

# NVIDIA Corp

## Taiwan Export Data - June Above Seasonal, Reads Positively On The Surface

### Correlating the Data

The Taiwan Ministry of Finance released June export data overnight, including Automatic Data Processing equipment (ADP). ADP ex laptops was \$14.18B, +7.5% M/M from May's \$13.19B, coming in largely above seasonal growth (-4.5% M/M) and becoming the second strongest June in over a decade after remaining flat in May. Assuming July constitutes a "normal" 38% of total FQ2 (Jul Q) would imply ~\$44B of exports - a step-up of 24% Q/Q after already increasing ~63% Q/Q in FQ1 (April) and well above the ~1.5% Q/Q growth we model for NVDA data center revenue. Although unclear to what extent this is related to tariff pull-ins rather than underlying strength and correlation with NVDA revenue has been somewhat spurious over the past 8-10Qs, it is nonetheless a positive read on the surface for NVDA's FQ2 (Jul). An additional read through will come when TSMC reports June sales.

### About Taiwan Export Data

The TW ADP exports data differs from NVDA's DC revenue in that it includes only servers, not chips exported and then assembled overseas (in mainland China or Malaysia). It also excludes networking equipment, exported under a different caption, and as a total economy number it of course includes traditional servers and products by competitors as well (Figure 8). As a result, ADP exports are somewhat predictive of NVDA revenue, but there are sometimes large variances to what NVDA reports as Data Center revenue (for example, last Q - see Figure 4).

### Equities

Americas  
Semiconductors

12-month rating **Buy**

12m price target **US\$175.00**

Price (07 Jul 2025) **US\$158.24**

RIC: NVDA.O BBG: NVDA US

### Trading data and key metrics

52-wk range US\$159.34-94.31  
Market cap. US\$3,873b  
Shares o/s 24,477m (COM)  
Free float 96%  
Avg. daily volume ('000) 231,718  
Avg. daily value (m) US\$29,427.6  
Common s/h equity (01/26E) US\$123b  
P/BV (01/26E) 31.0x  
Net debt to EBITDA (01/26E) NM

### EPS (UBS, diluted) (USD)

	01/26E	
	UBS	Cons.
Q1	0.81	0.81
Q2E	0.99	1.00
Q3E	1.23	1.17
Q4E	1.45	1.33
01/26E	4.48	4.31
01/27E	6.05	5.80
01/28E	6.17	6.50

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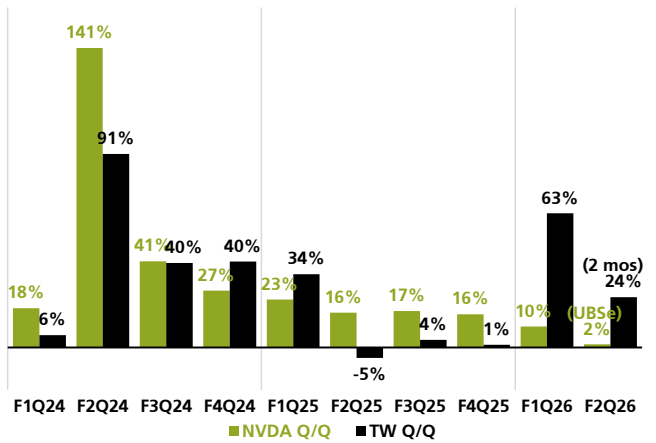
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Highlights (US\$m)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Revenues	26,974	60,922	130,497	204,776	257,537	260,380	292,701	267,785
EBIT (UBS)	9,040	37,134	86,788	129,207	174,319	177,029	197,730	182,437
Net earnings (UBS)	8,365	32,312	74,266	110,201	148,763	151,667	168,425	156,939
EPS (UBS, diluted) (US\$)	0.33	1.30	3.00	4.48	6.05	6.17	6.86	6.39
DPS (net) (US\$)	0.02	0.02	0.03	0.04	0.04	0.04	0.04	0.04
Net (debt) / cash	2,343	16,275	34,747	72,236	149,381	206,623	292,600	367,073
Profitability/valuation	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
EBIT (UBS) margin %	33.5	61.0	66.5	63.1	67.7	68.0	67.6	68.1
ROIC (EBIT) %	82.3	282.6	432.2	478.1	>500	495.5	474.8	438.6
EV/EBITDA (UBS core) x	40.7	24.9	31.4	29.2	21.8	21.5	19.2	20.8
P/E (UBS, diluted) x	53.7	30.7	38.2	35.3	26.2	25.6	23.1	24.8
Equity FCF (UBS) yield %	0.9	2.8	2.2	2.7	3.8	3.6	4.3	4.0
Dividend yield (net) %	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company accounts, LSEG Eikon, UBS estimates. Metrics marked as (UBS) have had analyst adjustments applied. Valuations: based on an average share price that year, (E): based on a share price of US\$ 158.24 on 07-Jul-2025

