




Company Name: ADOBE INC. 

Assumptions	
Date	Saturday, February 26, 2022
Discount Rate	8.21%
Tax Rate	21%
EBITDA Growth Rate	17.26%
52-Week Low	416.81
52-Week High	699.54
Current Price	465.54
Price Target	504.25
Upside	8.31%

In Millions of USD

Year	TTM	2022	2023	2024	2025	2026
EBITDA	6,606	7,746	9,083	10,651	12,489	14,645
Depreciation & Amortization	(788)	(788)	(788)	(788)	(788)	(788)
EBIT	5,818	6,958	8,295	9,863	11,701	13,857
Check	5,818					
Variance						
Tax	(883)	(1,461)	(1,742)	(2,071)	(2,457)	(2,910)
EBIT (1-t)	4,935	5,497	6,553	7,792	9,244	10,947
Add Back Depreciation	788	788	788	788	788	788
NWC	-	-	-	-	-	-
Capital Expenditures	(412)	(412)	(412)	(412)	(412)	(412)
Unlevered Free Cash Flow	5,311	5,873	6,929	8,168	9,620	11,323
PV Unlevered Free Cash Flow		5,428	5,918	6,447	7,017	7,633
	32,443					

Terminal value - Growing perpetuity

Long term growth rate	5%
2025 FCF x (1+g)	11,889
Terminal value in 2025	370,849
PV Terminal Value	250,001
Enterprise Value	282,444

Terminal value - EBITDA Multiple

EBITDA multiple	15.95
Terminal value in 2025	233,587
PV Terminal Value	157,468
Enterprise Value	189,911
Total Shares Outstanding	472

Net Debt

Total Debt	4,123
Cash and Short Term Investments	5,798
Net Debt	(1,675)

Share Price Target

Growing Perpetuity	602.33
EBITDA Multiple	406.16

Enterprise Value

Market Cap	219,595
Total Debt	4,123
Less Cash	(5,798)
Enterprise Value	217,920

Ratios

PE Ratio (TTM)	46.27
Price / Sales (TTM)	13.91
EV / Sales (TTM)	13.81
EV / EBITDA (TTM)	32.99
EV / EBITDA (2022)	28.13