

## NVIDIA Corporation (NVDA)

**\$184.86** (Stock Price as of 01/09/2026)

Price Target (6-12 Months): **\$213.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Outperform**

(Since: 11/24/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

**Zacks Rank: (1-5)**

**1-Strong Buy**

Zacks Style Scores:

VGM: C

Value: F

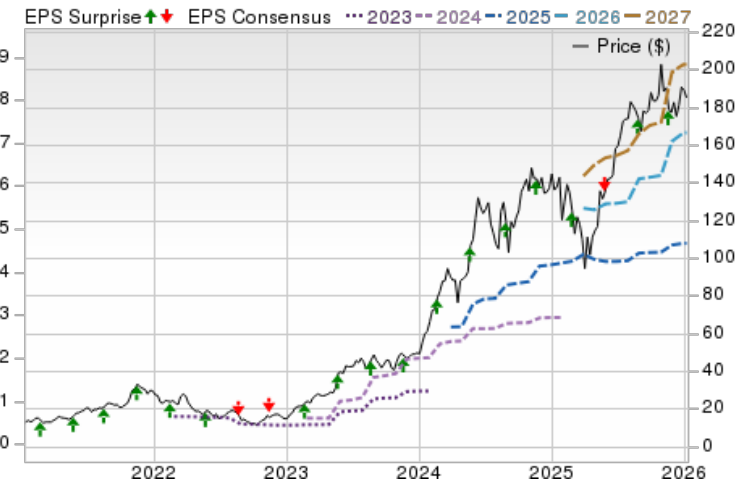
Growth: B

Momentum: C

### Summary

NVIDIA is benefiting from the strong growth of artificial intelligence (AI) and high-performance accelerated computing. The growing demand for generative AI and large language models using graphics processing units (GPUs) based on NVIDIA's Hopper and Blackwell architectures is aiding data center revenues. The continued ramp-up of Ada RTX GPU workstations in the ProViz end market, following the normalization of channel inventory, is acting as a tailwind. Collaborations with more than 320 automakers and tier-one suppliers are likely to advance its presence in the autonomous vehicle space. We expect NVIDIA's revenues to witness a CAGR of 40.7% through fiscal 2026-2028. However, a limited supply of Blackwell GPUs may hinder its ability to meet demand. Rising costs associated with the production of more complex AI systems will hurt margins.

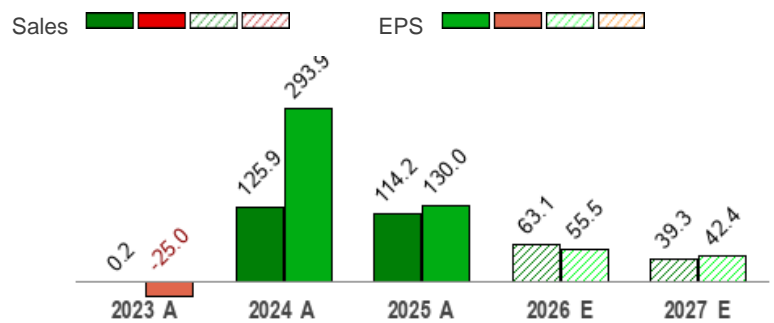
### Price, Consensus & Surprise<sup>(1)</sup>



### Data Overview

|                            |   |
|----------------------------|---|
| 52 Week High-Low           | \$212.19 - \$86.62                      |
| 20 Day Average Volume (sh) | 142,506,128                             |
| Market Cap                 | \$4,492.1 B                             |
| YTD Price Change           | -0.9%                                   |
| Beta                       | 2.31                                    |
| Dividend / Div Yld         | \$0.04 / 0.0%                           |
| Industry                   | <a href="#">Semiconductor - General</a> |
| Zacks Industry Rank        | Top 8% (20 out of 244)                  |

### Sales and EPS Growth Rates (Y/Y %)<sup>(2)</sup>



|                           |            |
|---------------------------|------------|
| Last EPS Surprise         | 4.8%       |
| Last Sales Surprise       | 4.1%       |
| EPS F1 Est- 4 week change | 0.0%       |
| Expected Report Date      | 02/25/2026 |
| Earnings ESP              | -1.7%      |

### Sales Estimates (millions of \$)<sup>(2)</sup>

|      | Q1       | Q2       | Q3       | Q4       | Annual*   |
|------|----------|----------|----------|----------|-----------|
| 2027 | 67,379 E | 71,774 E | 77,679 E | 79,714 E | 296,545 E |
| 2026 | 44,062 A | 46,743 A | 57,006 A | 65,076 E | 212,887 E |
| 2025 | 26,044 A | 30,040 A | 35,082 A | 39,331 A | 130,497 A |

### EPS Estimates<sup>(2)</sup>

|      | Q1     | Q2     | Q3     | Q4     | Annual* |
|------|--------|--------|--------|--------|---------|
| 2027 | 1.51 E | 1.60 E | 1.74 E | 1.78 E | 6.62 E  |
| 2026 | 0.81 A | 1.05 A | 1.30 A | 1.49 E | 4.65 E  |
| 2025 | 0.61 A | 0.68 A | 0.81 A | 0.89 A | 2.99 A  |

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/09/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 01/09/2026.

## Overview

NVIDIA Corporation is the worldwide leader in visual computing technologies and the inventor of the graphic processing unit, or GPU. Over the years, the company's focus has evolved from PC graphics to artificial intelligence (AI) based solutions that now support high performance computing (HPC), gaming and virtual reality (VR) platforms.

NVIDIA's GPU success can be attributed to its parallel processing capabilities supported by thousands of computing cores, which are necessary to run deep learning algorithms. The company's GPU platforms are playing a major role in developing multi-billion-dollar end-markets like robotics and self-driving vehicles.

NVIDIA is a dominant name in the Data Center, professional visualization and gaming markets where Intel and Advanced Micro Devices are playing a catch-up role. The company's partnership with almost all major cloud service providers (CSPs) and server vendors is a key catalyst.

NVIDIA's GPUs are also getting rapid adoption in diverse fields ranging from radiology to precision agriculture. The company's GPUs power the top supercomputer in the world, located at Oak Ridge National Laboratories in the United States, as well as the top supercomputers in Europe and Japan.

