## Electronic Arts



Global Headquarters	Redwood City, California
Background	Electronic Arts Inc. is a global leader in digital interactive entertainment. EA develops and delivers games, content and online services for Internet-connected consoles, mobile devices and personal computers. EA has more than 300 million registered players around the world.
What We Do	In fiscal year 2018, EA posted GAAP net revenue of \$5.15 billion. Headquartered in Redwood City, California, EA is recognized for a portfolio of critically acclaimed, high- quality brands such as The Sims™, Madden NFL, EA SPORTS™ FIFA, Battlefield™, Need for Speed™, Dragon Age™ and Plants vs. Zombies™.
Address	Electronic Arts Inc. 209 Redwood Shores Parkway Redwood City, CA 94065
Consumer Purchases	Residents in the United States, Canada or Japan contract with Electronic Arts Inc., 209 Redwood Shores Parkway, Redwood City, CA 94065, USA. Residents in any other country, then this Agreement is between you and EA Swiss Sàrl, Place du Molard 8, 1204, Geneva, Switzerland (CH-660-2328005-8).

#### https://www.ea.com/

## Value Line – EA

Electronic Arts NASDAQ:EA					<►
Last Price Day Change Trailing P/E Relative P/E Last \$118.13 \$1.01 († 0.86%) 28.10 1.80 As of 3:59 PM May 15, 2020. Delayed at least 15 minutes.	t FY Dividend Yield 	3 to 5-Year Target Price Range \$135.00 - 200.00	18-Month Target Price Range Low - High Midpoint \$95 - \$171 \$133 (15%	(% to Midpoint)	
Industry Rank: Entertainment Tech - 10 (of 95)					PDF Reports
RANKS	FINANCIAL STREM	NGTH GRADE RATING			
SAFETY TIMELINESS	FINANCIAL	Peers	Industry - Entertainment	Investment Survey	Explain
	STRENGTH	А	A	A	
3 - 1		В	В	в	
Upgraded on Apr 10, 2020	Downgraded on Nov 14, 2009	с	c	с	
Industry - Entertainment Tech Tech	\$ in millions		2016	2017	2018
1 1	Net Operating Rev	enues	4,845.00	5,150.00	4,950.00
2 2 2	"Cash Flow" per sh	nare	3.69	4.42	3.90
3 3	Cash & Marketable	e Securities	<b>•</b>		5,445.00
4 4 5 5	Long-Term Debt		990.00	992.00	994.00
5	Operating Margin		28.90	30.70	23.80
The Safety <sup>™</sup> Rank measures the total risk	% Return on Share	eholders' Equity	23.80	26.50	19.10
The Timeliness <sup>™</sup> Rank measures	% Return on Total	Capital	19.60	22.20	16.50
	All Dividends to Ne	t Profits			

