

NVIDIA®

VALUATION FY2017-PRESENT

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VALUATION SUMMARY

NVIDIA has shown the power and stellar results that having a consistent, strong narrative along with following through with coherent strategies can do to a company's results. From FY2017, gaming and AI started to explode. From that moment until today, NVIDIA has one sole clear goal: to innovate and accelerate the industries they serve which are in themselves high growth markets, all having double digit annual compound growth outlooks in the near future.

As gaming and eSports started to become the new way of interaction, NVIDIA anchored on its vast knowledge of GPUs in order to deliver the best results and progress as the years passed with better graphics that would result in amazing gameplay. NVIDIA also democratized gaming by providing GeForce Now which gives you access to their GPUs through the cloud, and by designing GPU models with lower costs which would allow high quality graphics to become more mainstream.

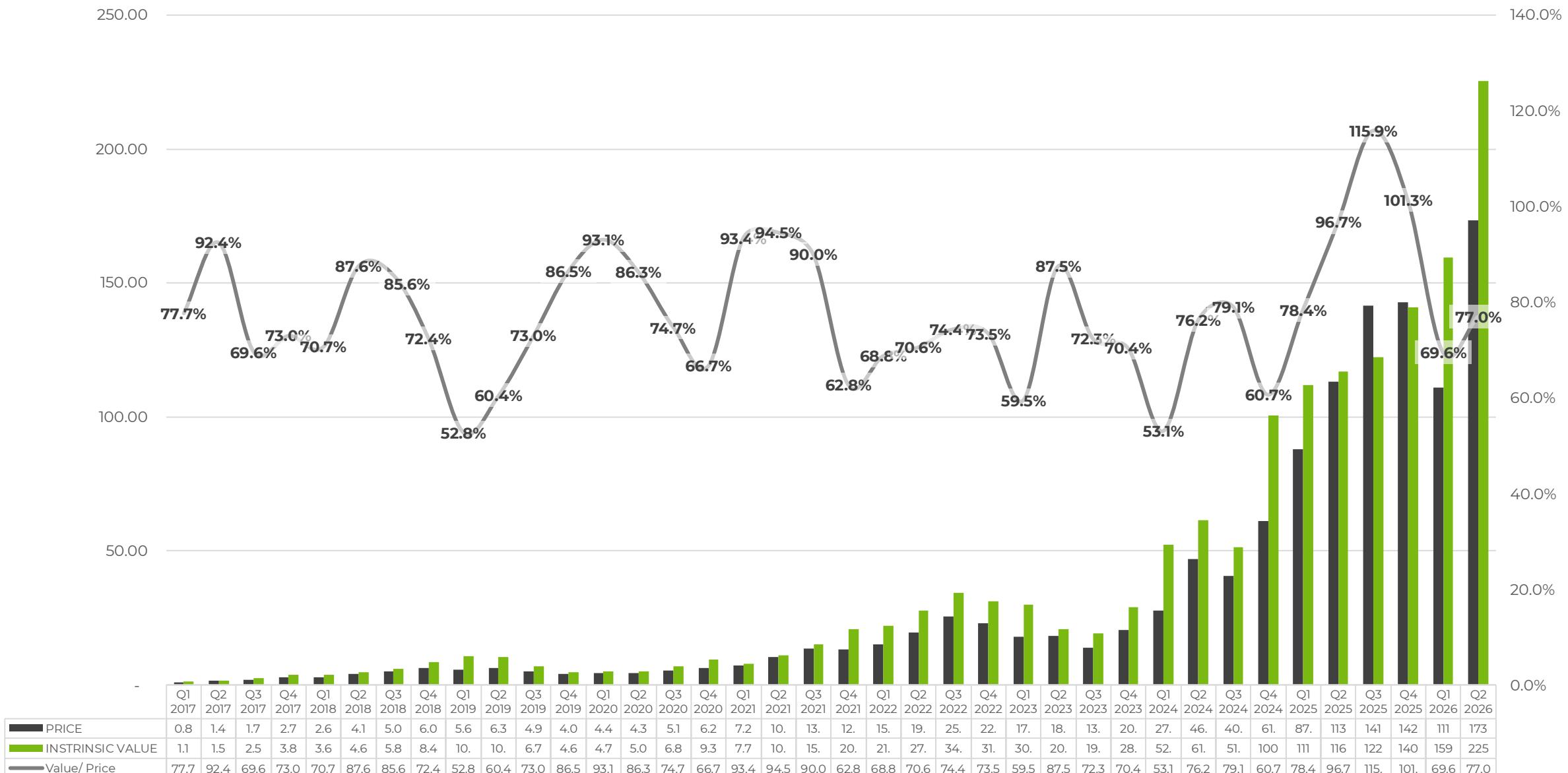
With AI and Deep Learning, they strived to accelerate data processing through GPUs and moved towards being a more software focused company as they developed software development kits which would aid in the adoption of AI technologies. NVIDIA always bested itself as each new GPU architecture brought with it leaps in performance. They also seek to offer 360 support with

their 3-chip strategy as well as their acquisition of Mellanox for the most seamless datacenter experience catered to many industries. Their consistency is also seen with their industry benchmark accomplishments, being able to set records in the MLPerf benchmark consistently. With AI now reaching an inflection, NVIDIA is perfectly place to continue accelerating new technologies that are bound to change how our world works.

NVIDIA developed ray-tracing which later led to NVIDIA Omniverse. The Omniverse scope is so much greater than just what the public perceives as pertaining to the Metaverse which signifies that its market opportunity is even bigger than what we imagine. From games, to medicine, to manufacturing and digital twins, NVIDIA has opened a whole new world of future revenue streams.

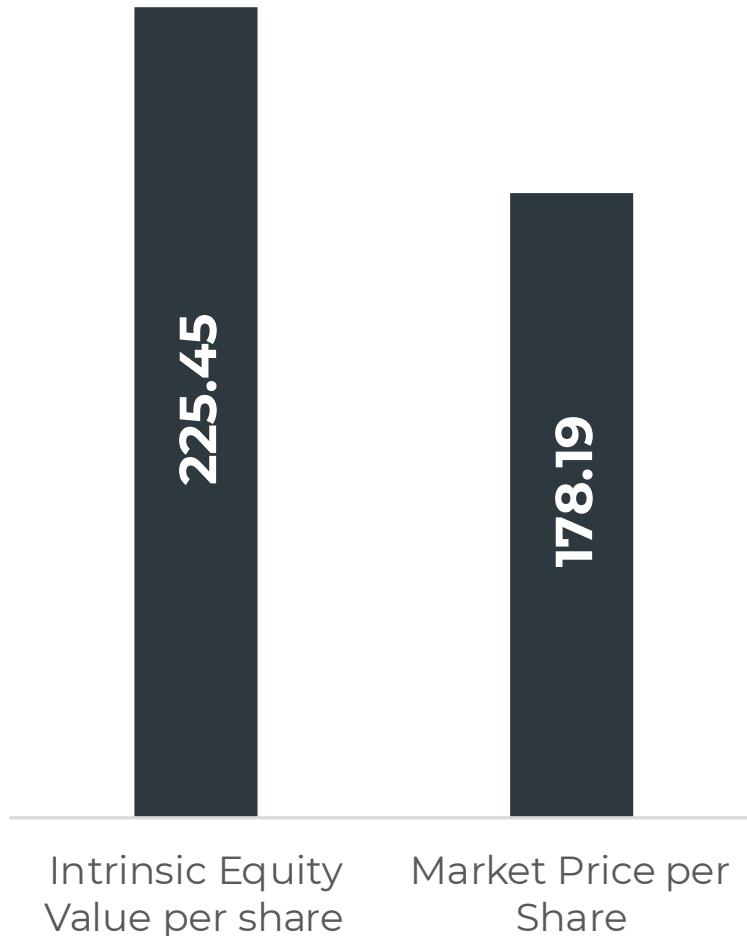
Finally, it is important to point out that all these accomplishments could not have been possible without the vision and guidance of NVIDIA CEO Jensen Huang. His ability of creating new markets and helping shape the future through the company will continue to drive amazing results and reaffirm that, if they remain with their strong narrative, NVIDIA is a timeless investment.

INTRINSIC VALUE VS REAL VALUE OVER THE YEARS



Adjusted all values for 10:1 split in FY2025 Q1

VALUE OF THE COMPANY TODAY



79%
PRICE AS % OF VALUE

FULL REPORT





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APPENDIX



NVIDIA®

BUSINESS OVERVIEW

BUSINESS OVERVIEW



WHO IS NVIDIA

American technology company that designs graphic processing units (GPUs).



JENSEN HUANG

President, Founder & CEO
FOUNDED APRIL 1993

ABOUT JENSEN



Jensen Huang founded NVIDIA in 1993 and has served since its inception as president, chief executive officer, and a member of the board of directors.

Since its founding, NVIDIA has pioneered accelerated computing. The company's invention of the GPU in 1999 sparked the growth of the PC gaming market, redefined computer graphics, and ignited the era of modern AI. NVIDIA is now driving the platform shift of accelerated computing and generative AI, transforming the world's largest industries, and profoundly impacting society.

Huang is a recipient of the Semiconductor Industry Association's highest honor, the Robert N. Noyce Award; IEEE Founder's Medal; the Dr. Morris Chang Exemplary Leadership Award; and honorary doctorate degrees from Taiwan's National Chiao Tung University, National Taiwan University, and Oregon State University. He has been named the world's best CEO by Harvard Business Review and Brand Finance, as well as Fortune's Businessperson of the Year and one of TIME magazine's 100 most influential people.

Source: Nvidia Executive Bios

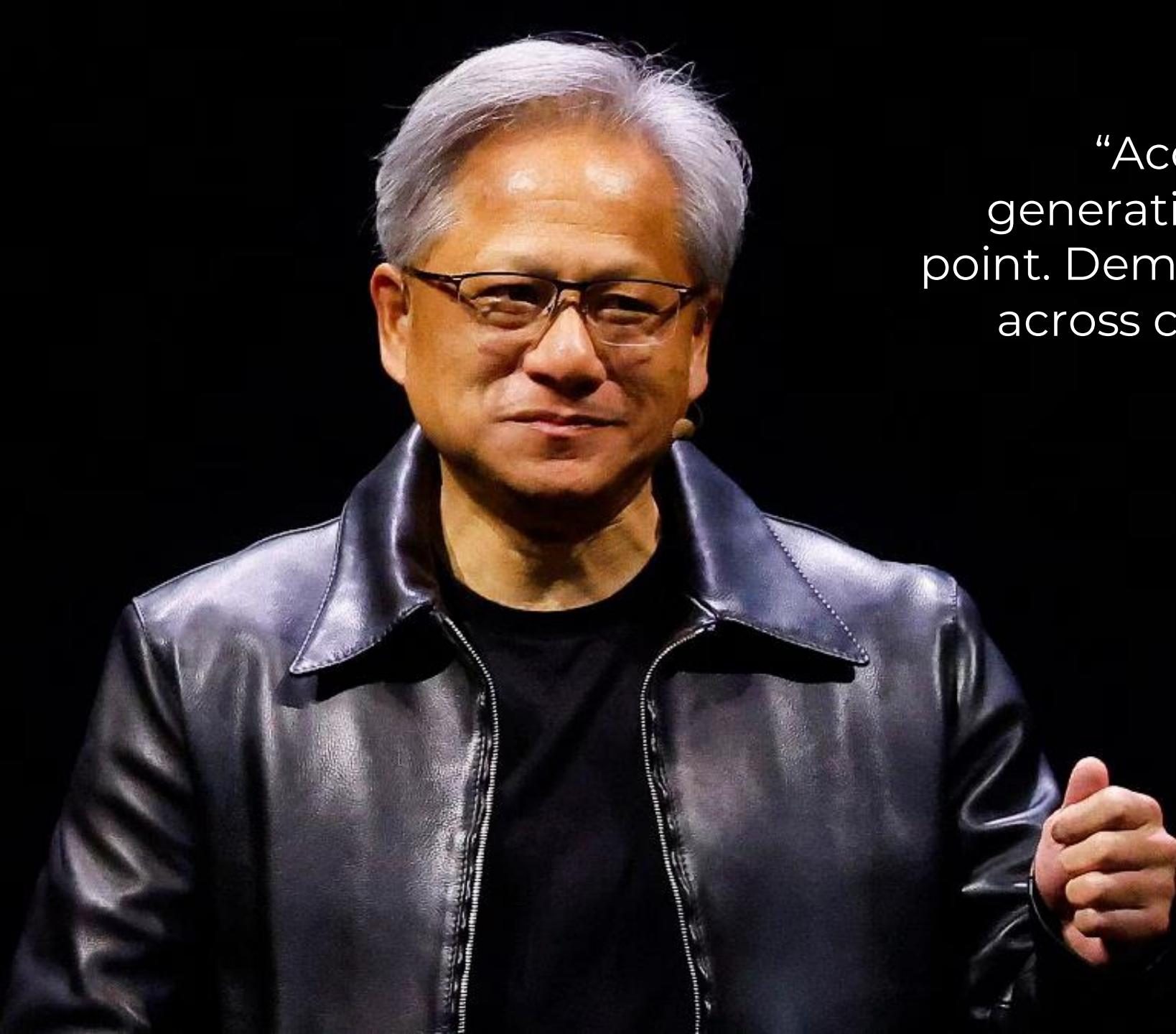
Headquarters: Santa Clara, CA

NVIDIA pioneered accelerated computing to help solve impactful challenges classical computers cannot. A quarter of a century in the making, NVIDIA accelerated computing is broadly recognized as the way to advance computing as Moore's law ends and AI lifts off.

NVIDIA's platform is installed in several hundred million computers, is available in every cloud and from every server maker, powers over 75% of the TOP500 supercomputers, and boasts 4.7 million developers.



Headquarters: Santa Clara, CA
Headcount: ~29,600



“Accelerated computing and generative AI have hit the tipping point. Demand is surging worldwide across companies, industries and nations”

JENSEN HUANG
FOUNDER & CEO OF NVIDIA

Why Accelerated Computing?

Advancing computing in the post-Moore's Law era

Accelerated computing is needed to tackle the most impactful opportunities of our time—like AI, climate simulation, drug discovery, ray tracing, and robotics.

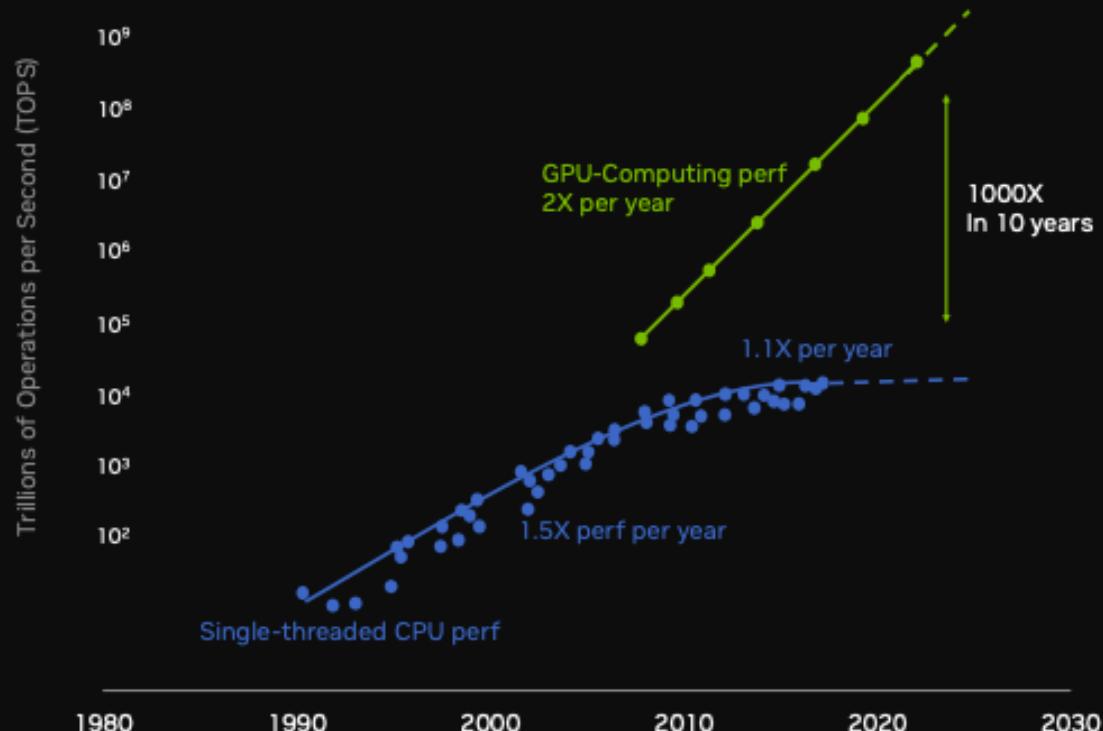
NVIDIA is uniquely dedicated to accelerated computing—working top-to-bottom—refactoring applications and creating new algorithms, and bottom-to-top—inventing new specialized processors, like RT Core and Tensor Core.

"It's the end of Moore's Law as we know it."

- John Hennessy Oct 23, 2018

"Moore's Law is dead."

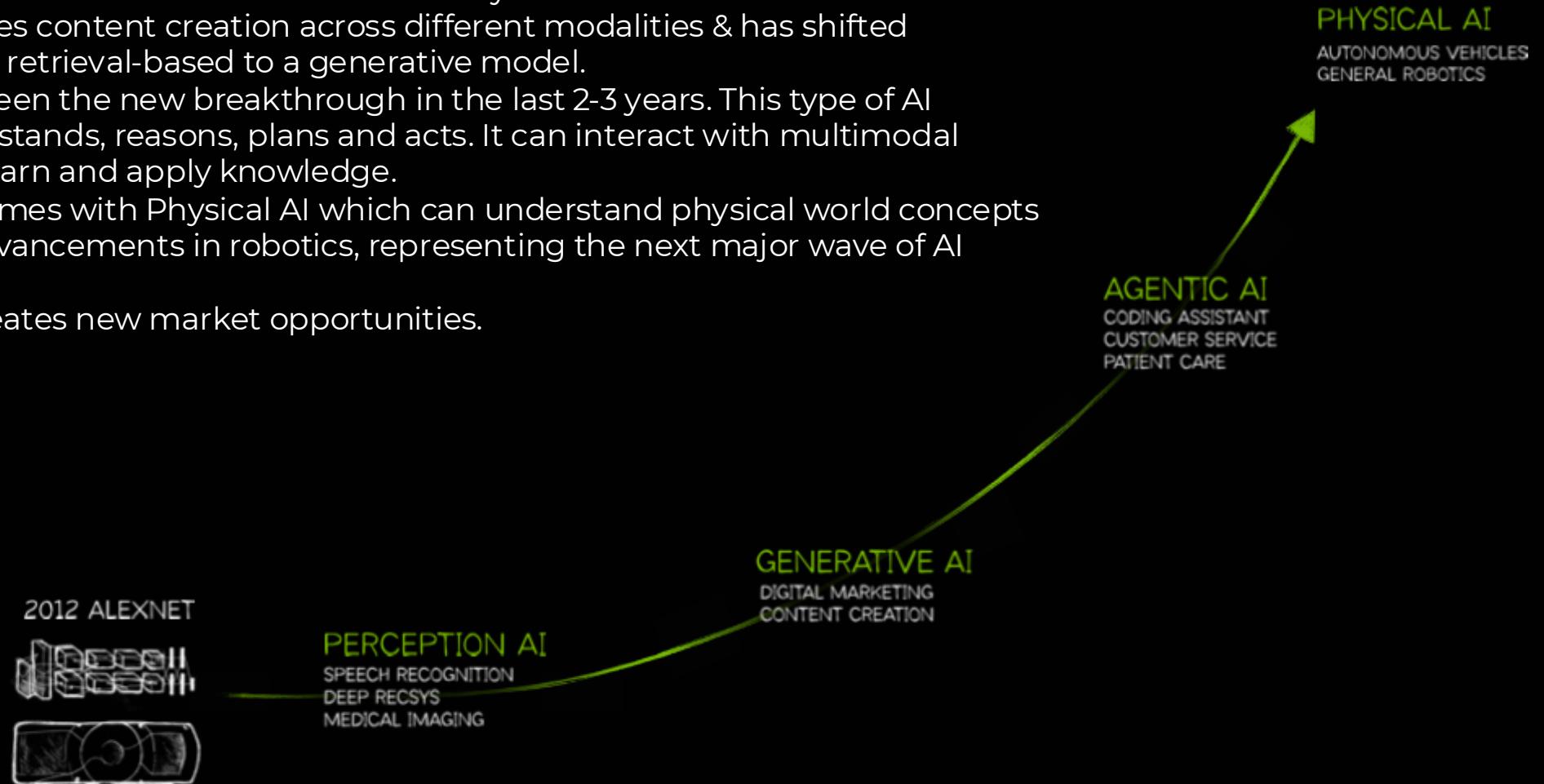
- Jensen Huang, GTC 2013



Source: NVIDIA FY 2024 Q4 presentation

The Evolution of AI

- AI has been talked about over the last 10 years where its focus was more on perception AI (computer vision + speech recognition).
- The focus has shifted towards GenAI in the last 5 years.
- GenAI has enables content creation across different modalities & has shifted computing from retrieval-based to a generative model.
- Agentic AI has been the new breakthrough in the last 2-3 years. This type of AI perceives, understands, reasons, plans and acts. It can interact with multimodal information to learn and apply knowledge.
- The next shift comes with Physical AI which can understand physical world concepts and will drive advancements in robotics, representing the next major wave of AI evolution.
- Each AI wave creates new market opportunities.



FROM ONE TO THREE SCALING LAWS

"INTELLIGENCE"

PRE-TRAINING SCALING

POST-TRAINING SCALING

TEST-TIME SCALING
"LONG THINKING"

PERCEPTION
AI

GENERATIVE
AI

AGENTIC
AI

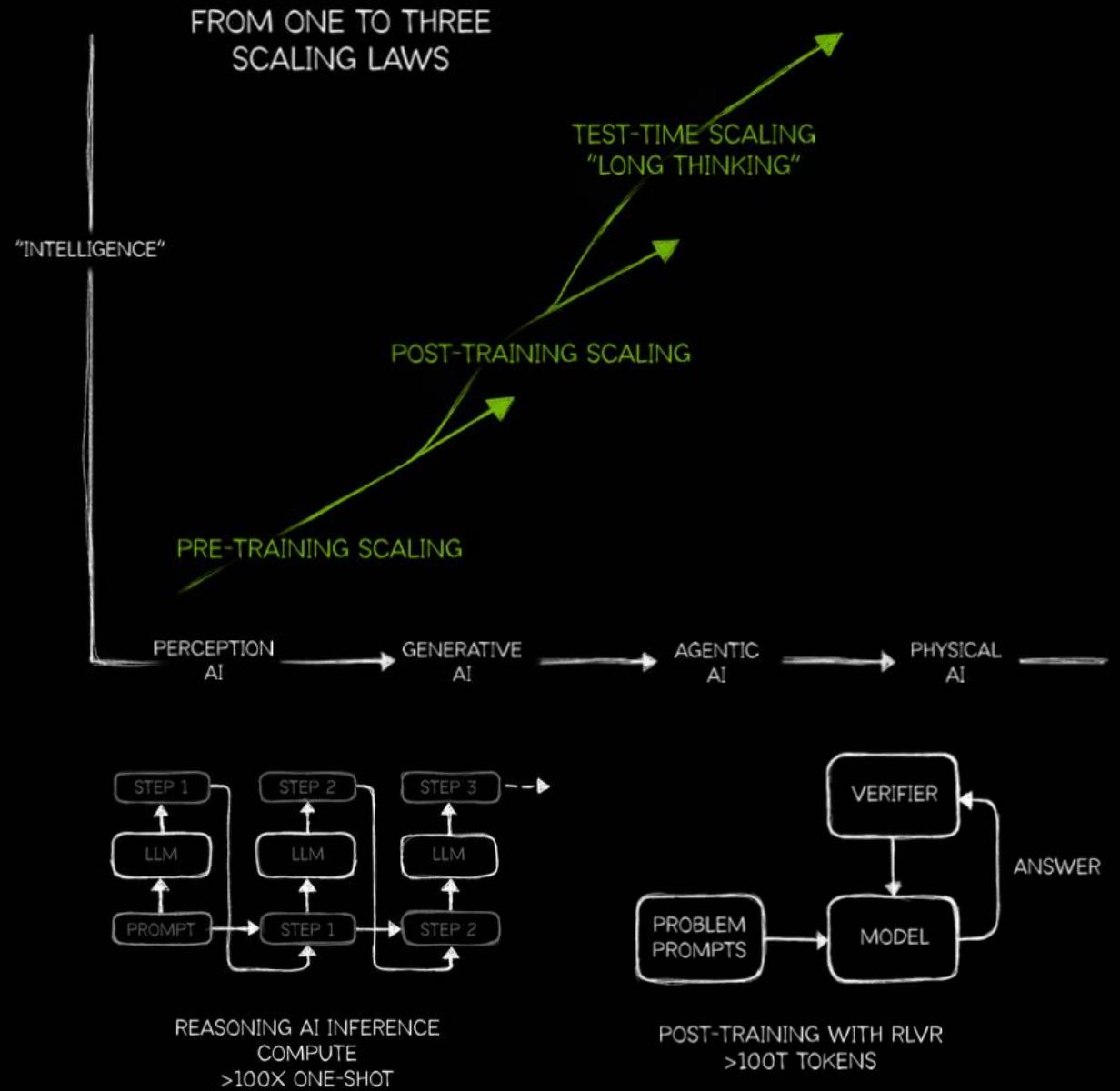
PHYSICAL
AI

AI Scaling Laws

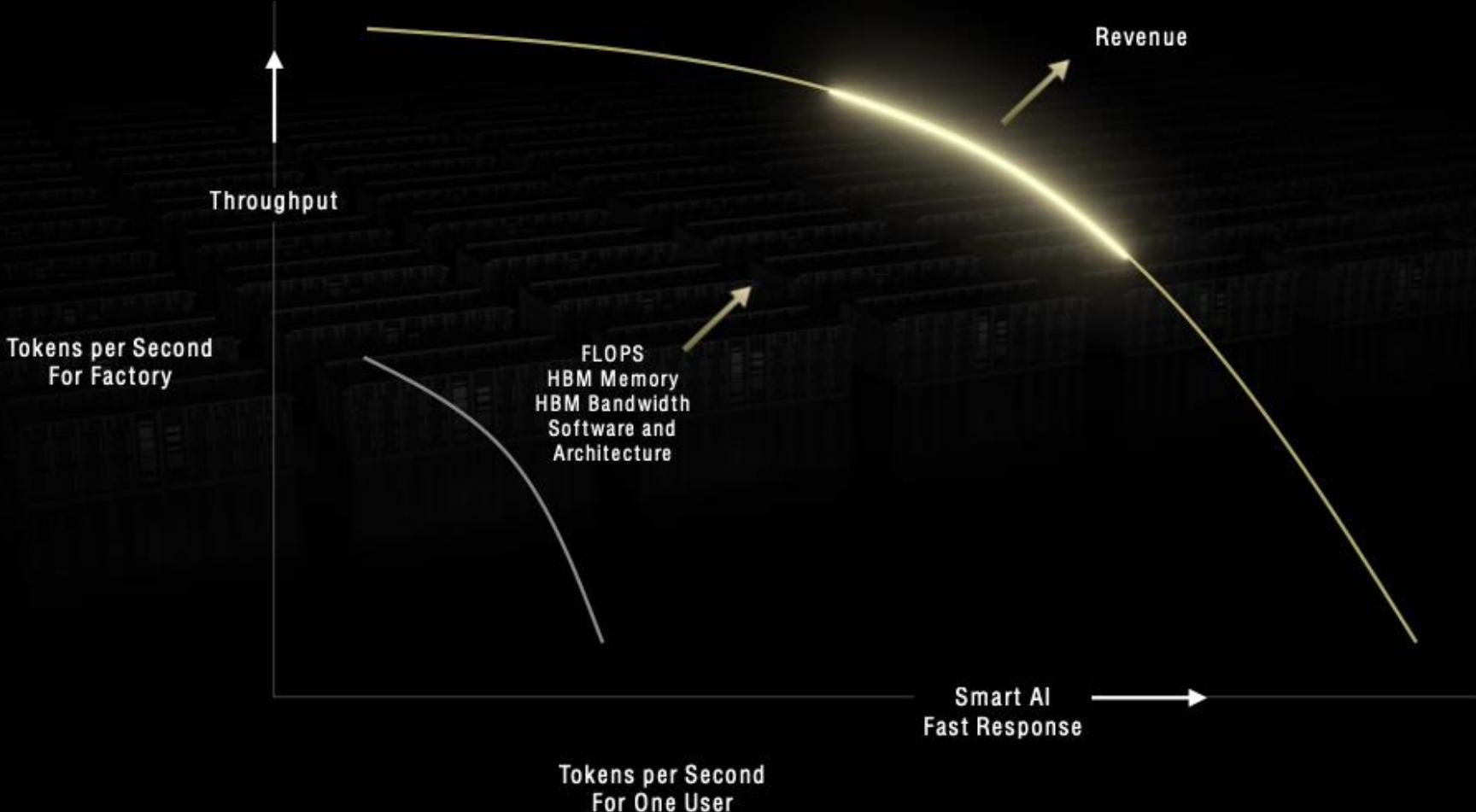
- AI is data-driven and requires vast amounts of digital experience to learn.
- Every day we require better performance out of AI and human involvement limits AI's learning potential – AI must learn at superhuman speeds.
- AI should improve as more resources are allocated.
- Agentic AI and reasoning significantly increase computational demand.

AI Reasoning

- AI can now reason step-by-step instead of giving one-shot responses.
- While in reasoning, AI still predicts the next token, but now within structured reasoning steps. As more tokens are generated, the need for compute increase.
- To keep AI responsive, it must compute 10x more tokens and process them 10x faster, resulting in 100x workload increase.
- AI is trained using reinforcement learning with verifiable results using structured problems like math, logic, geometry, and puzzle games.
- AI is also being trained in synthetic data, reducing the reliance on human-labeled data but increasing the computing needs as it generates tokens to create it.



Inference at scale is an extreme computing problem



AI inference is an extreme computing challenge, crucial for efficiency, revenue, and quality of service. It relies on generating tokens, which improve reasoning but must be fast to retain users.

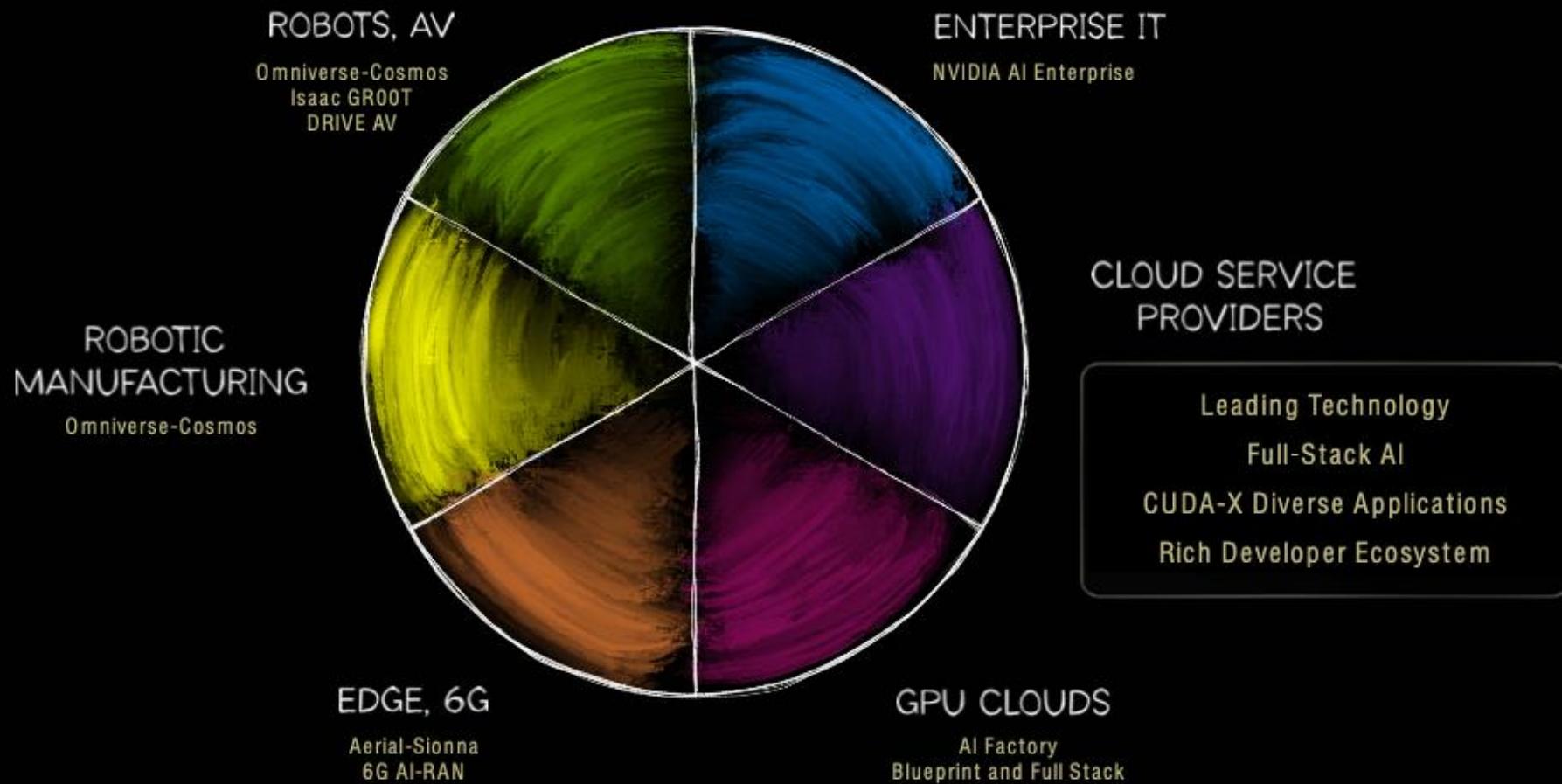
AI systems face a trade-off between response time and throughput. More tokens make AI smarter, but delays hurt user experience. The goal is to maximize token generation speed while maintaining efficiency.

Solving this requires massive FLOPS, bandwidth, and memory. The best AI systems optimize hardware and software to handle these demands, making inference one of computing's toughest problems.

CUDA-X FOR EVERY INDUSTRY



AI FOR EVERY INDUSTRY



Q2 FY26 Financial Summary



| | GAAP | | | Non-GAAP | | |
|---|----------|----------|-----------|----------|----------|-----------|
| | Q2 FY26 | Y/Y | Q/Q | Q2 FY26 | Y/Y | Q/Q |
| Revenue | \$46,743 | +56% | +6% | \$46,743 | +56% | +6% |
| Gross Margin (GM) | 72.4% | -2.7 pts | +11.9 pts | 72.7% | -3.0 pts | +11.7 pts |
| <i>GM excluding H20 related charges/releases, net</i> | | | | 72.3% | | +1.0 pt |
| Operating Income | \$28,440 | +53% | +31% | \$30,165 | +51% | +30% |
| Net Income | \$26,422 | +59% | +41% | \$25,783 | +52% | +30% |
| Diluted EPS | \$1.08 | +61% | +42% | \$1.05 | +54% | +30% |
| Cash Flow from Ops | \$15,365 | +6% | -44% | \$15,365 | +6% | -44% |

MARKET FOCUSED

NVIDIA has a platform strategy, bringing together hardware, system software, programmable algorithms, libraries, systems, and services to create unique value for the markets they serve.

While the requirements of these end markets are diverse, they address them with a unified underlying architecture leveraging their GPUs and software stacks.

1

GAMING

Focused on computer games where GPUs play a key role in enhancing the gamers' experience.

2

PROFESSIONAL VISUALIZATION

Work closely with independent software vendors to optimize their offering for NVIDIA GPUs.

3

DATA CENTERS

The NVIDIA accelerated computing platform addresses AI and HPC applications.

4

AUTOMOTIVE

Cockpit infotainment solutions, AV platforms, and associated development agreements.

5

OEM & IP

Remaining business of original equipment manufacturing nature.

Market Performance at a Glance



Datacenter

FY26 Q2 revenue

\$146.6B

5 yr CAGR 106%

88.7% of total revenue



Gaming

FY26 Q2 revenue

\$13.9B

5 yr CAGR 7.0%

8.4% of total revenue



Professional Visualization

FY26 Q2 revenue

\$2.1B

5 yr CAGR 10.1%

1.3% of total revenue



Automotive

FY26 Q2 revenue

\$2.2B

5 yr CAGR 39.4%

1.3% of total revenue



VALUATION YEAR
FY 2026

FEBRUARY 2025 – JANUARY 2026

FISCAL YEAR
2026

Q2 RESULTS

MAY 2025 – JUL 2025



NARRATIVE | MAIN DRIVERS

FY2026 | Q2

| DATACENTERS | GAMING | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|---|--|
| <p>The strong YoY and sequential growth was driven by demand for accelerated computing platform used for LLMs, recommendation engines, and generative and agentic AI applications.</p> <p>Recognized Blackwell revenue across all customer categories, led by CSPs which represented approximately 50% of Data Center revenue. Sequentially compute declined 1% driven by a \$4B reduction in H20 sales.</p> <p>Networking revenue +98% YoY driven by growth of NVLink compute fabric for GB200 and GB300 systems, ramp of XDR InfiniBand products, and adoption of Ethernet for AI solutions at CSPs and consumer internet companies.</p> <p>Blackwell Datacenter revenue grew 17% sequentially. Blackwell Ultra production is ramping at full speed.</p> <p>There were no H20 sales to China-based customers. In August 2025, the USG granted licenses that would allow Nvidia to ship H20s to certain China-based customers, but to date, they have not shipped any under this license. The USG expressed the expectation that they will receive 15% of revenue generated from licensed H20 sales, but to date, they have not published regulation codifying such requirement. Nvidia is not assuming H20 shipments to China in their outlook.</p> | <p>Nvidia RTX PRO 6000 Blackwell Server Edition GPU coming to most popular enterprise servers - including Disney, Foxconn, TSMC</p> <p>Introduced Nvidia Spectrum-XGS Ethernet to connect distributed datacenters for giga-scale AI.</p> <p>Nvidia working with European nations to build NVIDIA Blackwell AI infrastructure including first industrial AI cloud for European manufacturers.</p> <p>Adoption of sovereign AI in Europe and Middle East.</p> <p>Blackwell delivered best performance on MLPerf.</p> <p>Nvidia plans to invest up to \$100B in OpenAI to support massive datacenter buildout.</p> | <p>Launched Blackwell powered Nvidia GeForce RTX 5060 - quickly became fastest-ramping x60-class GPU ever.</p> <p>Expanded games supporting DLSS 4 tech.</p> <p>Announced Blackwell coming to GeForce Now + new games available.</p> <p>Partnered with OpenAI on the launch of newest open-weight models optimized for RTX GPUs for fast, local inference in popular tools.</p> <p>Nvidia announced a major partnership with Intel to combine their CPUs with Nvidia's GPUs in both datacenter and PC products.</p> | <p>Announced Nvidia RTX PRO 4000 SFF Edition and RTX PRO 2000 Blackwell GPUs.</p> <p>Expanded partnership with Siemens to digitalize and enable the manufacturing factory of the future.</p> <p>Announced new Nvidia Omniverse libraries and software development kits to accelerate physical AI development.</p> <p>Full-stack Nvidia Drive AV software is in full production.</p> <p>Commenced initial shipments of Nvidia Drive AGX Thor system-on-a-chip.</p> <p>General availability of Nvidia Jetson AGX Thor developer kit and production modules designed to power millions of robots.</p> <p>Released Nvidia Halos full-stack safety platform for robotic development.</p> <p>Announced Nvidia Cosmos world foundation models that accelerate the development and deployment of robotics solutions.</p> |

ASSUMPTIONS

FY2026 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|---|
| REVENUE | 165,218 | 45.00% | 4.40% | 4.40% | Nvidia's revenue remains strong, driven by sustained investment in AI and datacenter buildouts, alongside a compelling narrative around robotics and physical AI. We increased our outlook for the growth phase as these investments continue, further supported by its push into AI PCs through strategic partnerships such as with Intel. Notably, Nvidia's we continue to exclude contributions from China due to ongoing geopolitical challenges. |
| OPERATING MARGIN | 62.42% | 55.00% | 45.00% | 45.00% | Slightly increased assumption of margin for growth phase but remains lower than current margins as they invest in future architecture and more supply chain. It remains above industry levels due to Nvidia's strong pricing power and full-stack strength. Maintain assumption that it will slightly decline over time as competition intensifies and suppliers potentially raise prices. |
| TAX RATE | 13.96% | 13.96% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.50 | RIR = | 29.20% | Maintained sales to capital as Nvidia continues to be very efficient with its investments. Still lower than current sales to capital which is closer to 2. |
| RETURN ON CAPITAL | 115.25% | Marginal ROIC = | 57.60% | 15.07% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.44% | 10.07% | 10.07% | Continue to assume global value For WACC taking into account a higher risk due to geopolitical uncertainty. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2026 | Q2

| | The Cash Flows | | | | | |
|-----------------------|------------------|------------------|---------------|----------------|----------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 239,566 | 60.94% | 13.96% | 125,605 | 49,565 | 76,040 |
| 2 | 347,371 | 59.45% | 13.96% | 177,691 | 71,870 | 105,821 |
| 3 | 503,688 | 57.97% | 13.96% | 251,218 | 104,211 | 147,007 |
| 4 | 730,347 | 56.48% | 13.96% | 354,938 | 151,106 | 203,832 |
| 5 | 1,059,003 | 55.00% | 13.96% | 501,134 | 219,104 | 282,029 |
| 6 | 1,449,564 | 45.00% | 16.57% | 544,223 | 185,970 | 358,252 |
| 7 | 1,866,458 | 45.00% | 19.18% | 678,839 | 198,510 | 480,329 |
| 8 | 2,251,696 | 45.00% | 21.78% | 792,528 | 183,436 | 609,093 |
| 9 | 2,533,608 | 45.00% | 24.39% | 862,021 | 134,236 | 727,785 |
| 10 | 2,645,087 | 45.00% | 27.00% | 868,911 | 53,082 | 815,829 |
| Terminal Value | 2,761,470 | 45.00% | 27.00% | 907,143 | 264,884 | 642,259 |

| The Value | |
|---|------------------|
| Terminal value | 11,330,086 |
| PV(Terminal value) | 3,737,679 |
| PV (CF over next 10 years) | 1,709,036 |
| Value of operating assets | 5,446,715 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 56,791 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 5,503,506 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (10,297) |
| Market Value of Equity | 5,493,209 |
| Number of shares (primary) | 24,366 |
| Intrinsic Equity Value per share | 225.45 |



Intrinsic Equity
Value per share

Market Price per
Share

77.0%
PRICE AS % OF VALUE

FISCAL YEAR
2026

Q1 RESULTS

FEB 2025 – APR 2025



NARRATIVE | MAIN DRIVERS

FY2026 | Q1

| DATACENTERS | GAMING | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|--|--|
| <p>Export controls on H20 – recognized a \$4.6B in revenue prior to restriction + \$4.5B charge to write down inventory and purchase obligations. Nvidia was unable to ship \$2.5B of revenue in Q1. Losing access to China AI accelerator market (expected to grow to ~\$50B) would have an adverse impact on their business going forward.</p> <p>Blackwell ramp contributed to around 70% of revenue as transition from Hopper is almost complete. Are seeing improvements in manufacturing yields. Key learnings will allow for a smoother transition to Blackwell Ultra. GB300 currently in testing and expect production shipments to commence this quarter.</p> <p>Witnessing sharp inference demand from both CSPs and start-ups, especially since the start of reasoning models.</p> <p>Nvidia Dynamo turbocharges AI inference throughput by 30x for the new reasoning models sweeping the industry. Developer engagements increased, with adopting raining from LLM providers to financial services who reduced agentic chatbot latency by 5x with Dynamo.</p> <p>Delivered up to 30x higher inference throughput compared to previous submission to MLPerf inference results on the Llama 3.1 benchmark.</p> <p>Have and will continue to optimize performance through CUDA.</p> | <p>Pace and scale of AI factory deployment is accelerating with nearly 100 Nvidia-powered AI factories in flight this quarter. Sovereign AI also continues to be a strong vertical as countries invest to have control over their own AI and data.</p> <p>Introduced Llama Nemotron family of open reasoning models designed to supercharge agentic AI platforms for enterprises available as Nims.</p> <p>Networking continues to grow. Announced NVLink Fusion so hyperscale customers can build semi-custom CCUs and accelerators that connect directly to Nvidia platform with NVLink.</p> <p>Vera Rubin in the works for deployment for next year maintain their one-year architecture update cadence.</p> <p>Nvidia has made investments in nuclear energy companies in order to support clean energy for future datacenter development as energy remains a constraint for datacenter deployments.</p> <p>Around 30% of Nvidia's sales continues to come from 2 direct customers. This is expected to continue.</p> <p>Tariffs and export controls are increase supply chain costs and complexity. Nvidia is investing in partnerships to boost US manufacturing.</p> <p>Nvidia is investing in quantum computing as new big technological breakthrough.</p> | <p>Have seen strong adoption of Blackwell architecture by gamers, creators and AI enthusiasts.</p> <p>Nvidia has improved. Supply and expect to continue doing so in Q2.</p> <p>Added to their AI PC laptop offering including models capable of running Microsoft CoPilot+.</p> <p>Nintendo Switch 2 leverages Nvidia's neural rendering and AI technologies for better gaming performance.</p> | <p>Tariff-related uncertainty temporarily impacted Q1 systems.</p> <p>Demand for AI workstations is strong – expect sequential revenue to increase as Nvidia DGX Spark and Station revolutionize personal computing.</p> <p>Deepened Omniverse's integration and adoption into many leading software platforms. Expected to be used for at-scale robot fleet management and digital twins.</p> |

ASSUMPTIONS

FY2026 | Q1

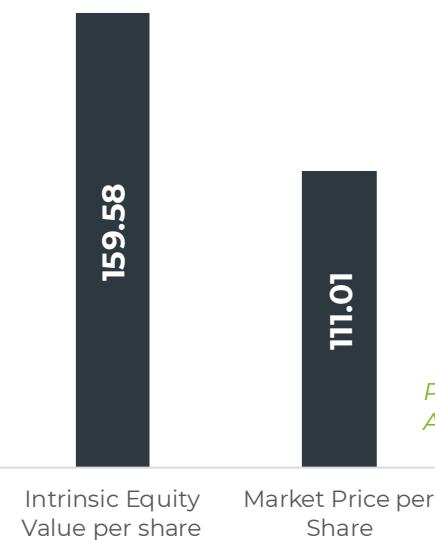
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|--|
| REVENUE | 148,515 | 40.00% | 4.29% | 4.29% | Nvidia's future revenue outlook remains strong as it continues to dominate the AI infrastructure market with its full-platform approach. Despite this strength, the industry faces geopolitical challenges leading us to assume that they will lose all of revenue in China. However, its leadership in AI technology and infrastructure is expected to sustain its growth trajectory which is maintained at 40% in the short-term, phasing to the risk-free rate into the stable phase. |
| OPERATING MARGIN | 62.45% | 50.00% | 45.00% | 45.00% | Maintaining the assumption of lower margins in the current phase as they invest in future architecture and more supply chain. It remains above industry levels due to Nvidia's strong pricing power and full-stack strength. Maintain assumption that it will slightly decline over time as competition intensifies and suppliers potentially raise prices. |
| TAX RATE | 13.40% | 13.40% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.50 | RIR = | 28.47% | Maintained sales to capital as Nvidia continues to be very efficient with its investments. Still lower than current sales to capital which is closer to 2. |
| RETURN ON CAPITAL | 129.90% | Marginal ROIC = | 59.58% | 15.07% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.44% | 10.07% | 10.07% | Increased WACC for growth phase to the global value assuming that there is a higher risk due to geopolitical uncertainty. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2026 | Q1

| | The Cash Flows | | | | | |
|-----------------------|------------------|------------------|---------------|----------------|----------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 207,921 | 59.96% | 13.40% | 107,962 | 39,604 | 68,358 |
| 2 | 291,089 | 57.47% | 13.40% | 144,869 | 55,446 | 89,423 |
| 3 | 407,525 | 54.98% | 13.40% | 194,028 | 77,624 | 116,404 |
| 4 | 570,535 | 52.49% | 13.40% | 259,336 | 108,673 | 150,662 |
| 5 | 798,749 | 50.00% | 13.40% | 345,845 | 152,143 | 193,702 |
| 6 | 1,061,202 | 45.00% | 16.12% | 400,549 | 111,682 | 288,867 |
| 7 | 1,334,101 | 45.00% | 18.84% | 487,228 | 116,127 | 371,102 |
| 8 | 1,581,897 | 45.00% | 21.56% | 558,369 | 105,445 | 452,924 |
| 9 | 1,762,740 | 45.00% | 24.28% | 600,631 | 76,954 | 523,677 |
| 10 | 1,838,361 | 45.00% | 27.00% | 603,902 | 32,179 | 571,722 |
| Terminal Value | 1,917,227 | 45.00% | 27.00% | 629,809 | 179,305 | 450,504 |

| The Value | |
|---|------------------|
| Terminal value | 7,796,047 |
| PV(Terminal value) | 2,571,836 |
| PV (CF over next 10 years) | 1,284,840 |
| Value of operating assets | 3,856,676 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 53,691 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 3,910,367 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (9,985) |
| Market Value of Equity | 3,900,382 |
| Number of shares (primary) | 24,441 |
| Intrinsic Equity Value per share | 159.58 |



Prices as of
April 25, 2025

69.6%
PRICE AS % OF VALUE



VALUATION YEAR
FY 2025

FEBRUARY 2024 – JANUARY 2025

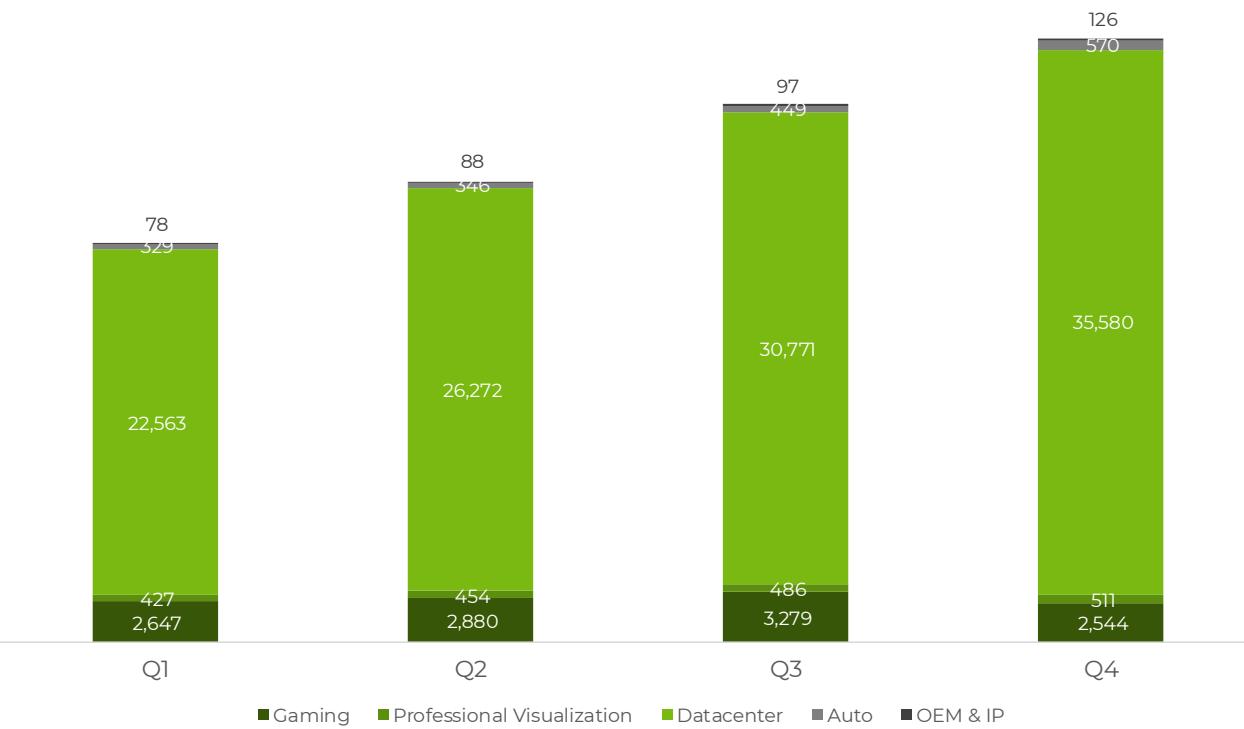


GENERAL NARRATIVE

- NVIDIA is transitioning from traditional data centers to specialized "AI factories" designed for AI workloads, expanding beyond GPUs to offer a complete system that integrates networking, switches, and software for seamless optimization. This shift is driven by the growing demand for AI infrastructure, with the company creating digital twins to optimize efficiency. A key advantage for NVIDIA is its comprehensive software ecosystem, particularly CUDA and CUDA-X libraries, which support complex AI training needs. With the launch of high-performance architectures like Blackwell and its rapid innovation, NVIDIA maintains a strong competitive edge in the AI and inference markets.
- Government restrictions, tariffs, and supply constraints present significant challenges for NVIDIA. These issues may impact NVIDIA more than its competitors as it leads the semiconductor industry. Nvidia's fast product cycle has become crucial for maintaining its competitive edge amidst strong competition AI and semiconductor landscape, but geopolitical issue might hinder its results.