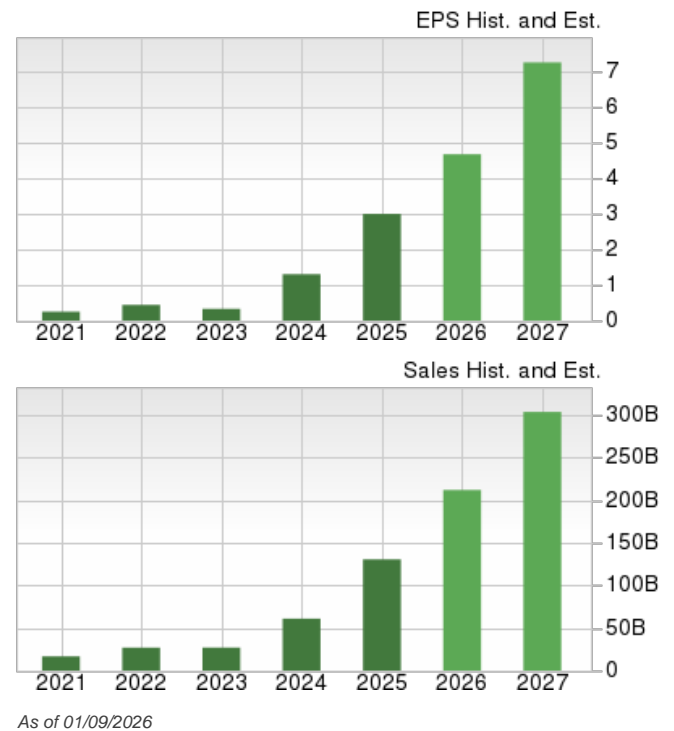
Santa Clara, CA-based, NVIDIA reported revenues of \$130.5 billion in fiscal 2025, up 114% from \$60.92 billion in fiscal 2024.

NVIDIA reports revenues under two segments – Graphics and Compute & Networking.

Graphics includes GeForce GPUs for gaming and PCs, the GeForce NOW game streaming service and related infrastructure, and solutions for gaming platforms; Quadro GPUs for enterprise design; GRID software for cloud-based visual and virtual computing; and automotive platforms for infotainment systems.

Compute & Networking comprises Data Center platforms and systems for AI, HPC, and accelerated computing; DRIVE for autonomous vehicles; and Jetson for robotics and other embedded platforms. Mellanox revenues included in this segment beginning second-quarter fiscal 2021.

Graphics and Compute & Networking accounted for 11% and 89% of fiscal 2025 revenues, respectively.



## Reasons To Buy:

- ▲ Datacenter presents a solid growth opportunity for the company. As more and more businesses are shifting toward cloud, the need for datacenters is increasing. To cater to this huge demand, datacenter operators like Amazon, Microsoft and Alphabet are expanding their operations across the world, which is driving demand for the GPUs. This bodes well for NVIDIA's uptrend as well. Further, the company intends to focus on new growth boosters for its data center business, such as inference, data science and machine learning techniques to consolidate its presence in this niche market. Considered most preferred by the datacenter operators, NVIDIA's GPUs are likely to help the company grab a larger market space. Additionally, the datacenter end-market business is likely to benefit from the growing demand for generative AI and large language models using GPUs based on NVIDIA Hopper and Blackwell architectures. The strong demand for its chips from large cloud service and consumer internet companies is anticipated to continue aiding the segment's top-line growth. Our estimates suggest that the company's revenues from the Data Center end market are likely to witness a CAGR of 42.1% through fiscal 2026-2028.
- ▲ NVIDIA is rapidly gaining traction in enterprise AI, expanding its market beyond cloud providers. Major companies across industries are integrating NVIDIA's AI platforms to automate workflows, enhance productivity and improve decision-making. The company's DGX Cloud AI infrastructure, which allows enterprises to train and deploy AI models at scale, has seen increased adoption. Meanwhile, the expansion of CUDA software and AI frameworks strengthens NVIDIA's ecosystem, making it the preferred choice for enterprises developing AI applications. With AI adoption expected to accelerate in 2025 and beyond, NVIDIA's software and AI cloud solutions present another significant revenue driver.
- ▲ The generative AI revolution continues to be a tailwind for NVIDIA. The company's Hopper 200 and Blackwell GPUs are designed for training and inference of large language models, recommendation engines and generative AI applications. The growing adoption of reasoning AI models is driving the demand for higher computational power. NVIDIA's latest Blackwell Ultra GPUs deliver up to 25x the token throughput for AI inference compared to Hopper 100, solidifying NVIDIA's dominance in AI-driven computing. Additionally, AI adoption is spreading beyond cloud hyperscalers, with industries such as healthcare, automotive and robotics increasingly investing in AI-powered solutions. This diversification ensures NVIDIA continues to grow beyond its traditional customer base.
- ▲ NVIDIA has received approval to sell its H20 AI chips in China after signing a deal with the U.S. government. This marks a significant development for the company's growth prospects. Under the terms of the agreement, NVIDIA will pay 15% of total revenues from H20 sales in China to the U.S. government. While this revenue-sharing condition may slightly impact margins, the deal opens a valuable door to one of the largest AI markets globally. The AI boom in China, driven by large tech companies and government-backed projects, could create steady demand for H20 chips. The latest arrangement with the U.S. government could strengthen NVIDIA's presence in China and boost revenue contribution from the country, which dropped 13% in fiscal 2025 from more than 21% in fiscal 2023. Access to the Chinese market will support its overall revenue growth and maintain its position as a leader in AI chip technology.
- ▲ NVIDIA's foray into the autonomous vehicles and other automotive electronics space is a positive. The company, currently, is on a firmer footing in the autonomous vehicle market. It is working with more than 320 automakers, tier-one suppliers, automotive research institutions, HD mapping companies and start-ups to develop and deploy AI systems for self-driving vehicles. Notably, NVIDIA's focus on incorporating AI into the cockpit for infotainment systems is allowing it to grow its autonomous driving revenues. The company sees a \$300 billion revenue opportunity in this space, and its automotive revenues have already crossed the \$2 billion annual revenue run rate.
- ▲ NVIDIA is a cash-rich company with a strong balance sheet and can be considered a below-average leveraged company, considering its total debt to total capital ratio of 0.09 being lower than the industry average of 0.15. Also, the company's times interest earned ratio of 361 is significantly higher than the industry average of 310, suggesting it has better financial health and a lower risk of defaulting on debt obligations. As of Oct. 26, 2025, the company had cash, cash equivalents and marketable securities of \$60.6 billion, which is significantly higher than its total long-term debt of \$7.47 billion. Since it has net cash available on its balance sheet, the existing cash can be used for pursuing acquisitions, investing in growth initiatives and distributing to its shareholders.
- ▲ NVIDIA boasts a sturdy cash flow-generating ability. The company's accelerated revenue growth, along with improving operating efficiency, is bringing in higher cash flows. In fiscal 2025, the company generated operating and free cash flow of \$64.1 billion and \$60.72 billion, respectively. In the first three quarters of fiscal 2026, it generated operating and free cash flows of \$66.53 billion and \$61.68 billion, respectively. The higher cash flow-generating ability lends NVIDIA flexibility to invest in long-term growth prospects and return money to its shareholders. In fiscal 2025, the company returned \$34.54 billion to its shareholders through \$834 million in dividend payouts and \$33.71 billion in share repurchases. In the first three quarters of fiscal 2026, the company returned \$732 million to its shareholders through dividend payouts and repurchased stocks worth \$36.27 billion. On Aug. 26, 2025, NVIDIA's board of directors approved a new \$60 billion share repurchase authorization, bringing the total limit to \$74.7 billion. As of Oct. 26, 2025, the company had \$62.2 billion remaining under the existing share repurchase authorization.

