDAQ Global Select Market:

	High	Low
Fiscal year ending January 31, 2016		
First Quarter (through March 6, 2015)	$ 22.90	$ 18.94
Fiscal year ended January 25, 2015		
Fourth Quarter	$ 21.25	$ 18.27
Third Quarter	$ 20.15	$ 16.77
Second Quarter	$ 19.73	$ 17.71
First Quarter	$ 19.46	$ 15.32
Fiscal year ended January 26, 2014		
Fourth Quarter	$ 16.44	$ 14.52
Third Quarter	$ 16.10	$ 13.11
Second Quarter	$ 15.48	$ 13.37
First Quarter	$ 13.50	$ 12.04

Dividend Policy

On November 8, 2012, we announced the initiation of a quarterly cash dividend program. The initial quarterly dividend was $0.075 per share, or $0.30 per share on an annual basis, which was subsequently increased on November 7, 2013 by 13% to a quarterly dividend of $0.085 per share, or $0.34 per share on an annual basis. In fiscal years 2015 and 2014, we paid $186.5 million and $181.3 million , respectively, in cash dividends to our common shareholders.

Our cash dividend program and the payment of future cash dividends under that program are subject to continued capital availability and our Board of Directors' continuing determination that the dividend program and the declaration of dividends thereunder are in the best interests of our shareholders and are in compliance with all laws and agreements of NVIDIA applicable to the declaration and payment of cash dividends. In fiscal year 2015, based upon our earnings and profits, 50% of our dividend payments were considered qualified dividends and 50% of our dividend payments were considered to be a return of capital for U.S. federal income tax purposes. It is possible that a portion of our dividend payments in fiscal year 2016 may be considered a return of capital for U.S. federal income tax purposes.

Issuer Purchases of Equity Securities

Beginning August 2004, our Board of Directors authorized us, subject to certain specifications, to repurchase shares of our common stock. Most recently, in November 2013, the Board extended the previously authorized repurchase program through January 2016 and authorized an additional $1.00 billion for an aggregate of $3.70 billion under the repurchase program. Through January 25, 2015, we have repurchased an aggregate of 205.6 million shares under our share repurchase program for a total cost of $3,265.2 million. As of January 25, 2015, we are authorized, subject to certain specifications, to repurchase shares of our common stock up to $434.8 million through January 2016. In November 2014, we announced our intention to return approximately $600.0 million to shareholders in fiscal year 2016 in the form of share repurchases and cash dividends.

The repurchases will be made from time to time in the open market, in privately negotiated transactions, or in structured share repurchase programs, and may be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, subject to market conditions, applicable legal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be suspended at any time at our discretion. As part of our share repurchase program, we have entered into, and we may continue to enter into, structured share repurchase transactions with financial institutions. These agreements generally require that we make an up-front payment in exchange for the right to receive a fixed number of shares of our common stock upon execution of the agreement, and a potential incremental number of shares of our common stock, within a pre-determined range, at the end of the term of the agreement.

The following table presents details of our share repurchase transactions during the three months ended January 25, 2015 (in millions, except per share amounts):

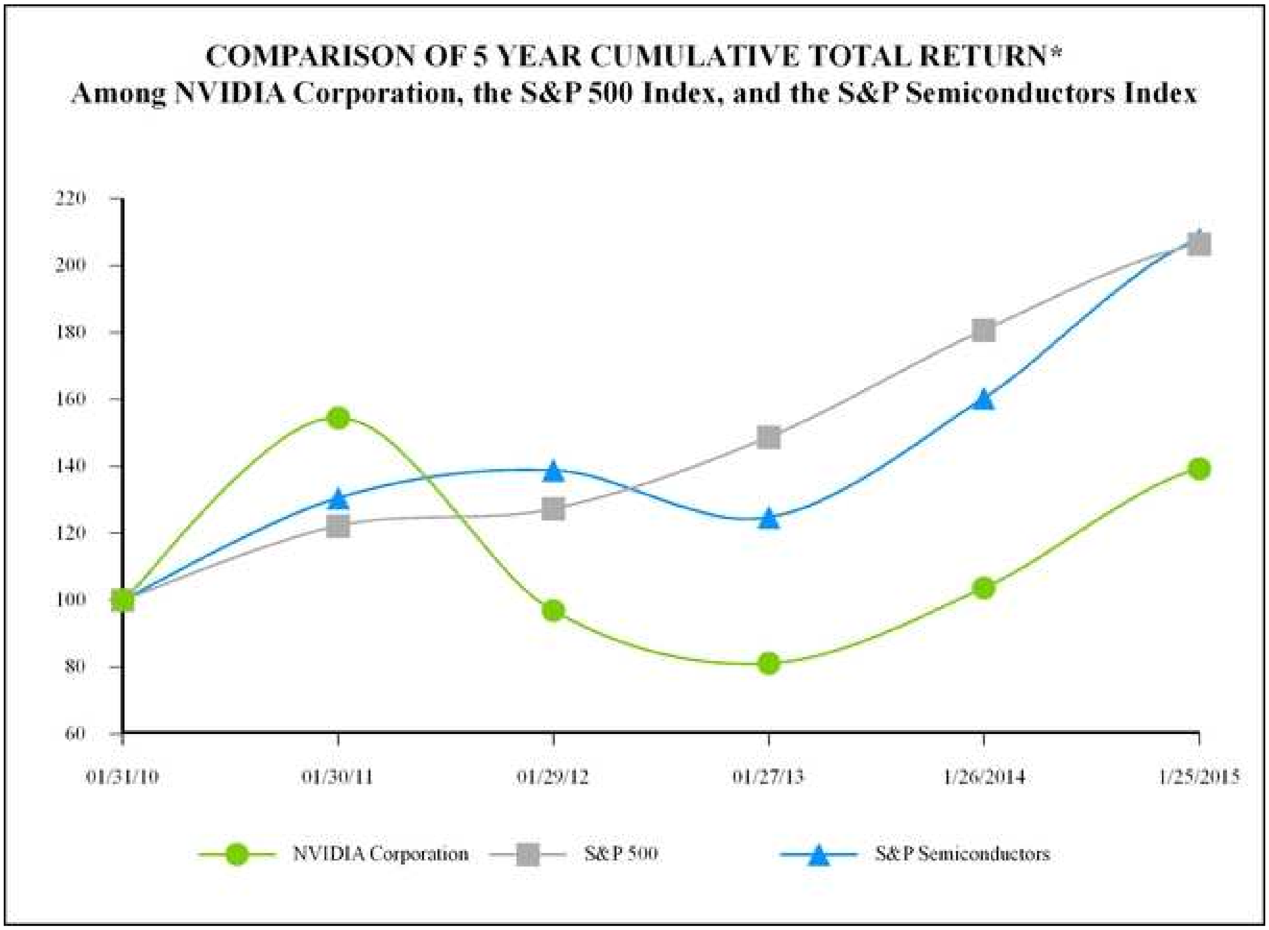
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
October 27, 2014 - November 23, 2014	—	—	—	$438.4
November 24, 2014 - December 21, 2014	0.2	$19.86	0.2	$434.8
December 22, 2014 - January 25, 2015	—	—	—	$434.8
Total	**0.2**	**$19.86**	**0.2**	

In December 2014, we repurchased in the open market 0.2 million shares for $3.6 million at an average price of $19.86 per share.

In addition to our share repurchase program, we withhold common stock shares associated with net share settlements to cover tax withholding obligations upon the vesting of restricted stock unit, or RSU, and performance stock unit, or PSU, awards under our equity incentive program. During fiscal year 2015, we withheld approximately 2.3 million shares at a total cost of $43.7 million through net share settlements. Please refer to Note 2 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Form 10-K for further discussion regarding our equity incentive plans.

Stock Performance Graphs

The following graph compares the cumulative total shareholder return for our common stock, the S&P 500 Index and the S&P Semiconductors Index for the five years ended January 25, 2015 . The graph assumes that $100 was invested on January 31, 2010 in our common stock and in each of the S&P 500 Index and the S&P Semiconductors Index. Total return assumes reinvestment of dividends in each of the indices indicated. Total return is based on historical results and is not intended to indicate future performance.

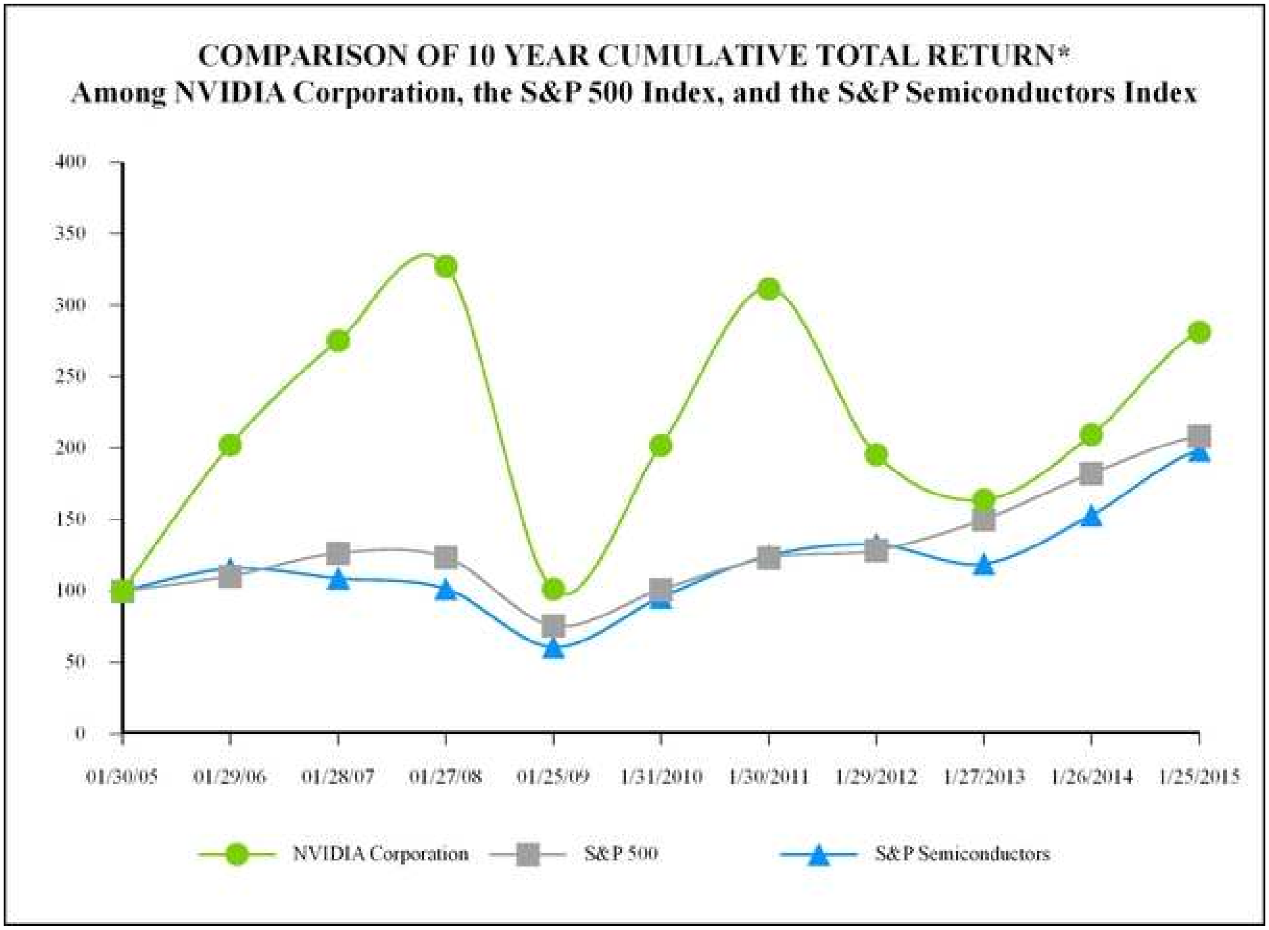


*$100 invested on 1/31/10 in stock and in indices, including reinvestment of dividends.

The S&P 500 index and S&P Semiconductor Select Industry index are proprietary to and are calculated, distributed and marketed by S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC), its affiliates and/or its licensors and has been licensed for use. S&P® and S&P 500®, among other famous marks, are registered trademarks of Standard & Poor’s Financial Services LLC, and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC.

	1/31/2010	1/30/2011	1/29/2012	1/27/2013	1/26/2014	1/25/2015
NVIDIA Corporation	$ 100.00	$ 154.39	$ 96.88	$ 81.12	$ 103.61	$ 139.28
S&P 500	$ 100.00	$ 122.18	$ 127.34	$ 148.70	$ 180.70	$ 206.41
S&P Semiconductors	$ 100.00	$ 130.50	$ 138.76	$ 124.79	$ 160.36	$ 207.78

The following graph compares the cumulative total shareholder return for our common stock, the S&P 500 Index and the S&P Semiconductors Index for the ten years ended January 25, 2015 . The graph assumes that $100 was invested on January 30, 2005 in our common stock and in each of the S&P 500 Index and the S&P Semiconductors Index. Total return assumes reinvestment of dividends in each of the indices indicated. Total return is based on historical results and is not intended to indicate future performance.



*$100 invested on 1/30/05 in stock or in indices, including reinvestment of dividends.

The S&P 500 index and S&P Semiconductor Select Industry index are proprietary to and are calculated, distributed and marketed by S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC), its affiliates and/or its licensors and has been licensed for use. S&P® and S&P 500®, among other famous marks, are registered trademarks of Standard & Poor's Financial Services LLC, and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. © 2015 S&P Dow Jones Indices LLC, its affiliates and/or its licensors. All rights reserved.

	1/30/2005	1/29/2006	1/28/2007	1/27/2008	1/25/2009	1/31/2010	1/30/2011	1/29/2012	1/27/2013	1/26/2014	1/25/2015
NVIDIA Corporation	$ 100.00	$ 202.14	$ 275.09	$ 327.14	$ 101.09	$ 201.79	$ 311.54	$ 195.50	$ 163.70	$ 209.07	$ 281.05
S&P 500	$ 100.00	$ 110.37	$ 126.39	$ 123.46	$ 75.77	$ 100.88	$ 123.26	$ 128.46	$ 150.02	$ 182.30	$ 208.23
S&P Semiconductors	$ 100.00	$ 115.62	$ 108.86	$ 101.45	$ 60.82	$ 95.46	$ 124.59	$ 132.46	$ 119.13	$ 153.09	$ 198.36

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data should be read in conjunction with our financial statements and the notes thereto, and with Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The consolidated statements of operations data for the fiscal years ended January 25, 2015 , January 26, 2014 and January 27, 2013 and the consolidated balance sheet data as of January 25, 2015 and January 26, 2014 have been derived from and should be read in conjunction with our audited consolidated financial statements and the notes thereto included in Part IV, Item 15 in this Annual Report on Form 10-K. We operate on a 52- or 53-week year, ending on the last Sunday in January. Fiscal years 2015, 2014, 2013, 2012 and 2011 were 52-week years.

	Year Ended				
	January 25, 2015	January 26, 2014	January 27, 2013	January 29, 2012	January 30, 2011 (A,B)
	(In thousands, except per share data)				
Consolidated Statement of Operations Data:					
Revenue	$ 4,681,507	$ 4,130,162	$ 4,280,159	$ 3,997,930	$ 3,543,309
Income from operations	$ 758,989	$ 496,227	$ 648,239	$ 648,299	$ 255,747
Net income	$ 630,587	$ 439,990	$ 562,536	$ 581,090	$ 253,146
Net income per share:					
Basic	$ 1.14	$ 0.75	$ 0.91	$ 0.96	$ 0.44
Diluted	$ 1.12	$ 0.74	$ 0.90	$ 0.94	$ 0.43
Weighted average shares used in per share computation:					
Basic	552,319	587,893	619,324	603,646	575,177
Diluted	563,068	594,517	624,957	616,371	588,684

	Year Ended				
	January 25, 2015 (C)	January 26, 2014 (C,D)	January 27, 2013 (C)	January 29, 2012 (E)	January 30, 2011
	(In thousands, except per share data)				
Consolidated Balance Sheet Data:					
Cash, cash equivalents and marketable securities	$ 4,623,339	$ 4,671,810	$ 3,727,883	$ 3,129,576	$ 2,490,563
Total assets	$ 7,201,368	$ 7,250,894	$ 6,412,245	$ 5,552,928	$ 4,495,246
Long-term debt	$ 1,384,342	$ 1,356,375	$ —	$ —	$ —
Capital lease obligations, less current portion	$ 14,086	$ 17,500	$ 18,998	$ 21,439	$ 23,389
Total shareholders’ equity	$ 4,417,982	$ 4,456,398	$ 4,827,703	$ 4,145,724	$ 3,181,462
Cash dividends declared and paid per common share	$ 0.340	$ 0.310	$ 0.075	$ —	$ —

(A) We recorded a net warranty charge of $193.9 million during fiscal year 2011 towards the repair and replacement of products arising from a weak die/packaging material set used in certain versions of our previous generation MCP and GPU products.

(B) In fiscal year 2011, we entered into a six-year cross licensing agreement with Intel and also mutually agreed to settle all outstanding legal disputes. We valued the settlement portion at $57.0 million, which was recorded within income from operations in fiscal year 2011.

(C) On November 8, 2012, we initiated a quarterly dividend payment of 7.5 cents per share, or 30 cents on an annual basis. On November 7, 2013, we increased the quarterly cash dividend to 8.5 cents per share, or 34 cents on an annual basis.

(D) On December 2, 2013, we issued $1.5 billion aggregate principal amount of 1.00% Convertible Senior Notes due 2018.

(E) On June 10, 2011, we completed the acquisition of Icera, Inc. for total cash consideration of $352.2 million, and recorded goodwill of $271.2 million.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with "Item 1A. Risk Factors", "Item 6. Selected Financial Data", our Consolidated Financial Statements and related Notes thereto, as well as other cautionary statements and risks described elsewhere in this Annual Report on Form 10-K, before deciding to purchase, hold or sell shares of our common stock.

Overview

Our Company and Our Businesses

NVIDIA is dedicated to advancing visual computing, enabling individuals to interact with digital ideas, data and entertainment with an ease and efficiency unmatched by any other communication medium.

Our business model has three elements: creating NVIDIA-branded products and services, offering our processors to original equipment manufacturers, or OEMs, and licensing our intellectual property. NVIDIA-branded products and services are visual computing platforms that address four large markets: Gaming, Enterprise, High Performance Computing & Cloud, and Automotive.

Our two business segments - GPU and Tegra Processor - are based on a single underlying graphics architecture. In addition to the two reporting segments, the "All Other" category primarily includes licensing revenue from our patent cross licensing agreement with Intel, which we expect to recognize through March 2017.

GPUs, the engines of visual computing, are among the world's most complex processors. Our GPU product brands aimed at specialized markets include GeForce for gamers; Quadro for designers; Tesla for researchers, deep learning and big-data analysts; and GRID for cloud-based visual computing users.

We also integrate our GPUs into tiny mobile chips called system-on-a-chip (SOC) processors, which power tablets, and automotive infotainment and safety systems. Our Tegra brand integrates an entire computer onto a single chip, incorporating GPUs and multi-core CPUs with audio, video and input/output capabilities. They can also be integrated with baseband processors to add voice and data communication. Tegra conserves power while delivering state-of-the-art graphics and multimedia processing.

Headquartered in Santa Clara, California, NVIDIA was incorporated in California in April 1993 and reincorporated in Delaware in April 1998.

Recent Developments, Future Objectives and Challenges

GPU Business

During fiscal year 2015, we announced and shipped GeForce GPUs based on our new Maxwell architecture and we surpassed fifty million installations of our GeForce Experience client, which provides game-ready drivers, optimized play settings, and streaming and sharing of gameplay. We also disclosed the first details of our Pascal GPU architecture, which will succeed Maxwell. Pascal is expected to feature 3D memory and NVLink interconnect technology.

Quadro professional graphics continue to maintain market leadership. We refreshed our Quadro product lineup during fiscal year 2015 and also extended our product lineup to include Maxwell-based GPUs.

We extended our reach in accelerated datacenter computing, with the world's fifteen most highly-efficient supercomputers all utilizing our Tesla GPUs. We continued to expand our reach in the big data analytics market, with IBM announcing future support for GPU acceleration in its IBM DB2 with BLU acceleration. We launched our Tesla K80 dual-GPU accelerator, which is designed to power a wide range of machine learning, data-analytics and high performance computing applications. In addition, we announced that our Tesla GPUs will power the U.S. Department of Energy's next-generation supercomputers in conjunction with our NVIDIA NVLink high-speed interconnect technology. These systems are to be deployed at Oak Ridge and Lawrence Livermore National Laboratories and will serve scientists to accelerate their research.

We announced that NVIDIA GRID technology will be available on the VMware Horizon DaaS Platform to deliver 3D graphics on virtualized desktops and applications delivered through the cloud, partnered with VMware on a customer access program for NVIDIA GRID with companies like Airbus, CH2M Hill, MetroHealth and Halliburton, and announced that the new version of VMware’s virtualization suite, VMware Horizon 6, includes the capability to deliver scalable, virtualized 3D graphics enabled by NVIDIA GRID vGPU. NVIDIA GRID graphics virtualization continued to gain momentum as more companies come forward to experience cloud-based GPU-accelerated virtual desktops through our “Try GRID” online demonstration.

Tegra Processor Business

During fiscal year 2015, we expanded our SHIELD family of gaming devices, adding the SHIELD tablet and SHIELD wireless controller to the product family that also includes the SHIELD portable. We also launched our GRID On-Demand Streaming Service, providing it free for SHIELD users through June 30, 2015.

We announced the NVIDIA Tegra X1 mobile processor, a 256-core Maxwell architecture-based mobile super chip with over one teraflops of computing power. Our Tegra K1 processor was featured in Google’s Nexus 9 and Project Tango tablets, in NVIDIA's SHIELD tablet and in Chromebooks made by Acer and HP, and was one of the first processors to support Android TV. Tegra K1 was also included in our launch of Jetson TK1, a development platform aimed at automotive, robotics, defense and embedded applications.

In automotive, we launched NVIDIA DRIVE automotive computers - a computing platform for advanced driver assistance systems and digital cockpits that could enable auto-piloted cars and run state of the art infotainment systems. NVIDIA DRIVE is powered by the Tegra X1. We also announced that many automobile manufacturers were shipping various new models with infotainment systems powered by NVIDIA, including the BMW i8 and i3, the Volkswagen Golf and Passat, and the Honda Civic, Civic Tourer and CR-V.

Capital Return to Shareholders

During fiscal year 2015, we repurchased 44.4 million shares of our common stock for $813.6 million and paid $186.5 million in cash dividends. As a result, we returned $1.00 billion to shareholders during fiscal year 2015 in the form of share repurchases and dividend payments.

On November 6, 2014 we announced our intention to return approximately $600.0 million to our shareholders in fiscal year 2016 through a combination of share repurchases and cash dividends. On February 11, 2015, we declared that we would pay our next quarterly cash dividend of $0.085 per share on March 19, 2015, to all shareholders of record on February 26, 2015.

Please refer to Note 14 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for further discussion.

Litigation

In September 2014, we filed lawsuits against Qualcomm, Inc. and various Samsung entities in the United States International Trade Commission, or ITC, and the United States District Court for the District of Delaware for using our GPU patents without a license. On November 10, 2014, Samsung filed a complaint against NVIDIA and Velocity Micro, Inc., in the United States District Court for the Eastern District of Virginia. The complaint alleges that NVIDIA infringed six patents and falsely advertised that the Tegra K1 processor is the world’s fastest mobile processor. On December 19, 2014, Samsung filed an amended, longer complaint but asserting the same claims against NVIDIA.

Please refer to Note 12 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for further discussion.

Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, cost of revenue, expenses and related disclosure of contingencies. On an on-going basis, we evaluate our estimates, including those related to revenue recognition, inventories, income taxes, goodwill, cash equivalents and marketable securities, stock-based compensation, and litigation, investigation and settlement costs and other contingencies. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

We believe the following critical accounting policies affect our significant judgments and estimates used in the preparation of our consolidated financial statements. Our management has discussed the development and selection of these critical accounting policies and estimates with the Audit Committee of our Board of Directors. The Audit Committee has reviewed our disclosures relating to our critical accounting policies and estimates in this Annual Report on Form 10-K.

Revenue Recognition

Product Revenue

We recognize revenue from product sales when persuasive evidence of an arrangement exists, the product has been delivered, the price is fixed or determinable and collection of the related receivable is reasonably assured.

For sales to certain distributors with rights of return for which the level of returns cannot be reasonably estimated, our policy is to defer recognition of revenue and related cost of revenue until the distributors resell the product and, in some cases, when customer return rights lapse.

Our customer programs primarily involve rebates, which are designed to serve as sales incentives to resellers of our products in various target markets. We account for rebates as a reduction of revenue and accrue for 100% of the potential rebates and do not apply a breakage factor. While we have a long history of rebate arrangements with OEMs, we believe we are unable to apply our historical experience to reliably estimate the amount of rebates that will eventually be claimed by individual OEMs. In such cases, the OEMs may not be our direct customers and therefore the quantity and mix of demand they place on their CEMs/ODMs may shift as we introduce new generations and iterations of products and as we experience changes in new competitor offerings. In addition, we typically find that approximately 95% of the rebates we accrue each year are eventually claimed, which is substantially close to 100%, and that this percentage varies by program and by customer. We recognize a liability for these rebates at the later of the date at which we record the related revenue or the date at which we offer the rebate. Rebates typically expire six months from the date of the original sale, unless we reasonably believe that the customer intends to claim the rebate. Unclaimed rebates are reversed to revenue, the amount of which typically represents approximately 0.5% of total revenue.