## Value Line – EA

ELE	CTF	RON	IC A	RTS	INC.	NDQ-	EA P	ECENT 1	06.5	1 P/E RATIO	<b>24.</b>	6 (Traili Media	ng: 28.1) an: 24.0)	RELATIVE P/E RATIO	5 <b>1.8</b>	4 div'd Yld		Nil		Ξ	
TIMELIN	iess 1	Raised 4	/17/20	High: Low:	23.8 14.2	20.2 14.1	26.1 14.8	21.5 10.8	28.1 13.3	48.5 21.3	76.9 45.2	86.1 53.0	122.8 77.9	151.3 73.9	108.9 77.2	114.1 85.7				Price	
SAFET	r 3	New 12/4	/92	LEGE	NDS			10.8	13.3	21.3	45.2	55.0	11.5	13.9	11.2	05.7			2023	2024	
TECHN	CAL 3	Lowered	3/20/20	Re	.0 x "Cash elative Price	e Strength	sh														320
BETA .	5 (1.00 =	Market)		Options: Shaded	Yes area indica	ates recess	ion														200
18-Mor	th Targ	et Price	Range																		160
Low-Hig	jh Midj	point (%	to Mid)										լորու	իուլ,	<u></u>   	UI • • • •					120
\$90-\$17	1 \$131	1 (25%)	-										- the		╎╵╵╵	1					80
202	3-25 PR	OJECTIC	DNS									կսի									60
	Price	Aı Gain	nn'l Total Return							<u>ار</u>											40
High 2	00 (+	+90%) +25%)	17%	·····						1111											
		Pecision		Īt.			րրկի		րոր	1 <sup>111</sup>		·		••••		•		% TO	T. RETUR		
msutu	202019	302019	402019	Percen	t 75 -	11 <sup>1</sup> 1	hu. hh	H	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						-				STOCK	INDEX	_18
to Buy to Sell	379 355	377 365	454 331	shares	<b>50</b> +		1	n."h.ihili										1 yr. 3 yr.	-1.4 11.9	-26.1 -16.7	FΙ
			266235	traded	25 -	<b>ŮŤŤŤŤŤŦŦŦŦ</b> ŦŢŢŢ			1111147+11		hhhhh	Մոհոհ	ահետոր		ՄՈՈՈ	11		5 yr.	70.3	-5.7	
2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALI	je line pi	UB. LLC	23-25
10.08	9.68	9.94	11.53	13.04	11.09	10.79	12.94	12.57	11.48	14.58	14.62	15.71	16.81	16.60	19.00	18.50	20.00	Revenue	es per sh	Α	28.30
1.93	1.31	.72	.89	d.70	1.02	1.24	1.56	1.75	2.44	3.31	4.04	3.69	4.42	3.90	4.70	5.10	5.55		low" per s		8.25
1.65	.97	.24	.37	d1.33	.44	.70	.85	.84	1.69	2.51	3.14	3.08	3.91	3.33	4.10	4.35	4.75		s per sh E		7.00
																Nil	Nil		ecl'd per		Nil
.41	.40	.57	.26	.36	.22	.18	.54	.35	.31	.31	.31	.40	.35	.40	.50	.60	.70		ending pe		1.05
11.27	11.17	12.96	13.64	9.70	8.28	7.71	7.68	7.50	7.78	9.80	11.30	13.17	15.00	17.88	25.25	28.15	32.15		lue per sh		44.90
310.44	305.00	311.00	318.00	323.00	329.59	332.56	320.22	302.16	311.44	309.68	300.60	308.37	306.37	298.11	288.00	284.00			h Shs Out		265.00
32.5 1.72	NMF NMF	NMF NMF	NMF NMF		43.2 2.88	23.9 1.52	24.9 1.56	17.0 1.08	14.3 .80	16.3 .86	21.1 1.06	25.6 1.34	28.7 1.44	33.4 1.80	24.0 1.30	Bold fig Value			'I P/E Rat P/E Ratio		24.0 1.35
1.72	NME	NMF	NMF		2.00	1.52	1.50	1.08	.80	.00	1.00	1.34	1.44	1.60	1.30	estin			'l Div'd Yi	· /	Nil
CADITA	L CTDU	CTUDE -	s of 12/3			0500.0		0707.0	0575.0		4000.0		5150.0	4050.0	5475	5250	5000	-			7500
			is of 12/3 Due in 5 \		0 mill	3589.0 1.9%	4143.0 7.7%	3797.0 10.0%	3575.0 6.7%	4515.0 26.1%	4396.0 24.9%	4845.0 28.9%	5150.0 30.7%	4950.0 23.8%	5475 25.0%	5250 27.0%	5600 27.0%	Operatin	es (\$mill)	<b>^</b>	7500 28.5%
	\$995.0 r		T Interes			180.0	216.0	264.0	227.0	20.1%	197.0	172.0	136.0	145.0	25.0%	175			g margin ation (\$mi	in l	20.5%
		(	12% of C	ap'l)		233.0	284.0	264.0	534.0	806.0	1018.0	967.0	1219.0	1019.0	1210	1270	1360	Net Prof		"	1905
1.00000	Unconit	alized ©	40.0 millio			200.0	204.0	204.0		12.9%	1010.0	20.1%	15.9%	5.6%	10.0%	18.0%	21.0%	Income ]			21.0%
			sion Plan			6.5%	6.9%	7.0%	14.9%	17.9%	23.2%	20.0%	23.7%	20.6%	22.1%	24.2%		Net Profi			25.4%
						1031.0	489.0	408.0	748.0	973.0	1936.0	2784.0	3513.0	4116.0	4500	5000	5500		Cap'l (\$n	nill)	7000
Pfd Sto	ck None						539.0	559.0	580.0	31.0	991.0	990.0	992.0	994.0	1000	1050	1100		rm Debt (		1250
Commo	n Stock	289,674,	301 she			2564.0	2458.0	2267.0	2422.0	3036.0	3396.0	4060.0	4595.0	5331.0	7275	8000	9000		ity (\$mill)		11900
as of 1/	31/20	200,014,				9.1%	9.8%	9.7%	18.2%	26.3%	23.5%	19.6%	22.2%	16.5%	15.0%	14.5%			n Total Ca		14.5%
					I	9.1%	11.6%	11.6%	22.0%	26.5%	30.0%	23.8%	26.5%	19.1%	16.5%	16.0%	15.0%	Return o	n Shr. Eq	uity	16.0%