Growth opportunities in ray-traced gaming, high-performance computing, AI and self-driving cars are encouraging.

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## Risks<sup>(2)</sup>

- The United States and China's tit-for-tat trade war is a major threat to the company. This is because the United States is the largest semiconductor manufacturing country, with China being its biggest importer. The trade war between the two countries has escalated over the past few years, and the U.S. government has imposed export restrictions on NVIDIA's several AI chips. These restrictions have been significantly hurting NVIDIA's data center chip sales in China. During the first-quarter fiscal 2026 earnings call, the company revealed that it lost \$2.5 billion in H20 chip sales in China during the quarter. During its fiscal second-quarter earnings release, the company gave no update on revenue loss from H20 sales restrictions in China. This may be because the company has an opportunity to clear its H20 inventories following the recent revenue-sharing deal with the U.S. government for H20 chip export approval. Though the deal with the US government will give some relief, the uncertainties related to the US-China trade war remain a major concern. It recorded mere \$50 million of H20 sales in China during the third quarter of fiscal 2026.
- NVIDIA's near-term prospects might be hurt by softening IT spending. The still-high interest rates and protracted inflationary conditions have impacted consumer spending. Meanwhile, enterprises are postponing their large IT spending plans due to a weakening global economy amid ongoing macroeconomic and geopolitical issues. This does not bode well for NVIDIA's prospects in the near term.
- Despite strong revenue growth, NVIDIA's non-GAAP gross margins declined in the third quarter of fiscal 2026, with the non-GAAP gross margin contracting 140 basis points year over year to 73.6%. Higher production costs associated with transitioning to more complex AI systems weighed on gross margin. Additionally, operating expenses increased 38% year over year and 11% sequentially due to higher compensation and research & development investments. While necessary for long-term innovation, rising costs could eat into profitability if revenue growth slows in the coming quarters. With new product launches, including the Blackwell GPU series, expected to roll out later in 2025, cost pressures are likely to persist, further weighing on margins.
- NVIDIA's reliance on Taiwan Semiconductor Manufacturing Company (TSMC) for GPU production presents significant supply chain risks, particularly given the ongoing geopolitical tensions between China and Taiwan. A disruption in TSMC's supply chain — whether due to geopolitical instability, trade restrictions, or capacity constraints — could severely impact NVIDIA's ability to meet demand. Given the growing tension between the United States and China, further export restrictions on advanced AI chips could also limit NVIDIA's ability to sell high-end GPUs in key markets like China, potentially impacting revenue growth. Additionally, U.S. regulatory scrutiny on AI chip exports to China continues to be a major headwind. If additional restrictions are imposed on selling AI accelerators to Chinese companies, NVIDIA's growth prospects in one of its largest markets could be significantly hindered.
- While NVIDIA is the dominant player in AI computing, competition is intensifying. AMD's MI300 AI accelerators and Intel's Gaudi AI chips are gaining traction, offering cost-effective alternatives for enterprises looking to diversify away from NVIDIA's high-priced GPUs. Additionally, cloud giants like Amazon, Google and Microsoft are developing their own AI chips, which could reduce their reliance on NVIDIA's GPUs over the long term. If these proprietary AI chips prove effective, NVIDIA may lose market share in its most profitable segment. Furthermore, NVIDIA's Hopper and Blackwell GPUs require substantial capital investment from customers and cost-sensitive enterprises may opt for lower-cost solutions from competing vendors.
- A substantial portion of the company's sales is derived from outside the United States. Sales revenues to customers outside the United States accounted for more than 53% of the total revenues for fiscal 2025. Hence, we believe that any unfavorable currency fluctuation and an uncertain macroeconomic environment may moderate the company's growth.

## Last Earnings Report

### NVIDIA Q3 Earnings Beat Expectations, Revenues Increase Y/Y

NVIDIA reported better-than-expected third-quarter fiscal 2026 results. Third-quarter non-GAAP earnings of \$1.30 per share surpassed the Zacks Consensus Estimate by 4.84%. The reported figure soared 60% year over year and 24% sequentially, mainly driven by higher revenues and effective cost management.

NVIDIA's fiscal third-quarter revenues climbed 62% year over year and 22% sequentially to \$57.01 billion. The top line beat the consensus mark by 4.14%. Robust growth across all end markets drove NVDA's third-quarter revenues to a record level.

### NVIDIA's Segmental Details

NVIDIA reports revenues under two segments — Graphics and Compute & Networking.

The Graphics segment includes GeForce GPUs for gaming and personal computers, the GeForce NOW game-streaming service and related infrastructure. The segment also offers solutions for gaming platforms, Quadro GPUs for enterprise design, GRID software for cloud-based visual and virtual computing, as well as automotive platforms for infotainment systems.

Graphics accounted for 10.7% of fiscal third-quarter revenues. The segment's top line rose 51% year over year and 13% sequentially to \$6.1 billion. The Zacks Consensus Estimate for fiscal third-quarter revenues in the Graphics segment was pegged at \$5.65 billion.

Compute & Networking represented 89.3% of fiscal third-quarter revenues. The segment comprises the Data Center platforms and systems for artificial intelligence, high-performance computing and accelerated computing.

Compute & Networking revenues soared 64% year over year and 23% sequentially to \$50.91 billion. The consensus mark for this segment's third-quarter revenues was pinned at \$48.59 billion.

### Top-Line Details of NVIDIA's Market Platform

Based on the market platform, revenues from Data Center (89.8% of revenues) jumped 66% year over year and 25% from the previous quarter to \$51.22 billion. This robust rise was mainly driven by higher shipments of the Blackwell GPU computing platforms that are used for the training and inference of large language models, recommendation engines and generative AI applications. The Zacks Consensus Estimate for this end market's fiscal third-quarter revenues was pegged at \$49.07 billion.

Gaming revenues increased 30% year over year but declined 1% sequentially to \$4.27 billion, accounting for 7.5% of the total revenues. The year-over-year jump reflects strong demand from gamers, creators and AI enthusiasts. Increased supply of Blackwell products also aided the segment's sales growth during the reported quarter.