Our customer programs also include marketing development funds, or MDFs. MDFs represent monies paid to retailers, system builders, OEMs, distributors, add-in card partners and other channel partners that are earmarked for market segment development and expansion and typically are designed to support our partners' activities while also promoting NVIDIA products. Depending on market conditions, we may take actions to increase amounts offered under customer programs, possibly resulting in an incremental reduction of revenue at the time such programs are offered. We account for MDFs as a reduction of revenue and apply a breakage factor to certain types of MDF program accruals for which we believe we can make a reasonable and reliable estimate of the amount that will ultimately be unclaimed.

We also record a reduction to revenue by establishing a sales return allowance for estimated product returns at the time revenue is recognized, based primarily on historical return rates. However, if product returns for a particular fiscal period exceed historical return rates we may determine that additional sales return allowances are required to properly reflect our estimated exposure for product returns.

License and Development Revenue

For license arrangements that require significant customization of our intellectual property components, we generally recognize the related revenue over the period that services are performed. For most license and service arrangements, we determine progress to completion based on actual direct labor hours incurred to date as a percentage of the estimated total direct labor hours required to complete the project. We periodically evaluate the actual status of each project to ensure that the estimates to complete each contract remain accurate. Revenue recognized in any period is dependent on our progress toward completion of projects in progress. Significant management judgment and discretion are used to estimate total direct labor hours. Any changes in or deviations from these estimates could have a material effect on the amount of revenue we recognize in any period.

For license arrangements that do not require significant customization but where we are obligated to provide further deliverables over the term of the license agreement, we record revenue over the life of the license term, with consideration received in advance of the performance period classified as deferred revenue.

Please refer to Note 1 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for additional information.

Inventories

Inventory cost is computed on an adjusted standard basis, which approximates actual cost on an average or first-in, first-out basis. We charge cost of sales for inventory provisions to write down our inventory to the lower of cost or estimated market value or to completely write off obsolete or excess inventory. Most of our inventory provisions relate to the write-off of excess quantities of products, based on our inventory levels and future product purchase commitments compared to assumptions about future demand and market conditions.

Situations that may result in excess or obsolete inventory include changes in business and economic conditions, changes in consumer confidence caused by changes in market conditions, sudden and significant decreases in demand for our products, inventory obsolescence because of rapidly changing technology and customer requirements, failure to estimate customer demand properly for older products as newer products are introduced, or unexpected competitive pricing actions by our competition. In addition, cancellation or deferral of customer purchase orders could result in our holding excess inventory. Also, because we often sell a substantial portion of our products in the last month of each quarter, we may not be able to reduce our inventory purchase commitments in a timely manner in response to customer cancellations or deferrals.

Charges to cost of sales for inventory provisions totaled $59.4 million, $50.1 million and $89.9 million for fiscal years 2015, 2014 and 2013, unfavorably impacting our gross margin by 1.3%, 1.2% and 2.1%, respectively. Sales of inventory that was previously written-off or written-down totaled $32.4 million, $43.4 million and $53.7 million for fiscal years 2015, 2014 and 2013, favorably impacting our gross margin by 0.7%, 1.1% and 1.3%, respectively. As a result, the overall net effect on our gross margin from inventory provisions and sales of items previously written down was an unfavorable impact of 0.6%, 0.1% and 0.8% in fiscal years 2015, 2014 and 2013, respectively.

During fiscal years 2015, 2014 and 2013, the charges we took to cost of sales for inventory provisions were primarily related to the write-off of excess quantities of GPU and Tegra Processor products whose inventory levels were higher than our updated forecasts of future demand for those products. As a fabless semiconductor company, we must make commitments to purchase inventory based on forecasts of future customer demand. In doing so, we must account for our third-party manufacturers' lead times and constraints. We also adjust to other market factors, such as product offerings and pricing actions by our competitors, new product transitions, and macroeconomic conditions - all of which may impact demand for our products.

Please refer to the Gross Profit and Gross Margin discussion below in this Management's Discussion and Analysis for further discussion.

Income Taxes

We recognize federal, state and foreign current tax liabilities or assets based on our estimate of taxes payable or refundable in the current fiscal year by tax jurisdiction. We recognize federal, state and foreign deferred tax assets or liabilities, as appropriate, for our estimate of future tax effects attributable to temporary differences and carryforwards; and we record a valuation allowance to reduce any deferred tax assets by the amount of any tax benefits that, based on available evidence and judgment, are not expected to be realized.

United States income tax has not been provided on a portion of earnings of our non-U.S. subsidiaries to the extent that such earnings are considered to be indefinitely reinvested.

Our calculation of current and deferred tax assets and liabilities is based on certain estimates and judgments and involves dealing with uncertainties in the application of complex tax laws. Our estimates of current and deferred tax assets and liabilities may change based, in part, on added certainty or finality to an anticipated outcome, changes in accounting standards or tax laws in the United States, or foreign jurisdictions where we operate, or changes in other facts or circumstances. In addition, we recognize liabilities for potential United States and foreign income tax contingencies based on our estimate of whether, and the extent to which, additional taxes may be due. If we determine that payment of these amounts is unnecessary or if the recorded tax liability is less than our current assessment, we may be required to recognize an income tax benefit or additional income tax expense in our financial statements accordingly.

As of January 25, 2015, we had a valuation allowance of $261.0 million related to state and certain foreign deferred tax assets that management determined are not likely to be realized due, in part, to projections of future taxable income and potential utilization limitations of tax attributes acquired as a result of stock ownership changes. To the extent realization of the deferred tax assets becomes more-likely-than-not, we would recognize such deferred tax asset as an income tax benefit during the period.

Goodwill

Goodwill is subject to our annual impairment test during the fourth quarter of our fiscal year, or earlier if indicators of potential impairment exist, using either a qualitative or a quantitative assessment. Our impairment review process compares the fair value of the reporting unit in which the goodwill resides to its carrying value. We have identified two reporting units, GPU and Tegra Processor, for the purposes of completing our goodwill analysis. Goodwill assigned to these reporting units as of January 25, 2015 was $209.7 million and $408.5 million , respectively. Determining the number of reporting units and the fair value of a reporting unit requires us to make judgments and involves the use of significant estimates and assumptions. We also make judgments and assumptions in allocating assets and liabilities to each of our reporting units. We base our fair value estimates on assumptions we believe to be reasonable but that are unpredictable and inherently uncertain.

During the fourth quarter of fiscal year 2015, we elected to use the quantitative assessment to test goodwill for impairment for each reporting unit. In applying the fair value based test of each reporting unit, the results from the income approach and the market approach were equally weighted. These valuation approaches consider a number of factors that include, but are not limited to, prospective financial information, growth rates, terminal or residual values, discount rates and comparable multiples from publicly traded companies in our industry and require us to make certain assumptions and estimates regarding industry economic factors and the future profitability of our business.

When performing an income approach valuation, we incorporate the use of projected financial information and a discount rate that are developed using market participant based assumptions to our discounted cash flow model. Our estimates of discounted cash flow were based upon, among other things, certain assumptions about our expected future operating performance, such as revenue growth rates, operating margins, risk-adjusted discount rates, and future economic and market conditions. Our estimates may differ from actual cash flow due to, among other things, economic conditions, changes to our business model or changes in operating performance. Additionally, certain estimates of discounted cash flow involve businesses with limited financial history and developing revenue models, which increases the risk of differences between the projected and actual performance. The long-term financial forecasts that we utilize represent the best estimate that we have at this time and we believe that its underlying assumptions are reasonable. Significant differences between our estimates and actual cash flow could materially affect our future financial results, which could impact our future estimates of the fair value of our reporting units.

During the fourth quarter of fiscal year 2015, we concluded that there was no impairment of our goodwill. The fair value of our GPU reporting unit significantly exceeded its carrying value and the fair value of our Tegra Processor reporting unit exceeded its carrying value by 21%. As such, even if we applied a hypothetical 10% decrease to the fair value of each reporting unit, it still would not have resulted in the fair value of our reporting units being less than their carrying values. As an overall test of the reasonableness of estimated fair values of our reporting units, we reconciled the combined fair value estimates of our reporting units to our market capitalization as of the valuation date. The reconciliation confirmed that the fair values were relatively representative of the market views when applying a reasonable control premium to the market capitalization. However, any significant reductions in the actual amount of future cash flows realized by our reporting units, reductions in the value of market comparables, or reductions in our market capitalization could impact future estimates of the fair values of our reporting units. Such events could ultimately result in a charge to our earnings in future periods due to the potential for a write-down of the goodwill associated with our reporting units.

In particular, the fair value of our Tegra reporting unit exceeded its carrying value by approximately 21%. The fair value of this reporting unit was assessed using a combination of income and market approaches. The underlying assumptions we used in assessing the fair value of the Tegra reporting unit include, but are not limited to, assumptions around future revenue growth rates, gross margins, operating expense investment levels, overall market growth rates, our market share of the overall market, and the appropriate discount rates to apply to future cash flows. If the actual future results of the Tegra reporting unit do not achieve the levels we estimated in assessing its fair value, the fair value of the Tegra reporting unit could decline. A future decline in the fair value of the Tegra reporting unit could result a charge to our earnings as a result of a write-down of the value of the goodwill associated with that reporting unit.

Our next annual evaluation of the goodwill by reporting unit will be performed during the fourth quarter of fiscal year 2016, or earlier if indicators of potential impairment exist. Such indicators include, but are not limited to, challenging economic conditions, such as a decline in our operating results, an unfavorable industry or macroeconomic environment, a substantial decline in our stock price, or any other adverse change in market conditions. Such conditions could have the effect of changing one of the critical assumptions or estimates we use to calculate the fair value of our reporting units, which could result in a decrease in fair value and require us to record goodwill impairment charges.

Cash Equivalents and Marketable Securities

Cash equivalents consist of financial instruments which are readily convertible into cash and have original maturities of three months or less at the time of acquisition. Marketable securities consist primarily of highly liquid investments with maturities of greater than three months when purchased.

We measure our cash equivalents and marketable securities at fair value. 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. Our Level 1 assets consist of our money market funds. We classify securities within Level 1 assets when the fair value is obtained from real time quotes for transactions in active exchange markets involving identical assets. Our available-for-sale securities are classified as having Level 2 inputs. Our Level 2 assets are valued utilizing a market approach where the market prices of similar assets are provided by a variety of independent industry standard data providers to our investment custodian. Most of our cash equivalents and marketable securities are valued based on Level 2 inputs. We did not have any investments classified as Level 3 as of January 25, 2015 .

All of our available-for-sale investments are subject to a periodic impairment review. We record a charge to earnings when a decline in fair value is significantly below cost basis and judged to be other-than-temporary, or have other indicators of impairments.

If the fair value of an available-for-sale debt instrument is less than its amortized cost basis, an other-than-temporary impairment is triggered in circumstances where (1) we intend to sell the instrument, (2) it is more likely than not that we will be required to sell the instrument before recovery of its amortized cost basis, or (3) a credit loss exists where we do not expect to recover the entire amortized cost basis of the instrument. In these situations, we recognize an other-than-temporary impairment in earnings equal to the entire difference between the debt instruments' amortized cost basis and its fair value. For available-for-sale debt instruments that are considered other-than-temporarily impaired due to the existence of a credit loss, if we do not intend to sell and it is more likely than not that we will not be required to sell the instrument before recovery of its remaining amortized cost basis (amortized cost basis less any current-period credit loss), we separate the amount of the impairment into the amount that is credit related and the amount due to all other factors. The credit loss component is recognized in earnings.

We performed an impairment review of our investment portfolio as of January 25, 2015. We concluded that our investments were appropriately valued and that no other than temporary impairment charges were necessary on our portfolio of available-for-sale investments as of January 25, 2015.

Stock-based Compensation

Our stock-based compensation expense is associated with stock options, restricted stock units, or RSUs, performance stock units, or PSUs, and our employee stock purchase plan, or ESPP.

During fiscal year 2015, we shifted away from granting stock options and toward granting RSUs and PSUs to reflect changing market trends for equity incentives at our peer companies. The number of PSUs that will ultimately vest is contingent on the Company's level of achievement compared with the corporate financial performance target established by our Compensation Committee in the beginning of each fiscal year. The number of shares of our stock to be received at vesting ranges from 0% to 200% of the target amount.

We use the closing trading price of our common stock on the date of grant, minus a dividend yield discount, as the fair value of awards of RSUs and PSUs. The compensation expense for RSUs is recognized using a straight-line attribution method over the requisite employee service period, while compensation expense for PSUs is recognized using an accelerated amortization model. We estimate the fair value of shares to be issued under our ESPP using the Black-Scholes model at the commencement of an offering period in March and September of each year. Stock-based compensation for our ESPP is expensed using an accelerated amortization model.

Our RSU and PSU awards are not eligible for cash dividends prior to vesting; therefore, the fair value of RSUs and PSUs is discounted by the dividend yield. Additionally, we estimate forfeitures annually based on historical experience and revise the estimates of forfeiture in subsequent periods if actual forfeitures differ from those estimates. If factors change, the compensation expense that we record under these accounting standards may differ significantly from what we have recorded in the current period.

Litigation, Investigation and Settlement Costs

From time to time, we are involved in legal actions and/or investigations by regulatory bodies. We are aggressively defending our current litigation matters. However, there are many uncertainties associated with any litigation or investigations, and we cannot be certain that these actions or other third-party claims against us will be resolved without costly litigation, fines and/or substantial settlement payments. If that occurs, our business, financial condition and results of operations could be materially and adversely affected. If information becomes available that causes us to determine that a loss in any of our pending litigation, investigations or settlements is probable, and we can reasonably estimate the loss associated with such events, we will record the loss in accordance with U.S. GAAP. However, the actual liability in any such litigation or investigation may be materially different from our estimates, which could require us to record additional costs.

Results of Operations

The following table sets forth, for the periods indicated, certain items in our consolidated statements of operations expressed as a percentage of revenue.

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Revenue	100.0 %	100.0 %	100.0 %
Cost of revenue	44.5	45.1	48.0
Gross profit	55.5	54.9	52.0
Operating expenses:			
Research and development	29.0	32.3	26.8
Sales, general and administrative	10.3	10.5	10.1
Total operating expenses	39.3	42.8	36.9
Income from operations	16.2	12.1	15.1
Interest income	0.6	0.4	0.5
Interest expense	(1.0)	(0.3)	(0.1)
Other income (expense), net	0.3	0.2	(0.1)
Income before income taxes	16.1	12.4	15.4
Income tax expense	2.6	1.7	2.3
Net income	13.5 %	10.7 %	13.1 %

Revenue

	Year Ended				Year Ended			
	January 25, 2015	January 26, 2014	$ Change	% Change	January 26, 2014	January 27, 2013	$ Change	% Change
	(In millions)				(In millions)			
GPU	$3,838.9	$3,468.1	$370.8	11%	$3,468.1	$3,251.7	$216.4	7 %
Tegra Processor	578.6	398.0	180.6	45%	398.0	764.4	(366.4)	(48)%
All Other	264.0	264.0	—	—%	264.0	264.0	—	— %
Total	$4,681.5	$4,130.1	$551.4	13%	$4,130.1	$4,280.1	$(150.0)	(4)%

Revenue was $4.68 billion , $4.13 billion and $4.28 billion for fiscal years 2015, 2014 and 2013, respectively. A discussion of our revenue results for each of our reporting segments and the All Other category is as follows:

GPU Business. GPU business revenue increased by 11% in fiscal year 2015 compared to fiscal year 2014. This increase was due primarily to higher revenue from GeForce GTX GPUs and associated memory for gaming, reflecting a combination of continued strength in PC gaming and increased sales of our Maxwell-based GPU products. Revenue from Tesla for accelerated datacenter computing increased due to large project wins with cloud service providers and revenue from our NVIDIA GRID virtualization products also increased as this platform gained momentum. Revenue from GPU products for mainstream PC OEMs declined compared to last year.

GPU business revenue increased by 7% in fiscal year 2014 compared to fiscal year 2013. This increase was largely attributable to strength in our high-end GeForce GTX GPUs driven by gaming market segment demand. The GPU business also benefited from higher sales of Tesla accelerated datacenter computing and Quadro enterprise products in fiscal year 2014. Offsetting these growth areas were declines in the overall market for mainstream desktop PCs and notebooks, which contributed to lower unit volumes of our mainstream GeForce GPUs.

Tegra Processor Business. Tegra Processor business revenue increased by 45% in fiscal year 2015 compared to fiscal year 2014 . This increase was driven by higher sales of Tegra products serving automotive infotainment systems, smartphones and tablet devices, and the onset of SHIELD tablet sales in fiscal year 2015.

Tegra Processor business revenue decreased by 48% in fiscal year 2014 compared to fiscal year 2013. This decrease was primarily due to lower sales of our previous generation Tegra 3-based products for smartphones and tablet devices. Additionally, sales of our embedded products for entertainment devices and revenue from license fees related to game consoles also decreased during fiscal year 2014. These decreases were partially offset by increased sales of Tegra 4-based products for smartphones and tablet devices, as well as for automotive infotainment systems.

All Other. License revenue from the patent cross licensing arrangement we entered into with Intel in January 2011 was flat at $264.0 million for fiscal years 2015, 2014 and 2013.

Concentration of Revenue

Revenue from sales to customers outside of the United States and Other Americas accounted for 75% of total revenue for both fiscal years 2015 and 2014, and 74% of total revenue for fiscal year 2013. Revenue by geographic region is allocated to individual countries based on the location to which the products are initially billed even if the revenue is attributable to end customers in a different location.

Revenue from significant customers, those representing 10% or more of total revenue for the respective dates, is summarized as follows:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Revenue:			
Customer A	11%	11%	13%
Customer B	9%	10%	9%

Gross Profit and Gross Margin

Gross profit consists of total revenue, net of allowances, less cost of revenue. Cost of revenue consists primarily of the cost of semiconductors purchased from subcontractors, including wafer fabrication, assembly, testing and packaging, board and device costs, manufacturing support costs, including labor and overhead associated with such purchases, final test yield fallout, inventory and warranty provisions and shipping costs. Cost of revenue also includes development costs for license and service arrangements and stock-based compensation related to personnel associated with manufacturing.

Gross margin is the percentage of gross profit to revenue. Our gross margin can vary in any period depending on the mix of types of products sold. Our gross margin is significantly impacted by the mix of products we sell, which is often difficult to estimate with accuracy. Therefore, if we experience product transition challenges, if we achieve significant revenue growth in our lower margin product lines, or if we are unable to earn as much revenue as we expect from higher margin product lines, our gross margin may be negatively impacted.

Our overall gross margin was 55.5% , 54.9% and 52.0% for fiscal years 2015 , 2014 and 2013 , respectively. The increase over these fiscal years was driven primarily by a richer product mix in our GPU business, partially offset by lower Tegra business margins.

Charges to cost of sales for inventory provisions totaled $59.4 million, $50.1 million and $89.9 million for fiscal years 2015, 2014 and 2013, unfavorably impacting our gross margin by 1.3%, 1.2% and 2.1%, respectively. Sales of inventory that was previously written-off or written-down totaled $32.4 million, $43.4 million and $53.7 million for fiscal years 2015, 2014 and 2013, favorably impacting our gross margin by 0.7%, 1.1% and 1.3%, respectively. As a result, the overall net effect on our gross margin from inventory provisions and sales of items previously written down was an unfavorable impact of 0.6%, 0.1% and 0.8% in fiscal years 2015, 2014 and 2013, respectively.

A discussion of our gross margin results for each of our reporting segments is as follows:

GPU Business . The gross margin of our GPU business increased during fiscal year 2015 when compared to fiscal year 2014 due to richer product mix resulting from strong sales of high-end GeForce GTX GPU products based on our Maxwell architecture and the volume increase in our Tesla accelerated computing products. The increase in fiscal year 2014 when compared to fiscal year 2013 was primarily due to a combination of a richer product mix of our high-end GeForce GTX GPU, Tesla high performance computing, and Quadro professional workstation products. Lower inventory provisions for excess inventory in fiscal year 2014 also contributed to the increase.

Tegra Processor Business. The gross margin of our Tegra Processor business decreased during fiscal year 2015 when compared to fiscal year 2014, and during fiscal year 2014 when compared to fiscal year 2013. These decreases were driven primarily by a combination of an overall decline in margins of our Tegra products and a less rich mix between tablet products, which have had higher gross margins, and smartphone and automotive module products, which have had comparably lower gross margins.

Operating Expenses

	Year Ended				Year Ended			
	January 25, 2015	**January 26, 2014**	**$ Change**	**% Change**	**January 26, 2014**	**January 27, 2013**	**$ Change**	**% Change**
	(In millions)				(In millions)			
Research and development expenses	$ 1,359.7	$ 1,335.8	$ 23.9	2%	$ 1,335.8	$ 1,147.3	$ 188.5	16%
Sales, general and administrative expenses	480.8	435.7	45.1	10%	435.7	430.8	4.9	1%
Total operating expenses	$ 1,840.5	$ 1,771.5	$ 69.0	4%	$ 1,771.5	$ 1,578.1	$ 193.4	12%
Research and development as a percentage of net revenue	29.0%	32.3%			32.3%	26.8%		
Sales, general and administrative as a percentage of net revenue	10.3%	10.5%			10.5%	10.1%		

Research and Development

Research and development expenses remained relatively flat during fiscal year 2015 compared to fiscal year 2014. Compensation and benefits increased by $56.5 million resulting from employee additions, employee compensation increases and related costs, including stock-based compensation expense. Offsetting this increase was a $38.9 million decrease in engineering development expenses.

Research and development expenses increased by 16% in fiscal year 2014 compared to fiscal year 2013. Compensation and benefits increased by $101.9 million resulting from employee additions, employee compensation increases and related costs. The growth in engineering employees also drove an increase in facilities and IT support expense of $34.6 million, purchases of computer and software supplies of $14.1 million and depreciation and amortization of $11.0 million. In addition, engineering development expenses increased by $23.2 million, primarily related to the ramp up of Tegra products.

Sales, General and Administrative

Sales, general and administrative expenses increased by 10% in fiscal year 2015 compared to fiscal year 2014. Compensation and benefits increased by $53.7 million resulting from employee additions, employee compensation increases and related costs, including stock-based compensation expense. Facilities costs increased by $10.3 million as we expanded our offices internationally and leased an office building within the boundaries of our main Santa Clara campus. Offsetting these increases were a decrease in outside professional fees of $8.8 million as well as more favorable international taxes and government subsidies.

Sales, general and administrative expenses remained relatively flat during fiscal year 2014 compared to fiscal year 2013. Compensation and benefits increased by $37.9 million resulting from employee additions, employee compensation increases and related costs. Offsetting this increase were the absence of both a $20.1 million charge for a charitable contribution and a charge of $3.1 million for a class action settlement that we recorded in fiscal year 2013.

Interest Income and Interest Expense

Interest income consists of interest earned on cash, cash equivalents and marketable securities. Interest expense is primarily comprised of coupon interest and debt discount amortization related to the convertible notes issued in the fourth quarter of fiscal year 2014.

Interest income was $28.1 million , $17.1 million and $19.9 million in fiscal years 2015 , 2014 and 2013 , respectively. The increase in fiscal year 2015 compared to fiscal year 2014 was primarily due to higher average cash balances as we invested the proceeds from the convertible notes we issued in December 2013 in interest bearing securities. The decrease in fiscal year 2014 compared to fiscal year 2013 was primarily due to the result of lower average cash balances as we liquidated a portion of our investment portfolio to fund an accelerated share repurchase transaction during the second quarter of fiscal year 2014.

Interest expense was $46.1 million , $10.4 million and $3.3 million in fiscal years 2015 , 2014 and 2013 , respectively. The increases in fiscal years 2015 and 2014 compared to fiscal years 2014 and 2013, respectively, were primarily due to coupon interest and debt discount amortization related to the convertible notes we issued in December 2013.

Other Income and Expense

Other income and expense primarily consists of realized gains and losses from the sale of marketable securities, sales or impairments of investments in non-affiliated companies, and the impact of changes in foreign currency rates.

Net other income (expense) was $ 13.9 million , $ 7.4 million and $ (2.8) million in fiscal years 2015 , 2014 and 2013 , respectively. The increase for fiscal year 2015 compared to fiscal year 2014 was primarily due to a gain from the sale of a non-affiliated investment, partially offset by the recognition of an impairment loss of a non-affiliated investment during the second quarter of fiscal year 2015 and losses from foreign currency remeasurement. The increase in other income for fiscal year 2014 compared to fiscal year 2013 was primarily due to an increase in gains from foreign currency remeasurements and a gain from the sale of a non-affiliated investment.

Income Taxes

We recognized income tax expense of $ 124.2 million , $ 70.3 million and $ 99.5 million during fiscal years 2015 , 2014 and 2013 , respectively. Income tax expense as a percentage of income before taxes, or our annual effective tax rate, was 16.5% , 13.8% , and 15.0% in fiscal years 2015 , 2014 and 2013 , respectively. The difference in the effective tax rates amongst the three years was primarily due to an increase in the amount of earnings subject to United States tax in fiscal year 2015 and a higher percentage of research tax credit benefit in fiscal year 2014.