#### Value Line – EA

Electronic Arts reported fairly solid results for the December quarter. The top line increased roughly 24%, on a yearto-year basis. Earnings per share of \$1.18 marked a strong improvement from the prior-year tally. The company continued to benefit from the popularity of its titles and its live services. EA launched several new games during the period. Both digital net revenue and sales from packaged goods increased nicely during the period. We expect favorable comparisons for the fourth quarter, and healthy growth in revenues and earnings per share for full-fiscal 2019 (ended March 31, 2020).

The shares have held up fairly well in the current environment. The broader equity market has fallen considerably in recent months, due to the emergence of the coronavirus pandemic. We expect considerable economic weakness in the current year, as authorities around the world resort to drastic measures in order to limit the spread of the coronavirus. This will likely impact Electronic Arts. That said, developers of interactive entertainment may well experience greater demand and increased user engagement in the months

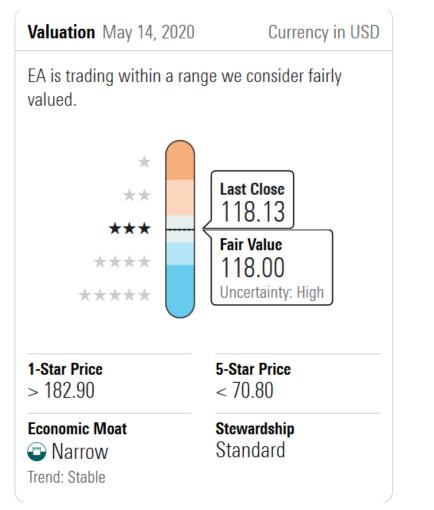
ahead, as people asked to remain at home seek entertainment options.

The company has been active in buying back stock. During the first three quarters of fiscal 2019, Electronic Arts spent roughly \$916 million on share repurchases. Buybacks ought to further support bottom-line gains in the years ahead.

These shares are ranked to outpace the broader market for the coming six to 12 months. Looking further out, we project healthy growth in revenues and earnings per share for the company from fiscal 2021 through mid-decade. Electronic Arts remains well positioned in the market for interactive entertainment. The company ought to further benefit from the popularity of its core franchises, as well as the introduction of new ones. However, from the recent quotation, the stock offers somewhat below average long-term appreciation potential. At this time, patient investors can probably find more-attractive choices elsewhere. This equity may be most suitable for subscribers with a fairly short time horizon. April 17, 2020

Michael Napoli, CFA

### Morningstar - EA



Quote Key Rati	os Short Interest	News	
Bid/Size	Ask/Size	Day Range	Volume / Avg
117.40×1	118.77×7	116.11 – 118.90 •	59,457.0 / 4.1 Mil
Year Range	Forward Div Yield	Market Cap	Investment Style
85.69 – 120. <b>1</b> 9 •	—	34.2192 Bil	🖽 Large Core
Price/Sales	Beta (5-Year)	Consensus Forward	Price/Book
6.29	0.89	<b>Р/Е</b> 24. <b>1</b> 5	4.59
Rev 3-Yr Growth	Net Income 3-Yr Growth	Operating Margin % TTM	Free Cash Flow 2019
4.04	-4.12	23.31	1.7630 Bil
– Avg +	– Avg +	– Avg +	
		Net Margin	
<b>ROA % TTM</b> 28.27	<b>ROE % TTM</b> 44.99	% <b>TTM</b> 52.52	Debt/Equity
– Avg +	– Avg +	– Avg +	– Avg +