FY2025 AT A GLANCE

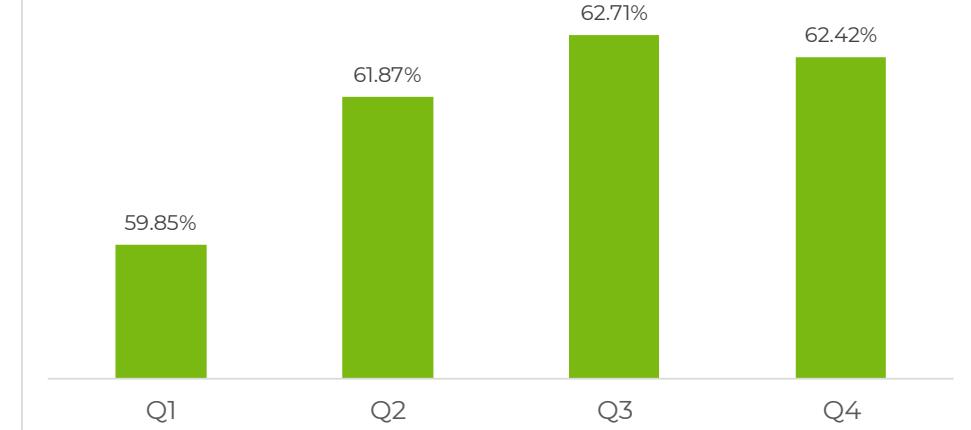
QUARTERLY REVENUES PER SECTOR



Results mainly driven by
DATACENTER

Revenues mainly impacted by AI boom where Nvidia chips are key for processing AI workloads. Demand currently surpasses supply which are limiting further revenue. Margins also positively impacted by datacenter revenue.

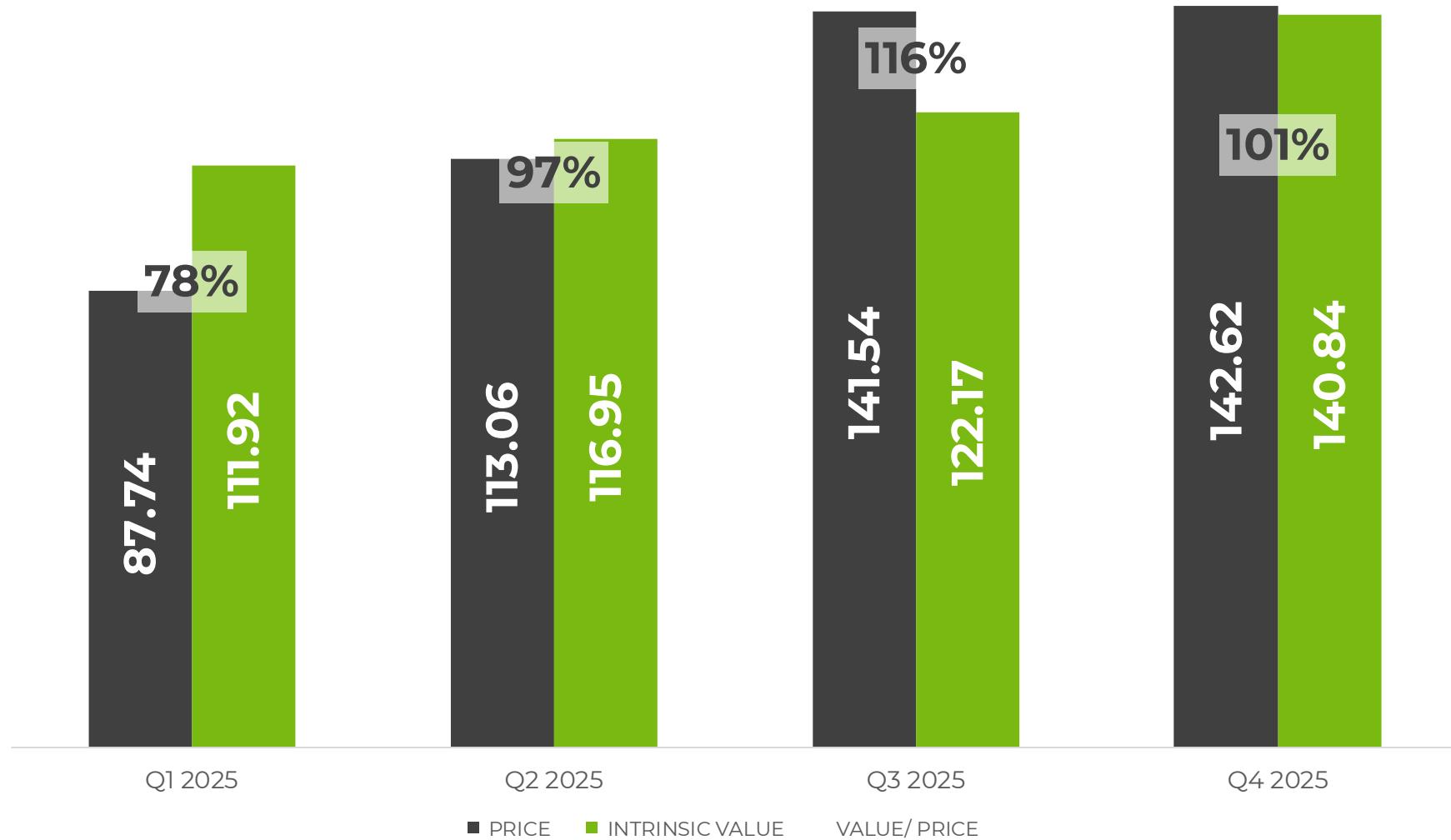
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Nvidia launched Blackwell architecture, delivery significant performance leaps.
- 2 Launched new GeForce RTX 50 series Desktop and Laptop GPUs base on the Blackwell architecture.
- 3 Advancement in automotive segment with partnerships including Toyota, Aurora, Continental and Hyundai Motor Group.
- 4 Project Digits – Nvidia's personal AI computer – provides millions of AI researchers, data scientist and students with access to the power of Grace Blackwell platform.
- 5 Launch of Cosmos World Foundation Model Platform to accelerate Physical AI and Robotics deployment.
- 6 Expands Omniverse with generative Physical AI.
- 7 Open Llama Nemotron to supercharge the creation and deployment of AI Agents.

INTRINSIC VALUE OF STOCK



FISCAL YEAR **2025**

Q4 RESULTS

NOV 2024 – JAN 2025



NARRATIVE | MAIN DRIVERS

FY2025 | Q4

| DATACENTERS | GAMING | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|--|---|
| <p>Large CSPs represented about half of revenue.</p> <p>Blackwell has great demand for inference. Many early GB200 deployments are earmarked for inference, a first for new architecture.</p> <p>Growth in regional cloud hosting, consumer internet company and enterprise verticals.</p> <p>Spectrum-X and NVLink switch revenue increased and represents a major new growth vector.</p> <p>Blackwell production is in full gear across multiple configurations and are focusing on increasing supply as customers adopt.</p> <p>Post-training and model customization are fueling demand for NVIDIA infrastructure and software as developers and enterprises leverage techniques such as fine-tuning, reinforcement learning and distillation to tailor models for domain-specific use cases.</p> <p>Inference demand is accelerating driven by test-time scaling and new reasoning models like OpenAI o3, DeepSeek-R1 and Grok 3. Long thinking reasoning AI can require 100x more compute per task compared to one-shot inference. Blackwell was architected for reasoning AI.</p> <p>Datacenter sales in China remain well below levels seen on the onset of export controls. The market here remains very competitive.</p> | <p>NVLink delivers 14x the throughput of PCIe Gen 5, ensuring response time, throughput and cost efficiency needed to tackle the growing complexity of inference at scale.</p> <p>CUDA's programmable architecture accelerates every AI model and over 4,400 applications, ensuring large infrastructure investments ageing obsolescence in rapidly evolving market.</p> <p>Introduced NVIDIA Llama Nemotron model family NIMs to help developers create and deploy AI agents across a range of applications, including customer support, fraud detection and product supply chain and inventory management.</p> <p>NVIDIA infrastructure and software platforms are increasingly being adopted to power robotics and physical AI developments.</p> <p>Vision transformers, self-supervised learning, multimodal sensor fusion and high-fidelity simulation are driving breakthroughs in AV development and will require 10x more compute.</p> <p>Announced NVIDIA Cosmos World Foundation Model Platform to revolutionize robotics.</p> <p>Networking revenue declined as they transition from small NVLink 8 with Infiniband to large NVLink 72 with Spectrum-X. Expect networking to grow going forward.</p> | <p>Gaming experienced a decrease in Q4 due to shipments impacted by supply constraints – expect to grow as supply chain increased.</p> <p>New GeForce RTX 50 Series, built for gamers, creators and developers, fuse AI and graphics redefining visual computing, delivering a 2x performance leap and new AI-driven rendering.</p> <p>New DLSS 4 boost frame rates up to 8x with AI-driven frame generation. Also features industry's first real-time application of transformer models packing 2x more parameters and 4x the compute.</p> <p>Announced a wave of GeForce Blackwell laptop GPUs with new NVIDIA Max-Q technology that extends battery life.</p> | <p>Revenue +5% sequentially and 10% year on year.</p> <p>Key industry verticals driving demand include automotive and healthcare.</p> <p>Revenue up 27% sequentially and 103% year on year.</p> <p>Strong growth driven by continued ramp in AV, including cars and robotaxis.</p> <p>Announced partnership with Toyota.</p> <p>NVIDIA Drive Hyperion has passed industry safety assessments.</p> |

ASSUMPTIONS

FY2025 | Q4

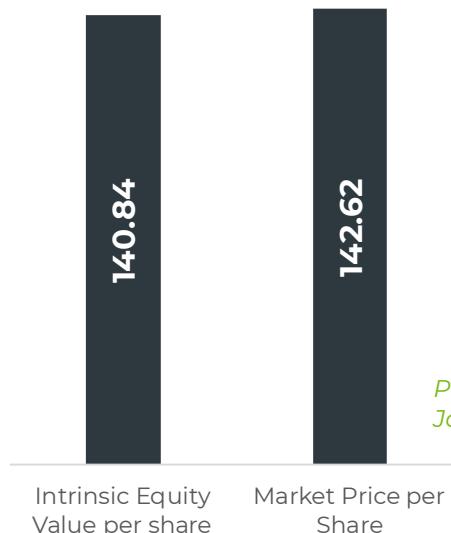
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|--|
| REVENUE | 130,497 | 40.00% | 4.63% | 4.63% | Nvidia's future revenue outlook remains strong as it continues to dominate the AI infrastructure market with its full-platform approach. Despite this strength, the industry faces geopolitical challenges leading us to assume that they will lose all of revenue in China. However, its leadership in AI technology and infrastructure is expected to sustain its growth trajectory which is maintained at 40% in the short-term, phasing to the risk-free rate into the stable phase. |
| OPERATING MARGIN | 66.88% | 50.00% | 45.00% | 45.00% | Maintaining the assumption of lower margins in the current phase as they invest in future architecture and more supply chain. It remains above industry levels due to Nvidia's strong pricing power and full-stack strength. Maintain assumption that it will slightly decline over time as competition intensifies and suppliers potentially raise prices. |
| TAX RATE | 13.26% | 13.26% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.50 | RIR = | 30.62% | Maintained sales to capital as Nvidia continues to be very efficient with its investments. Still lower than current sales to capital which is closer to 2. |
| RETURN ON CAPITAL | 114.91% | Marginal ROIC = | 53.33% | 15.12% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.54% | 10.12% | 10.12% | Increased WACC for growth phase to the global value assuming that there is a higher risk due to geopolitical uncertainty. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2025 | Q4

| | The Cash Flows | | | | | |
|-----------------------|----------------|------------------|--------|------------|--------------|---------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 182,696 | 63.50% | 13.26% | 100,627 | 34,799 | 65,828 |
| 2 | 255,774 | 60.13% | 13.26% | 133,389 | 48,719 | 84,670 |
| 3 | 358,084 | 56.75% | 13.26% | 176,260 | 68,206 | 108,054 |
| 4 | 501,317 | 53.38% | 13.26% | 232,087 | 95,489 | 136,598 |
| 5 | 701,844 | 50.00% | 13.26% | 304,372 | 133,685 | 170,688 |
| 6 | 932,933 | 45.00% | 16.01% | 352,599 | 119,074 | 233,524 |
| 7 | 1,174,115 | 45.00% | 18.76% | 429,239 | 124,275 | 304,964 |
| 8 | 1,394,591 | 45.00% | 21.51% | 492,602 | 113,605 | 378,997 |
| 9 | 1,557,814 | 45.00% | 24.25% | 530,999 | 84,104 | 446,894 |
| 10 | 1,629,940 | 45.00% | 27.00% | 535,435 | 37,165 | 498,270 |
| Terminal Value | 1,705,407 | 45.00% | 27.00% | 560,226 | 171,527 | 388,699 |

| The Value | |
|---|------------------|
| Terminal value | 7,077,453 |
| PV(Terminal value) | 2,317,964 |
| PV (CF over next 10 years) | 1,107,055 |
| Value of operating assets | 3,425,019 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 43,210 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 3,468,229 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (9,982) |
| Market Value of Equity | 3,458,247 |
| Number of shares (primary) | 24,555 |
| Intrinsic Equity Value per share | 140.84 |



Prices as of
January 24, 2025

Intrinsic Equity
Value per share

Market Price per
Share

101.3%
PRICE AS % OF VALUE

FISCAL YEAR **2025**

Q3 RESULTS

AUG – OCT 2024



NARRATIVE | MAIN DRIVERS

FY2025 | Q3

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|--|---|---|
| <p>Strong YoY and sequential growth was driven by demand for Hopper computing platform for training and inferencing of LLMs, recommendation engines, and Gen AI applications.</p> <p>Cloud service providers represented approximately 50% of Data Center revenue, and the remainder was represented by consumer internet and enterprise companies.</p> <p>Compute revenue was \$27.6 billion, up 132% from a year ago and up 22% sequentially.</p> <p>Networking revenue was \$3.1 billion, up 20% from a year ago driven by Ethernet for AI, which includes Spectrum-X end-to-end ethernet platform. Areas of sequential revenue growth include InfiniBand and Ethernet switches, SmartNICs, and BlueField DPU. Though networking revenue was sequentially down 15%, networking demand is strong and growing.</p> <p>NVIDIA GPU regional cloud revenue jumped 2x year-on-year as North America, India, and Asia Pacific regions ramped NVIDIA Cloud instances and sovereign cloud build-outs.</p> <p>Blackwell is in full production after a successfully executed mask change. Shipped 13,000 GPU samples to customers in Q3, including one of the first Blackwell DGX engineering samples to OpenAI. Blackwell is now in the hands of all major partners, and they are working to bring up their data centers.</p> | <p>Rapid advancements in NVIDIA software algorithms boosted Hopper inference throughput by an incredible 5x in 1 year and cut time to first token by 5x. Upcoming release of NVIDIA NIM will boost Hopper inference performance by an additional 2.4x.</p> <p>NVIDIA AI Enterprise, which includes NVIDIA NeMo and NIM microservices is an operating platform of agentic AI. Industry leaders are using NVIDIA AI to build Copilots and agents.</p> <p>Software, service and support revenue is annualizing at \$1.5 billion, and we expect to exit this year annualizing at over \$2 billion.</p> <p>For Blackwell, current focus is on ramping to strong demand, increasing system availability, and providing the optimal mix of configurations to customer. As Blackwell ramps, they expect gross margins to moderate to the low 70s. When fully ramped, they expect Blackwell margins to be in the mid-70s.</p> <p>Inference is getting traction as new architectures are adopted for training and older architectures are used for inference (old architectures do not become obsolete).</p> <p>AI is transforming every industry, company and country. Enterprises are adopting agentic AI to revolutionize workflows. Over time, AI coworkers will assist employees in performing their jobs faster and better.</p> | <p>Revenue was up 15% from a year ago and up 14% sequentially. These increases were driven by sales of GeForce RTX 40 Series GPUs and game console SoCs.</p> <p>Channel inventory remains healthy, and they are gearing up for the holiday season. They began shipping new GeForce RTX AI PC with up to 321 AI TOPS from ASUS and MSI with Microsoft's Copilot+ capabilities anticipated in Q4. These machines harness the power of RTX ray tracing and AI technologies to supercharge gaming, photo, and video editing, image generation and coding.</p> |
| AUTOMOTIVE | | |
| | | <p>Revenue was up 72% from a year ago and up 30% sequentially. These increases were driven by self-driving platforms.</p> |

ASSUMPTIONS

FY2025 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|---|
| REVENUE | 113,269 | 40.00% | 4.25% | 4.25% | Continue to assume growth of 40% assuming growth from new verticals like Sovereign AI, new networking products as well as stronger focus on software as Nvidia leans towards its entire stack focus. Considering loss of Chinese market as restrictions will push them to source more locally. |
| OPERATING MARGIN | 67.14% | 50.00% | 45.00% | 45.00% | Maintained margins vs previous valuation which is lower than current margins, understanding that Nvidia has great pricing power over its customers as it has its full stack strength to sustain it. Slightly lower over time as competition continues to increase and suppliers might increase price. |
| TAX RATE | 13.50% | 13.50% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.50 | RIR = | 28.64% | Maintained sales to capital as Nvidia continues to be very efficient with its investments. Still lower than current sales to capital which is closer to 2. |
| RETURN ON CAPITAL | 118.30% | Marginal ROIC = | 54.04% | 14.84% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.64% | 9.84% | 9.84% | Increased WACC for growth phase to the global value assuming that there is a higher risk due to geopolitical uncertainty. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2025 | Q3

| | The Cash Flows | | | | | |
|-----------------------|------------------|------------------|---------------|----------------|----------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 158,577 | 63.71% | 13.50% | 87,395 | 30,205 | 57,190 |
| 2 | 222,007 | 60.28% | 13.50% | 115,770 | 42,287 | 73,483 |
| 3 | 310,810 | 56.86% | 13.50% | 152,862 | 59,202 | 93,660 |
| 4 | 435,134 | 53.43% | 13.50% | 201,105 | 82,883 | 118,222 |
| 5 | 609,188 | 50.00% | 13.50% | 263,484 | 116,036 | 147,449 |
| 6 | 809,306 | 45.00% | 16.20% | 305,199 | 100,269 | 204,930 |
| 7 | 1,017,298 | 45.00% | 18.90% | 371,272 | 104,214 | 267,058 |
| 8 | 1,206,006 | 45.00% | 21.60% | 425,487 | 94,552 | 330,934 |
| 9 | 1,343,491 | 45.00% | 24.30% | 457,664 | 68,887 | 388,778 |
| 10 | 1,400,590 | 45.00% | 27.00% | 460,094 | 28,609 | 431,485 |
| Terminal Value | 1,460,115 | 45.00% | 27.00% | 479,648 | 137,362 | 342,285 |

| The Value | |
|---|------------------|
| Terminal value | 6,122,807 |
| PV(Terminal value) | 2,007,892 |
| PV (CF over next 10 years) | 960,816 |
| Value of operating assets | 2,968,708 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 38,487 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 3,007,195 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (9,952) |
| Market Value of Equity | 2,997,243 |
| Number of shares (primary) | 24,533 |
| Intrinsic Equity Value per share | 122.17 |



Prices as of
October 25, 2024

115.9%
PRICE AS % OF VALUE

FISCAL YEAR
2025

Q2 RESULTS

MAY – JUL 2024



NARRATIVE | MAIN DRIVERS

FY2025 | Q2

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|--|---|--|
| <p>Strong sequential and year-on-year growth was driven by demand for our Hopper GPU computing platform for training and inferencing of large language models, recommendation engines, and generative AI applications.</p> <p>Cloud service providers represented roughly 45% of Data Center revenue, and more than 50% stemmed from consumer internet and enterprise companies.</p> <p>Data Center compute revenue was \$22.6 billion, up 162% from a year ago and up 17% sequentially. Networking revenue was \$3.7 billion, up 114% from a year ago driven by InfiniBand and Ethernet for AI revenue, which includes Spectrum-X end-to-end ethernet platform.</p> <p>Unveiled an array of NVIDIA Blackwell-powered systems featuring NVIDIA Grace CPUs, networking and infrastructure from top manufacturers.</p> <p>Announced broad adoption of the NVIDIA Spectrum-X Ethernet networking platform by cloud service providers, GPU cloud providers and enterprises, as well as partners incorporating it into their offerings.</p> | <p>Released NVIDIA Inference Microservices, or NIM, for broad availability to developers globally and unveiled that more than 150 companies are integrating NIM into their platforms to speed generative AI application development.</p> <p>Introduced an NVIDIA AI Foundry service and NIM inference microservices to accelerate generative AI for the world's enterprises with the Llama 3.1 collection of models.</p> <p>Announced that the combination of NVIDIA H200 and NVIDIA Blackwell architecture B200 processors swept the latest industry-standard MLPerf results for inference.</p> <p>Unveiled an array of Blackwell systems featuring NVIDIA Grace CPUs, networking and infrastructure.</p> <p>Nvidia estimate that inference drove over 40% of our Data Center revenue.</p> | <p>Higher sales of GeForce RTX 40 Series GPUs and game console SOCs. Solid demand in the second quarter for gaming GPUs as part of the back-to-school season.</p> <p>Announced NVIDIA ACE generative AI microservices are in early access for RTX AI PCs.</p> <p>Announced new RTX and DLSS titles bringing the total number of RTX games and apps to over 600.</p> <p>Surpassed 2,000 games on GeForce NOW and expanded the service into Japan.</p> |
| <h2>AUTOMOTIVE</h2> | | |
| <p>AI Cockpit solutions and self-driving platforms..</p> <p>NVIDIA won the Autonomous Grand Challenge in the 'End-to-End Driving at Scale' category, highlighting the importance of generative AI in building applications for physical AI deployments in autonomous vehicle development.</p> | | |

ASSUMPTIONS

FY2025 | Q2

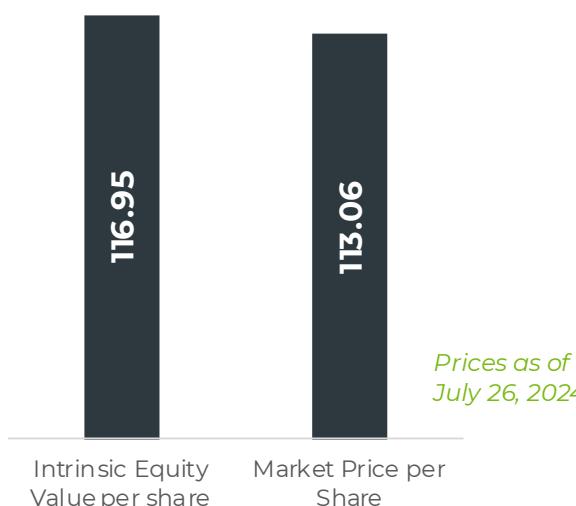
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|---|
| REVENUE | 96,307 | 40.00% | 4.20% | 4.20% | Continue to expect strong growth but at a slightly lower pace than previous assumption. Expected continued growth from new verticals like Sovereign AI, new networking products as well as stronger focus on software as Nvidia leans towards its entire stack focus. Considering loss of Chinese market as restrictions will push them to source more locally. |
| OPERATING MARGIN | 66.37% | 50.00% | 45.00% | 45.00% | Maintained margins vs previous valuation which is lower than current margins, understanding that Nvidia has great pricing power over its customers as it has its full stack strength to sustain it. Slightly lower over time as competition continues to increase and suppliers might increase price. |
| TAX RATE | 13.27% | 13.27% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.50 | RIR = | 28.30% | Increase of sales to capital as Nvidia has consistently delivered better results over time as it becomes more efficient by integrating AI in its internal processes. Still lower than current sales to capital which is closer to 2. |
| RETURN ON CAPITAL | 110.98% | Marginal ROIC = | 52.48% | 14.84% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 10.44% | 9.84% | 9.84% | Used current WACC for the company at growth phase which is similar in value to the global number used as reference. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2025 | Q2

| The Cash Flows | | | | | | |
|-----------------------|-----------|------------------|--------|------------|--------------|---------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 134,830 | 63.09% | 13.27% | 73,776 | 25,682 | 48,094 |
| 2 | 188,762 | 59.82% | 13.27% | 97,928 | 35,955 | 61,973 |
| 3 | 264,266 | 56.55% | 13.27% | 129,597 | 50,336 | 79,261 |
| 4 | 369,973 | 53.27% | 13.27% | 170,934 | 70,471 | 100,463 |
| 5 | 517,962 | 50.00% | 13.27% | 224,605 | 98,659 | 125,945 |
| 6 | 688,061 | 45.00% | 16.02% | 260,028 | 90,080 | 169,948 |
| 7 | 864,755 | 45.00% | 18.76% | 316,121 | 93,573 | 222,548 |
| 8 | 1,024,908 | 45.00% | 21.51% | 362,005 | 84,813 | 277,192 |
| 9 | 1,141,337 | 45.00% | 24.25% | 389,029 | 61,658 | 327,371 |
| 10 | 1,189,273 | 45.00% | 27.00% | 390,676 | 25,386 | 365,290 |
| Terminal Value | 1,239,223 | 45.00% | 27.00% | 407,085 | 115,210 | 291,875 |

| The Value | |
|---|------------------|
| Terminal value | 5,174,776 |
| PV(Terminal value) | 1,947,977 |
| PV (CF over next 10 years) | 901,369 |
| Value of operating assets | 2,849,346 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 34,800 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 2,884,146 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (9,765) |
| Market Value of Equity | 2,874,381 |
| Number of shares (primary) | 24,578 |
| Intrinsic Equity Value per share | 116.95 |



96.7%
PRICE AS % OF VALUE

FISCAL YEAR
2025

Q1 RESULTS

FEB – APR 2024



NARRATIVE | MAIN DRIVERS

FY2025 | Q1

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|---|---|---|
| <p>Strong sequential growth driven by all customer types, led by enterprise and consumer internet companies.</p> <p>CSPs continue to drive strong growth representing ~45% of total Datacenter revenue. For every \$1 spent on NVIDIA AI infrastructure, cloud providers have an opportunity to earn \$5 in GPU instant hosting revenue over 4 years.</p> <p>Enterprises drove strong sequential growth in Data Center this quarter. Supported Tesla's expansion of their training AI cluster to 35,000 H100 GPUs.</p> <p>NVIDIA Transformers, while consuming significantly more computing, are enabling dramatically better autonomous driving capabilities and propelling significant growth for NVIDIA AI infrastructure across the automotive industry.</p> <p>As Gen AI makes its way into more consumer internet applications (using models like Llama 3 which was trained in a 24,000 H100 GPU cluster), expect continued growth opportunities as inference scales both model complexity as well as the number of users and queries per user.</p> <p>Inference drove about 40% of data center revenue. Both training and inferencing are growing significantly.</p> | <p>TSMC is considering increasing prices for NVIDIA products.</p> <p>Announcement of Nvidia next generation architecture (Rubin) in Computex, coinciding with Nvidia's promised cycle of launching new model every year.</p> <p>Countries around the world are building Sovereign AI, diversifying revenue and opening a new market opportunity. Believe it can approach the single-digit billions this year.</p> <p>Have new products for China that don't require export control license. Expect Chinese market to remain competitive going forward.</p> <p>Demand for H200 and Blackwell is well ahead of supply and expect demand to exceed supply well into next year.</p> <p>Strong networking growth driven by InfiniBand + started shipping Spectrum-X Ethernet networking solution. Opens new market to Nvidia networking + expect to jump to a multibillion-dollar product line within a year.</p> <p>Announced new software product with the introduction of Nvidia Inference Microservices (NIM) which will be offered as part of Nvidia AI enterprise software platform.</p> | <p>NVIDIA has full technology stack for deploying and running fast and efficient generative AI inference on GeForce RTX PCs. TensorRT-LLM now accelerates Microsoft's Phi-3 Mini model and Google's Gemma 2B and 7B models as well as popular AI frameworks, including LangChain and LlamaIndex.</p> <p>Top game developers, including NetEase Games, Tencent and Ubisoft are embracing NVIDIA Avatar Cloud Engine to create lifelike avatars to transform interactions between gamers and non-playable characters.</p> |
| <h2>AUTOMOTIVE</h2> <p>Sequential growth was driven by the ramp of AI Cockpit solutions with global OEM customers and strength in our self-driving platforms. Year-on-year growth was driven primarily by self-driving.</p> <p>Announced a number of new design wins on NVIDIA DRIVE Thor, the successor to Orin, powered by the new NVIDIA Blackwell architecture with several leading EV makers.</p> | | |

ASSUMPTIONS

FY2025 | Q1

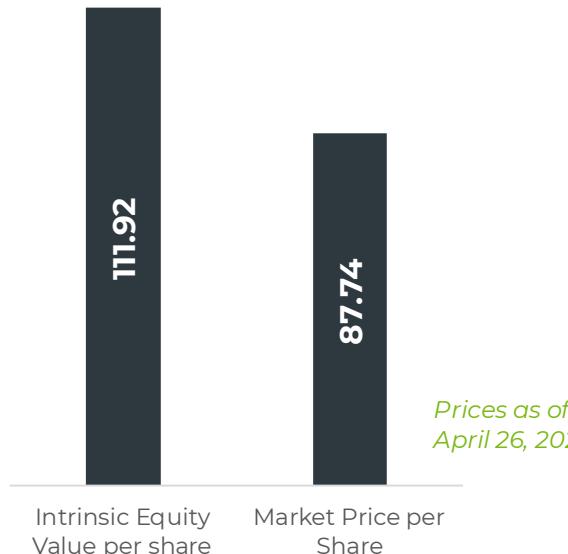
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|---|
| REVENUE | 79,774 | 45.00% | 4.67% | 4.67% | Continue to expect strong growth but at a slightly lower pace than previous assumption. Expected continued growth from new verticals like Sovereign AI, new networking products as well as stronger focus on software as Nvidia leans towards its entire stack focus. Considering loss of Chinese market as restrictions will push them to source more locally. |
| OPERATING MARGIN | 64.39% | 50.00% | 45.00% | 45.00% | Maintained margins vs previous valuation which is lower than current margins, understanding that Nvidia has great pricing power over its customers as it has its full stack strength to sustain it. Slightly lower over time as competition continues to increase and suppliers might increase price. |
| TAX RATE | 12.87% | 12.87% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.00 | RIR = | 31.47% | Maintained previous assumption of sales to capital ratio which is lower than current value, understanding that Nvidia needs to continue investing at a strong pace to keep running ahead of other competitors. Increased to current value for stable phase. |
| RETURN ON CAPITAL | 101.22% | Marginal ROIC = | 43.28% | 14.84% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 11.83% | 9.84% | 9.84% | Used current WACC for the company at growth phase which is similar in value to the global number used as reference. Reduced to US value for stable phase as over time the company can be expected to be less risky. |

NUMBERS

FY2025 | Q1

| | The Cash Flows | | | | | |
|-----------------------|------------------|------------------|---------------|----------------|----------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 115,672 | 61.52% | 12.87% | 62,000 | 35,898 | 26,102 |
| 2 | 167,725 | 58.64% | 12.87% | 85,693 | 52,053 | 33,640 |
| 3 | 243,201 | 55.76% | 12.87% | 118,154 | 75,476 | 42,678 |
| 4 | 352,641 | 52.88% | 12.87% | 162,477 | 109,440 | 53,037 |
| 5 | 511,330 | 50.00% | 12.87% | 222,766 | 158,689 | 64,077 |
| 6 | 700,185 | 45.00% | 15.69% | 265,632 | 106,977 | 158,656 |
| 7 | 902,314 | 45.00% | 18.52% | 330,839 | 114,496 | 216,343 |
| 8 | 1,090,014 | 45.00% | 21.35% | 385,796 | 106,322 | 279,474 |
| 9 | 1,228,838 | 45.00% | 24.17% | 419,302 | 78,637 | 340,665 |
| 10 | 1,286,224 | 45.00% | 27.00% | 422,525 | 32,507 | 390,018 |
| Terminal Value | 1,346,291 | 45.00% | 27.00% | 442,257 | 139,171 | 303,086 |

| The Value | |
|---|------------------|
| Terminal value | 5,862,020 |
| PV(Terminal value) | 2,021,927 |
| PV (CF over next 10 years) | 712,978 |
| Value of operating assets | 2,734,906 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 31,438 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 2,766,344 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (10,991) |
| Market Value of Equity | 2,755,353 |
| Number of shares (primary) | 24,620 |
| Intrinsic Equity Value per share | 111.92 |



Prices as of
April 26, 2024

78.4%
PRICE AS % OF VALUE



VALUATION YEAR
FY 2024

FEBRUARY 2023 – JANUARY 2024

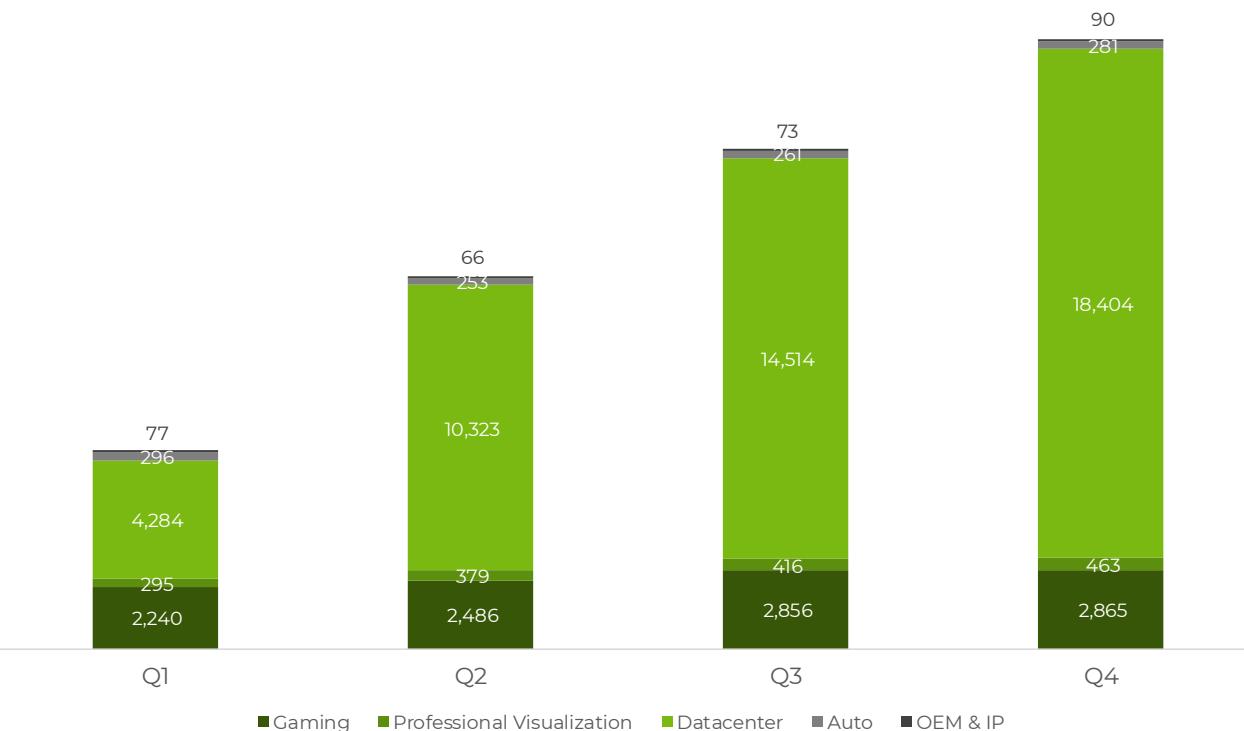


GENERAL NARRATIVE

- THE TRANSITION TOWARDS ACCELERATED COMPUTING AND THE PROLIFERATION OF GENERATIVE AI APPLICATIONS ARE DRIVING OVERALL YEARLY DEMAND, WITH NVIDIA EMERGING AS THE INDISPENSABLE PARTNER FOR ALL ACCELERATED AND AI WORKLOADS. NVIDIA MAINTAINS IMMENSE POTENTIAL FOR GROWTH, PARTICULARLY AS MORE USE CASES FOR AI EMERGE AND NEW VERTICALS CONTINUE TO EXPAND.
- GOVERNMENT RESTRICTIONS AND AN INCREASINGLY COMPETITIVE LANDSCAPE POSE SIGNIFICANT CHALLENGES FOR NVIDIA MOVING FORWARDS, NECESSITATING SHORTER PRODUCT LAUNCH CYCLES TO UPHOLD THEIR COMPETITIVE ADVANTAGE.

FY2024 AT A GLANCE

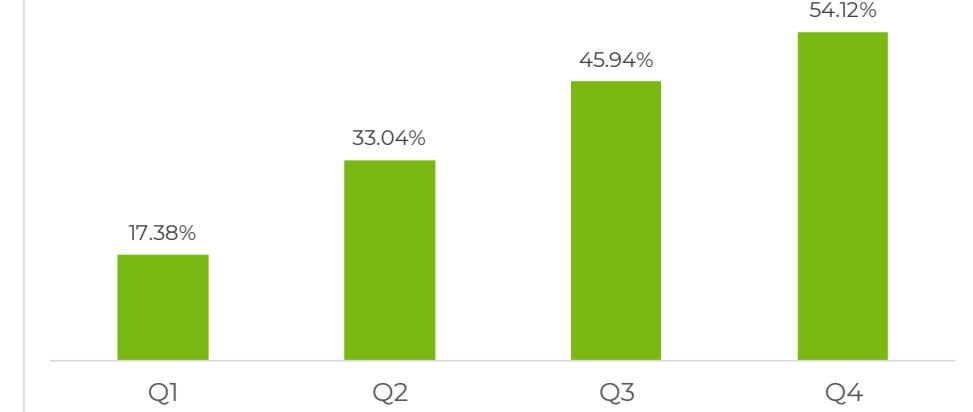
QUARTERLY REVENUES PER SECTOR



Results mainly driven by
DATACENTER

Revenues mainly impacted by AI boom where Nvidia chips are key for processing AI workloads. Demand currently surpasses supply which are limiting further revenue. Margins also positively impacted by datacenter revenue.

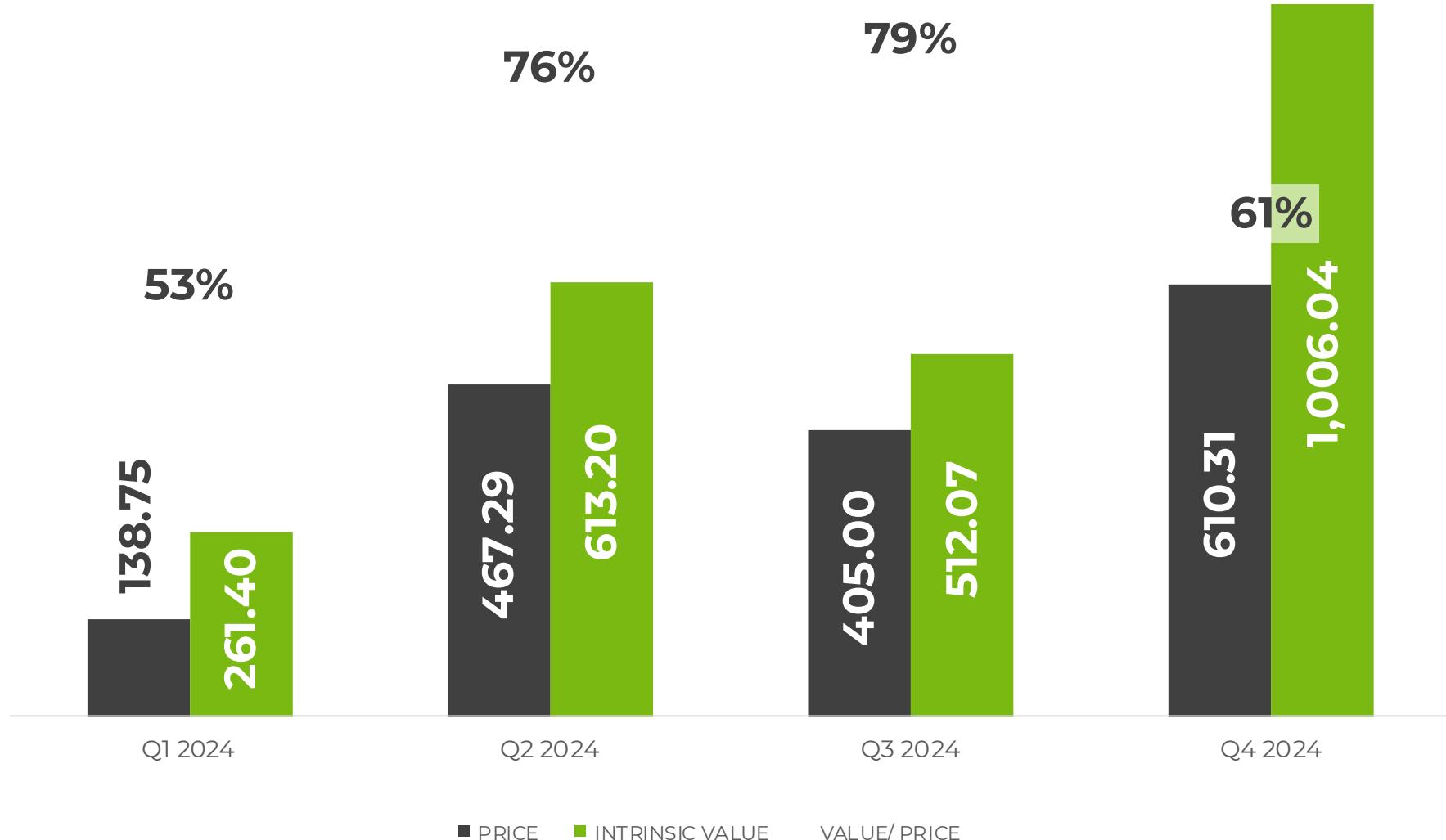
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Started shipping DGX 100 + launch of DGX Cloud.
- 2 Introduced AI Foundry service with Microsoft Azure.
- 3 Nvidia invested in ARM pre-IPO + announced Grace-Hopper superchip with ARM-based Grace CPU entered full product to ship in fiscal year.
- 4 Launched general availability of cloud instances based on H100 with AWS, Azure and regional cloud providers.
- 5 Announced H200 + GH200 superchip
- 6 Revenue impacted by further restrictions imposed by the US government, especially the Chinese market.
- 7 Datacenter revenue from inference increased +40% YoY + Software reached annualized run-rate of \$1B

INTRINSIC VALUE OF STOCK



FISCAL YEAR
2024

Q4 RESULTS

NOV 2023 – JAN 2024



NARRATIVE | MAIN DRIVERS

FY2024 | Q4

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|--|---|--|
| <p>Increases reflect higher shipments of the NVIDIA Hopper GPU computing platform used for the training and inference of large language models, recommendation engines, and generative AI applications, along with InfiniBand end-to-end solutions.</p> <p>CSPs represented more than half of revenue, supporting both internal workloads and external customers.</p> <p>Strong enterprise software demand and customer internet applications.</p> <p>Launched, in collaboration with Google, optimizations across NVIDIA's data center and PC AI platforms for Gemma, Google's groundbreaking open language models.</p> <p>Expanded its strategic collaboration with Amazon Web Services to host NVIDIA® DGXTM Cloud on AWS.</p> <p>Announced NVIDIA NeMoTM Retriever, a generative AI microservice that lets enterprises connect custom large language models with enterprise data to deliver highly accurate responses for AI applications.</p> <p>Introduced plans with Cisco to help enterprises quickly and easily deploy and manage secure AI infrastructure.</p> | <p>China revenue declined significantly in Q4 due to US government licensing requirements. Currently do not have license for products but are currently shipping alternatives that don't require license. Chinese companies seem more inclined to source locally in fear of further restrictions in the future.</p> <p>Inference business grew approximately 40% versus last year.</p> <p>See a market emerging with Sovereign clients outside China and US.</p> <p>Are on track for initial shipments for H200 where they are ramping up supply but still expect demand to exceed it. H200 nearly doubles inference performance vs H100.</p> <p>In general, have secured better supply conditions going forward.</p> <p>Entering ethernet market with SpectrumX which is on track to ship in Q1 FY2025.</p> <p>Made progress with software solutions, specifically with DGX in partnership with CSPs. Software and services reached annualized run rate of \$1B in Q4.</p> | <p>Launched GeForce RTXTM 40 SUPER Series GPUs, starting at \$599, which support the latest NVIDIA RTXTM technologies, including DLSS 3.5 Ray Reconstruction and NVIDIA Reflex.</p> <p>Announced generative AI capabilities for its installed base of over 100 million RTX AI PCs, including TensorRTTM LLM to accelerate inference on large language models, and Chat with RTX, a tech demo that lets users personalize a chatbot with their own content.</p> <p>Solid demand for RTX in holiday season.</p> <p>Announced new wave of RTX 40 series AI Laptops.</p> |

AUTOMOTIVE

Announced further adoption of its NVIDIA DRIVE® platform, with Great Wall Motors, ZEEKR and Xiaomi using DRIVE OrinTM to power intelligent automated-driving systems and Li Auto selecting DRIVE ThorTM as its centralized car computer.