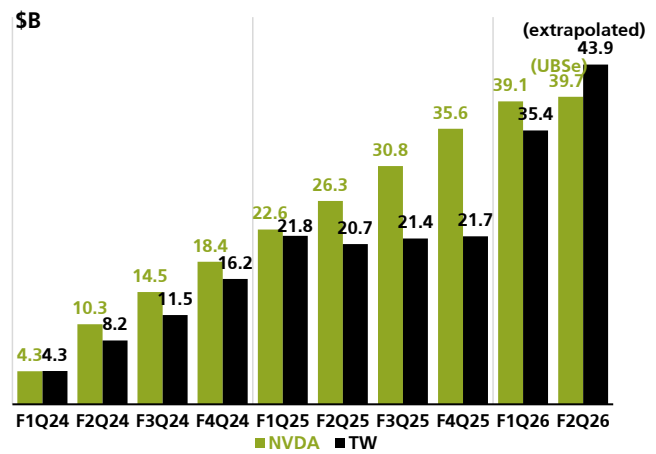
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Figure 1: NVDA DC revenue and TW ADP ex Laptop revenue % Q/Q



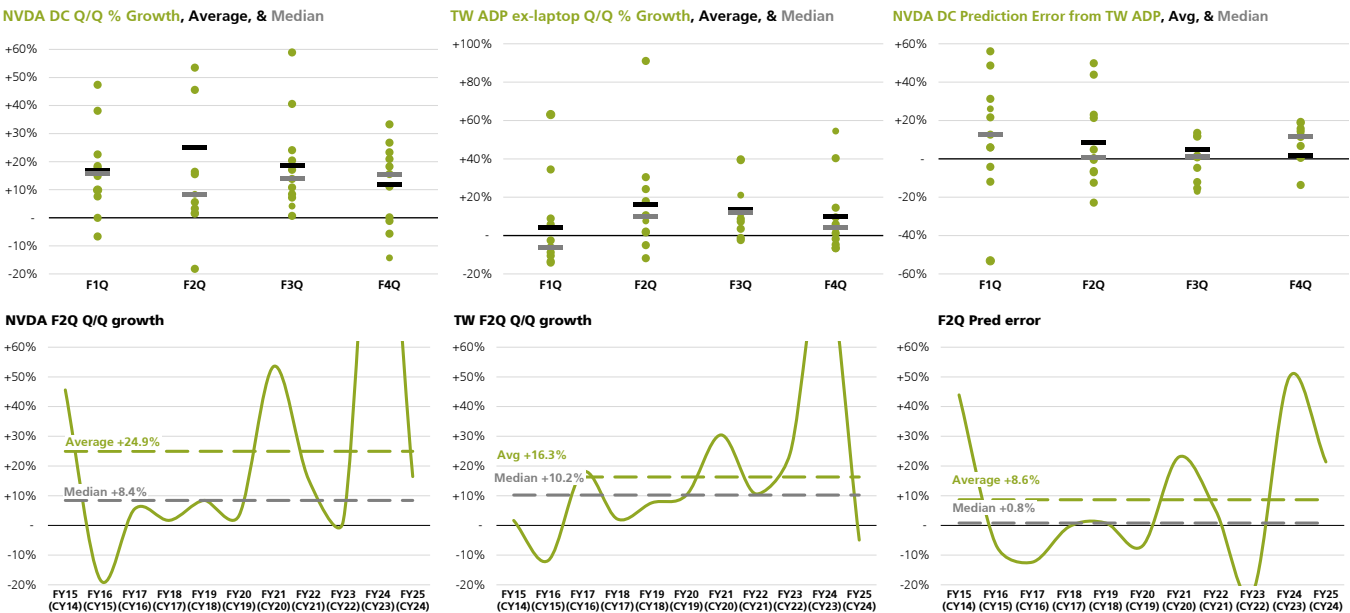
Source: UBS research, Taiwan Ministry of Finance