Our effective tax rate on income before tax for the fiscal years was lower than the United States federal statutory rate of 35% due to income earned in jurisdictions, including British Virgin Islands, Hong Kong, China, Taiwan and United Kingdom, where the tax rate is lower, favorable recognition of the U.S. federal research tax credit and release of tax reserves as a result of the expiration of statutes of limitations in certain non-U.S. jurisdictions for which we had not previously recognized related tax benefits.

Please refer to Note 13 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for additional information.

Liquidity and Capital Resources

	January 25, 2015	January 26, 2014
	(In millions)	
Cash and cash equivalents	$ 496.7	$ 1,151.6
Marketable securities	4,126.7	3,520.2
Cash, cash equivalents, and marketable securities	$ 4,623.4	$ 4,671.8

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In millions)	
Net cash provided by operating activities	$ 905.7	$ 835.1	$ 824.2
Net cash (used in) investing activities	$ (727.0)	$ (805.9)	$ (744.0)
Net cash (used in) provided by financing activities	$ (833.5)	$ 389.6	$ (15.3)

As of January 25, 2015 , we had $4.62 billion in cash, cash equivalents and marketable securities, a decrease of $48.5 million from the end of fiscal year 2014 . Our portfolio of cash equivalents and marketable securities is managed on our behalf by several financial institutions which are required to follow our investment policy, which requires the purchase of high grade investment securities, the diversification of asset types and includes certain limits on our portfolio duration.

Cash provided by operating activities increased in fiscal year 2015 compared to fiscal year 2014 primarily due to higher net income from revenue growth and contained operating expenses, partially offset by an increase in inventories resulting from the introduction of newly launched Maxwell-based GPUs and certain Tegra SOCs and SHIELD devices, and an increase in accounts receivable. Cash provided by operating activities increased slightly in fiscal year 2014 compared to fiscal year 2013 primarily due to a decrease in operating assets offset by a decrease in net income. The decrease in operating assets was driven mainly by a combination of a decrease in accounts receivable, resulting from strong collections and linear monthly shipments in the fourth quarter of fiscal year 2014, and a decrease in inventories.

Cash used in investing activities for fiscal year 2015 decreased from fiscal year 2014 primarily due to lower purchases of property and equipment and intangible assets. Cash used in investing activities for fiscal year 2014 increased from fiscal year 2013 driven primarily by capital expenditures in fiscal year 2014 for new technology licenses and leasehold improvements at our facilities in various locations.

Cash used in financing activities in fiscal year 2015 resulted primarily from our repurchase of $ 813.6 million of shares of our common stock and our cash dividend payments totaling $186.5 million . These uses of cash were offset by cash proceeds of $153.5 million from common stock issued under our employee stock plans. Cash provided by financing activities increased in fiscal year 2014 due primarily to the net proceeds of $1.48 billion we received from the convertible note offering that was completed during the fourth quarter of fiscal year 2014, as well as cash proceeds of $70.2 million from common stock issued under our employee stock plans. Concurrent with the convertible note offering, we used net proceeds of $108.0 million to fund the related note hedge and warrant transactions. During fiscal year 2014, we also used $887.3 million to repurchase shares of our common stock and paid $181.3 million of cash dividends to shareholders.

Liquidity

Our primary source of liquidity is cash generated by our operations. Our investment portfolio consists principally of cash and cash equivalents, debt securities of corporations and United States government and its agencies, asset-backed securities, mortgage-backed securities issued by government-sponsored enterprises, money market funds and foreign government bonds. These investments are denominated in United States dollars. As of January 25, 2015 , we did not have any investments in auction-rate preferred securities.

Please refer to Note 7 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for additional information.

As of January 25, 2015 and January 26, 2014 , we had $ 4.62 billion and $ 4.67 billion , respectively, in cash, cash equivalents and marketable securities. Our investment policy requires the purchase of high grade investment securities and the diversification of asset types and includes certain limits on our portfolio duration, as specified in our investment policy guidelines. These guidelines also limit the amount of credit exposure to any one issue, issuer or type of instrument. As of January 25, 2015 , we were in compliance with our investment policy. As of January 25, 2015 , our investments in U.S. government agencies and U.S. government sponsored enterprises represented 35% of our total investment portfolio, while the financial sector accounted for 30% of our total investment portfolio. All of our investments are with A/A3 or better rated securities.

We performed an impairment review of our investment portfolio as of January 25, 2015 . Based on our quarterly impairment review, we concluded that our investments were appropriately valued and did not record any impairment during fiscal year 2015 .

Net realized gains were $ 0.1 million , $ 2.4 million and $ 0.5 million for fiscal years 2015 , 2014 and 2013 , respectively. As of January 25, 2015 , we had a net unrealized gain of $ 8.4 million , which was comprised of gross unrealized gains of $ 11.0 million , offset by $ 2.6 million of gross unrealized losses. As of January 26, 2014 , we had a net unrealized gain of $ 4.8 million , which was comprised of gross unrealized gains of $7.2 million , offset by $ 2.4 million of gross unrealized losses.

Our accounts receivable are highly concentrated. Two customers accounted for 30% of our accounts receivable balance at January 25, 2015 . We maintain an allowance for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. This allowance consists of an amount identified for specific customers and an amount based on overall estimated exposure.

Our cash balances are held in numerous locations throughout the world, including substantial amounts held outside of the United States. As of January 25, 2015, we had cash, cash equivalents and marketable securities of $1.72 billion held within the United States and $2.90 billion held outside of the United States. Most of the amounts held outside the United States may be repatriated to the United States but, under current law, would be subject to U.S. federal income taxes, less applicable foreign tax credits. Further, repatriation of some foreign balances may be restricted by local laws. As of January 25, 2015, we have not provided for U.S. federal and state income taxes on approximately $2.27 billion of undistributed earnings of non-United States subsidiaries, as such earnings are considered indefinitely reinvested outside the United States. Although we have no current need to do so, if we repatriate foreign earnings for cash requirements in the United States, we would incur U.S. federal and state income tax, less applicable foreign tax credits, and reduced by the current amount of our U.S. federal and state net operating loss and tax credit carryforwards. Further, in addition to the $1.72 billion of cash, cash equivalents and marketable securities held within the United States and available to fund our U.S. operations and any other U.S. cash needs, we have access to external sources of financing if cash is needed in the United States other than by repatriation of foreign earnings where U.S. income tax may otherwise be due. Accordingly, we do not reasonably expect any material effect on our business, as a whole, or to our financial flexibility with respect to our current cash balances held outside of the United States.

Dividend payments and any share repurchases must be made from cash held in the United States. For fiscal year 2015, we made total cash dividend payments of $186.5 million and repurchased $813.6 million of our common stock, utilizing a significant amount of our U.S. cash balance previously taxed as of January 25, 2015 .

Convertible Notes

On December 2, 2013, we issued $1.50 billion of 1.00% Convertible Senior Notes, or the Notes, due in 2018 and concurrently entered into separate note hedge and warrant transactions and used $14.3 million to repurchase shares of our common stock from purchasers of the Notes in privately negotiated transactions. The Notes will mature on December 1, 2018 unless earlier repurchased or converted in accordance with their terms prior to such date. As of January 25, 2015, none of the conditions allowing holders of the Notes to convert had been met. Please refer to Note 11 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for further discussion.

Capital Return to Shareholders

Our Board of Directors has authorized us to repurchase up to $3.70 billion of our common stock through January 2016. As of January 25, 2015 , we had repurchased $3,265.2 million of that amount, leaving up to $434.8 million available under this authorization through January 2016. During fiscal year 2015, we repurchased 44.4 million shares of our common stock for $813.6 million and paid $186.5 million in cash dividends - equivalent to $0.085 per share on a quarterly basis, or $0.34 per share on an annual basis - to our common shareholders. As a result, we returned $1.0 billion to shareholders during fiscal year 2015 in the form of share repurchases and dividend payments.

On November 6, 2014 we announced our intention to return approximately $600.0 million to our shareholders in fiscal year 2016 through a combination of share repurchases and cash dividends. On February 11, 2015, we declared that we would pay our next quarterly cash dividend of $0.085 per share on March 19, 2015, to all shareholders of record on February 26, 2015.

Our cash dividend program and the payment of future cash dividends under that program are subject to continued capital availability and our Board's continuing determination that the dividend program and the declaration of dividends thereunder are in the best interests of our shareholders and are in compliance with all laws and agreements of NVIDIA applicable to the declaration and payment of cash dividends. Please refer to Note 14 of the Notes to Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for further discussion.

Operating Capital and Capital Expenditure Requirements

We believe that our existing cash balances and anticipated cash flows from operations will be sufficient to meet our operating, acquisition, share repurchase, cash dividend and capital requirements for at least the next twelve months. However, there is no assurance that we will not need to raise additional equity or debt financing within this time frame. Additional financing may not be available on favorable terms or at all and may be dilutive to our then-current shareholders. We also may require additional capital for other purposes not presently contemplated. If we are unable to obtain sufficient capital, we could be required to curtail capital equipment purchases or research and development expenditures, which could harm our business. Factors that could affect our cash used or generated from operations and, as a result, our need to seek additional borrowings or capital include:

- decreased demand and market acceptance for our products and/or our customers’ products;
- inability to successfully develop and produce in volume production our next-generation products;
- competitive pressures resulting in lower than expected average selling prices; and
- new product announcements or product introductions by our competitors.

We expect to spend approximately $150.0 million to $200.0 million for capital expenditures during fiscal year 2016, primarily for facilities, emulation equipment, computers and engineering workstations.

Contractual Obligations

The following table summarizes our contractual obligations as of January 25, 2015 :

Contractual Obligations	Payment Due By Period Total	Less than 1 Year	1-3 Years	4-5 Years	More than 5 Years	All Other
	(In thousands)					
1.00% Convertible Senior Notes due 2018 (1)	$ 1,560,000	$ 15,000	$ 30,000	$ 1,515,000	$ —	$ —
Inventory purchase obligations	456,000	456,000	—	—	—	—
Operating leases (2)	241,311	76,741	100,312	36,781	27,477	—
Uncertain tax positions, interest and penalties (3)	120,961	—	—	—	—	120,961
Capital purchase obligations	51,000	51,000	—	—	—	—
Capital lease	22,156	5,303	11,060	5,793	—	—
Retention program (4)	3,521	3,521	—	—	—	—
Total contractual obligations	$ 2,454,949	$ 607,565	$ 141,372	$ 1,557,574	$ 27,477	$ 120,961

(1) Represents the aggregate principal amount of $1.50 billion and anticipated interest payments of $60.0 million of the Notes. See Note 11 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K.

(2) Includes facilities leases as well as non-cancelable obligations under certain software licensing arrangements in the operating lease category.

(3) Represents unrecognized tax benefits of $121.0 million which consists of $106.6 million plus the related interest and penalties of $14.4 million recorded in non-current income tax payable as of January 25, 2015. We are unable to reasonably estimate the timing of any potential tax liability or interest/penalty payments in individual years due to uncertainties in the underlying income tax positions and the timing of the effective settlement of such tax positions.

(4) Represents the remaining portion of a retention program totaling approximately $61.5 million that we initiated in fiscal year 2012 in connection with our acquisition of Icera. As of January 25, 2015 , we have made payments of $58.0 million in connection with this program. The remaining payments will be paid out within the next year.

Off-Balance Sheet Arrangements

During fiscal years 2015 , 2014 and 2013 , we had no material off-balance sheet arrangements as defined in Regulation S-K 303(a)(4)(ii).

Adoption of New and Recently Issued Accounting Pronouncements

Please see Note 1 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for a discussion of adoption of new and recently issued accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Investment and Interest Rate Risk

As of January 25, 2015 and January 26, 2014 , we had $4.62 billion and $4.67 billion , respectively, in cash, cash equivalents and marketable securities. We invest in a variety of financial instruments, consisting principally of cash and cash equivalents, debt securities of corporations and United States government and its agencies, asset-backed securities, mortgage-backed securities issued by government-sponsored enterprises, money market funds and foreign government bonds. As of January 25, 2015 , we did not have any investments in auction-rate preferred securities. All of our investments are denominated in United States dollars.

As of January 25, 2015 , we performed a sensitivity analysis on our floating and fixed rate financial investments. According to our analysis, parallel shifts in the yield curve of both plus or minus 0.5% would result in changes in fair values for these investments of $26 million - $28 million . Please refer to Note 7 of the Notes to the Consolidated Financial Statements in Part IV, Item 15 of this Annual Report on Form 10-K for additional information.

Other income and expense could also vary materially from expectations depending on gains or losses realized on the sale or exchange of financial instruments; impairment charges related to debt securities as well as equity and other investments; interest rates; and cash, cash equivalent and marketable securities balances. Volatility in the financial markets and economic uncertainty increases the risk that the actual amounts realized in the future on our financial instruments could differ significantly from the fair values currently assigned to them. As of January 25, 2015 , our investments in government agencies and government sponsored enterprises represented 35% of our total investment portfolio, while the financial sector accounted for 30% of our total investment portfolio. Substantially all of our investments are with A/A3 or better rated securities. If the fair value of our investments in these sectors was to decline by 2% - 5%, the fair values of these investments could decline by approximately $57 million - $144 million .

On December 2, 2013, we issued $1.50 billion of 1.00 % Convertible Senior Notes due 2018, or the Notes. The Notes are unsecured, unsubordinated obligations of the Company, which pay interest in cash semi-annually at a rate of 1.00% per annum. We carry the Notes at face value less unamortized discount on our consolidated balance sheets. Since the Notes bear interest at a fixed rate, we have no financial statement risk associated with changes in interest rates. However, the fair value of the Notes changes primarily when the market price of our stock fluctuates.

Exchange Rate Risk

We consider our direct exposure to foreign exchange rate fluctuations to be minimal. Gains or losses from foreign currency remeasurement are included in “Other expense, net” in our Consolidated Financial Statements and to date have not been significant. The impact of foreign currency transaction gain (loss) included in determining net income for fiscal years 2015 , 2014 and 2013 was $0.5 million , $4.7 million and $(1.5) million, respectively.

Sales and arrangements with third-party manufacturers provide for pricing and payment in United States dollars, and, therefore, are not subject to exchange rate fluctuations. Increases in the value of the United States’ dollar relative to other currencies would make our products more expensive, which could negatively impact our ability to compete. Conversely, decreases in the value of the United States’ dollar relative to other currencies could result in our suppliers raising their prices in order to continue doing business with us. Additionally, we have international operations and incur expenditures in currencies other than U.S. dollars. Our operating expenses benefit from a stronger dollar and are adversely affected by a weaker dollar.

We may enter into certain transactions such as forward contracts which are designed to reduce the future potential impact resulting from changes in foreign currency exchange rates. There were no forward exchange contracts outstanding at January 25, 2015 .

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is set forth in our Consolidated Financial Statements and Notes thereto included in this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Controls and Procedures

Disclosure Controls and Procedures

Based on their evaluation as of January 25, 2015 , our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) were effective to provide reasonable assurance.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Ac t Rule 13a-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of January 25, 2015 based on the criteria set forth in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the criteria set forth in *Internal Control — Integrated Framework* , our management concluded that our internal control over financial reporting was effective as of January 25, 2015 .

The effectiveness of our internal control over financial reporting as of January 25, 2015 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in its report which is included herein.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls, will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within NVIDIA have been detected.

ITEM 9B. OTHER INFORMATION

None.

PART III

Certain information required by Part III is omitted from this report because we will file with the SEC a definitive proxy statement pursuant to Regulation 14A, or the 2015 Proxy Statement, no later than 120 days after the fiscal year ended January 25, 2015 , and certain information included therein is incorporated herein by reference.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Identification of Directors

Reference is made to the information regarding directors appearing under the heading “Proposal 1 - Election of Directors” in our 2015 Proxy Statement, which information is hereby incorporated by reference.

Identification of Executive Officers

Reference is made to the information regarding executive officers appearing under the heading “Executive Officers of the Registrant” in Part I of this Annual Report on Form 10-K, which information is hereby incorporated by reference.

Identification of Audit Committee and Financial Experts

Reference is made to the information regarding directors appearing under the heading “Report of the Audit Committee of the Board of Directors” and “Information About the Board of Directors and Corporate Governance” in our 2015 Proxy Statement, which information is hereby incorporated by reference.

Material Changes to Procedures for Recommending Directors

Reference is made to the information regarding directors appearing under the heading “Information About the Board of Directors and Corporate Governance” in our 2015 Proxy Statement, which information is hereby incorporated by reference.

Compliance with Section 16(a) of the Exchange Act

Reference is made to the information appearing under the heading “Section 16(a) Beneficial Ownership Reporting Compliance” in our 2015 Proxy Statement, which information is hereby incorporated by reference.

Code of Conduct

Reference is made to the information appearing under the heading “Information About the Board of Directors and Corporate Governance - Code of Conduct” in our 2015 Proxy Statement, which information is hereby incorporated by reference. The full text of our “Code” and “Financial Team Code” are published on the Investor Relations portion of our web site, under Corporate Governance, at *www.nvidia.com* . The contents of our website are not a part of this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is hereby incorporated by reference from the sections entitled “Executive Compensation”, “Compensation Committee Interlocks and Insider Participation”, “Director Compensation” and “Compensation Committee Report” in our 2015 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Ownership of NVIDIA Securities

The information required by this item is hereby incorporated by reference from the section entitled “Security Ownership of Certain Beneficial Owners and Management” in our 2015 Proxy Statement.

Equity Compensation Plan Information

Information regarding our equity compensation plans, including both shareholder approved plans and non-shareholder approved plans, will be contained in our 2015 Proxy Statement under the caption ”Equity Compensation Plan Information,” and is hereby incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is hereby incorporated by reference from the sections entitled “Review of Transactions with Related Persons” and “Information About the Board of Directors and Corporate Governance - Independence of the Members of the Board of Directors” in our 2015 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is hereby incorporated by reference from the section entitled “Fees Billed by the Independent Registered Public Accounting Firm” in our 2015 Proxy Statement.

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PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULE

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of NVIDIA Corporation:

In our opinion, the accompanying consolidated financial statements listed in the index appearing under item 15(a)(1) present fairly, in all material respects, the financial position of NVIDIA Corporation and its subsidiaries at January 25, 2015 and January 26, 2014 , and the results of their operations and their cash flows for each of the three years in the period ended January 25, 2015 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 25, 2015 , based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
San Jose, California

March 11, 2015

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

	Year Ended		
	January 25, 2015	**January 26, 2014**	**January 27, 2013**
Revenue	$ 4,681,507	$ 4,130,162	$ 4,280,159
Cost of revenue	2,082,030	1,862,399	2,053,816
Gross profit	2,599,477	2,267,763	2,226,343
Operating expenses:			
Research and development	1,359,725	1,335,834	1,147,282
Sales, general and administrative	480,763	435,702	430,822
Total operating expenses	1,840,488	1,771,536	1,578,104
Income from operations	758,989	496,227	648,239
Interest income	28,090	17,119	19,908
Interest expense	46,133	10,443	3,294
Other income (expense), net	13,890	7,351	(2,814)
Income before income tax	754,836	510,254	662,039
Income tax expense	124,249	70,264	99,503
Net income	$ 630,587	$ 439,990	$ 562,536
Net income per share:			
Basic	$ 1.14	$ 0.75	$ 0.91
Diluted	$ 1.12	$ 0.74	$ 0.90
Weighted average shares used in per share computation:			
Basic	552,319	587,893	619,324
Diluted	563,068	594,517	624,957
Cash dividends declared and paid per common share	$ 0.340	$ 0.310	$ 0.075

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Net income	$ 630,587	$ 439,990	$ 562,536
Other comprehensive income (loss), net of tax:			
Net change in unrealized gains (losses) on available-for-sale securities, net of taxes of $(747), $134 and $(126) in fiscal years 2015, 2014 and 2013, respectively	3,061	(3,555)	(303)
Reclassification adjustments for net realized gains on available-for-sale securities included in net income, net of taxes of $51, $834 and $178 in fiscal years 2015, 2014 and 2013, respectively	(94)	(1,549)	(330)
Other comprehensive income (loss)	2,967	(5,104)	(633)
Total comprehensive income	$ 633,554	$ 434,886	$ 561,903

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)

	January 25, 2015	January 26, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 496,654	$ 1,151,587
Marketable securities	4,126,685	3,520,223
Accounts receivable, less allowances of $16,982 as of January 25, 2015 and $14,959 as of January 26, 2014	473,637	426,357
Inventories	482,893	387,765
Prepaid expenses and other current assets	70,174	70,285
Deferred income taxes	63,254	68,494
Total current assets	5,713,297	5,624,711
Property and equipment, net	557,282	582,740
Goodwill	618,179	643,179
Intangible assets, net	221,714	296,012
Other assets	90,896	104,252
Total assets	$ 7,201,368	$ 7,250,894
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 293,223	$ 324,391
Accrued liabilities and other current liabilities	602,807	621,105
Total current liabilities	896,030	945,496
Long-term debt	1,384,342	1,356,375
Other long-term liabilities	488,928	475,125
Capital lease obligations, long-term	14,086	17,500
Commitments and contingencies - see Note 12	—	—
Shareholders' equity:		
Preferred stock, $.001 par value; 2,000 shares authorized; none issued	—	—
Common stock, $.001 par value; 2,000,000 shares authorized; 758,872 shares issued and 544,913 outstanding as of January 25, 2015; 735,242 shares issued and 567,997 outstanding as of January 26, 2014	754	732
Additional paid-in capital	3,855,092	3,483,342
Treasury stock, at cost (213,959 shares in 2015 and 167,246 shares in 2014)	(3,394,585)	(2,537,295)
Accumulated other comprehensive income	7,844	4,877
Retained earnings	3,948,877	3,504,742
Total shareholders' equity	4,417,982	4,456,398
Total liabilities and shareholders' equity	$ 7,201,368	$ 7,250,894

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands)

	Common Stock Outstanding Shares	Amount	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Income	Retained Earnings	Total Shareholders' Equity
Balances, January 29, 2012	612,191	$ 700	$ 2,900,896	$(1,496,904)	$ 10,614	$2,730,418	$ 4,145,724
Other comprehensive loss	—	—	—	—	(633)	—	(633)
Net income	—	—	—	—	—	562,536	562,536
Issuance of common stock from stock plans	14,801	20	90,721	—	—	—	90,741
Tax withholding related to vesting of restricted stock units	(1,836)	—	—	(25,805)	—	—	(25,805)
Share repurchase	(8,400)	—	—	(100,000)	—	—	(100,000)
Cash dividends declared and paid ($0.075 per common share)	—	—	—	—	—	(46,866)	(46,866)
Tax benefit from stock-based compensation	—	—	64,905	—	—	—	64,905
Stock-based compensation	—	—	137,101	—	—	—	137,101
Balances, January 27, 2013	616,756	720	3,193,623	(1,622,709)	9,981	3,246,088	4,827,703
Other comprehensive loss	—	—	—	—	(5,104)	—	(5,104)
Net income	—	—	—	—	—	439,990	439,990
Issuance of common stock from stock plans	15,089	12	97,442	—	—	—	97,454
Tax withholding related to vesting of restricted stock units	(1,944)	—	—	(27,282)	—	—	(27,282)
Share repurchase	(61,904)	—	—	(887,304)	—	—	(887,304)
Discount on convertible notes	—	—	125,725	—	—	—	125,725
Purchase of convertible note hedges	—	—	(167,100)	—	—	—	(167,100)
Proceeds from the sale of common stock warrants	—	—	59,100	—	—	—	59,100
Deferred tax asset associated with convertible notes	—	—	14,481	—	—	—	14,481
Cash dividends declared and paid ($0.310 per common share)	—	—	—	—	—	(181,336)	(181,336)
Tax benefit from stock-based compensation	—	—	23,827	—	—	—	23,827
Stock-based compensation	—	—	136,244	—	—	—	136,244
Balances, January 26, 2014	567,997	732	3,483,342	(2,537,295)	4,877	3,504,742	4,456,398
Other comprehensive income	—	—	—	—	2,967	—	2,967
Net income	—	—	—	—	—	630,587	630,587
Issuance of common stock from stock plans	23,629	22	197,140	(6)	—	—	197,156
Tax withholding related to vesting of restricted stock units	(2,326)	—	—	(43,684)	—	—	(43,684)
Share repurchase	(44,387)	—	—	(813,600)	—	—	(813,600)
Cash dividends declared and paid ($0.340 per common share)	—	—	—	—	—	(186,452)	(186,452)
Tax benefit from stock-based compensation	—	—	16,625	—	—	—	16,625
Stock-based compensation	—	—	157,985	—	—	—	157,985
Balances, January 25, 2015	544,913	$ 754	$ 3,855,092	$(3,394,585)	$ 7,844	$3,948,877	$ 4,417,982

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended		
	January 25, 2015	**January 26, 2014**	**January 27, 2013**
Cash flows from operating activities:			
Net income	$ 630,587	$ 439,990	$ 562,536
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	220,125	239,148	226,235
Stock-based compensation expense	157,841	136,295	136,662
Amortization of debt discount	27,967	4,600	—
Net gain on sale and disposal of long-lived assets and investments	(16,549)	(8,140)	—
Deferred income taxes	82,569	15,430	31,860
Tax benefit from stock-based compensation	(18,456)	(25,801)	(68,710)
Others	24,099	21,387	47,911
Changes in operating assets and liabilities, net of effects of acquisitions:			
Accounts receivable	(49,324)	28,852	(118,940)
Inventories	(94,984)	24,651	(78,949)
Prepaid expenses and other assets	4,427	11,552	(11,723)
Accounts payable	(26,895)	(20,382)	10,885
Accrued liabilities and other current liabilities	5,322	5,352	17,353
Other long-term liabilities	(41,073)	(37,788)	69,052
Net cash provided by operating activities	905,656	835,146	824,172
Cash flows from investing activities:			
Purchases of marketable securities	(2,861,809)	(3,065,404)	(2,378,445)
Proceeds from sales of marketable securities	1,371,982	1,926,817	854,993
Proceeds from maturities of marketable securities	864,798	585,150	962,417
Purchases of property and equipment and intangible assets	(122,381)	(255,186)	(183,309)
Proceeds from sale of long-lived assets and investments	20,862	24,781	—
Acquisition of businesses, net of cash and cash equivalents	—	(17,145)	—
Others	(500)	(4,950)	352
Net cash used in investing activities	(727,048)	(805,937)	(743,992)
Cash flows from financing activities:			
Proceeds from issuance of convertible notes, net	—	1,477,500	—
Purchase of convertible note hedges	—	(167,100)	—
Proceeds from the sale of common stock warrants	—	59,100	—
Proceeds from issuance of common stock under employee stock plans	153,472	70,170	64,935
Payments related to repurchases of common stock	(813,600)	(887,304)	(100,000)
Dividends paid	(186,452)	(181,336)	(46,866)
Tax benefit from stock-based compensation	18,456	25,801	68,710
Payments under capital lease obligations	(2,917)	(2,239)	(2,049)
Others	(2,500)	(5,000)	—
Net cash (used in) provided by financing activities	(833,541)	389,592	(15,270)
Change in cash and cash equivalents	(654,933)	418,801	64,910
Cash and cash equivalents at beginning of period	1,151,587	732,786	667,876
Cash and cash equivalents at end of period	$ 496,654	$ 1,151,587	$ 732,786

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Supplemental disclosures of cash flow information:			
Cash (received) paid for income taxes, net	$ 14,470	$ 14,615	$ (38,608)
Cash paid for interest on capital lease obligations	$ 17,208	$ 2,518	$ 2,772
Non-cash investing and financing activities:			
Change in unrealized gains (losses) from marketable securities	$ 2,967	$ (5,104)	$ (633)
Assets acquired by assuming related liabilities	$ 9,605	$ 3,327	$ 45,195
Goodwill adjustment related to previously acquired business	$ (25,000)	$ —	$ —

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Organization and Summary of Significant Accounting Policies

Our Company

NVIDIA is dedicated to advancing visual computing. We enable individuals to interact with digital ideas, data and entertainment with an ease and efficiency unmatched by any other communication medium.