Crossed \$1B mark for the first time.

ASSUMPTIONS

FY2024 | Q4

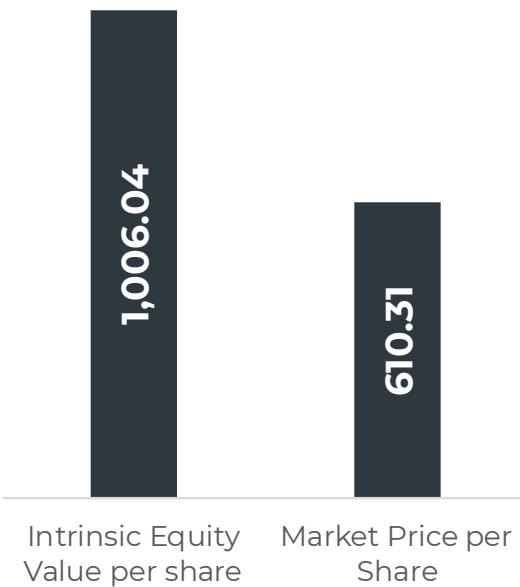
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|---|
| REVENUE | 60,922 | 50.00% | 4.15% | 4.15% | Strong demand for datacenter both in the hardware and software side fueled by the adoption of accelerated computing and generative AI. Emergence of sovereign customers who are constructing their own datacenters for localized data processing and use. Continued growth, even if at a much lower pace, from other segments. Negative impact of sales to Chinese market due to regulation taken into account. |
| OPERATING MARGIN | 59.32% | 50.00% | 45.00% | 45.00% | Increased margin vs last assumption since Nvidia can use its pricing power as it has done so far more at this period. As company matures and industry gets more competitive, margins could decrease slightly. |
| TAX RATE | 12.00% | 12.00% | 27.00% | 27.00% | Current tax rate for growth phase. Phasing to US marginal tax rate for stable phase. |
| REINVESTMENT | Sales to Capital Ratio | 1.00 | RIR = | 27.88% | Reduced sales to capital ratio from current value, understanding that Nvidia needs to continue investing at a strong pace to keep running ahead of other competitors. Increased to current value for stable phase. |
| RETURN ON CAPITAL | 75.69% | Marginal ROIC = | 39.35% | 14.88% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 11.55% | 9.88% | 9.88% | Used current WACC for the company at growth phase which is similar in value to the global number used as reference. Reduced to US value for stable phase as over time the company can be expected to be less risky. Both assumptions are important reductions vs previous valuation due to lower risk-free rate. |

NUMBERS

FY2024 | Q4

| | The Cash Flows | | | | | |
|-----------------------|------------------|------------------|---------------|----------------|----------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 91,383 | 57.45% | 12.00% | 46,200 | 30,461 | 15,739 |
| 2 | 137,075 | 55.59% | 12.00% | 67,053 | 45,692 | 21,362 |
| 3 | 205,612 | 53.73% | 12.00% | 97,209 | 68,537 | 28,671 |
| 4 | 308,418 | 51.86% | 12.00% | 140,757 | 102,806 | 37,951 |
| 5 | 462,626 | 50.00% | 12.00% | 203,550 | 154,209 | 49,341 |
| 6 | 651,517 | 45.00% | 15.00% | 249,199 | 133,768 | 115,431 |
| 7 | 857,787 | 45.00% | 18.00% | 316,518 | 146,076 | 170,441 |
| 8 | 1,050,703 | 45.00% | 21.00% | 373,520 | 136,619 | 236,901 |
| 9 | 1,190,657 | 45.00% | 24.00% | 407,202 | 99,112 | 308,090 |
| 10 | 1,240,069 | 45.00% | 27.00% | 407,363 | 34,993 | 372,370 |
| Terminal Value | 1,291,532 | 45.00% | 27.00% | 424,268 | 118,297 | 305,971 |

| The Value | |
|---|------------------|
| Terminal value | 5,336,248 |
| PV(Terminal value) | 1,870,822 |
| PV (CF over next 10 years) | 594,913 |
| Value of operating assets | 2,465,734 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 25,984 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 2,491,718 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (10,828) |
| Market Value of Equity | 2,480,890 |
| Number of shares (primary) | 2,466 |
| Intrinsic Equity Value per share | 1,006.04 |



60.7%
PRICE AS % OF VALUE

FISCAL YEAR **2024**

Q3 RESULTS

AUG 2023 – OCT 2023



NARRATIVE | MAIN DRIVERS

FY2024 | Q3

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|---|--|--|
| <p>Demand for datacenter systems and products has surged in the last 3 quarters and demand visibility extends into next year.</p> <p>Nvidia continues to work on increasing its purchase commitments to ensure long-term supply chain.</p> <p>The US government announced licensing requirements that impact exports to China and Russia of A100 and H100 integrated circuits, DGX or any other systems or boards which incorporate A100 or H100 integrated circuits. On October, the USG announced new and updated licensing requirements effective immediately for exports to China and Country Groups D1, D4, and D5 (including but not limited to Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our products exceeding certain performance thresholds, including A100, A800, H100, H800, L4, L40, L40S and RTX 4090. Expect sales to these destinations to be reduced significantly though, in the short-term, should be offset by strong growth in other regions.</p> <p>While Nvidia works to enhance the resiliency and redundancy of their supply chain, which is currently concentrated in the Asia-Pacific, including China, Hong Kong, Korea and Taiwan, new and existing export controls or changes to existing export controls could limit alternative manufacturing locations and negatively impact their business.</p> | <p>Strong sales of the NVIDIA HGX platform were driven by global demand for the training and inferencing of large language models, recommendation engines, and generative AI applications.</p> <p>CSPs drove roughly half of Data Center revenue, while consumer internet companies and enterprises comprised approximately the other half.</p> <p>Announced NVIDIA HGX H200 with the H200 Tensor Core GPU; introduced an AI foundry service, first available on Microsoft Azure; announced that the NVIDIA Spectrum-X will be integrated into servers from Dell Technologies, Hewlett Packard Enterprise and Lenovo in the first quarter of next year; announced that NVIDIA GH200 Grace Hopper Superchips will power more than 40 new supercomputers and began shipping in the third quarter of fiscal year 2024; and partnered with a range of leading companies on AI initiatives, including Amdocs, Dropbox, Foxconn, Genentech (member of Roche Group), Infosys, Lenovo, Reliance Industries, Scaleway, and Tata Group.</p> <p>Gross margin increased significantly from a year ago and sequentially, driven by improved product mix from Data Center revenue growth and lower net inventory provisions and related charges.</p> <p>Nvidia is building new growth through CPUs, Networking and Software.</p> | <p>Strong year-on-year growth reflects higher sell-in to partners following normalization of channel inventory levels. Sequential growth reflects strong demand for our GeForce RTX 40 Series GPUs for back-to-school and the start of the holiday season.</p> <p>Launched DLSS 3.5 Ray Reconstruction; released TensorRT-LLM for Windows; added 56 DLSS games and over 15 Reflex games; and surpassed 1,700 games on GeForce NOW.</p> |
| AUTOMOTIVE | | |

ASSUMPTIONS

FY2024 | Q3

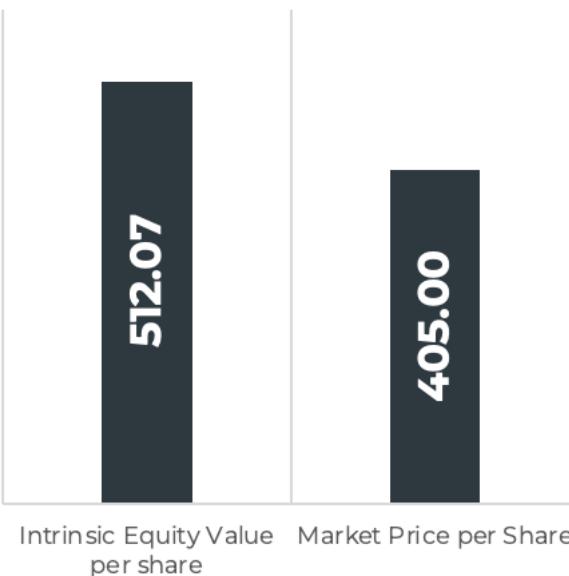
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|--|
| REVENUE | 44,870 | 50.00% | 4.84% | 4.84% | High growth performance brought by datacenters and expected to continue to grow as new opportunities open through the transition from general purpose computing to accelerated computing and generative AI. Nvidia continues to work in ramping up their inventory to supply its high demand. Other segments continue to grow as gaming and pro vis have recovered from the high inventory levels in the markets and both gamers and companies transition to new architecture. Growth phase slightly reduced due to expected impact from US restrictions that are expected to impact slightly in the short-term and in greater measure in the long-term. |
| OPERATING MARGIN | 52.75% | 45.00% | 50.00% | 50.00% | Astounding operating margin due to higher datacenter revenue and lower inventory levels due to high demand. Reduced to 45% in the short-term as such an aggressive margin will be difficult to sustain even in the near future with the investments expected to continue in the short-term. Increased 50% in the stable phase as Nvidia becomes more efficient over time. |
| TAX RATE | 10.06% | 15.00% | 27.00% | 27.00% | Increased to 15% for growth phase as per expected tax value in the company outlook, phasing US marginal tax rate over time. |
| REINVESTMENT | Sales to Capital Ratio | 1.00 | RIR = | 27.31% | Reduced sales to capital ratio from previous estimation due to expected higher investments, especially considering new products that are to be developed due to restrictions, being less efficient in the short-term. |
| RETURN ON CAPITAL | 55.06% | Marginal ROIC = | 50.01% | 17.72% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 14.90% | 12.72% | 12.72% | Used Global WACC for the growth phase which is higher than the company's calculated value considering the volatility expected due to geopolitical uncertainty and possibility of further restrictions imposed by the US government which adds more risk. Decreased to current company value in the stable phase assuming over time geopolitical situation will stabilize, resulting in lower risk. |

NUMBERS

FY2024 | Q3

| | The Cash Flows | | | | | |
|-----------------------|----------------|------------------|---------------|----------------|---------------|----------------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 67,305 | 51.20% | 15.00% | 29,291 | 22,435 | 6,856 |
| 2 | 100,958 | 49.65% | 15.00% | 42,606 | 33,653 | 8,953 |
| 3 | 151,436 | 48.10% | 15.00% | 61,914 | 50,479 | 11,435 |
| 4 | 227,154 | 46.55% | 15.00% | 89,879 | 75,718 | 14,161 |
| 5 | 340,732 | 45.00% | 15.00% | 130,330 | 113,577 | 16,753 |
| 6 | 480,322 | 50.00% | 17.40% | 198,373 | 80,225 | 118,149 |
| 7 | 633,718 | 50.00% | 19.80% | 254,121 | 88,158 | 165,963 |
| 8 | 778,865 | 50.00% | 22.20% | 302,979 | 83,418 | 219,561 |
| 9 | 886,909 | 50.00% | 24.60% | 334,365 | 62,094 | 272,270 |
| 10 | 929,836 | 50.00% | 27.00% | 339,390 | 24,670 | 314,720 |
| Terminal Value | 974,840 | 50.00% | 27.00% | 355,816 | 97,183 | 258,634 |

| The Value | |
|---|------------------|
| Terminal value | 3,281,838 |
| PV(Terminal value) | 866,444 |
| PV (CF over next 10 years) | 389,849 |
| Value of operating assets | 1,256,293 |
| - Tax due on trapped cash brought back | - |
| + Cash & Marketable Securities | 18,281 |
| - Tax due on deferred taxes | - |
| + Non-operating Assets | - |
| Value of firm | 1,274,574 |
| - Debt value of lease | - |
| - Total Interest Bearing Debt | (10,797) |
| Market Value of Equity | 1,263,777 |
| Number of shares (primary) | 2,468 |
| Intrinsic Equity Value per share | 512.07 |



79.1%

PRICE AS % OF VALUE

FISCAL YEAR
2024

Q2 RESULTS

MAY 2023 – JUL 2023



NARRATIVE | MAIN DRIVERS

FY2024 | Q2

| DATACENTERS | GAMING | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|---|---|
| <p>The industry is seeing a “wallet shift” to AI GPUs.</p> <p>NVIDIA has record revenue, especially coming from CSPs as the industry moves to make a shift in data centers to accelerated computing.</p> <p>AMD announced a superchip to compete with NVIDIA which it will begin sampling on Q3 next year – about 18 months after NVIDIA’s competing product comes to market.</p> <p>Dell partnered with NVIDIA expand on Project Helix offering to help companies run LLMs from on-site servers.</p> <p>Announced L40S GPUs – a universal datacenter processor designed to accelerate the most compute-intensive applications.</p> <p>Unveiled NVIDIA MGX, a server reference design that lets system makers quickly and cost-effectively build more than 100 server variations for AI, HPC, and Omniverse applications.</p> <p>Spectrum X – accelerated networking platform designed to improve performance and efficiency of ethernet-based AI Clouds.</p> <p>Launched general availability of cloud instances based on H100 with AWS, Azure and Regional Cloud Providers.</p> | <p>Continue to set records in MLPerf with H100 excelling in new measures of Gen AI.</p> <p>Strong demand for HGX platform based on Hopper and Ampere architecture driven by development of LLM and Gen AI, mainly from CSPs.</p> <p>Have visibility of demand through 2024 and have been expanding supply each quarter. Expect to continue expanding supply through 2024.</p> <p>Believe that current regulation with China is sufficient. If further regulation is implemented, will not be impacted in the short term but believe that in the long-term it's a loss of opportunity for the US to participate in one of the largest markets.</p> <p>Grace Hopper Superchip with ARM-based Grace CPU entered full production and will be available to ship this next quarter.</p> <p>System is becoming a more significant part of the revenue for datacenter, now seeing probably hundreds of millions of dollars annually from software business alone.</p> <p>NVIDIA has passed from introducing an architecture every 2 years to just about every 6 months.</p> | <p>Saw both sequential and YoY growth as global end demand has returned to growth after last year's slowdown.</p> <p>Growth fueled by GeForce RTX 40 Series GPUs for laptops and desktops.</p> <p>Large upgrade ahead as just 47% of installed base have upgraded to RTX and about 20% of the GPU with an RTX 3060 or higher performance.</p> <p>Bringing Gen AI to Gaming through NVIDIA Avatar Cloud Engine (ACE), a custom AI model and foundry service that developers can use to bring intelligence to nonplayer characters.</p> | <p>Sequential growth and YoY decline.</p> <p>Ada architecture ramp drove strong growth in Q2, rolling out initially in laptop workstations with a refresh of desktop workstations in Q3.</p> <p>Announced 3 new desktop workstation GPUs based on the Ada generation offering up to 2x the RT core throughput and up to 2x faster AR training performance compared to previous generation.</p> <p>Created OpenUSD with other key players in the industry to accelerate development and adoption.</p> <p>Announced new Omniverse Cloud APIs, including RunUSD and ChatUSD to bring Gen AI to open the workload.</p> <p>Sequential decrease and YoY increase.</p> <p>Solid YoY growth driven by ramp of self-driving platforms based on NVIDIA Drive or associated with several new energy vehicle makers.</p> <p>Sequential decline reflects lower overall automotive demand, particularly in China.</p> |

ASSUMPTIONS

FY2024 | Q2

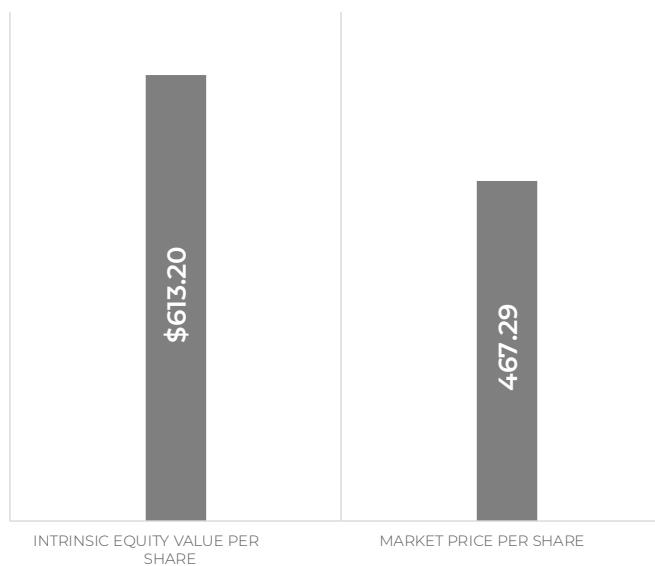
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$32,681 | 55.00% | 3.97% | 3.97% | Datacenter continues to drive immense growth as the industry shifts towards accelerated computing and the use of Gen AI. This segment is expected to generate most growth as NVIDIA's customers shift their Capex to focus on changing their base towards these new tendencies. Gaming has shifted back towards its previous growth territory and is expected to derive growth as gamers shift towards newer architectures with a high percentage of the installed base still pending the shift. Pro Vis is also expected to generate further results as it surpassed inventory issues from last year. |
| OPERATING MARGIN | 40.26% | 40.00% | 50.00% | 50.00% | Nvidia expected to retain its current operating margin in the growth phase as it continues to derive more revenue from the datacenter segment where they have higher margins and where software is starting to become a strong revenue stream. Being very much ahead of all other industry players, NVIDIA has strong pricing power in the datacenter segment, allowing for these margins to grow even more in the stable phase. |
| TAX RATE | 14.50% | 14.50% | 27.00% | 27.00% | Current tax rate of around 7% due to benefits from foreign-derived intangible income deduction, stock-based compensation and US Federal Tax Credit. Changed in Growth phase to expected margin specified by the company. Phases out towards US Marginal Tax Rate for stable and terminal phase. |
| REINVESTMENT | Sales to capital ratio = | 1.25 | RIR = | 24.65% | Maintained assumption that NVIDIA will be more efficient with its investments due to ARM investment. Also increased for Stable Phase to average of Sales to Capital from FY2017-2019 as it will be able to become even more efficient over time. |
| RETURN ON CAPITAL | 36.90% | Marginal ROIC = | 56.35% | 16.11% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.12% | 11.11% | 11.11% | Used actual cost of capital to reflect current macroeconomic issues. Lowered over time to reflect a more stable period. |

NUMBERS

FY2024 | Q2

| The Cash Flows | | | | | | |
|----------------|-----------|------------------|-----------|------------|--------------|-----------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | \$50,656 | 40.21% | \$20,369 | \$17,415 | \$14,380 | \$3,036 |
| 2 | \$78,516 | 40.16% | \$31,531 | \$26,959 | \$22,288 | \$4,670 |
| 3 | \$121,700 | 40.11% | \$48,808 | \$41,731 | \$34,547 | \$7,184 |
| 4 | \$188,635 | 40.05% | \$75,553 | \$64,598 | \$53,548 | \$11,050 |
| 5 | \$292,384 | 40.00% | \$116,954 | \$99,995 | \$82,999 | \$16,996 |
| 6 | \$423,355 | 50.00% | \$211,677 | \$175,692 | \$75,270 | \$100,422 |
| 7 | \$569,785 | 50.00% | \$284,892 | \$229,338 | \$84,155 | \$145,183 |
| 8 | \$708,710 | 50.00% | \$354,355 | \$276,397 | \$79,842 | \$196,555 |
| 9 | \$809,176 | 50.00% | \$404,588 | \$305,464 | \$57,739 | \$247,725 |
| 10 | \$841,300 | 50.00% | \$420,650 | \$307,075 | \$18,462 | \$288,612 |
| Terminal year | \$874,700 | 50.00% | \$437,350 | \$319,266 | \$78,687 | \$240,579 |

| The Value | |
|--|---------------------|
| Terminal value | 3,370,430 |
| PV(Terminal value) | 1,102,860 |
| PV (CF over next 10 years) | 408,294 |
| Value of operating assets | \$ 1,511,155 |
| + Cash & Marketable Securities | 16,023 |
| - Total Debt, including operating leases | (10,746) |
| Value of Equity in Common Stock | \$ 1,516,432 |
| Number of shares (primary) | 2,473 |
| Intrinsic Equity Value per share | \$ 613.20 |



76.21%
PRICE AS % OF VALUE

FISCAL YEAR **2024**

Q1 RESULTS

FEB 2023 – APR 2023

ARM Investment

Updated: July 12, 2023



NARRATIVE | MAIN DRIVERS

FY2024 | Q1

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|--|---|---|
| <p>Record revenue of \$4.28B on strong growth of accelerated computing worldwide.</p> <p>Generative AI is driving exponential growth in compute requirements and a fast transition to NVIDIA accelerated computing.</p> <p>Drove significant upside in demand for products, creating opportunities and broad-based global growth across their markets.</p> <p>CSPs are racing to deploy flagship Hopper and Ampere architecture GPUs to meet surge in interest from both enterprise and consumer AI applications for training and inference.</p> <p>Consumer internet companies such as Meta are also at the forefront of adopting Generative AI and deep-learning-based recommendation systems, driving strong growth.</p> <p>Enterprise demand for AI and accelerated computing is strong seeing momentum in verticals such as automotive, financial services, healthcare and telecom. AI and accelerated computing are becoming integral to customers' innovation road maps and competitive positioning.</p> <p>Grace CPU is sampling with customers providing CPU-only and CPU-GPU opportunities across AI, cloud and supercomputing applications.</p> | <p>Started shipping DGX H100 (Hopper generation AI system) that customers can deploy on-prem.</p> <p>Launch of DGX Cloud through partnerships with Microsoft Azure, Google Cloud and Oracle Cloud Infrastructure.</p> <p>Announced NVIDIA AI Foundations which are model foundry services available on DGX Cloud that enable businesses to build, refine and operate custom LLMs and Gen AI models trained with their own proprietary data creates for unique domain-specific tasks.</p> <p>Collaboration with ServiceNow to create new enterprise-grade gen AI offerings.</p> <p>The latest MLPerf industry benchmark released in April showed NVIDIA's inference platforms deliver performance that is orders of magnitude ahead of the industry with unmatched versatility across diverse workloads.</p> <p>In networking, saw strong demand at both CSPs and enterprise customers for generative AI and accelerated computing, which require high-performance networking like NVIDIA's Mellanox networking platforms.</p> | <p>Strong sequential growth was driven by sales of the 40 Series GeForce RTX GPUs for both notebooks and desktops.</p> <p>Overall end demand was solid and consistent with seasonality, demonstrating resilience against a challenging consumer spending backdrop.</p> <p>Launched 60 family, bringing new architecture to the world's core gamers starting at \$299, providing for the first time 2x the performance of the latest gaming console at mainstream price points.</p> <p>Generative AI will be transformative to gaming and content creation from development to runtime.</p> <p>Last quarter, announced a partnership with Microsoft to bring Xbox PC games to GeForce NOW. There are now over 1,600 games on GeForce NOW, the richest content available on any cloud gaming service.</p> |
| <h2>AUTOMOTIVE</h2> | | |

ASSUMPTIONS

FY2024 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|------------------------|-----------------|--------------|----------|--|
| REVENUE | 25,878 | 60.00% | 3.99% | 3.99% | NVIDIA's investment in ARM and the influence it can garner in the industry due to it cements even more its position as the key leader in datacenter where large growth can be expected with the surge in use of AI and accelerated computing. Stable value increased to current risk-free rate which is slightly higher than the last valuation. |
| OPERATING MARGIN | 30.03% | 30.00% | 50.00% | 50.00% | Operating margin increased mainly in stable phase as NVIDIA matures and with new involvement with ARM will be able to gain some influence and know-how, creating even more pricing power and providing higher margins in the long-term. |
| TAX RATE | -4.51% | 14.00% | 27.00% | 27.00% | Effective tax rate of -4.51% due to benefits from stock-based compensation. Placed 14% which was the value indicated in the guidance for the year and expected to converge to US marginal tax rate of 27%. |
| REINVESTMENT | Sales to Capital Ratio | 1.25 | RIR = | 25.91% | Increased sales to capital ratio assuming that NVIDIA will be able to be more efficient with its investments due to the ARM investment. Also increased for Stable Phase to average of Sales to Capital from FY2017-2019 as it will be able to become even more efficient over time. |
| RETURN ON CAPITAL | 26.52% | Marginal ROIC = | 56.89% | 15.40% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 13.73% | 10.40% | 10.40% | Important increase of cost of capital due to volatile macroeconomic environment. Expected to decrease over time as macroeconomic situation settles (used average of 2022 WACC as stable phase value). |

NUMBERS

FY2024 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|-----------------|-------------------------|-------------|-------------------|---------------------|-------------|
| 1 | \$41,405 | 27.81% | \$11,515 | \$9,903 | \$12,421 | -\$2,519 |
| 2 | \$66,248 | 28.36% | \$18,786 | \$16,156 | \$19,874 | -\$3,718 |
| 3 | \$105,996 | 28.91% | \$30,638 | \$26,349 | \$31,799 | -\$5,450 |
| 4 | \$169,594 | 29.45% | \$49,950 | \$42,957 | \$50,878 | -\$7,921 |
| 5 | \$271,350 | 30.00% | \$81,405 | \$70,008 | \$81,405 | -\$11,397 |
| 6 | \$403,764 | 50.00% | \$201,882 | \$168,370 | \$76,100 | \$92,270 |
| 7 | \$555,563 | 50.00% | \$277,782 | \$224,448 | \$87,241 | \$137,207 |
| 8 | \$702,199 | 50.00% | \$351,099 | \$274,560 | \$84,273 | \$190,286 |
| 9 | \$808,877 | 50.00% | \$404,438 | \$305,755 | \$61,309 | \$244,446 |
| 10 | \$841,151 | 50.00% | \$420,575 | \$307,020 | \$18,548 | \$288,472 |
| Terminal year | \$874,713 | 50.00% | \$437,356 | \$319,270 | \$82,715 | \$236,555 |

The Value

| | |
|--|---------------------|
| Terminal value | 3,689,914 |
| PV(Terminal value) | 1,114,000 |
| PV (CF over next 10 years) | 319,134 |
| Value of operating assets | \$ 1,433,135 |
| + Cash & Marketable Securities | 15,320 |
| - Total Debt, including operating leases | (11,893) |
| Value of Equity in Common Stock | \$ 1,436,562 |
| Number of shares (primary) | 2,470 |
| Intrinsic Equity Value per share | \$ 581.60 |



72.91%
PRICE AS % OF VALUE

FISCAL YEAR
2024

Q1 RESULTS

FEB 2023 – APR 2023



NARRATIVE | MAIN DRIVERS

FY2024 | Q1

| DATACENTERS | GAMING | PRO-VISUALIZATION |
|---|---|---|
| <p>Record revenue of \$4.28B on strong growth of accelerated computing worldwide.</p> <p>Generative AI is driving exponential growth in compute requirements and a fast transition to NVIDIA accelerated computing.</p> <p>Drove significant upside in demand for products, creating opportunities and broad-based global growth across their markets.</p> <p>CSPs are racing to deploy flagship Hopper and Ampere architecture GPUs to meet surge in interest from both enterprise and consumer AI applications for training and inference.</p> <p>Consumer internet companies such as Meta are also at the forefront of adopting Generative AI and deep-learning-based recommendation systems, driving strong growth.</p> <p>Enterprise demand for AI and accelerated computing is strong seeing momentum in verticals such as automotive, financial services, healthcare and telecom. AI and accelerated computing are becoming integral to customers' innovation road maps and competitive positioning.</p> <p>Grace CPU is sampling with customers providing CPU-only and CPU-GPU opportunities across AI, clouds and supercomputing applications.</p> | <p>Started shipping DGX H100 (Hopper generation AI system) that customers can deploy on-prem.</p> <p>Launch of DGX Cloud through partnerships with Microsoft Azure, Google Cloud and Oracle Cloud Infrastructure.</p> <p>Announced NVIDIA AI Foundations which are model foundry services available on DGX Cloud that enable businesses to build, refine and operate custom LLMs and Gen AI models trained with their own proprietary data creates for unique domain-specific tasks.</p> <p>Collaboration with ServiceNow to create new enterprise-grade gen AI offerings.</p> <p>The latest MLPerf industry benchmark released in April showed NVIDIA's inference platforms deliver performance that is orders of magnitude ahead of the industry with unmatched versatility across diverse workloads.</p> <p>In networking, saw strong demand at both CSPs and enterprise customers for generative AI and accelerated computing, which require high-performance networking like NVIDIA's Mellanox networking platforms.</p> | <p>Strong sequential growth was driven by sales of the 40 Series GeForce RTX GPUs for both notebooks and desktops.</p> <p>Overall end demand was solid and consistent with seasonality, demonstrating resilience against a challenging consumer spending backdrop.</p> <p>Launched 60 family, bringing new architecture to the world's core gamers starting at \$299, providing for the first time 2x the performance of the latest gaming console at mainstream price points.</p> <p>Generative AI will be transformative to gaming and content creation from development to runtime.</p> <p>Last quarter, announced a partnership with Microsoft to bring Xbox PC games to GeForce NOW. There are now over 1,600 games on GeForce NOW, the richest content available on any cloud gaming service.</p> |
| <h2>AUTOMOTIVE</h2> | | |

ASSUMPTIONS

FY2024 | Q1

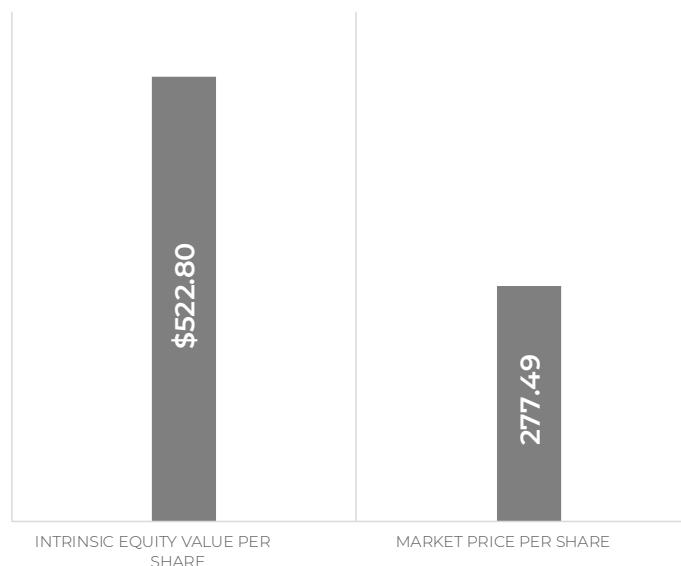
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$25,878 | 60.00% | 3.44% | 3.44% | NVIDIA's future revenue growth will be primarily driven by the datacenter segment, fueled by Generation AI and accelerated computing, which creates and accelerates markets. Companies increasingly rely on NVIDIA to power their businesses. The gaming division remains strong and resilient, showing solid demand even in tough macroeconomic conditions and benefiting from AI advancements. Professional Visualization demonstrates strength after inventory correction and expects further impact from AI in design and creation. The automotive sector presents a strong opportunity, with a pipeline increase from \$11B to \$14B and an expanded partnership with BYD for compounded growth. |
| OPERATING MARGIN | 27.26% | 29.00% | 44.00% | 44.00% | Considering slightly higher margins as NVIDIA exists inventory correction which is assumed for last year. Increased margin in the longer term as its revenues has increased as Datacenter increases as well as stronger presence in software which historically has better margins. |
| TAX RATE | 14.00% | 14.00% | 27.00% | 27.00% | Effective tax rate of -4.51% due to benefits from stock-based compensation. Placed 14% which was the value indicated in the guidance for the year and expected to converge to US marginal tax rate of 27%. |
| REINVESTMENT | Sales to capital ratio = | 0.89 | RIR = | 23.98% | Current sales to capital ratio used in order to be more conservative as macro-economic situation persists causing less efficiency in investments general for all companies. |
| RETURN ON CAPITAL | 25.31% | Marginal ROIC = | 32.99% | 14.35% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 13.16% | 9.35% | 9.35% | Important increase of cost of capital due to volatile macroeconomic environment. Expected to decrease over time as macroeconomic situation settles (used average of 2022 WACC as stable phase value). |

NUMBERS

FY2024 | Q1

| | The Cash Flows | | | | | |
|---------------|----------------|------------------|-----------|------------|--------------|-----------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | \$41,405 | 27.61% | \$11,432 | \$9,831 | \$17,481 | -\$7,650 |
| 2 | \$66,248 | 27.96% | \$18,521 | \$15,928 | \$27,970 | -\$12,041 |
| 3 | \$105,996 | 28.31% | \$30,002 | \$25,802 | \$44,751 | -\$18,949 |
| 4 | \$169,594 | 28.65% | \$48,593 | \$41,790 | \$71,602 | -\$29,812 |
| 5 | \$271,350 | 29.00% | \$78,692 | \$67,675 | \$114,563 | -\$46,889 |
| 6 | \$403,466 | 44.00% | \$177,525 | \$148,056 | \$120,449 | \$27,607 |
| 7 | \$554,265 | 44.00% | \$243,877 | \$197,052 | \$137,483 | \$59,569 |
| 8 | \$698,729 | 44.00% | \$307,441 | \$240,419 | \$131,707 | \$108,712 |
| 9 | \$801,805 | 44.00% | \$352,794 | \$266,712 | \$93,974 | \$172,738 |
| 10 | \$829,387 | 44.00% | \$364,930 | \$266,399 | \$25,146 | \$241,253 |
| Terminal year | \$857,918 | 44.00% | \$377,484 | \$275,563 | \$66,080 | \$209,483 |

| The Value | |
|--|---------------------|
| Terminal value | 3,547,428 |
| PV(Terminal value) | 1,141,275 |
| PV (CF over next 10 years) | 146,623 |
| Value of operating assets | \$ 1,287,898 |
| + Cash & Marketable Securities | 15,320 |
| - Total Debt, including operating leases | (11,893) |
| Value of Equity in Common Stock | \$ 1,291,325 |
| Number of shares (primary) | 2,470 |
| Intrinsic Equity Value per share | \$ 522.80 |



53.08%
PRICE AS % OF VALUE



VALUATION YEAR
FY 2023

FEBRUARY 2022 – JANUARY 2023

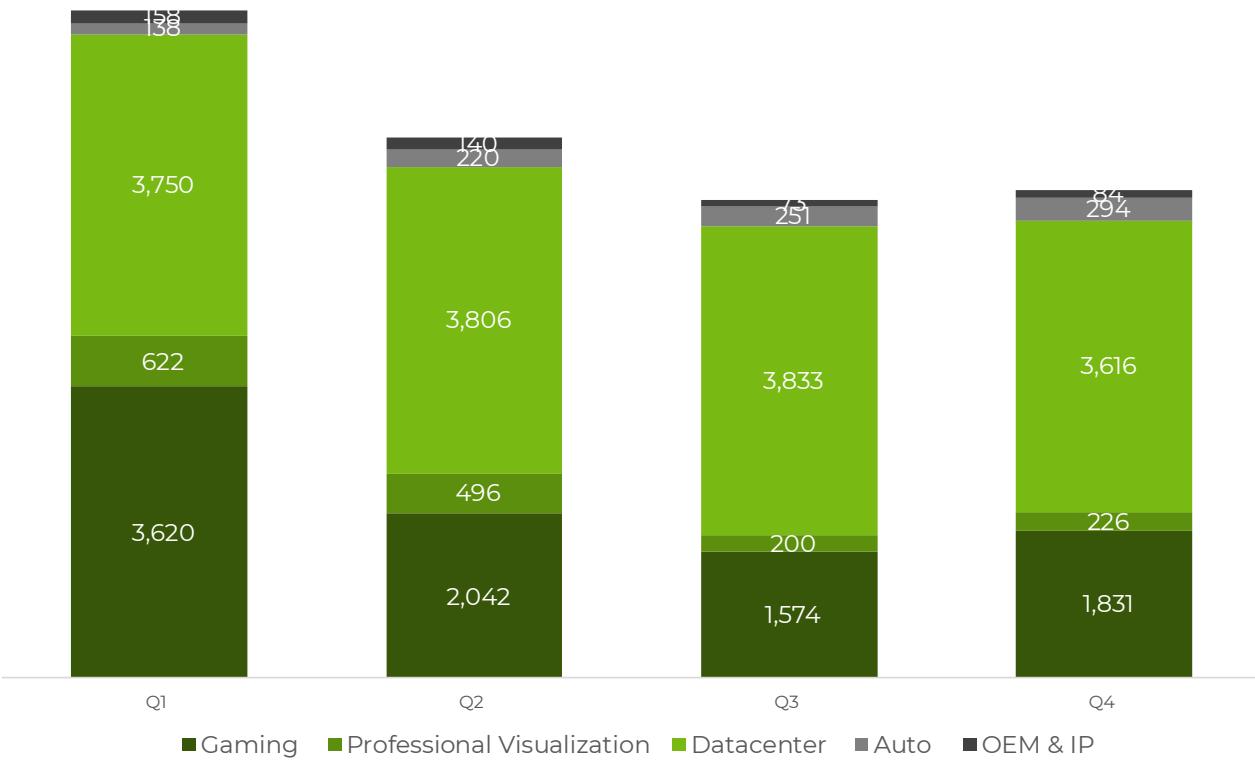


GENERAL NARRATIVE

- UNSTEADY POLITICAL AND MACROECONOMIC ENVIRONMENT INCLUDING WAR ON UKRAINE, US CHIP BAN FOR CHINA, COVID LOCKDOWNS IN CHINA AND UNSTABLE ECONOMIC OUTLOOK NEGATIVELY IMPACTED THE COMPANY RESULTING IN EXCESS INVENTORY IN THE CHANNEL FOR GAMING AND PROFESSIONAL VISUALIZATION.
- INFLECTION POINT FOR AI & AV AS WELL AS INCREASED ADOPTION OF CLOUD COMPUTING DRIVING RESULTS IN DATACENTER AND AUTOMOTIVE.

FY2023 AT A GLANCE

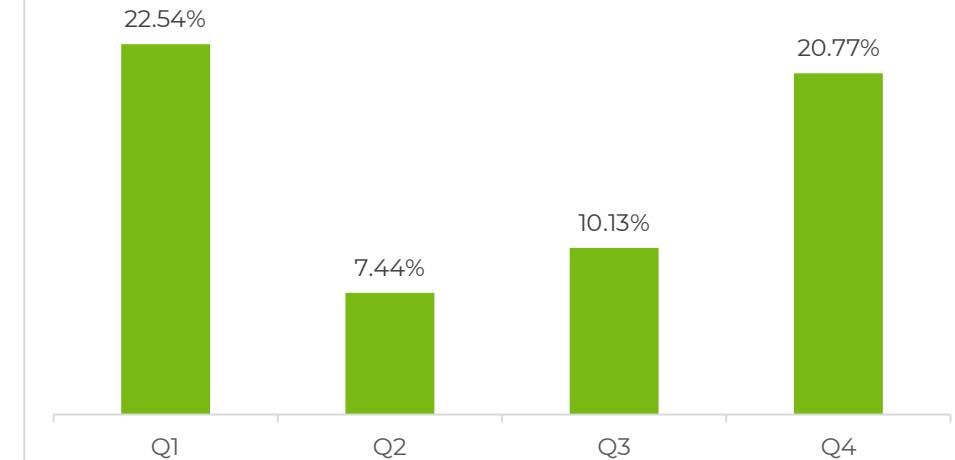
QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER.

Revenues negative impact on gaming from macroeconomic issues which caused channel inventory excess and resilience of datacenter due to its importance for AI and cloud computing.

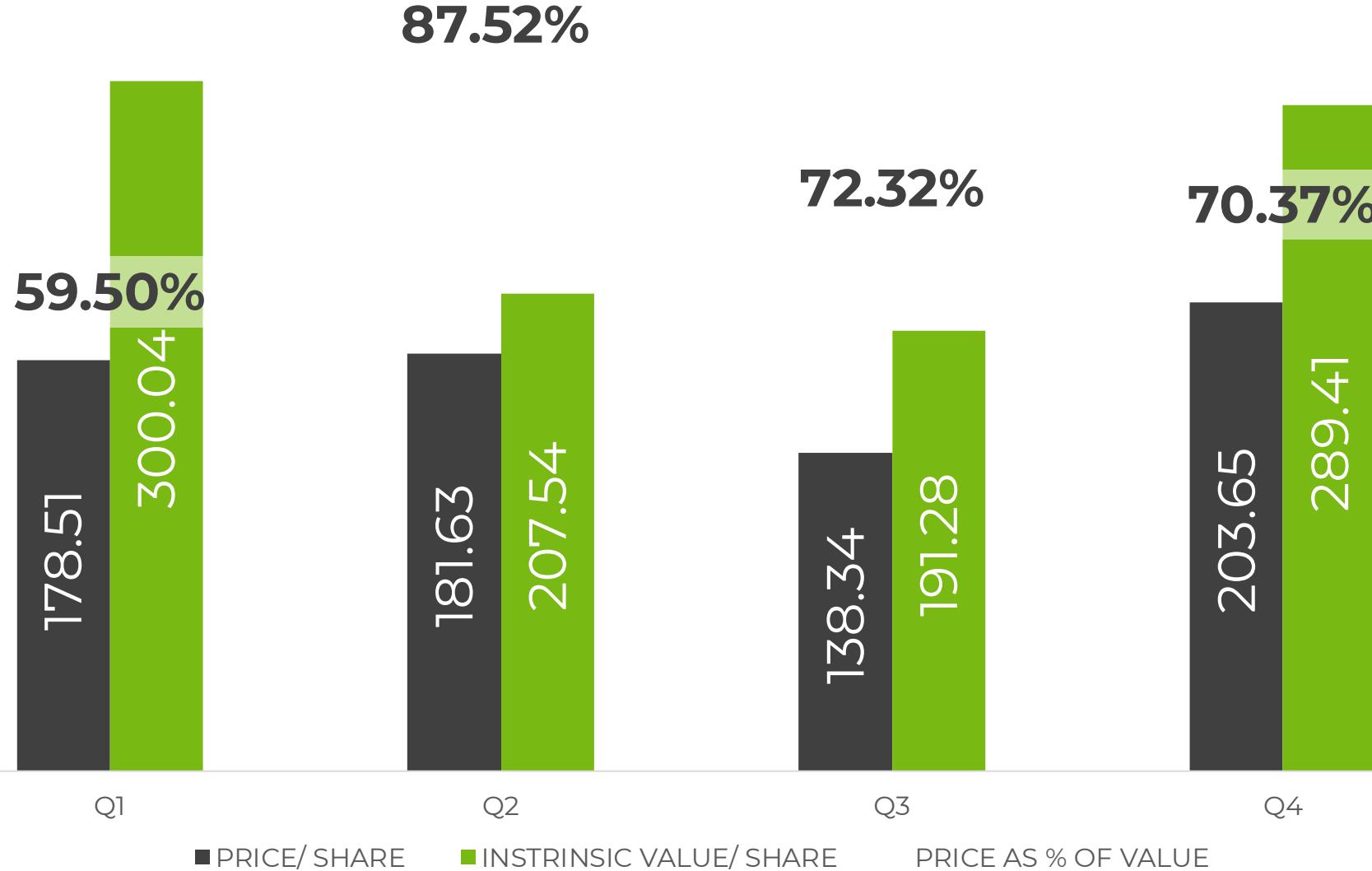
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Announcement and shipment of Hopper architecture which surpasses A100 in sales 9x faster for training and 30x cluster in inferencing of transformer-based large language models.
- 2 Yearly sales impacted by US regulation which bans sales of certain chips used for AI. Quickly provided an alternative chip for this market that complies with regulation.
- 3 Announced multiyear collaboration with Microsoft to build a cloud-based AI supercomputer + 10-year partnership to bring Xbox PC games to GeForce Now.
- 4 Inflection point for AI caused by rapid adoption of Generative AI, especially ChatGPT.
- 5 Inflection point for autonomous driving solutions + NVIDIA Drive system received a safety certification.

