

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

	Year Ended		
	January 27, 2019	January 28, 2018	January 29, 2017
Revenue	\$ 11,716	\$ 9,714	\$ 6,910
Cost of revenue	4,545	3,892	2,847
Gross profit	7,171	5,822	4,063
Operating expenses			
Research and development	2,376	1,797	1,463
Sales, general and administrative	991	815	663
Restructuring and other charges	—	—	3
Total operating expenses	3,367	2,612	2,129
Income from operations	3,804	3,210	1,934
Interest income	136	69	54
Interest expense	(58)	(61)	(58)
Other, net	14	(22)	(25)
Total other income (expense)	92	(14)	(29)
Income before income tax	3,896	3,196	1,905
Income tax expense (benefit)	(245)	149	239
Net income	\$ 4,141	\$ 3,047	\$ 1,666
Net income per share:			
Basic	\$ 6.81	\$ 5.09	\$ 3.08
Diluted	\$ 6.63	\$ 4.82	\$ 2.57
Weighted average shares used in per share computation:			
Basic	608	599	541
Diluted	625	632	649
Cash dividends declared and paid per common share	\$ 0.610	\$ 0.570	\$ 0.485

See accompanying notes to the consolidated financial statements.

NVIDIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except par value)

	January 27, 2019	January 28, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 782	\$ 4,002
Marketable securities	6,640	3,106
Accounts receivable, net	1,424	1,265
Inventories	1,575	796
Prepaid expenses and other current assets	136	86
Total current assets	10,557	9,255
Property and equipment, net	1,404	997
Goodwill	618	618
Intangible assets, net	45	52
Other assets	668	319
Total assets	<u>\$ 13,292</u>	<u>\$ 11,241</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 511	\$ 596
Accrued and other current liabilities	818	542
Convertible short-term debt	—	15
Total current liabilities	1,329	1,153
Long-term debt	1,988	1,985
Other long-term liabilities	633	632
Total liabilities	3,950	3,770
Commitments and contingencies - see Note 12		
Shareholders' equity:		
Preferred stock, \$.001 par value; 2 shares authorized; none issued	—	—
Common stock, \$.001 par value; 2,000 shares authorized; 945 shares issued and 606 outstanding as of January 27, 2019; 932 shares issued and 606 outstanding as of January 28, 2018	1	1
Additional paid-in capital	6,051	5,351
Treasury stock, at cost (339 shares in 2019 and 326 shares in 2018)	(9,263)	(6,650)
Accumulated other comprehensive loss	(12)	(18)
Retained earnings	12,565	8,787
Total shareholders' equity	9,342	7,471
Total liabilities and shareholders' equity	<u>\$ 13,292</u>	<u>\$ 11,241</u>

See accompanying notes to the consolidated financial statements.

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

	Year Ended		
	January 27, 2019	January 28, 2018	January 29, 2017
Cash flows from operating activities:			
Net income	\$ 4,141	\$ 3,047	\$ 1,666
Adjustments to reconcile net income to net cash provided by operating activities:			
Stock-based compensation expense	557	391	247
Depreciation and amortization	262	199	187
Deferred income taxes	(315)	(359)	197
Loss on early debt conversions	—	19	21
Other	(45)	20	33
Changes in operating assets and liabilities:			
Accounts receivable	(149)	(440)	(321)
Inventories	(776)	—	(375)
Prepaid expenses and other assets	(55)	21	(18)
Accounts payable	(135)	90	184
Accrued and other current liabilities	256	33	(135)
Other long-term liabilities	2	481	(14)
Net cash provided by operating activities	3,743	3,502	1,672
Cash flows from investing activities:			
Proceeds from maturities of marketable securities	7,232	1,078	969
Proceeds from sales of marketable securities	428	863	1,546
Purchases of marketable securities	(11,148)	(36)	(3,134)
Purchases of property and equipment and intangible assets	(600)	(593)	(176)
Investment in non-affiliates	(9)	(36)	(5)
Proceeds from sale of long-lived assets and investments	—	2	7
Net cash provided by (used in) investing activities	(4,097)	1,278	(793)
Cash flows from financing activities:			
Proceeds from issuance of debt	—	—	1,988
Payments related to repurchases of common stock	(1,579)	(909)	(739)
Repayment of Convertible Notes	(16)	(812)	(673)
Dividends paid	(371)	(341)	(261)
Proceeds related to employee stock plans	137	139	167
Payments related to tax on restricted stock units	(1,032)	(612)	(176)
Other	(5)	(9)	(15)
Net cash provided by (used in) financing activities	(2,866)	(2,544)	291
Change in cash and cash equivalents	(3,220)	2,236	1,170
Cash and cash equivalents at beginning of period	4,002	1,766	596
Cash and cash equivalents at end of period	\$ 782	\$ 4,002	\$ 1,766