Figure 2: NVDA DC revenue and TW ADP ex Laptop revenue \$B



Source: UBS research, Taiwan Ministry of Finance

Figure 3: NVDA DC and Taiwan ADP ex Laptops - Q/Q seasonality



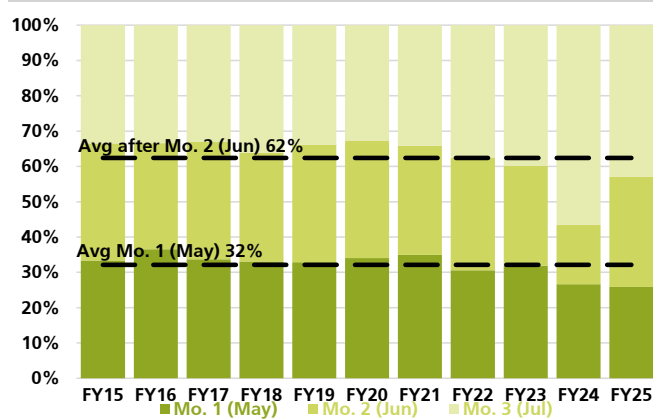
Source: UBS research, Taiwan Ministry of Finance

Figure 4: NVDA DC and Taiwan ADP ex Laptops - Q/Q seasonality

	NVDA reported DC revenue % Q/Q				TW ADP ex-laptop sales % Q/Q				NVDA DC Pred. Error from TW ADP			
	F1Q Apr	F2Q Jul	F3Q Oct	F4Q Jan	F1Q Apr	F2Q Jul	F3Q Oct	F4Q Jan	F1Q Apr	F2Q Jul	F3Q Oct	F4Q Jan
FY15		+45.6%	+7.2%	-1.1%		+1.7%	+11.8%	-1.7%		+43.9%	-4.6%	+0.6%
FY16	-	-18.2%	+13.9%	+18.3%	-6.0%	-11.8%	+12.1%	+5.9%	+6.0%	-6.4%	+1.8%	+12.3%
FY17	+47.4%	+5.6%	+58.9%	+23.3%	-8.7%	+18.0%	-2.3%	+4.0%	+56.1%	-12.4%	+61.3%	+19.3%
FY18	+38.2%	+1.7%	+20.4%	+21.0%	-10.5%	+2.2%	+8.8%	+9.5%	+48.7%	-0.4%	+11.6%	+11.4%
FY19	+15.7%	+8.4%	+4.2%	-14.3%	-10.5%	+7.6%	+21.1%	+54.5%	+26.1%	+0.8%	-16.9%	-68.8%
FY20	-6.6%	+3.3%	+10.8%	+33.3%	-2.5%	+10.2%	-1.2%	+14.5%	-4.2%	-6.9%	+12.0%	+18.8%
FY21	+17.9%	+53.5%	+8.4%	+0.2%	-13.4%	+30.5%	+7.4%	-6.6%	+31.3%	+23.1%	+1.1%	+6.8%
FY22	+7.6%	+15.5%	+24.1%	+11.1%	-14.1%	+10.6%	+39.4%	-4.7%	+21.7%	+4.9%	-15.3%	+15.8%
FY23	+14.9%	+1.5%	+0.7%	-5.7%	+8.9%	+24.3%	+12.7%	-6.5%	+6.0%	-22.8%	-12.0%	+0.9%
FY24	+18.5%	+141.0%	+40.6%	+26.8%	+5.9%	+91.1%	+39.7%	+40.4%	+12.6%	+49.9%	+0.9%	-13.6%
FY25	+22.6%	+16.4%	+17.1%	+15.6%	+34.5%	-4.9%	+3.5%	+1.3%	-11.9%	+21.4%	+13.6%	+14.4%
FY26	+9.9%				+63.1%				-53.2%			
Average	+16.9%	+24.9%	+18.8%	+11.7%	+4.2%	+16.3%	+13.9%	+10.1%	+12.7%	+8.6%	+4.9%	+1.6%
Median	+15.7%	+8.4%	+13.9%	+15.6%	-6.0%	+10.2%	+11.8%	+4.0%	+12.6%	+0.8%	+1.1%	+11.4%

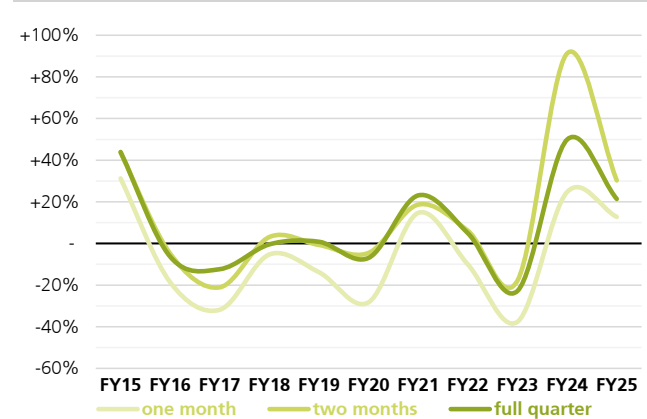
Source: UBS research, Taiwan Ministry of Finance

