

Rivian Automotive (RIVN)

\$17.63 (Stock Price as of 12/17/2025)

Price Target (6-12 Months): **\$19.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 11/10/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: C

Value: F

Growth: B

Momentum: A

Summary

Rivian aims to broaden its reach with the upcoming R2 and R3 models, targeting more budget-conscious consumers. The company anticipates the R2's launch will accelerate its path to profitability and help reduce fixed costs per unit across all vehicles due to higher production volumes. The JV with Volkswagen will leverage Rivian's existing technology to support the launch of the R2 in the first half of 2026. However, amid tariff woes, Rivian now expects lower year-over-year deliveries in 2025. The company's cash balance has been declining. Also, its high capex forecast is likely to further strain near-term financials and cash flows. While Rivian's vehicle manufacturing is entirely U.S.-based, the company remains vulnerable to economic disruptions. The stock warrants a cautious stance.

Data Overview

52 Week High-Low	\$19.60 - \$10.36
20 Day Average Volume (sh)	43,832,252
Market Cap	\$21.9 B
YTD Price Change	34.6%
Beta	1.79
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Automotive - Domestic
Zacks Industry Rank	Top 41% (100 out of 243)

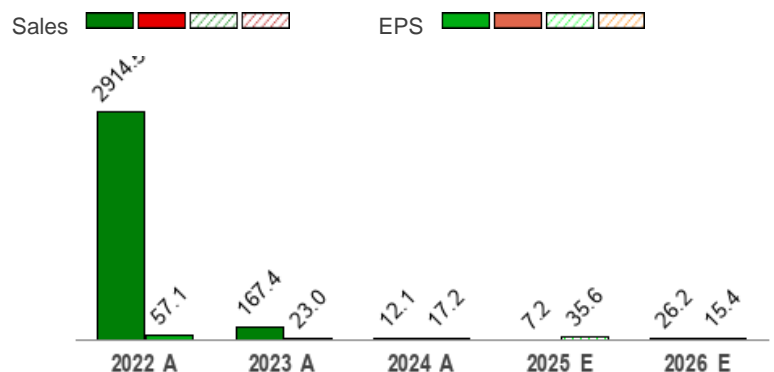
Last EPS Surprise	2.8%
Last Sales Surprise	7.0%
EPS F1 Est- 4 week change	1.6%
Expected Report Date	02/19/2026
Earnings ESP	-15.5%

P/E TTM	NA
P/E F1	NA
PEG F1	NA
P/S TTM	3.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,393 E	1,590 E	1,740 E	1,967 E	6,699 E
2025	1,240 A	1,303 A	1,558 A	1,257 E	5,369 E
2024	1,204 A	1,158 A	874 A	1,734 A	4,970 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	-0.69 E	-0.65 E	-0.61 E	-0.52 E	-2.31 E
2025	-0.41 A	-0.80 A	-0.70 A	-0.68 E	-2.59 E
2024	-1.19 A	-1.21 A	-1.03 A	-0.52 A	-4.04 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 12/17/2025.

(2) The report's text and the price target are as of 12/08/2025.

Overview

Rivian Automotive Inc. is a California-based electric vehicle (EV) company that designs and manufactures EVs, accessories, and related services. The company went public on November 10, 2021.

It currently operates through two main segments: the Automotive Segment and the Software and Services Segment.

Automotive Segment: Rivian's consumer lineup is built on the R1 platform, which includes the R1T pickup truck and the R1S SUV. These vehicles feature Rivian's own technology, such as electric powertrains, zonal network architecture, and the Rivian Autonomy Platform.