Our two reporting segments - GPU and Tegra Processor - are based on a single underlying graphics architecture.

Our GPU product brands aimed at specialized markets include GeForce for gamers; Quadro for designers; Tesla for researchers, deep learning and big-data analysts; and GRID for cloud-based visual computing users.

We also integrate our GPUs into tiny mobile chips called system-on-a-chip (SOC) processors, which power tablets, and automotive infotainment and safety systems. Our Tegra brand integrates an entire computer onto a single chip, incorporating GPUs and multi-core CPUs with audio, video and input/output capabilities. They can also be integrated with baseband processors to add voice and data communication. Tegra conserves power while delivering state-of-the-art graphics and multimedia processing.

Headquartered in Santa Clara, California, NVIDIA was incorporated in California in April 1993 and reincorporated in Delaware in April 1998.

All references to “NVIDIA,” “we,” “us,” “our” or the “Company” mean NVIDIA Corporation and its subsidiaries, except where it is made clear that the term means only the parent company.

Fiscal Year

We operate on a 52- or a 53-week year, ending on the last Sunday in January. Fiscal years 2015 , 2014 and 2013 were 52-week years.

Reclassifications

Certain prior fiscal year balances have been reclassified to conform to the current fiscal year presentation.

Principles of Consolidation

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States, or 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 from those estimates. On an on-going basis, we evaluate our estimates, including those related to revenue recognition, inventories, income taxes, goodwill, cash equivalents and marketable securities, stock-based compensation, and litigation, investigation and settlement costs and other contingencies. These estimates are based on historical facts and various other assumptions that we believe are reasonable.

Revenue Recognition

Product Revenue

We recognize revenue from product sales when persuasive evidence of an arrangement exists, the product has been delivered, the price is fixed or determinable and collection of the related receivable is reasonably assured. For most sales, we use a binding purchase order and in certain cases we use a contractual agreement as evidence of an arrangement. We consider delivery to occur upon shipment provided title and risk of loss have passed to the customer. At the point of sale, we assess whether the arrangement fee is fixed or determinable and whether collection is reasonably assured. If we determine that collection of a fee is not reasonably assured, we defer the fee and recognize revenue at the time collection becomes reasonably assured, which is generally upon receipt of payment.

For sales to certain distributors with rights of return for which the level of returns cannot be reasonably estimated, our policy is to defer recognition of revenue and related cost of revenue until the distributors resell the product and, in some cases, when customer return rights lapse.

Our customer programs primarily involve rebates, which are designed to serve as sales incentives to resellers of our products in various target markets. We account for rebates as a reduction of revenue and recognize a liability for these rebates at the later of the date at which we record the related revenue or the date at which we offer the rebate. Unclaimed rebates are reversed to revenue.

Our customer programs also include marketing development funds, or MDFs. MDFs represent monies paid to retailers, system builders, original equipment manufacturers, or OEMs, distributors, add-in card partners and other channel partners that are earmarked for market segment development and expansion and typically are designed to support our partners' activities while also promoting NVIDIA products. We account for MDFs as a reduction of revenue and apply a breakage factor to certain types of MDF programs.

We also record a reduction to revenue by establishing a sales return allowance for estimated product returns at the time revenue is recognized, based primarily on historical return rates. However, if product returns for a particular fiscal period exceed historical return rates we may determine that additional sales return allowances are required to properly reflect our estimated exposure for product returns.

License and Development Revenue

For license arrangements that require significant customization of our intellectual property components, we generally recognize the related revenue over the period that services are performed. For most license and service arrangements, we determine progress to completion based on actual direct labor hours incurred to date as a percentage of the estimated total direct labor hours required to complete the project. A provision for estimated losses on contracts is made in the period in which the loss becomes probable and can be reasonably estimated. Costs incurred in advance of revenue recognized are recorded as deferred costs on uncompleted contracts. If the amount billed exceeds the amount of revenue recognized, the excess amount is recorded as deferred revenue.

For license arrangements that do not require significant customization but where we are obligated to provide further deliverables over the term of the license agreement, we record revenue over the life of the license term, with consideration received in advance of the performance period classified as deferred revenue.

Royalty revenue is recognized related to the distribution or sale of products that use our technologies under license agreements with third parties. We recognize royalty revenue upon receipt of a confirmation of earned royalties and when collectability is reasonably assured from the applicable licensee.

Research and Development Expense

Research and development expense includes the conceptual formulation, design, and testing of product alternatives, construction of prototypes, and operation of pilot plants Research and development costs are charged to expense as incurred.

Advertising Expenses

We expense advertising costs in the period in which they are incurred. Advertising expenses for fiscal years 2015 , 2014 and 2013 were $ 14.6 million , $13.1 million and $9.2 million , respectively.

Rent Expense

We recognize rent expense on a straight-line basis over the lease period and accrue for rent expense incurred, but not paid.

Product Warranties

We generally offer limited warranty to end-users that ranges from one to three years for products in order to repair or replace products for any manufacturing defects or hardware component failures. Cost of revenue includes the estimated cost of product warranties that are calculated at the point of revenue recognition. Under limited circumstances, we may offer an extended limited warranty to customers for certain products. We also accrue for known warranty and indemnification issues if a loss is probable and can be reasonably estimated.

Stock-based Compensation

We estimate the fair value of employee stock options on the date of grant using a binomial model and recognize the expense using a straight-line attribution method over the requisite employee service period. We use the closing trading price of our common stock on the date of grant, minus a dividend yield discount, as the fair value of awards of restricted stock units, or RSUs, and performance stock units, or PSUs. The compensation expense for the RSUs is recognized using a straight-line attribution method over the requisite employee service period while compensation expense for PSUs is recognized using an accelerated amortization model. We estimate the fair value of shares to be issued under our employee stock purchase plan, or ESPP, using the Black-Scholes model at the commencement of an offering period in March and September of each year. Stock-based compensation for our ESPP is expensed using an accelerated amortization model.

Litigation, Investigation and Settlement Costs

From time to time, we are involved in legal actions and/or investigations by regulatory bodies. We are aggressively defending our current litigation matters. However, there are many uncertainties associated with any litigation or investigation, and we cannot be certain that these actions or other third-party claims against us will be resolved without litigation, fines and/or substantial settlement payments. If that occurs, our business, financial condition and results of operations could be materially and adversely affected. If information becomes available that causes us to determine that a loss in any of our pending litigation, investigations or settlements is probable, and we can reasonably estimate the loss associated with such events, we will record the loss in accordance with U.S. GAAP. However, the actual liability in any such litigation or investigation may be materially different from our estimates, which could require us to record additional costs.

Foreign Currency Remeasurement

We use the United States dollar as our functional currency for all of our subsidiaries. Foreign currency monetary assets and liabilities are remeasured into United States dollars at end-of-period exchange rates. Non-monetary assets and liabilities such as property and equipment, and equity are remeasured at historical exchange rates. Revenue and expenses are remeasured at average exchange rates in effect during each period, except for those expenses related to the previously noted balance sheet amounts, which are remeasured at historical exchange rates. Gains or losses from foreign currency remeasurement are included in “Other income (expense), net” in our Consolidated Statements of Income and to date have not been significant.

The impact of gain or loss from foreign currency remeasurement included in determining other income (expense), net for fiscal years 2015 , 2014 and 2013 was $ 0.5 million , $ 4.7 million and $ (1.5) million , respectively.

Income Taxes

We recognize federal, state and foreign current tax liabilities or assets based on our estimate of taxes payable or refundable in the current fiscal year by tax jurisdiction. We recognize federal, state and foreign deferred tax assets or liabilities, as appropriate, for our estimate of future tax effects attributable to temporary differences and carryforwards; and we record a valuation allowance to reduce any deferred tax assets by the amount of any tax benefits that, based on available evidence and judgment, are not expected to be realized.

United States income tax has not been provided on a portion of earnings of our non-U.S. subsidiaries to the extent that such earnings are considered to be indefinitely reinvested.

Our calculation of current and deferred tax assets and liabilities is based on certain estimates and judgments and involves dealing with uncertainties in the application of complex tax laws. Our estimates of current and deferred tax assets and liabilities may change based, in part, on added certainty or finality to an anticipated outcome, changes in accounting standards or tax laws in the United States, or foreign jurisdictions where we operate, or changes in other facts or circumstances. In addition, we recognize liabilities for potential United States and foreign income tax contingencies based on our estimate of whether, and the extent to which, additional taxes may be due. If we determine that payment of these amounts is unnecessary or if the recorded tax liability is less than our current assessment, we may be required to recognize an income tax benefit or additional income tax expense in our financial statements accordingly.

As of January 25, 2015, we had a valuation allowance of $261.0 million related to state and certain foreign deferred tax assets that management determined are not likely to be realized due, in part, to projections of future taxable income and potential utilization limitations of tax attributes acquired as a result of stock ownership changes. To the extent realization of the deferred tax assets becomes more-likely-than-not, we would recognize such deferred tax asset as an income tax benefit during the period.

Our deferred tax assets do not include the excess tax benefit related to stock-based compensation that are a component of our federal and state net operating loss and research tax credit carryforwards in the amount of $411.9 million as of January 25, 2015. Consistent with prior years, the excess tax benefit reflected in our net operating loss and research tax credit carryforwards will be accounted for as a credit to shareholders' equity, if and when realized. In determining if and when excess tax benefits have been realized, we have elected to utilize the with-and-without approach with respect to such excess tax benefits. We have also elected to ignore the indirect tax effects of stock-based compensation deductions for financial and accounting reporting purposes, and specifically to recognize the full effect of the research tax credit in income from operations.

We recognize the benefit from a tax position only if it is more-likely-than-not that the position would be sustained upon audit based solely on the technical merits of the tax position. Our policy is to include interest and penalties related to unrecognized tax benefits as a component of income tax expense. Please refer to Note 13 of these Notes to the Consolidated Financial Statements for additional information.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive income (loss). Other comprehensive income (loss) components include unrealized gains (losses) on available-for-sale securities, net of tax.

Net Income Per Share

Basic net income per share is computed using the weighted average number of common shares outstanding during the period. 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. Under the treasury stock method, the effect of stock options outstanding is not included in the computation of diluted net income per share for periods when their effect is anti-dilutive. Additionally, we issued convertible notes with a net settlement feature that requires us, upon conversion, to settle the principal amount of debt for cash and the conversion premium for cash or shares of our common stock. Our convertible notes, note hedges, and related warrants contain various conversion features, which are further described in Note 11 of these Notes to the Consolidated Financial Statements. The potentially dilutive shares resulting from the convertible notes and warrants under the treasury stock method will be included in the calculation of diluted income per share when their inclusion is dilutive. However, unless actually exercised, the note hedges will not be included in the calculation of diluted net income per share, as their pre-exercised effect would be anti-dilutive under the treasury stock method.

Cash and Cash Equivalents

We consider all highly liquid investments that are readily convertible into cash and have an original maturity of three months or less at the time of purchase to be cash equivalents. As of January 25, 2015 and January 26, 2014 , our cash and cash equivalents were $496.7 million and $1,151.6 million , respectively, which include $ 132.5 million and $307.9 million invested in money market funds for fiscal year 2015 and fiscal year 2014 , respectively.

Marketable Securities

Marketable securities consist primarily of highly liquid investments with maturities of greater than three months when purchased. We generally classify our marketable securities at the date of acquisition as available-for-sale. These securities are reported at fair value with the related unrealized gains and losses included in accumulated other comprehensive income, a component of shareholders' equity, net of tax. The fair value of interest-bearing securities includes accrued interest. Any unrealized losses which are considered to be other-than-temporary impairments are recorded in the other income and expense section of our consolidated statements of income. Realized gains and losses on the sale of marketable securities are determined using the specific-identification method and recorded in the other income and expense section of our consolidated statements of income.

All of our available-for-sale investments are subject to a periodic impairment review. We record a charge to earnings when a decline in fair value is significantly below cost basis and judged to be other-than-temporary, or have other indicators of impairments. If the fair value of an available-for-sale debt instrument is less than its amortized cost basis, an other-than-temporary impairment is triggered in circumstances where (1) we intend to sell the instrument, (2) it is more likely than not that we will be required to sell the instrument before recovery of its amortized cost basis, or (3) a credit loss exists where we do not expect to recover the entire amortized cost basis of the instrument. In these situations, we recognize an other-than-temporary impairment in earnings equal to the entire difference between the debt instruments' amortized cost basis and its fair value. For available-for-sale debt instruments that are considered other-than-temporarily impaired due to the existence of a credit loss, if we do not intend to sell and it is not more likely than not that we will not be required to sell the instrument before recovery of its remaining amortized cost basis (amortized cost basis less any current-period credit loss), we separate the amount of the impairment into the amount that is credit related and the amount due to all other factors. The credit loss component is recognized in earnings while loss related to all other factors is recorded as other comprehensive income.

Fair Value of Financial Instruments

The carrying value of cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to their relatively short maturities as of January 25, 2015 and January 26, 2014 . Marketable securities are comprised of available-for-sale securities that are reported at fair value with the related unrealized gains and losses included in accumulated other comprehensive income, a component of shareholders' equity, net of tax. Fair value of the marketable securities is determined based on quoted market prices.

Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash equivalents, marketable securities, accounts receivable and the note hedge. Our investment policy requires the purchase of high grade investment securities, the diversification of asset type and includes certain limits on our portfolio duration. All marketable securities are held in our name, managed by several investment managers and held by one major financial institution under a custodial arrangement. Accounts receivable from significant customers, those representing 10% or more of total accounts receivable, aggregated approximately 30% of our accounts receivable balance from two customers at January 25, 2015 and approximately 23% of our accounts receivable balance from one customer at January 26, 2014 . We perform ongoing credit evaluations of our customers' financial condition and maintain an allowance for potential credit losses. This allowance consists of an amount identified for specific customers and an amount based on overall estimated exposure. Our overall estimated exposure excludes amounts covered by credit insurance and letters of credit.

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Accounts Receivable

We maintain an allowance for doubtful accounts receivable for estimated losses resulting from the inability of our customers to make required payments. We determine this allowance, which consists of an amount identified for specific customer issues as well as an amount based on overall estimated exposure. Factors impacting the allowance include the level of gross receivables, the financial condition of our customers and the extent to which balances are covered by credit insurance or letters of credit.

Inventories

Inventory cost is computed on an adjusted standard basis, which approximates actual cost on an average or first-in, first-out basis. Inventory costs consist primarily of the cost of semiconductors purchased from subcontractors, including wafer fabrication, assembly, testing and packaging, manufacturing support costs, including labor and overhead associated with such purchases, final test yield fallout, and shipping costs, as well as the cost of purchased memory products and other component parts. We charge cost of sales for inventory provisions to write down our inventory to the lower of cost or estimated market value or to completely write off obsolete or excess inventory. Most of our inventory provisions relate to the write-off of excess quantities of products, based on our inventory levels and future product purchase commitments compared to assumptions about future demand and market conditions. Once inventory has been written-off or written-down, it creates a new cost basis for the inventory that is not subsequently written-up.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment is computed using the straight-line method based on the estimated useful lives of the assets, generally three to five years. Once an asset is identified for retirement or disposition, the related cost and accumulated depreciation or amortization are removed, and a gain or loss is recorded. The estimated useful lives of our buildings are up to twenty five years. Depreciation expense includes the amortization of assets recorded under capital leases. Leasehold improvements and assets recorded under capital leases are amortized over the shorter of the expected lease term or the estimated useful life of the asset.

Goodwill

Goodwill is subject to our annual impairment test during the fourth quarter of our fiscal year, or earlier if indicators of potential impairment exist. For the purposes of completing our impairment test, we perform either a qualitative or a quantitative analysis on a reporting unit basis.

For those reporting units where a significant change or event has occurred, where potential impairment indicators exist, or for which we have not performed a quantitative assessment recently, we utilize a two-step quantitative assessment to testing goodwill for impairment. The first step tests for possible impairment by applying a fair value-based test by weighing the results from the income approach and the market approach. The second step, if necessary, measures the amount of such impairment by applying fair value-based tests to individual assets and liabilities. Please refer to Note 5 of these Notes to the Consolidated Financial Statements for additional information.

Intangible Assets

Intangible assets primarily represent rights acquired under technology licenses, patents, acquired intellectual property, trademarks and customer relationships and are subject to an annual impairment test. We currently amortize our intangible assets with definitive lives over periods ranging from one to ten years using a method that reflects the pattern in which the economic benefits of the intangible asset are consumed or otherwise used up or, if that pattern cannot be reliably determined, using a straight-line amortization method.

Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment and intangible assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset, or asset group may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset, or asset group to estimated undiscounted future cash flows expected to be generated by the asset, or asset group. If the carrying amount of an asset or asset group exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset or asset group exceeds the estimated fair value of the asset or asset group. Fair value is determined based on the estimated discounted future cash flows expected to be generated by the asset or asset group. Assets and liabilities to be disposed of would be separately presented in the consolidated balance sheet and the assets would be reported at the lower of the carrying amount or fair value less costs to sell, and would no longer be depreciated.

Accounting for Asset Retirement Obligations

We account for asset retirement obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The accounting guidance applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or normal use of the assets and requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. As of January 25, 2015 and January 26, 2014 , our asset retirement obligations to return the leasehold improvements at our headquarters facility and certain laboratories at our domestic and international facilities to their original condition upon lease termination were $7.4 million and $11.1 million , respectively.

Adoption of New and Recently Issued Accounting Pronouncements

In May 2014, the FASB issued a new accounting standard update that creates a single source of revenue guidance under U.S. GAAP for all companies, in all industries. Under the new standard, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires that reporting companies disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers, including significant judgments and estimates used. This new guidance is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. We will adopt this guidance either by using a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach. We are currently evaluating the impact of this accounting guidance on our consolidated financial statements and have not yet determined which transition method we will apply.

Note 2 - Stock-Based Compensation

Our stock-based compensation expense is associated with stock options, RSUs, PSUs and our ESPP.

Our consolidated statements of income include stock-based compensation expense, net of amounts capitalized as inventory, as follows:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Cost of revenue	$ 12,022	$ 10,688	$ 10,490
Research and development	88,355	82,940	82,157
Sales, general and administrative	57,464	42,667	44,015
Total	$ 157,841	$ 136,295	$ 136,662

Stock-based compensation capitalized in inventories resulted in a net charge of $0.1 million , $0.1 million and $0.4 million in cost of revenue during the fiscal years 2015, 2014 and 2013, respectively.

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The following is a summary of equity awards granted under our equity incentive plans:

	Year Ended		
	January 25, 2015	**January 26, 2014**	**January 27, 2013**
	(In thousands, except per share data)		
Stock Options			
Awards granted	86	6,149	7,119
Estimated total grant-date fair value	$ 345	$ 21,310	$ 38,326
Weighted average grant-date fair value (per share)	$ 4.02	$ 3.47	$ 5.38
RSUs and PSUs			
Awards granted	12,912	10,757	8,136
Estimated total grant-date fair value	$ 228,223	$ 144,798	$ 112,795
Weighted average grant-date fair value (per share)	$ 17.68	$ 13.46	$ 13.86
ESPP			
Shares purchased	6,672	6,124	5,463
Weighted average price (per share)	$ 10.99	$ 10.79	$ 10.83
Weighted average grant-date fair value (per share)	$ 4.99	$ 5.60	$ 5.16

During fiscal year 2015, we shifted away from granting stock options and toward granting RSUs and PSUs to reflect changing market trends for equity incentives at our peer companies. The number of PSUs that will ultimately vest is contingent on the Company’s level of achievement versus the corporate financial performance target established by our Compensation Committee in the beginning of each fiscal year. The number of shares of our stock to be received at vesting typically ranges from 0% to 200% of the target amount.

Of the estimated total grant-date fair value, we estimated that the stock-based compensation expense related to the equity awards that are not expected to vest for fiscal years 2015 , 2014 and 2013 was $36.6 million , $29.7 million and $27.1 million , respectively.

	January 25, 2015	**January 26, 2014**
	(In thousands)	
Aggregated unearned stock-based compensation expense	$ 291,416	$ 256,500
Estimated weighted average amortization period	(In years)	
Stock Options	1.8	2.5
RSUs and PSUs	2.8	2.7
ESPP	0.5	0.6

Valuation Assumptions

We use the closing trading price of our common stock on the date of grant, minus a dividend yield discount, as the fair value of awards of RSUs and PSUs. Compensation expense for RSUs is recognized using a straight-line attribution method over the requisite employee service period, while compensation expense for PSUs is recognized using an accelerated amortization model.

We estimate the fair value of employee stock options on the date of grant using a binomial model and recognize the expense using a straight-line attribution method over the requisite employee service period.

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We estimate the fair value of shares to be issued under our ESPP using the Black-Scholes model at the commencement of an offering period in March and September of each year. Stock-based compensation for our ESPP is expensed using an accelerated amortization model.

The fair value of stock options granted under our stock option plans and shares issued under our ESPP have been estimated with the following assumptions:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
	(Using a binomial model)		
Stock Options			
Weighted average expected life (in years)	2.5-3.2	2.4-3.5	3.1-4.9
Risk-free interest rate	2.5%-2.8%	1.8%-3.0%	1.5%-2.3%
Volatility	31%	28%-37%	39%-49%
Dividend yield	1.8%-1.9%	1.9%-2.4%	2.4%

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
	(Using the Black-Scholes model)		
ESPP			
Weighted average expected life (in years)	0.5-2.0	0.5-2.0	0.5-2.0
Risk-free interest rate	0.1%-0.5%	0.1%-0.4%	0.1%-0.3%
Volatility	23%-31%	32%-37%	44%-47%
Dividend yield	1.7%-1.9%	2.0%-2.4%	—

The expected life of employee stock options is a derived output of our valuation model and is impacted by the underlying assumptions of our company. For ESPP shares, the expected term represents the average term from the first day of the offering period to the purchase date.

The risk-free interest rate assumption used to value stock options and ESPP is based upon observed interest rates on Treasury bills appropriate for the expected term of the award.

Our expected stock price volatility assumption for stock options and ESPP is estimated using implied volatility.

For awards granted on or subsequent to November 8, 2012, we use a dividend yield at grant date, based on the per share dividends declared during the most recent quarter. Our RSU and PSU awards are not eligible for cash dividends prior to vesting; therefore, the fair value of RSUs and PSUs is discounted by the dividend yield.

Additionally, for employee stock options and RSU and PSU awards, we estimate forfeitures annually and revise the estimates of forfeiture in subsequent periods if actual forfeitures differ from those estimates. Forfeitures are estimated based on historical experience.

Equity Incentive Program

We grant stock options, RSUs, PSUs, and stock purchase rights under the following equity incentive plans.

Amended and Restated 2007 Equity Incentive Plan

In 2007, our shareholders approved the NVIDIA Corporation 2007 Equity Incentive Plan, or the 2007 Plan. The 2007 Plan was amended and restated in 2012, 2013 and 2014, or the Restated 2007 Plan.