Figure 5: TW ADP ex Laptop revenue - F1Q contribution by month



Source: UBS research, Taiwan Ministry of Finance

Figure 6: NVDA F1Q DC revenue prediction error after 1, 2, and 3 months of data



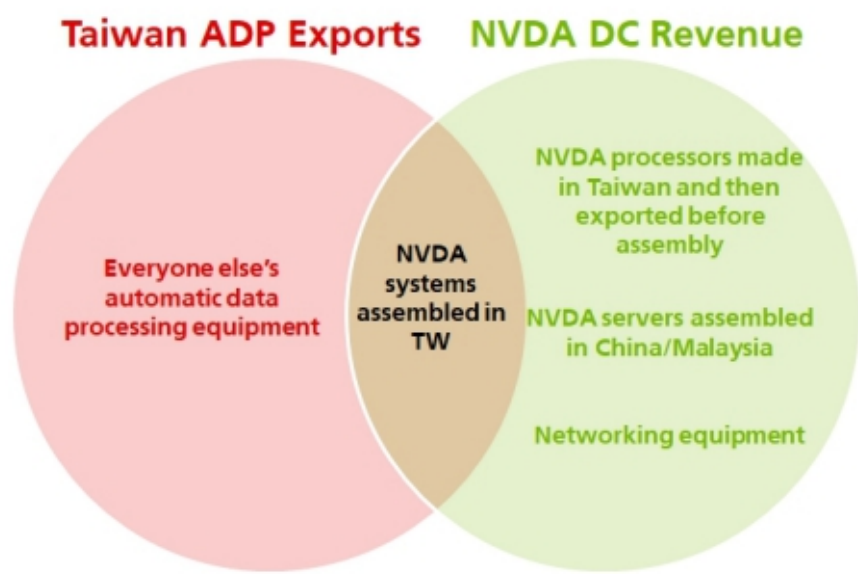
Source: UBS research, Taiwan Ministry of Finance

Figure 7: Taiwan ADP ex Laptops - M/M seasonality

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
FY15		+23.7%	-8.1%	+0.6%	-0.6%	+1.0%	+22.0%	-9.2%	-8.6%	+13.5%	-3.5%	-7.5%
FY16	-3.6%	+11.1%	-9.3%	-0.3%	-17.8%	+11.4%	+12.4%	-0.5%	-0.9%	+4.1%	+5.5%	-3.2%
FY17	-20.5%	+15.8%	+12.6%	+5.5%	-1.1%	-0.7%	-1.0%	-13.6%	+29.8%	-3.0%	-1.2%	-12.1%
FY18	-7.1%	+9.6%	-2.2%	-0.2%	-6.9%	+17.3%	-4.9%	+12.7%	-7.8%	+16.4%	-3.6%	-6.3%
FY19	-17.8%	+25.7%	-4.4%	+1.7%	+1.5%	+1.4%	+3.6%	+11.2%	+21.0%	+13.2%	+23.2%	+3.4%
FY20	-23.4%	+40.6%	-21.9%	+19.8%	-2.8%	-0.9%	+9.9%	-10.3%	-6.0%	+26.2%	+1.4%	-7.7%
FY21	-10.5%	-5.8%	+17.5%	+25.4%	-11.4%	+10.3%	+12.8%	-12.0%	+3.1%	-4.6%	+3.3%	-5.5%
FY22	-28.7%	+34.9%	+1.4%	-8.2%	+4.6%	+17.3%	+10.3%	+6.0%	+23.6%	-15.8%	+1.3%	-11.2%
FY23	+0.5%	+20.1%	+9.1%	+6.2%	-11.3%	+40.8%	-24.6%	-9.5%	+104.4%	-39.8%	-7.4%	+32.0%
FY24	-35.9%	+36.0%	+39.3%	+14.1%	-36.7%	+235.6%	-37.1%	+37.0%	+13.7%	+10.7%	+11.2%	-2.3%
FY25	-6.1%	+65.5%	-5.7%	-33.5%	+20.6%	+37.4%	-7.8%	-25.4%	+16.7%	-16.8%	+17.7%	+25.9%
FY26	+14.4%	+20.3%	+9.7%	-0.4%	+7.5%							
Average	-12.6%	+24.8%	+3.2%	+2.6%	-4.5%	+33.7%	-0.4%	-1.2%	+17.2%	+0.4%	+4.4%	+0.5%
Median	-10.5%	+22.0%	-0.4%	+1.2%	-2.0%	+11.4%	+3.6%	-9.2%	+13.7%	+4.1%	+1.4%	-5.5%

Source: UBS research, Taiwan Ministry of Finance

Figure 8: Differences between NVDA DC Revenue and Taiwan ADP exports



Source: UBS research, Taiwan Ministry of Finance.