However, the sequential decline was due to more normalized inventory levels across its channel partners ahead of the holiday season. The Zacks Consensus Estimate for the Gaming end market's third-quarter revenues was pegged at \$4.58 billion.

Professional Visualization revenues (1.3% of revenues) increased 56% year over year and 26% sequentially to \$760 million, driven by the launch of the new DGX Spark as well as the growth of Blackwell sales. The consensus mark for the Professional Visualization end market's fiscal third-quarter revenues was pegged at \$629 million.

Automotive sales (1% of revenues) in the reported quarter totaled \$592 million, up 32% on a year-over-year basis and 1% sequentially. The increase was mainly driven by continued adoption of self-driving platforms. The Zacks Consensus Estimate for the Automotive end market's fiscal third-quarter revenues was pegged at \$615 million.

OEM and Other revenues (0.4% of revenues) were up 79% year over year and 1% sequentially to \$174 million. The consensus mark for the OEM end markets' fiscal third-quarter revenues stood at \$156.9 million.

### NVDA's Operating Details

NVIDIA's non-GAAP gross margin of 73.6% reflects a decline of 140 basis points year over year as Blackwell revenues consist primarily of full-scale datacenter systems compared to Hopper HGX systems last year. Sequentially, the non-GAAP gross margin improved 90 basis points as Blackwell ramped with an improved mix and cost structure.

Non-GAAP operating expenses increased 38% year over year and 11% sequentially to \$4.22 billion. The rise was primarily due to higher compensation and benefit expenses due to employee growth and compensation increases. However, as a percentage of total revenues, non-GAAP operating expenses declined to 7.4% from 8.7% in the year-ago quarter and 8.1% in the previous quarter.

The non-GAAP operating income jumped 62% year over year and 25% sequentially to \$37.75 billion. The non-GAAP operating margin of 66.2% declined 10 basis points year over year but improved 170 basis points from the previous quarter. NVIDIA's non-GAAP net income margin of 55.7% for the third quarter contracted 130 basis points year over year but improved 50 basis points from the previous quarter.

### NVIDIA's Balance Sheet and Cash Flow

As of Oct. 26, 2025, NVDA's cash, cash equivalents and marketable securities totaled \$60.6 billion, up from \$56.8 billion as of July 27, 2025. As

### FY Quarter Ending 1/31/2025

| Earnings Reporting Date | Nov 19, 2025 |
|-------------------------|--------------|
| Sales Surprise          | 4.14%        |
| EPS Surprise            | 4.84%        |
| Quarterly EPS           | 1.30         |
| Annual EPS (TTM)        | 4.05         |

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of Oct. 26, the total long-term debt was \$7.47 billion, down from \$8.46 as of July 27.

NVIDIA generated \$23.75 billion in operating cash flow during the third quarter and \$66.53 billion in the first three quarters of fiscal 2026. NVIDIA generated free cash flow of \$22.09 billion in the third quarter and \$61.68 billion in the first three quarters of fiscal 2026.

In the fiscal third quarter, the company returned \$243 million to its shareholders through dividend payouts and repurchased stocks worth \$12.46 billion. In the first three quarters of fiscal 2026, NVIDIA paid \$732 million in dividends and bought back shares worth \$36.27 billion.

On Aug. 26, 2025, NVIDIA's board of directors approved a new \$60 billion share repurchase authorization.

#### **NVIDIA Initiates Q4 2026 Guidance**

For the fourth quarter of fiscal 2026, NVIDIA anticipates revenues of \$65 billion (+/-2%). The non-GAAP gross margin is projected to be 75% (+/-50 bps). Non-GAAP operating expenses are estimated at \$5 billion.

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## Recent News

On Jan. 8, NVIDIA announced that the Japan Science and Technology Agency has developed Monshot humanoid caregiving robots for geriatric care using NVIDIA's AI technology.

On Jan. 8, NVIDIA announced that Lawrence Berkeley National Laboratory ALS facility has implemented its Accelerator Assistant, a large language model (LLM)-driven system for X-ray research.

On Jan. 6, NVIDIA announced that Siemens collaborated with it to build an industrial AI operating system, integrating AI across design, production, and supply chains to accelerate adaptive manufacturing and digital twin workflows.

On Jan. 5, NVIDIA announces RTX accelerations for open models and tools on PCs, boosting 4K AI video generation and developer workflows with performance and memory optimizations.

On Jan. 5, NVIDIA launched DLSS 4.5 with advanced frame-generation and transformer Super Resolution, enhanced visuals/performance, plus G-SYNC Pulsar monitors and RTX Remix gaming features.

On Jan. 5, NVIDIA announced the launch of the Rubin AI platform, open models for autonomy and robotics, and highlighted AI across computing, driving, and RTX ecosystems.

On Jan. 5, NVIDIA announced the integration of its BlueField-powered acceleration and cybersecurity into its Enterprise AI Factory validated design.

On Jan. 5, NVIDIA announced its Alpmayo open-source reasoning models and tools aimed at accelerating safe autonomous vehicle development.

On Dec. 15, NVIDIA debuted the Nemotron 3 family of open models, introducing a new hybrid mixture-of-experts architecture to deliver higher throughput and accuracy for building agentic AI applications at scale.

On Dec. 1, NVIDIA and Synopsys announced an expanded strategic partnership to advance GPU-accelerated engineering and design, spanning CUDA computing, AI, and digital twins, alongside a \$2 billion NVIDIA investment in Synopsys.

On Nov. 17, NVIDIA unveiled NVIDIA Apollo, an open model for accelerating industrial and computational engineering.

On Nov. 17, NVIDIA announced that Japan's leading national research institute, RIKEN, is integrating NVIDIA GB200 NVL4 systems with two new supercomputers in Japan.

On Oct. 30, NVIDIA announced a collaboration with the South Korean government and major industry leaders to build a national AI infrastructure with more than 260,000 NVIDIA GPUs, driving innovation, industrial transformation, and job creation.

On Oct. 30, NVIDIA and Samsung announced plans to build an AI factory powered by 50,000 NVIDIA GPUs to accelerate intelligent manufacturing, chip innovation, and AI-driven robotics worldwide.

On Oct. 30, NVIDIA and SK Group announced plans to build an AI factory powered by more than 50,000 NVIDIA GPUs to accelerate Korea's manufacturing, semiconductor innovation, and digital transformation.

On Oct. 30, NVIDIA and Hyundai Motor Group announced a partnership to build an AI factory powered by NVIDIA Blackwell to accelerate AI-driven mobility, autonomous driving, smart factory, and robotics innovation.

On Oct. 28, NVIDIA announced a collaboration with Oracle to build the U.S. Department of Energy's (DOE) largest AI supercomputer to accelerate scientific discovery.