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The Restated 2007 Plan authorizes the issuance of incentive stock options, non-statutory stock options, restricted stock, restricted stock unit, stock appreciation rights, performance stock awards, performance cash awards, and other stock-based awards to employees, directors and consultants. Only our employees may receive incentive stock options. With the 2014 amendment and restatement of the 2007 Plan, which increased the number of shares of common stock authorized for issuance under the 2007 Plan by 10,000,000 shares, up to 187,767,766 shares of our common stock may be issued pursuant to stock awards granted under the Restated 2007 Plan. Currently, we grant stock options, RSUs and PSUs under the Restated 2007 Plan, under which, as of January 25, 2015, there were 24,501,781 shares available for future issuance.

Stock options granted to employees, subject to certain exceptions, vest over a four year period, subject to continued service, with 25% vesting on the anniversary of the hire date in the case of new hires or the anniversary of the date of grant in the case of grants to existing employees and 6.25% vesting at the end of each quarterly period thereafter. Options granted under the 2007 Plan generally expire ten years from the date of grant.

Subject to certain exceptions, RSUs granted to employees vest over a four year period, subject to continued service, with 25% vesting on a pre-determined date that is close to the anniversary of the date of grant and 12.5% vesting semi-annually thereafter until fully vested.

PSUs granted to employees vest on a similar schedule, although the number of shares subject to PSUs that are eligible to vest is generally determined by the Compensation Committee based on achievement of pre-determined criteria.

Unless terminated sooner, the Restated 2007 Plan is scheduled to terminate on March 21, 2022. Our Board may suspend or terminate the Restated 2007 Plan at any time. No awards may be granted under the Restated 2007 Plan while the Restated 2007 Plan is suspended or after it is terminated. The Board may also amend the Restated 2007 Plan at any time. However, if legal, regulatory or listing requirements require shareholder approval, the amendment will not go into effect until the shareholders have approved the amendment.

PortalPlayer, Inc. 1999 Stock Option Plan

We assumed options issued under the PortalPlayer, Inc. 1999 Stock Option Plan, or the 1999 Plan, when we completed our acquisition of PortalPlayer on January 5, 2007. As of January 25, 2015, there were no outstanding options to purchase NVIDIA common stock under the 1999 Plan and we do not intend to grant future stock awards under the 1999 Plan as the plan expired on July 28, 2014.

1998 and 2012 Employee Stock Purchase Plans

In February 1998, our Board approved the 1998 Employee Stock Purchase Plan, or the 1998 Plan. At the Annual Meeting of Shareholders held on May 17, 2012, our shareholders approved the 2012 Employee Stock Purchase Plan, or the 2012 Plan, as the successor to the 1998 Plan. At the Annual Meeting of Shareholders held on May 23, 2014, our shareholders approved an amendment and restatement of the 2012 Plan, or the Restated 2012 Plan.

Prior to the effective date of the 2012 Plan, we had authorized a total of 78,000,000 shares for issuance under the 1998 Plan, 54,567,667 shares of which had been issued, 15,000,000 shares of which were reserved for issuance pursuant to outstanding purchase rights and 8,432,333 shares of which were available for future issuance. Upon its approval by our shareholders in 2012, the maximum aggregate number of shares that could be issued under the 2012 Plan would not exceed 55,432,333 shares.

Effective upon the August 31, 2012 purchase date pursuant to the 1998 Plan, of the 15,000,000 shares which had been reserved for issuance pursuant to outstanding purchase rights, 2,687,698 shares were issued pursuant to outstanding purchase rights, 183,000 shares were available but reserved for future issuance, and the remaining 12,129,302 shares were moved into the share reserve of the 2012 Plan. Effective upon the final February 28, 2013 purchase date pursuant to the 1998 Plan, 8,819 shares were issued pursuant to outstanding purchase rights, and the remaining 174,181 shares were moved into the share reserve of the 2012 Plan. With the 2014 amendment and restatement of the 2012 Plan, which increased the share reserve of the Restated 2012 Plan by 12,500,000 shares, up to 65,235,816 shares of our common stock may be issued pursuant to purchases under the Restated 2012 Plan. At January 25, 2015, we had issued 12,787,748 shares and reserved 52,448,068 shares for future issuance under the Restated 2012 Plan.

The Restated 2012 Plan is intended to qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code. Under the current offerings adopted pursuant to the Restated 2012 Plan, each offering period is 24 months, which is divided into four purchase periods of six months .

Employees are eligible to participate if they are employed by us or an affiliate of us as designated by the Board. Employees who participate in an offering may have up to 10% of their earnings withheld up to certain limitations and applied on specified dates determined by the Board to the purchase of shares of common stock. The Board may increase this percentage at its discretion, up to 15% . The price of common stock purchased under our ESPP will be equal to 85% of the lower of the fair market value of the common stock on the commencement date of each offering period and the purchase date of each offering period. Employees may end their participation in the ESPP at any time during the offering period, and participation ends automatically on termination of employment with us. In each case, the employee's contributions are refunded.

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

	Options Outstanding				RSUs and PSUs Outstanding	
	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (1)	Number of Shares	Weighted Average Grant-Date Fair Value
	(In thousands, except years and per share data)					
Balances, January 26, 2014	32,504	$ 14.22			18,852	$ 13.82
Granted (2)	86	$ 18.75			12,912	$ 17.68
Exercised	(9,795)	$ 12.64			—	—
Vested restricted stock	—	—			(7,163)	$ 13.78
Canceled and forfeited	(1,450)	$ 19.27			(1,326)	$ 14.44
Balances, January 25, 2015	21,345	$ 14.61	5.9	$ 130,923	23,275	$ 15.94
Exercisable at January 25, 2015	15,120	$ 14.70	5.1	$ 91,434		
Vested and expected to vest after January 25, 2015	20,356	$ 14.62	5.8	$ 124,575	18,988	$ 15.96

(1) The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value for in-the-money options at January 25, 2015 , based on the $20.71 closing stock price of our common stock on the NASDAQ Global Select Market on January 23, 2015, the last trading day of fiscal year 2015 , which would have been received by the option holders had all in-the-money option holders exercised their options as of that date. The total number of in-the-money options outstanding and exercisable as of January 25, 2015 was 21.1 million shares and 14.9 million shares, respectively.

(2) Includes the total number of PSUs issuable if the maximum corporate financial performance target level for fiscal year 2015 is achieved. Depending on the actual level of achievement of the corporate performance target at the end of fiscal year 2015, the range of PSUs issued could be from 1.3 million to 2.5 million shares. The PSUs were granted during the first quarter of fiscal year 2015 to our CEO and senior management as approved by our Compensation Committee.

As of January 25, 2015 and January 26, 2014 , there were 24.5 million and 24.7 million shares of common stock reserved for future issuance under our equity incentive plans.

The total intrinsic value of options exercised was $61.9 million , $14.4 million and $21.1 million for fiscal years 2015 , 2014 and 2013 , respectively. Upon exercise of an option, we issue new shares of stock. The total fair value of options vested was $32.6 million , $34.6 million and $40.3 million for fiscal years 2015 , 2014 and 2013 , respectively.

Note 3 - Net Income Per Share

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

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
	(In thousands, except per share data)		
Numerator:			
Net income	$ 630,587	$ 439,990	$ 562,536
Denominator:			
Denominator for basic net income per share, weighted average shares	552,319	587,893	619,324
Effect of dilutive securities:			
Stock awards outstanding	10,749	6,624	5,633
Denominator for diluted net income per share, weighted average shares	563,068	594,517	624,957
Net income per share:			
Basic	$ 1.14	$ 0.75	$ 0.91
Diluted	$ 1.12	$ 0.74	$ 0.90
Potentially dilutive securities excluded from income per diluted share because their effect would have been anti-dilutive	11,807	25,630	26,784

The denominator for diluted net income per share for fiscal years 2015 and 2014 does not include any effect from the 1.00 % Convertible Senior Notes due 2018, or the Notes. In accordance with ASC 260, *Earnings per Share*, commencing after the fiscal quarter ending on April 27, 2014, the Notes will not impact the denominator for diluted net income per share unless the average price of our common stock, as calculated under the terms of the Notes, exceeds the conversion price of $20.16 per share. Likewise, the denominator for diluted net income per share will not include any effect from the warrants unless the average price of our common stock, as calculated under the terms of the warrants, exceeds $27.14 per share.

The denominator for diluted net income per share for fiscal years 2015 and 2014 also does not include any effect from the convertible note hedge transaction, or the Note Hedges. In future periods, the denominator for diluted net income per share will exclude any effect of the Note Hedges, as their effect would be anti-dilutive. In the event an actual conversion of any or all of the Notes occurs, the shares that would be delivered to us under the Note Hedges are designed to neutralize the dilutive effect of the shares that we would issue under the Notes. Please refer to Note 11 of these Notes to the Consolidated Financial Statements for discussion regarding the Notes.

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Note 4 - 3dfx

During fiscal year 2002, we completed the purchase of certain assets from 3dfx Interactive, Inc., or 3dfx, for an aggregate purchase price of $74.2 million . On December 15, 2000, NVIDIA Corporation and one of our indirect subsidiaries entered into an Asset Purchase Agreement, or the APA, which closed on April 18, 2001, to purchase certain graphics chip assets from 3dfx.

In October 2002, 3dfx filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the Northern District of California. In March 2003, the Trustee appointed by the Bankruptcy Court to represent 3dfx's bankruptcy estate served his complaint on NVIDIA. The Trustee's complaint asserted claims for, among other things, successor liability and fraudulent transfer and sought additional payments from us. In early November 2005, NVIDIA and the Official Committee of Unsecured Creditors, or the Creditors' Committee, agreed to a Plan of Liquidation of 3dfx, which included a conditional settlement of the Trustee's claims against us. This conditional settlement was subject to a confirmation process through a vote of creditors and the review and approval of the Bankruptcy Court. The conditional settlement called for a payment by NVIDIA of $30.6 million to the 3dfx estate. Under the settlement, $5.6 million related to various administrative expenses and Trustee fees, and $25.0 million related to the satisfaction of debts and liabilities owed to the general unsecured creditors of 3dfx. Accordingly, during the three month period ended October 30, 2005, we recorded $5.6 million as a charge to settlement costs and $25.0 million as additional purchase price for 3dfx. The Trustee advised that he intended to object to the settlement.

The conditional settlement never progressed substantially through the confirmation process. On December 20, 2010, the District Court issued an Order affirming the Bankruptcy Court's entry of summary judgment in NVIDIA's favor, and on January 19, 2011, the Trustee filed a Notice of Appeal to the United States Court of Appeals for the Ninth Circuit. Oral argument on the appeal was held on October 8, 2014. On November 6, 2014, the Ninth Circuit affirmed the District Court's decision upholding the ruling of the Bankruptcy Court. As a result, we paid $5.6 million in related legal expenses. The case concluded on February 5, 2015 and we reversed the $25.0 million liability for additional contingent consideration and reduced the goodwill related to our 3dfx acquisition by the same amount as of January 25, 2015.

Please refer to Note 12 of these Notes to the Consolidated Financial Statements for further information regarding this litigation.

Note 5 - Goodwill

The carrying amount of goodwill is as follows:

	January 25, 2015	January 26, 2014
	(In thousands)	
Icera	$ 271,186	$ 271,186
PortalPlayer	104,896	104,896
3dfx	50,326	75,326
Mental Images	59,252	59,252
MediaQ	35,167	35,167
ULi	31,115	31,115
Hybrid Graphics	27,906	27,906
Ageia	19,198	19,198
Portland Group Inc.	2,149	2,149
Other	16,984	16,984
Total goodwill	$ 618,179	$ 643,179

The $25.0 million decrease in goodwill as of January 25, 2015, when compared to January 26, 2014 is due to conclusion of the 3dfx case without requiring additional contingent consideration. Please refer to Note 4 of these Notes to the Consolidated Financial Statements for further discussion regarding the 3dfx case.

The amount of goodwill allocated to our GPU and Tegra Processor segments as of January 25, 2015 was $209.7 million and $408.5 million , respectively, and as of January 26, 2014 was $230.4 million and $412.8 million , respectively. Please refer to Note 16 of these Notes to the Consolidated Financial Statements for further discussion regarding segments.

We allocate goodwill to our reporting units and perform our annual impairment test during the fourth quarter of our fiscal year, or earlier if indicators of potential impairment exist. For the purposes of completing our impairment test, we perform either a qualitative or a quantitative analysis on a reporting unit basis. We utilized a quantitative analysis to complete our most recent annual impairment test during the fourth quarter of fiscal year 2015 and concluded that there was no impairment, as the fair value of our reporting units exceeded their carrying values.

In a qualitative analysis, we evaluate factors including, but not limited to, macro-economic conditions, market and industry conditions, the competitive environment, the operational stability and the overall financial performance of the reporting units, including cost factors and actual revenue results. For reporting units in which the qualitative assessment concludes it is more likely than not that the fair value is more than its carrying value, no further goodwill impairment testing is required.

For those reporting units where a significant change or event has occurred, where potential impairment indicators exist, or for which we have not performed a quantitative assessment recently, we utilize a two-step quantitative assessment to testing goodwill for impairment. The first step tests for possible impairment by applying a fair value-based test by weighing the results from the income approach and the market approach. These valuation approaches consider a number of factors that include, but are not limited to, prospective financial information, growth rates, terminal or residual values, discount rates and comparable multiples from publicly traded companies in our industry and require us to make certain assumptions and estimates regarding industry economic factors and the future profitability of our business.

When performing an income approach valuation, we incorporate the use of projected financial information and a discount rate that are developed using market participant based assumptions to our discounted cash flow model. Our estimates of discounted cash flow were based upon, among other things, certain assumptions about our expected future operating performance, such as revenue growth rates, operating margins, risk-adjusted discount rates, and future economic and market conditions. The market method of determining the fair value of our reporting units requires us to use judgment in the selection of appropriate market comparables.

Note 6 - Amortizable Intangible Assets

The components of our amortizable intangible assets are as follows:

	January 25, 2015				January 26, 2014			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life
		(In thousands)		(In years)		(In thousands)		(In years)
Acquisition-related intangible assets	$ 189,239	$ (134,062)	$ 55,177	6.8	$ 189,239	$ (114,104)	$ 75,135	6.5
Patents and licensed technology	448,873	(282,336)	166,537	7.2	446,196	(225,319)	220,877	7.2
Total intangible assets	$ 638,112	$ (416,398)	$ 221,714		$ 635,435	$ (339,423)	$ 296,012	

Amortization expense associated with intangible assets for fiscal years 2015 , 2014 and 2013 was $77.0 million , $72.7 million and $68.4 million , respectively. Amortization expense increased compared to the prior year primarily due to the addition of licensed technology during fiscal year 2015. Future amortization expense for the net carrying amount of intangible assets at January 25, 2015 is estimated to be $71.9 million in fiscal year 2016 , $63.6 million in fiscal year 2017 , $49.1 million in fiscal year 2018 , $20.4 million in fiscal year 2019 , $11.9 million in fiscal year 2020 and $4.8 million in fiscal years subsequent to fiscal year 2020 until fully amortized.

Note 7 - Marketable Securities

All of the cash equivalents and marketable securities are classified as "available-for-sale" securities. Investments in both fixed and floating rate interest earning instruments carry a degree of interest rate risk. Fixed rate debt securities may have their market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall. Due in part to these factors, our future investment income may fall short of expectations due to changes in interest rates or if the decline in fair value of our publicly traded debt or equity investments is judged to be other-than-temporary. We may suffer losses in principal if we are forced to sell securities that decline in market value due to changes in interest rates. However, because any debt securities we hold are classified as "available-for-sale," no gains or losses are realized in our consolidated statement of income due to changes in interest rates unless such securities are sold prior to maturity or unless declines in market values are determined to be other-than-temporary. These securities are reported at fair value with the related unrealized gains and losses included in accumulated other comprehensive income, a component of shareholders' equity, net of tax.

The following is a summary of cash equivalents and marketable securities at January 25, 2015 and January 26, 2014 :

	January 25, 2015			
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value
	(In thousands)			
Corporate debt securities	$ 2,184,925	$ 2,600	$ (1,214)	$ 2,186,311
Debt securities of United States government agencies	749,630	917	(227)	750,320
Debt securities issued by United States Treasury	533,673	2,694	(3)	536,364
Asset-backed securities	453,088	125	(329)	452,884
Mortgage backed securities issued by United States government-sponsored enterprises	274,366	4,589	(850)	278,105
Money market funds	132,495	—	—	132,495
Foreign government bonds	84,800	121	(5)	84,916
Total	$ 4,412,977	$ 11,046	$ (2,628)	$ 4,421,395
Classified as:				
Cash equivalents				$ 294,710
Marketable securities				4,126,685
Total				$ 4,421,395

	January 26, 2014			
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value
	(In thousands)			
Corporate debt securities	$ 1,762,833	$ 1,837	$ (945)	$ 1,763,725
Debt securities of United States government agencies	1,012,740	848	(261)	1,013,327
Debt securities issued by United States Treasury	495,889	621	(57)	496,453
Money market funds	307,865	—	—	307,865
Asset-backed securities	258,017	15	(315)	257,717
Mortgage backed securities issued by United States government-sponsored enterprises	185,594	3,837	(725)	188,706
Foreign government bonds	64,955	20	(120)	64,855
Total	$ 4,087,893	$ 7,178	$ (2,423)	$ 4,092,648
Classified as:				
Cash equivalents				$ 572,425
Marketable securities				3,520,223
Total				$ 4,092,648

The following table provides the breakdown of the investments that were in a continuous unrealized loss position at January 25, 2015 :

	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(In thousands)					
Corporate debt securities	$ 709,392	$ (1,199)	$ 10,085	$ (15)	$ 719,477	$ (1,214)
Mortgage backed securities issued by United States government-sponsored enterprises	81,245	(639)	21,314	(211)	102,559	(850)
Debt securities of United States Treasury	10,026	(3)	—	—	10,026	(3)
Debt securities issued by United States government agencies	246,480	(227)	—	—	246,480	(227)
Asset-backed securities	306,066	(323)	4,476	(6)	310,542	(329)
Foreign government bonds	11,008	(5)	—	—	11,008	(5)
Total	$ 1,364,217	$ (2,396)	$ 35,875	$ (232)	$ 1,400,092	$ (2,628)

We performed an impairment review of our investment portfolio as of January 25, 2015 . Factors considered included general market conditions, the duration and extent to which fair value is below cost, and our intent and ability to hold an investment for a sufficient period of time to allow for recovery in value. We also consider specific adverse conditions related to the financial health of and business outlook for an investee, including industry and sector performance, changes in technology, operational and financing cash flow factors, and changes in an investee’s credit rating. Investments that we identify as having an indicator of impairment are subject to further analysis to determine if the investment was other than temporarily impaired. Based on our quarterly impairment review and having considered the guidance in the relevant accounting literature, we concluded that our investments were appropriately valued and that no other than temporary impairment charges were necessary on our portfolio of available for sale investments as of January 25, 2015 .

As of January 25, 2015 , we had nine investments that were in an unrealized loss position with total unrealized losses amounting to $2.4 million and with a duration of less than one year. The gross unrealized losses related to fixed income securities were due to changes in interest rates. We have determined that the gross unrealized losses on investment securities at January 25, 2015 are temporary in nature. Currently, we have the intent and ability to hold our investments with impairment indicators until maturity.

Net realized gains were $0.1 million , $2.4 million and $0.5 million for fiscal years 2015 , 2014 , and 2013 , respectively. As of January 25, 2015 , we had a net unrealized gain of $8.4 million , which was comprised of gross unrealized gains of $11.0 million , offset by $2.6 million of gross unrealized losses. As of January 26, 2014 , we had a net unrealized gain of $4.8 million , which was comprised of gross unrealized gains of $7.2 million , offset by $2.4 million of gross unrealized losses.

The amortized cost and estimated fair value of cash equivalents and marketable securities which are primarily debt instruments are classified as available-for-sale at January 25, 2015 and January 26, 2014 and are shown below by contractual maturity.

	January 25, 2015		January 26, 2014	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
	(In thousands)			
Less than one year	$ 1,570,233	$ 1,570,622	$ 1,883,132	$ 1,883,753
Due in 1 - 5 years	2,719,852	2,725,945	2,114,289	2,117,387
Mortgage-backed securities issued by government-sponsored enterprises not due at a single maturity date	122,893	124,828	90,472	91,508
Total	$ 4,412,978	$ 4,421,395	$ 4,087,893	$ 4,092,648

Note 8 - Fair Value of Financial Assets and Liabilities

Financial assets measured at fair value

We measure our cash equivalents and marketable securities at fair value. 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. Our Level 1 assets consist of our money market funds. We classify securities within Level 1 assets when the fair value is obtained from real time quotes for transactions in active exchange markets involving identical assets. Our available-for-sale securities are classified as having Level 2 inputs. Our Level 2 assets are valued utilizing a market approach where the market prices of similar assets are provided by a variety of independent industry standard data providers to our investment custodian. We review the fair value hierarchy classification on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. There were no significant transfers between Levels 1 and 2 assets for the year ended January 25, 2015 . Level 3 assets are based on unobservable inputs to the valuation methodology and include our own data about assumptions market participants would use in pricing the asset or liability based on the best information available under the circumstances. Most of our cash equivalents and marketable securities are valued based on Level 2 inputs. We did not have any investments classified as Level 3 as of January 25, 2015 .

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Financial assets measured at fair value are summarized below:

		Fair Value Measurement at Reporting Date Using	
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
	January 25, 2015	(Level 1)	(Level 2)
		(In thousands)	
Debt securities of United States government agencies (1)	$ 750,320	$ —	$ 750,320
Corporate debt securities (2)	2,186,311	—	2,186,311
Mortgage backed securities issued by United States government-sponsored enterprises (3)	278,105	—	278,105
Money market funds (4)	132,495	132,495	—
Debt securities issued by United States Treasury (3)	536,364	—	536,364
Asset-backed securities (3)	452,884	—	452,884
Foreign government bonds (3)	84,916	—	84,916
Total assets	$ 4,421,395	$ 132,495	$ 4,288,900

(1) Includes $15.0 million in Cash Equivalents and $735.3 million in Marketable Securities on the Consolidated Balance Sheet.

(2) Includes $ 147.2 million in Cash Equivalents and $ 2.0 billion in Marketable Securities on the Consolidated Balance Sheet.

(3) Included in Marketable Securities on the Consolidated Balance Sheet.

(4) Included in Cash Equivalents on the Consolidated Balance Sheet.

Financial liabilities measured at fair value

We issued $1.50 billion Convertible Senior Notes, or Notes, in December 2013. The Notes are carried at their original issuance value, net of unamortized debt discount, and are not marked to market each period. The estimated fair value of the Notes was $1,679.6 million and $1,528.4 million , respectively, as of January 25, 2015 and January 26, 2014. The estimated fair value of the Notes was determined on the basis of market prices observable for similar instruments and is considered Level 2 in the fair value hierarchy. Please refer to Note 11 of these Notes to the Consolidated Financial Statements for further information regarding the Notes.

Note 9 - Balance Sheet Components

Certain balance sheet components are as follows:

	January 25, 2015	January 26, 2014
	(In thousands)	
Inventories:		
Raw materials	$ 156,846	$ 126,896
Work in-process	91,778	94,844
Finished goods	234,269	166,025
Total inventories	$ 482,893	$ 387,765

	January 25, 2015	January 26, 2014	Estimated Useful Life
	(In thousands)		(In years)
Property and Equipment:			
Land	$ 218,496	$ 218,496	(A)
Building	19,268	19,268	5-25
Test equipment	397,319	412,862	3-5
Software and licenses	112,967	120,435	3-5
Leasehold improvements	173,691	178,884	(B)
Computer equipment	152,733	204,344	3
Office furniture and equipment	48,692	58,874	5
Capital leases	28,481	28,481	(B)
Construction in process	27,610	41,176	(C)
Total property and equipment, gross	1,179,257	1,282,820	
Accumulated depreciation and amortization	(621,975)	(700,080)	
Total property and equipment, net	$ 557,282	$ 582,740	

(A) Land is a non-depreciable asset.

(B) Leasehold improvements and capital leases are amortized based on the lesser of either the asset’s estimated useful life or the remaining expected lease term.

(C) Construction in process represents assets that are not in service as of the balance sheet date.

Depreciation expense for fiscal years 2015 , 2014 and 2013 was $143.1 million , $164.0 million and $157.6 million , respectively.

Accumulated amortization of leasehold improvements and capital leases was $139.6 million and $146.4 million at January 25, 2015 and January 26, 2014 , respectively. Amortization of leasehold improvements and capital leases is included in depreciation and amortization expense.

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	January 25, 2015	January 26, 2014
	(In thousands)	
Accrued Liabilities:		
Deferred revenue (1)	$ 292,735	$ 268,808
Customer related liabilities (2)	146,724	163,945
Accrued payroll and related expenses	112,173	109,721
Professional service fees	17,025	13,572
Facilities related liabilities	7,603	5,216
Warranty accrual (3)	7,523	7,571
Taxes payable, short- term	2,810	2,378
Coupon interest on Notes	2,542	2,500
Accrued legal settlement (4)	—	30,600
Other	13,672	16,794
Total accrued liabilities and other	$ 602,807	$ 621,105

(1) The increase in fiscal year 2015 compared to fiscal year 2014 was due primarily to higher volumes with certain distributors.