# NVIDIA Corp (NVDA.O)

Income Statement (US\$m)	01/23	01/24	01/25	01/26E	%ch	01/27E	%ch	01/28E	01/29E	01/30E
<b>Revenues</b>	<b>26,974</b>	<b>60,922</b>	<b>130,497</b>	<b>204,776</b>	<b>56.9</b>	<b>257,537</b>	<b>25.8</b>	<b>260,380</b>	<b>292,701</b>	<b>267,785</b>
Gross profit	15,965	44,958	98,505	145,039	47.2	192,151	32.5	195,561	217,962	204,069
<b>EBITDA (UBS)</b>	<b>10,584</b>	<b>38,642</b>	<b>88,652</b>	<b>131,651</b>	<b>48.5</b>	<b>176,319</b>	<b>33.9</b>	<b>179,029</b>	<b>199,730</b>	<b>184,437</b>
Depreciation & amortisation	(1,544)	(1,508)	(1,864)	(2,444)	-31.1	(2,000)	18.2	(2,000)	(2,000)	(2,000)
<b>EBIT (UBS)</b>	<b>9,040</b>	<b>37,134</b>	<b>86,788</b>	<b>129,207</b>	<b>48.9</b>	<b>174,319</b>	<b>34.9</b>	<b>177,029</b>	<b>197,730</b>	<b>182,437</b>
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	0	0	0	0	-	0	-	0	0	0
Net interest	6	611	1,550	2,010	29.7	3,244	61.4	3,856	3,144	4,372
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
<b>Pre-tax profit</b>	<b>9,046</b>	<b>37,745</b>	<b>88,338</b>	<b>131,217</b>	<b>48.5</b>	<b>177,563</b>	<b>35.3</b>	<b>180,884</b>	<b>200,874</b>	<b>186,809</b>
Tax	(681)	(5,433)	(14,072)	(21,016)	-49.3	(28,800)	-37.0	(29,217)	(32,449)	(29,870)
<b>Profit after tax</b>	<b>8,365</b>	<b>32,312</b>	<b>74,266</b>	<b>110,201</b>	<b>48.4</b>	<b>148,763</b>	<b>35.0</b>	<b>151,667</b>	<b>168,425</b>	<b>156,939</b>
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	0	0	0	0	-	0	-	0	0	0
Extraordinary items	(3,998)	(2,553)	(1,386)	(6,718)	-384.7	(8,149)	-21.3	(9,020)	(10,000)	(11,104)
<b>Net earnings (local GAAP)</b>	<b>4,368</b>	<b>29,759</b>	<b>72,880</b>	<b>103,484</b>	<b>42.0</b>	<b>140,614</b>	<b>35.9</b>	<b>142,648</b>	<b>158,425</b>	<b>145,835</b>
<b>Net earnings (UBS)</b>	<b>8,365</b>	<b>32,312</b>	<b>74,266</b>	<b>110,201</b>	<b>48.4</b>	<b>148,763</b>	<b>35.0</b>	<b>151,667</b>	<b>168,425</b>	<b>156,939</b>
Tax rate (%)	7.5	14.4	15.9	16.0	0.5	16.2	1.3	16.2	16.2	16.0
<b>Per Share (US\$)</b>	<b>01/23</b>	<b>01/24</b>	<b>01/25</b>	<b>01/26E</b>	<b>%ch</b>	<b>01/27E</b>	<b>%ch</b>	<b>01/28E</b>	<b>01/29E</b>	<b>01/30E</b>
EPS (UBS, diluted)	0.33	1.30	3.00	4.48	49.6	6.05	35.0	6.17	6.86	6.39
EPS (local GAAP, diluted)	0.17	1.19	2.94	4.21	43.1	5.72	35.9	5.81	6.45	5.94
EPS (UBS, basic)	0.34	1.31	3.02	4.57	51.2	6.20	35.7	6.33	7.04	6.56
DPS (net) (US\$)	0.02	0.02	0.03	0.04	17.7	0.04	0.0	0.04	0.04	0.04
Cash EPS (UBS, diluted) <sup>1</sup>	0.39	1.36	3.07	4.58	49.1	6.13	33.9	6.25	6.94	6.47
Book value per share	0.90	1.74	3.24	5.10	57.3	8.39	64.5	11.28	14.88	17.98
Average shares (diluted)	25,115	24,931	24,794	24,598	-0.8	24,592	0.0	24,569	24,550	24,555
<b>Balance Sheet (US\$m)</b>	<b>01/23</b>	<b>01/24</b>	<b>01/25</b>	<b>01/26E</b>	<b>%ch</b>	<b>01/27E</b>	<b>%ch</b>	<b>01/28E</b>	<b>01/29E</b>	<b>01/30E</b>
Cash and equivalents	13,296	25,984	43,210	80,700	86.8	156,845	94.4	214,087	298,814	373,287
Other current assets	9,777	18,361	36,916	46,137	25.0	43,936	-4.8	53,977	49,263	45,053
<b>Total current assets</b>	<b>23,073</b>	<b>44,345</b>	<b>80,126</b>	<b>126,837</b>	<b>58.3</b>	<b>200,781</b>	<b>58.3</b>	<b>268,064</b>	<b>348,077</b>	<b>418,341</b>
Net tangible fixed assets	3,807	3,914	6,283	8,517	35.6	11,668	37.0	14,876	18,730	22,085
Net intangible fixed assets	6,048	5,542	5,995	6,267	4.5	6,267	0.0	6,267	6,267	6,267
Investments / other assets	8,254	11,927	19,197	21,916	14.2	21,916	0.0	21,916	21,916	21,916