On Oct. 28, NVIDIA announced America's first AI-native wireless stack for 6G, including new applications to advance next-generation wireless technology, in collaboration with industry-leading partners Booz Allen, Cisco, MITRE, ODC and T-Mobile.

On Oct. 28, NVIDIA announced that it has partnered with Uber to scale the world's largest level 4-ready mobility network, using the company's next-generation robotaxi and autonomous delivery fleets.

On Oct. 28, NVIDIA announced that the nation's leading manufacturers, industrial software developers and robotics companies are using NVIDIA Omniverse technologies to build state-of-the-art robotic factories and new autonomous collaborative robots to help overcome labor shortages and drive American reindustrialization.

On Oct. 28, NVIDIA announced collaborating with Palantir Technologies to build a first-of-its-kind integrated technology stack for operational AI, including analytics capabilities, reference workflows, automation features and customizable, specialized AI agents, to accelerate and optimize complex enterprise and government systems.

On Oct. 28, NVIDIA unveiled NVIDIA NVQLink, an open system architecture for tightly coupling the extreme performance of GPU computing with quantum processors to build accelerated quantum supercomputers.

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## Valuation

NVIDIA shares have gained 1% in the past three months while surging 12.8% in the past six months. Stocks in the Zacks sub-industry appreciated 3.9% and the Zacks Technology sector returned 7.3% in the past three months. In the past six months, the Zacks sub-industry rallied 14% and the sector grew 19.1%.

The S&P 500 Index has returned 6.9% in the past three months and 13.1% in the past six months.

The stock is currently trading at 26.31x forward 12-month earnings, which compares with 28.34x for the Zacks sub-industry, 27.76x for the Zacks sector, and 23.21x for the S&P 500 Index.

Over the past five years, the stock has traded as high as 106.30x and as low as 21.78x, with a five-year median of 42.09x. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$213 price target reflects 31.34x forward 12-month earnings.

The table below shows summary valuation data for NVDA.

| Valuation Multiples - NVDA |               |        |              |        |         |
|----------------------------|---------------|--------|--------------|--------|---------|
|                            |               | Stock  | Sub-Industry | Sector | S&P 500 |
| P/E F12M                   | Current       | 27.25  | 29.06        | 27.02  | 21.63   |
|                            | 5-Year High   | 106.30 | 46.56        | 29.13  | 24.15   |
|                            | 5-Year Low    | 21.78  | 18.68        | 18.52  | 15.61   |
|                            | 5-Year Median | 42.09  | 31.09        | 24.98  | 20.30   |
| P/S F12M                   | Current       | 15.09  | 18.12        | 5.78   | 4.91    |
|                            | 5-Year High   | 29.17  | 23.26        | 7.38   | 5.53    |
|                            | 5-Year Low    | 9.29   | 10.96        | 4.26   | 3.84    |
|                            | 5-Year Median | 17.87  | 16.70        | 6.10   | 4.90    |
| P/B TTM                    | Current       | 37.82  | 32.90        | 10.82  | 8.60    |
|                            | 5-Year High   | 67.87  | 49.08        | 11.66  | 9.13    |
|                            | 5-Year Low    | 11.72  | 11.04        | 6.50   | 6.57    |
|                            | 5-Year Median | 34.15  | 26.12        | 9.57   | 8.05    |

As of 01/08/2026

Source: Zacks Investment Research



## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 8% (20 out of 244)



## Top Peers<sup>(1)</sup>

| Company (Ticker)               | Rec        | Rank |
|--------------------------------|------------|------|
| Amtech Systems, Inc. (ASYS)    | Outperform | 1    |
| Advanced Micro Devic...(AMD)   | Neutral    | 3    |
| Intel Corporation (INTC)       | Neutral    | 3    |
| STMicroelectronics N...(STM)   | Neutral    | 3    |
| SUMCO (SUOPY)                  | Neutral    | 4    |
| Thk Co., Ltd. (THKLY)          | Neutral    | 2    |
| Texas Instruments In...(TXN)   | Neutral    | 2    |
| Screen Holdings Co.,...(DINRF) | NA         |      |