INTRINSIC VALUE OF STOCK



FISCAL YEAR
2023

Q4 RESULTS

NOV 2022 – JAN 2023



NARRATIVE | MAIN DRIVERS

FY2023 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|--|
| <p>Sequential growth was driven by the strong reception of our 40 Series GeForce RTX GPUs based on the Ada Lovelace architecture.</p> <p>YoY decline reflects impact of channel inventory correction.</p> <p>Saw solid 4th quarter in most regions. Affected by disruptions related to COVID in China.</p> <p>RTX 40 series GPUs will power over 170 gaming laptops + bringing for the first-time enthusiast-class GPU performance to laptops as slim as 14 inches.</p> <p>There are now over 400 games and applications supporting NVIDIA's RTX technology for real-time ray tracing and AI-powered graphics.</p> <p>GeForce Now cloud gaming services continues to grow both in consumers + games available.</p> <p>Agreed to a 10-year partnership to bring GeForce NOW Microsoft's lineup of Xbox PC games.</p> | <p>Sequential decline driven by lower sales in China reflecting COVID and other domestic issues.</p> <p>Cloud adoption driving results as NVIDIA serves an expanding list of CSPs.</p> <p>Strong adoption of H100 Data Center GPU. In just its second Q, its sales surpassed A100 as H100 is 9x faster for training and 30x cluster in inferencing of transformer-based large language models.</p> <p>Inflection point of AI adoption as ChatGPT captured interest worldwide showing what's possible with Generative AI.</p> <p>Growing demand for our latest generation InfiniBand and HPC optimized Ethernet platforms fueled by AI.</p> <p>Are expanding software and services as they release new versions of NVIDIA AI enterprise.</p> <p>Partnering with major CSPs to offer NVIDIA AI cloud services including the acceleration library software and pretrained AI model layers.</p> | <p>Sequential growth was driven by desktop workstations with strengths in the automotive and manufacturing industrial verticals. The year-on-year decline reflects the impact of the channel inventory correction, which NVIDIA expect to end in the first half of the year.</p> <p>Interest in NVIDIA's Omniverse continues to build with almost 300,000 downloads so far, 185 connectors to third-party design applications.</p> <p>The latest released of Omniverse has a number of features and enhancements, including support for 4K, real-time path tracing, Omniverse Search for AI-powered search through large untagged 3D databases, and Omniverse Cloud containers for AWS.</p> | <p>Strategic partnership with Foxconn to develop automated and autonomous vehicle platforms. Foxconn will be a Tier 1 manufacturer producing electronic control units based on NVIDIA DRIVE Orin for the global automotive market.</p> <p>The NVIDIA DRIVE operating system received safety certification from TÜV SÜD, one of the most experienced and rigorous assessment bodies in the automotive industry.</p> |

ASSUMPTIONS

FY2023 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$26,974 | 45.00% | 3.52% | 3.52% | Growth driven primarily by datacenter segment where the adoption of AI will draw strong results. Cloud computing is also gaining traction where the opportunity to offer AI-as-a-service is being offered in partnership with CSPs. Gaming and Pro Visualization also have positive outlook for the future as user adoption of RTX continues, but at a slower pace due to macroeconomic factors. Automotive also driving results as NVIDIA Drive software gains adoption in the AV segment. |
| OPERATING MARGIN | 25.83% | 35.00% | 45.00% | 45.00% | Considering higher operating margins as NVIDIA faced inventory corrections as well as purchase agreement termination costs which negatively impacted margins. Both occurrences are not expected to happen again in the future. As NVIDIA also shifts more towards software vs hardware, margins can also be expected to get better over time, resulting in the assumption of higher margins for the stable phase. |
| TAX RATE | 13.00% | 13.00% | 27.00% | 27.00% | Effective tax rate of -4.5% for FY2023 reflect foreign-derived intangible income deduction, tax benefits related to stock-based compensation + US federal research tax credit. Changed to 13% which is the outlook stated in earning call. Expected to converge to US marginal tax rate of 27% over time. |
| REINVESTMENT | Sales to capital ratio = | 0.88 | RIR = | 25.29% | Current sales to capital ratio used in order to be more conservative as macro-economic situation persists causing less efficiency in investments general for all companies. |
| RETURN ON CAPITAL | 23.76% | Marginal ROIC = | 33.44% | 13.92% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 14.34% | 8.92% | 8.92% | Important increase of cost of capital due to volatile macroeconomic environment. Expected to decrease over time as macroeconomic situation settles (used average of 2022 WACC as stable phase value). |

NUMBERS

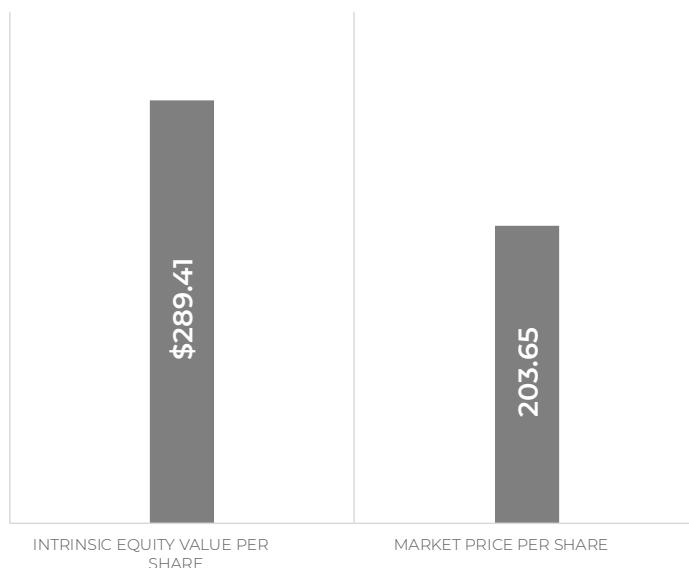
FY2023 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|-----------------|-------------------------|-------------|-------------------|---------------------|-------------|
| 1 | \$39,112 | 27.66% | \$10,820 | \$9,414 | \$13,784 | -\$4,371 |
| 2 | \$56,713 | 29.50% | \$16,729 | \$14,554 | \$19,987 | -\$5,433 |
| 3 | \$82,234 | 31.33% | \$25,766 | \$22,416 | \$28,981 | -\$6,565 |
| 4 | \$119,239 | 33.17% | \$39,547 | \$34,406 | \$42,023 | -\$7,617 |
| 5 | \$172,896 | 35.00% | \$60,514 | \$52,647 | \$60,933 | -\$8,286 |
| 6 | \$236,356 | 45.00% | \$106,360 | \$89,555 | \$57,856 | \$31,699 |
| 7 | \$303,500 | 45.00% | \$136,575 | \$111,172 | \$61,215 | \$49,957 |
| 8 | \$364,540 | 45.00% | \$164,043 | \$128,938 | \$55,650 | \$73,288 |
| 9 | \$407,614 | 45.00% | \$183,426 | \$139,037 | \$39,270 | \$99,767 |
| 10 | \$421,962 | 45.00% | \$189,883 | \$138,614 | \$13,081 | \$125,533 |
| Terminal year | \$436,815 | 45.00% | \$196,567 | \$143,494 | \$36,292 | \$107,202 |

The Value

| | |
|--|-------------------|
| Terminal value | 1,986,053 |
| PV(Terminal value) | 600,878 |
| PV (CF over next 10 years) | 110,794 |
| Value of operating assets | \$ 711,672 |
| + Cash & Marketable Securities | 13,296 |
| - Total Debt, including operating leases | (11,855) |
| Value of Equity in Common Stock | \$ 713,113 |
| Number of shares (primary) | 2,464 |
| Intrinsic Equity Value per share | \$ 289.41 |



70.37%
PRICE AS % OF VALUE

FISCAL YEAR
2023

Q3 RESULTS

AUG – OCT 2022



NARRATIVE | MAIN DRIVERS

FY2023 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|---|---|
| <p>Lower sell-in to partners to align channel inventory levels as macro-economic conditions and COVID lockdowns in China continue to reduce consumer demand.</p> <p>First ADA GPU, the GeForce RTX 4090 became available in mid-October and at a tremendous demand and positive feedback from the gaming community.</p> | <p>Growth impacted by softness in China affected by government restrictions which were offset by the sale of alternative products.</p> <p>Started shipping flagship H100 datacenter GPU based on the new Hopper-architecture.</p> <p>Growth driven primarily by US cloud providers and a broadening set of consumer Internet companies.</p> <p>H-100 delivered the highest performance and workload versatility for both AI training and inference in the latest MLPerf industry benchmarks.</p> <p>Announced a multiyear collaboration with Microsoft to build an advanced cloud-based AI supercomputer to help enterprises train, deploy and scale AI, including large state-of-the-art models.</p> | <p>Lower sell-in to partners to help align channel inventory levels with current demand expectations.</p> <p>Believe our long-term opportunity remains intact, fueled by AI simulation, computationally intensive design and engineering workloads.</p> <p>At GTC, announced NVIDIA Omniverse Cloud Services, our first software and infrastructure-as-a-service offering, enabling artists, developers and enterprise teams to design, publish and operate metaverse applications from anywhere on any device.</p> | <p>Revenue driven mainly by self-driving solutions.</p> <p>At GTC, also announced that NVIDIA DRIVE Thor Superchip, the successor to Orin in our automotive SoC road map, DRIVE Thor delivers up to 2,000 TFLOPS of performance and leverages technologies introduced in our Grace Hopper and ADA architectures. It can run both the automated drive and in-vehicle infotainment systems, simultaneously offering a leap in performance while reducing cost and energy consumption.</p> |

ASSUMPTIONS

FY2023 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$28,566 | 35.00% | 2.00% | 2.00% | Datacenter continues to be a high growth component for revenue in NVIDIA where, even with the new restrictions imposed by the US government, they have been able to deliver great results as AI is becoming more necessary in data processing. With China restrictions, they were also able to quickly provide a solution in order to comply with their client sales. AI adoption also positively impacted automotive sales where they have been having high growth as they reached an inflection point in the previous quarter with adoption. With macroeconomic environment, ProViz and Gaming have been negatively affected but can be expected to turn around in the near future as inventory in the market is reaching healthy levels again. |
| OPERATING MARGIN | 29.96% | 30.00% | 45.00% | 45.00% | Lower operating margin as NVIDIA deals with rough macro-economic environment but expected to return to previous levels as the company focuses more on software which has higher gross margins. |
| TAX RATE | 9.00% | 9.00% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 0.98 | RIR = | 14.85% | Current sales to capital ratio used in order to be more conservative as macro-economic situation persists causing less efficiency in investments general for all companies. |
| RETURN ON CAPITAL | 30.24% | Marginal ROIC = | 34.41% | 13.47% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 13.36% | 8.47% | 8.47% | Low debt. Increased due to macroeconomic factors including rise in risk-free rate and equity risk premiums. Soften in stable phase to sector average as company stabilizes. |

NUMBERS

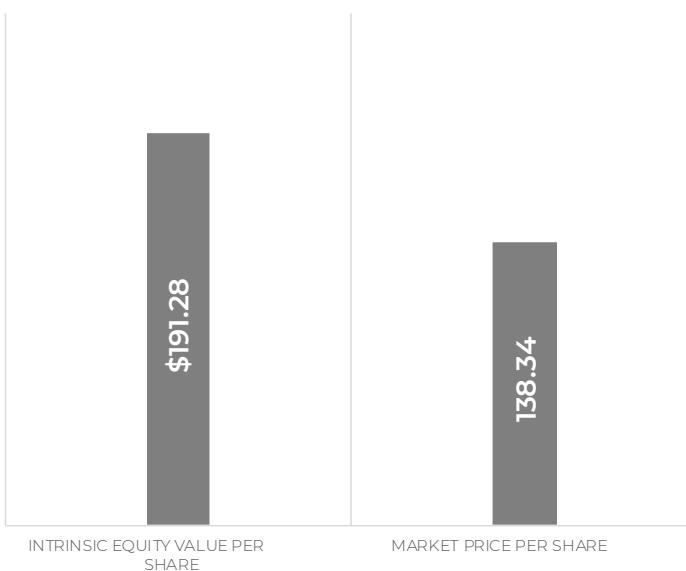
FY2023 | Q3

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|-----------------|-------------------------|-------------|-------------------|---------------------|-------------|
| 1 | \$38,564 | 29.97% | \$11,558 | \$10,517 | \$10,248 | \$269 |
| 2 | \$52,062 | 29.98% | \$15,607 | \$14,202 | \$13,835 | \$367 |
| 3 | \$70,283 | 29.98% | \$21,074 | \$19,178 | \$18,677 | \$501 |
| 4 | \$94,882 | 29.99% | \$28,457 | \$25,896 | \$25,214 | \$682 |
| 5 | \$128,091 | 30.00% | \$38,427 | \$34,969 | \$34,039 | \$930 |
| 6 | \$164,469 | 45.00% | \$74,011 | \$64,686 | \$33,165 | \$31,520 |
| 7 | \$200,323 | 45.00% | \$90,145 | \$75,542 | \$32,688 | \$42,854 |
| 8 | \$230,772 | 45.00% | \$103,847 | \$83,286 | \$27,760 | \$55,525 |
| 9 | \$250,618 | 45.00% | \$112,778 | \$86,388 | \$18,094 | \$68,294 |
| 10 | \$255,631 | 45.00% | \$115,034 | \$83,975 | \$4,570 | \$79,405 |
| Terminal year | \$260,743 | 45.00% | \$117,335 | \$85,654 | \$12,722 | \$72,932 |

The Value

| | |
|--|-------------------|
| Terminal value | 1,128,065 |
| PV(Terminal value) | 367,114 |
| PV (CF over next 10 years) | 106,437 |
| Value of operating assets | \$ 473,551 |
| + Cash & Marketable Securities | 13,143 |
| - Total Debt, including operating leases | (11,748) |
| Value of Equity in Common Stock | \$ 474,946 |
| Number of shares (primary) | 2,483 |
| Intrinsic Equity Value per share | \$ 191.28 |



72.32%
PRICE AS % OF VALUE

FISCAL YEAR **2023**

Q2 RESULTS

MAY – JUL 2022

China Ban Scenario
Updated: 31.08.2022



NARRATIVE | MAIN DRIVERS

FY2023 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|---|
| <p>Negatively impacted by COVID lockdowns in China & global inflation.</p> <p>Dealing with channel excess inventory in order to prepare for new architecture launch.</p> <p>Lower ASP due to price adjustments to help inventory levels reduce faster.</p> <p>Gaming fundamentals remain solid, and NVIDIA remains as a favorite among gamers. There are also increasing use cases for gaming GPUs.</p> <p>Reduction in crypto mining can also have a negative impact on gaming results.</p> | <p>Somewhat short of expectations due to supply chain constraints (demand higher than supply).</p> <p>New Hopper architecture currently in production.</p> <p>Networking leading growth as demand for high-speed internet cables increase.</p> <p>Negative impact due to US government prohibiting sales of AI chips to China.</p> | <p>Macroeconomics affecting Capex to upgrade as OEMs focus on reducing inventory.</p> <p>Had previous high growth the year before (doubling revenues) and are currently in a correction period.</p> <p>Announced partnership with Siemens in order to enable the use of Omniverse.</p> <p>Continue to expand SDKs for Omniverse use cases as well as expanding opportunity with AI.</p> | <p>High increase during this quarter. Considered an inflection point for the company.</p> <p>Expected continued high growth in this sector as AV continue to develop.</p> |

ASSUMPTIONS

FY2023 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$29,738 | 30.00% | 2.00% | 2.00% | Gaming and Datacenter remain NVIDIA's 2 strongest segments. Reduced growth rate in order to be conservative as Gaming is being impacted by global macroeconomic uncertainty which will slow down the pace of growth. Also, more conservative growth rates considered for datacenter as NVIDIA faces supply constraints and is unable to meet demand as well as new situation in China. Securing datacenter inventory will be key for continued growth rates for the company. |
| OPERATING MARGIN | 35.08% | 40.00% | 40.00% | 40.00% | Operating margin this quarter was affected by a one-time inventory write-off as the company adjusts for their current demand expectations and as well as ASP reduction in order to correct channel inventory. Operating margins are expected to rise to normal levels once inventory is corrected in time for new architecture launch. |
| TAX RATE | 0.54% | 0.54% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.10 | RIR = | 14.63% | Placed current Sales to Capital ratio for the growth phase in order to be more conservative as last 4 quarters have had similar values. Placed average value of previous years (1.35) for last 5 years as company returns to being as efficient as it has historically been. |
| RETURN ON CAPITAL | 38.27% | Marginal ROIC = | 44.12% | 13.67% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 11.98% | 8.67% | 8.67% | Low debt. Increased due to macroeconomic factors including rise in risk-free rate and equity risk premiums. Soften in stable phase to sector average as company stabilizes. |

NUMBERS

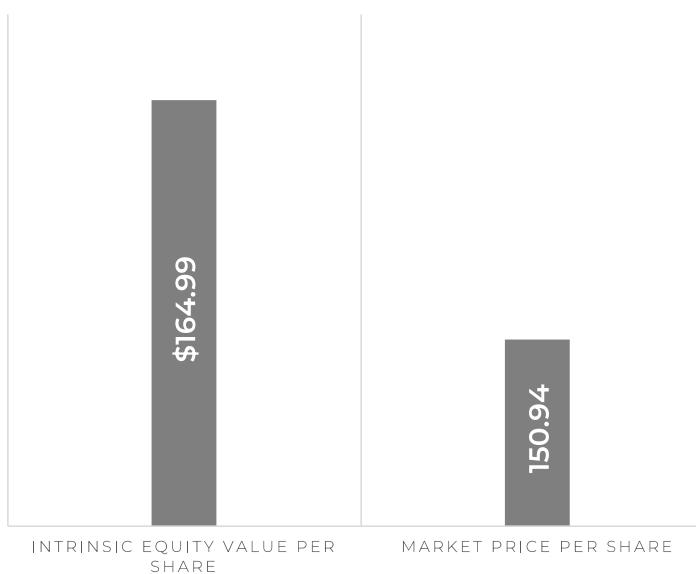
FY2023 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|-----------------|-------------------------|-------------|-------------------|---------------------|-------------|
| 1 | \$38,659 | 36.07% | \$13,943 | \$13,867 | \$8,134 | \$5,734 |
| 2 | \$50,257 | 37.05% | \$18,620 | \$18,519 | \$10,574 | \$7,946 |
| 3 | \$65,334 | 38.03% | \$24,848 | \$24,714 | \$13,746 | \$10,968 |
| 4 | \$84,935 | 39.02% | \$33,138 | \$32,960 | \$17,870 | \$15,090 |
| 5 | \$110,415 | 40.00% | \$44,166 | \$43,928 | \$23,230 | \$20,697 |
| 6 | \$137,356 | 40.00% | \$54,943 | \$51,738 | \$19,957 | \$31,782 |
| 7 | \$163,179 | 40.00% | \$65,272 | \$58,011 | \$19,128 | \$38,883 |
| 8 | \$184,719 | 40.00% | \$73,888 | \$61,758 | \$15,955 | \$45,803 |
| 9 | \$198,758 | 40.00% | \$79,503 | \$62,245 | \$10,399 | \$51,846 |
| 10 | \$202,733 | 40.00% | \$81,093 | \$59,198 | \$2,945 | \$56,253 |
| Terminal year | \$206,788 | 40.00% | \$82,715 | \$60,382 | \$8,834 | \$51,548 |

The Value

| | |
|--|-------------------|
| Terminal value | 772,830 |
| PV(Terminal value) | 272,630 |
| PV (CF over next 10 years) | 133,674 |
| Value of operating assets | \$ 406,304 |
| + Cash & Marketable Securities | 17,037 |
| - Total Debt, including operating leases | (11,692) |
| Value of Equity in Common Stock | \$ 411,649 |
| Number of shares (primary) | 2,495 |
| Intrinsic Equity Value per share | \$ 164.99 |



91.48%
PRICE AS % OF VALUE

FISCAL YEAR
2023

Q2 RESULTS

MAY – JUL 2022



NARRATIVE | MAIN DRIVERS

FY2023 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|---|
| <p>Negatively impacted by COVID lockdowns in China & global inflation.</p> <p>Dealing with channel excess inventory in order to prepare for new architecture launch.</p> <p>Lower ASP due to price adjustments to help inventory levels reduce faster.</p> <p>Gaming fundamentals remain solid, and NVIDIA remains as a favorite among gamers. There are also increasing use cases for gaming GPUs.</p> <p>Reduction in crypto mining can also have a negative impact on gaming results.</p> | <p>Somewhat short of expectations due to supply chain constraints (demand higher than supply).</p> <p>New Hopper architecture currently in production.</p> <p>Networking leading growth as demand for high-speed internet cables increase.</p> | <p>Macroeconomics affecting Capex to upgrade as OEMs focus on reducing inventory.</p> <p>Had previous high growth the year before (doubling revenues) and are currently in a correction period.</p> <p>Announced partnership with Siemens in order to enable the use of Omniverse.</p> <p>Continue to expand SDKs for Omniverse use cases as well as expanding opportunity with AI.</p> | <p>High increase during this quarter. Considered an inflection point for the company.</p> <p>Expected continued high growth in this sector as AV continue to develop.</p> |

ASSUMPTIONS

FY2023 | Q2

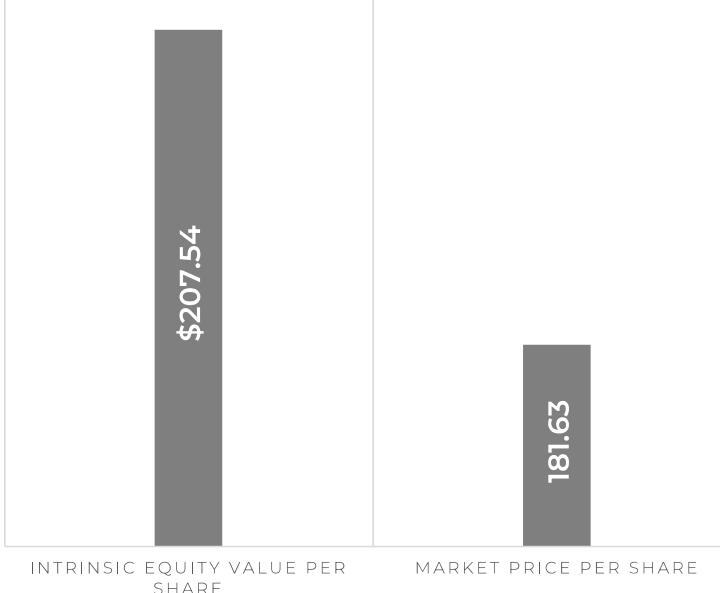
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$29,738 | 35.00% | 2.00% | 2.00% | Gaming and Datacenter remain NVIDIA's 2 strongest segments. Reduced growth rate in order to be conservative as Gaming is being impacted by global macroeconomic uncertainty which will slow down the pace of growth. Also, more conservative growth rates considered for datacenter as NVIDIA faces supply constraints and is unable to meet demand. Securing datacenter inventory will be key for continued growth rates for the company. |
| OPERATING MARGIN | 35.08% | 40.00% | 40.00% | 40.00% | Operating margin this quarter was affected by a one-time inventory write-off as the company adjusts for their current demand expectations and as well as ASP reduction in order to correct channel inventory. Operating margins are expected to rise to normal levels once inventory is corrected in time for new architecture launch. |
| TAX RATE | 0.54% | 0.54% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.10 | RIR = | 14.63% | Placed current Sales to Capital ratio for the growth phase in order to be more conservative as last 4 quarters have had similar values. Placed average value of previous years (1.35) for last 5 years as company returns to being as efficient as it has historically been. |
| RETURN ON CAPITAL | 38.27% | Marginal ROIC = | 44.12% | 13.67% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 11.98% | 8.67% | 8.67% | Low debt. Increased due to macroeconomic factors including rise in risk-free rate and equity risk premiums. Soften in stable phase to sector average as company stabilizes. |

NUMBERS

FY2023 | Q2

| The Cash Flows | | | | | | |
|----------------|-----------|------------------|-----------|------------|--------------|----------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | \$40,146 | 36.07% | \$14,479 | \$14,401 | \$9,489 | \$4,911 |
| 2 | \$54,198 | 37.05% | \$20,080 | \$19,971 | \$12,810 | \$7,161 |
| 3 | \$73,167 | 38.03% | \$27,827 | \$27,677 | \$17,294 | \$10,383 |
| 4 | \$98,775 | 39.02% | \$38,538 | \$38,330 | \$23,347 | \$14,983 |
| 5 | \$133,346 | 40.00% | \$53,338 | \$53,051 | \$31,518 | \$21,532 |
| 6 | \$171,217 | 40.00% | \$68,487 | \$64,493 | \$28,052 | \$36,441 |
| 7 | \$208,542 | 40.00% | \$83,417 | \$74,138 | \$27,648 | \$46,489 |
| 8 | \$240,240 | 40.00% | \$96,096 | \$80,321 | \$23,480 | \$56,841 |
| 9 | \$260,901 | 40.00% | \$104,360 | \$81,706 | \$15,304 | \$66,402 |
| 10 | \$266,119 | 40.00% | \$106,447 | \$77,707 | \$3,865 | \$73,841 |
| Terminal year | \$271,441 | 40.00% | \$108,576 | \$79,261 | \$11,596 | \$67,664 |

| The Value | |
|--|-------------------|
| Terminal value | 1,014,460 |
| PV(Terminal value) | 357,870 |
| PV (CF over next 10 years) | 154,597 |
| Value of operating assets | \$ 512,467 |
| + Cash & Marketable Securities | 17,037 |
| - Total Debt, including operating leases | (11,692) |
| Value of Equity in Common Stock | \$ 517,812 |
| Number of shares (primary) | 2,495 |
| Intrinsic Equity Value per share | \$ 207.54 |



87.52%
PRICE AS % OF VALUE

FISCAL YEAR **2023**

Q1 RESULTS

FEB – APR 2022



NARRATIVE | MAIN DRIVERS

FY2023 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|---|--|
| <p>Continued growth of sales for GeForce RTX 30 series products based on the NVIDIA Ampere GPU architecture. 2/3 of installed base pending on upgrade.</p> <p>Laptops continue to drive strong growth as Ampere GPU architecture is adopted across NVIDIA line-up.</p> <p>Negatively affected by COVID lockdowns in China (biggest gaming market) and Ukraine-Russia war. Expected to continue over the next quarter.</p> <p>Number of games available in GeForce Now continue to grow.</p> | <p>NVIDIA customers remain supply constrained as AI is adopted by more companies resulting in continued demand.</p> <p>Ampere architecture driving results in both hyperscale and vertical industries where top workloads include recommender systems, conversational AI, language models and cloud graphics.</p> <p>Customers are building AI Factories where data is the input and intelligence is the output.</p> <p>Secured inventory levels in order to prepare for demand, only concern going forward is networking.</p> <p>Announced Hopper architecture at GTC which provides leaps in performance vs Ampere.</p> <p>On track to launch Grace, first datacenter CPU focused on AI processing during end of FY2023.</p> | <p>Results driven by Ampere architecture.</p> <p>Omniverse has been adopted by 10% of the 100 top companies worldwide and is being tested by over 700 companies as the digital twin opportunity opens itself through Omniverse simulation platform.</p> <p>Omniverse is also driving sales of GPUs including new configurations as well as higher end models.</p> | <p>Started shipping NVIDIA Orin, the first datacenter on a chip, which is designed for robotic cars/ logistic movers.</p> <p>Secured estimated \$11 billion in business for this segment spanning over the next 6 years.</p> |

ASSUMPTIONS

FY2023 | Q1

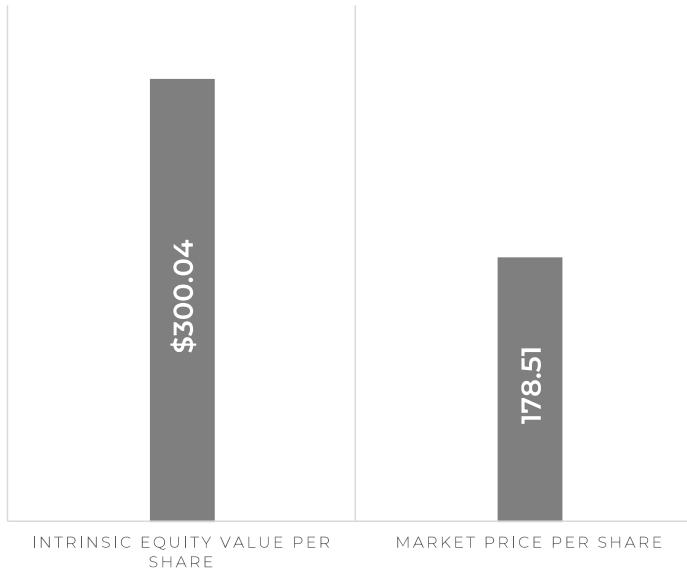
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$29,541 | 40.00% | 2.00% | 2.00% | Gaming and Datacenter remain the two pillars of NVIDIA's revenue. Datacenter had a stellar quarter surpassing, for the first time, Gaming in NVIDIA's overall results. Growth coming mainly from this segment as AI adoption increases not only with hyperscale, but also by vertical industries at the edge. NVIDIA AI software as well as Omniverse provide huge opportunities as the engines working on top of NVIDIA hardware in order to accelerate adoption and results. With Grace and Hopper in the pipeline, Datacenter is expected to grow at a very high pace. |
| OPERATING MARGIN | 40.86% | 45.00% | 45.00% | 45.00% | Affected in this quarter by ARM acquisition termination payment which can be considered a one-time event. Assumed 45% which was the operating margin achieved in previous quarters. Could be higher as NVIDIA continues to focus on software vs hardware. |
| TAX RATE | 2.50% | 2.50% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.35 | RIR = | 13.30% | Placed average sales to capital ratio for FY2019-FY2021. Value has been increasing with every quarter. |
| RETURN ON CAPITAL | 45.99% | Marginal ROIC = | 50.22% | 15.04% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 10.04% | 10.04% | 10.04% | Low debt. Increased due to macroeconomic factors including rise in risk-free rate. |

NUMBERS

FY2023 | Q1

| | The Cash Flows | | | | | |
|---------------|----------------|------------------|-----------|------------|--------------|-----------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | \$41,357 | 41.68% | \$17,239 | \$16,808 | \$8,753 | \$8,055 |
| 2 | \$57,900 | 42.51% | \$24,615 | \$23,999 | \$12,254 | \$11,745 |
| 3 | \$81,061 | 43.34% | \$35,133 | \$34,253 | \$17,156 | \$17,098 |
| 4 | \$113,485 | 44.17% | \$50,127 | \$48,872 | \$24,018 | \$24,854 |
| 5 | \$158,879 | 45.00% | \$71,495 | \$69,705 | \$33,625 | \$36,080 |
| 6 | \$210,355 | 45.00% | \$94,660 | \$87,652 | \$29,415 | \$58,236 |
| 7 | \$262,523 | 45.00% | \$118,136 | \$103,602 | \$29,810 | \$73,791 |
| 8 | \$307,677 | 45.00% | \$138,455 | \$114,638 | \$25,802 | \$88,836 |
| 9 | \$337,214 | 45.00% | \$151,746 | \$118,209 | \$16,878 | \$101,331 |
| 10 | \$343,959 | 45.00% | \$154,781 | \$112,990 | \$3,854 | \$109,137 |
| Terminal year | \$350,838 | 45.00% | \$157,877 | \$115,250 | \$15,326 | \$99,924 |

| The Value | | |
|--|----|-----------|
| Terminal value | | 1,242,856 |
| PV(Terminal value) | | 477,440 |
| PV (CF over next 10 years) | | 265,817 |
| Value of operating assets | \$ | 743,257 |
| + Cash & Marketable Securities | | 20,338 |
| - Total Debt, including operating leases | | (11,699) |
| Value of Equity in Common Stock | \$ | 751,896 |
| Number of shares (primary) | | 2,506 |
| Intrinsic Equity Value per share | \$ | 300.04 |



59.50%
PRICE AS % OF VALUE

The background of the slide is a high-angle, nighttime photograph of a city's urban landscape. The city is densely packed with buildings of various heights, their windows glowing with a variety of colors—predominantly blues, greens, and yellows. The lights from the buildings create a complex, glowing pattern against the dark sky. In the foreground, there is a large, semi-transparent black rectangular area where the title text is placed.

VALUATION YEAR **FY2022**

FEBRUARY 2021 – JANUARY 2022

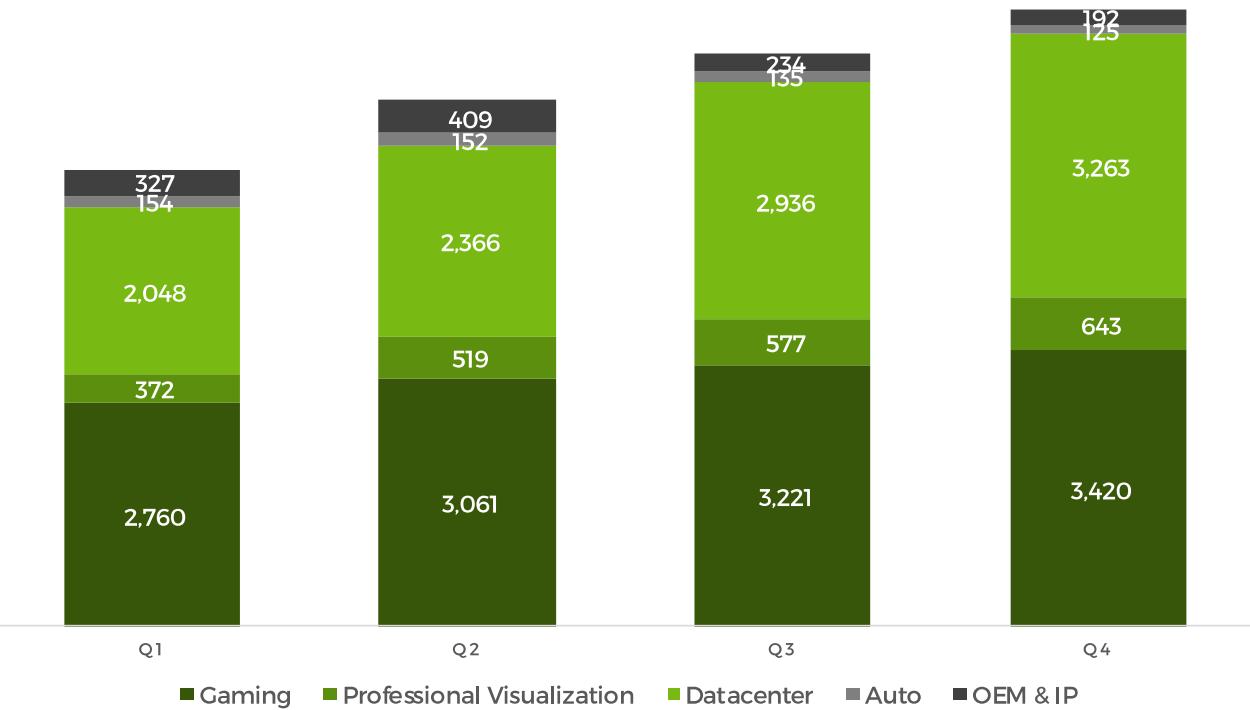


GENERAL NARRATIVE

- AS USES FOR AI CONTINUE TO EXPAND, NVIDIA DEVELOPS MORE SOFTWARE STACKS OPENING NEW MARKET OPPORTUNITIES AS IT MOVES TOWARDS A SOFTWARE FOCUS COMPANY.
- NVIDIA OMNIVERSE POSSESSES POTENTIAL AS THE FUTURE OF DESIGN AS WELL AS MANY MORE USES WHEN COMBINED WITH AI.

FY2022 AT A GLANCE

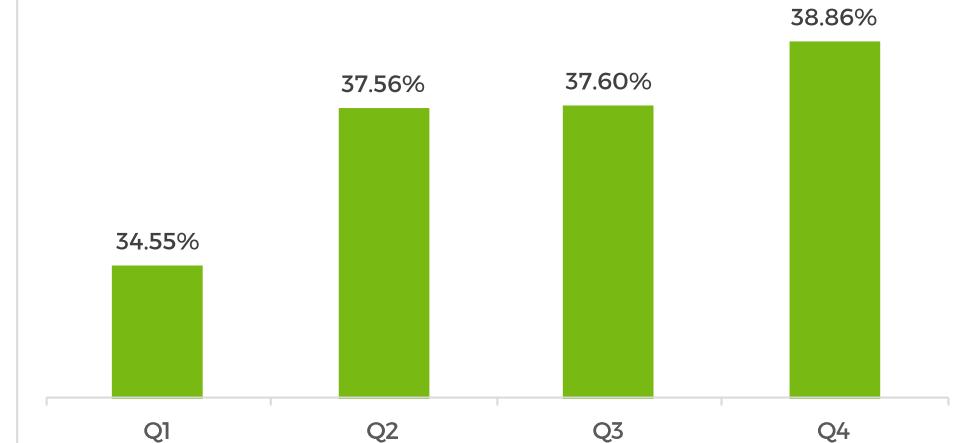
QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER.

Revenues show progressive growth throughout every quarter, Datacenter especially who now represents about half of the company's revenues.

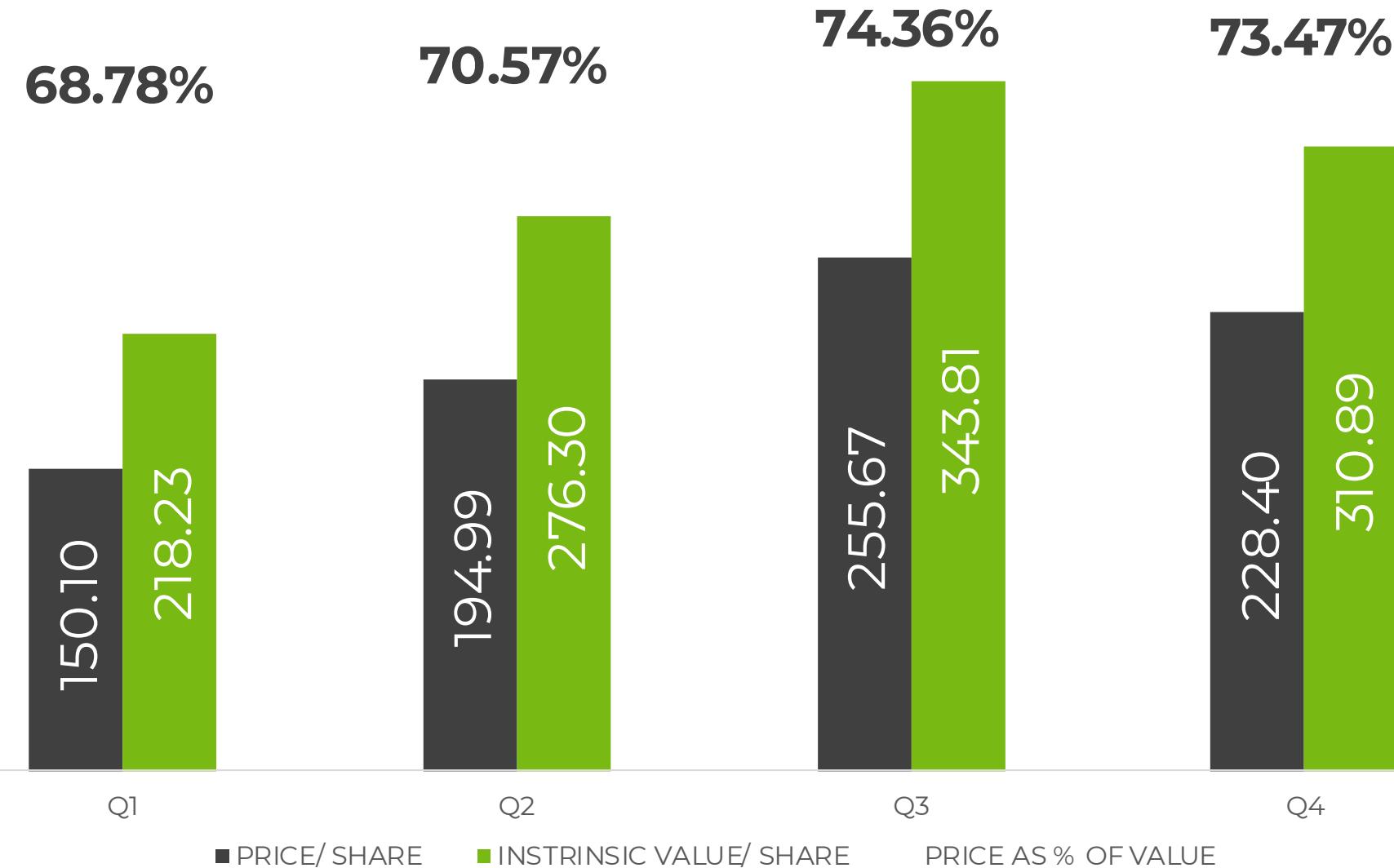
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 GeForce Now continues to grow in users as well as number of games offered as gaming becomes a more popular way of entertainment.
- 2 Bluefield launched as first DPU built for AI and accelerated computing accompanied by launch of first datacenter CPU, NVIDIA Grace, completing NVIDIA's efforts for a full CPU, DPU and GPU Datacenter offering.
- 3 ARM acquisition does not follow through due to competition concerns.
- 4 Omniverse deployment with increasing number of applications including Datacenter, Pro Visualization and Auto .
- 5 Demand greater than supply for semiconductor market constantly throughout year, capping potential results.

INTRINSIC VALUE OF STOCK



Adjusted all values for 4:1 split in Q2

FISCAL YEAR **2022**

Q4 RESULTS

NOV 2021 – JAN 2022



NARRATIVE | MAIN DRIVERS

FY2022 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|---|
| <p>Gaming continues to grow as main entertainment form worldwide with Steam incrementing in users 50% in 2 years.</p> <p>Approximately still 2/3 of installed base remains to upgrade to new architecture.</p> <p>GeForce Now continues to expand with new hit titles being included.</p> <p>Beta launched with LG to include GeForce Now App in Smart TVs. New partnership announced to do the same with Samsung.</p> <p>Partnership with AT&T to bring GeForce Now to 5G mobile devices in the US.</p> <p>Added new GeForce Now data center in Canada.</p> | <p>Strong growth continues to be driven by adoption of A100 architecture as well as inference focused revenue.</p> <p>Continues to lead MLPerf AI Benchmark for 3rd year in a row.</p> <p>Meta Platforms unveiled its new AI supercomputer research, SuperCluster, with over 6,000 A100 GPUs moved to an NVIDIA platform InfiniBand network.</p> <p>NVIDIA terminated efforts to purchase ARM.</p> | <p>Continued growth with mobile workstations with desktop workstations also growing as companies as a hybrid work environment becomes a reality.</p> <p>NVIDIA Omniverse enterprise software entered general availability, driving potential revenue with software license as well as GPU sales.</p> <p>Announced early access to Omniverse Cloud, which adds one-click capability to collaborate with other artists, whether across the room or across the globe.</p> <p>For digital twin applications, announced the Isaac Autonomous Mobile Robot platform using Omniverse</p> | <p>Partnership with Jaguar Land Rover to jointly develop and deliver fleets of software-defined cars.</p> |

ASSUMPTIONS

FY2022 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$26,914 | 40.00% | 2.00% | 2.00% | Growth mainly coming from Data Center as AI continues to be adopted and as NVIDIA creates more AI opportunities through software development. True growth has not been seen yet due to low inventory rates causing demand to be higher than supply. Could be higher if company can secure inventory levels necessary to support growth. |
| OPERATING MARGIN | 44.33% | 44.33% | 44.33% | 44.33% | Maintained at base level as company margin stabilizes. Could expect in the future greater margins as they move to SaaS offerings but left as is for now. |
| TAX RATE | 1.89% | 1.89% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.35 | RIR = | 14.08% | Placed average sales to capital ratio for FY2019-FY2021. Value impacted by Mellanox acquisition and has been increasing quarter by quarter. Expected to return to normal levels, now even faster that Arm acquisition is out of the picture. |
| RETURN ON CAPITAL | 48.13% | Marginal ROIC = | 48.85% | 14.20% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 9.20% | 9.20% | 9.20% | Low debt. Aligned to industry values for Global. |

NUMBERS

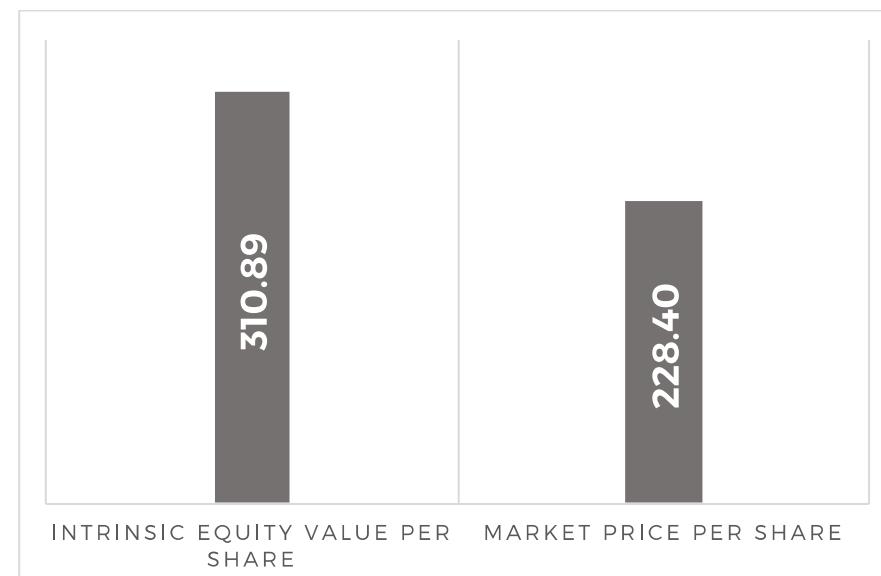
FY2022 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|---------|------------|--------------|--------|
| 1 | 37,680 | 44.33% | 16,704 | 16,388 | 7,975 | 8,414 |
| 2 | 52,751 | 44.33% | 23,386 | 22,943 | 11,164 | 11,779 |
| 3 | 73,852 | 44.33% | 32,740 | 32,121 | 15,630 | 16,491 |
| 4 | 103,393 | 44.33% | 45,836 | 44,969 | 21,882 | 23,087 |
| 5 | 144,750 | 44.33% | 64,170 | 62,957 | 30,635 | 32,322 |
| 6 | 191,649 | 44.33% | 84,962 | 79,088 | 26,799 | 52,289 |
| 7 | 239,178 | 44.33% | 106,032 | 93,378 | 27,159 | 66,218 |
| 8 | 280,316 | 44.33% | 124,270 | 103,198 | 23,508 | 79,690 |
| 9 | 307,227 | 44.33% | 136,200 | 106,265 | 15,377 | 90,888 |
| 10 | 313,371 | 44.33% | 138,924 | 101,414 | 3,511 | 97,903 |
| Terminal year | 319,639 | 44.33% | 141,702 | 103,443 | 14,565 | 88,878 |

The Value

| | |
|--|-----------|
| Terminal value | 1,233,668 |
| PV(Terminal value) | 511,445 |
| PV (CF over next 10 years) | 255,006 |
| Value of operating assets | \$766,451 |
| + Cash & Marketable Securities | 21,208 |
| - Total Debt, including operating leases | (11,687) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$775,972 |
| Number of shares (primary) | 2,496 |
| Intrinsic Equity Value per share | 310.89 |



*Market Price: 28.01.2022 Close

73.47%
PRICE AS % OF VALUE

FISCAL YEAR **2022**

Q3 RESULTS

AUG – OCT 2021



NARRATIVE | MAIN DRIVERS

FY2022 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|---|
| <p>Games supporting NVIDIA RTX continue to increase, pushing even further the demand for current user upgrade cycle with still approximately 25% of NVIDIA's installed force being upgraded.</p> <p>GeForce Now continues to grow as Electronic Arts adds more important game titles to the server. Its user base has grown to 14 million gamers who are streaming content from the 30 data centers in more than 80 countries.</p> | <p>Continued adoption of Ampere architecture by hyperscale clients as well as vertical industries.</p> <p>Expansion of Omniverse ecosystem expanded and announced new capabilities including Omniverse Replicator (used to train robots) and Omniverse Avatar (generates interactive AI avatars).</p> <p>Introduced 65 new and updated software development kits (SDKs) bringing its total to more than 150 industries served and supporting NVIDIA's initiative to migrate to a more software focus company.</p> <p>ARM acquisition slowed down due to regulators and licensees' concerns regarding competition. Currently in discussion in order to address these concerns and move forward with the transaction.</p> | <p>Continued growth with mobile workstations with desktop workstations also growing as companies prepare for a hybrid work environment.</p> <p>Omniverse continues to create excitement with more than 700 companies evaluating the platform and more than 70,000 individuals downloading the beta version.</p> | <p>Sequential decline was primarily driven by AI cockpit revenue, which has been negatively impacted by automotive manufacturers' supply constraints.</p> <p>Announced DRIVE Concierge, built on Omniverse Avatar functioning as an AI-based in-vehicle assistant, enables automatic parking capabilities and enhances safety by monitoring the driver throughout the duration of the trip.</p> <p>Announced DRIVE Chauffeur which offer autonomous capabilities as well as performing address to address driving when combined with DRIVE Hyperion 8 platform.</p> |

ASSUMPTIONS

FY2022 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$24,274 | 40.00% | 2.00% | 2.00% | Mainly driven by gaming and datacenter new GPU architecture adoption. 75% of gaming base still pending on changing to new Ampere architecture. New Omniverse applications opening new revenue streams. NVIDIA is increasingly becoming more software focus opening new markets with SDKs in order to accelerate AI adoption. |
| OPERATING MARGIN | 42.83% | 42.83% | 42.83% | 42.83% | Maintained base value as stabilization continues with now a stronger weight in datacenter revenue with a software focus as NVIDIA increases its software-as-a-service offerings. Can be expected to increase in the future. |
| TAX RATE | 3.98% | 3.98% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.35 | RIR = | 15.61% | Placed average sales to capital ratio for FY2019-FY2021. Value impacted by Mellanox acquisition. Expected to eventually return to normal levels. |
| RETURN ON CAPITAL | 43.61% | Marginal ROIC = | 47.32% | 12.81% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 7.81% | 7.81% | 7.81% | Low debt. Aligned to industry values for Global. |

NUMBERS

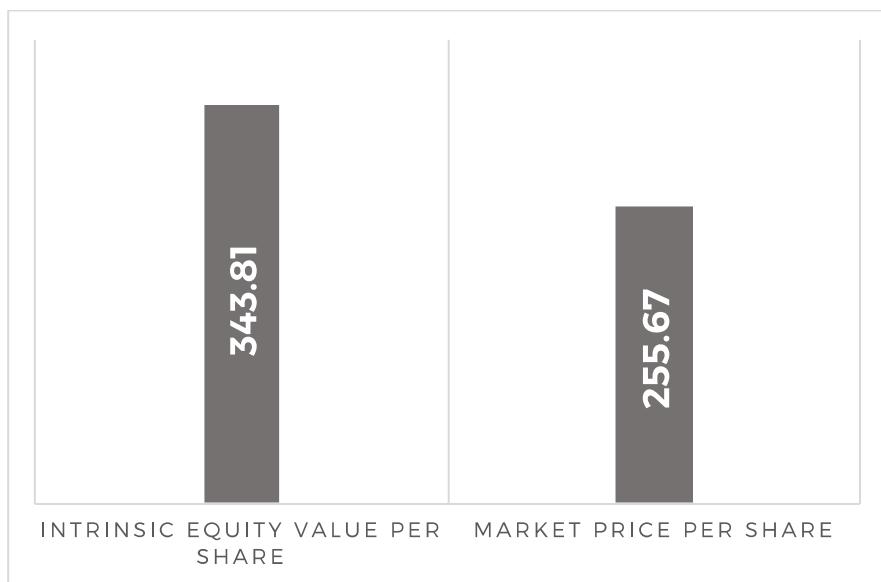
FY2022 | Q3

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|---------|------------|--------------|--------|
| 1 | 33,984 | 42.83% | 14,554 | 13,975 | 7,192 | 6,783 |
| 2 | 47,577 | 42.83% | 20,376 | 19,566 | 10,069 | 9,496 |
| 3 | 66,608 | 42.83% | 28,527 | 27,392 | 14,097 | 13,295 |
| 4 | 93,251 | 42.83% | 39,937 | 38,349 | 19,736 | 18,613 |
| 5 | 130,551 | 42.83% | 55,912 | 53,688 | 27,630 | 26,058 |
| 6 | 172,850 | 42.83% | 74,028 | 67,674 | 24,171 | 43,504 |
| 7 | 215,717 | 42.83% | 92,387 | 80,204 | 24,495 | 55,708 |
| 8 | 252,820 | 42.83% | 108,277 | 89,013 | 21,202 | 67,811 |
| 9 | 277,091 | 42.83% | 118,672 | 92,094 | 13,869 | 78,225 |
| 10 | 282,633 | 42.83% | 121,045 | 88,363 | 3,167 | 85,196 |
| Terminal year | 288,285 | 42.83% | 123,466 | 90,130 | 14,072 | 76,058 |