(2) This includes primarily accrued customer programs. Please refer to Note 1 of these Notes to the Consolidated Financial Statements for discussion regarding the nature of accrued customer programs and their accounting treatment related to our revenue recognition policies and estimates.

(3) Please refer to Note 10 of these Notes to the Consolidated Financial Statements for discussion regarding the warranty accrual.

(4) Please refer to Note 4 and Note 12 of these Notes to the Consolidated Financial Statements for discussion regarding the 3dfx litigation.

	January 25, 2015	January 2 2014
	(In thousands)	
Other Long Term Liabilities:		
Deferred income tax liability	$ 232,307	$ 157,
Income tax payable	120,961	119,
Deferred revenue	107,838	172,
Asset retirement obligations	7,428	11,
Other	20,394	13,
Total other long-term liabilities	$ 488,928	$ 475,

Note 10 - Guarantees

U.S. GAAP requires that upon issuance of a guarantee, the guarantor must recognize a liability for the fair value of the obligation it assumes under that guarantee. In addition, U.S. GAAP requires disclosures about the guarantees that an entity has issued, including a tabular reconciliation of the changes of the entity's product warranty liabilities.

Accrual for Product Warranty Liabilities

We record a reduction to revenue for estimated product returns at the time revenue is recognized primarily based on historical return rates. Cost of revenue includes the estimated cost of product warranties. Under limited circumstances, we may offer an extended limited warranty to customers for certain products. Additionally, we accrue for known warranty and indemnification issues if a loss is probable and can be reasonably estimated. During periods prior to fiscal year 2013, we recorded a cumulative net charge of $475.9 million , most of which was charged against cost of revenue, to cover customer warranty, repair, return, replacement and other costs arising from a weak die/packaging material set in certain versions of our previous generation MCP and GPU products used in notebook configurations. During fiscal year 2014, we released the remaining $7.8 million unclaimed balance of that warranty accrual.

The estimated product returns and estimated product warranty liabilities for fiscal years 2015 , 2014 and 2013 are as follows:

	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Balance at beginning of period (1)	$ 7,571	$ 14,874	$ 18,406
Additions	5,441	6,786	5,738
Deductions (2)	(5,489)	(14,089)	(9,270)
Balance at end of period	$ 7,523	$ 7,571	$ 14,874

(1) Includes a balance of $9.6 million and $13.2 million for fiscal years 2014 and 2013 , respectively, for the remaining amount of the warranty accrual associated with incremental repair and replacement costs from a weak die/packaging material set, which we recorded prior to fiscal year 2013.

(2) Includes $1.8 million and $3.0 million for fiscal years 2014 and 2013 , respectively, in payments related to weak die/packaging set warranty accrual recorded prior to fiscal year 2013, and $7.8 million related to the release of the final unclaimed portion of that accrual during fiscal year 2014.

In connection with certain agreements that we have executed in the past, we have at times provided indemnities to cover the indemnified party for matters such as tax, product and employee liabilities. We have also on occasion 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. As such, we have not recorded any liability in our Consolidated Financial Statements for such indemnifications.

Note 11 - Long-Term Debt

1.00 % Convertible Senior Notes Due 2018

On December 2, 2013, we issued $1.50 billion of the Notes. The Notes are unsecured, unsubordinated obligations of the Company, which pay interest in cash semi-annually at a rate of 1.00% per annum. The Notes will mature on December 1, 2018 unless earlier repurchased or converted in accordance with their terms prior to such date. The Notes may be converted, under the conditions specified below, based on an initial conversion rate of 49.60 shares of common stock per $1,000 principal amount of Notes (equivalent to an initial conversion price of $20.16 per share of common stock), subject to adjustment as described in the indenture governing the Notes.

Holders may convert their notes at their option at any time prior to August 1, 2018 only under the following circumstances: (1) during any fiscal quarter commencing after the fiscal quarter ended on April 27, 2014 (and only during such fiscal quarter), if the last reported sale price of the common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; or (3) upon the occurrence of specified corporate events. On or after August 1, 2018 to the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their notes regardless of the foregoing conditions. Upon conversion, we will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, in respect of the remainder, if any, of our conversion obligation in excess of the aggregate principal amount of the notes being converted.

As of January 25, 2015 , none of the conditions allowing holders of the Notes to convert had been met. The determination of whether or not the Notes are convertible must be performed quarterly. If the Notes become convertible at the option of the holder, the difference between the principal amount and the carrying value of the Notes would be reflected as convertible debt in the mezzanine equity section on our Consolidated Balance Sheets.

In accordance with ASC 470-20 *Debt with Conversion and Other Options* , all cash-settled convertible debt should be separated into debt and equity components at issuance and be assigned a fair value. The value assigned to the debt component is the estimated fair value, as of the issuance date, of a similar debt without the conversion feature. The difference between the net cash proceeds and this estimated fair value, represents the value assigned to the equity component and is recorded as a debt discount. The debt discount is amortized using the effective interest method from the origination date through its stated contractual maturity date.

The initial debt component of the Notes was valued at $1,351.8 million based on the contractual cash flows discounted at an appropriate market rate for a non-convertible debt at the date of issuance, which was determined to be 3.15% . The carrying value of the permanent equity component reported in additional paid-in-capital was valued at $125.7 million and recorded as a debt discount. This amount, together with the $22.5 million purchaser's discount to the par value of the Notes represents the total unamortized debt discount of $148.2 million we recorded at the time of issuance of the Notes. The aggregate debt discount is amortized as interest expense over the contractual term of the Notes using the effective interest method using an interest rate of 3.15% .

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The following table presents the carrying amounts of the liability and equity components:

	January 25, 2015	January 26, 2014
	(In thousands)	
Amount of the equity component	$ 125,725	$ 125,725
1.00% convertible senior notes due 2018	$ 1,500,000	$ 1,500,000
Unamortized debt discount (1)	(115,658)	(143,625)
Net carrying amount	$ 1,384,342	$ 1,356,375

(1) As of January 25, 2015 , the remaining period over which the unamortized debt discount will be amortized is 3.9 years.

The following table presents the interest expense for the contractual interest and the accretion of debt discount:

	Year Ended	
	January 25, 2015	January 26, 2014
	(In thousands)	
Contractual coupon interest expense	$ 15,000	$ 2,500
Amortization of debt discount	27,967	4,600
Amortization of debt issuance costs	195	34
Total interest expense related to Notes	$ 43,162	$ 7,134

Note Hedges and Warrants

The net proceeds from the Notes were approximately $1,477.5 million after payment of the initial purchaser's discount. Concurrently with the offering of the Notes, we entered into the Note Hedges with a strike price equal to the initial conversion price of the Notes, or approximately $20.16 per share. The Note Hedges allow us to receive shares of our common stock and/or cash related to the excess conversion value that we would pay to the holders of the Notes upon conversion. We paid $167.1 million for the Note Hedges.

In addition, concurrent with the offering of the Notes and the purchase of the Note Hedges, we entered into a separate warrant transaction, or the Warrants, with a strike price to the holders of the Warrants of $27.14 per share. The Warrants are net share settled and cover, subject to customary antidilution adjustments, 74.4 million shares of our common stock. We received $59.1 million for the Warrants transaction.

The $108.0 million net cost of the Note Hedges offset by the proceeds from the Warrants was included as a net reduction to additional paid-in capital in the shareholders’ equity section of our consolidated balance sheets, in accordance with the guidance in ASC 815-40 *Derivatives and Hedging-Contracts in Entity's Own Equity*.

Note 12 - Commitments and Contingencies

Inventory Purchase Obligations

At January 25, 2015 , we had outstanding inventory purchase obligations totaling $456.0 million .

Capital Purchase Obligations

At January 25, 2015 , we had outstanding capital purchase obligations totaling $51.0 million .

Lease Obligations

Our headquarters complex is located in Santa Clara, California and includes eight buildings that are leased properties. Future minimum lease payments related to headquarters operating leases total $73.1 million over the remaining terms of the leases, including predetermined rent escalations, and are included in the future minimum lease payment schedule below.

In addition to the commitment of our headquarters, we have other domestic and international office facilities under operating leases expiring through fiscal year 2025. We also include non-cancelable obligations under certain software licensing arrangements as operating leases.

Future minimum lease payments under our non-cancelable operating leases as of January 25, 2015 , are as follows:

	Future Minimum Lease Obligations
	(In thousands)
Fiscal Year:	
2016	$ 76,741
2017	66,242
2018	34,070
2019	26,793
2020	9,988
2021 and thereafter	27,477
Total	$ 241,311

Rent expense for the years ended January 25, 2015 , January 26, 2014 and January 27, 2013 was $47.3 million , $43.8 million and $38.4 million , respectively.

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Capital lease obligations include building and office equipment lease obligations. The building lease relates to our datacenter in Santa Clara, California. Future minimum lease payments under the building capital lease total $20.9 million over the remaining lease term, including predetermined rent escalations, and are included in the future minimum lease payment schedule below:

	Future Capital Lease Obligations
	(In thousands)
Fiscal Year:	
2016	$ 5,303
2017	5,453
2018	5,607
2019	5,767
2020	26
2021 and thereafter	—
Total	$ 22,156
Present value of minimum lease payments	$ 17,500
Current portion	$ 3,414
Long-term portion	$ 14,086

Litigation

3dfx

On December 15, 2000, NVIDIA and one of our indirect subsidiaries entered into an Asset Purchase Agreement, or APA, to purchase certain graphics chip assets from 3dfx. The transaction closed on April 18, 2001. In October 2002, 3dfx filed for bankruptcy.

Following the bankruptcy, in March 2003, the Trustee appointed by the Bankruptcy Court to represent 3dfx's bankruptcy estate served a complaint on NVIDIA asserting claims for, among other things, successor liability and fraudulent transfer and seeking additional payments from us. The Trustee's fraudulent transfer theory alleged that NVIDIA had failed to pay reasonably equivalent value for 3dfx's assets, and sought recovery of the difference between the $70.0 million paid and the alleged fair value, which difference the Trustee estimated to exceed $50.0 million . The Trustee's successor liability theory alleged NVIDIA was effectively 3dfx's legal successor and therefore was responsible for all of 3dfx's unpaid liabilities.

In early November 2005, after several months of mediation, NVIDIA and the Official Committee of Unsecured Creditors, or the Creditors' Committee, agreed to a Plan of Liquidation of 3dfx, which included a conditional settlement of the Trustee's claims against us. This conditional settlement was subject to a confirmation process through a vote of creditors and the review and approval of the Bankruptcy Court. The conditional settlement never progressed substantially through the confirmation process.

In March 2007, a trial was held regarding certain valuation issues in the Trustee's constructive fraudulent transfer claims against NVIDIA. On April 30, 2008, the Bankruptcy Court issued its Memorandum Decision After Trial, in which it provided a detailed summary of the trial proceedings and the parties' contentions and evidence and concluded that “the creditors of 3dfx were not injured by the Transaction.” This decision did not entirely dispose of the Trustee's action, however, as the Trustee's claims for successor liability and intentional fraudulent conveyance were still pending. On June 19, 2008, NVIDIA filed a motion for summary judgment to convert the Memorandum Decision After Trial to a final judgment. That motion was granted in its entirety and judgment was entered in NVIDIA's favor on September 11, 2008. The Trustee filed a Notice of Appeal from that judgment on September 22, 2008, and on September 25, 2008, NVIDIA exercised its election to have the appeal heard by the United States District Court.

On December 20, 2010, the District Court issued an Order affirming the Bankruptcy Court's entry of summary judgment in NVIDIA's favor, and on January 19, 2011, the Trustee filed a Notice of Appeal to the United States Court of Appeals for the Ninth Circuit. Oral argument on the appeal was held on October 8, 2014. On November 6, 2014, the Ninth Circuit affirmed the District Court’s decision upholding the ruling of the Bankruptcy Court and the case concluded on February 5, 2015.

Securities Cases

In September 2008, three putative securities class actions were filed in the United States District Court for the Northern District of California arising out of our announcements on July 2, 2008, that we would take a charge against cost of revenue to cover anticipated costs and expenses arising from a weak die/packaging material set in certain versions of our previous generation MCP and GPU products and that we were revising financial guidance for our second quarter of fiscal year 2009. The actions purport to be brought on behalf of purchasers of NVIDIA stock and assert claims for violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended.

On January 22, 2010, Plaintiffs filed a Consolidated Amended Class Action Complaint, asserting claims for violations of Section 10(b), Rule 10b-5, and Section 20(a) of the Securities Exchange Act and seeking unspecified compensatory damages. We moved to dismiss the consolidated complaint and on October 19, 2010, Judge Seeborg granted our motion with leave to amend. On December 2, 2010, Plaintiffs filed a Second Consolidated Amended Complaint. We again moved to dismiss and on October 12, 2011, Judge Seeborg again granted our motion to dismiss, this time denying Plaintiffs leave to amend. On November 8, 2011, Plaintiffs filed a Notice of Appeal to the Ninth Circuit. Oral argument was held on January 14, 2014. On October 2, 2014, the Ninth Circuit issued an order affirming the dismissal. On October 16, 2014, Plaintiffs requested a rehearing or en banc review of the Ninth Circuit's opinion affirming the dismissal. Plaintiffs' request was denied on November 10, 2014. On February 9, 2015, Plaintiffs filed a petition for writ of certiorari to the United States Supreme Court.

Patent Infringement Cases

On September 4, 2014, NVIDIA filed complaints against Qualcomm, Inc., or Qualcomm, and various Samsung entities with both the United States International Trade Commission, or ITC, and the United States District Court for the District of Delaware for alleged infringement of seven patents relating to graphics processing. In the ITC action, NVIDIA seeks to block shipments of Samsung Galaxy mobile phones and tablets containing Qualcomm's Adreno, ARM's Mali or Imagination's PowerVR graphics architectures. On October 6, 2014, the ITC initiated an investigation of NVIDIA's claim and the investigation is currently underway. On February 2 and 3, 2015, the court conducted a claim construction hearing on certain claim language from five of the patents at issue. A decision on claim construction is expected in March 2015.

In the Delaware action, NVIDIA seeks unspecified damages for Samsung and Qualcomm's alleged patent infringement. On October 22, 2014, Samsung and Qualcomm moved to stay the Delaware proceedings in light of the pending ITC action. The court granted the motion to stay on October 23, 2014.

On November 10, 2014, Samsung filed a complaint against NVIDIA and Velocity Micro, Inc., in the United States District Court for the Eastern District of Virginia, alleging that NVIDIA infringed six patents and falsely advertised that the Tegra K1 processor is the world's fastest mobile processor. On December 19, 2014, Samsung filed an amended, longer complaint but asserting the same claims against NVIDIA. Samsung seeks unspecified damages and an injunction prohibiting NVIDIA from any future violations. NVIDIA answered the amended complaint on January 26, 2015 and filed an amended answer on March 3, 2015. On January 12, 2015, NVIDIA moved to transfer the action to the Northern District of California and to sever and stay the proceedings against Velocity Micro, Inc. Briefing on the motion to transfer is now complete and submitted to the court for decision.

Accounting for Loss Contingencies

While there can be no assurance of favorable outcomes, we believe the claims made by other parties in the above ongoing matters are without merit and we intend to vigorously defend the actions. As of January 25, 2015, we have not recorded any accrual for contingent liabilities associated with the legal proceedings described above based on our belief that liabilities, while possible, are not probable. Further, any possible range of loss in these matters cannot be reasonably estimated at this time. We are engaged in other legal actions not described above arising in the ordinary course of its 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.

Note 13 - Income Taxes

The income tax expense applicable to income before income taxes consists of the following:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Current income taxes:			
Federal	$ 7,995	$ 7,896	$ 7,506
State	818	1,234	1,016
Foreign	17,356	18,513	16,766
Total current	26,169	27,643	25,288
Deferred taxes:			
Federal	83,827	17,070	28,143
State	—	—	—
Foreign	(1,258)	(1,640)	3,717
Total deferred	82,569	15,430	31,860
Charge in lieu of taxes attributable to employer stock option plans	15,511	27,191	42,355
Income tax expense	$ 124,249	$ 70,264	$ 99,503

Income before income tax consists of the following:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Domestic	$ 173,865	$ 79,136	$ 99,422
Foreign	580,971	431,118	562,617
Income before income tax	$ 754,836	$ 510,254	$ 662,039

The income tax expense differs from the amount computed by applying the federal statutory income tax rate of 35% to income before income taxes as follows:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Tax expense computed at federal statutory rate	$ 264,192	$ 178,589	$ 231,714
State income taxes, net of federal tax effect	681	1,608	1,048
Foreign tax rate differential	(119,786)	(93,831)	(123,626)
U.S. federal R&D tax credit	(34,319)	(30,155)	(29,294)
Stock-based compensation	4,332	8,900	11,876
Tax expense related to intercompany transaction	9,785	9,785	9,785
Other	(636)	(4,632)	(2,000)
Income tax expense	$ 124,249	$ 70,264	$ 99,503

The tax effect of temporary differences that gives rise to significant portions of the deferred tax assets and liabilities are presented below:

	January 25, 2015	January 26, 2014
	(In thousands)	
Deferred tax assets:		
Net operating loss carryforwards	$ 72,322	$ 81,629
Accruals and reserves, not currently deductible for tax purposes	109,123	131,932
Property, equipment and intangible assets	45,593	48,358
Research and other tax credit carryforwards	350,655	306,975
Stock-based compensation	29,850	33,135
Convertible debt	12,327	14,885
Gross deferred tax assets	619,870	616,914
Less valuation allowance	(260,985)	(244,487)
Total deferred tax assets	358,885	372,427
Deferred tax liabilities:		
Acquired intangibles	(24,463)	(33,244)
Unremitted earnings of foreign subsidiaries	(500,031)	(425,401)
Gross deferred tax liabilities	(524,494)	(458,645)
Net deferred tax liability	$ (165,609)	$ (86,218)

We recognized income tax expense of $124.2 million , $70.3 million and $99.5 million during fiscal years 2015, 2014 and 2013, respectively. Income tax expense as a percentage of income before taxes, or our annual effective tax rate, was 16.5% in fiscal year 2015, 13.8% in fiscal year 2014 and 15.0% in fiscal year 2013. The difference in the effective tax rates amongst the three years was primarily due to an increase in the amount of earnings subject to United States tax in fiscal year 2015 and a higher percentage of research tax credit benefit in fiscal year 2014.

Our effective tax rate on income before tax for the fiscal years was lower than the United States federal statutory rate of 35% due to income earned in jurisdictions, including British Virgin Islands, Hong Kong, China, Taiwan and United Kingdom, where the tax rate is lower, favorable recognition of the U.S. federal research tax credit and release of tax reserves as a result of the expiration of statutes of limitations in certain non-U.S. jurisdictions for which we had not previously recognized related tax benefits.

As of January 25, 2015 and January 26, 2014 we had a valuation allowance of $261.0 million and $244.5 million , respectively, related to state and certain foreign deferred tax assets that management determined not likely to be realized due, in part, to projections of future taxable income. To the extent realization of the deferred tax assets becomes more-likely-than-not, we would recognize such deferred tax asset as an income tax benefit during the period.

Our deferred tax assets do not include the excess tax benefit related to stock-based compensation that are a component of our federal and state net operating loss and research tax credit carryforwards in the amount of $411.9 million as of January 25, 2015. Consistent with prior years, the excess tax benefit reflected in our net operating loss and research tax credit carryforwards will be accounted for as a credit to shareholders' equity, if and when realized.

NVIDIA CORPORATION AND SUBSIDIARIES
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As of January 25, 2015, we had federal, state and foreign net operating loss carryforwards of $521.5 million , $667.2 million and $332.6 million , respectively. The federal and state carryforwards will expire beginning in fiscal year 2022 and 2016, respectively. The foreign net operating loss carryforwards of $316.7 million may be carried forward indefinitely and the remainder of $15.9 million will begin to expire in fiscal year 2016. As of January 25, 2015, we had federal research tax credit carryforwards of $429.6 million that will begin to expire in fiscal year 2018. We have state research tax credit carryforwards of $411.7 million , of which $395.9 million is attributable to the State of California and may be carried over indefinitely, and $15.8 million is attributable to various other states and will expire beginning in fiscal year 2016. We have other state tax credit carryforwards of $3.0 million that will expire in fiscal year 2026 and foreign tax credit carryforwards of $18.4 million , which may be refunded in fiscal years 2016 through 2019 if not utilized. Our tax attributes, net operating loss and tax credit carryforwards, remain subject to audit and may be adjusted for changes or modification in tax laws, other authoritative interpretations thereof, or other facts and circumstances. Utilization of federal, state, and foreign net operating losses and tax credit carryforwards may also be subject to limitations due to ownership changes and other limitations provided by the Internal Revenue Code and similar state and foreign tax provisions. If any such limitations apply, the federal, states, or foreign net operating loss and tax credit carryforwards, as applicable, may expire or be denied before utilization.

As of January 25, 2015, U.S. federal and state income taxes have not been provided on approximately $2.27 billion of undistributed earnings of non-United States subsidiaries as such earnings are considered to be indefinitely reinvested. We have not provided the amount of unrecognized deferred tax liabilities for temporary differences related to investments in our foreign subsidiaries as the determination of such amount is not practicable.

As of January 25, 2015, we had $253.7 million of gross unrecognized tax benefits, of which $228.7 million would affect our effective tax rate if recognized. However, approximately $45.3 million of the unrecognized tax benefits were related to state income tax positions taken, that, if recognized, would be in the form of a carryforward deferred tax asset that would likely attract a full valuation allowance. The $228.7 million of unrecognized tax benefits as of January 25, 2015 consisted of $106.6 million recorded in non-current income taxes payable and $122.1 million reflected as a reduction to the related deferred tax assets.

A reconciliation of gross unrecognized tax benefits is as follows:

	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Balance at beginning of period	$ 237,738	$ 220,543	$ 138,262
Increases in tax positions for prior years	—	—	18,800
Decreases in tax positions for prior years	(871)	(714)	(304)
Increases in tax positions for current year	22,865	22,787	67,764
Lapse in statute of limitations	(5,997)	(4,878)	(3,979)
Balance at end of period	$ 253,735	$ 237,738	$ 220,543

We classify an unrecognized tax benefit as a current liability, or as a reduction of the deferred tax assets or amount refundable, to the extent that we anticipate payment or receipt of cash for income taxes within one year. Likewise, the amount is classified as a long-term liability, reduction of long-term deferred tax assets or amount refundable, if we anticipate payment or receipt of cash for income taxes during a period beyond a year.

Our policy is to include interest and penalties related to unrecognized tax benefits as a component of income tax expense. As of January 25, 2015, January 26, 2014, and January 27, 2013, we had accrued $14.4 million , $12.9 million and $11.3 million , respectively, for the payment of interest and penalties related to unrecognized tax benefits, which is not included as a component of our unrecognized tax benefits. As of January 25, 2015, non-current income taxes payable of $121.0 million consisted of unrecognized tax benefits of $106.6 million and the related interest and penalties of $14.4 million.

While we believe that we have adequately provided for all tax positions, 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. As of January 25, 2015, we do not believe that our estimates, as otherwise provided for, on such tax positions will significantly increase or decrease within the next twelve months.

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We are subject to taxation by a number of taxing authorities both in the United States and throughout the world. As of January 25, 2015, the material tax jurisdictions that may be subject to examination include the United States, Taiwan, Canada, China, Germany, Hong Kong, France, Japan, and India for fiscal years 2003 through 2014. As of January 25, 2015, the material tax jurisdictions for which we are currently under examination include the state of California for fiscal years 2011 through 2012, and India, France and Germany for fiscal years 2003 through 2014.

Note 14 - Shareholders' Equity

Share Repurchase Program

Beginning August 2004, our Board of Directors authorized us, subject to certain specifications, to repurchase shares of our common stock. Most recently, in November 2013, the Board extended the previously authorized repurchase program through January 2016 and authorized an additional $1.00 billion for an aggregate of $3.70 billion under the repurchase program.

During fiscal year 2015, we repurchased a total of 44.4 million shares of our common stock for $813.6 million and paid $186.5 million in cash dividends - equivalent to $0.085 per share on a quarterly basis, or $0.34 per share on an annual basis - to our common shareholders. As a result, we returned $1.0 billion to shareholders during fiscal year 2015 in the form of share repurchases and dividend payments.

Through the end of fiscal year 2015, we have repurchased an aggregate of 205.6 million shares under our share repurchase program for a total cost of $3,265.2 million . All shares delivered from these repurchases have been placed into treasury stock. As of January 25, 2015, we are authorized, subject to certain specifications, to repurchase shares of our common stock up to $434.8 million through January 2016.

On November 6, 2014, we announced our intention to return approximately $600.0 million to our shareholders in fiscal year 2016 through a combination of share repurchases and cash dividends. On February 11, 2015, we declared that we would pay our next quarterly cash dividend of $0.085 per share on March 19, 2015, to all shareholders of record on February 26, 2015.

In addition to our Board authorized share repurchases, we withhold common stock shares associated with net share settlements to cover tax withholding obligations upon the vesting of RSU and PSU awards under our equity incentive program. During fiscal year 2015, we withheld approximately 2.3 million shares at a total cost of $43.7 million through net share settlements. Please refer to Note 2 of these Notes to the Consolidated Financial Statements for further information regarding stock-based compensation related to equity awards granted under our equity incentive programs.

Convertible Preferred Stock

As of January 25, 2015 and January 26, 2014 , there were no shares of preferred stock outstanding.