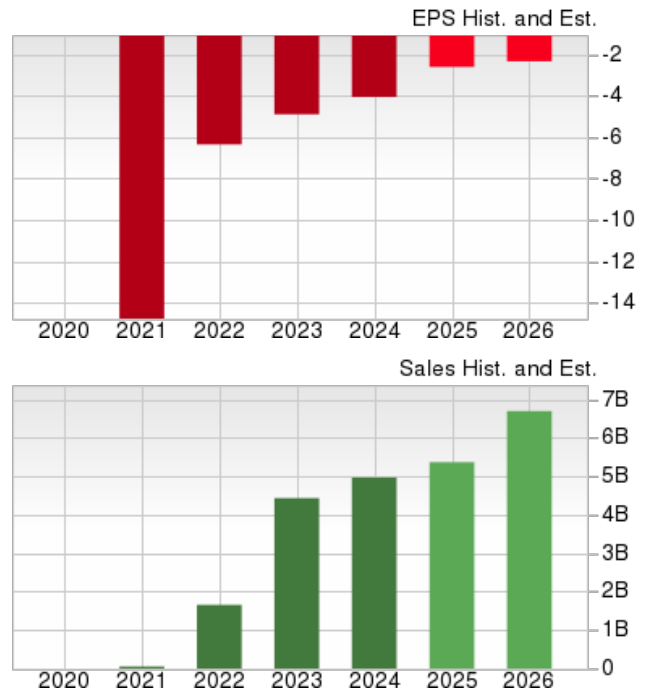
Rivian developed the RCV (Rivian Commercial Van) platform for fleet customers, with Amazon as its first major partner. Amazon's Electric Delivery Vans (EDVs), built on this platform, have already surpassed 20,000 units on the road. In 2024 alone, these vans helped deliver over 1 billion packages across the United States.

The company produces all its vehicles at its factory in Normal, Illinois. This facility can manufacture up to 150,000 vehicles per year at full capacity—split between 85,000 for the R1 platform and 65,000 for the RCV platform. Rivian is also planning to launch a new midsize platform (MSP) that will support its upcoming R2 and R3 models.

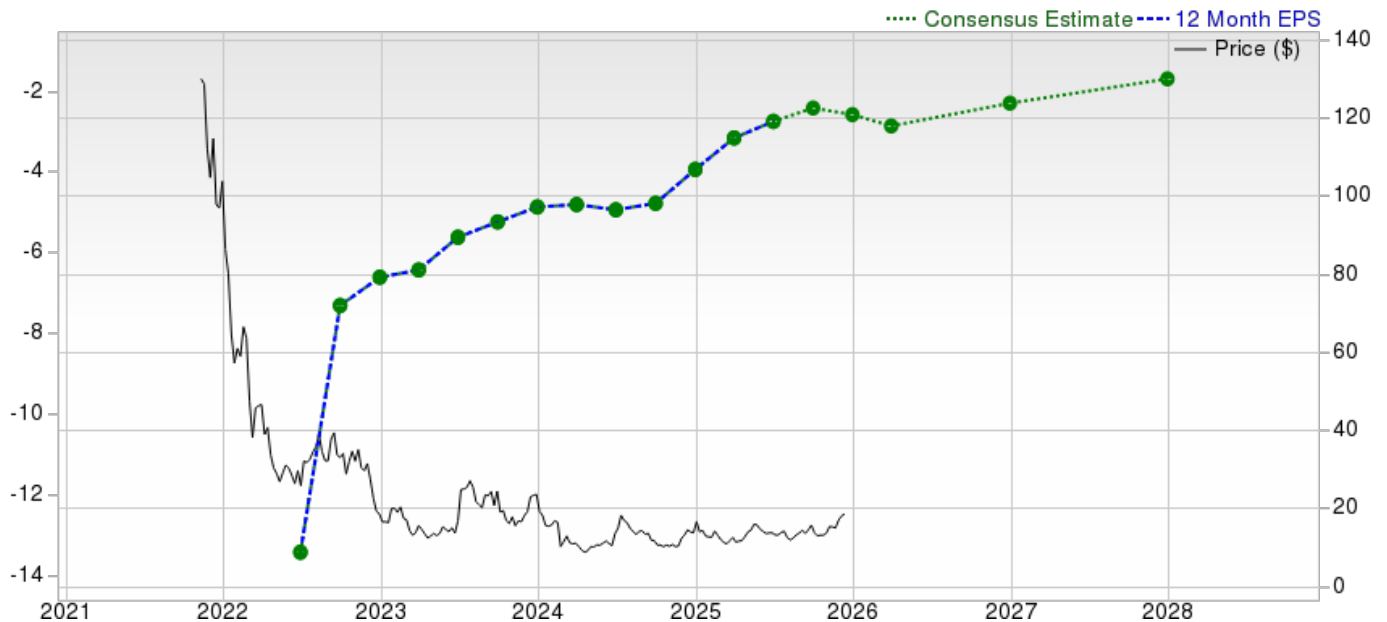
The automotive segment made up 90.2% of Rivian's total revenue in 2024.