## Industry Comparison<sup>(1)</sup> Industry: Semiconductor - General

|                                  | NVDA        | X Industry | S&P 500   | INTC       | STM       | TXN       |
|----------------------------------|-------------|------------|-----------|------------|-----------|-----------|
| Zacks Recommendation (Long Term) | Outperform  | -          | -         | Neutral    | Neutral   | Neutral   |
| Zacks Rank (Short Term)          | 1           | -          | -         | 3          | 3         | 2         |
| VGM Score                        | C           | -          | -         | C          | C         | D         |
| Market Cap                       | 4,492.10 B  | 18.22 B    | 40.82 B   | 217.59 B   | 25.90 B   | 172.92 B  |
| # of Analysts                    | 17          | 10         | 22        | 16         | 3         | 10        |
| Dividend Yield                   | 0.02%       | 0.49%      | 1.37%     | 0.00%      | 1.06%     | 2.98%     |
| Value Score                      | F           | -          | -         | D          | B         | D         |
| Cash/Price                       | 0.01        | 0.13       | 0.04      | 0.14       | 0.18      | 0.03      |
| EV/EBITDA                        | 51.53       | 16.63      | 15.05     | 1,365.17   | 6.33      | 24.04     |
| PEG Ratio                        | 0.81        | 3.33       | 2.07      | 8.40       | 3.59      | 3.07      |
| Price/Book (P/B)                 | 37.78       | 2.71       | 3.46      | 1.86       | 1.43      | 10.40     |
| Price/Cash Flow (P/CF)           | 60.46       | 14.62      | 15.57     | 25.58      | 7.81      | 27.16     |
| P/E (F1)                         | 39.75       | 32.02      | 18.90     | 77.95      | 27.53     | 31.67     |
| Price/Sales (P/S)                | 24.00       | 2.53       | 3.12      | 4.07       | 2.20      | 10.02     |
| Earnings Yield                   | 2.52%       | 3.09%      | 5.28%     | 1.27%      | 3.64%     | 3.16%     |
| Debt/Equity                      | 0.06        | 0.19       | 0.57      | 0.38       | 0.11      | 0.81      |
| Cash Flow (\$/share)             | 3.06        | 3.38       | 8.98      | 1.78       | 3.69      | 7.01      |
| Growth Score                     | B           | -          | -         | B          | F         | D         |
| Hist. EPS Growth (3-5 yrs)       | 94.19%      | -6.89%     | 8.24%     | -63.88%    | -5.07%    | -8.10%    |
| Proj. EPS Growth (F1/F0)         | 55.52%      | 59.60%     | 9.16%     | NA         | -57.83%   | 5.00%     |
| Curr. Cash Flow Growth           | 140.54%     | -16.47%    | 7.00%     | -31.25%    | -42.53%   | -17.18%   |
| Hist. Cash Flow Growth (3-5 yrs) | 87.52%      | 6.24%      | 7.49%     | -25.05%    | 11.47%    | 1.01%     |
| Current Ratio                    | 4.47        | 3.17       | 1.19      | 1.60       | 3.22      | 4.45      |
| Debt/Capital                     | 5.91%       | 15.73%     | 38.14%    | 27.40%     | 9.54%     | 44.89%    |
| Net Margin                       | 53.01%      | 3.20%      | 12.77%    | 0.37%      | 4.55%     | 29.21%    |
| Return on Equity                 | 99.24%      | 3.00%      | 17.03%    | -0.75%     | 4.06%     | 30.41%    |
| Sales/Assets                     | 1.39        | 0.58       | 0.53      | 0.27       | 0.47      | 0.50      |
| Proj. Sales Growth (F1/F0)       | 63.10%      | 6.88%      | 5.34%     | -1.00%     | -11.40%   | 13.10%    |
| Momentum Score                   | C           | -          | -         | B          | B         | B         |
| Daily Price Chg                  | -0.10%      | 1.92%      | 0.65%     | 10.80%     | 2.85%     | 0.99%     |
| 1 Week Price Chg                 | -2.11%      | 6.29%      | 1.57%     | 15.67%     | 5.37%     | 7.20%     |
| 4 Week Price Chg                 | 5.62%       | 9.91%      | 2.03%     | 20.47%     | 10.92%    | 6.07%     |
| 12 Week Price Chg                | 0.90%       | 4.34%      | 4.54%     | 23.08%     | -1.40%    | 7.78%     |
| 52 Week Price Chg                | 36.02%      | 33.23%     | 19.55%    | 137.86%    | 17.48%    | 0.08%     |
| 20 Day Average Volume            | 142,506,128 | 2,534,677  | 2,391,362 | 70,183,888 | 4,828,025 | 6,171,981 |
| (F1) EPS Est 1 week change       | 0.00%       | 0.00%      | 0.00%     | 0.00%      | 0.00%     | 0.00%     |
| (F1) EPS Est 4 week change       | 0.00%       | 0.00%      | 0.00%     | 0.00%      | 0.00%     | 0.67%     |
| (F1) EPS Est 12 week change      | 5.01%       | 5.01%      | 0.48%     | 31.61%     | -21.39%   | -7.06%    |
| (Q1) EPS Est Mthly Chg           | 0.00%       | 0.00%      | 0.00%     | 0.00%      | 0.00%     | 0.85%     |