### Morningstar - EA



USD | As of May 15, 2020 | Index: Morningstar US Market TR USD

### Manifest Investing - EA

Company	Ticker									1
Electronic Arts	EA	Quality	PAR	Quality						
Current Price (05/15)		73	7.1%	Financial	Strength			65 1	6.3	
CAPS Rating (Rate this	s stock on CA	APS)	\$118.13	EPS Stab	oility			51 1	2.6	
			*****	Industry S	Sales Growth	n Rate	9.	0%	9.4	
Expected Income Sta	tement									
Current Sales			5,537.0	Industry	Net Profit Ma	argin	16.	0% 2	20.1	
	Sales Growth Forecast			Calculate	Calculated Quality Rating 58					
Net Profit Margin			25.7%	Top In Ele	ctronic Gaming	Tan In Cou				
Projected Shares Outs	tanding		272.14	Multimedi			-	mmunicatio	ns	
EPS - Five year Foreca	ast		\$7.25	Ticker	Quality	PAR	Ticker	Quality		PAR
Average P/E Ratio			23.0	GRVY	45	21.5%	IPG	8	87	21.3%
Projected Average Price	e .		\$166.72	ATVI	89	5.7%	TCEHY	7	73	22.4%
Price Appreciation (An	nualized)		7.1%	EA	73		WPP	7	75	23.5%
Annual Dividend Yield			0.0%	AVID	11	19.5%		9	98	15.1%
Projected Annual Retu	rn		7.1%	GLUU	34	8.2%	FB	8	88	17.0%
5/18/2020			EA pro	elim analysis fo	or NIC				7	

### Finviz - EA

Index	S&P 500	P/E	11.53	EPS (ttm)	10.25	Insider Own	0.20%	Shs Outstand	292.00M	Perf Week	1.29%
Market Cap	34.49B	Forward P/E	21.00	EPS next Y	5.62	Insider Trans	-45.00%	Shs Float	288.27M	Perf Month	0.03%
Income	3.04B	PEG	0.94	EPS next Q	0.61	Inst Own	97.00%	Short Float	2.05%	Perf Quarter	7.69%
Sales	5.54B	P/S	6.23	EPS this Y	-18.70%	Inst Trans	1.95%	Short Ratio	1.43	Perf Half Y	23.05%
Book/sh	24.78	P/B	4.77	EPS next Y	13.66%	ROA	27.10%	Target Price	120.00	Perf Year	19.32%
Cash/sh	19.18	P/C	6.16	EPS next 5Y	12.33%	ROE	41.90%	52W Range	85.69 - 120.19	Perf YTD	9.88%
Dividend	-	P/FCF	21.29	EPS past 5Y	165.30%	ROI	14.80%	52W High	-1.71%	Beta	0.89
Dividend %	-	Quick Ratio	2.80	Sales past 5Y	6.70%	Gross Margin	75.30%	52W Low	37.86%	ATR	3.67
Employees	9700	Current Ratio	2.80	Sales Q/Q	23.60%	Oper. Margin	20.20%	RSI (14)	62.35	Volatility	2.71% 2.95%
Optionable	Yes	Debt/Eq	0.14	EPS Q/Q	36.60%	Profit Margin	49.60%	Rel Volume	0.79	Prev Close	117.12
Shortable	Yes	LT Debt/Eq	0.14	Earnings	May 05 AMC	Payout	0.00%	Avg Volume	4.12M	Price	118.13
Recom	2.10	SMA20	2.29%	SMA50	10.86%	SMA200	15.53%	Volume	3,268,259	Change	0.86%

#### StockCharts - EA

Click to Print

EA Electronic Arts, Inc. Nasdaq Global Select Mkt.

15-May-2020, 16:00 ET, daily, O: 116.22, H: 118.90, L: 116.11, C: 118.13, V: 3268259, Chg: +1.01 (0.86%) No recent chart pattern found