<b>Total assets</b>	<b>41,182</b>	<b>65,728</b>	<b>111,601</b>	<b>163,538</b>	<b>46.5</b>	<b>240,632</b>	<b>47.1</b>	<b>311,123</b>	<b>394,990</b>	<b>468,609</b>
Trade payables & other ST liabilities	5,313	9,381	18,047	25,851	43.2	25,697	-0.6	27,035	26,240	25,434
Short term debt	1,250	1,250	0	1,000	-	0	-	1,250	0	0
<b>Total current liabilities</b>	<b>6,563</b>	<b>10,631</b>	<b>18,047</b>	<b>26,851</b>	<b>48.8</b>	<b>25,697</b>	<b>-4.3</b>	<b>28,285</b>	<b>26,240</b>	<b>25,434</b>
Long term debt	9,703	8,459	8,463	7,464	-11.8	7,464	0.0	6,214	6,214	6,214
Other long term liabilities	2,815	3,660	5,764	6,405	11.1	6,405	0.0	6,405	6,405	6,405
Preferred shares	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities (incl pref shares)</b>	<b>19,081</b>	<b>22,750</b>	<b>32,274</b>	<b>40,720</b>	<b>26.2</b>	<b>39,566</b>	<b>-2.8</b>	<b>40,904</b>	<b>38,859</b>	<b>38,053</b>
<b>Common s/h equity</b>	<b>22,101</b>	<b>42,978</b>	<b>79,327</b>	<b>122,818</b>	<b>54.8</b>	<b>201,066</b>	<b>63.7</b>	<b>270,219</b>	<b>356,131</b>	<b>430,556</b>
Minority interests	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities &amp; equity</b>	<b>41,182</b>	<b>65,728</b>	<b>111,601</b>	<b>163,538</b>	<b>46.5</b>	<b>240,632</b>	<b>47.1</b>	<b>311,123</b>	<b>394,990</b>	<b>468,609</b>
<b>Cash Flow (US\$m)</b>	<b>01/23</b>	<b>01/24</b>	<b>01/25</b>	<b>01/26E</b>	<b>%ch</b>	<b>01/27E</b>	<b>%ch</b>	<b>01/28E</b>	<b>01/29E</b>	<b>01/30E</b>
Net income (before pref divs)	4,368	29,759	72,880	103,484	42.0	140,614	35.9	142,648	158,425	145,835
Depreciation & amortisation	1,544	1,508	1,864	2,444	31.1	2,000	-18.2	2,000	2,000	2,000
Net change in working capital	(2,206)	(3,722)	(9,383)	(1,930)	79.4	2,048	-	(8,704)	3,918	3,404
Other operating	1,936	546	(1,270)	3,956	-	6,793	71.7	7,664	8,644	9,748
<b>Operating cash flow</b>	<b>5,642</b>	<b>28,091</b>	<b>64,091</b>	<b>107,953</b>	<b>68.4</b>	<b>151,455</b>	<b>40.3</b>	<b>143,608</b>	<b>172,988</b>	<b>160,987</b>
Tangible capital expenditure	(1,833)	(1,068)	(3,236)	(4,441)	-37.2	(5,151)	-16.0	(5,208)	(5,854)	(5,356)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) & disposals	0	0	0	0	-	0	-	0	0	0
Other investing	9,207	(9,498)	(17,185)	6,778	-	0	-	0	0	0
<b>Investing cash flow</b>	<b>7,374</b>	<b>(10,566)</b>	<b>(20,421)</b>	<b>2,337</b>	<b>-</b>	<b>(5,151)</b>	<b>-</b>	<b>(5,208)</b>	<b>(5,854)</b>	<b>(5,356)</b>
Equity dividends paid	(398)	(396)	(834)	(963)	-15.5	(959)	0.4	(958)	(957)	(958)
Share issues / (buybacks)	(11,160)	(11,073)	(40,147)	(65,223)	-62.5	(68,200)	-4.6	(80,200)	(80,200)	(80,200)
Other financing	0	0	0	0	-	0	-	0	0	0
Change in debt & pref shares	(54)	(2,160)	(1,375)	323	-	(995)	-	5	(1,245)	5
<b>Financing cash flow</b>	<b>(11,612)</b>	<b>(13,629)</b>	<b>(42,356)</b>	<b>(65,863)</b>	<b>-55.5</b>	<b>(70,154)</b>	<b>-6.5</b>	<b>(81,153)</b>	<b>(82,402)</b>	<b>(81,153)</b>
<b>Cash flow inc/(dec) in cash</b>	<b>1,404</b>	<b>3,896</b>	<b>1,314</b>	<b>44,426</b>	<b>NM</b>	<b>76,150</b>	<b>71.4</b>	<b>57,247</b>	<b>84,731</b>	<b>74,479</b>
FX / non cash items	(9,316)	8,792	15,912	(6,936)	-	(5)	99.9	(5)	(5)	(5)
<b>Balance sheet inc/(dec) in cash</b>	<b>(7,912)</b>	<b>12,688</b>	<b>17,226</b>	<b>37,490</b>	<b>117.6</b>	<b>76,145</b>	<b>103.1</b>	<b>57,242</b>	<b>84,726</b>	<b>74,474</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.<sup>1</sup> Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.