Software and Services Segment: Beyond vehicles, Rivian offers various services designed to build brand loyalty and generate recurring revenue. These include software subscriptions, financing, insurance, charging, vehicle repairs, and accessories. The company also provides vehicle software development through a joint venture. This segment contributed 9.8% of Rivian's total revenue in 2024.

By expanding its vehicle lineup and service offerings, Rivian aims to strengthen its market presence and drive long-term growth.



As of 12/17/2025



As of 12/17/2025

Reasons To Buy:

- ▲ **Affordable R2 Model Could Be a Game-Changer:** Rivian aims to broaden its reach with the upcoming R2 and R3 models, targeting more budget-conscious consumers. The R2, a midsize SUV, is slated for launch in the first half of 2026 with a starting price around \$45,000—significantly lower than the premium R1 lineup. Rivian views the R2 as a key growth driver, citing major cost efficiencies in both materials and manufacturing. The company anticipates the R2's launch will accelerate its path to profitability and help reduce fixed costs per unit across all vehicles produced at its Normal, Illinois plant due to higher production volumes.
- ▲ **Mega Deal With Volkswagen:** Rivian's deal with Volkswagen is a major catalyst. The German auto giant will invest up to \$5.8 billion in Rivian and their joint venture (JV) by 2027. So far, it has received \$3.3 billion and expects to receive another \$2.5 billion. The partnership focuses on developing Rivian's next-generation electrical architecture and software, starting with the R2 model. The JV will leverage Rivian's existing technology to support the launch of the R2 in the first half of 2026.
- ▲ **Cost-Cut Efforts:** Rivian is benefiting from engineering optimizations, supply chain savings and lower commodity costs. The second-generation R1 models are expected to reduce material costs by 20%, while operational efficiencies at the Normal plant further support cost-cutting efforts. R2 model's material costs are expected to be nearly 50% lower than R1's and other production costs also halved.
- ▲ **Commercial Van Business Gaining Traction:** In 2024, Amazon's Rivian-built Electric Delivery Vans (EDVs) delivered over one billion packages in the United States, highlighting the strength of their partnership and Rivian's scalable technology. With more than 20,000 EDVs now in service, Rivian continues to support Amazon's push for a greener delivery network. Beyond Amazon, Rivian's Commercial Van (RCV) business is expanding, attracting interest from various trades and delivery services.

Rivian stands to gain from its Volkswagen partnership, cost cuts, strong commercial van business, and upcoming affordable R2 model next year

Reasons To Sell:

- ▼ **Muted 2025 Forecast:** Amid tariff woes, Rivian now guides 2025 deliveries at 41,500-43,500 units, down from 51,579 units in 2024. The guidance is also narrower than the range of 40,000-46,000 units guided earlier. It expects adjusted EBITDA loss to \$2-\$2.25 billion amid higher operating expenses, resulting from increased R&D spending on prototyping for the upcoming R2 launch and training for the autonomy platform. SG&A expenses are also rising, reflecting the expansion of sales and service operations.
- ▼ **Ongoing Cash Burn Amid Heavy Investment:** Rivian's cash balance declined to \$7.1 billion at the end of Q3 2025, down from \$7.7 billion in 2024, as the company continues to burn cash while pursuing long-term growth. Additionally, the company's high capex forecast to \$1.8-\$1.9 billion is likely to further strain near-term financials and cash flows.
- ▼ **Exposure to Global Trade Pressures:** While Rivian's vehicle manufacturing is entirely U.S.-based and most components are sourced from the U.S. or USMCA partners, the company remains vulnerable to global trade and economic disruptions. These factors could affect material costs, availability, and demand. Notably, LG battery cells for the R2 will initially be imported from Korea—potentially subject to tariffs—until U.S. production begins in Arizona by early 2027.
- ▼ **Affordability & Competition Concerns:** Rivian's trucks are on the higher end of the market, making demand sensitive to economic conditions. The EV market is becoming increasingly crowded, with legacy automakers and new entrants fighting for market share. Rivian must differentiate itself while maintaining growth in a highly competitive environment. Its next model offering is still a year away.

Rivian faces several headwinds, including a projected drop in 2025 deliveries, ongoing cash burn, macroeconomic and tariff pressures, and intensifying competition.