## Analyst Earnings Model<sup>(2)</sup>

### NVIDIA Corporation (NVDA)

In \$MM, except per share data

|  | 2023A      | 2024A      | 2025A       | 2026 E     |             |             | 2027E      |             |            | 2028E      |            |            |             |             |
|--|------------|------------|-------------|------------|-------------|-------------|------------|-------------|------------|------------|------------|------------|-------------|-------------|
|  | FY         | FY         | FY          | 1QA        | 2QA         | 3QA         | 4QE        | FY          | 1QE        | 2QE        | 3QE        | 4QE        | FY          | FY          |
| FY Ends January 31 st                              | Jan-23     | Jan-24     | Jan-25      | 30-Apr-25  | 31-Jul-25   | 31-Oct-25   | 31-Jan-26  | Jan-26      | 30-Apr-26  | 31-Jul-26  | 31-Oct-26  | 31-Jan-27  | Jan-27      | Jan-28      |
| Income Statement                                   |            |            |             |            |             |             |            |             |            |            |            |            |             |             |
| Total Revenue                                      | \$26,974.0 | \$60,922.0 | \$130,497.0 | \$44,062.0 | \$46,743.0  | \$57,006.0  | \$65,076.1 | \$212,887.1 | \$67,378.6 | \$71,774.0 | \$77,678.9 | \$79,713.8 | \$296,545.3 | \$363,982.1 |
| YoY % Chng   | 0.2%       | 125.9%     | 114.2%      | 69.2%      | 55.6%       | 62.5%       | 65.5%      | 63.1%       | 52.9%      | 53.6%      | 36.3%      | 22.5%      | 39.3%       | 22.7%       |
| Cost of Revenue, Non-GAAP                          | \$11,009.0 | \$15,964.0 | \$31,992.0  | \$17,204.0 | \$12,783.0  | \$15,039.0  | \$16,287.0 | \$61,313.0  | \$18,158.8 | \$19,685.2 | \$21,320.1 | \$22,090.9 | \$81,255.0  | \$97,364.6  |
| Cost of Revenue, GAAP                              | \$11,618.0 | \$16,621.0 | \$32,639.0  | \$17,394.0 | \$12,890.0  | \$15,157.0  | \$16,368.6 | \$61,809.6  | \$18,326.0 | \$19,830.5 | \$21,472.2 | \$22,244.7 | \$81,873.3  | \$98,101.4  |
| Gross Profit, Non-GAAP                             | \$15,965.0 | \$44,959.0 | \$98,505.0  | \$26,858.0 | \$33,960.0  | \$41,967.0  | \$48,789.2 | \$151,574.2 | \$49,219.9 | \$52,088.8 | \$56,358.8 | \$57,622.9 | \$215,290.3 | \$266,617.5 |
| Gross Profit, GAAP                                 | \$15,356.0 | \$44,301.0 | \$97,858.0  | \$26,668.0 | \$33,853.0  | \$41,849.0  | \$48,707.5 | \$151,077.5 | \$49,052.7 | \$51,943.5 | \$56,206.7 | \$57,469.1 | \$214,672.0 | \$265,880.7 |
| Research and Development, Non-GAAP                 | \$5,408.0  | \$6,094.0  | \$9,412.0   | \$2,898.0  | \$3,071.0   | \$3,464.0   | \$4,140.4  | \$13,573.4  | \$4,309.9  | \$4,558.6  | \$4,891.2  | \$5,063.2  | \$18,823.0  | \$23,078.7  |
| Research and Development, GAAP                     | \$7,339.0  | \$8,675.0  | \$12,914.0  | \$3,989.0  | \$4,291.0   | \$4,705.0   | \$5,454.9  | \$18,439.9  | \$5,624.3  | \$5,878.9  | \$6,209.3  | \$6,375.9  | \$24,088.3  | \$28,486.7  |
| Sales, General and Administrative, Non-GAAP        | \$1,580.0  | \$1,721.0  | \$2,304.0   | \$685.0    | \$739.0     | \$751.0     | \$861.5    | \$3,036.5   | \$973.1    | \$1,016.8  | \$1,068.5  | \$1,108.1  | \$4,166.4   | \$5,088.4   |
| Sales, General and Administrative, GAAP            | \$2,440.0  | \$2,654.0  | \$3,491.0   | \$1,041.0  | \$1,122.0   | \$1,134.0   | \$1,241.5  | \$4,538.5   | \$1,357.7  | \$1,398.2  | \$1,448.7  | \$1,489.8  | \$5,894.5   | \$6,666.2   |
| Other  | \$54.0     | (\$10.0)   | \$0.0       | \$0.0      | \$0.0       | \$0.0       | \$0.0      | \$0.0       | \$0.0      | \$0.0      | \$0.0      | \$0.0      | \$0.0       | \$0.0       |
| Contributions                                      | \$2.0      | \$0.0      | \$0.0       | \$0.0      | \$0.0       | \$0.0       | \$0.0      | \$0.0       | \$0.0      | \$0.0      | \$0.0      | \$0.0      | \$0.0       | \$0.0       |
| Legal Settlement Costs                             | \$7.0      | \$0.0      | \$0.0       | \$0.0      | \$0.0       | \$0.0       | \$0.0      | \$0.0       | \$0.0      | \$0.0      | \$0.0      | \$0.0      | \$0.0       | \$0.0       |
| Acquisition Termination Cost                       | \$1,353.0  | \$0.0      | \$0.0       | \$0.0      | \$0.0       | \$0.0       | \$0.0      | \$0.0       | \$0.0      | \$0.0      | \$0.0      | \$0.0      | \$0.0       | \$0.0       |
| Total Operating Expense, Non-GAAP                  | \$6,925.0  | \$7,825.0  | \$11,716.0  | \$3,583.0  | \$3,795.0   | \$4,215.0   | \$5,002.0  | \$16,595.0  | \$5,283.0  | \$5,575.4  | \$5,959.7  | \$6,171.3  | \$22,989.4  | \$28,167.1  |
| Total Operating Expense, GAAP                      | \$11,132.0 | \$11,329.0 | \$16,405.0  | \$5,030.0  | \$5,413.0   | \$5,839.0   | \$6,696.5  | \$22,978.5  | \$6,982.0  | \$7,277.1  | \$7,668.0  | \$7,865.7  | \$29,782.8  | \$35,152.9  |
| Stock-Based Compensation Expense                   | \$2,709.0  | \$3,549.0  | \$4,737.0   | \$1,474.0  | \$1,624.0   | \$1,655.0   | \$1,649.9  | \$6,402.9   | \$1,653.8  | \$1,652.1  | \$1,661.4  | \$1,656.2  | \$6,623.5   | \$6,868.5   |
| Operating Income, Non-GAAP                         | \$9,040.0  | \$37,134.0 | \$86,789.0  | \$23,275.0 | \$30,165.0  | \$37,752.0  | \$43,787.2 | \$134,979.2 | \$43,936.9 | \$46,513.4 | \$50,399.0 | \$51,451.6 | \$192,300.9 | \$238,450.4 |
| YoY % Chng   | (28.8%)    | 310.8%     | 133.7%      | 28.9%      | 51.3%       | 62.2%       | 71.6%      | 55.5%       | 88.8%      | 54.2%      | 33.5%      | 17.5%      | 42.5%       | 24.0%       |
| Operating Income, GAAP                             | \$4,224.0  | \$32,972.0 | \$81,463.0  | \$21,638.0 | \$28,440.0  | \$36,010.0  | \$42,011.1 | \$128,099.1 | \$42,070.7 | \$44,666.4 | \$48,548.7 | \$49,603.4 | \$184,889.2 | \$230,727.8 |
| YoY % Chng   | (57.9%)    | 680.6%     | 147.0%      | 28.0%      | 52.6%       | 64.7%       | 74.8%      | 57.3%       | 94.4%      | 57.1%      | 34.8%      | 18.1%      | 44.3%       | 24.8%       |
| Interest Income                                    | \$267.0    | \$866.0    | \$1,786.0   | \$515.0    | \$592.0     | \$624.0     | \$636.0    | \$2,367.0   | \$660.9    | \$685.3    | \$708.3    | \$702.4    | \$2,756.9   | \$2,921.7   |
| Interest Expense                                   | \$262.0    | \$257.0    | \$63.0      | \$62.0     | \$62.0      | \$61.0      | \$61.5     | \$247.5     | \$60.1     | \$61.6     | \$61.5     | \$61.5     | \$244.7     | \$259.8     |
| Other (Income) Expense, Net                        | \$48.0     | (\$237.0)  | (\$1,034.0) | \$180.0    | (\$2,236.0) | (\$1,363.0) | \$73.3     | (\$3,345.7) | \$98.8     | \$122.8    | \$139.7    | \$137.5    | \$498.9     | \$593.7     |