The Value

| | |
|--|-----------|
| Terminal value | 1,309,084 |
| PV(Terminal value) | 617,128 |
| PV (CF over next 10 years) | 234,432 |
| Value of operating assets | \$851,560 |
| + Cash & Marketable Securities | 19,298 |
| - Total Debt, including operating leases | (11,687) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$859,171 |
| Number of shares (primary) | 2,499 |
| Intrinsic Equity Value per share | 343.81 |



*Prices reflect stock split 4:1 effective in Q2

74.36%
PRICE AS % OF VALUE

FISCAL YEAR **2022**

Q2 RESULTS

MAY – JUL 2021



NARRATIVE | MAIN DRIVERS

FY2022 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|---|--|
| <p>Demand remains strong as gamer base looks to upgrade their computers, currently outpacing supply. 80% of base still pending to be upgraded.</p> <p>GeForce now reached a new milestone this quarter surpassing 1,000 PC games, more than any other cloud gaming service.</p> | <p>Announced NVIDIA Base Command, a Software-as-a-Service offering for operating and managing large-scale, multiuser and multi-team AI development workloads on DGX SuperPOD.</p> <p>Announced general availability of NVIDIA Fleet Command, a managed Edge AI Software-as-a-Service offering.</p> <p>NVIDIA Inception, NVIDIA's acceleration platform for AI startups just surpassed 8,500 members.</p> <p>Total number of developers in NVIDIA ecosystem now exceeds 2.6 million, up 4x in the past 4 years.</p> <p>Arm licensees have expressed concerns and objected to the transaction and discussions with regulators are taking longer than initially thought.</p> | <p>Growth led by desktop workstations being installed at home, as remote work becomes a norm in the industry.</p> <p>First big quarter of Ampere architecture ramp for Pro Visualization.</p> <p>Expansion of NVIDIA Omniverse including new integration with Blender and Adobe to open to millions of additional user. Collaboration with Apple and Pixar to bring advanced physics as well.</p> <p>Omniverse Enterprise software is in the early access stage and will be generally available later this year on a subscription basis from NVIDIA's partners, including Dell, HP, Lenovo and many others.</p> | <p>Self-driving start-up, AutoX, unveiled its latest autonomous driving platform for RoboTaxis powered by NVIDIA DRIVE. The performance and safe capabilities of the software-defined NVIDIA DRIVE platform has enabled AutoX to become one of the first companies in the world to provide full self-driving mobility services without the need for a safety driver.</p> <p>In autonomous trucking, DRIVE ecosystem partner Plus signed a deal with Amazon to provide at least 1,000 self-driving system to Amazon's fleet of delivery vehicles.</p> |

ASSUMPTIONS

FY2022 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$21,897 | 40.00% | 2.00% | 2.00% | Mainly driven by gaming and datacenter new GPU architecture adoption. 80% of gaming base still pending on changing to new Ampere architecture. Demand is currently higher than supply. Datacenter includes more SaaS offerings. New partnerships in Omniverse, increasing its reach for Pro visualization. |
| OPERATING MARGIN | 41.05% | 41.05% | 41.05% | 41.05% | Starting to stabilize after Mellanox acquisition. Maintained base value as stabilization continues with now a stronger weight in datacenter revenue with a software focus as NVIDIA increases its software-as-a-service offerings. Already higher than expected in previous quarters. |
| TAX RATE | 2.45% | 2.45% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.35 | RIR = | 15.16% | Placed average sales to capital ratio for FY2019-FY2021. Value impacted by Mellanox acquisition. Expected to eventually return to normal levels. |
| RETURN ON CAPITAL | 43.12% | Marginal ROIC = | 45.26% | 13.20% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 8.20% | 8.20% | 8.20% | Low debt. Aligned to industry values for Global. |

NUMBERS

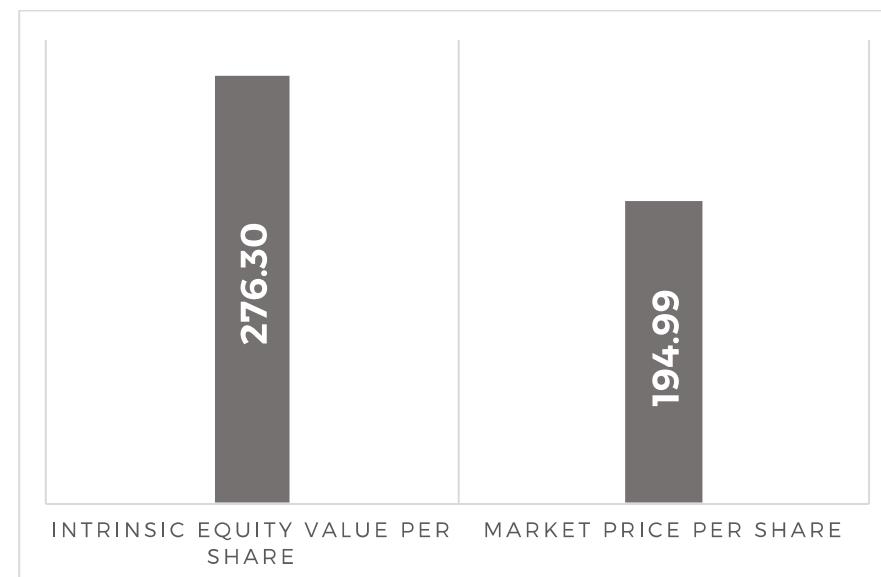
FY2022 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|---------|------------|--------------|--------|
| 1 | 30,656 | 41.05% | 12,583 | 12,275 | 6,488 | 5,787 |
| 2 | 42,918 | 41.05% | 17,616 | 17,184 | 9,083 | 8,101 |
| 3 | 60,085 | 41.05% | 24,663 | 24,058 | 12,716 | 11,342 |
| 4 | 84,120 | 41.05% | 34,528 | 33,681 | 17,803 | 15,878 |
| 5 | 117,767 | 41.05% | 48,340 | 47,154 | 24,924 | 22,230 |
| 6 | 155,924 | 41.05% | 64,002 | 59,290 | 21,804 | 37,486 |
| 7 | 194,593 | 41.05% | 79,874 | 70,072 | 22,097 | 47,976 |
| 8 | 228,063 | 41.05% | 93,612 | 77,529 | 19,126 | 58,403 |
| 9 | 249,957 | 41.05% | 102,599 | 79,934 | 12,511 | 67,424 |
| 10 | 254,956 | 41.05% | 104,651 | 76,395 | 2,857 | 73,539 |
| Terminal year | 260,055 | 41.05% | 106,744 | 77,923 | 11,810 | 66,114 |

The Value

| | |
|--|-----------|
| Terminal value | 1,066,932 |
| PV(Terminal value) | 485,288 |
| PV (CF over next 10 years) | 196,534 |
| Value of operating assets | \$681,822 |
| + Cash & Marketable Securities | 19,654 |
| - Total Debt, including operating leases | (12,659) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$688,817 |
| Number of shares (primary) | 2,493 |
| Intrinsic Equity Value per share | 276.30 |



*Prices reflect stock split 4:1 effective in Q2

70.57%
PRICE AS % OF VALUE

FISCAL YEAR **2022**

Q1 RESULTS

FEB – APR 2021



NARRATIVE | MAIN DRIVERS

FY2022 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|--|--|
| <p>Continued growth of sales GeForce RTX 30 series products based on the NVIDIA Ampere GPU architecture.</p> <p>Laptops continue to drive strong growth as Ampere GPU architecture is adopted across NVIDIA line-up.</p> <p>Gaming benefitted by cryptocurrency mining. Optimized GPUs for gamers as well as launched CMP product with cryptocurrency focus, ensuring that most of gaming cards arrive at the hand of gamers at better prices.</p> <p>GeForce Now continues to grow, reaching 10 million users.</p> | <p>Mellanox exceeding expectations.</p> <p>Unveiled BlueField-3, the first DPU built for AI and accelerated computing.</p> <p>Announced NVIDIA's first data center CPU, NVIDIA Grace. With Grace, NVIDIA has a 3-chip strategy with GPU, DPU and now CPU.</p> <p>Announced NVIDIA developed and optimized pretrained model availability on the NVIDIA GPU Cloud registry.</p> <p>Unveiled NVIDIA AI Enterprise, a new enterprise-grade software offering.</p> <p>Announced NVIDIA AI-on-5G platform supported on NVIDIA EGX</p> <p>Steady progress with ARM acquisition</p> | <p>Strong notebook growth was driven by a new sleek and powerful RTX-powered mobile workstations with Max-Q technology, and the enterprises continue to support remote workforce initiatives.</p> <p>Desktop workstations rebounded as enterprise resumed the spending that has been deferred during the lockdown with continued growth likely as offices open.</p> <p>NVIDIA Omniverse is being evaluated by over 400 companies and the open beta version has been downloaded by nearly 17,000 users.</p> | <p>Growth in AI cockpit revenue was partially offset by the expected decline in legacy infotainment revenue.</p> <p>Announcement of the next-generation NVIDIA DRIVE Atlan SoC. Atlan will deliver an unrivaled 1,000 trillion operations per second of performance and integrate data center class NVIDIA BlueField networking and security technologies to enhance vehicle performance and safety, making it a true data center on wheels.</p> <p>In robottaxis, we added GM Cruise to the growing number of companies adopting the NVIDIA DRIVE platform.</p> |

ASSUMPTIONS

FY2022 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$19,256 | 40.00% | 2.00% | 2.00% | Mainly driven by gaming and datacenter new GPU architecture adoption. In datacenter, major launches driven by growth in AI applications all over businesses. New datacenter CPU Grace completes NVIDIA's datacenter complete solution. Gaming growth due to customer base in process of upgrading to newer models. RTX technology also impacting growth in professional visualization which is showing growth once more. |
| OPERATING MARGIN | 37.16% | 40.00% | 40.00% | 40.00% | Starting to stabilize after Mellanox acquisition. Maintained assumption that it will continue to increase as NVIDIA moves towards a more software focus. |
| TAX RATE | 2.65% | 2.65% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.35 | RIR = | 14.70% | Placed average sales to capital ratio for FY2019-FY2021. Value impacted by Mellanox acquisition. Expected to eventually return to normal levels. Still well below to historic values for the company. |
| RETURN ON CAPITAL | 35.73% | Marginal ROIC = | 44.53% | 13.61% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 8.61% | 8.61% | 8.61% | Low debt. Aligned to industry values for Global. |

NUMBERS

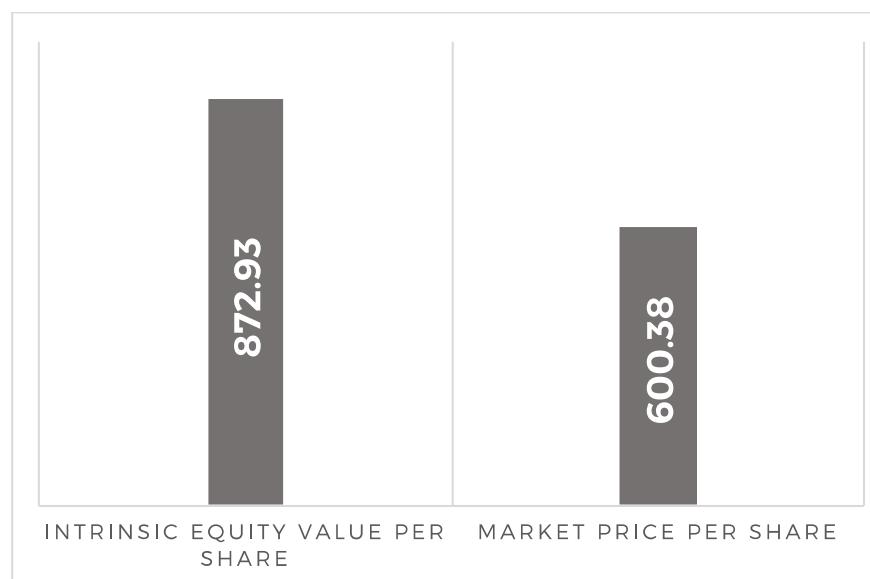
FY2022 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 26,958 | 37.73% | 10,170 | 9,901 | 5,705 | 4,195 |
| 2 | 37,742 | 38.29% | 14,453 | 14,070 | 7,988 | 6,082 |
| 3 | 52,838 | 38.86% | 20,535 | 19,990 | 11,183 | 8,808 |
| 4 | 73,974 | 39.43% | 29,169 | 28,396 | 15,656 | 12,740 |
| 5 | 103,563 | 40.00% | 41,425 | 40,328 | 21,918 | 18,409 |
| 6 | 137,118 | 40.00% | 54,847 | 50,723 | 19,174 | 31,549 |
| 7 | 171,123 | 40.00% | 68,449 | 59,968 | 19,432 | 40,537 |
| 8 | 200,556 | 40.00% | 80,223 | 66,376 | 16,819 | 49,557 |
| 9 | 219,810 | 40.00% | 87,924 | 68,466 | 11,002 | 57,464 |
| 10 | 224,206 | 40.00% | 89,682 | 65,468 | 2,512 | 62,956 |
| Terminal year | 228,690 | 40.00% | 91,476 | 66,778 | 9,813 | 56,964 |

The Value

| | |
|--|-----------|
| Terminal value | 861,840 |
| PV(Terminal value) | 377,350 |
| PV (CF over next 10 years) | 159,678 |
| Value of operating assets | \$537,027 |
| + Cash & Marketable Securities | 12,667 |
| - Total Debt, including operating leases | (7,603) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$542,091 |
| Number of shares (primary) | 621 |
| Intrinsic Equity Value per share | 872.93 |



68.78%
PRICE AS % OF VALUE



VALUATION YEAR
FY 2021

FEBRUARY 2020 – JANUARY 2021

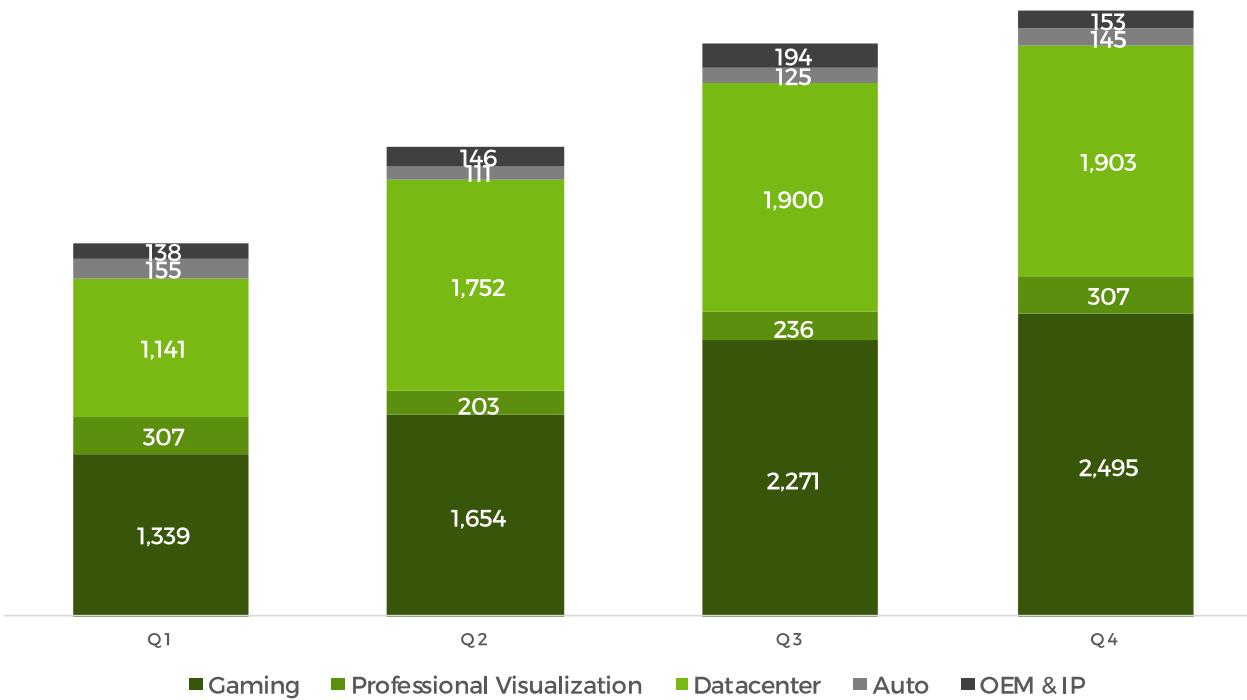


GENERAL NARRATIVE

- COVID-19 PANDEMIC IMPACT WORLDWIDE CHANGING THE WAY OF WORKING AND INTERACTING SOCIALLY TOWARDS MORE VIRTUAL ENVIRONMENTS.
- DEVELOPMENT AND ADOPTION OF AMPERE ARCHITECTURE OFFERING AN IMPORTANT LEAP IN PERFORMANCE DRIVING RESULTS FOR DATACENTERS AND GAMING ALIKE.

FY2021 AT A GLANCE

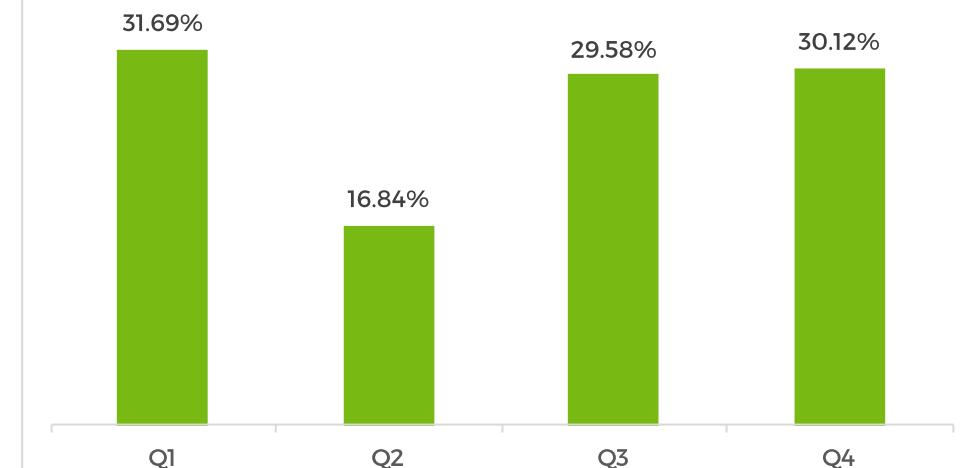
QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER.

Revenues show progressive recovery throughout every quarter. Mellanox integration briefly affecting operating margin.

OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Complete acquisition of Mellanox, now integrated in Datacenter structure.
- 2 A100 Ampere architecture deployment in datacenters as well as gaming computers, driving growth in both sectors due to its high speed and efficiency.
- 3 COVID-19 increases number of gamers and gaming time as social interaction moves online. Growth in Datacenters impacted by work-from-home policies implemented by most companies.
- 4 Announcement of the Omniverse, first online 3D collaboration and simulation platform.
- 5 Deployment and adoption of GeForce Now online gaming platform, showing growth in every quarter.

INTRINSIC VALUE OF STOCK

93.43%

94.55%

89.97%

62.76%



Q1

Q2

Q3

Q4

■ PRICE/ SHARE

■ INTRINSIC VALUE/ SHARE

PRICE AS % OF VALUE

FISCAL YEAR **2021**

Q4 RESULTS

NOV 2020 – JAN 2021



NARRATIVE | MAIN DRIVERS

FY2021 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|--|---|
| Continued growth of sales GeForce RTX 30 series products based on the NVIDIA Ampere GPU architecture. | Vertical industries were well over 50% of Data Center revenue across compute and networking, with strength in supercomputing, financial services, higher education and consumer Internet verticals. | Recovery in desktop workstations as some customers returned to the office and enterprises resumed purchases that have been deferred by the pandemic. | Recovery in global automotive production volumes as well as continued growth in AI cockpit revenue. |
| Announced the GeForce RTX 3060 GPU priced at \$329, extending the 30 Series desktop lineup further into the mainstream. | Continued deployment of de A100 architecture by hyperscale clients. Growth expected to continue as adoption expands. | Notebook GPUs grew sequentially to a record as enterprises continue to support remote workforce initiatives. | Year-on-year decline was due to the expected ramp down of legacy infotainment revenue. |
| Announced a new line of NVIDIA CMPs or cryptomining processors which power efficiency. | A100 architecture proven to be efficient as well as powerful, contributing to the focus on combating climate change performing AI computations with 1/20th the power consumption of CPUs. | | Zoox recently unveiled its Level 5 bidirectional robotaxi powered by NVIDIA. |
| Social trends moving towards virtual environments with continued increase in hours of gaming as well as hours watched of esports in YouTube. | ARM acquisition moving forward as expected. | | |
| Increased adoption and content creation for VR technologies. | | | |
| Continued adoption of GeForce Now, reaching 6 million users. | | | |

ASSUMPTIONS

FY2021 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$16,675 | 40.00% | 2.00% | 2.00% | Gaming and Datacenters continue to drive growth with the adoption of the Ampere architecture. Gaming growing impressively due to increasing interactions in virtual worlds driven by the pandemic. |
| OPERATING MARGIN | 35.10% | 40.00% | 40.00% | 40.00% | Margin starting to stabilize after Mellanox acquisition. Sequential marginal growth impacted by gaming GPU stronger mix but offset by lower margins of Datacenter portfolio. Expected to continue to grow over time. |
| TAX RATE | 1.75% | 1.75% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.40 | RIR = | 15.19% | Placed average sales to capital ratio for FY2020. FY2021 value impacted by Mellanox acquisition, but it is expected to return to normal levels. |
| RETURN ON CAPITAL | 31.48% | Marginal ROIC = | 45.55% | 13.16% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 8.16% | 8.16% | 8.16% | Low debt. Aligned to industry values for Global. |

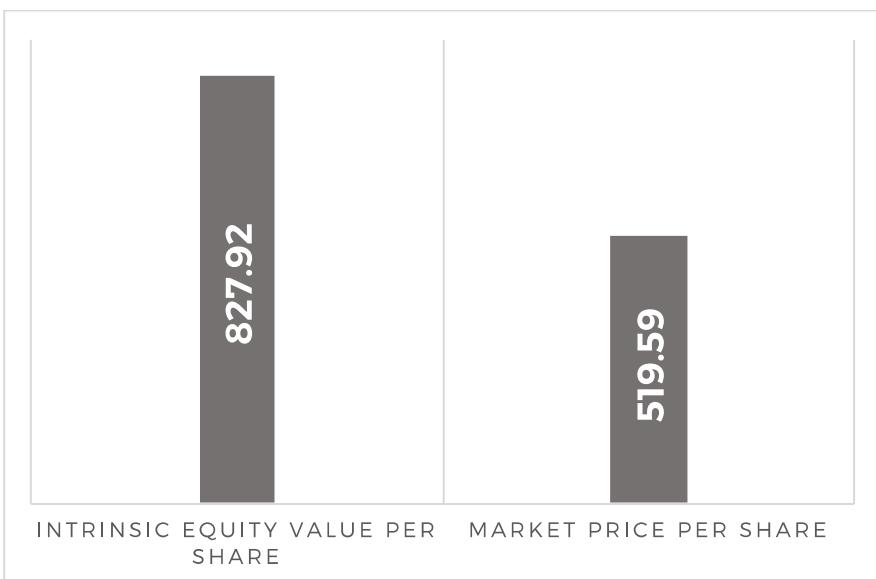
NUMBERS

FY2021 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 23,345 | 36.08% | 8,424 | 8,276 | 4,764 | 3,512 |
| 2 | 32,683 | 37.06% | 12,113 | 11,901 | 6,670 | 5,231 |
| 3 | 45,756 | 38.04% | 17,406 | 17,102 | 9,338 | 7,764 |
| 4 | 64,059 | 39.02% | 24,996 | 24,560 | 13,073 | 11,486 |
| 5 | 89,682 | 40.00% | 35,873 | 35,246 | 18,302 | 16,944 |
| 6 | 118,739 | 40.00% | 47,496 | 44,267 | 16,604 | 27,663 |
| 7 | 148,186 | 40.00% | 59,275 | 52,252 | 16,827 | 35,425 |
| 8 | 173,675 | 40.00% | 69,470 | 57,730 | 14,565 | 43,166 |
| 9 | 190,347 | 40.00% | 76,139 | 59,427 | 9,527 | 49,900 |
| 10 | 194,154 | 40.00% | 77,662 | 56,693 | 2,175 | 54,518 |
| Terminal year | 198,037 | 40.00% | 79,215 | 57,827 | 8,785 | 49,042 |

| The Value | |
|--|-----------|
| Terminal value | 795,538 |
| PV(Terminal value) | 362,919 |
| PV (CF over next 10 years) | 143,946 |
| Value of operating assets | \$506,865 |
| + Cash & Marketable Securities | 11,561 |
| - Total Debt, including operating leases | (7,597) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$510,829 |
| Number of shares (primary) | 617 |
| Intrinsic Equity Value per share | 827.92 |



62.76%
PRICE AS % OF VALUE

FISCAL YEAR
2021

Q3 RESULTS

AUG – OCT 2020



NARRATIVE | MAIN DRIVERS

FY2021 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|--|
| <p>NVIDIA Ampere architecture-based GeForce RTX 30 Series of gaming GPUs driving sales for the quarter being the biggest ever launch for the company.</p> <p>Launch of NVIDIA Reflex that improves reaction time in games, reducing system latency by up to 50%. This technology is already being adopted by various eSports including Fortnite.</p> <p>Record gaming console revenue on strong demand for the Nintendo Switch.</p> <p>Continued growth of cloud gaming service, GeForce NOW, which has doubled in the past 7 months to reach over 5 million registered users.</p> | <p>Announced plans to acquire Arm from SoftBank for \$40 billion</p> <p>Further adoption of Ampere architecture by hyperscale clients.</p> <p>Began shipping NVIDIA DGX SuperPOD, the first turnkey AI infrastructure.</p> <p>Mellanox had another record quarter with double-digit sequential growth contributing 13% of overall company revenue.</p> <p>Unveiled BlueField-2 DPU, or data processing unit, a new kind of processor which offloads critical networking, storage and security task from the CPU. A single BlueField 2 DPU can deliver the same data center services that consume up to 125 CPU cores.</p> | <p>Sequential growth was driven by strength in notebooks boosted by work-from-home initiatives and the shift to thin and light mobile workstations. This was particularly offset by a decline in desktop workstations, which continued to be impacted by the pandemic and drove the year-on-year decline.</p> <p>Announced that Omniverse, the world's first 3D collaboration and simulation platform, has entered open beta. Early adopters include Ericsson, BMW, Foster + Partners and Lucasfilm.</p> <p>The pandemic is accelerating development of AR, VR and mixed reality technologies, which will have a profound impact on how we work and play.</p> | <p>Recovery in global automotive production volumes as well as continued growth in AI cockpit revenue.</p> <p>Year-on-year decline was due to the expected ramp down of legacy infotainment revenue.</p> <p>Li Auto, a leading electric car brand in China, announced that it will develop its next generation of vehicles using the software-defined NVIDIA Drive AGX Orin platform.</p> <p>NVIDIA and Hyundai Motor Group announced that the automaker's entire lineup of Hyundai, Kia and Genesis models will come standard with NVIDIA DRIVE in-vehicle infotainment systems starting in 2022.</p> |

ASSUMPTIONS

FY2021 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$14,777 | 40.00% | 2.00% | 2.00% | Continued strong sequential growth mainly due to gaming performance. Mellanox proved to be a good acquisition representing 13% of revenues. Expected to continue growing with A100 both in datacenter and gaming. NVIDIA DGX SuperPOD helping to accelerate AI implementation. Omniverse announced open beta which will drive professional visualization results. Overall, positive outlook for revenue growth. |
| OPERATING MARGIN | 34.15% | 40.00% | 40.00% | 40.00% | Has been consistently increasing with every quarter. As NVIDIA moves towards a more software focus, can be expected to increase even more. |
| TAX RATE | 3.24% | 3.24% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.40 | RIR = | 14.09% | Placed average sales to capital ratio for FY2020. FY2021 value impacted by Mellanox acquisition, but it is expected to return to normal levels. |
| RETURN ON CAPITAL | 27.67% | Marginal ROIC = | 45.76% | 14.20% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 9.20% | 9.20% | 9.20% | Low debt. Aligned to industry values for Global.. |

NUMBERS

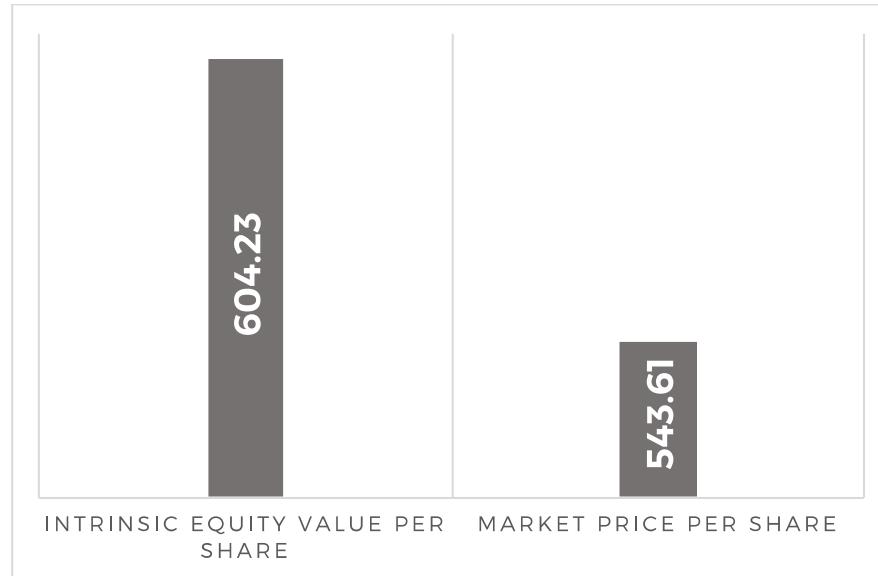
FY2021 | Q3

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 20,688 | 35.32% | 7,307 | 7,070 | 4,222 | 2,848 |
| 2 | 28,963 | 36.49% | 10,568 | 10,226 | 5,911 | 4,315 |
| 3 | 40,548 | 37.66% | 15,270 | 14,776 | 8,275 | 6,501 |
| 4 | 56,767 | 38.83% | 22,042 | 21,329 | 11,585 | 9,744 |
| 5 | 79,474 | 40.00% | 31,790 | 30,761 | 16,219 | 14,541 |
| 6 | 105,224 | 40.00% | 42,090 | 38,727 | 14,714 | 24,013 |
| 7 | 131,319 | 40.00% | 52,528 | 45,835 | 14,912 | 30,923 |
| 8 | 153,906 | 40.00% | 61,563 | 50,792 | 12,907 | 37,885 |
| 9 | 168,681 | 40.00% | 67,473 | 52,462 | 8,443 | 44,019 |
| 10 | 172,055 | 40.00% | 68,822 | 50,240 | 1,928 | 48,312 |
| Terminal year | 175,496 | 40.00% | 70,198 | 51,245 | 7,219 | 44,025 |

The Value

| | |
|--|-----------|
| Terminal value | 611,771 |
| PV(Terminal value) | 253,808 |
| PV (CF over next 10 years) | 117,034 |
| Value of operating assets | \$370,842 |
| + Cash & Marketable Securities | 10,139 |
| - Total Debt, including operating leases | (7,565) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$373,416 |
| Number of shares (primary) | 618 |
| Intrinsic Equity Value per share | 604.23 |



89.97%
PRICE AS % OF VALUE

FISCAL YEAR
2021

Q2 RESULTS

MAY – JUL 2020



NARRATIVE | MAIN DRIVERS

FY2021 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|--|---|
| <p>Gaming continues to emerge as new form of entertainment due to pandemic lockdowns.</p> <p>Stores reopened picking demand on retail including iCafes in China while online sales continue to thrive.</p> <p>Brought ray-tracing to lower range laptops allowing access to a wider range of customers.</p> <p>Continue support of blockbuster gaming titles of ray-tracing technology.</p> <p>GeForce Now expands to greater device compatibility in addition to partnering up with number of telecom partners around the world, including SoftBank, Rostelecom and Beeline in Russia, LG U+ in South Korea and Taiwan Mobile.</p> | <p>Full integration of Mellanox into de NVIDIA Datacenter segment.</p> <p>The first Ampere GPU, A100, has been widely adopted by all major server vendors and cloud service providers including Google, Microsoft, AWS, Alibaba, Baidu and Tencent.</p> <p>In the latest A100 training benchmark, MLPerf 0.7, NVIDIA set 16 records, sweeping all categories for commercially available solutions.</p> <p>Reached a 2 million developer community.</p> | <p>Sales hurt by lower enterprise demand due to closure of many offices per COVID-19 restrictions including architecture, automotive, media and construction.</p> <p>Initiatives by enterprises to enable remote workers drove demand for virtual and cloud-based graphic solutions.</p> <p>Winning new business in areas such as health care, including Siemens, Philips and General Electric, and the public sector.</p> | <p>Sequential decline better than expected due to COVID impact.</p> |

ASSUMPTIONS

FY2021 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$13,065 | 35.00% | 2.00% | 2.00% | Strong sequential growth mainly focused on gaming and datacenter revenues. Quarantine mandates driving growth in both sectors as well as Mellanox being included in datacenter results in full this quarter. |
| OPERATING MARGIN | 33.41% | 35.00% | 40.00% | 40.00% | Maintained lower operating margins due to inclusion of Mellanox in the growth phase. Expected to increase over time due to focus on software vs hardware. |
| TAX RATE | 4.94% | 4.94% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.40 | RIR = | 14.28% | Placed average sales to capital ratio for FY2020. FY2021 value impacted by Mellanox acquisition, but it is expected to return to normal levels. |
| RETURN ON CAPITAL | 27.66% | Marginal ROIC = | 45.55% | 14.01% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 9.01% | 9.01% | 9.01% | Low debt. Aligned to industry values for Global. |

NUMBERS

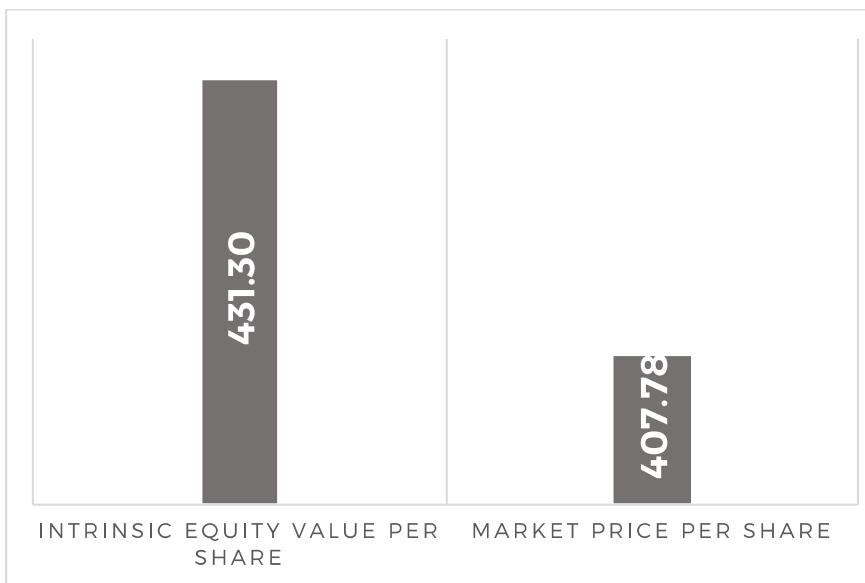
FY2021 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 17,638 | 33.73% | 5,949 | 5,655 | 3,266 | 2,389 |
| 2 | 23,811 | 34.05% | 8,107 | 7,706 | 4,409 | 3,297 |
| 3 | 32,145 | 34.36% | 11,046 | 10,501 | 5,953 | 4,548 |
| 4 | 43,395 | 34.68% | 15,050 | 14,307 | 8,036 | 6,271 |
| 5 | 58,584 | 35.00% | 20,504 | 19,492 | 10,849 | 8,643 |
| 6 | 75,222 | 40.00% | 30,089 | 27,276 | 9,507 | 17,768 |
| 7 | 91,620 | 40.00% | 36,648 | 31,604 | 9,370 | 22,234 |
| 8 | 105,546 | 40.00% | 42,219 | 34,545 | 7,958 | 26,588 |
| 9 | 114,623 | 40.00% | 45,849 | 35,493 | 5,187 | 30,306 |
| 10 | 116,916 | 40.00% | 46,766 | 34,139 | 1,310 | 32,829 |
| Terminal year | 119,254 | 40.00% | 47,702 | 34,822 | 4,972 | 29,850 |

The Value

| | |
|--|-----------|
| Terminal value | 426,020 |
| PV(Terminal value) | 179,844 |
| PV (CF over next 10 years) | 82,425 |
| Value of operating assets | \$262,269 |
| + Cash & Marketable Securities | 10,981 |
| - Total Debt, including operating leases | (7,571) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$265,679 |
| Number of shares (primary) | 616 |
| Intrinsic Equity Value per share | 431.30 |



94.55%
PRICE AS % OF VALUE

FISCAL YEAR **2021**

Q1 RESULTS

FEB – APR 2020



NARRATIVE | MAIN DRIVERS

FY2021 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|--|
| <p>Impacted by COVID due to closures of iCafes in China.</p> <p>Global spread of the virus led to work and learning from home which incremented gameplay time by 50% driven by more users as well as more hours per users.</p> <p>The global rise in gaming also lifted sales of NVIDIA Nintendo Switch and our console business.</p> <p>We collaborated with Microsoft and Mojang to bring RTX ray tracing to Minecraft.</p> <p>Integrated AI to RTX technology which can fill the missing bits from every frame, doubling performance.</p> <p>GeForce Now exited beta this quarter adding 2 million users worldwide.</p> | <p>Completed acquisition of Mellanox which will be reported as part of data center market platform.</p> <p>Launch of A100, the first Ampere architecture GPU. Offers the largest leap in performance to date, boosting it by up to 20x over its predecessor.</p> <p>Announced CUDA 11 to accelerate 3 of the most complex and fast-growing workloads: recommendation systems, conversational AI and data science.</p> <p>NVIDIA GPUs are being used to fight COVID-19. Scientists are combining AI simulation to detect changes in pneumonia cases, sequence the virus and seek effective biomolecular compounds for a vaccine or treatment.</p> | <p>RTX support for all major rendering visualization and design software packages, including Autodesk Maya, Dassault's CATIA, Pixar's RenderMan, Chaos Group's V-Ray and many others.</p> <p>Strong demand in verticals, including health care, media and entertainment and higher education, among others.</p> <p>Higher health care demand was fueled in part by COVID-19 related research at Siemens, Oxford and Caption Health.</p> <p>In media and entertainment, demand increased as companies like Disney deployed remote workforce initiatives.</p> | <p>Significant impact from the pandemic, likely declining about 40% in the short-term.</p> <p>Xpeng introduced the P7, an all-electric sports sedan with innovative Level 3 automated driving features, powered by the NVIDIA DRIVE AGX Xavier AI compute platform.</p> <p>BMW Group has selected the new NVIDIA as a robotics platforms to automate their factories, utilizing logistic robots built on advanced AI computing and visualization technologies.</p> |

ASSUMPTIONS

FY2021 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$11,778 | 30.00% | 2.00% | 2.00% | Normal sequential growth with gaming. Expected higher growth due to stay at home COVID measures which increment gaming time. Strong increment in datacenter revenues. Expected to continue growing due to work from home policies and uses to fight COVID-19 as well as technological advancements in AI. Lowered growth expectation to 30% vs 40% in the last quarter until further impacts of the pandemic can be visualized. |
| OPERATING MARGIN | 35.12% | 35.12% | 40.00% | 40.00% | Maintained operating margins due to inclusion of Mellanox as well as increased expenses due to COVID raises for employees. Expected to increase over time due to focus on software vs hardware, therefore changed only stable phase. |
| TAX RATE | 6.82% | 6.82% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.41 | RIR = | 14.14% | Placed average sales to capital ratio for FY2020. FY2021 value impacted by Mellanox acquisition, but it is expected to return to normal levels. |
| RETURN ON CAPITAL | 46.06% | Marginal ROIC = | 44.94% | 14.15% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 9.15% | 9.15% | 9.15% | Low debt. Aligned to industry values for Global. |

NUMBERS

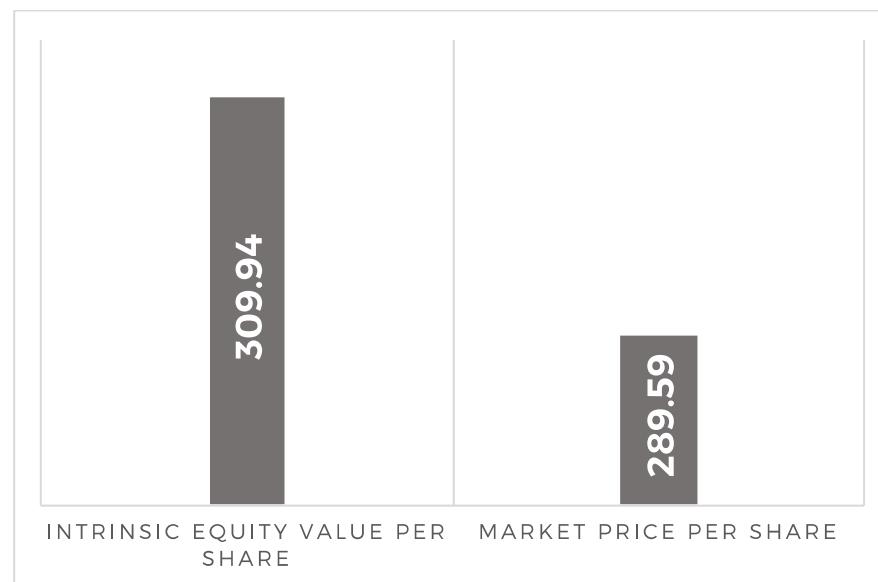
FY2021 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 15,311 | 35.12% | 5,377 | 5,010 | 2,510 | 2,500 |
| 2 | 19,905 | 35.12% | 6,990 | 6,513 | 3,263 | 3,250 |
| 3 | 25,876 | 35.12% | 9,087 | 8,467 | 4,242 | 4,225 |
| 4 | 33,639 | 35.12% | 11,813 | 11,007 | 5,515 | 5,492 |
| 5 | 43,731 | 35.12% | 15,357 | 14,309 | 7,169 | 7,140 |
| 6 | 54,401 | 40.00% | 21,760 | 19,398 | 6,097 | 13,300 |
| 7 | 64,629 | 40.00% | 25,851 | 22,001 | 5,844 | 16,157 |
| 8 | 73,160 | 40.00% | 29,264 | 23,725 | 4,875 | 18,850 |
| 9 | 78,720 | 40.00% | 31,488 | 24,257 | 3,177 | 21,080 |
| 10 | 80,294 | 40.00% | 32,118 | 23,446 | 900 | 22,546 |
| Terminal year | 81,900 | 40.00% | 32,760 | 23,915 | 3,381 | 20,534 |

The Value

| | |
|--|-----------|
| Terminal value | 287,283 |
| PV(Terminal value) | 119,719 |
| PV (CF over next 10 years) | 61,710 |
| Value of operating assets | \$181,429 |
| + Cash & Marketable Securities | 16,354 |
| - Total Debt, including operating leases | (7,478) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$190,305 |
| Number of shares (primary) | 614 |
| Intrinsic Equity Value per share | 309.94 |



93.43%
PRICE AS % OF VALUE

The background of the slide is a high-angle, nighttime photograph of a city's urban landscape. The city is densely packed with buildings of various heights, their windows glowing with a variety of colors—predominantly blues, greens, and yellows. The lights from the buildings create a complex, glowing pattern against the dark sky. In the foreground, the text is overlaid on a semi-transparent black rectangular area.

VALUATION YEAR **FY 2020**

FEBRUARY 2019 – JANUARY 2020

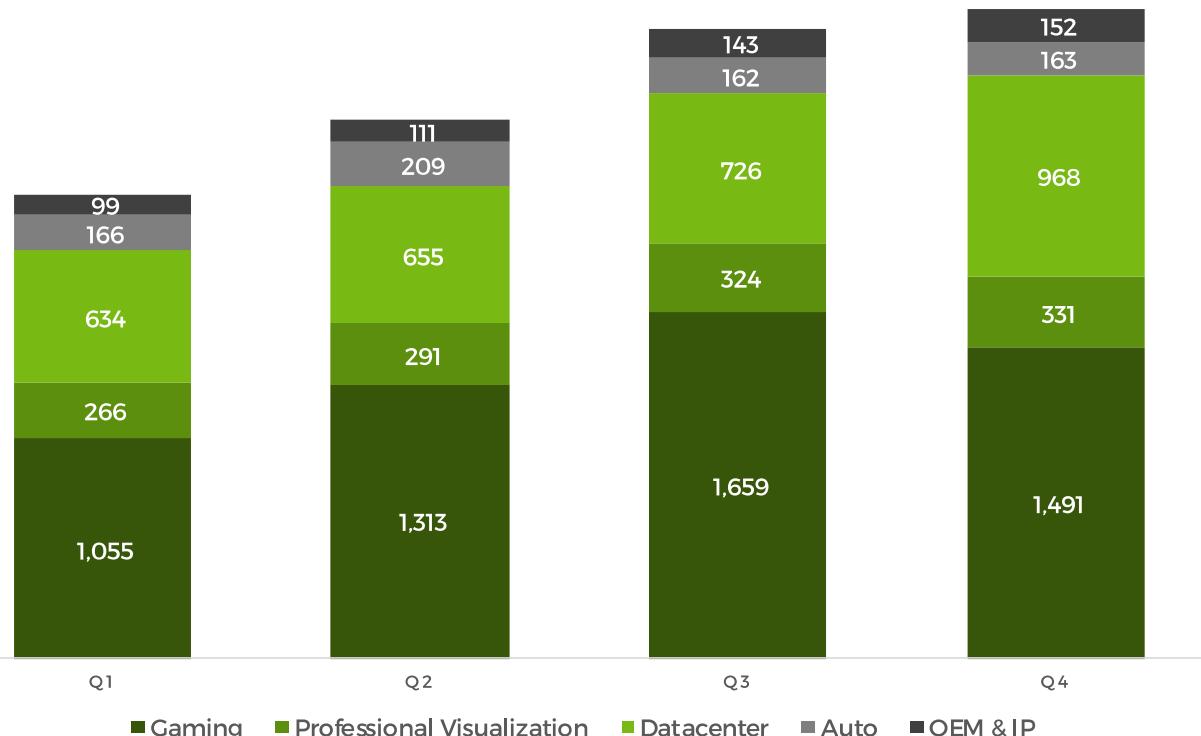


GENERAL NARRATIVE

- RAY-TRACING REVOLUTIONIZING GAMING & PROFESSIONAL VISUALIZATION
- DEEP LEARNING GAINING TRACTION WITH MORE USES IN THE INDUSTRY SPECIFICALLY AI TRAINING & INFERENCE DRIVING RESULTS FOR DATACENTER & AUTOMOTIVE.
- AI KEY TRENDS DRIVING SALES, SPECIFICALLY CONVERSATIONAL AI, DEEP RECOMMENDATORS AND CLOUD COMPUTING.

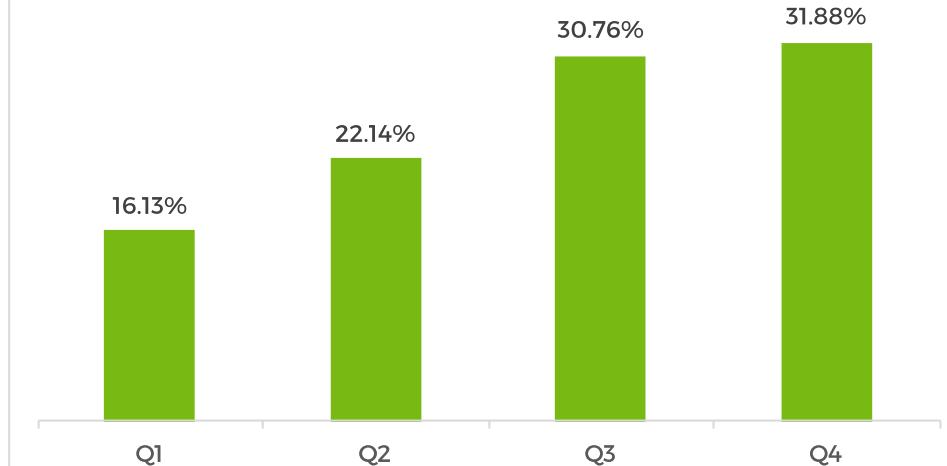
FY2020 AT A GLANCE

QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER. Revenues show progressive recovery throughout every quarter.

OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Alibaba and Amazon join hyperscale clients
- 2 AAA Game titles & design companies like Adobe announce support for NVIDIA Ray Tracing
- 3 Development of BERT by Google – breakthrough in natural language processing
- 4 Won Industry AI Benchmark MLPerf
- 5 Deep recommenders increase importance as a machine learning standard for the internet

INTRINSIC VALUE OF STOCK

93.06%

86.30%

74.74%

66.69%



■ PRICE/ SHARE

■ INTRINSIC VALUE/ SHARE

PRICE AS % OF VALUE

FISCAL YEAR **2020**

Q4 RESULTS

NOV 2019 – JAN 2020



NARRATIVE | MAIN DRIVERS

FY2020 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|--|---|
| <p>Ray tracing titles continue to come to market, and GeForce RTX GPUs are the only ones that support this important technology.</p> <p>Gaming laptops posted double-digit year-on-year growth for the eighth consecutive quarter.</p> <p>Launched our GeForce NOW cloud gaming service powered by GeForce. It is the first cloud gaming service to deliver ray-traced games.</p> <p>Entered collaboration with Tencent who will use NVIDIA GPU Technology to power Tencent's START cloud gaming service, which is in early testing stages.</p> | <p>Demand driven by training and inference products pushed by trends like conversational AI, deep recommenders and cloud computing.</p> <p>Continued growth in other verticals such as healthcare and logistics with strong foundation on deep learning models.</p> <p>Recommenders increase in importance as a machine learning model for the internet.</p> <p>Announced the availability of a new GPU accelerated supercomputer on Microsoft Azure enabling customers for the first time to rent an entire AI supercomputer on demand from their desk.</p> | <p>Adoption of ray tracing continues opening new market segment opportunities such as rendering and Studio for freelance creators.</p> | <p>Announced next generation platform for autonomous vehicles and robots that scales from Level 2 plus AI Assisted driving up to Level 5, fully driverless operation.</p> |

ASSUMPTIONS

FY2020 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$10,918 | 40.00% | 2.00% | 2.00% | Normal sequential growth due to seasonality of the business for this quarter. Returning to quarter values similar Q2 and Q3 of 2019, showing recovery to normal historical values therefore expected revenue growth is maintained. |
| OPERATING MARGIN | 32.87% | 40.00% | 40.00% | 40.00% | Similar margins to Q3 sustained. Lower impact of gaming due to regular seasonality of this quarter affecting mix. Expected to increase in the future due to continued focus on software vs hardware. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.39 | RIR = | 12.98% | NVIDIA will maintain its sales to capital ratio which is already well over the industry average. It has had historically higher values but due to planned Mellanox acquisition, maintained at current level. |
| RETURN ON CAPITAL | 42.89% | Marginal ROIC = | 45.86% | 15.41% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 10.41% | 10.41% | 10.41% | Low debt. Aligned to industry values for Global. |

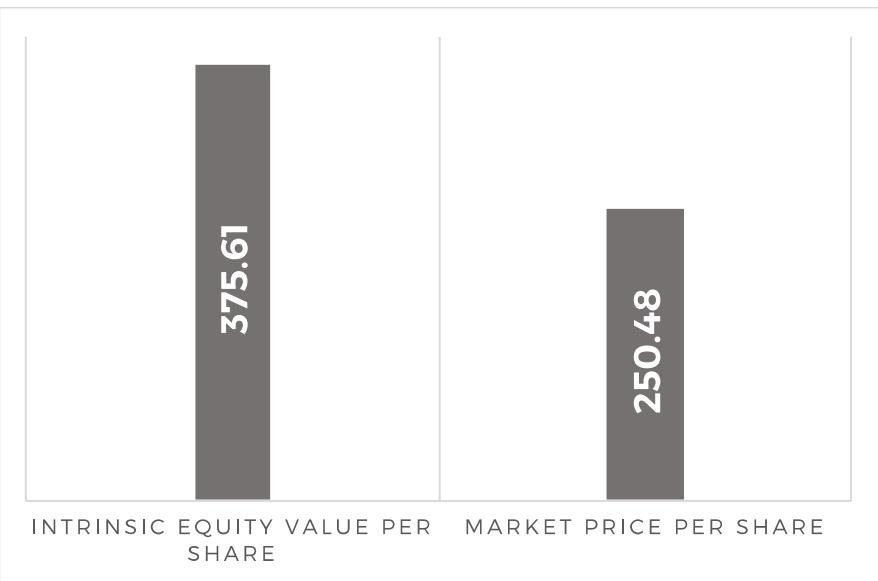
NUMBERS

FY2020 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 15,285 | 34.29% | 5,242 | 4,785 | 3,150 | 1,635 |
| 2 | 21,399 | 35.72% | 7,644 | 6,978 | 4,411 | 2,568 |
| 3 | 29,959 | 37.15% | 11,129 | 10,160 | 6,175 | 3,985 |
| 4 | 41,943 | 38.57% | 16,179 | 14,770 | 8,645 | 6,125 |
| 5 | 58,720 | 40.00% | 23,488 | 21,442 | 12,103 | 9,339 |
| 6 | 77,745 | 40.00% | 31,098 | 27,252 | 10,872 | 16,380 |
| 7 | 97,025 | 40.00% | 38,810 | 32,590 | 11,018 | 21,573 |
| 8 | 113,714 | 40.00% | 45,486 | 36,532 | 9,536 | 26,996 |
| 9 | 124,630 | 40.00% | 49,852 | 38,216 | 6,238 | 31,978 |
| 10 | 127,123 | 40.00% | 50,849 | 37,120 | 1,424 | 35,696 |
| Terminal year | 129,665 | 40.00% | 51,866 | 37,862 | 4,915 | 32,948 |

| The Value | |
|--|-----------|
| Terminal value | 391,883 |
| PV(Terminal value) | 145,603 |
| PV (CF over next 10 years) | 74,801 |
| Value of operating assets | \$220,404 |
| + Cash & Marketable Securities | 10,897 |
| - Total Debt, including operating leases | (2,552) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$228,749 |
| Number of shares (primary) | 609 |
| Intrinsic Equity Value per share | 375.61 |



66.69%
PRICE AS % OF VALUE

FISCAL YEAR **2020**

Q3 RESULTS

AUG – OCT 2019



NARRATIVE | MAIN DRIVERS

FY2020 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|--|
| <p>Continued growth in desktop and notebook sales for RTX models as adoption of ray-tracing continues. RTX GPUs now drive more than 2/3 of NVIDIA's desktop gaming GPU revenue.</p> <p>Announced 2 new models of Shield TV, NVIDIA's streaming media player which brings AI with the ability to upscale video in real time.</p> <p>Taiwan Mobile and Russia's Rostelecom with GFN.ru joined SoftBank and Korea's LG as partners for GeForce NOW game-streaming service</p> | <p>Hyperscale revenue grew both sequentially and year-on-year with conversational AI being the driver following breakthrough of the BERT model.</p> <p>Continued adoption of T4 GPU in public clouds. Amazon AWS announced general availability of the T4 globally.</p> <p>Only accelerator to complete all 5 tests of the first AI inference Industry Benchmark, MLPerf.</p> <p>Announced the NVIDIA EGX Intelligent Edge Computing Platform.</p> <p>Adoption of major technologies by companies like Walmart, BMW, Procter & Gamble, Samsung Electronics, and U.S. Postal Service.</p> | <p>Primarily driven by sales of mobile workstations including ray-tracing technology.</p> <p>Continue to see growing customer deployment of data science, AI and VR applications.</p> <p>Strong demand this quarter came from manufacturing, public sector, higher education and health care customers.</p> | <p>The sequential decline was driven by a one-time nonrecurring development services contract recognized in Q2 as well as roll-off of legacy infotainment revenue and general industry weakness.</p> <p>AI cockpit sales grew driven by deployment of AI-based infotainment systems across the fleet of Mercedes-Benz vehicles.</p> <p>Optimus Ride launched New York City's first autonomous driving pilot program powered by NVIDIA DRIVE.</p> |

ASSUMPTIONS

FY2020 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$10,018 | 40.00% | 2.00% | 2.00% | Strong sequential growth of overall of 28.8% showing recovery of gaming industry as well as datacenters. Ray-tracing still remains as an opportunity as their installed base continues to switch to this technology. Big gains expected from BERT breakthrough which will move the datacenter revenues as hyperscale clients continue to invest again. |
| OPERATING MARGIN | 29.23% | 40.00% | 40.00% | 40.00% | Sequential growth of 39.4% in margins when comparing Q2 and Q3 showing progress towards recovery of normal levels. Year amount is reduced due to previous quarter poor results which have been slowly surpassed. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.29 | RIR = | 11.82% | NVIDIA will maintain its sales to capital ratio which is already well over the industry average. It has had historically higher values but due to planned Mellanox acquisition, maintained at current level. |
| RETURN ON CAPITAL | 39.94% | Marginal ROIC = | 44.33% | 16.93% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 11.93% | 11.93% | 11.93% | Low debt. Aligned to industry values for Global.. |

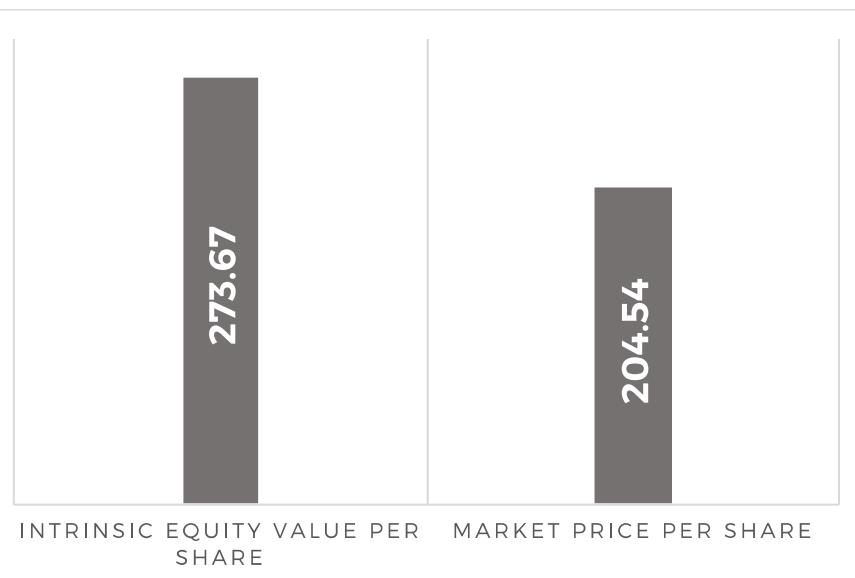
NUMBERS

FY2020 | Q3

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 14,025 | 31.39% | 4,402 | 4,019 | 3,104 | 915 |
| 2 | 19,635 | 33.54% | 6,586 | 6,012 | 4,346 | 1,666 |
| 3 | 27,489 | 35.69% | 9,812 | 8,957 | 6,084 | 2,873 |
| 4 | 38,485 | 37.85% | 14,565 | 13,297 | 8,517 | 4,779 |
| 5 | 53,879 | 40.00% | 21,552 | 19,675 | 11,924 | 7,750 |
| 6 | 71,336 | 40.00% | 28,534 | 25,005 | 9,975 | 15,030 |
| 7 | 89,027 | 40.00% | 35,611 | 29,904 | 10,109 | 19,795 |
| 8 | 104,340 | 40.00% | 41,736 | 33,521 | 8,750 | 24,771 |
| 9 | 114,357 | 40.00% | 45,743 | 35,065 | 5,724 | 29,342 |
| 10 | 116,644 | 40.00% | 46,658 | 34,060 | 1,307 | 32,753 |
| Terminal year | 118,977 | 40.00% | 47,591 | 34,741 | 4,105 | 30,636 |

| The Value | |
|--|-----------|
| Terminal value | 308,626 |
| PV(Terminal value) | 100,022 |
| PV (CF over next 10 years) | 59,609 |
| Value of operating assets | \$159,631 |
| + Cash & Marketable Securities | 9,769 |
| - Total Debt, including operating leases | (2,459) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$166,941 |
| Number of shares (primary) | 610 |
| Intrinsic Equity Value per share | 273.67 |



74.74%
PRICE AS % OF VALUE

FISCAL YEAR **2020**

Q2 RESULTS

MAY – JUL 2019



NARRATIVE | MAIN DRIVERS

FY2020 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|---|
| <p>Ray-tracing adoption continues with a growing number of blockbuster AAA titles have announcing support.</p> <p>NVIDIA GeForce RTX are the only graphic cards in the market with hardware support for ray tracing.</p> <p>Sequential growth also benefited from the production ramp of the 2 new models of Nintendo Switch gaming console.</p> | <p>Public sectors, higher education and financial services drove growth in the key verticals.</p> <p>Walmart started using NVIDIA GPUs to run forecasting models.</p> <p>Advances in natural language processing from Google (BERT) pushing training and inference sales.</p> <p>NVIDIA's AI platforms are getting faster with new updates every month maintain leading position in AI software.</p> <p>Continue normal course for acquisition of Mellanox.</p> | <p>Ray-tracing continues to be adopted by major design and creative applications.</p> | <p>Growing adoption of next-generation AI cockpit solutions and autonomous vehicle development projects.</p> <p>New partnership with the Volvo Group to develop AI and autonomous trucks utilizing NVIDIA's end-to-end AI platform for training, simulation and in-vehicle computing.</p> |

ASSUMPTIONS

FY2020 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$10,185 | 37.00% | 2.00% | 2.00% | Strong sequential growth of 24% for gaming, well above seasonal increase of 13-15% vs Q1, showing good progress in bouncing back to normal levels. More confidence in higher value for the growth phase than in Q1. |
| OPERATING MARGIN | 30.13% | 35.00% | 35.00% | 35.00% | Sequential growth of 37.3% in margins when comparing Q1 and Q2 progress towards recovery of normal levels. Operating margin for this quarter is impacted by FY2019 therefore not directly showing recovery. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.27 | RIR = | 11.67% | NVIDIA will maintain its sales to capital ratio which is already well over the industry average. It has had historically higher values but due to planned Mellanox acquisition, maintained at current level. |
| RETURN ON CAPITAL | 43.76% | Marginal ROIC = | 37.02% | 17.13% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.13% | 12.13% | 12.13% | Low debt. Aligned to industry values for Global. |

NUMBERS

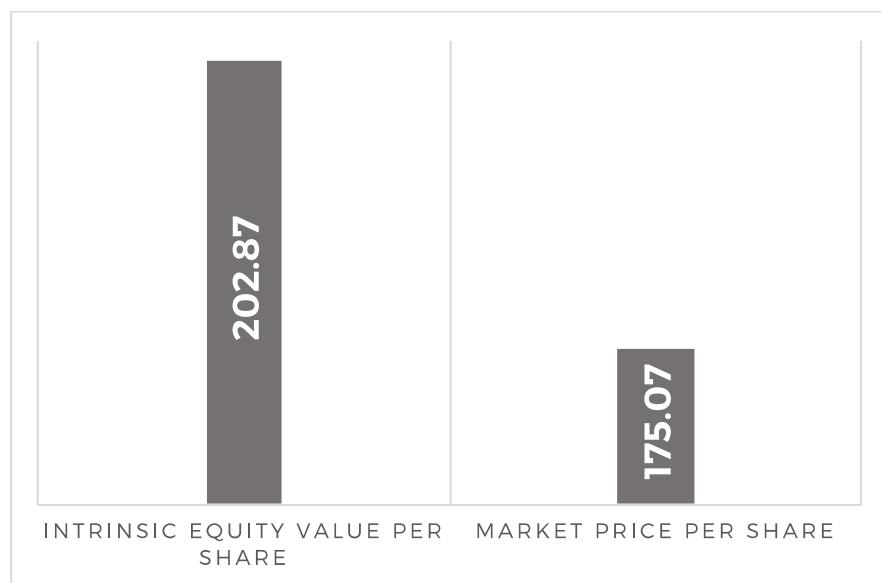
FY2020 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 13,953 | 31.10% | 4,340 | 3,962 | 2,964 | 998 |
| 2 | 19,116 | 32.08% | 6,132 | 5,598 | 4,061 | 1,537 |
| 3 | 26,189 | 33.05% | 8,656 | 7,902 | 5,563 | 2,339 |
| 4 | 35,879 | 34.03% | 12,208 | 11,145 | 7,621 | 3,524 |
| 5 | 49,155 | 35.00% | 17,204 | 15,706 | 10,441 | 5,265 |
| 6 | 63,901 | 35.00% | 22,365 | 19,599 | 8,426 | 11,173 |
| 7 | 78,598 | 35.00% | 27,509 | 23,101 | 8,398 | 14,702 |
| 8 | 91,174 | 35.00% | 31,911 | 25,630 | 7,186 | 18,443 |
| 9 | 99,380 | 35.00% | 34,783 | 26,664 | 4,689 | 21,975 |
| 10 | 101,367 | 35.00% | 35,478 | 25,899 | 1,136 | 24,764 |
| Terminal year | 103,394 | 35.00% | 36,188 | 26,417 | 3,084 | 23,334 |

The Value

| | |
|--|-----------|
| Terminal value | 230,264 |
| PV(Terminal value) | 73,262 |
| PV (CF over next 10 years) | 44,282 |
| Value of operating assets | \$117,544 |
| + Cash & Marketable Securities | 8,475 |
| - Total Debt, including operating leases | (2,472) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$123,547 |
| Number of shares (primary) | 609 |
| Intrinsic Equity Value per share | 202.87 |



86.30%
PRICE AS % OF VALUE

FISCAL YEAR **2020**

Q1 RESULTS

FEB – APR 2019



NARRATIVE | MAIN DRIVERS

FY2020 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|---|--|
| <p>Mid-range GeForce products allowing more accessibility to better quality computers.</p> <p>Continued growth in laptop sales.</p> <p>Ray-tracing technology gaining traction by being adopted by many gaming ecosystems.</p> <p>Demand decrease due to China ban/ regulations enforced on gaming.</p> <p>Still facing variability due to GPU's being purchased for crypto mining.</p> | <p>Continued growth in AI applications and cloud computing.</p> <p>Inference.</p> <p>Alibaba and Amazon join as hyperscale clients.</p> <p>Currently undergoing Mellanox acquisition which is on track to be approved next year.</p> <p>Some of the hyperscale clients who paused their orders during FY2019, resumed their spending but some remain cautious and are still paused or have cut back.</p> | <p>Ray-tracing technology being adopted by top 3D rendering app providers including Adobe, Autodesk and Pixar.</p> <p>Emerging applications, such as AI, AR, VR, contributed an estimated 38% of pro visualization revenue.</p> | <p>Toyota selected NVIDIA's end-to-end platform to develop, train and validate self-driving vehicles.</p> <p>Public availability of DRIVE Constellation enabling simulations in virtual worlds.</p> <p>Introduction of NVIDIA Safety force field which prevents AV collisions.</p> |

ASSUMPTIONS

FY2020 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$10,729 | 35.00% | 2.00% | 2.00% | Decline YoY mainly in gaming caused by Chinese market and variability due to crypto as well as pause in hyperscale investments in datacenters. Expected to return to historical revenue growth of approximately 40% but reduced to 35% for high growth (AVG FY2017-2019 YoY growth) until we can further see the impact of current headwinds playout. |
| OPERATING MARGIN | 33.69% | 35.00% | 35.00% | 35.00% | Margin affected by mix in sales. Expected to return previous margins due to higher focus on software than hardware. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27%. |
| REINVESTMENT | Sales to capital ratio = | 1.37 | RIR = | 11.45% | NVIDIA will maintain its sales to capital ratio which is already well over the industry average. It has had historically higher values but due to planned Mellanox acquisition, maintained at current level. |
| RETURN ON CAPITAL | 51.42% | Marginal ROIC = | 37.46% | 17.47% | Competitive advantage expected to be maintained due to expertise with GPU and new software focus built on the GPU platform. |
| COST OF CAPITAL | | 12.47% | 12.47% | 12.47% | Low debt. Aligned to industry values for Global. |

NUMBERS

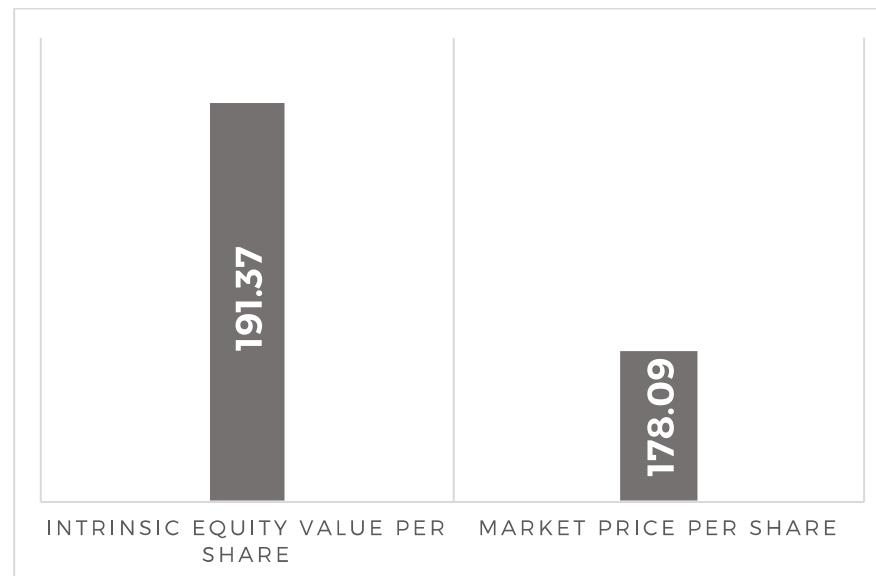
FY2020 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 14,484 | 34.19% | 4,953 | 4,521 | 2,747 | 1,774 |
| 2 | 19,554 | 34.40% | 6,725 | 6,140 | 3,708 | 2,432 |
| 3 | 26,397 | 34.60% | 9,133 | 8,337 | 5,006 | 3,331 |
| 4 | 35,636 | 34.80% | 12,401 | 11,321 | 6,758 | 4,563 |
| 5 | 48,109 | 35.00% | 16,838 | 15,372 | 9,124 | 6,248 |
| 6 | 61,772 | 35.00% | 21,620 | 18,946 | 7,807 | 11,139 |
| 7 | 75,239 | 35.00% | 26,333 | 22,113 | 7,695 | 14,418 |
| 8 | 86,675 | 35.00% | 30,336 | 24,365 | 6,535 | 17,830 |
| 9 | 94,129 | 35.00% | 32,945 | 25,255 | 4,259 | 20,996 |
| 10 | 96,011 | 35.00% | 33,604 | 24,531 | 1,076 | 23,455 |
| Terminal year | 97,932 | 35.00% | 34,276 | 25,022 | 2,864 | 22,157 |

The Value

| | |
|--|-----------|
| Terminal value | 211,609 |
| PV(Terminal value) | 65,334 |
| PV (CF over next 10 years) | 45,497 |
| Value of operating assets | \$110,831 |
| + Cash & Marketable Securities | 7,802 |
| - Total Debt, including operating leases | (2,474) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$116,159 |
| Number of shares (primary) | 607 |
| Intrinsic Equity Value per share | 191.37 |



93.06%
PRICE AS % OF VALUE

The background of the entire slide is a dark, grainy aerial photograph of a city at night, showing numerous skyscrapers and buildings with their lights on.

VALUATION YEAR **FY2019**

FEBRUARY 2018 – JANUARY 2019

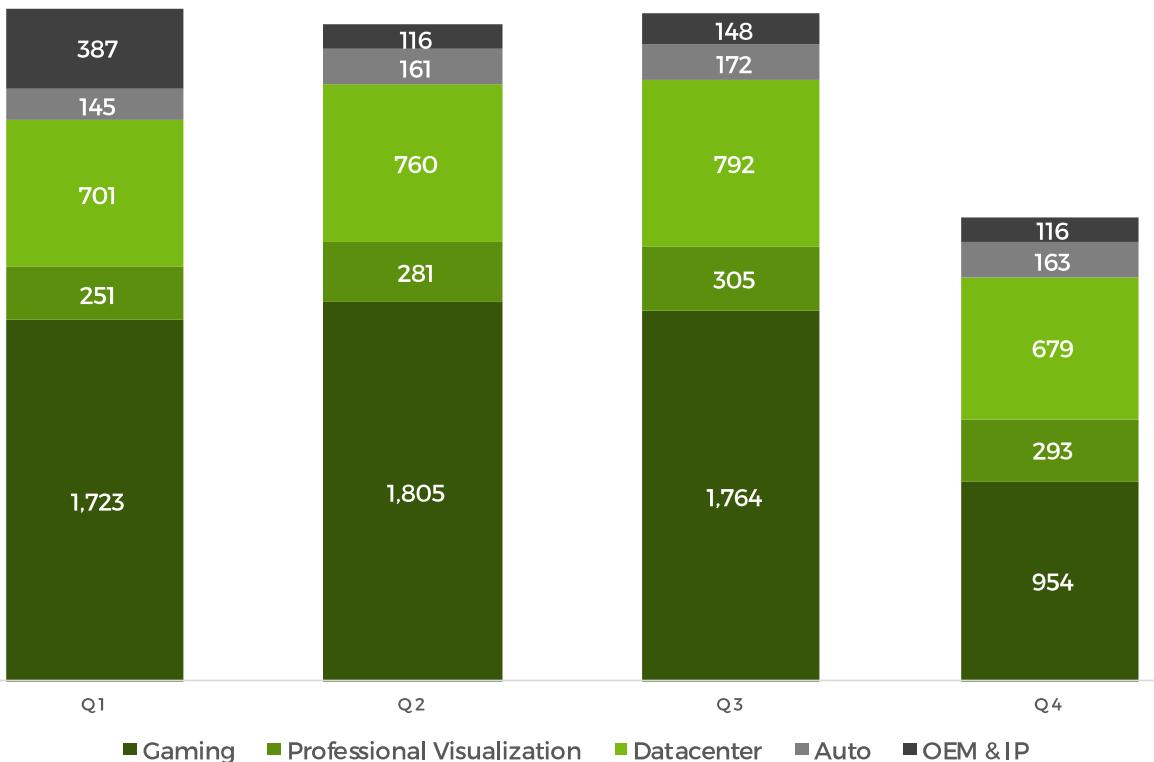


GENERAL NARRATIVE

- GAMING STARTS TO BECOME A SOCIAL ACTITIVY AS WELL AS A SPECTATOR SPORT AS COMMUNITY GROWS EVERYDAY.
- TRACTION INCREASE WITH AI, INFERENCE AND HPC IN VERTICALS AS WELL AS IN DATACENTERS.
- CRYPTOCURRENCY MINING DISTORTS RESULTS IN GAMING.
- MACROECONOMIC FACTORS DIRECTLY AFFECT NVIDIA'S GROWTH.

FY2019 AT A GLANCE

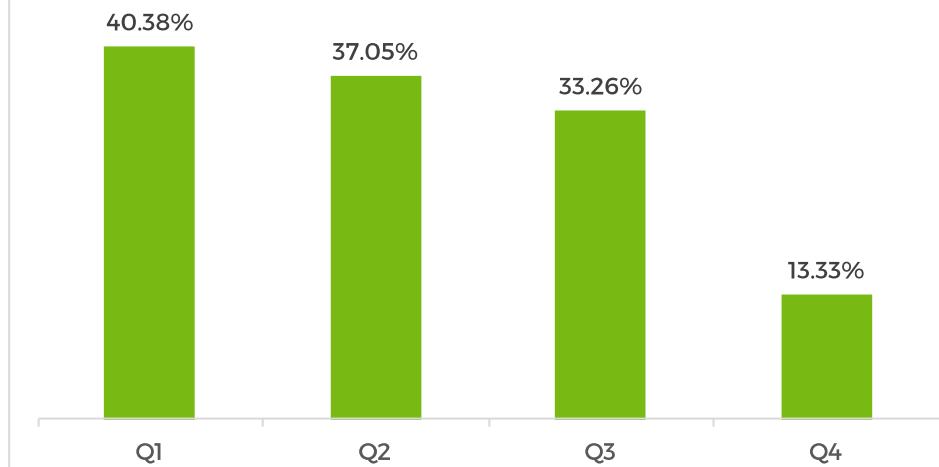
QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER.

Strong decline in Q4 due to cryptocurrency distorting gaming results as well as economic uncertainty worldwide decelerating growth for both of NVIDIA's core industries. Unfavorable margin mix also impacted results.

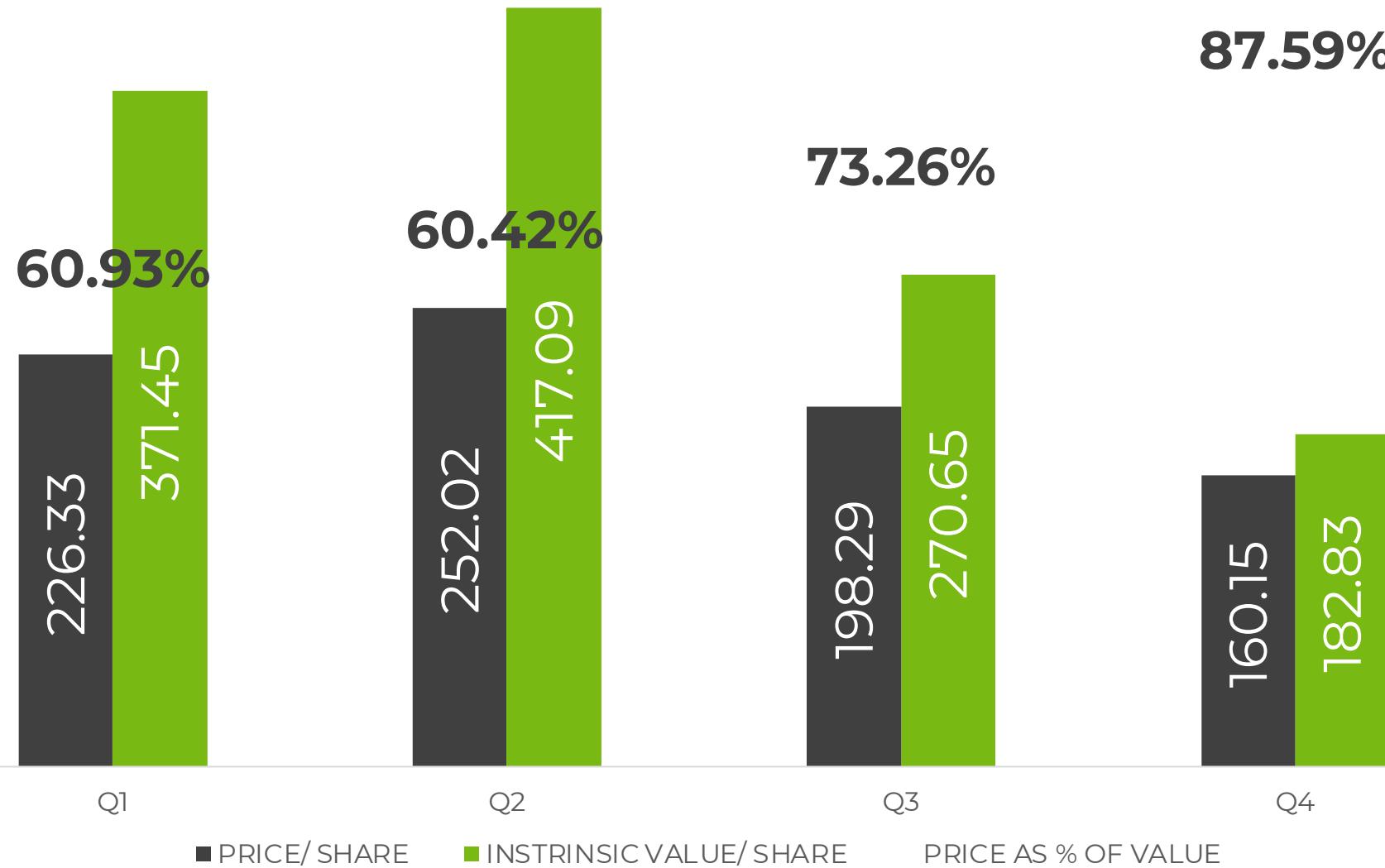
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 Real time raytracing technology is announced which delivers lifelike lighting, reflections and shadows resulting in life-like animations.
- 2 Announced DRIVE Constellation which allows automobile companies to test and validate autonomous vehicle systems in a virtual world.
- 3 Economic uncertainty, especially in China, causes reduced spending towards the end of the FY2019.
- 4 First objective AI benchmark MLPerf becomes available. NVIDIA wins 6 benchmarks for training deep learning models.
- 5 Introduced Xavier platform for Jetson, enabling the autonomous machine market.

INTRINSIC VALUE OF STOCK



FISCAL YEAR **2019**

Q4 RESULTS

NOV 2018 – JAN 2019



NARRATIVE | MAIN DRIVERS

FY2019 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|--|--|
| <p>Strong decline in gaming caused by excess inventory related to crypto, deteriorating macroeconomics (especially in China), and slower than expected Turing sales due to market waiting for lower-end models.</p> <p>Announced the GeForce RTX 2060 at the midrange price point.</p> <p>Growing momentum in the RTX ecosystem as more game developers are creating content to take advantage of the Turing architecture's amazing capabilities.</p> | <p>Customers around the world became increasingly cautious due to rising economic uncertainty and several deals did not close in the quarter as expected.</p> <p>Hyperscale and cloud purchases declined as several customers paused at the end of the year.</p> <p>First objective third-party AI benchmark called MLPerf became available, and NVIDIA captured the top spot in the 6 test categories for training deep learning models.</p> <p>Strengthened product portfolio and go-to-market capabilities to address vertical industries that have an enormous data and analytics requirements, such as automotive, financial services, retail, health care and consumer Internet services.</p> | <p>New applications like data science, AI and VR as well as the need for thin and light mobile workstations remain key growth drivers for the business.</p> <p>Key wins in the quarter were Boeing, Google, LinkedIn and Toyota for applications including AI and robotics. This past week, with their partners, HP, Dell, Lenovo, NVIDIA announced the availability of Quadro RTX workstations.</p> | <p>Increase in adoption of next-generation AI cockpit solutions and autonomous vehicle development deals, partially offset by declines in legacy infotainment.</p> <p>Announced DRIVE AutoPilot, the world's first commercially available Level 2+ self-driving car computer.</p> <p>Mercedes-Benz has also chosen NVIDIA for its next-generation autonomous vehicle and cockpit computer.</p> |

ASSUMPTIONS

FY2019 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$11,716 | 30.00% | 2.00% | 2.00% | Impacted by strong decline in gaming of -45% due to crypto variability in demand distorting gaming segment behavior. This caused high inventory levels seen since Q3 which are expected to level in FY2020 Q1. Growth phase stabilized at 30%. Average growth for FY2018-FY2019 was 35% but with macroeconomics situations affecting both datacenters and gaming (NVIDIA's 2 strongest segments) we will be more conservative and place a 30% growth, understanding that this situation is probably a one-time effect and in time it will return to its normal course due to NVIDIA's consistency and strength in the market. |
| OPERATING MARGIN | 38.89% | 38.89% | 38.89% | 38.89% | Maintained at base-year value which was impacted by high inventory levels in gaming. Expected to increase over time but maintained at this level until it stabilizes. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27% reduced due to the Tax Cuts and Jobs Act. |
| REINVESTMENT | Sales to capital ratio = | 1.51 | RIR = | 11.21% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 62.32% | Marginal ROIC = | 39.51% | 17.84% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors.. |
| COST OF CAPITAL | | 12.84% | 12.84% | 12.84% | Low debt. Aligned to industry values for Global. |

NUMBERS

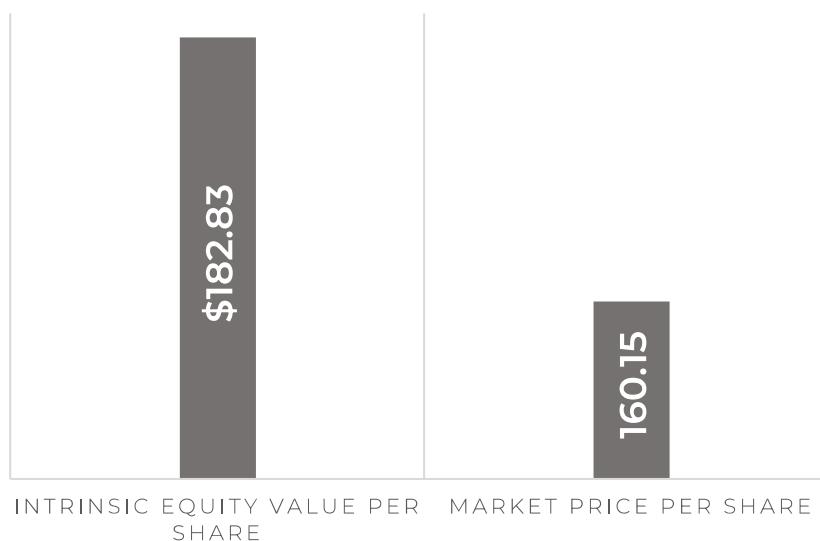
FY2019 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 15,231 | 38.89% | 5,923 | 5,407 | 2,328 | 3,080 |
| 2 | 19,800 | 38.89% | 7,700 | 7,030 | 3,026 | 4,004 |
| 3 | 25,740 | 38.89% | 10,010 | 9,138 | 3,934 | 5,205 |
| 4 | 33,462 | 38.89% | 13,013 | 11,880 | 5,114 | 6,766 |
| 5 | 43,501 | 38.89% | 16,917 | 15,444 | 6,648 | 8,796 |
| 6 | 54,115 | 38.89% | 21,045 | 18,442 | 7,029 | 11,413 |
| 7 | 64,288 | 38.89% | 25,002 | 20,995 | 6,737 | 14,258 |
| 8 | 72,775 | 38.89% | 28,302 | 22,731 | 5,620 | 17,111 |
| 9 | 78,305 | 38.89% | 30,453 | 23,345 | 3,663 | 19,682 |
| 10 | 79,871 | 38.89% | 31,062 | 22,675 | 1,037 | 21,638 |
| Terminal year | 81,469 | 38.89% | 31,683 | 23,129 | 2,593 | 20,536 |

The Value

| The Value | | |
|--|----|---------|
| Terminal value | | 189,412 |
| PV(Terminal value) | | 56,584 |
| PV (CF over next 10 years) | | 49,732 |
| Value of operating assets | \$ | 106,317 |
| + Cash & Marketable Securities | | 7,422 |
| - Total Debt, including operating leases | | (2,577) |
| Value of Equity in Common Stock | \$ | 111,162 |
| Number of shares (primary) | | 608 |
| Intrinsic Equity Value per share | \$ | 182.83 |



87.59%
PRICE AS % OF VALUE

FISCAL YEAR **2019**

Q3 RESULTS

AUG – OCT 2018



NARRATIVE | MAIN DRIVERS

FY2019 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|--|
| <p>Short of expectation impacted by crypto-specific GPU inventory selling through slower than expected. The channel has taken longer than expected to normalize increasing normal inventory levels of Pascal models.</p> <p>Continue adoption of Turing architecture and growth in notebook sales.</p> <p>The highly anticipated Battlefield V launched this week with the first release of RTX ray-tracing, enabling lifelike reflections on GeForce RTX GPUs. With a pipeline of upcoming games supporting NVIDIA RTX features, RTX is well on its way to establishing itself as a game-changing architecture.</p> | <p>Continued adoption of Volta.</p> <p>Inference business continued to grow, benefiting from the launch of the Turing T4 Cloud GPU during the quarter, already adopted by Google Cloud Platform.</p> <p>NVIDIA RTX Server reference architecture, opening a new market to GPOs, photoreal rendering or the creation of computer-generated images that look real at a lower cost, occupying less space and using less energy than the current CPU configurations.</p> <p>Announced a GPU acceleration platform for data science and machine learning called RAPIDS, which enables companies to analyze massive amounts of data and make accurate business predictions at unprecedented speed.</p> | <p>Continued adoption of Turing architecture and Quadro products, enabling designers and artists to render photorealistic scenes in real-time and leveraging AI in their workflows.</p> | <p>Growth in our autonomous vehicle production and development engagement in addition to the ramp of next-generation, AI-based cockpit infotainment systems.</p> <p>Volvo Cars selected NVIDIA's DRIVE AGX Xavier for next-generation Volvo Cars resulting in NVIDIA's first Level 2 mass-market car design win.</p> <p>Global automotive suppliers, Continental and Veoneer, announced that they have selected NVIDIA DRIVE AGX for their autonomous driving systems.</p> |

ASSUMPTIONS

FY2019 | Q3

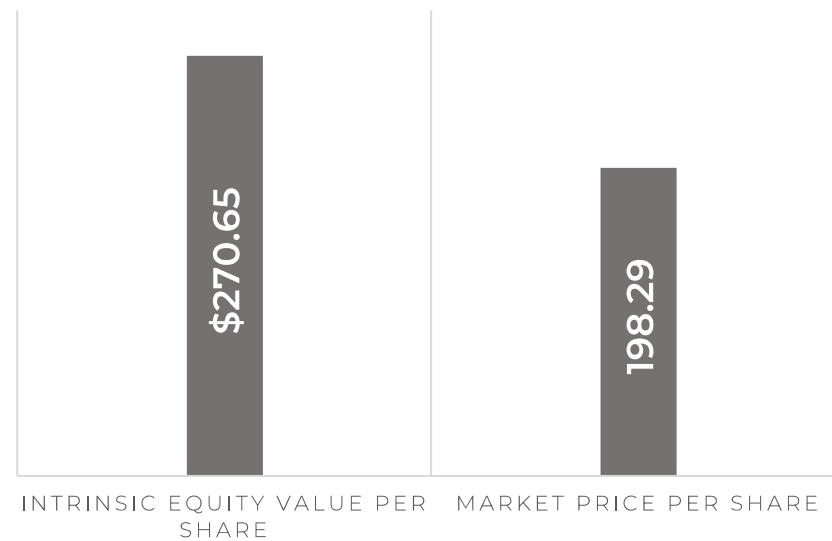
| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$12,422 | 30.00% | 2.00% | 2.00% | Overall YoY growth of 21% being gaming and datacenters the two main revenue streams. Gaming results not as strong as past quarters due to impact of crypto-related excess inventory of GPUs. Strong increase in pro-visualization as GPUs are adopted by designers. More conservative growth rates compared to historic values until impact of crypto is more visible. |
| OPERATING MARGIN | 42.51% | 42.51% | 42.51% | 42.51% | Maintained at base-year value which continues to grow as the company shifts business towards high growth sectors. Could continue to grow more, but still waiting for it to stabilize. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27% reduced due to the Tax Cuts and Jobs Act. |
| REINVESTMENT | Sales to capital ratio = | 1.65 | RIR = | 12.46% | Maintained base-year values which are already well over the industry average.. |
| RETURN ON CAPITAL | 74.27% | Marginal ROIC = | 47.84% | 16.06% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 11.06% | 11.06% | 11.06% | Low debt. Aligned to industry values for Global. |

NUMBERS

FY2019 | Q3

| | The Cash Flows | | | | | |
|---------------|----------------|------------------|--------|------------|--------------|--------|
| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
| 1 | 16,149 | 42.51% | 6,865 | 6,267 | 2,259 | 4,009 |
| 2 | 20,993 | 42.51% | 8,925 | 8,147 | 2,936 | 5,211 |
| 3 | 27,291 | 42.51% | 11,602 | 10,592 | 3,817 | 6,775 |
| 4 | 35,478 | 42.51% | 15,083 | 13,769 | 4,962 | 8,807 |
| 5 | 46,122 | 42.51% | 19,608 | 17,900 | 6,451 | 11,449 |
| 6 | 57,376 | 42.51% | 24,392 | 21,375 | 6,820 | 14,555 |
| 7 | 68,162 | 42.51% | 28,977 | 24,334 | 6,537 | 17,796 |
| 8 | 77,160 | 42.51% | 32,802 | 26,346 | 5,453 | 20,893 |
| 9 | 83,024 | 42.51% | 35,295 | 27,057 | 3,554 | 23,503 |
| 10 | 84,685 | 42.51% | 36,001 | 26,281 | 1,006 | 25,275 |
| Terminal year | 86,378 | 42.51% | 36,721 | 26,807 | 3,339 | 23,468 |

| The Value | | |
|--|----|---------|
| Terminal value | | 259,091 |
| PV(Terminal value) | | 90,775 |
| PV (CF over next 10 years) | | 68,673 |
| Value of operating assets | \$ | 159,447 |
| + Cash & Marketable Securities | | 7,591 |
| - Total Debt, including operating leases | | (2,213) |
| Value of Equity in Common Stock | \$ | 164,825 |
| Number of shares (primary) | | 609 |
| Intrinsic Equity Value per share | \$ | 270.65 |



73.26%
PRICE AS % OF VALUE

FISCAL YEAR
2019

Q2 RESULTS

MAY – JUL 2018



NARRATIVE | MAIN DRIVERS

FY2019 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|--|---|
| <p>Desktop, notebook and gaming consoles up all strong double-digit percentages year-on-year.</p> <p>Notebooks were a standout this quarter, with strong demands for thin and light form factors based on Max-Q technology.</p> <p>The eSports audience now approaches 400 million, up 18% over the past year.</p> <p>Turing is our most important innovation since the invention of the CUDA GPU over a decade ago. The architecture includes new dedicated ray-tracing processors or RT cores and new Tensor Cores for AI inferencing, which together will make real-time ray-tracing possible for the first time.</p> | <p>Performance was driven by hyperscale demand as Internet services used daily by billions of people increasingly leverage AI. GPUs power real-time services such as search, voice recognition, voice synthesis, translation, recommender engines, fraud detection and retail applications.</p> <p>Growing adoption of our AI and high-performance computing solutions by vertical industries, representing one of the fastest areas of growth.</p> <p>Tesla V100 continues to ramp for both AI and high-performance computing applications.</p> <p>Continue to gain traction with AI inference solution.</p> | <p>Driven by demand for real-time rendering and mobile workstations as well as emerging applications like AI and VR.</p> <p>Strength extended across several key industries, including health care, oil and gas and media and entertainment. Key wins in the quarter include Raytheon, Lockheed, GE, Siemens and Philips Healthcare.</p> | <p>Started shipping development systems for DRIVE Pegasus, an AI supercomputer designed specifically for autonomous vehicles.</p> <p>Daimler and Bosch selected DRIVE Pegasus as the AI brain for their Level 4 and Level 5 autonomous fleets.</p> <p>Introduced Xavier platform for Jetson for the autonomous machine market. Jetson Xavier establishes customers to deliver AI computing at the edge, powering autonomous machines like robots or drones with applications in manufacturing, logistics, retail, agricultural, health care and more.</p> |

ASSUMPTIONS

FY2019 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$11,877 | 40.00% | 2.00% | 2.00% | Overall YoY growth of 40% being gaming and datacenters the two main revenue streams. Strong gaming and datacenter narratives continue having both segments double digit growth. Offset by sharp decline in OEM segment due crypto mining specific revenues reducing. |
| OPERATING MARGIN | 42.45% | 42.45% | 42.45% | 42.45% | Maintained at base-year value which continues to grow as the company shifts business towards high growth sectors. Could continue to grow more, but still waiting for it to stabilize. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27% reduced due to the Tax Cuts and Jobs Act. |
| REINVESTMENT | Sales to capital ratio = | 1.88 | RIR = | 12.52% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 81.37% | Marginal ROIC = | 56.50% | 15.97% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.97% | 10.97% | 10.97% | Low debt. Aligned to industry values for Global. |