Last Earnings Report

Rivian Q3 Earnings Beat Expectations, Revenues Increase Y/Y

Rivian incurred a loss of 70 cents per share in the third quarter of 2025, narrower than the Zacks Consensus Estimate of a loss of 72 cents and the year-ago period's loss of \$1.03. Revenues of \$1.56 billion beat the Zacks Consensus Estimate of \$1.46 billion and increased 78.2% on a year-over-year basis, fueled by year-over-year growth in vehicle delivery.

Key Q3 Highlights

Rivian recorded a total production of 10,720 units in the reported quarter, down from 13,157 units in the year-ago quarter. The company delivered a total of 13,201 units, up from 10,018 units a year ago.

Total gross profit amounted to \$24 million against a gross loss of \$392 million in the prior-year quarter. The gross margin for the reported quarter was 2%. Total adjusted operating expenses were \$1 billion, up from \$777 million in the prior-year quarter. Adjusted loss before interest, taxes, depreciation and amortization was \$602 million, marking a major improvement from the \$757 million loss incurred in the third quarter of 2024.

Net cash provided by operating activities for the reported quarter was \$26 million compared to \$876 million used in the prior-year quarter of 2024. Capital expenditures for the third quarter were \$447 million compared with \$277 million for the same period last year. Free cash outflow in the third quarter was \$421 million.

Segmental Performance

The Automotive segment recorded revenues of \$1.14 billion, up 47.2% year over year, primarily due to increased vehicle deliveries and average selling prices. The total cost of revenues for this segment was \$1.27 billion, up 10.1% on a year-over-year basis. The segment generated a gross loss of \$130 million in the reported quarter compared with a gross loss of \$379 million in the prior-year quarter.

The Software and Services segment recorded revenues of \$416 million and more than tripled year over year, primarily due to new vehicle electrical architecture and software development services. The total cost of revenues for this segment in the third quarter amounted to \$262 million and increased more than two-fold on a year-over-year basis. The segment generated a gross profit of \$154 million for the third quarter against the loss of \$13 million in the same quarter in 2024.

Financial Position

Rivian had \$7.09 billion in cash and cash equivalents as of Sept. 30, 2025, compared with \$7.7 billion as of Dec. 31, 2024. Long-term debt was \$4,438 million as of Sept. 30, 2025, compared with \$4,441 million as of Dec. 31, 2024.

Rivian Revises 2025 Guidance

Rivian has updated its guidance for the full-year 2025. It now expects to deliver 41,500-43,500 units compared with the prior estimate of 40,000-46,000 vehicles in 2025. Adjusted EBITDA is expected to remain negative in the band of \$2 billion to \$2.25 billion. Capital expenditures expectations are reaffirmed to be between \$1.8 billion and \$1.9 billion.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Nov 04, 2025
Sales Surprise	6.98%
EPS Surprise	2.78%
Quarterly EPS	-0.70
Annual EPS (TTM)	-2.43

Valuation

Rivian's shares are up 24.7% and 24.2% over the past six months and in the trailing 12-month period, respectively. Stocks in the Zacks Automotive-Domestic industry and the Zacks Auto-Tires-Trucks sector are up 46.8% and 31.3%, respectively, over the past six months. Over the past year, the Zacks sub industry and sector are up 16.3% and 12.5%, respectively. The S&P 500 index is up 17.3% and 16.4% over the past six months and in the past year, respectively.

The stock is currently trading at 3.32X forward 12-month price to sales ratio, which compares to 3.42X for the Zacks sub-industry, 1.57X for the Zacks sector and 5.33X for the S&P 500 index.

Over the past five years, the stock has traded as high as 1,161.6X and as low as 1.54X, with a 5-year median of 2.72X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$19 price target reflects 3.51X forward 12-month sales.

