



Company: Nvidia

Unlevered Free Cash Flows



**Assumptions**

Date	Sunday, March 7, 2021
Discount Rate	9.91%
Tax Rate	21%
Revenue Growth Rate	25%

Year	2020	2021	2022	2023	2024	2025
Revenue	16,675	20,844	26,055	32,568	40,710	50,888
COGS	(6,279)	(7,921)	(9,901)	(12,376)	(15,470)	(19,337)
Selling/General/Admin. Expenses, Total	(1,940)	(1,940)	(1,940)	(1,940)	(1,940)	(1,940)
Research & Development	(3,924)	(2,732)	(2,732)	(2,732)	(2,732)	(2,732)
Other Operating Expenses	-	-	-	-	-	-
Interest/Invest Income - Non-Operating	61	61	61	61	61	61
<b>EBITDA</b>	<b>4,593</b>	<b>8,313</b>	<b>11,543</b>	<b>15,582</b>	<b>20,630</b>	<b>26,940</b>
Depreciation/Amortization	-	-	-	-	-	-
<b>EBIT</b>	<b>4,593</b>	<b>8,313</b>	<b>11,543</b>	<b>15,582</b>	<b>20,630</b>	<b>26,940</b>
Tax	(77)	(1,746)	(2,424)	(3,272)	(4,332)	(5,657)
<b>EBIT (1-t)</b>	<b>4,516</b>	<b>6,567</b>	<b>9,119</b>	<b>12,310</b>	<b>16,298</b>	<b>21,283</b>
Add Back Depreciation	-	-	-	-	-	-
Change in Net Working Capital	-	-	-	-	-	-
CAPEX	(1,128)	(1,128)	(1,128)	(1,128)	(1,128)	(1,128)
<b>Unlevered Free Cash Flows</b>	<b>3,388</b>	<b>5,439</b>	<b>7,991</b>	<b>11,182</b>	<b>15,170</b>	<b>20,155</b>
<b>PV Unlevered Free Cash Flows</b>		<b>4,949</b>	<b>6,615</b>	<b>8,422</b>	<b>10,395</b>	<b>12,566</b>
<b>SUM PV Free Cash Flows</b>	<b>42,946</b>					

**Terminal value - Growing perpetuity**

Long term growth rate	5%
2025 FCF x (1+g)	21,162
Terminal value in 2025	431,006
PV Terminal Value	268,719

Enterprise Value 311,665

**Terminal value - EBITDA Multiple**

EBITDA multiple	15
Terminal value in 2025	404,101
PV Terminal Value	251,944

294,890

**Net Debt**

Total Debt	5,964
Cash and Short Term Investments	11,561
<b>Net Debt</b>	<b>(5,597)</b>

**Total Shares Outstanding**

478.7

**Share Price Target**

Growing Perpetuity	<b>\$ 662.76</b>
EBITDA Multiple	<b>\$ 627.72</b>

**Enterprise Value**

Market Cap	309,045
Total Debt	5,964
Less Cash	<b>(11,561)</b>
<b>Enterprise Value</b>	<b>303,448</b>

**Ratios**

2021 EV/EBITDA	36.50
2021 EV/Sales	14.56