# NVIDIA Corp (NVDA.O)

Valuation (x)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
P/E (local GAAP, diluted)	NM	33.3	38.9	37.6	27.7	27.3	24.5	26.6
P/E (UBS, diluted)	53.7	30.7	38.2	35.3	26.2	25.6	23.1	24.8
P/CEPS	44.9	29.0	36.9	33.8	25.2	24.7	22.2	23.8
Equity FCF (UBS) yield %	0.9	2.8	2.2	2.7	3.8	3.6	4.3	4.0
Dividend yield (net) %	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
P/BV	20.0	22.8	35.3	31.0	18.9	14.0	10.6	8.8
EV/revenues (core)	NM	NM	NM	NM	NM	NM	NM	NM
EV/EBITDA (UBS core)	40.7	24.9	31.4	29.2	21.8	21.5	19.2	20.8
EV/EBIT (core)	47.7	25.9	32.1	29.8	22.1	21.7	19.4	21.1
EV/OpFCF (core)	49.2	25.6	32.6	30.2	22.5	22.1	19.8	21.5
EV/op. invested capital	39.2	73.3	>100	>100	>100	>100	92.3	92.4
Enterprise value (US\$m)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Market cap.	445,833	981,572	2,809,601	3,873,240	3,873,240	3,873,240	3,873,240	3,873,240
Net debt (cash)	(6,752)	(6,752)	(6,752)	(6,752)	(6,752)	(6,752)	(6,752)	(6,752)
Buy out of minorities	0	0	0	0	0	0	0	0
Pension provisions/other	0	0	0	0	0	0	0	0
<b>Total enterprise value</b>	<b>439,081</b>	<b>974,820</b>	<b>2,802,849</b>	<b>3,866,488</b>	<b>3,866,488</b>	<b>3,866,488</b>	<b>3,866,488</b>	<b>3,866,488</b>
Non core assets	(8,254)	(11,927)	(19,197)	(21,916)	(21,916)	(21,916)	(21,916)	(21,916)
<b>Core enterprise value</b>	<b>430,827</b>	<b>962,893</b>	<b>2,783,652</b>	<b>3,844,572</b>	<b>3,844,572</b>	<b>3,844,572</b>	<b>3,844,572</b>	<b>3,844,572</b>
Growth (%)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Revenue	0.2	125.9	114.2	56.9	25.8	1.1	12.4	(8.5)
EBITDA (UBS)	(23.7)	NM	129.4	48.5	33.9	1.5	11.6	(7.7)
EBIT (UBS)	(28.8)	NM	133.7	48.9	34.9	1.6	11.7	(7.7)
EPS (UBS, diluted)	(25.0)	NM	131.1	49.6	35.0	2.0	11.1	(6.8)
Net DPS	0.1	0.2	111.8	17.7	0.0	0.0	0.0	0.0
Margins & Profitability (%)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Gross profit margin	59.2	73.8	NM	70.8	74.6	NM	74.5	NM
EBITDA margin	39.2	63.4	67.9	64.3	68.5	68.8	68.2	68.9
EBIT (UBS) margin	33.5	61.0	66.5	63.1	67.7	68.0	67.6	68.1
Net earnings (UBS) margin	31.0	53.0	56.9	53.8	57.8	58.2	57.5	58.6
ROIC (EBIT)	NM	NM	NM	NM	NM	NM	NM	NM
ROIC post tax	NM	NM	NM	NM	NM	NM	NM	NM
ROE (UBS)	34.3	99.3	121.4	109.0	91.9	64.4	53.8	39.9
Capital structure & Coverage (x)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Net debt / EBITDA	(0.2)	(0.4)	(0.4)	(0.5)	(0.8)	(1.2)	(1.5)	(2.0)
Net debt / total equity %	(10.6)	(37.9)	(43.8)	(58.8)	(74.3)	(76.5)	(82.2)	(85.3)
Net debt / (net debt + total equity) %	(11.9)	(60.9)	(77.9)	NM	NM	NM	NM	NM
Net debt/EV %	(1.4)	(1.0)	(0.9)	(1.4)	(2.9)	(4.6)	(6.5)	(8.5)