Bounce from COVID-19 stay at home orders, new base 118

#### Yahoo Finance - EA

Options

Î

Analysis

	Arts Inc. (EA) aqGS Real Time Price. Cu	irrency in USD	Add to w	vatchlist	29 Visitor	rs trend 2W	↑ 10W	/↑ 9M↑
<b>118.1</b> At close: May 15	<b>3</b> +1.01 (+0	).86%)	<b>118.50</b> Pre-Market: 8:15		0.31%)			
Summary	Company Outlook 🧰	Chart	Conversations	Statistics	Historica	l Data Pi	rofile	Financials
Previous Close	117.12	Market Cap	34.2	<b>19B</b> 1D	5D 1M	6M YTD	1Y 5	Y Max
Open	116.77	Beta (5Y Monthly)	(	0.90				
Bid	117.45 x 800	PE Ratio (TTM	M) <b>1</b> 1	1.47				
Ask	119.00 x 900	EPS (TTM)	10	0.30		V		
Day's Range	116.11 - 118.90	Earnings Date	e Jul 30, 2	020				Ν
52 Week Range	85 69 - 120 19	Forward Dividend & Yi	ield N/A (I	N/A)	I	J.		iha - i
Volume	3,268,259	Ex-Dividend [	Date	N/A Jan		w	Mar 9,	20
Avg. Volume	4,123,288	1y Target Est	120	0.00			Tra	de prices are
Fair Value 🕐 🔒		Related Resea	rch 🕐 🔒		art Events ⑦	_		
XX.XX	Overvalued	Weekly Sto	ck List	Bull	<b>ish</b> pattern det	ected		Performance
-16% Est. Return		🖹 Investing A	mid the Outbreak	60	Triple Movi	ng Average C	rossover	Short Term
View details		View more		Vie	w all chart par	tterns		2W - 6W





#### Recommendation Trends >



#### Recommendation Rating >



#### Analyst Price Targets (30) >



# Fidelity Snapshot - Neutral

ELECTRONIC ARTS IN	NC (EA)	P	As of: 05/15/2020, 4:00pm						
Last Trade [tick] Net Change Net Change %	<b>118.1300</b> [+]	Volume 52 Week High 52 Week Low	181,657 120.1900 on 05/05/2020 85.6900 on 03/16/2020	Neutral	UNDERLYING ANA		NION	S	
Bid Bid Size	117.4700 1	Ex. Dividend Date Dividend Pay Date			Y STARMINE FROM F	 Refinitiv			
Ask	118.0000	Dividend Rate	0.0000	AS OF 05/16/2	2020 Methodology				
Ask Size Bid Exchange	1 NYSE ARCA	P/E Ratio Yield	11.5293 0.0%	1-Year His	tory				
Ask Exchange	NYSE ARCA	Split Factor	2.00					Very Bullish	
Last Trade Exchange	N/A	EPS	+10.2460		-	-	_	Bullish	
Open	116.2200	Currency	USD				_	Neutral	
Day High	118.9000	Primary Exchange	NASDAQ-NMS					Bearish	
Day Low	116.1100	Stock Research (EA)			-	-			
Prev Close Price	118.1300							Very Bearish	
Prev Close Date	05/15/2020	Get (EA) Snapshot	⊻ Go Trade	1Y	6M	ЗМ	1M		

Quotes are displayed by Date/Time in Eastern time.

# EA News Clips

Yahoo Finance Video • 11 days ago

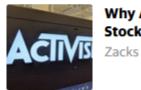
## Electronic Arts, Activision Blizzard, Nintendo beat earnings estimates as gaming soars

Nintendo earnings soar 41% and Activision Blizzard posted a beat on its earnings report. Yahoo Finance's Tech Editor Dan Howley breaks down the latest video game earnings results.



Activision Blizzard CEO: We're On Track With New Releases in 2020

Motley Fool



Why Activision Blizzard (ATVI) Stock Might be a Great Pick

Benzinga • 11 days ago

#### Electronic Arts Analysts See Stay-At-Home Strength, Possible Game Delays After Q4 Report

Electronic Arts (NASDAQ: EA) reported fourth-quarter earnings Tuesday of \$1.43 per share against a 98-cent estimate and sales of \$1.387 billion that beat a \$1.19-billion estimate.The...

Simply Wall St. • 11 days ago

#### Should You Be Adding Electronic Arts (NASDAQ:EA) To Your Watchlist Today?

Some have more dollars than sense, they say, so even companies that have no revenue, no profit, and a record of...

# Conclusions and Recommendations

EA pays no dividends

EA bounced up by Covid-19 pandemic & stay at home orders

Yahoo consensus rates as 2.1 (buy)

Å

SSG recommends BUY at Sales Growth = 4.7%, EPS growth = 12.5%

Fidelity neutral



Recommend we put this on Pounce list