NUMBERS

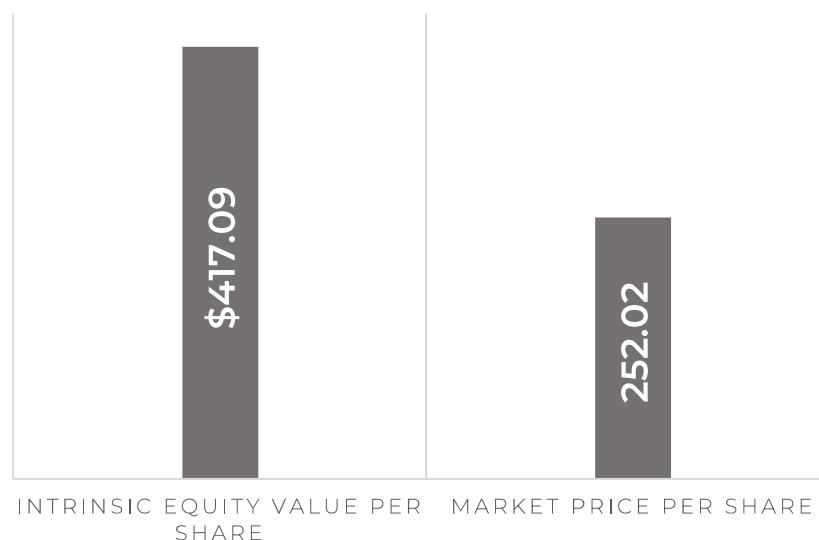
FY2019 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 16,628 | 42.45% | 7,058 | 6,443 | 2,527 | 3,916 |
| 2 | 23,279 | 42.45% | 9,881 | 9,020 | 3,538 | 5,482 |
| 3 | 32,590 | 42.45% | 13,833 | 12,628 | 4,953 | 7,675 |
| 4 | 45,627 | 42.45% | 19,366 | 17,680 | 6,934 | 10,745 |
| 5 | 63,877 | 42.45% | 27,113 | 24,751 | 9,708 | 15,044 |
| 6 | 84,574 | 42.45% | 35,898 | 31,458 | 11,009 | 20,449 |
| 7 | 105,548 | 42.45% | 44,800 | 37,621 | 11,157 | 26,464 |
| 8 | 123,702 | 42.45% | 52,506 | 42,171 | 9,657 | 32,514 |
| 9 | 135,578 | 42.45% | 57,546 | 44,114 | 6,317 | 37,797 |
| 10 | 138,289 | 42.45% | 58,697 | 42,849 | 1,442 | 41,407 |
| Terminal year | 141,055 | 42.45% | 59,871 | 43,706 | 5,474 | 38,232 |

The Value

| | | |
|--|----|---------|
| Terminal value | \$ | 426,253 |
| PV(Terminal value) | | 150,534 |
| PV (CF over next 10 years) | | 96,922 |
| Value of operating assets | \$ | 247,456 |
| + Cash & Marketable Securities | | 7,943 |
| - Total Debt, including operating leases | | (2,225) |
| Value of Equity in Common Stock | \$ | 253,174 |
| Number of shares (primary) | | 607 |
| Intrinsic Equity Value per share | \$ | 417.09 |



60.42%
PRICE AS % OF VALUE

FISCAL YEAR **2019**

Q1 RESULTS

FEB – APR 2018



NARRATIVE | MAIN DRIVERS

FY2019 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|---|---|
| <p>Gamers are engaging in social gameplay, and it is becoming spectator sport expanding universe of gamers and driving demand for high-end GPUs. .</p> <p>Announced real-time ray-tracing technology, NVIDIA RTX. Ray tracing is movie-quality rendering technique that delivers lifelike lighting, reflections and shadows.</p> <p>Cryptocurrency demand was again stronger than expected, but we were able to fulfill most of it with crypto-specific GPUs.</p> <p>Gaming notebooks grew well, driven by an increasing number of thin and light notebooks.</p> <p>Nintendo Switch contributed strongly to year-on-year growth, reflecting that platform's continued success.</p> | <p>Adoption of Volta Architecture remains strong.</p> <p>In the public cloud segment, Microsoft Azure announced general availability of Tesla V100 instances, joining Amazon, IBM and Oracle. Google Cloud announced that the V100 is now publicly available in beta.</p> <p>Traction is also increasing in AI inference with GPU shipments to cloud service providers more than doubling from last quarter.</p> <p>Total number of developers is well over 850,000, up 72% from last year.</p> | <p>Results driven by demand for real-time rendering as well as emerging applications like AI and VR. Strength extended across several key industries, including public sector, health care and retail.</p> <p>Announced Quadro GV100 GPU with NVIDIA RTX technology, capable of delivering real-time ray tracing allowing media and entertainment professionals to see and interact with their creations with correct light and shadows and do complex renders up to 10x faster a CPU alone. And the NVIDIA OptiX AI denoiser built into RTX delivers almost 100x the performance of CPUs for real-time noise-free rendering.</p> | <p>Ongoing transition from infotainment business to growing autonomous vehicle development and production opportunities around the globe.</p> <p>Introduced NVIDIA DRIVE Constellation, a platform that will help car companies, carmakers, tier 1 suppliers, and others developing autonomous vehicles test and validate their systems in a virtual world across a wide range of scenarios before deploying on the road.</p> |

ASSUMPTIONS

FY2019 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$10,984 | 40.00% | 2.00% | 2.00% | Overall YoY growth of 66% being gaming and datacenters the two main revenue streams. As new advances progress, gaming is a social experience which drives immense growth for the sector. AI continues to be a big focus in Datacenter with deployments in major cloud partners of Volta Architecture. As NVIDIA continues with its strategy to support and attend high growth markets, we can expect high growths from the company. |
| OPERATING MARGIN | 40.56% | 40.56% | 40.56% | 40.56% | Maintained at base-year value which continues to grow as the company shifts business towards high growth sectors. Could continue to grow more, but still waiting for it to stabilize. |
| TAX RATE | 8.71% | 8.71% | 27.00% | 27.00% | Converging to US Marginal Tax of 27% reduced due to the Tax Cuts and Jobs Act. |
| REINVESTMENT | Sales to capital ratio = | 2.06 | RIR = | 12.52% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 79.61% | Marginal ROIC = | 59.24% | 15.97% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.97% | 10.97% | 10.97% | Low debt. Aligned to industry values for Global. |

NUMBERS

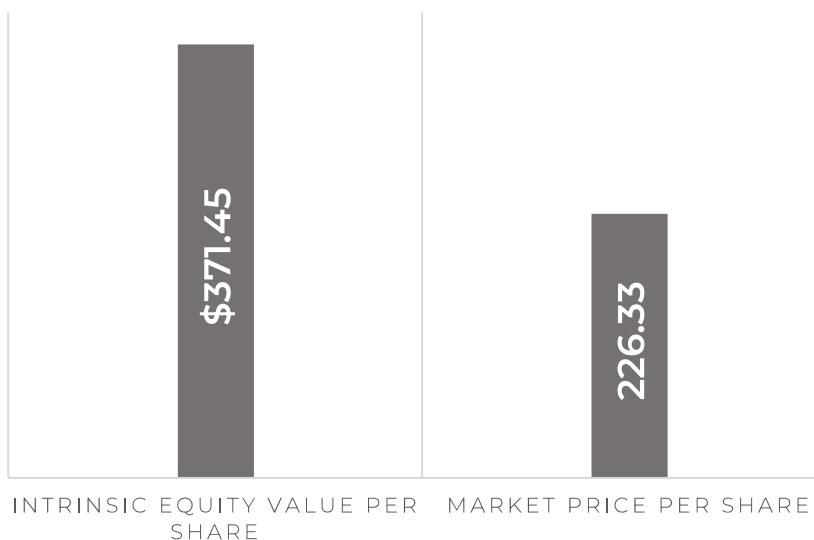
FY2019 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 15,378 | 40.56% | 6,237 | 5,694 | 2,133 | 3,561 |
| 2 | 21,529 | 40.56% | 8,732 | 7,972 | 2,986 | 4,985 |
| 3 | 30,140 | 40.56% | 12,225 | 11,160 | 4,181 | 6,979 |
| 4 | 42,196 | 40.56% | 17,115 | 15,625 | 5,853 | 9,771 |
| 5 | 59,075 | 40.56% | 23,961 | 21,874 | 8,195 | 13,680 |
| 6 | 78,215 | 40.56% | 31,725 | 27,801 | 9,293 | 18,508 |
| 7 | 97,612 | 40.56% | 39,593 | 33,248 | 9,417 | 23,830 |
| 8 | 114,401 | 40.56% | 46,403 | 37,269 | 8,151 | 29,117 |
| 9 | 125,384 | 40.56% | 50,857 | 38,986 | 5,332 | 33,654 |
| 10 | 127,891 | 40.56% | 51,874 | 37,868 | 1,217 | 36,651 |
| Terminal year | 130,449 | 40.56% | 52,912 | 38,626 | 4,836 | 33,790 |

The Value

| | |
|--|------------|
| Terminal value | 376,509 |
| PV(Terminal value) | 132,906 |
| PV (CF over next 10 years) | 87,118 |
| Value of operating assets | \$ 220,025 |
| + Cash & Marketable Securities | 7,300 |
| - Total Debt, including operating leases | (2,224) |
| Value of Equity in Common Stock | \$ 225,101 |
| Number of shares (primary) | 606 |
| Intrinsic Equity Value per share | \$ 371.45 |



60.93%
PRICE AS % OF VALUE



A dark, grainy background image of a city at night, showing a dense cluster of skyscrapers with their lights reflected in the water below.

VALUATION YEAR
FY2018

FEBRUARY 2017 – JANUARY 2018

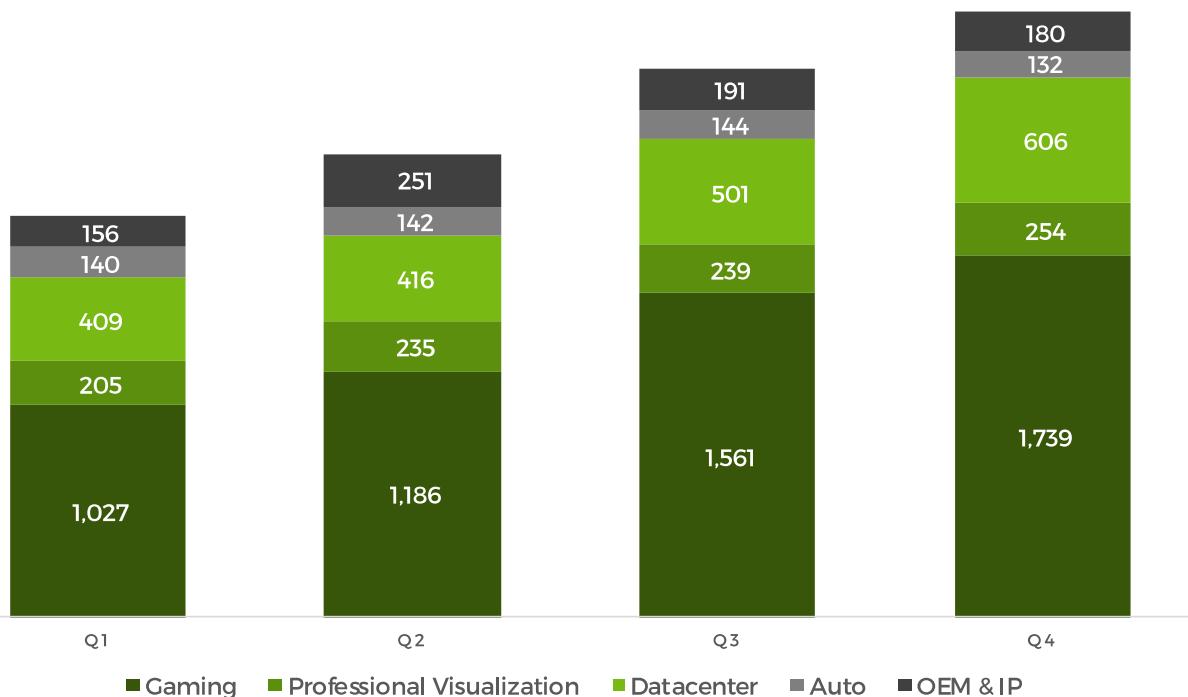


GENERAL NARRATIVE

- ESPORTS MARKET CONTINUES TO GROW DRIVING RESULTS IN THE GAMING INDUSTRY
- AI, INFERENCE, VR AND HPC ARE STARTED TO BE SEEN AS THE NEW POWERFUL SOURCE OF TECH THAT WILL SHAPE THE FUTURE WITH SPECIAL GROWTH IN AI TRAINING

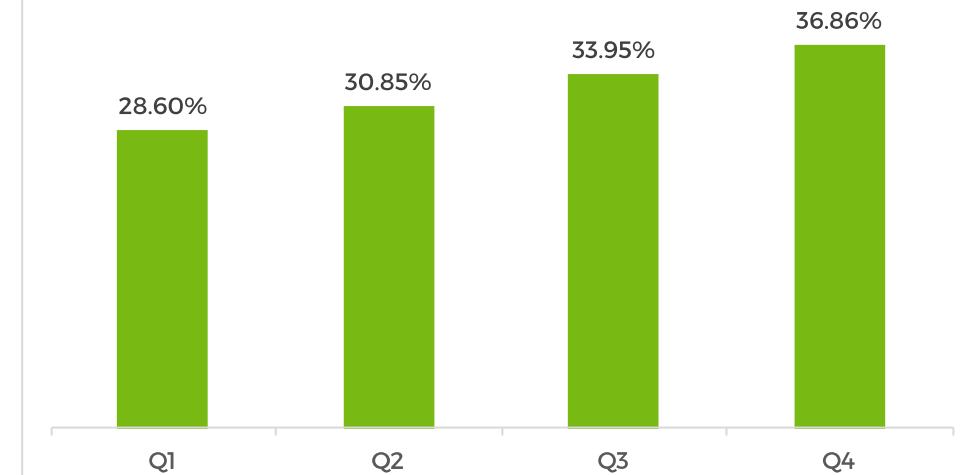
FY2018 AT A GLANCE

QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER. Revenues show progressive growth throughout every quarter.

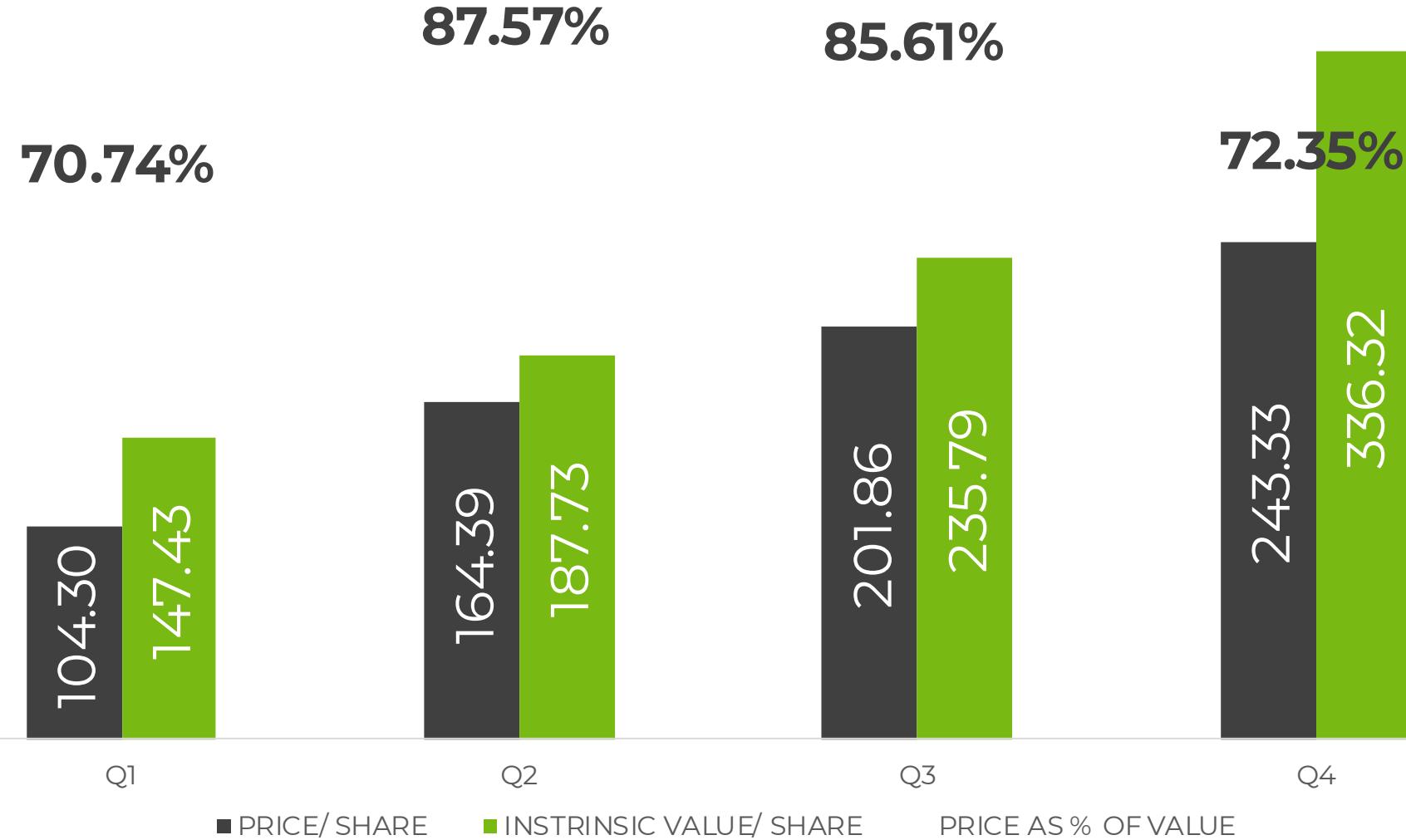
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 V100 Volta Architecture launch provides 10x deep learning power over its predecessor.
- 2 Important game titles deliver amazing visual effects that drive sales a higher-end models for gaming.
- 3 Expansion of free Beta for GeForce Now to Window-operated PCs, expanding the reach of the platform.
- 4 Crypto mining impacting gaming revenues due to GPU efficiency.
- 5 Nintendo Switch becomes best selling gaming console in the US.

INTRINSIC VALUE OF STOCK



FISCAL YEAR **2018**

Q4 RESULTS

NOV 2017 – JAN 2018



NARRATIVE | MAIN DRIVERS

FY2018 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|--|--|
| <p>New great gaming titles deliver amazing visual effects that require strong graphic performance which boosts NVIDIA sales of higher-end gaming GPUs.</p> <p>Popularity of eSports continues to grow.</p> <p>Introduced NVIDIA BFGDs, big-format gaming displays, in a partnership with Acer, ASUS and HP.</p> <p>Expanded the free beta of GeForce NOW beyond Mac to Window-based PCs.</p> <p>Nintendo Switch gaming console contributed to growth as it became the fastest-selling console of all time in the U.S.</p> <p>Strong demand in the cryptocurrency market exceeded our expectations causing lower channel inventories.</p> | <p>Continued strong adoption of strong adoption of Tesla V100 GPUs.</p> <p>Leadership in AI-trending markets where NVIDIA GPUs remain the platform of choice for training deep learning networks.</p> <p>Traction for AI seen in a growing number of vertical industries, such as transportation, energy, manufacturing, smart cities and health care.</p> <p>Inference continues to be a growth opportunity. Hyperscale inference applications that run on GPUs include speech recognition, image and video analytics, recommender systems, translation, search and natural language processing.</p> <p>Strong growth in high-performance computing due to GPU capabilities as well as energy efficiency.</p> | <p>Driven by demand for real-time rendering as well as emerging applications like AI and VR (now representing 30% of segment).</p> | <p>Sequential decline reflects transition from infotainment, which is becoming commoditized, to next-generation AI cockpit systems and complete top-to-bottom self-driving vehicle platforms built on NVIDIA hardware and software.</p> <p>Announced that NVIDIA DRIVE is the world's first functionally safe AI self-driving platform, enabling automakers to create autonomous vehicles that can operate safely.</p> |

ASSUMPTIONS

FY2018 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$9,714 | 40.00% | 2.00% | 2.00% | Gaming and datacenters are the two main revenue streams. Growth in gaming driven by demand of higher-end GPUs for better graphics in gaming. Datacenter growth continues to skyrocket (105% YoY) with AI adoption, especially AI training. |
| OPERATING MARGIN | 37.31% | 40.00% | 40.00% | 40.00% | Margin has continued to grow steadily throughout FY2018. With higher-end models of GPUs being preferred by gamers, can be expected to grow further accompanied by NVIDIA's shift towards software. |
| TAX RATE | 4.66% | 4.66% | 27.00% | 27.00% | Converging to US Marginal Tax of 27% reduced due to the Tax Cuts and Jobs Act. |
| REINVESTMENT | Sales to capital ratio = | 1.90 | RIR = | 12.67% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 67.42% | Marginal ROIC = | 54.31% | 15.78% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.78% | 10.78% | 10.78% | Low debt. Aligned to industry values for Global. |

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 13,600 | 37.80% | 5,141 | 4,901 | 2,047 | 2,855 |
| 2 | 19,039 | 38.35% | 7,302 | 6,962 | 2,866 | 4,096 |
| 3 | 26,655 | 38.90% | 10,369 | 9,886 | 4,012 | 5,874 |
| 4 | 37,317 | 39.45% | 14,722 | 14,036 | 5,616 | 8,419 |
| 5 | 52,244 | 40.00% | 20,898 | 19,923 | 7,863 | 12,060 |
| 6 | 69,171 | 40.00% | 27,669 | 25,142 | 8,917 | 16,226 |
| 7 | 86,326 | 40.00% | 34,530 | 29,835 | 9,036 | 20,799 |
| 8 | 101,174 | 40.00% | 40,470 | 33,159 | 7,822 | 25,337 |
| 9 | 110,887 | 40.00% | 44,355 | 34,360 | 5,116 | 29,244 |
| 10 | 113,104 | 40.00% | 45,242 | 33,026 | 1,168 | 31,858 |
| Terminal year | 115,366 | 40.00% | 46,147 | 33,687 | 4,269 | 29,418 |

| The Value | |
|--|-----------|
| Terminal value | 335,008 |
| PV(Terminal value) | 120,336 |
| PV (CF over next 10 years) | 76,239 |
| Value of operating assets | \$196,574 |
| + Cash & Marketable Securities | 7,108 |
| - Total Debt, including operating leases | (2,226) |
| - Options outstanding | - |
| Value of Equity in Common Stock | \$201,457 |
| Number of shares (primary) | 599 |
| Intrinsic Equity Value per share | 336.32 |

336.32
243.33

INTRINSIC EQUITY VALUE PER SHARE MARKET PRICE PER SHARE

NUMBERS
FY2018 | Q4

72.35%
PRICE AS % OF VALUE

FISCAL YEAR **2018**

Q3 RESULTS

AUG – OCT 2017



NARRATIVE | MAIN DRIVERS

FY2018 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|---|--|---|
| <p>Continued growth in e-sports driving Gaming GPU business.</p> <p>For desktops, launched GTX 1050 and the 1050 Ti, bringing eSports and VR capabilities at great value.</p> <p>For notebooks, introduced GTX 1080, 1070 and 1060, giving gamers a major leap forward in performance and efficiency in a mobile experience.</p> <p>Gamers continue to upgrade to higher-end GPUs in order to enjoy the highly anticipated games of the season.</p> | <p>Deep learning and AI continue to be strong drivers especially for hyperscale clients.</p> <p>Strong growth in AI training.</p> <p>Launched Tesla P4 and P40 for AI inference to serve power-efficient and high-performance workloads.</p> <p>GTC reached 18,000 developers and ecosystem partners.</p> <p>Collaborations are being done with global companies in order to ensure the adoption of AI.</p> | <p>Strong customer interest in the Pascal-based P6000 among digital entertainment leaders like Pixar, Disney and ILM; architectural, engineering and construction companies like Japan's Shimizu; and automotive companies like Hyundai.</p> | <p>NVIDIA is developing an end-to-end AI computing platform for autonomous driving.</p> <p>Tesla Motors announced that all its factory-produced vehicles, feature a new autopilot system powered by the NVIDIA and will be capable of fully autonomous operation via future software updates.</p> |

ASSUMPTIONS

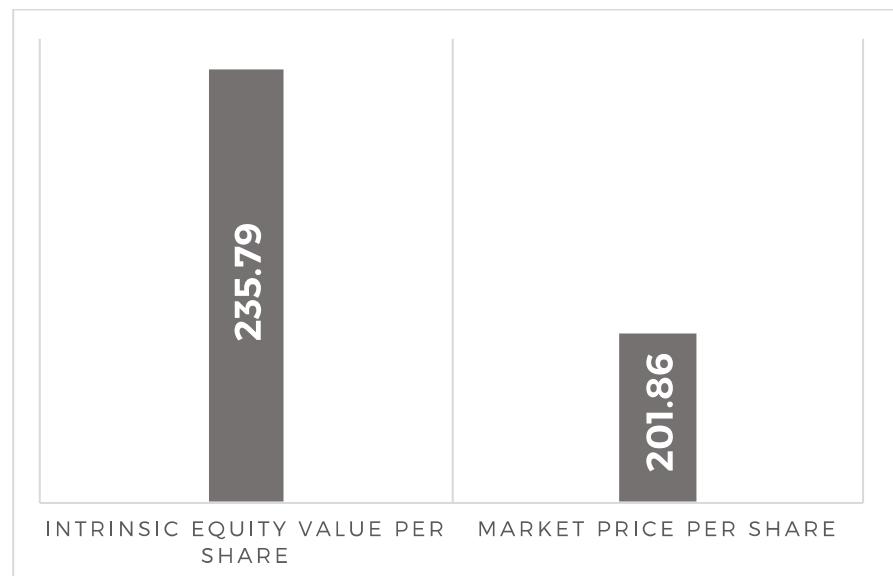
FY2018 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$8,976 | 40.00% | 2.00% | 2.00% | Gaming continues to thrive as the end market grows. Datacenters and Automotive continue to grow an incredible pace as AI continues to be adopted. Datacenters especially present an important growth (108% YoY) due to both inference and AI training being adopted by major tech companies. |
| OPERATING MARGIN | 35.69% | 35.69% | 35.69% | 35.69% | Maintained at base-year value considering current impact of offset by decline licensing revenue. Continues to grow as the company shifts business towards high growth sectors. |
| TAX RATE | 8.41% | 8.41% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.97 | RIR = | 12.82% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 64.35% | Marginal ROIC = | 40.07% | 15.60% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.60% | 10.60% | 10.60% | Low debt. Aligned to industry values for Global. |

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 12,566 | 35.69% | 4,485 | 4,108 | 1,824 | 2,284 |
| 2 | 17,593 | 35.69% | 6,279 | 5,751 | 2,553 | 3,197 |
| 3 | 24,630 | 35.69% | 8,790 | 8,051 | 3,575 | 4,476 |
| 4 | 34,482 | 35.69% | 12,306 | 11,271 | 5,005 | 6,266 |
| 5 | 48,275 | 35.69% | 17,229 | 15,780 | 7,007 | 8,773 |
| 6 | 63,916 | 35.69% | 22,811 | 19,451 | 7,946 | 11,506 |
| 7 | 79,767 | 35.69% | 28,468 | 22,477 | 8,052 | 14,424 |
| 8 | 93,487 | 35.69% | 33,364 | 24,235 | 6,970 | 17,265 |
| 9 | 102,462 | 35.69% | 36,567 | 24,251 | 4,559 | 19,692 |
| 10 | 104,511 | 35.69% | 37,299 | 22,379 | 1,041 | 21,338 |
| Terminal year | 106,602 | 35.69% | 38,045 | 22,827 | 2,927 | 19,899 |

| The Value | |
|--|-----------|
| Terminal value | 231,522 |
| PV(Terminal value) | 84,574 |
| PV (CF over next 10 years) | 54,358 |
| Value of operating assets | \$138,932 |
| + Cash & Marketable Securities | 6,320 |
| - Total Debt, including operating leases | (2,138) |
| - Options outstanding | (932) |
| Value of Equity in Common Stock | \$142,183 |
| Number of shares (primary) | 603 |
| Intrinsic Equity Value per share | 235.79 |



NUMBERS
FY2018 | Q3

85.61%
PRICE AS % OF VALUE

FISCAL YEAR **2018**

Q2 RESULTS

MAY – JUL 2017



NARRATIVE | MAIN DRIVERS

FY2018 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|---|--|
| <p>Continued growth in e-sports driving Gaming GPU business.</p> <p>For the third straight year, GeForce GTX is Dota 2's official graphics platform.</p> <p>GPU sales were lifted by demand from increasingly mining activity, or Ethereum.</p> | <p>Data center revenue grew more than 2.5x, reflecting momentum behind artificial intelligence.</p> <p>Inferencing and video transcoding identified as emerging applications well suited for NVIDIA's GPUs.</p> <p>V100 Volta Architecture was among most important launches providing 10x the deep learning power of its year-old predecessor, widely outpacing Moore's Law.</p> <p>TensorRT 3 inference optimizer and run time for deep learning applications was made available. Supports industry's 2 most common AI frameworks: Google TensorFlow and Facebook's Caffe.</p> <p>Momentum continued in GRID business. Amazon Web Services G3 instances now runs on NVIDIA GPUs.</p> | <p>Continued demand for high-end real-time rendering and more powerful mobile workstation.</p> <p>Demand was especially strong in education, both among universities and large public-school districts, as well as in the financial sector and defense industry.</p> <p>AI identified as a technology that will augment the process of content creation.</p> <p>Introduced NVIDIA eGPU system solutions allowing content creators using standard notebook PCs to have access through an external chassis to a Quadro GPU.</p> | <p>Important new partnerships based on DRIVE PX AI platform including Audi, Tesla, Toyota and Volvo.</p> |

ASSUMPTIONS

FY2018 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$8,344 | 37.00% | 2.00% | 2.00% | Impressive growth throughout all sectors leading to a 56% YoY growth overall. Even though gaming continues to be the most relevant sector and grows at a rapid pace, highest YoY growth percentages were Datacenters (+94% YoY) and Automotive (+111% YoY) signaling the acceptance and adoption of AI technologies which is driving results in both segments. High growth expected considering the launch of the new Volta architecture which will further accelerate deep learning and AI. |
| OPERATING MARGIN | 34.45% | 34.45% | 34.45% | 34.45% | Maintained at base-year value considering current impact of offset by decline licensing revenue. Slight growth in comparison to Q1 results. |
| TAX RATE | 10.13% | 10.13% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.82 | RIR = | 13.01% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 56.46% | Marginal ROIC = | 35.60% | 15.38% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.38% | 10.38% | 10.38% | Low debt. Aligned to industry values for Global. |

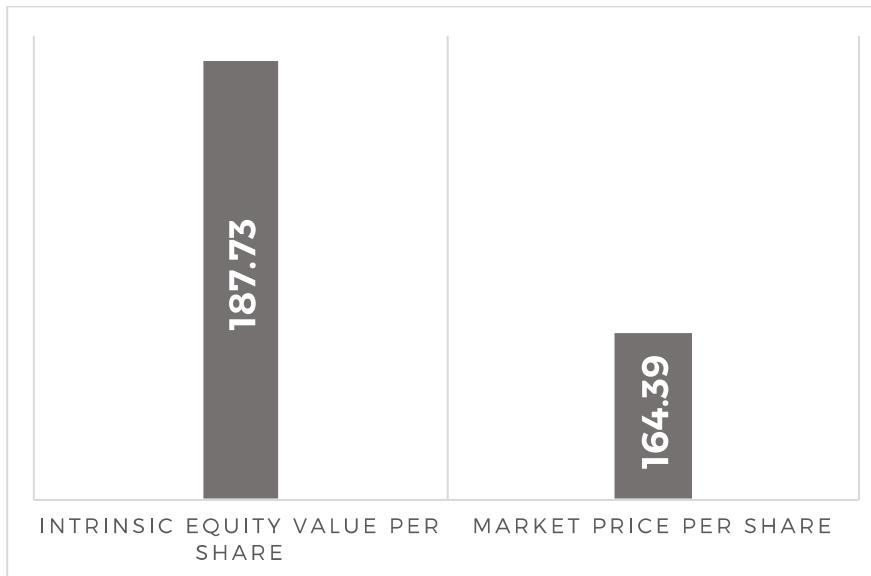
NUMBERS

FY2018 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 11,431 | 34.45% | 3,938 | 3,540 | 1,693 | 1,846 |
| 2 | 15,661 | 34.45% | 5,396 | 4,849 | 2,320 | 2,530 |
| 3 | 21,455 | 34.45% | 7,392 | 6,643 | 3,178 | 3,465 |
| 4 | 29,394 | 34.45% | 10,127 | 9,101 | 4,354 | 4,748 |
| 5 | 40,270 | 34.45% | 13,874 | 12,469 | 5,965 | 6,504 |
| 6 | 52,350 | 34.45% | 18,037 | 15,132 | 6,626 | 8,507 |
| 7 | 64,391 | 34.45% | 22,185 | 17,287 | 6,604 | 10,684 |
| 8 | 74,694 | 34.45% | 25,735 | 18,516 | 5,650 | 12,865 |
| 9 | 81,416 | 34.45% | 28,051 | 18,506 | 3,687 | 14,819 |
| 10 | 83,044 | 34.45% | 28,612 | 17,167 | 893 | 16,274 |
| Terminal year | 84,705 | 34.45% | 29,184 | 17,510 | 2,277 | 15,233 |

| The Value | |
|--|-----------|
| Terminal value | 181,835 |
| PV(Terminal value) | 67,745 |
| PV (CF over next 10 years) | 41,548 |
| Value of operating assets | \$109,293 |
| + Cash & Marketable Securities | 5,877 |
| - Total Debt, including operating leases | (2,200) |
| - Options outstanding | (893) |
| Value of Equity in Common Stock | \$112,076 |
| Number of shares (primary) | 597 |
| Intrinsic Equity Value per share | 187.73 |



87.57%
PRICE AS % OF VALUE

FISCAL YEAR **2018**

Q1 RESULTS

FEB – APR 2017



NARRATIVE | MAIN DRIVERS

FY2018 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|--|
| <p>Driven by growth in eSports where GeForce was the graphics platform of choice at all the top eSports tournaments, including the finals of the big 4 international competitions.</p> <p>NVIDIA will be working with Nintendo on its Switch gaming system.</p> <p>GTx 1080 Ti, which runs 35% faster and was launched at the annual Game Developers Conference in San Francisco. GTx 1080 Ti is designed to handle the demand of 4K gaming and high-end VR experiences.</p> | <p>AI surging as new powerful force of technology.</p> <p>All the world's major Internet and cloud service providers now use NVIDIA Tesla-based GPU accelerators: AWS, Facebook, Google, IBM and Microsoft as well as Alibaba, Baidu and Tencent.</p> <p>The use of AI and accelerated computing in HPC is driving additional demand in governance intelligence, higher education research and finance.</p> <p>Along with Facebook, announced the launch of the Caffe2 deep learning framework as well as Big Basin servers.</p> | <p>Continued demand for high-end real-time rendering and more powerful mobile workstation.</p> <p>Continued increase of VR solutions with the adoption of virtual walk-throughs by companies like Lockheed Martin and Ikea.</p> | <p>Continued growth in infotainment modules.</p> <p>Announced important partnership with Bosch who is planning on making a new AI self-driving car computer based on our Xavier platform and with Paccar who is developing self-driving solutions for Peterbilt, Kenworth and DAF.</p> |

ASSUMPTIONS

FY2018 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$7,542 | 35.00% | 2.00% | 2.00% | Double digit growth rate in all sectors. Gaming driving results as eSports continues to be adopted. Gaming is the most important sector, and the rise of the industry is directly pushing NVIDIA's results. Datacenter continues to grow in importance with the adoption of AI increasing and has passed from representing 11% of the revenues to represent 21%, being the second segment driving results with a YoY growth of 186%. NVIDIA will continue to grow at a fast pace as these two segments increase. |
| OPERATING MARGIN | 32.41% | 32.41% | 32.41% | 32.41% | NVIDIA's margin grew at a consistent rate all through FY2017. Current result is being offset by decline of Intel licensing revenue. Maintained base year percentage until further quarters can pass and the impact of this decline can be assessed. |
| TAX RATE | 10.14% | 10.14% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.69 | RIR = | 13.11% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 47.22% | Marginal ROIC = | 30.81% | 15.25% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.25% | 10.25% | 10.25% | Low debt. Aligned to industry values for Global. |

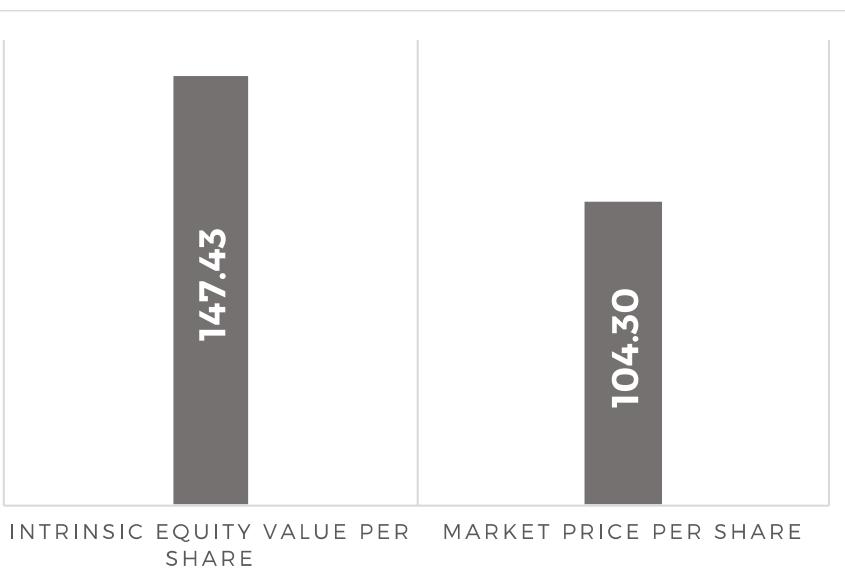
NUMBERS

FY2018 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 10,182 | 32.41% | 3,300 | 2,965 | 1,562 | 1,403 |
| 2 | 13,745 | 32.41% | 4,455 | 4,003 | 2,108 | 1,895 |
| 3 | 18,556 | 32.41% | 6,014 | 5,404 | 2,846 | 2,558 |
| 4 | 25,051 | 32.41% | 8,119 | 7,296 | 3,843 | 3,453 |
| 5 | 33,819 | 32.41% | 10,960 | 9,849 | 5,187 | 4,662 |
| 6 | 43,423 | 32.41% | 14,073 | 11,806 | 5,682 | 6,123 |
| 7 | 52,889 | 32.41% | 17,141 | 13,356 | 5,601 | 7,755 |
| 8 | 60,928 | 32.41% | 19,746 | 14,206 | 4,756 | 9,450 |
| 9 | 66,168 | 32.41% | 21,444 | 14,147 | 3,100 | 11,047 |
| 10 | 67,492 | 32.41% | 21,873 | 13,124 | 783 | 12,341 |
| Terminal year | 68,842 | 32.41% | 22,310 | 13,386 | 1,755 | 11,631 |

| The Value | |
|--|----------|
| Terminal value | 140,943 |
| PV(Terminal value) | 53,110 |
| PV (CF over next 10 years) | 30,832 |
| Value of operating assets | \$83,942 |
| + Cash & Marketable Securities | 6,206 |
| - Total Debt, including operating leases | (2,332) |
| - Options outstanding | (534) |
| Value of Equity in Common Stock | \$87,281 |
| Number of shares (primary) | 592 |
| Intrinsic Equity Value per share | 147.43 |



70.74%
PRICE AS % OF VALUE

The background of the entire slide is a dark, grainy aerial photograph of a city at night, showing numerous skyscrapers and buildings with their lights on.

VALUATION YEAR **FY2017**

FEBRUARY 2016 – JANUARY 2017

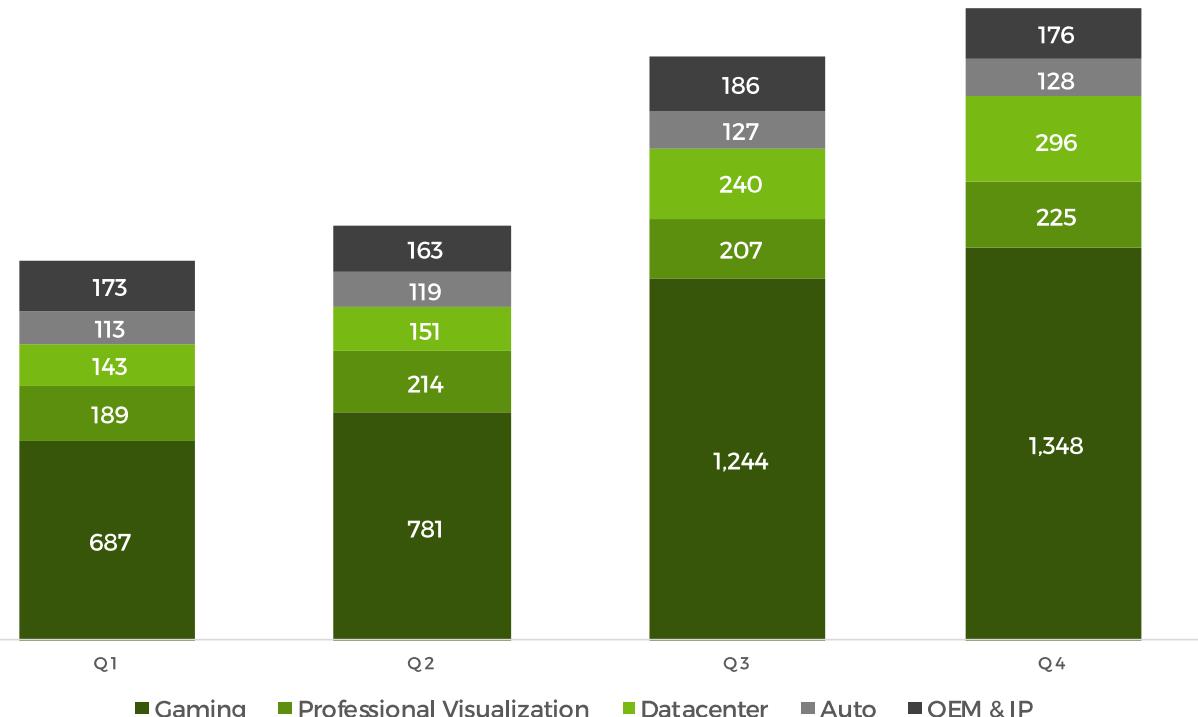


GENERAL NARRATIVE

- GAMING EXPLODES AS A MEAN OF SOCIAL INTERACTION WITH ESPORTS GAINING INMENSE TRACTION.
- DATACENTER DRIVING GROWTH AS AI & DEEP LEARNING START TO BE ADOPTED.

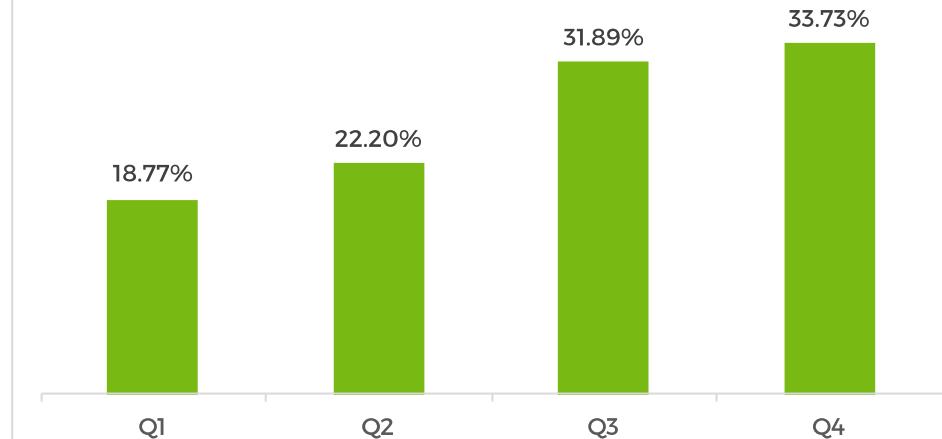
FY2017 AT A GLANCE

QUARTERLY REVENUES PER SECTOR



Results mainly driven by GAMING & DATACENTER. Revenues show progressive growth throughout every quarter.