Capex / depreciation %	118.7	70.8	173.6	181.7	NM	NM	NM	NM
Capex / revenue %	6.8	1.8	2.5	2.2	2.0	2.0	2.0	2.0
EBIT / net interest	-	-	-	-	-	-	-	-
Dividend cover (UBS)	21.0	NM	NM	NM	NM	NM	NM	NM
Div. payout ratio (UBS) %	4.8	1.2	1.1	0.9	0.6	0.6	0.6	0.6
Revenues by division (US\$m)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Others	26,974	60,922	130,497	204,776	257,537	260,380	292,701	267,785
<b>Total</b>	<b>26,974</b>	<b>60,922</b>	<b>130,497</b>	<b>204,776</b>	<b>257,537</b>	<b>260,380</b>	<b>292,701</b>	<b>267,785</b>
EBIT (UBS) by division (US\$m)	01/23	01/24	01/25	01/26E	01/27E	01/28E	01/29E	01/30E
Others	9,040	37,134	86,788	129,207	174,319	177,029	197,730	182,437
<b>Total</b>	<b>9,040</b>	<b>37,134</b>	<b>86,788</b>	<b>129,207</b>	<b>174,319</b>	<b>177,029</b>	<b>197,730</b>	<b>182,437</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

## Forecast returns

Forecast price appreciation	10.6%
Forecast dividend yield	0.0%
Forecast stock return	10.6%
Market return assumption	8.9%
Forecast excess return	1.7%

## Company Description

NVIDIA Corp. designs and manufactures graphics processing units, add-in boards, and related low-level software. Its Graphics Processing Unit segment includes GeForce for high-end video games and professional graphics workstations; Quadro for designers; DGX and Tesla Accelerator cards for data center and AI scientists; and GRID for cloud-based visual computing users. The Tegra Processors segment provides processors that enable embedded computer vision applications in automotive video surveillance end markets, as well as delivering multimedia experiences on mobile gaming platforms, while consuming minimal power.

## Valuation Method and Risk Statement

NVDA: Our price target is based on applying a P/E multiple. NVIDIA company-specific risks include: 1) competition from AMD in graphics processors (GPUs) and professional visualization products, which historically have driven the bulk of the company's gross profit, 2) intense competition in ARM-based applications processors, where rivals seek to leapfrog NVIDIA's early lead in dual-core technology, 3) emerging competition from Intel with its many-integrated core (MIC) processor family vs. the company's professional GPU computing products, where Intel's approach could be more flexible and easier to develop software. In addition, NVIDIA faces the semiconductor sector risk where revenue trends have historically been linked to corporate profitability, which could be challenged for robust growth, as the economic recovery has been more subdued vs. prior deep downturns.