| Interest and Other (Income) Expense, Net, Non-GAAP | (\$7.0)    | (\$612.0)  | (\$1,547.0) | (\$448.0)  | (\$520.0)   | (\$573.0)   | (\$503.7)  | (\$2,044.7) | (\$500.0)  | (\$501.3)  | (\$501.0)  | (\$501.3)  | (\$2,003.6) | (\$2,074.3) |
| Interest and Other (Income) Expense, Net, GAAP     | \$43.0     | (\$846.0)  | (\$2,573.0) | (\$272.0)  | (\$2,766.0) | (\$1,926.0) | (\$501.3)  | (\$5,465.3) | (\$501.9)  | (\$500.9)  | (\$507.2)  | (\$503.4)  | (\$2,013.3) | (\$2,068.2) |
| Pre-Tax Income, Non-GAAP                           | \$9,047.0  | \$37,746.0 | \$88,336.0  | \$23,723.0 | \$30,686.0  | \$38,325.0  | \$44,291.0 | \$137,024.0 | \$44,436.9 | \$47,014.7 | \$50,900.0 | \$51,952.9 | \$194,304.5 | \$240,524.8 |
| YoY % Chng   | (27.6%)    | 317.2%     | 134.0%      | 29.2%      | 51.0%       | 61.8%       | 70.5%      | 55.1%       | 87.3%      | 53.2%      | 32.8%      | 17.3%      | 41.8%       | 23.8%       |
| Pre-Tax Income, GAAP                               | \$4,181.0  | \$33,818.0 | \$84,026.0  | \$21,910.0 | \$31,206.0  | \$37,936.0  | \$42,512.3 | \$133,564.3 | \$42,572.6 | \$45,167.3 | \$49,055.9 | \$50,106.7 | \$186,902.5 | \$232,796.0 |
| YoY % Chng   | (57.9%)    | 708.8%     | 148.5%      | 26.8%      | 62.4%       | 70.0%       | 68.6%      | 59.0%       | 94.3%      | 44.7%      | 29.3%      | 17.9%      | 39.9%       | 24.6%       |
| Income Tax, Non-GAAP                               | \$681.0    | \$5,434.0  | \$14,071.0  | \$3,829.0  | \$4,950.0   | \$6,558.0   | \$7,750.9  | \$23,087.9  | \$7,554.3  | \$7,992.5  | \$8,653.0  | \$8,832.0  | \$33,031.8  | \$40,889.2  |
| YoY % Chng   | (44.9%)    | 697.9%     | 158.9%      | 22.6%      | 47.1%       | 78.4%       | 98.4%      | 64.1%       | 97.3%      | 61.5%      | 31.9%      | 13.9%      | 43.1%       | 23.8%       |
| Income Tax, GAAP                                   | (\$187.0)  | \$4,058.0  | \$11,146.0  | \$3,135.0  | \$4,784.0   | \$6,026.0   | \$7,439.7  | \$21,384.7  | \$7,237.3  | \$7,678.4  | \$8,339.5  | \$8,518.1  | \$31,773.4  | \$39,575.3  |
| YoY % Chng   | (198.9%)   | 2,270.1%   | 174.7%      | 30.7%      | 82.9%       | 100.4%      | 138.0%     | 91.9%       | 130.9%     | 60.5%      | 38.4%      | 14.5%      | 48.6%       | 24.6%       |
| Tax Rate, Non-GAAP                                 | 7.5%       | 14.4%      | 15.9%       | 16.1%      | 16.1%       | 17.1%       | 17.5%      | 16.8%       | 17.0%      | 17.0%      | 17.0%      | 17.0%      | 17.0%       | 17.0%       |
| Tax Rate, GAAP                                     | (4.5%)     | 12.0%      | 13.3%       | 14.3%      | 15.3%       | 15.9%       | 17.5%      | 16.0%       | 17.0%      | 17.0%      | 17.0%      | 17.0%      | 17.0%       | 17.0%       |
| Net Income, Non-GAAP                               | \$8,366.0  | \$32,312.0 | \$74,265.0  | \$19,894.0 | \$25,783.0  | \$31,767.0  | \$36,540.0 | \$113,984.0 | \$36,882.6 | \$39,022.2 | \$42,247.0 | \$43,120.9 | \$161,272.8 | \$199,635.6 |
| YoY % Chng   | (25.7%)    | 286.2%     | 129.8%      | 30.6%      | 52.1%       | 58.8%       | 65.6%      | 53.5%       | 85.4%      | 51.3%      | 33.0%      | 18.0%      | 41.5%       | 23.8%       |
| Net Income, GAAP                                   | \$4,368.0  | \$29,760.0 | \$72,880.0  | \$18,775.0 | \$26,422.0  | \$31,910.0  | \$35,072.7 | \$112,179.7 | \$35,335.3 | \$37,488.8 | \$40,716.4 | \$41,588.6 | \$155,129.1 | \$193,220.7 |
| YoY % Chng   | (55.2%)    | 581.3%     | 144.9%      | 26.2%      | 59.2%       | 65.3%       | 58.8%      | 53.9%       | 88.2%      | 41.9%      | 27.6%      | 18.6%      | 38.3%       | 24.6%       |
| Basic Shares Outstanding                           | 24,870.0   | 24,692.3   | 24,555.0    | 24,441.0   | 24,366.0    | 24,327.0    | 24,289.0   | 24,355.8    | 24,251.0   | 24,213.0   | 24,175.0   | 24,137.0   | 24,194.0    | 24,042.0    |
| YoY % Chng   | (0.3%)     | (0.7%)     | (0.6%)      | (0.7%)     | (0.9%)      | (0.8%)      | (0.8%)     | (0.8%)      | (0.8%)     | (0.6%)     | (0.6%)     | (0.6%)     | (0.7%)      | (0.6%)      |
| Diluted Shares Outstanding                         | 25,072.5   | 24,933.5   | 24,804.0    | 24,611.0   | 24,532.0    | 24,483.0    | 24,445.0   | 24,517.8    | 24,407.0   | 24,369.0   | 24,331.0   | 24,293.0   | 24,350.0    | 24,198.0    |
| YoY % Chng   | (1.1%)     | (0.6%)     | (0.5%)      | (1.1%)     | (1.3%)      | (1.2%)      | (1.1%)     | (1.2%)      | (0.8%)     | (0.7%)     | (0.6%)     | (0.6%)     | (0.7%)      | (0.6%)      |
| Basic EPS  | \$0.18     | \$1.20     | \$2.97      | \$0.77     | \$1.08      | \$1.31      | \$1.44     | \$4.60      | \$1.46     | \$1.55     | \$1.68     | \$1.72     | \$6.41      | \$8.04      |
| YoY % Chng   | (55.0%)    | 584.8%     | 146.9%      | 28.3%      | 58.8%       | 65.8%       | 60.4%      | 55.0%       | 89.2%      | 43.4%      | 28.6%      | 19.3%      | 39.3%       | 25.3%       |
| Diluted EPS, Non-GAAP                              | \$0.33     | \$1.30     | \$2.99      | \$0.81     | \$1.05      | \$1.30      | \$1.49     | \$4.65      | \$1.51     | \$1.60     | \$1.74     | \$1.78     | \$6.62      | \$8.25      |
| YoY % Chng   | (25.0%)    | 289.5%     | 130.5%      | 32.8%      | 54.4%       | 60.5%       | 68.0%      | 55.7%       | 86.6%      | 52.5%      | 33.6%      | 18.7%      | 42.3%       | 24.6%       |
| Diluted EPS, GAAP                                  | \$0.17     | \$1.19     | \$2.94      | \$0.76     | \$1.08      | \$1.30      | \$1.43     | \$4.57      | \$1.45     | \$1.54     | \$1.67     | \$1.71     | \$6.37      | \$7.99      |
| YoY % Chng   | (54.7%)    | 585.6%     | 146.2%      | 26.7%      | 61.2%       | 66.7%       | 61.2%      | 55.6%       | 90.5%      | 42.4%      | 28.7%      | 19.3%      | 39.3%       | 25.3%       |
| Dividend per Share                                 | \$0.16     | \$0.16     | \$0.03      | \$0.01     | \$0.01      | \$0.01      | \$0.04     | \$0.07      | \$0.04     | \$0.04     | \$0.04     | \$0.04     | \$0.16      | \$0.16      |

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

## Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

## Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

## Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

|                |          |
|----------------|----------|
| Value Score    | <b>F</b> |
| Growth Score   | <b>B</b> |
| Momentum Score | <b>C</b> |
| VGM Score      | <b>C</b> |

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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