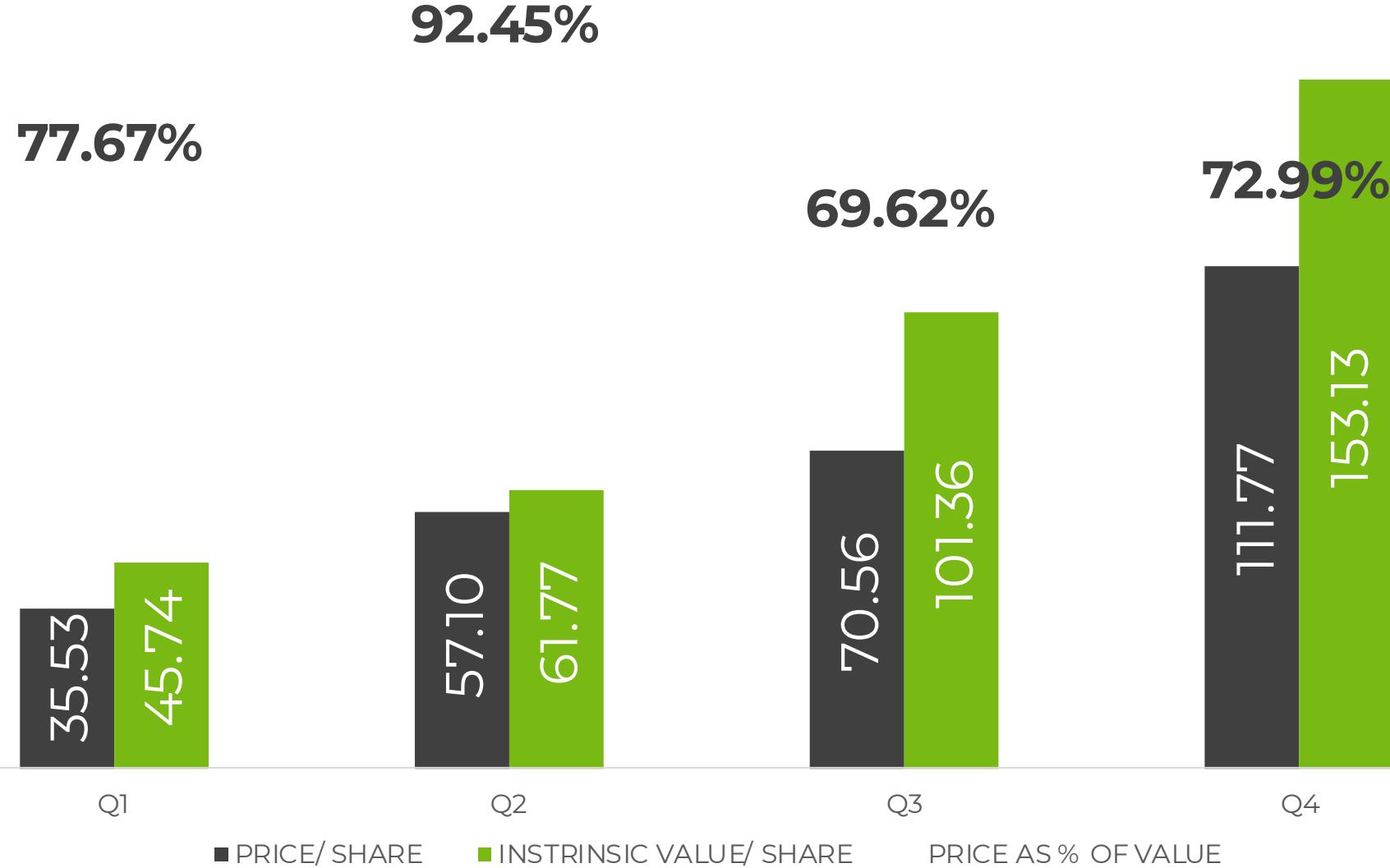
OPERATING MARGIN



IMPORTANT MILESTONES

- 1 AI and Deep Learning acceleration through GPUs being implemented by hyperscale clients.
- 2 Introduced Pascal GPU architecture, being the biggest leap so far in performance and efficiency.
- 3 Developed DGX-1, the first deep learning supercomputer.
- 4 Growing popularity in infotainment features as well as digital cockpits in mainstream cars.
- 5 Developed Xavier, a single-chip AI supercomputer for autonomous vehicles

INTRINSIC VALUE OF STOCK



FISCAL YEAR
2017

Q4 RESULTS

NOV 2016 – JAN 2017



NARRATIVE | MAIN DRIVERS

FY2017 | Q4

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|---|--|--|
| <p>Gamers continue to upgrade to our new Pascal-based GPUs.</p> <p>Announced G-SYNC HDR, a technology that enables displays which are brighter and more vibrant than any other gaming monitor.</p> <p>eSports continues to attract new gamers. Major tournaments with multimillion-dollar purses are drawing enormous audiences.</p> <p>GeForce NOW beta is announced which allows players to access NVIDIA GPUs through the cloud in order to enjoy videogames in computers without the graphic capabilities.</p> | <p>Continued adoption of AI as a technology which transforms businesses.</p> <p>The first adopters were hyperscale companies like Microsoft, Facebook and Google, which use deep learning to provide billions to customers with AI services that utilizes image recognition and voice processing. The next area of growth will occur as enterprise in such fields as health care, retail, transportation and finance embrace deep learning on GPUs.</p> | <p>Introduced Quadro GP100, which creates a new supercomputing workstation. This new type of workstation enables engineers, designers and artists to take advantage of new technologies of photorealism, fluid simulation and deep learning.</p> | <p>Showcased AI Co-Pilot, a technology that will recognize a driver and their preferences, monitor their alertness, understand natural spoken language and provide alerts in dangerous situations.</p> <p>Audi will deliver Level 3 autonomy in its A8 luxury sedan later this year through its zFAS system powered by NVIDIA.</p> |

ASSUMPTIONS

FY2017 | Q4

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$6,910 | 35.00% | 2.00% | 2.00% | Double digit growth in all 4 sectors, with gaming driving overall results with a 66% YoY growth as eSports become more popular and Pascal adoption continues. AI gains traction pushing sales in Datacenters and Automotive. Level 3 car powered by NVIDIA released in this quarter, taking us closer to making AV a reality in the long run. |
| OPERATING MARGIN | 30.05% | 35.00% | 35.00% | 35.00% | Margins continue to present sequential growth. Assuming that it will continue growing overtime as NVIDIA shifts its business. |
| TAX RATE | 12.55% | 12.55% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.71 | RIR = | 12.88% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 44.98% | Marginal ROIC = | 34.81% | 15.53% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.53% | 10.53% | 10.53% | Low debt. Aligned to industry values for Global. |

NUMBERS

FY2017 | Q4

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 9,329 | 31.04% | 2,895 | 2,532 | 1,413 | 1,119 |
| 2 | 12,593 | 32.03% | 4,033 | 3,527 | 1,908 | 1,620 |
| 3 | 17,001 | 33.02% | 5,614 | 4,909 | 2,575 | 2,334 |
| 4 | 22,952 | 34.01% | 7,806 | 6,826 | 3,476 | 3,350 |
| 5 | 30,985 | 35.00% | 10,845 | 9,484 | 4,693 | 4,791 |
| 6 | 39,784 | 35.00% | 13,925 | 11,413 | 5,141 | 6,272 |
| 7 | 48,457 | 35.00% | 16,960 | 12,970 | 5,067 | 7,903 |
| 8 | 55,823 | 35.00% | 19,538 | 13,868 | 4,303 | 9,565 |
| 9 | 60,624 | 35.00% | 21,218 | 13,896 | 2,805 | 11,091 |
| 10 | 61,836 | 35.00% | 21,643 | 12,986 | 708 | 12,277 |
| Terminal year | 63,073 | 35.00% | 22,075 | 13,245 | 1,706 | 11,539 |

The Value

| | |
|--|----------|
| Terminal value | 135,333 |
| PV(Terminal value) | 49,744 |
| PV (CF over next 10 years) | 29,893 |
| Value of operating assets | \$79,637 |
| + Cash & Marketable Securities | 6,798 |
| - Total Debt, including operating leases | (2,914) |
| - Options outstanding | (677) |
| Value of Equity in Common Stock | \$82,844 |
| Number of shares (primary) | 541 |
| Intrinsic Equity Value per share | 153.13 |



72.99%
PRICE AS % OF VALUE

FISCAL YEAR **2017**

Q3 RESULTS

AUG – OCT 2016



NARRATIVE | MAIN DRIVERS

FY2017 | Q3

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|--|--|
| <p>Adoption of Pascal gaming GPUs continue, driving sales..</p> <p>GeForce gaming PC notebooks recorded significant gains.</p> <p>The production value of blockbuster games continues to increase. Gamers are upgrading to higher-end GPUs to enjoy highly anticipated titles. eSports is attracting a new generation of gamers to the PC. VR and AR will redefine entertainment and gaming. A great experience requires a high-performance GPU.</p> | <p>GPU deep learning is revolutionizing AI and is poised to impact every industry worldwide. Hyperscale companies like Facebook, Microsoft and Baidu are using it to solve problems for their billions of consumers.</p> <p>Cloud GPU computing has shown explosive growth. Amazon Web Services, Microsoft Azure and AliCloud are deploying GPUs for AI, data analytics and HPC.</p> <p>Announced the Tesla P4 and P40 for AI inference.</p> <p>NVIDIA provided training in AI skills to nearly 2,000 individuals through their Deep Learning Institute instruction program.</p> <p>Began partnering with key global companies to enable the adoption of AI.</p> | <p>Strong customer interest in the Pascal-based P6000 among digital entertainment leaders like Pixar, Disney and ILM; architectural, engineering and construction companies like Japan's Shimizu; and automotive companies like Hyundai.</p> | <p>Trend of premium infotainment and digital cockpit features in mainstream cars continue to drive sales.</p> <p>NVIDIA is developing an end-to-end AI computing platform for autonomous driving.</p> <p>Also developing a cloud-to-car HD mapping system with mapping companies all over the world.</p> <p>Announced a single-chip AI supercomputer, called Xavier delivering today's performance while only consuming a fraction of the energy.</p> <p>Tesla Motors announced last month that all its factory-produced vehicles, feature a new autopilot system powered by the NVIDIA.</p> |

ASSUMPTIONS

FY2017 | Q3

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|--|
| REVENUE | \$6,138 | 35.00% | 2.00% | 2.00% | Double digit growth in 3 out of 4 sectors, with gaming driving overall results with a 63% YoY growth as eSports become more popular. Datacenters continue to excel as adoption of GPU accelerate surging technologies like AI and HPC. Automotive also presents important advances, even though full AV is still far from a reality. |
| OPERATING MARGIN | 24.71% | 33.00% | 33.00% | 33.00% | Margins continue to present sequential growth. Assuming that it will continue growing overtime as NVIDIA shifts its business. |
| TAX RATE | 16.33% | 16.33% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.52 | RIR = | 11.93% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 31.52% | Marginal ROIC = | 30.03% | 16.77% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 11.77% | 11.77% | 11.77% | Low debt. Aligned to industry values for Global. |

NUMBERS

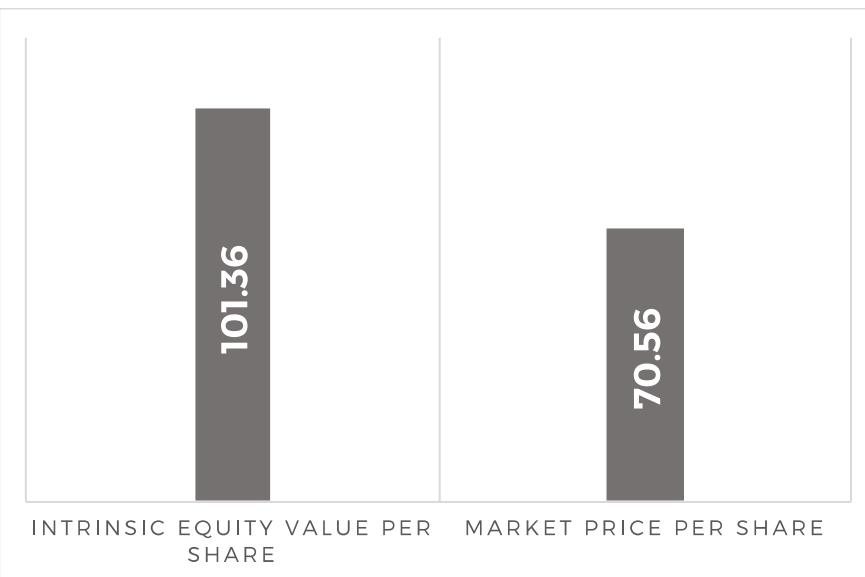
FY2017 | Q3

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|--------|------------|--------------|--------|
| 1 | 8,286 | 26.36% | 2,185 | 1,828 | 1,409 | 419 |
| 2 | 11,187 | 28.02% | 3,135 | 2,623 | 1,902 | 721 |
| 3 | 15,102 | 29.68% | 4,483 | 3,751 | 2,567 | 1,183 |
| 4 | 20,387 | 31.34% | 6,390 | 5,346 | 3,466 | 1,880 |
| 5 | 27,523 | 33.00% | 9,083 | 7,599 | 4,679 | 2,920 |
| 6 | 35,340 | 33.00% | 11,662 | 9,206 | 5,126 | 4,080 |
| 7 | 43,044 | 33.00% | 14,204 | 10,540 | 5,052 | 5,488 |
| 8 | 49,586 | 33.00% | 16,363 | 11,367 | 4,290 | 7,077 |
| 9 | 53,851 | 33.00% | 17,771 | 11,504 | 2,796 | 8,707 |
| 10 | 54,928 | 33.00% | 18,126 | 10,876 | 706 | 10,169 |
| Terminal year | 56,026 | 33.00% | 18,489 | 11,093 | 1,323 | 9,770 |

The Value

| | |
|--|----------|
| Terminal value | 99,998 |
| PV(Terminal value) | 32,864 |
| PV (CF over next 10 years) | 18,736 |
| Value of operating assets | \$51,600 |
| + Cash & Marketable Securities | 6,671 |
| - Total Debt, including operating leases | (3,247) |
| - Options outstanding | (494) |
| Value of Equity in Common Stock | \$54,530 |
| Number of shares (primary) | 538 |
| Intrinsic Equity Value per share | 101.36 |



69.62%
PRICE AS % OF VALUE

FISCAL YEAR **2017**

Q2 RESULTS

MAY – JUL 2016



NARRATIVE | MAIN DRIVERS

FY2017 | Q2

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|--|--|---|---|
| <p>Adoption of Pascal gaming GPUs continue, driving sales on all 4 models.</p> <p>Trends of higher quality games result in a higher demand for high performance GPUs which in turn drive higher average selling prices.</p> <p>Esports are becoming more popular, increasing the impact of the gaming industry in the world,</p> | <p>Strong growth in supercomputing, hyperscale datacenters and GRID virtualization</p> <p>Continued interest and implementation of deep learning. Hyperscalers are among early adopters (Facebook, Microsoft, Amazon, Alibaba, Baidu)</p> <p>Cloud providers (for example Azure) offering Nvidia GPUs computing to their customers.</p> <p>Strong interest in DGX-1 from AR researchers and developers across academia, government labs and large enterprises.</p> | <p>Growth came from the high end of the market for realtime rendering tools and mobile workstations.</p> <p>Launched Pascal-based Quadro P6000, the most-advanced workstation in GPU, enabling designers to manipulate complex designs up to twice as fast as before.</p> <p>Demonstrated how deep learning is being brought to the realm of the industrial design to create better products faster and launched 8 new and updated software libraries which brings panoramic video to VR.</p> | <p>Trend of premium infotainment and digital cockpit features in mainstream cars continue to drive sales.</p> <p>Started to ship DRIVE PX 2 automotive supercomputer to the 80-plus companies using both hardware and DriveWorks software to develop autonomous driving technologies.</p> |

ASSUMPTIONS

FY2017 | Q2

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$5,439 | 27.00% | 2.00% | 2.00% | Growth continues in gaming, datacenters and automotive as GPU technology is adopted in each industry. Most aggressive growth driven by datacenters with hyperscale clients adopting GPU technology for deep learning solutions and cloud computing. |
| OPERATING MARGIN | 19.71% | 30.00% | 30.00% | 30.00% | Margin continues to grow both sequentially and YoY. As higher quality items gain popularity combined with the gradual shift to software, it can be expected to grow even further over the years. |
| TAX RATE | 14.57% | 14.57% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.60 | RIR = | 12.14% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 26.94% | Marginal ROIC = | 29.18% | 16.47% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 11.47% | 11.47% | 11.47% | Low debt. Aligned to industry values for Global. |

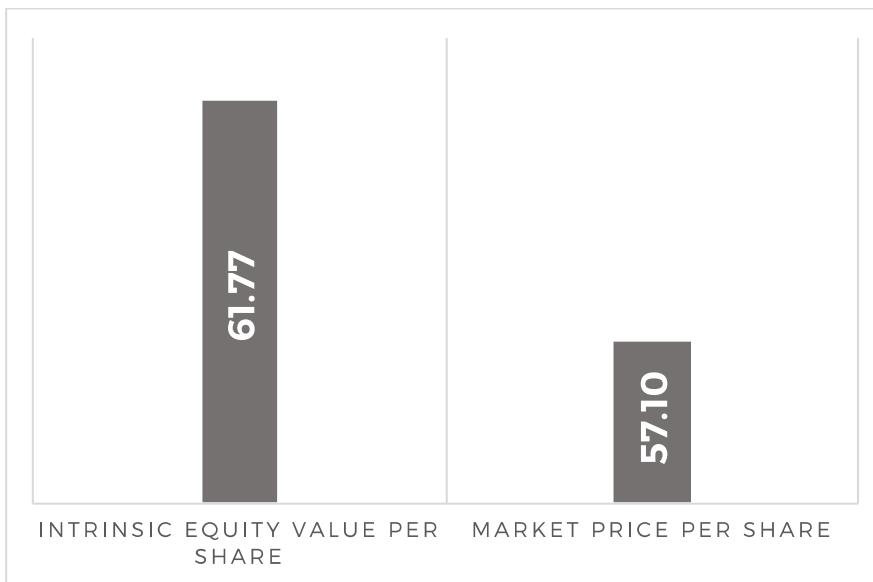
NUMBERS

FY2017 | Q2

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|-------|------------|--------------|-------|
| 1 | 6,908 | 21.77% | 1,504 | 1,285 | 918 | 367 |
| 2 | 8,773 | 23.83% | 2,090 | 1,786 | 1,166 | 620 |
| 3 | 11,141 | 25.89% | 2,884 | 2,464 | 1,481 | 983 |
| 4 | 14,149 | 27.94% | 3,954 | 3,378 | 1,880 | 1,497 |
| 5 | 17,970 | 30.00% | 5,391 | 4,605 | 2,388 | 2,217 |
| 6 | 21,923 | 30.00% | 6,577 | 5,284 | 2,471 | 2,813 |
| 7 | 25,650 | 30.00% | 7,695 | 5,791 | 2,330 | 3,461 |
| 8 | 28,728 | 30.00% | 8,618 | 6,048 | 1,924 | 4,124 |
| 9 | 30,739 | 30.00% | 9,222 | 6,002 | 1,257 | 4,745 |
| 10 | 31,353 | 30.00% | 9,406 | 5,644 | 384 | 5,259 |
| Terminal year | 31,981 | 30.00% | 9,594 | 5,756 | 699 | 5,057 |

| The Value | |
|--|----------|
| Terminal value | 53,409 |
| PV(Terminal value) | 18,033 |
| PV (CF over next 10 years) | 12,172 |
| Value of operating assets | \$30,205 |
| + Cash & Marketable Securities | 4,879 |
| - Total Debt, including operating leases | (1,685) |
| - Options outstanding | (416) |
| Value of Equity in Common Stock | \$32,983 |
| Number of shares (primary) | 534 |
| Intrinsic Equity Value per share | 61.77 |



92.45%
PRICE AS % OF VALUE

FISCAL YEAR **2017**

Q1 RESULTS

FEB – APR 2016



NARRATIVE | MAIN DRIVERS

FY2017 | Q1

| GAMING | DATACENTERS | PRO-VISUALIZATION | AUTOMOTIVE |
|---|--|---|--|
| <p>Unveiled first Pascal GPUs for gamers. They represent a quantum leap for gaming and immersive VR experiences, delivering the biggest performance gains from the previous generation architect in a decade.</p> <p>Extended VR platform by adding spatial acoustics to VRWorks software development kit, which helps provide an even greater sense of presence within VR.</p> <p>Announced Ansel, an in-game photography system which enables gamers to capture high-resolution and VR scene within their favorite games.</p> | <p>Record performance in Datacenter was driven by the adoption of deep learning across multiple industries.</p> <p>GPUs have become the accelerator of choice for hyperscale data centers due to their superior programmability, computational performance and power efficiency.</p> <p>Announced the DGX-1, the world's first deep learning supercomputer. DGX-1 comes loaded with a suite of software designed to aid AI and application developers.</p> | <p>Exciting opportunities for Quadro platform with virtual reality and NVIDIA Iray, a photorealistic rendering tool that enables designers effectively to walk around their creations and make real-time adjustments.</p> | <p>Growing popularity of premium infotainment features in mainstream cars.</p> <p>Demonstrated the world's first self-driving car trained using deep learning and showed its ability to navigate on roads without lane markings even in bad weather.</p> |
| <p>GENERAL</p> <p>Introduced newest GPU architecture, Pascal. This extraordinary, scalable design built on the 16-nanometer FinFET process provides massive performance and exceptional power efficiency.</p> | | | |

ASSUMPTIONS

FY2017 | Q1

| | BASE YEAR | GROWTH PHASE | STABLE PHASE | TERMINAL | LINK TO NARRATIVE |
|-------------------|--------------------------|-----------------|--------------|----------|---|
| REVENUE | \$5,164 | 25.00% | 2.00% | 2.00% | Important growth in datacenter and gaming as new Pascal architecture is implemented and GPUs are more commonly used to accelerate different type of applications. Automotive also presents moderate growth as autonomous vehicles become a reality. All 3 sectors sequentially gain importance in their weight in revenues as these focus sector begin to grow. |
| OPERATING MARGIN | 15.41% | 25.00% | 25.00% | 25.00% | Margin has been growing sequentially as a more favorable mix of product is being sold by NVIDIA. It can be expected continue to grow as Nvidia focuses less on hardware and more on software. |
| TAX RATE | 16.75% | 16.75% | 40.00% | 40.00% | Converging to US Marginal Tax of 40%. |
| REINVESTMENT | Sales to capital ratio = | 1.60 | RIR = | 12.51% | Maintained base-year values which are already well over the industry average. |
| RETURN ON CAPITAL | 20.59% | Marginal ROIC = | 24.91% | 15.99% | High competitive advantage due to its expertise in GPUs and the creation of software on top of their hardware focused mainly on high growth sectors. |
| COST OF CAPITAL | | 10.99% | 10.99% | 10.99% | Low debt. Aligned to industry values both for US and Global. |

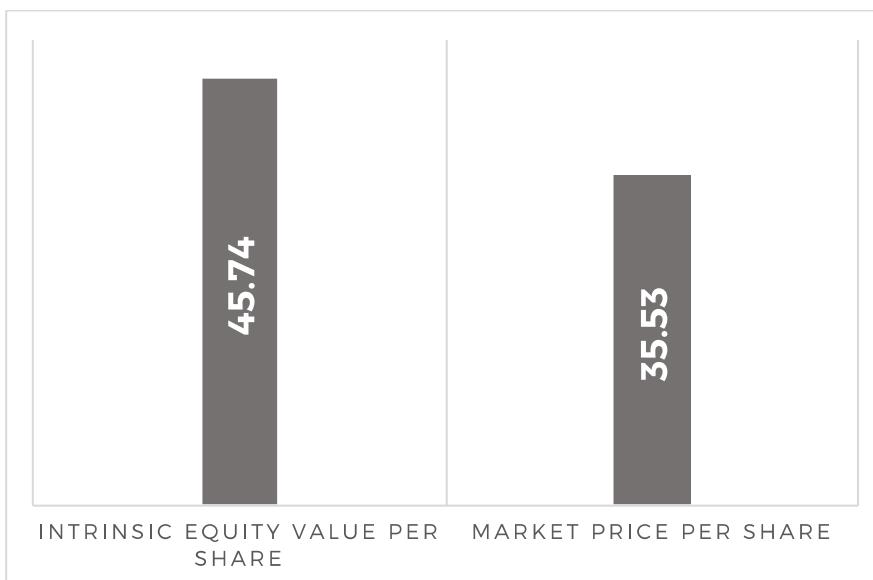
NUMBERS

FY2017 | Q1

The Cash Flows

| | Revenues | Operating Margin | EBIT | EBIT (1-t) | Reinvestment | FCFF |
|---------------|----------|------------------|-------|------------|--------------|-------|
| 1 | 6,455 | 17.33% | 1,119 | 931 | 805 | 127 |
| 2 | 8,069 | 19.25% | 1,553 | 1,293 | 1,006 | 287 |
| 3 | 10,086 | 21.16% | 2,135 | 1,777 | 1,257 | 520 |
| 4 | 12,607 | 23.08% | 2,910 | 2,423 | 1,571 | 851 |
| 5 | 15,759 | 25.00% | 3,940 | 3,280 | 1,964 | 1,316 |
| 6 | 18,974 | 25.00% | 4,744 | 3,728 | 2,004 | 1,725 |
| 7 | 21,972 | 25.00% | 5,493 | 4,062 | 1,868 | 2,194 |
| 8 | 24,433 | 25.00% | 6,108 | 4,233 | 1,534 | 2,699 |
| 9 | 26,046 | 25.00% | 6,511 | 4,210 | 1,005 | 3,205 |
| 10 | 26,566 | 25.00% | 6,642 | 3,985 | 325 | 3,660 |
| Terminal year | 27,098 | 25.00% | 6,774 | 4,065 | 508 | 3,556 |

| The Value | |
|--|----------|
| Terminal value | 39,570 |
| PV(Terminal value) | 13,952 |
| PV (CF over next 10 years) | 7,767 |
| Value of operating assets | \$21,719 |
| + Cash & Marketable Securities | 4,754 |
| - Total Debt, including operating leases | (1,677) |
| - Options outstanding | (232) |
| Value of Equity in Common Stock | \$24,564 |
| Number of shares (primary) | 537 |
| Intrinsic Equity Value per share | 45.74 |



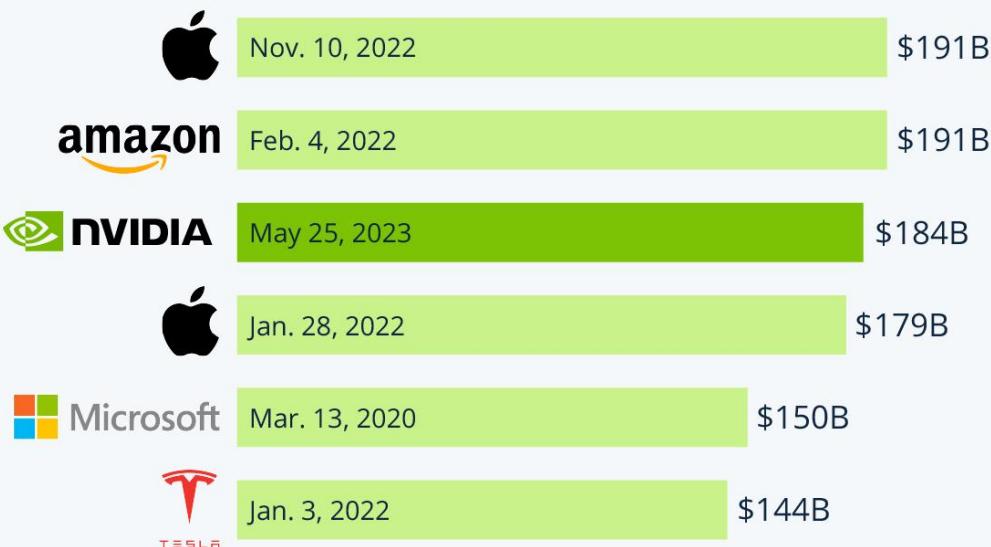
77.67%
PRICE AS % OF VALUE

APPENDIX



Nvidia Sees Near-Record Jump in Market Cap

Largest single-day market cap gains in U.S. stock market history



Sources: Bloomberg, Yahoo Finance



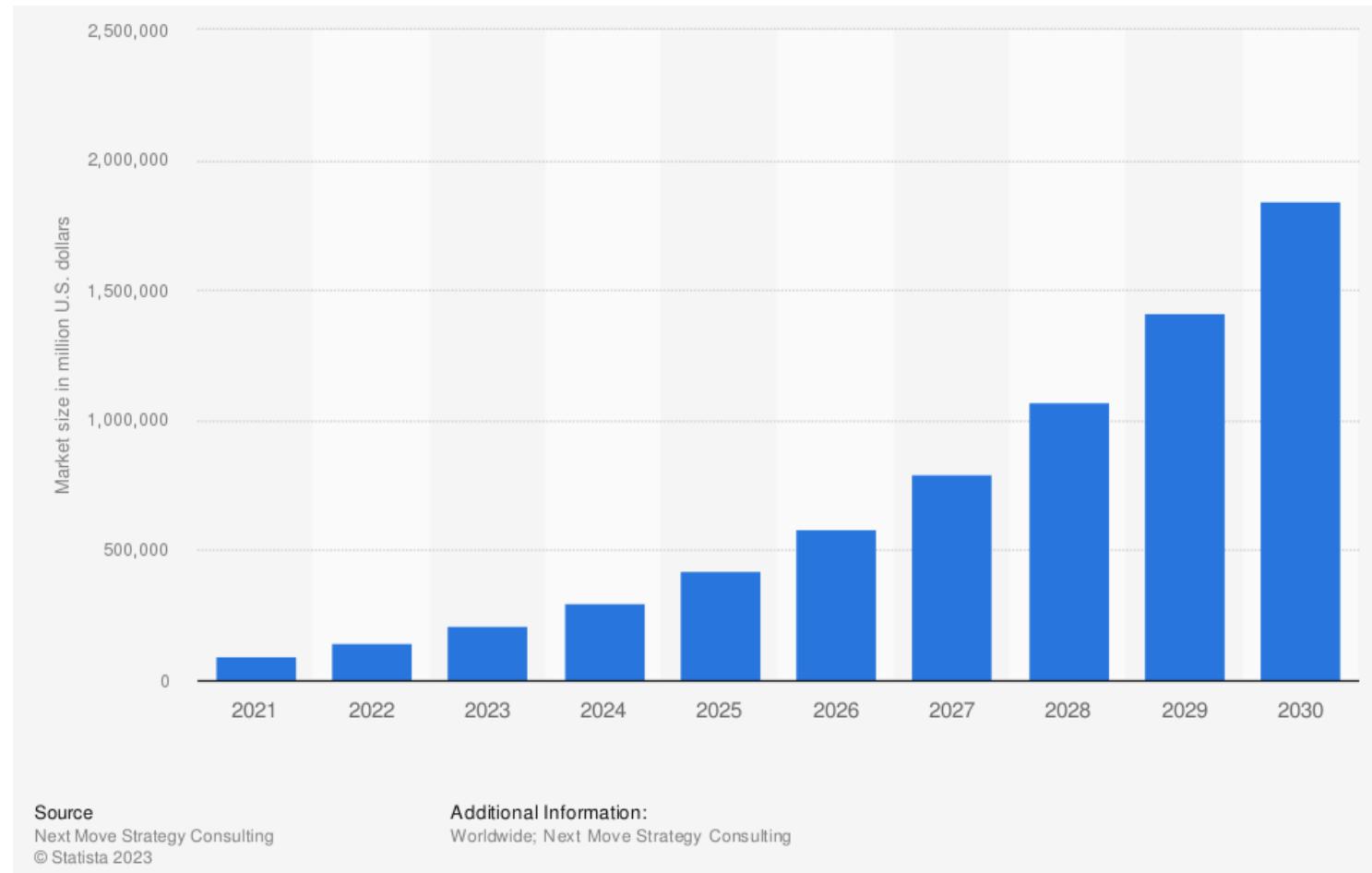
statista

Thanks to its leading role in the global chip industry, Nvidia is expected to be at the forefront of the AI gold rush and after its latest earnings release, investors rushed to hop on board and go along for the ride. Nvidia's market capitalization jumped by nearly \$200 billion on the morning of May 25, after the previous day's earnings release had revealed how much the chipmaker could really profit from the AI boom.

"A trillion dollars of installed global data center infrastructure will transition from general purpose to accelerated computing as companies race to apply generative AI into every product, service and business process," Jensen Huang, founder and CEO of Nvidia said in the company's latest earnings release, which saw the company provide an outlook for the current quarter that blew away analysts' expectations.

At the end of the trading day, Nvidia's market cap had increased by \$184 billion to around \$940 billion, making it one of the biggest-ever single-day gains in U.S. market history. Apple and Amazon had previously both seen their market capitalization increase by \$191 billion in a single day in November and February 2022, respectively, but both were valued far above \$1 trillion at the time, making Nvidia's big leap all the more impressive.

Artificial intelligence (AI) market size worldwide in 2021 with a forecast until 2030



According to Next Move Strategy Consulting the market for artificial intelligence (AI) is expected to show strong growth in the coming decade. Its value of nearly 100 billion U.S. dollars is expected to grow twentyfold by 2030, up to nearly two trillion U.S. dollars. The AI market covers a vast amount of industries. Everything from supply chains, marketing, product making, research, analysis, and more are fields that will in some aspect adopt artificial intelligence within their business structures. Chatbots, image generating AI, mobile applications are all among the major trends improving AI in the coming years.

GPU MARKET SIZE WORLDWIDE

IN BILLIONS OF USD

32.85%

CAGR

25.41



2020

246.51

2028

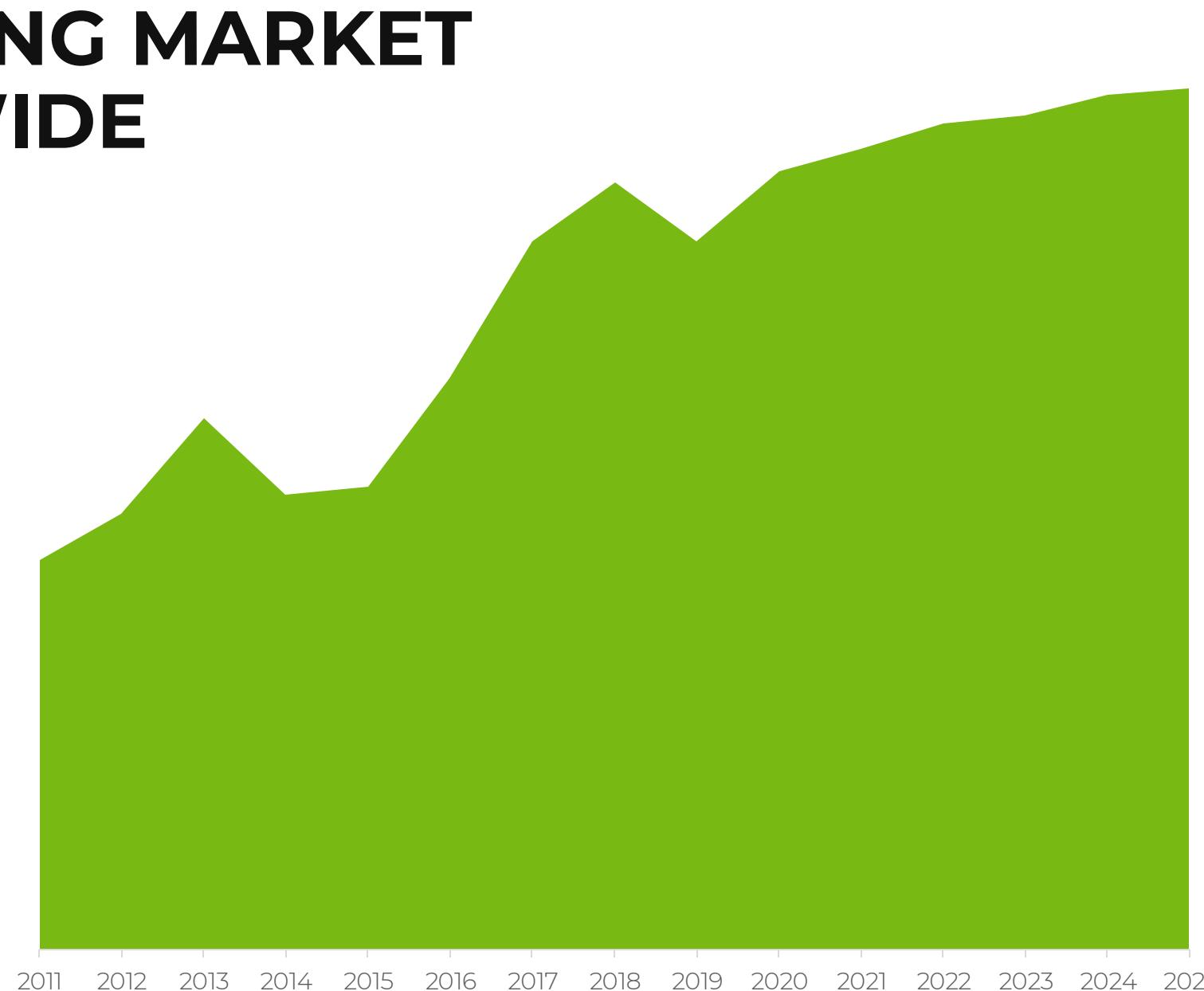
ONLINE PC GAMING MARKET VALUE WORLDWIDE

(IN BILLIONS US DOLLARS)

Gaming has experienced consistent growth with the presence of more games including competitive esports where fast and quality graphics are required for optimal experience.

8%

CAGR 2011 - 2020



Source: Statista

ESPORTS

MARKET OUTLOOK

- Revenue in eSport market is projected to reach US\$1,612.8m in 2022.
- Revenue is expected to show an annual growth rate (CAGR 2022-2026) of 13.39%, resulting in a projected market volume of US\$2,666.3m by 2026.
- The market's largest segment is Sponsorship & Advertising with a market volume of US\$1,096.3m in 2022.
- With a projected market volume of US\$438.4m in 2022, most revenue is generated in China.
- In the eSport market, the number of users is expected to amount to 942.1m users by 2026.
- User penetration will be 9.5% in 2022 and is expected to hit 12.0% by 2026.
- The average revenue per user (ARPU) is expected to amount to US\$2.22.

PUBLIC CLOUD

MARKET OUTLOOK

- Revenue in the Public Cloud market is projected to reach US\$407.50 bn in 2022
- The market's largest segment is Software as a Service with a projected market volume of US\$212. bn in 2022.
- Revenue is expected to show an annual growth rate (CAGR 2022-2026) of 15.78%, resulting in a market volume of US\$732.30bn by 2026.
- The average Spend per Employee in Public Cloud market is projected to reach US\$118.00 in 2022.
- The global market share of Amazon Web Services was 14.6% in 2020.
- In global comparison, most revenue will be generated in the United States (US\$206.10bn in 2022)

METAVERSE OUTLOOK

Metaverse could approach \$800 billion tackling live events, ads

The global Metaverse revenue opportunity could approach \$800 billion in 2024 vs. about \$500 billion in 2020, based on our analysis and Newzoo, IDC, PWC, Statista and Two Circles data. The primary market for online game makers and gaming hardware may exceed \$400 billion in 2024 while opportunities in live entertainment and social media make up the remainder.

Join the conversation with the Bloomberg Intelligence podcast: Into the Metaverse [Listen now](#)

Path to \$800 billion on double-digit growth

The Metaverse market may reach \$783.3 billion in 2024 vs. \$478.7 billion in 2020 representing a compound annual growth rate of 13.1%, based on our analysis and Newzoo, IDC, PWC, Statista and Two Circles data. As video game makers continue to elevate existing titles into 3D online worlds that better resemble social networks, their market opportunity can expand to encapsulate live entertainment such as concerts and sports events as well as fighting for a share of social-media advertising revenue. The total Metaverse market size may reach 2.7x that of just gaming software, services and advertising revenue.

AUTONOMOUS VEHICLES

Autonomous Vehicle Market Statistics 2030 -

The global autonomous vehicle market was valued at \$76.13 billion in 2020, and is projected to reach \$2,161.79 billion by 2030, registering a CAGR of 40.1% from 2021 to 2030.

An autonomous vehicle or a driverless vehicle can operate itself and execute necessary functions without the need for any human intervention, owing to its ability to sense its surroundings. It primarily uses artificial intelligence (AI) software, light detection & ranging (LiDAR), radio detection and ranging (RADAR), and cameras to sense the environment and navigate by forming an active 3D map of that environment. Most self-driving systems create and maintain an internal map of their surroundings based on a wide array of sensors, such as RADAR. Different levels of autonomy include semi-autonomous that requires driver assistance to fully autonomous. The Society of Automotive Engineers (SAE) defines 6 levels of driving automation ranging from level 0 (fully manual) to level 5 (fully autonomous). These levels have been adopted by the U.S. Department of Transportation. Presently, many automobile manufacturers, such as Ford, Volvo, and Tesla, have made strides and boundaries with self-driving technology, and many newer cars have come up with many autonomous systems. Furthermore, these vehicles have several advantages over conventional vehicles, including improved safety, limited use of fuel, and reduced traffic congestion & emissions by consuming less gas & less battery capacity, which result in less pollution. These factors are advantageous to make it environmentally friendly.

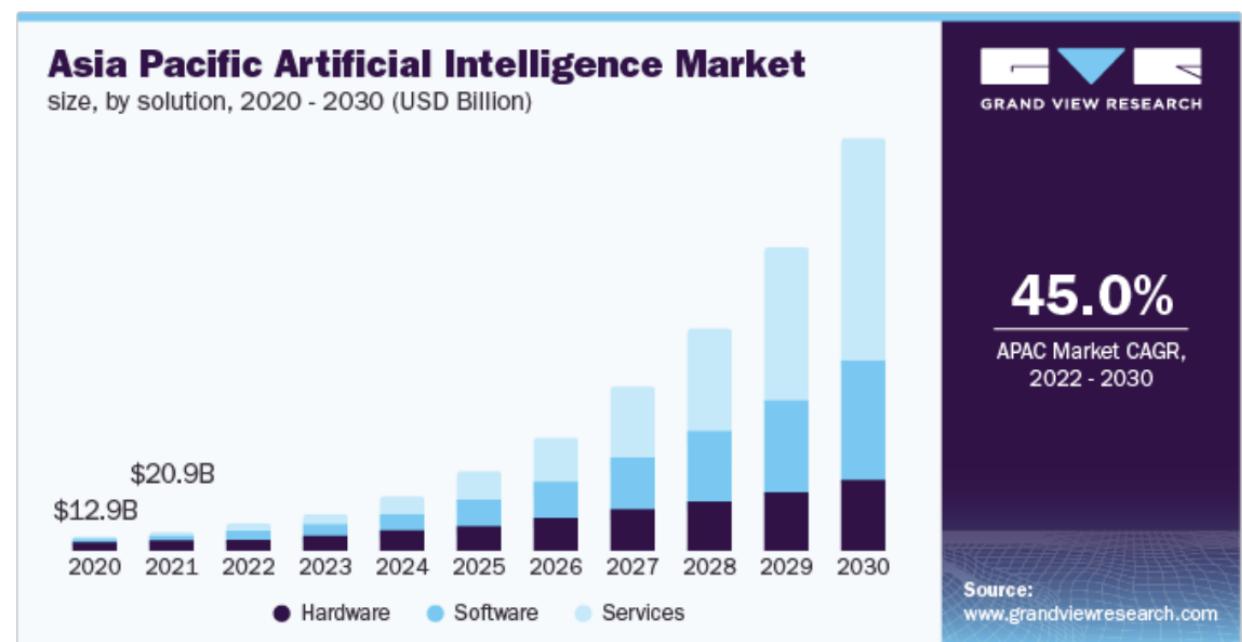
The global industrial robotics market was \$37,876.0 million in 2020, and is expected to reach \$116,848.7 million by 2030, with a CAGR of 11.7% from 2021 to 2030.

Industrial robot is a type machine that has its own control system and is not operated manually through machines. Industrial robots are reprogrammable, multipurpose, axis free, and have physical alteration. The reprogrammable feature of robots helps in performance under various environmental conditions and as per the usage over the industry, while the multipurpose feature helps in adapting to various applications and working automatically into the axis that defines the motion or movement of the robot.

ARTIFICIAL INTELLIGENCE

Report Overview

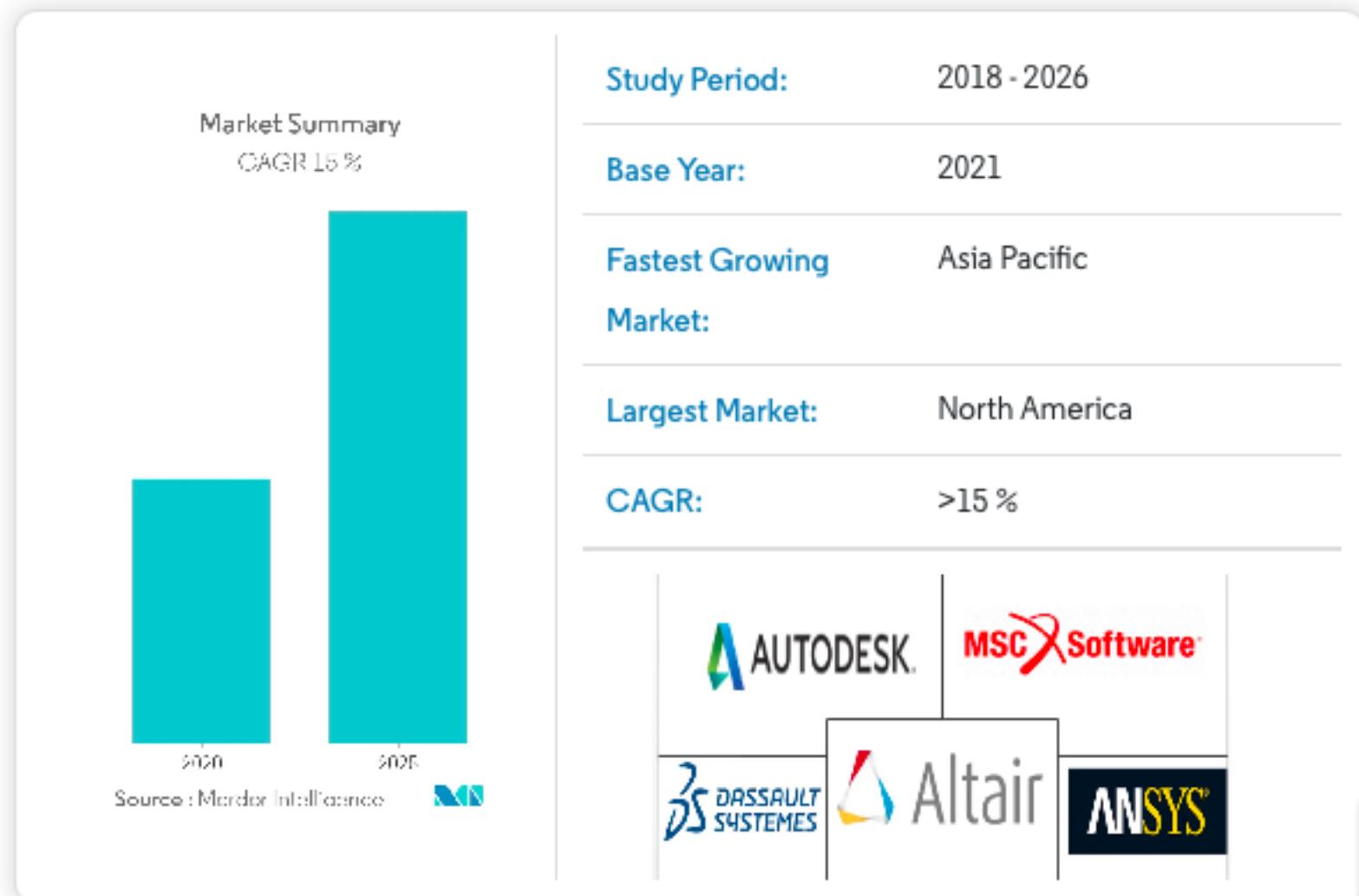
The global artificial intelligence market size was valued at USD 93.5 billion in 2021 and is projected to expand at a compound annual growth rate (CAGR) of 38.1% from 2022 to 2030. The continuous research and innovation directed by the tech giants are driving the adoption of advanced technologies in industry verticals, such as automotive, healthcare, retail, finance, and manufacturing. For instance, In November 2020, Intel Corporation acquired Cnvrgr.io., an Israeli company that develops and operates a platform for data scientists to build and run machine learning models, to boost Artificial Intelligence (AI) business. However, technology has always been an essential element for these industries, but AI has brought technology to the center of organizations.



GENERATIVE DESIGN MARKET

The Generative Design Market is expected to register a CAGR of greater than 15% during the forecast period (2021 - 2026). The upcoming trend of designing toolset with machine learning capabilities contributes to the growth of the market studied. Significant investments made during 2019, aimed at empowering designers to reduce the number of errors, thereby saving considerable time are expected to produce results in the future.

Market Snapshot



US VISUALIZATION & 3D RENDERING SOFTWARE MARKET SIZE

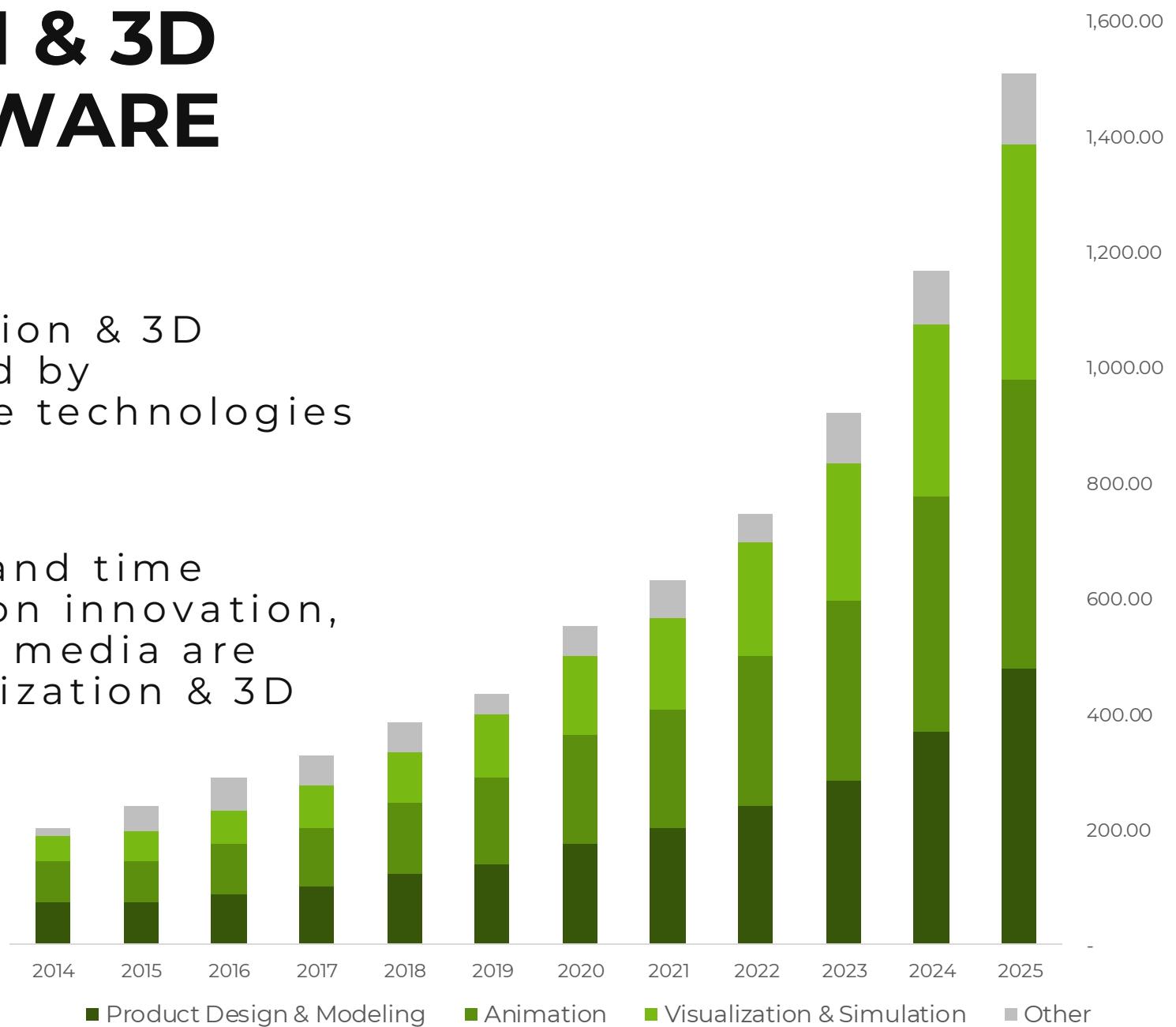
(IN MILLIONS US DOLLARS)

Growth expected in visualization & 3D rendering software stimulated by increasing need for innovative technologies and just-in-time marketing.

Increasing emphasis on cost and time management, growing focus on innovation, and soaring need for realistic media are fueling the demand for visualization & 3D rendering software.

20%

CAGR 2014 - 2025



Source: Grand View Research

DIGITAL TWIN

The Digital Twin Market was valued at USD 10.27 billion in 2021, and it is expected to reach a value of USD 61.45 billion by 2027, registering a CAGR of 34.48% over the forecast period, 2022 - 2027. The surge in adoption of 3D printing technology, increasing demand for digital twins in the healthcare and pharmaceutical industries, and the growing propensity toward the adoption of IoT solutions across various industries are anticipated to drive the adoption of such solutions during the forecast period.

Market Snapshot