The table below shows summary valuation data for RIVN:

Valuation Multiples - RIVN					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	3.32	3.42	1.57	5.33
	5-Year High	1,161.60	4.11	1.96	5.5
	5-Year Low	1.54	1.26	0.77	3.83
	5-Year Median	2.72	2.36	1.18	5.05
EV/Sales TTM	Current	3.32	3.54	1.95	5.77
	5-Year High	1,389.30	5.03	2.46	5.81
	5-Year Low	0.96	1.37	1.05	3.78
	5-Year Median	2.69	2.55	1.57	5.12
P/B TTM	Current	4.33	8.34	3.6	8.56
	5-Year High	4.78	13.28	4.49	9.16
	5-Year Low	NA	3.2	1.81	6.6
	5-Year Median	1.86	6.29	2.82	8.04

As of 12/05/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 41% (100 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
General Motors Compa...(GM)	Outperform	1
Blue Bird Corporatio...(BLBD)	Neutral	2
Ford Motor Company (F)	Neutral	3
Lucid Group, Inc. (LCID)	Neutral	4
Li Auto Inc. Sponsor...(LI)	Neutral	4
NIO Inc. (NIO)	Neutral	3
Tesla, Inc. (TSLA)	Neutral	3
XPeng Inc. Sponsored...(XPEV)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Automotive - Domestic

	RIVN	X Industry	S&P 500	BLBD	LCID	TSLA
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	2	4	3
VGM Score	C	-	-	A	F	C
Market Cap	21.94 B	151.99 M	38.58 B	1.62 B	3.73 B	1,629.25 B
# of Analysts	4	4	22	3	2	12
Dividend Yield	0.00%	0.00%	1.42%	0.00%	0.00%	0.00%
Value Score	F	-	-	A	F	D
Cash/Price	0.31	0.16	0.04	0.14	0.57	0.03
EV/EBITDA	-5.69	0.02	14.55	7.69	-1.51	108.33
PEG Ratio	NA	1.92	2.20	2.34	NA	8.53
Price/Book (P/B)	4.32	1.14	3.33	6.36	2.07	20.20
Price/Cash Flow (P/CF)	NA	8.16	15.10	10.90	NA	126.47
P/E (F1)	NA	16.82	19.71	12.17	NA	298.40
Price/Sales (P/S)	3.76	0.72	3.09	1.10	3.50	17.04
Earnings Yield	-14.47%	3.72%	5.06%	8.22%	-92.27%	0.33%
Debt/Equity	0.87	0.08	0.57	0.33	1.19	0.07
Cash Flow (\$/share)	-3.19	-0.99	8.99	4.70	-7.87	3.87
Growth Score	B	-	-	A	F	B
Hist. EPS Growth (3-5 yrs)	NA%	21.81%	8.16%	85.88%	NA	29.50%
Proj. EPS Growth (F1/F0)	35.89%	4.00%	8.57%	-3.88%	14.96%	-32.23%
Curr. Cash Flow Growth	-19.85%	-19.85%	6.75%	19.78%	-6.66%	-9.32%
Hist. Cash Flow Growth (3-5 yrs)	NA%	4.84%	7.43%	33.50%	NA	57.34%
Current Ratio	2.71	1.78	1.18	1.74	1.81	2.07
Debt/Capital	46.61%	28.06%	38.01%	25.04%	69.29%	6.75%
Net Margin	-61.34%	-33.06%	12.78%	8.63%	-224.99%	5.51%
Return on Equity	-57.33%	-11.74%	17.00%	62.87%	-85.13%	6.61%
Sales/Assets	0.38	0.61	0.53	2.60	0.12	0.75
Proj. Sales Growth (F1/F0)	8.00%	0.00%	5.79%	5.70%	54.80%	-2.90%
Momentum Score	A	-	-	B	F	B
Daily Price Chg	-4.28%	0.00%	-0.24%	0.41%	-2.46%	3.07%
1 Week Price Chg	2.62%	0.00%	-0.59%	-1.77%	-6.56%	0.87%
4 Week Price Chg	19.41%	2.56%	2.76%	1.73%	-11.15%	22.09%
12 Week Price Chg	15.26%	-24.47%	2.15%	-14.26%	-48.20%	15.04%
52 Week Price Chg	21.77%	-47.76%	12.39%	15.44%	-58.26%	2.09%
20 Day Average Volume	43,832,252	278,807	2,743,646	433,084	7,048,194	73,284,472
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	-6.34%	0.00%
(F1) EPS Est 4 week change	1.61%	0.00%	0.00%	1.76%	-13.25%	0.07%
(F1) EPS Est 12 week change	6.97%	0.00%	0.69%	1.76%	-19.53%	1.40%
(Q1) EPS Est Mthly Chg	1.20%	0.00%	0.00%	-3.75%	-11.16%	6.58%

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	F
Growth Score	B
Momentum Score	A
VGM Score	C

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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