Note 15 - Employee Retirement Plans

We have a 401(k) Retirement Plan covering substantially all of our United States employees. Under the plan, participating employees may defer up to 100% of their pre-tax earnings, subject to the Internal Revenue Service annual contribution limits. Effective January 2013, we began matching a portion of the employee contributions. Our contribution expense in fiscal years 2015 and 2014 was $5.8 million and $5.1 million , respectively. We also have defined contribution retirement plans outside of the United States to which we contributed $19.7 million , $16.2 million and $16.7 million for fiscal years 2015, 2014 and 2013, respectively.

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Note 16 - Segment Information

Our Chief Executive Officer, who is considered to be our chief operating decision maker, or CODM, reviews financial information presented on an operating segment basis for purposes of making operating decisions and assessing financial performance. Our operating segments are equivalent to our reportable segments.

We report our business in two primary reporting segments - the GPU business and the Tegra Processor business - based on a single underlying graphics architecture.

Our GPU product brands aimed at specialized markets include GeForce for gamers; Quadro for designers; Tesla for researchers, deep learning and big-data analysts; and GRID for cloud-based visual computing users.

We also integrate our GPUs into tiny mobile chips called system-on-a-chip (SOC) processors, which power tablets, and automotive infotainment and safety systems. Our Tegra brand integrates an entire computer onto a single chip, incorporating GPUs and multi-core CPUs with audio, video and input/output capabilities. They can also be integrated with baseband processors to add voice and data communication. Tegra conserves power while delivering state-of-the-art graphics and multimedia processing.

We have a single unifying architecture for our GPU and Tegra Processors. This architecture unification leverages our visual computing expertise by charging the operating expenses of certain core engineering functions to the GPU business, while charging the Tegra Processor business for the incremental cost of the teams working directly for that business. In instances where the operating expenses of certain functions benefit both reporting segments, our CODM assigns 100% of those expenses to the reporting segment that benefits the most. The revenue and cost of revenue of the reporting segments was not affected, and comparative periods presented below reflect the impact of this change.

The “All Other” category presented below represents the revenue and expenses that our CODM does not assign to either the GPU business or the Tegra Processor business for purposes of making operating decisions or assessing financial performance. The revenue includes primarily patent licensing revenue and the expenses include corporate infrastructure and support costs, stock-based compensation costs, amortization of acquisition-related intangible assets, other acquisition-related costs, and other non-recurring charges and benefits that our CODM deems to be enterprise in nature.

NVIDIA CORPORATION AND SUBSIDIARIES
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(Continued)

Our CODM does not review any information regarding total assets on a reporting segment basis. Reporting segments do not record intersegment revenue, and, accordingly, there is none to be reported. The accounting policies for segment reporting are the same as for NVIDIA as a whole. The table below presents details of our reportable segments and the “All Other” category.

	GPU	Tegra Processor	All Other	Consolidated
		(In thousands)		
Year Ended January 25, 2015:				
Revenue	$ 3,838,906	$ 578,601	$ 264,000	$ 4,681,507
Depreciation and amortization expense	$ 116,683	$ 57,282	$ 46,160	$ 220,125
Operating income (loss)	$ 1,113,350	$ (254,435)	$ (99,926)	$ 758,989
Year Ended January 26, 2014:				
Revenue	$ 3,468,144	$ 398,018	$ 264,000	$ 4,130,162
Depreciation and amortization expense	$ 146,571	$ 49,839	$ 42,738	$ 239,148
Operating income (loss)	$ 834,763	$ (268,068)	$ (70,468)	$ 496,227
Year Ended January 27, 2013:				
Revenue	$ 3,251,712	$ 764,447	$ 264,000	$ 4,280,159
Depreciation and amortization expense	$ 143,262	$ 40,793	$ 42,180	$ 226,235
Operating income (loss)	$ 694,338	$ 40,508	$ (86,607)	$ 648,239

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
		(In thousands)	
Reconciling items included in "All Other" category:			
Revenue not allocated to reporting segments	$ 264,000	$ 264,000	$ 264,000
Unallocated corporate operating expenses and other expenses	(168,730)	(166,483)	(157,680)
Stock-based compensation	(157,841)	(136,295)	(136,662)
Acquisition-related costs, net	(37,355)	(31,652)	(36,138)
Other non-recurring expenses and benefits	—	(38)	(20,127)
Total	$ (99,926)	$ (70,468)	$ (86,607)

Revenue by geographic region is allocated to individual countries based on the location to which the products are initially billed even if our customers’ revenue is attributable to end customers that are located in a different location. The following tables summarize information pertaining to our revenue from customers based on invoicing address in different geographic regions:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Revenue:		(In thousands)	
Taiwan	$ 1,594,435	$ 1,321,503	$ 1,356,838
China	922,121	793,790	780,493
United States	790,614	726,830	799,430
Other Asia Pacific	637,029	675,339	783,573
Europe	368,921	295,160	263,488
Other Americas	368,387	317,540	296,337
Total revenue	$ 4,681,507	$ 4,130,162	$ 4,280,159

The following table presents summarized information for long-lived assets by geographic region. Long-lived assets consist of property and equipment and deposits and other assets, and exclude goodwill and intangible assets.

	January 25, 2015	January 26, 2014
Long-lived assets:	(In thousands)	
United States	$ 467,277	$ 522,461
Taiwan	52,176	51,993
Europe	51,521	50,677
India	48,544	31,456
China	28,073	29,313
Other Asia Pacific	587	1,092
Total long-lived assets	$ 648,178	$ 686,992

Revenue from significant customers, those representing 10% or more of total revenue for the respective dates, is summarized as follows:

	Year Ended		
	January 25, 2015	January 26, 2014	January 27, 2013
Revenue:			
Customer A	11%	11%	13%
Customer B	9%	10%	9%

Revenue from customer A was attributable to both the GPU and Tegra Processor businesses, while revenue from customer B was attributable to the GPU business.

Accounts receivable from significant customers, those representing 10% or more of total accounts receivable for the respective periods, is summarized as follows:

	January 25, 2015	January 26, 2014
Accounts Receivable:		
Customer B	20%	23%
Customer C	10%	9%

Note 17 - Quarterly Summary (Unaudited)

The following table sets forth our unaudited consolidated financial results, for the last eight fiscal quarters:

	Fiscal Year 2015 Quarters Ended			
	January 25, 2015	October 26, 2014	July 27, 2014	April 27, 2014
	(In thousands, except per share data)			
Statement of Income Data:				
Revenue	$ 1,250,514	$ 1,225,382	$ 1,102,824	$ 1,102,787
Cost of revenue	$ 550,911	$ 548,684	$ 483,850	$ 498,585
Gross profit	$ 699,603	$ 676,698	$ 618,974	$ 604,202
Net income	$ 193,128	$ 172,967	$ 127,976	$ 136,516
Net income per share:				
Basic	$ 0.35	$ 0.32	$ 0.23	$ 0.24
Diluted	$ 0.35	$ 0.31	$ 0.22	$ 0.24

	Fiscal Year 2014 Quarters Ended			
	January 26, 2014	October 27, 2013	July 28, 2013	April 28, 2013
	(In thousands, except per share data)			
Statement of Income Data:				
Revenue	$ 1,144,218	$ 1,053,967	$ 977,238	$ 954,739
Cost of revenue	$ 524,976	$ 469,552	$ 431,700	$ 436,171
Gross profit	$ 619,242	$ 584,415	$ 545,538	$ 518,568
Net income	$ 146,917	$ 118,734	$ 96,448	$ 77,891
Net income per share:				
Basic	$ 0.26	$ 0.20	$ 0.16	$ 0.13
Diluted	$ 0.25	$ 0.20	$ 0.16	$ 0.13

NVIDIA CORPORATION AND SUBSIDIARIES
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

Description	Balance at Beginning of Period	Additions		Deductions		Balance at End of Period
		(In thousands)				
Year ended January 25, 2015						
Allowance for doubtful accounts	$ 848	$ 2,837	(1)	$ (793)	(1)	$ 2,892
Sales return allowance	$ 14,111	$ 12,427	(2)	$ (12,447)	(4)	$ 14,091
Deferred tax valuation allowance	$ 244,487	$ 16,498	(3)	$ —		$ 260,985
Year ended January 26, 2014						
Allowance for doubtful accounts	$ 1,804	$ 309	(1)	$ (1,265)	(1)	$ 848
Sales return allowance	$ 14,790	$ 15,881	(2)	$ (16,560)	(4)	$ 14,111
Deferred tax valuation allowance	$ 224,774	$ 19,713	(3)	$ —		$ 244,487
Year ended January 27, 2013						
Allowance for doubtful accounts	$ 973	$ 1,139	(1)	$ (308)	(1)	$ 1,804
Sales return allowance	$ 13,881	$ 16,533	(2)	$ (15,624)	(4)	$ 14,790
Deferred tax valuation allowance	$ 212,285	$ 12,489	(3)	$ —		$ 224,774

(1) Additions represent allowance for doubtful accounts charged to expense and deductions represent amounts recorded as reduction to expense upon reassessment of allowance for doubtful accounts at period end.

(2) Represents allowance for sales returns estimated at the time revenue is recognized primarily based on historical return rates and is charged as a reduction to revenue.

(3) Represents change in valuation allowance primarily related to state and certain foreign deferred tax assets that management has determined not likely to be realized due, in part, to projections of future taxable income of the respective jurisdictions.

(4) Represents allowance for sales returns written off.

EXHIBIT INDEX

		Incorporated by Reference			
Exhibit No.	**Exhibit Description**	**Schedule/Form**	**File Number**	**Exhibit**	**Filing Date**
3.1	Amended and Restated Certificate of Incorporation	S-8	333-74905	4.1	3/23/1999
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation	10-Q	0-23985	3.1	8/21/2008
3.3	Certificate of Amendment of Amended and Restated Certificate of Incorporation	8-K	0-23985	3.1	5/24/2011
3.4	Bylaws of NVIDIA Corporation, Amended and Restated as of November 11, 2013	8-K	0-23985	3.1	11/14/2013
4.1	Reference is made to Exhibits 3.1, 3.2, 3.3 and 3.4				
4.2	Specimen Stock Certificate	S-1/A	333-47495	4.2	4/24/1998
4.3	Indenture (including the form of Notes) dated December 2, 2013 between NVIDIA Corporation and Wells Fargo Bank, National Association	8-K	0-23985	4.1	12/2/2013
4.4	Form of 1.00% Convertible Senior Note due 2018 (included in Exhibit 4.3)	8-K	0-23985	4.2	12/2/2013
10.1	Form of Indemnity Agreement between NVIDIA Corporation and each of its directors and officers	8-K	0-23985	10.1	3/7/2006
10.2+	1998 Equity Incentive Plan, as amended	8-K	0-23985	10.2	3/13/2006
10.3+	1998 Equity Incentive Plan ISO, as amended	10-Q	0-23985	10.5	11/22/2004
10.4+	1998 Equity Incentive Plan NSO, as amended	10-Q	0-23985	10.6	11/22/2004
10.5+	Certificate of Stock Option Grant	10-Q	0-23985	10.7	11/22/2004
10.6+	PortalPlayer, Inc. 1999 Stock Option Plan and Form of Agreements thereunder	S-8	333-140021	99.1	1/16/2007
10.7+	PortalPlayer, Inc. Amended and Restated 2004 Stock Incentive Plan	S-8	333-140021	99.2	1/16/2007
10.8+	Amended and Restated 2007 Equity Incentive Plan	10-Q	0-23985	10.1	8/20/2014
10.9+	2007 Equity Incentive Plan - Non Statutory Stock Option (Annual Grant - Board Service (2007))	10-Q	0-23985	10.2	8/22/2007
10.10+	2007 Equity Incentive Plan - Non Statutory Stock Option (Annual Grant - Committee Service (2007))	10-Q	0-23985	10.3	8/22/2007
10.11+	2007 Equity Incentive Plan - Non Statutory Stock Option (Initial Grant - Board Service (2007))	10-Q	0-23985	10.4	8/22/2007
10.12+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Annual Grant - Board Service (2009))	10-Q	0-23985	10.1	8/20/2009
10.13+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Annual Grant - Board Service (2011))	10-Q	0-23985	10.41	5/27/2011
10.14+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Initial Grant - Board Service (2011))	8-K	0-23985	10.1	12/14/2011
10.15+	Amended and Restated 2007 Equity Incentive Plan - Non-Employee Director Stock Option Grant (2012 Annual Board Retainer)	10-Q	0-23985	10.4	5/23/2012
10.16+	2007 Equity Incentive Plan - Non Statutory Stock Option	8-K	0-23985	10.2	9/13/2010

10.17+	2007 Equity Incentive Plan - Incentive Stock Option	8-K	0-23985	10.21	9/13/2010
10.18+	Amended and Restated 2007 Equity Incentive Plan - Non Statutory Stock Option	10-Q	0-23985	10.1	8/22/2012
10.19+	Amended and Restated 2007 Equity Incentive Plan - Incentive Stock Option	10-Q	0-23985	10.2	8/22/2012
10.20+	2007 Equity Incentive Plan - Restricted Stock Unit Grant Notice and Restricted Stock Unit Purchase Agreement	10-Q	0-23985	10.22	12/7/2010
10.21+	Amended and Restated 2007 Equity Incentive Plan - Restricted Stock Unit Grant Notice and Restricted Stock Unit Purchase Agreement	10-Q	0-23985	10.3	8/22/2012
10.22+	Amended and Restated 2007 Equity Incentive Plan - Non-Employee Director Restricted Stock Unit (without deferral option)	10-Q	0-23985	10.2	5/23/2012
10.23+	Amended and Restated 2007 Equity Incentive Plan - Non-Employee Director Restricted Stock Unit (with deferral option)	10-Q	0-23985	10.3	5/23/2012
10.24+	Amended and Restated 2007 Equity Incentive Plan - Non Statutory Stock Option (Initial Grant - Board Service)	8-K	0-23985	10.1	7/23/2013
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10.27+*	Amended and Restated 2007 Equity Incentive Plan - Non-Employee Director Restricted Stock Unit Grant Notice and Restricted Stock Unit Agreement (2016)				
10.28+	Amended and Restated 2012 Employee Stock Purchase Plan	10-Q	0-23985	10.2	8/20/2014
10.29+	Fiscal Year 2015 Variable Compensation Plan	8-K	0-23985	10.1	4/15/2014
10.30+	Fiscal Year 2014 Variable Compensation Plan	8-K	0-23985	10.1	4/2/2013
10.31+	Offer Letter between NVIDIA Corporation and Colette Kress, dated September 13, 2013	8-K	0-23985	10.1	9/16/2013
10.32	Lease dated April 4, 2000 between NVIDIA Corporation and Sobrato Interests III for Building A	S-3/A	333-33560	10.1	4/20/2000
10.33	Lease dated April 4, 2000 between NVIDIA Corporation and Sobrato Interests III for Building B	S-3/A	333-33560	10.2	4/20/2000
10.34	Lease dated April 4, 2000 between NVIDIA Corporation and Sobrato Interests III for Building C	S-3/A	333-33560	10.3	4/20/2000
10.35	Lease dated April 4, 2000 between NVIDIA Corporation and Sobrato Interests III for Building D	S-3/A	333-33560	10.4	4/20/2000
10.36	Memory Controller Patent License Agreement Between Rambus Inc. and NVIDIA Corporation, dated August 12, 2010	10-Q	0-23985	10.32	12/7/2010
10.37	Second Amendment to Lease, dated August 18, 2010 between NVIDIA Corporation and Sobrato Interests III for Building A	10-Q	0-23985	10.33	12/7/2010

10.38	Third Amendment to Lease, dated August 18, 2010, between NVIDIA Corporation and Sobrato Interests III for Building B	10-Q	0-23985	10.34	12/7/2010
10.39	Third Amendment to Lease, dated August 18, 2010, between NVIDIA Corporation and Sobrato Interests III for Building C	10-Q	0-23985	10.35	12/7/2010
10.40	Second Amendment to Lease, dated August 18, 2010, between NVIDIA Corporation and Sobrato Interests III for Building D	10-Q	0-23985	10.36	12/7/2010
10.41	Patent Cross License Agreement dated as of January 10, 2011, between NVIDIA Corporation and Intel Corporation	8-K	0-23985	10.1	1/10/2011
10.42	Master Confirmation and Supplemental Confirmation between NVIDIA Corporation and Goldman, Sachs & Co., dated May 14, 2013	10-Q	0-23985	10.3	5/22/2013
10.43	Supplemental Confirmation between NVIDIA Corporation and Goldman, Sachs & Co., dated February 14, 2014	10-Q	0-23985	10.1	5/21/2014
10.44	Base Convertible Note Hedge Transaction Confirmation	8-K	0-23985	99.1	12/2/2013
10.45	Base Warrant Transaction Confirmation	8-K	0-23985	99.2	12/2/2013
10.46	Additional Convertible Note Hedge Transaction Confirmation	8-K	0-23985	99.3	12/2/2013
10.47	Additional Warrant Transaction Confirmation	8-K	0-23985	99.4	12/2/2013
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101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document				

* Filed herewith.

\+ Management contract or compensatory plan or arrangement.

\# In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Annual Report on Form 10-K and will not be deemed “filed” for purpose of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

Copies of above exhibits not contained herein are available to any shareholder upon written request to:
Investor Relations: NVIDIA Corporation, 2701 San Tomas Expressway, Santa Clara, CA 95050

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 11, 2015 .

NVIDIA Corporation

By: /s/ Jen-Hsun Huang

Jen-Hsun Huang

President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jen-Hsun Huang and Colette M. Kress, and each or any one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-facts and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Table of Contents

Signature	Title	Date
/s/ JEN-HSUN HUANG Jen-Hsun Huang	President, Chief Executive Officer and Director (Principal Executive Officer)	**March 11, 2015**
/s/ COLETTE M. KRESS Colette M. Kress	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	**March 11, 2015**
/s/ MICHAEL J. BYRON Michael J. Byron	Vice President and Chief Accounting Officer (Principal Accounting Officer)	**March 11, 2015**
/s/ TENCH COXE Tench Coxe	Director	**March 11, 2015**
/s/ MARK STEVENS Mark Stevens	Director	**March 11, 2015**
/s/ JAMES C. GAITHER James C. Gaither	Director	**March 11, 2015**
/s/ HARVEY C. JONES Harvey C. Jones	Director	**March 9, 2015**
/s/ MARK L. PERRY Mark L. Perry	Director	**March 11, 2015**
/s/ WILLIAM J. MILLER William J. Miller	Director	**March 11, 2015**
/s/ A. BROOKE SEAWELL A. Brooke Seawell	Director	**March 11, 2015**
/s/ ROBERT BURGESS Robert Burgess	Director	**March 11, 2015**
/s/ DAWN HUDSON Dawn Hudson	Director	**March 11, 2015**
Michael McCaffery	Director	
Persis Drell	Director	

EXHIBIT INDEX

Exhibit No.	Exhibit Description	Incorporated by Reference			Filing Date
		Schedule/Form	File Number	Exhibit	
3.1	Amended and Restated Certificate of Incorporation	S-8	333-74905	4.1	3/23/1999
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation	10-Q	0-23985	3.1	8/21/2008
3.3	Certificate of Amendment of Amended and Restated Certificate of Incorporation	8-K	0-23985	3.1	5/24/2011
3.4	Bylaws of NVIDIA Corporation, Amended and Restated as of November 11, 2013	8-K	0-23985	3.1	11/14/2013
4.1	Reference is made to Exhibits 3.1, 3.2, 3.3 and 3.4				
4.2	Specimen Stock Certificate	S-1/A	333-47495	4.2	4/24/1998
4.3	Indenture (including the form of Notes) dated December 2, 2013 between NVIDIA Corporation and Wells Fargo Bank, National Association	8-K	0-23985	4.1	12/2/2013
4.4	Form of 1.00% Convertible Senior Note due 2018 (included in Exhibit 4.3)	8-K	0-23985	4.2	12/2/2013
10.1	Form of Indemnity Agreement between NVIDIA Corporation and each of its directors and officers	8-K	0-23985	10.1	3/7/2006
10.2+	1998 Equity Incentive Plan, as amended	8-K	0-23985	10.2	3/13/2006
10.3+	1998 Equity Incentive Plan ISO, as amended	10-Q	0-23985	10.5	11/22/2004
10.4+	1998 Equity Incentive Plan NSO, as amended	10-Q	0-23985	10.6	11/22/2004
10.5+	Certificate of Stock Option Grant	10-Q	0-23985	10.7	11/22/2004
10.6+	PortalPlayer, Inc. 1999 Stock Option Plan and Form of Agreements thereunder	S-8	333-140021	99.1	1/16/2007
10.7+	PortalPlayer, Inc. Amended and Restated 2004 Stock Incentive Plan	S-8	333-140021	99.2	1/16/2007
10.8+	Amended and Restated 2007 Equity Incentive Plan	10-Q	0-23985	10.1	8/20/2014
10.9+	2007 Equity Incentive Plan - Non Statutory Stock Option (Annual Grant - Board Service (2007))	10-Q	0-23985	10.2	8/22/2007
10.10+	2007 Equity Incentive Plan - Non Statutory Stock Option (Annual Grant - Committee Service (2007))	10-Q	0-23985	10.3	8/22/2007
10.11+	2007 Equity Incentive Plan - Non Statutory Stock Option (Initial Grant - Board Service (2007))	10-Q	0-23985	10.4	8/22/2007
10.12+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Annual Grant - Board Service (2009))	10-Q	0-23985	10.1	8/20/2009
10.13+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Annual Grant - Board Service (2011))	10-Q	0-23985	10.41	5/27/2011
10.14+	2007 Equity Incentive Plan - Non-Statutory Stock Option (Initial Grant - Board Service (2011))	8-K	0-23985	10.1	12/14/2011
10.15+	Amended and Restated 2007 Equity Incentive Plan - Non-Employee Director Stock Option Grant (2012 Annual Board Retainer)	10-Q	0-23985	10.4	5/23/2012

10.16+	2007 Equity Incentive Plan - Non Statutory Stock Option	8-K	0-23985	10.2	9/13/2010
10.17+	2007 Equity Incentive Plan - Incentive Stock Option	8-K	0-23985	10.21	9/13/2010
10.18+	Amended and Restated 2007 Equity Incentive Plan - Non Statutory Stock Option	10-Q	0-23985	10.1	8/22/2012
10.19+	Amended and Restated 2007 Equity Incentive Plan - Incentive Stock Option	10-Q	0-23985	10.2	8/22/2012
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* Filed herewith.

+ Management contract or compensatory plan or arrangement.

In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Annual Report on Form 10-K and will not be deemed “filed” for purpose of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

Copies of above exhibits not contained herein are available to any shareholder upon written request to:
Investor Relations: NVIDIA Corporation, 2701 San Tomas Expressway, Santa Clara, CA 95050

EXHIBIT 10.25

NVIDIA Corporation
Deferred Restricted Stock Unit Grant Notice
Amended & Restated 2007 Equity Incentive Plan

NVIDIA Corporation (the " ***Company*** "), pursuant to its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** "), hereby awards to Participant a Deferred Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the " ***Award*** "). The Award is subject to all of the terms and conditions as set forth in this Grant Notice, and in the Plan and the Deferred Restricted Stock Unit Agreement, the latter two being incorporated by reference herein. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Agreement will control. Capitalized terms not otherwise defined in this Deferred Restricted Stock Unit Grant Notice or the Deferred Restricted Stock Unit Agreement (collectively, the " ***Agreement*** ") will have the meanings set forth in the Plan.

Participant:
Date of Grant:
Vesting Commencement Date:
Number of RSUs/Shares Subject to Award:

Vesting Schedule : This Award will vest as to 50% of the Restricted Stock Units (" ***RSUs*** ") on the third Wednesday of November of the year of grant and as to the remaining 50% on the third Wednesday of May of the year following the year of grant, subject to Participant's Continuous Service through such vesting date. However, this Award will become fully vested prior to such date on the Participant's "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definitions therein, a " ***Separation from Service*** ") by reason of death. If the Award is not vested as of the Participant's Separation from Service for any other reason, it will immediately expire.

Issuance Schedule: Except as provided in Section 6 of the Agreement, the Company will issue and deliver one (1) share of Common Stock for each RSU that has vested under this Award on the earliest to occur of the following (such date, the " ***Settlement Date*** "):

- The third Wednesday in March, 20[___];
- The date of the Participant's Separation from Service as a Director, unless the Participant is a "Specified Employee" (as defined under Treasury Regulation Section 1.409A-1(i)) as of the date of the Separation from Service, in which case issuance will occur on the earlier of (i) the date of the Participant's death and (ii) the date that is 6 months and one day after the Separation from Service (as further described and interpreted under Section 20 of the Agreement); and
- A 409A Change in Control (as defined below).

409A Change in Control: A " ***409A Change in Control*** " will mean a transaction or series of transactions that results in a Change in Control of the Company that also constitutes a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

Additional Terms/Acknowledgments The undersigned Participant acknowledges receipt of, and understands and agrees to, the Agreement and the Plan. Participant further acknowledges that as of the Date of Grant (specified above), the Agreement sets forth the entire understanding between Participant and the Company regarding this Award, which is granted as a result of the Company's [_____] Compensation Program for Non-Employee Directors and pursuant to the Participant's [_____] Election Form thereunder, and supersede all prior oral and written agreements on that subject with the exception of the following agreements, if any:

OTHER AGREEMENTS: ______________

____

NVIDIA CORPORATION **PARTICIPANT:**

By: ______________ ___________

Signature Signature

Title: ______________ Date: ____________

Date: ______________

ATTACHMENTS: Deferred Restricted Stock Unit Agreement

Attachment I

NVIDIA Corporation
Amended & Restated 2007 Equity Incentive Plan

Deferred Restricted Stock Unit Agreement

Pursuant to the Deferred Restricted Stock Unit Grant Notice (" ***Grant Notice*** ") and this Deferred Restricted Stock Unit Agreement (collectively, the " ***Agreement*** "), NVIDIA Corporation (the " ***Company*** ") has awarded you a Restricted Stock Unit Award (the " ***Award*** ") under its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** ").

