

Veridian Capital Insights

In-Depth Equity Analysis

Snowflake Inc. (SNOW)

Q3 Analysis: Navigating the Transition from Hyper-Growth to Durable Profitability

Analyst: **Marcus Thorne** | Published: November 21, 2024

RATING

HOLD

PRICE TARGET

\$185.00

CLOSE PRICE

\$173.70

Executive Summary

Snowflake's solid Q3 results and upwardly revised guidance provide a welcome sign of stability. The 5% product revenue beat (for 29% YoY growth) demonstrates resilience in the core business. However, the path forward is one of transition. The era of triple-digit growth is firmly in the past, and Snowflake must now prove it can evolve its platform and navigate an increasingly competitive landscape. While we are encouraged by the operational improvements, the current valuation already prices in a significant degree of success. We maintain our **HOLD** rating.

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