

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

	Year Ended		
	January 26, 2020	January 27, 2019	January 28, 2018
Revenue	\$ 10,918	\$ 11,716	\$ 9,714
Cost of revenue	4,150	4,545	3,892
Gross profit	6,768	7,171	5,822
Operating expenses			
Research and development	2,829	2,376	1,797
Sales, general and administrative	1,093	991	815
Total operating expenses	3,922	3,367	2,612
Income from operations	2,846	3,804	3,210
Interest income	178	136	69
Interest expense	(52)	(58)	(61)
Other, net	(2)	14	(22)
Total other income (expense)	124	92	(14)
Income before income tax	2,970	3,896	3,196
Income tax expense (benefit)	174	(245)	149
Net income	<u>\$ 2,796</u>	<u>\$ 4,141</u>	<u>\$ 3,047</u>
Net income per share:			
Basic	<u>\$ 4.59</u>	<u>\$ 6.81</u>	<u>\$ 5.09</u>
Diluted	<u>\$ 4.52</u>	<u>\$ 6.63</u>	<u>\$ 4.82</u>
Weighted average shares used in per share computation:			
Basic	<u>609</u>	<u>608</u>	<u>599</u>
Diluted	<u>618</u>	<u>625</u>	<u>632</u>

See accompanying notes to the consolidated financial statements.

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

	January 26, 2020	January 27, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 10,896	\$ 782
Marketable securities	1	6,640
Accounts receivable, net	1,657	1,424
Inventories	979	1,575
Prepaid expenses and other current assets	157	136
Total current assets	13,690	10,557
Property and equipment, net	1,674	1,404
Operating lease assets	618	—
Goodwill	618	618
Intangible assets, net	49	45
Deferred income tax assets	548	560
Other assets	118	108
Total assets	<u>\$ 17,315</u>	<u>\$ 13,292</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 687	\$ 511
Accrued and other current liabilities	1,097	818
Total current liabilities	1,784	1,329
Long-term debt	1,991	1,988
Long-term operating lease liabilities	561	—
Other long-term liabilities	775	633
Total liabilities	5,111	3,950
Commitments and contingencies - see Note 13		
Shareholders' equity:		
Preferred stock, \$.001 par value; 2 shares authorized; none issued	—	—
Common stock, \$.001 par value; 2,000 shares authorized; 955 shares issued and 612 outstanding as of January 26, 2020; 945 shares issued and 606 outstanding as of January 27, 2019	1	1
Additional paid-in capital	7,045	6,051
Treasury stock, at cost (342 shares in 2020 and 339 shares in 2019)	(9,814)	(9,263)
Accumulated other comprehensive income (loss)	1	(12)
Retained earnings	14,971	12,565
Total shareholders' equity	12,204	9,342
Total liabilities and shareholders' equity	<u>\$ 17,315</u>	<u>\$ 13,292</u>

See accompanying notes to the consolidated financial statements.

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

	Year Ended		
	January 26, 2020	January 27, 2019	January 28, 2018
Cash flows from operating activities:			
Net income	\$ 2,796	\$ 4,141	\$ 3,047
Adjustments to reconcile net income to net cash provided by operating activities:			
Stock-based compensation expense	844	557	391
Depreciation and amortization	381	262	199
Deferred income taxes	18	(315)	(359)
Loss on early debt conversions	—	—	19
Other	5	(45)	20
Changes in operating assets and liabilities:			
Accounts receivable	(233)	(149)	(440)
Inventories	597	(776)	—
Prepaid expenses and other assets	77	(55)	21
Accounts payable	194	(135)	90
Accrued and other current liabilities	54	256	33
Other long-term liabilities	28	2	481
Net cash provided by operating activities	4,761	3,743	3,502
Cash flows from investing activities:			
Proceeds from maturities of marketable securities	4,744	7,232	1,078
Proceeds from sales of marketable securities	3,365	428	863
Purchases of marketable securities	(1,461)	(11,148)	(36)
Purchases of property and equipment and intangible assets	(489)	(600)	(593)
Investments and other, net	(14)	(9)	(36)
Proceeds from sale of long-lived assets and investments	—	—	2
Net cash provided by (used in) investing activities	6,145	(4,097)	1,278
Cash flows from financing activities:			
Payments related to repurchases of common stock	—	(1,579)	(909)
Repayment of Convertible Notes	—	(16)	(812)
Dividends paid	(390)	(371)	(341)
Proceeds related to employee stock plans	149	137	139
Payments related to tax on restricted stock units	(551)	(1,032)	(612)
Other	—	(5)	(9)
Net cash used in financing activities	(792)	(2,866)	(2,544)
Change in cash and cash equivalents	10,114	(3,220)	2,236
Cash and cash equivalents at beginning of period	782	4,002	1,766
Cash and cash equivalents at end of period	\$ 10,896	\$ 782	\$ 4,002