1. **Grant of the Award.** The Award represents the right to be issued on a future date one share of Common Stock for each Restricted Stock Unit that vests under this Award, subject to the terms and conditions provided in this Agreement and in the Plan. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the " ***Account*** ") the number of RSUs subject to the Award. Except as otherwise provided in this Agreement, you will not be required to make any payment to the Company (other than past and future services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the underlying Common Stock.

2. **Vesting.** Subject to the limitations contained in this Agreement, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service (subject to any acceleration provided for in the Agreement or the Plan). On the termination of your Continuous Service, the RSUs credited to the Account that were not vested on the date of such termination will be forfeited and returned to the Company at no cost to the Company and you will have no further right, title or interest in or to such RSUs or the underlying shares of Common Stock.

3. **Number of Shares.**

(a) The number of RSUs (and the related shares of Common Stock) subject to your Award will be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any RSUs, shares, cash or other property that becomes subject to the Award as a result of a Capitalization Adjustment, if any, will be subject to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other shares covered by your Award.

(c) No fractional shares or rights for fractional shares of Common Stock will be created by this Section 3. The Board will round down, to the nearest whole share or whole unit of rights, any fractional shares or rights for fractional shares.

4. **Securities Law Compliance.** You will not be issued any shares under your Award unless either (a) the shares are registered under the Securities Act; or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. **Limitations on Transfer.** Your Award is not transferable, except by will or by the laws of descent and distribution. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the shares of Common Stock subject to the Award until the shares are issued to you. After the shares have been issued to you, you are free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions in this Agreement and applicable securities laws. If permitted by the Board, you may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Agreement.

6. **Date of Issuance.** In the event that one or more RSUs vests, the Company will issue to you one (1) share of Common Stock for each RSU on the Settlement Date determined under the Grant Notice, but in all cases not later than December 31 of the calendar year in which the Settlement Date occurs.

7. **Dividends.** You will receive no benefit or adjustment to your Award and any unissued shares thereunder with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment. Following the date of vesting, in the event of any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment, no cash, stock or other property related to such dividend or distribution will be issuable in respect of your vested RSUs.

8. **Restrictive Legends.** The shares issued under your Award will be endorsed with appropriate legends if determined by the Company that legends are required under applicable law or otherwise.

9. **Award not a Service Contract.**

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 in this Agreement or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only through Continuous Service (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a " ***reorganization*** "). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in this Agreement or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an Employee, Director or Consultant for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the Company's or an Affiliate's right to terminate your Continuous Service at any time, with or without cause and with or without notice.

10. **Withholding Obligations.** On or before the time you receive a distribution of the cash, shares or other property subject to your Award, or at any time thereafter as reasonably requested by the Company in compliance with applicable law, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your Award (the " ***Withholding Taxes*** "). Without limiting the foregoing, the Company or an Affiliate, or their respective agents, may, in their sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its Affiliates, including a commitment pursuant to a previously established Company-approved 10b5-1 plan, and/or (iv) if approved by the Board in a manner that complies with applicable laws, withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to pursuant to Section 6) equal to the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income. Unless the Withholding Taxes obligations of the Company and/or any Affiliate are satisfied, the Company will have no obligation to deliver to you any Common Stock.

11. **Unsecured Obligation.** Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

12. **Other Documents** . You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time and understand that this policy applies to shares received under this Award.

13. **Notices; Electronic Delivery.** Any notices provided for in your Award or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents and transmit or require you to transmit notices related to participation in the Plan and this Award by electronic means. You hereby consent to receive such documents and notices, and to give such notices, by electronic delivery and to participate in the Plan through the on-line or electronic system established and maintained by the Company or another third party designated by the Company from time to time.

14. **Miscellaneous.**

(a) The rights and obligations of the Company under your Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

15. **Governing Plan Document.** Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan.

16. **Severability.** If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. **Effect on Other Employee Benefit Plans.** The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

18. **Choice of Law.** The interpretation, performance and enforcement of this Agreement will be governed by the law of the state of Delaware without regard to such state's conflicts of laws rules.

19. **Amendment.** This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a

result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided in this Agreement.

20. **Compliance with Section 409A of the Code** . This Award is intended to comply with U.S. Treasury Regulation Section 1.409A-3(a) and will be construed and administered in such a manner, and any ambiguous or missing terms that may otherwise be supplied from and/or defined under Code Section 409A in a manner that fulfills such intention hereby incorporated by reference. Each installment of RSUs that vests hereunder is intended to constitute a “separate payment” for purposes of Treasury Regulation Section 1.409A-2(b)(2). If you are a Specified Employee on your Separation from Service, then the issuance of any shares, cash or other property that would otherwise be made on the date of your Separation from Service (or within the first six months thereafter as a result of your Separation from Service) will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the earlier of (i) the date that is six months and one day after the date of the Separation from Service or (ii) the date of your death, but if and only if such delay in the issuance is necessary to avoid the imposition of taxation on you in respect of the shares, cash or property under Code Section 409A.

21. **No Obligation to Minimize Taxes.** The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by accepting this Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

NVIDIA Corporation
Deferred Restricted Stock Unit Grant Notice
Amended & Restated 2007 Equity Incentive Plan

NVIDIA Corporation (the " ***Company*** "), pursuant to its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** "), hereby awards to Participant a Deferred Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the " ***Award*** "). The Award is subject to all of the terms and conditions as set forth in this Grant Notice, and in the Plan and the Deferred Restricted Stock Unit Agreement, the latter two being incorporated by reference herein. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Agreement will control. Capitalized terms not otherwise defined in this Deferred Restricted Stock Unit Grant Notice or the Deferred Restricted Stock Unit Agreement (collectively, the " ***Agreement*** ") will have the meanings set forth in the Plan.

Participant: ___________
Date of Grant: __________
Vesting Commencement Date: __________
Number of RSUs/Shares Subject to Award: __________

Vesting Schedule : This Award will vest as to 50% of the Restricted Stock Units (" ***RSUs*** ") on the third Wednesday of November of the year of grant and as to the remaining 50% on the third Wednesday of May of the year following the year of grant, subject to Participant's Continuous Service through such vesting date. However, this Award will become fully vested prior to such date on the Participant's "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definitions therein, a " ***Separation from Service*** ") by reason of death. If the Award is not vested as of the Participant's Separation from Service for any other reason, it will immediately expire.

Issuance Schedule: Except as provided in Section 6 of the Agreement, the Company will issue and deliver one (1) share of Common Stock for each RSU that has vested under this Award on the earliest to occur of the following (such date, the " ***Settlement Date*** "):

- The third Wednesday in March, 20[___];
- The date of the Participant's Separation from Service as a Director, unless the Participant is a "Specified Employee" (as defined under Treasury Regulation Section 1.409A-1(i)) as of the date of the Separation from Service, in which case issuance will occur on the earlier of (i) the date of the Participant's death and (ii) the date that is 6 months and one day after the Separation from Service (as further described and interpreted under Section 20 of the Agreement); and
- A 409A Change in Control (as defined below).

409A Change in Control: A " ***409A Change in Control*** " will mean a transaction or series of transactions that results in a Change in Control of the Company that also constitutes a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, the Agreement and the Plan. Participant further acknowledges that as of the Date of Grant (specified above), the Agreement sets forth the entire understanding between Participant and the Company regarding this Award, which is granted as a result of the Company's [_____] Compensation Program for Non-Employee Directors and pursuant to the Participant's [_____] Election Form thereunder, and supersede all prior oral and written agreements on that subject with the exception of the following agreements, if any:

OTHER AGREEMENTS: ______________

____

NVIDIA CORPORATION **PARTICIPANT:**

By: ______________ ______________ Signature Signature

Title: ______________ Date: ______________

Date: ______________

ATTACHMENTS: Deferred Restricted Stock Unit Agreement

Attachment I

NVIDIA Corporation
Amended & Restated 2007 Equity Incentive Plan

Deferred Restricted Stock Unit Agreement

Pursuant to the Deferred Restricted Stock Unit Grant Notice (" ***Grant Notice*** ") and this Deferred Restricted Stock Unit Agreement (collectively, the " ***Agreement*** "), NVIDIA Corporation (the " ***Company*** ") has awarded you a Restricted Stock Unit Award (the " ***Award*** ") under its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** ").

1. **Grant of the Award.** The Award represents the right to be issued on a future date one share of Common Stock for each Restricted Stock Unit that vests under this Award, subject to the terms and conditions provided in this Agreement and in the Plan. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the " ***Account*** ") the number of RSUs subject to the Award. Except as otherwise provided in this Agreement, you will not be required to make any payment to the Company (other than past and future services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the underlying Common Stock.

2. **Vesting.** Subject to the limitations contained in this Agreement, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service (subject to any acceleration provided for in the Agreement or the Plan). On the termination of your Continuous Service, the RSUs credited to the Account that were not vested on the date of such termination will be forfeited and returned to the Company at no cost to the Company and you will have no further right, title or interest in or to such RSUs or the underlying shares of Common Stock.

3. **Number of Shares.**

(a) The number of RSUs (and the related shares of Common Stock) subject to your Award will be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any RSUs, shares, cash or other property that becomes subject to the Award as a result of a Capitalization Adjustment, if any, will be subject to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other shares covered by your Award.

(c) No fractional shares or rights for fractional shares of Common Stock will be created by this Section 3. The Board will round down, to the nearest whole share or whole unit of rights, any fractional shares or rights for fractional shares.

4. **Securities Law Compliance.** You will not be issued any shares under your Award unless either (a) the shares are registered under the Securities Act; or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. **Limitations on Transfer.** Your Award is not transferable, except by will or by the laws of descent and distribution. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the shares of Common Stock subject to the Award until the shares are issued to you. After the shares have been issued to you, you are free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions in this Agreement and applicable securities laws. If permitted by the Board, you may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Agreement.

6. **Date of Issuance.** In the event that one or more RSUs vests, the Company will issue to you one (1) share of Common Stock for each vested RSU on the Settlement Date determined under the Grant Notice, but in all cases not later than December 31 of the calendar year in which the Settlement Date occurs.

7. **Dividends.** You will receive no benefit or adjustment to your Award and any unissued shares thereunder with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment. Following the date of vesting, in the event of any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment, no cash, stock or other property related to such dividend or distribution will be issuable in respect of your vested RSUs.

8. **Restrictive Legends.** The shares issued under your Award will be endorsed with appropriate legends if determined by the Company that legends are required under applicable law or otherwise.

9. **Award not a Service Contract.**

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 in this Agreement or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only through Continuous Service (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a " ***reorganization*** "). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in this Agreement or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an Employee, Director or Consultant for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the Company's or an Affiliate's right to terminate your Continuous Service at any time, with or without cause and with or without notice.

10. **Withholding Obligations.** On or before the time you receive a distribution of the cash, shares or other property subject to your Award, or at any time thereafter as reasonably requested by the Company in compliance with applicable law, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your Award (the " ***Withholding Taxes*** "). Without limiting the foregoing, the Company or an Affiliate, or their respective agents, may, in their sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding

Taxes directly to the Company and/or its Affiliates, including a commitment pursuant to a previously established Company-approved 10b5-1 plan, and/or (iv) if approved by the Board in a manner that complies with applicable laws, withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to pursuant to Section 6) equal to the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income. Unless the Withholding Taxes obligations of the Company and/or any Affiliate are satisfied, the Company will have no obligation to deliver to you any Common Stock.

11. **Unsecured Obligation.** Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

12. **Other Documents** . You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time and understand that this policy applies to shares received under this Award.

13. **Notices; Electronic Delivery.** Any notices provided for in your Award or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents and transmit or require you to transmit notices related to participation in the Plan and this Award by electronic means. You hereby consent to receive such documents and notices, and to give such notices, by electronic delivery and to participate in the Plan through the on-line or electronic system established and maintained by the Company or another third party designated by the Company from time to time.

14. **Miscellaneous.**

(a) The rights and obligations of the Company under your Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

15. **Governing Plan Document.** Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan.

16. **Severability.** If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. **Effect on Other Employee Benefit Plans.** The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

18. **Choice of Law.** The interpretation, performance and enforcement of this Agreement will be governed by the law of the state of Delaware without regard to such state's conflicts of laws rules.

19. **Amendment.** This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided in this Agreement.

20. **Compliance with Section 409A of the Code** . This Award is intended to comply with U.S. Treasury Regulation Section 1.409A-3(a) and will be construed and administered in such a manner, and any ambiguous or missing terms that may otherwise be supplied from and/or defined under Code Section 409A in a manner that fulfills such intention hereby incorporated by reference. Each installment of RSUs that vests hereunder is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). If you are a Specified Employee on your Separation from Service, then the issuance of any shares, cash or other property that would otherwise be made on the date of your Separation from Service (or within the first six months thereafter as a result of your Separation from Service) will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the earlier of (i) the date that is six months and one day after the date of the Separation from Service or (ii) the date of your death, but if and only if such delay in the issuance is necessary to avoid the imposition of taxation on you in respect of the shares, cash or property under Code Section 409A.

21. **No Obligation to Minimize Taxes.** The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by accepting this Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

EXHIBIT 10.27

NVIDIA Corporation
Restricted Stock Unit Grant Notice
Amended & Restated 2007 Equity Incentive Plan

NVIDIA Corporation (the " ***Company*** "), pursuant to its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** "), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the " ***Award*** "). The Award is subject to all of the terms and conditions as set forth in this Grant Notice, and in the Plan and the Restricted Stock Unit Agreement, the latter two being incorporated by reference herein. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Agreement will control. Capitalized terms not otherwise defined in this Restricted Stock Unit Grant Notice or the Restricted Stock Unit Agreement (collectively, the " ***Agreement*** ") will have the meanings set forth in the Plan.

Participant: ___________
Date of Grant: __________
Vesting Commencement Date: __________
Number of RSUs/Shares Subject to Award: __________

Vesting Schedule : This Award will vest as to 50% of the Restricted Stock Units (" ***RSUs*** ") on the third Wednesday of November of the year of grant and as to the remaining 50% on the third Wednesday of May of the year following the year of grant, subject to Participant's Continuous Service through such vesting date. However, this Award will become fully vested prior to such date on the Participant's "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definitions therein, a " ***Separation from Service*** ") by reason of death. If the Award is not vested as of the Participant's Separation from Service for any other reason, it will immediately expire.

Issuance Schedule: Except as provided in Section 6 of the Agreement, the Company will issue and deliver one (1) share of Common Stock for each RSU that has vested under this Award on the date of vesting, but in all cases within the period necessary for compliance with Treasury Regulation Section 1.409A-1(b)(4).

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, the Agreement and the Plan. Participant further acknowledges that as of the Date of Grant (specified above), the Agreement sets forth the entire understanding between Participant and the Company regarding this Award, which is granted as a result of the Company's [_____] Compensation Program for Non-Employee Directors and pursuant to the Participant's [_____] Election Form thereunder, and supersede all prior oral and written agreements on that subject with the exception of the following agreements, if any:

OTHER AGREEMENTS: _____________

NVIDIA CORPORATION **PARTICIPANT:**

By: _______________ _____________ Signature Signature

Title: _______________ Date: _____________

Date: _______________

ATTACHMENTS: Restricted Stock Unit Agreement

Attachment I

NVIDIA Corporation
Amended & Restated 2007 Equity Incentive Plan

Restricted Stock Unit Agreement

Pursuant to the Restricted Stock Unit Grant Notice (" ***Grant Notice*** ") and this Restricted Stock Unit Agreement (collectively, the " ***Agreement*** "), NVIDIA Corporation (the " ***Company*** ") has awarded you a Restricted Stock Unit Award (the " ***Award*** ") under its Amended & Restated 2007 Equity Incentive Plan (the " ***Plan*** ").

1. **Grant of the Award.** The Award represents the right to be issued on a future date one share of Common Stock for each Restricted Stock Unit that vests under this Award, subject to the terms and conditions provided in this Agreement and in the Plan. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the " ***Account*** ") the number of RSUs subject to the Award. Except as otherwise provided in this Agreement, you will not be required to make any payment to the Company (other than past and future services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the underlying Common Stock.

2. **Vesting.** Subject to the limitations contained in this Agreement, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service (subject to any acceleration provided for in the Agreement or the Plan). On the termination of your Continuous Service, the RSUs credited to the Account that were not vested on the date of such termination will be forfeited and returned to the Company at no cost to the Company and you will have no further right, title or interest in or to such RSUs or the underlying shares of Common Stock.

3. **Number of Shares.**

(a) The number of RSUs (and the related shares of Common Stock) subject to your Award will be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any RSUs, shares, cash or other property that becomes subject to the Award as a result of a Capitalization Adjustment, if any, will be subject to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other shares covered by your Award.

(c) No fractional shares or rights for fractional shares of Common Stock will be created by this Section 3. The Board will round down, to the nearest whole share or whole unit of rights, any fractional shares or rights for fractional shares.

4. **Securities Law Compliance.** You will not be issued any shares under your Award unless either (a) the shares are registered under the Securities Act; or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. **Limitations on Transfer.** Your Award is not transferable, except by will or by the laws of descent and distribution. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the shares of Common Stock subject to the Award until the shares are issued to you. After the shares have been issued to you, you are free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions in this Agreement and applicable securities laws. If permitted by the Board, you may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Agreement.

6. **Date of Issuance.** In the event that one or more RSUs vests, the Company will issue to you one (1) share of Common Stock for each vested RSU on the applicable vesting date, but in all cases not later than the date necessary for compliance with Treasury Regulation Section 1.409A-1(b)(4).

7. **Dividends.** You will receive no benefit or adjustment to your Award and any unissued shares thereunder with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment. Following the date of vesting, in the event of any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment, no cash, stock or other property related to such dividend or distribution will be issuable in respect of your vested RSUs.

8. **Restrictive Legends.** The shares issued under your Award will be endorsed with appropriate legends if determined by the Company that legends are required under applicable law or otherwise.

9. **Award not a Service Contract.**

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 in this Agreement or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only through Continuous Service (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a " ***reorganization*** "). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in this Agreement or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an Employee, Director or Consultant for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the Company's or an Affiliate's right to terminate your Continuous Service at any time, with or without cause and with or without notice.

10. **Withholding Obligations.** On or before the time you receive a distribution of the cash, shares or other property subject to your Award, or at any time thereafter as reasonably requested by the Company in compliance with applicable law, you hereby authorize any required withholding from the Common Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your Award (the " ***Withholding Taxes*** "). Without limiting the foregoing, the Company or an Affiliate, or their respective agents, may, in their sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its Affiliates, including a commitment pursuant to a previously established

Company-approved 10b5-1 plan, and/or (iv) if approved by the Board in a manner that complies with applicable laws, withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to pursuant to Section 6) equal to the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income. Unless the Withholding Taxes obligations of the Company and/or any Affiliate are satisfied, the Company will have no obligation to deliver to you any Common Stock.

11. **Unsecured Obligation.** Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

12. **Other Documents** . You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time and understand that this policy applies to shares received under this Award.

13. **Notices; Electronic Delivery.** Any notices provided for in your Award or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents and transmit or require you to transmit notices related to participation in the Plan and this Award by electronic means. You hereby consent to receive such documents and notices, and to give such notices, by electronic delivery and to participate in the Plan through the on-line or electronic system established and maintained by the Company or another third party designated by the Company from time to time.

14. **Miscellaneous.**

(a) The rights and obligations of the Company under your Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

15. **Governing Plan Document.** Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan.

16. **Severability.** If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. **Effect on Other Employee Benefit Plans.** The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

18. **Choice of Law.** The interpretation, performance and enforcement of this Agreement will be governed by the law of the state of Delaware without regard to such state's conflicts of laws rules.

19. **Amendment.** This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided in this Agreement.

20. **Compliance with Section 409A of the Code** . This Award is intended to comply with U.S. Treasury Regulation Section 1.409A-1(b)(4) and thus to not be treated as "deferred compensation", and will be construed and administered in such a manner, and any ambiguous or missing terms that may otherwise be supplied from and/or defined under Code Section 409A in a manner that fulfills such intention hereby incorporated by reference. Each installment of RSUs that vests hereunder is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). If you are a "specified employee" (as determined under Code Section 409A) on your Separation from Service, then the issuance of any shares, cash or other property that would otherwise be made on the date of your Separation from Service (or within the first six months thereafter as a result of your Separation from Service) will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the earlier of (i) the date that is six months and one day after the date of the Separation from Service or (ii) the date of your death, but if and only if such delay in the issuance is necessary to avoid the imposition of taxation on you in respect of the shares, cash or property under Code Section 409A.

21. **No Obligation to Minimize Taxes.** The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by accepting this Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

EXHIBIT 21.1

LIST OF REGISTRANT'S SUBSIDIARIES

Subsidiaries of Registrant (All 100% owned)	Country of Organization
AGEIA Technologies Switzerland AG	Switzerland
Icera Canada ULC	Canada
Icera LLC	United States
Icera Semiconductor LLC	United States
JAH Venture Holdings, Inc.	United States
LPN Facilitator LLC	United States
NVIDIA (BVI) Holdings Limited	Virgin Islands, British
NVIDIA ARC GmbH	Germany
NVIDIA Belgium SPRL	Belgium
NVIDIA Brasil Computação Visual Limitada	Brazil
NVIDIA Development France SAS	France
NVIDIA Development UK Limited	England and Wales
NVIDIA Development, Inc.	Canada
NVIDIA Dutch B.V.	Netherlands
NVIDIA FZ-LLC	United Arab Emirates
NVIDIA GK	Japan
NVIDIA GmbH	Germany
NVIDIA Graphics Holding Company	Mauritius
NVIDIA Graphics Private Limited	India
NVIDIA Helsinki Oy	Finland
NVIDIA Hong Kong Development Limited	Hong Kong
NVIDIA Hong Kong Holdings Limited	Hong Kong
NVIDIA International Holdings Inc.	United States
NVIDIA International, Inc.	Cayman Islands
NVIDIA Italy S.r.l.	Italy
NVIDIA Land Development, LLC	United States
NVIDIA Ltd.	England and Wales
NVIDIA Pty Limited	Australia
NVIDIA Semiconductor (Shenzhen) Co., Ltd.	China
NVIDIA Semiconductor Holding Company	Mauritius
NVIDIA Semiconductor R&D (Tianjin) Co., Ltd.	China
NVIDIA Semiconductor Shenzhen Holding Company	Mauritius
NVIDIA Semiconductor Technical Service (Shanghai) Co., Ltd.	China
NVIDIA Semiconductor Technology (Shanghai) Co., Ltd.	China
NVIDIA Singapore Development Pte. Ltd.	Singapore
NVIDIA Singapore Pte Ltd	Singapore
NVIDIA Technology UK Limited	England and Wales
VC Worldwide Ltd.	Virgin Islands, British

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S−8 (Nos. 333-74905, 333-51520, 333-74868, 333-100010, 333-106191, 333-114375, 333-123933, 333-132493, 333-140021, 333-143953, 333-181625, 333-185036, 333-188775, and 333-196259) of NVIDIA Corporation of our report dated March 11, 2015 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10−K.

/s/ PricewaterhouseCoopers LLP

San Jose, California
March 11, 2015

EXHIBIT 31.1

CERTIFICATION

I, Jen-Hsun Huang, certify that:

1. I have reviewed this Annual Report on Form 10-K of NVIDIA Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2015

/s/ JEN-HSUN HUANG
Jen-Hsun Huang
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Colette M. Kress, certify that:

1. I have reviewed this Annual Report on Form 10-K of NVIDIA Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2015

/s/ COLETTE M. KRESS
Colette M. Kress
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. § 1350), Jen-Hsun Huang, the President and Chief Executive Officer of NVIDIA Corporation (the “Company”), hereby certifies that, to the best of his knowledge:

1. The Company's Annual Report on Form 10-K for the year ended January 25, 2015 , to which this Certification is attached as Exhibit 32.1 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition of the Company at the end of the period covered by the Periodic Report and results of operations of the Company for the period covered by the Periodic Report.

Date: March 11, 2015

/s/ JEN-HSUN HUANG
Jen-Hsun Huang
President and Chief Executive Officer

A signed original of this written statement required by Section 906 of 18 U.S.C. § 1350 has been provided to NVIDIA Corporation and will be retained by NVIDIA Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.

EXHIBIT 32.2

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. § 1350), Colette M. Kress, Executive Vice President and Chief Financial Officer of NVIDIA Corporation (the “Company”), hereby certifies that, to the best of her knowledge:

1. The Company's Annual Report on Form 10-K for the year ended January 25, 2015 , to which this Certification is attached as Exhibit 32.2 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition of the Company at the end of the period covered by the Periodic Report and results of operations of the Company for the period covered by the Periodic Report.

Date: March 11, 2015

/s/ COLETTE M. KRESS
Colette M. Kress
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 of 18 U.S.C. § 1350 has been provided to NVIDIA Corporation and will be retained by NVIDIA Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.