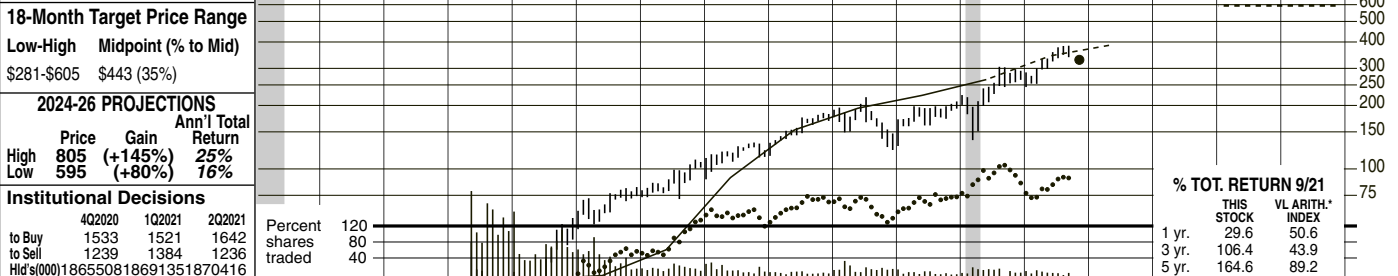


FACEBOOK, INC. NDQ-FB

RECENT PRICE **328.69** P/E RATIO **22.1** (Trailing: 23.5 Median: NMF) RELATIVE P/E RATIO **1.18** DIV'D YLD Nil

VALUE LINE

TIMELINESS 1 Raised 5/7/21	High: 45.0	58.6	82.2	110.6	133.5	184.3	218.6	208.9	304.7	384.3
SAFETY 2 Raised 8/7/20	Low: 17.5	22.7	51.8	72.0	89.4	115.5	123.0	128.6	137.1	244.6
TECHNICAL 1 Raised 10/22/21	LEGENDS --- 21.0 x "Cash Flow" p sh Relative Price Strength Options: Yes Shaded area indicates recession									
BETA .90 (1.00 = Market)										



18-Month Target Price Range Low-High Midpoint (% to Mid) \$281-\$605 \$443 (35%)											Target Price Range 2024 2025 2026
2024-26 PROJECTIONS Price Gain Ann'l Total Return High 805 (+145%) 25% Low 595 (+80%) 16%											
Institutional Decisions 4Q2020 1Q2021 2Q2021 to Buy 1533 1521 1642 to Sell 1239 1384 1236 Hld's(000)186550818691351870416											
Percent shares traded: 120, 80, 40											
Facebook was founded by Mark Zuckerberg and fellow students at Harvard University in 2004. The company was incorporated in Delaware in July of 2004. Facebook completed its initial public offering on the NASDAQ Global Select Market in May of 2012. The total offering comprised 421,233,615 shares of Class A stock, initially priced at \$38 per share. Morgan Stanley was the lead manager.											

	2011P	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	© VALUE LINE PUB. LLC	24-26
Revenues per sh	--	2.15	3.09	4.46	6.30	9.56	13.99	19.56	24.79	30.17	42.85	50.90		73.10
"Cash Flow" per sh	--	.30	.98	1.49	1.97	4.33	7.30	10.63	10.63	12.64	17.40	19.45		32.60
Earnings per sh ^A	--	.02	.60	1.10	1.29	3.49	6.16	7.57	8.56	10.09	14.40	16.20		28.00
Div'ds Decl'd per sh	--	--	--	--	--	--	--	--	--	--	Nil	Nil		Nil
Cap'l Spending per sh	--	.52	.53	.65	.89	1.55	2.32	4.88	5.30	5.31	6.45	8.20		12.50
Book Value per sh ^E	--	4.96	6.07	12.91	15.54	20.47	25.58	29.48	35.43	45.03	55.00	66.90		111.55
Common Shs Outst'g ^{B,C}	--	2372.0	2547.0	2797.0	2845.0	2892.0	2906.0	2854.0	2852.0	2849.0	2800.0	2750.0		2600.0
Avg Ann'l P/E Ratio	--	NMF	59.2	62.7	68.6	33.5	25.3	22.6	21.3	23.2	Bold figures are Value Line estimates			25.0
Relative P/E Ratio	--	NMF	3.33	3.30	3.45	1.76	1.27	1.22	1.13	1.19				1.40
Avg Ann'l Div'd Yield	--	--	--	--	--	--	--	--	--	--				Nil

	2011P	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		24-26
Total Debt None	3711.0	5089.0	7872.0	12466	17928	27638	40653	55838	70697	85965	120000	140000	Revenues (\$mill)	190000
Leases, Uncapitalized: Annual rentals \$1316 mill. No Defined Benefit Pension Plan	56.0%	23.3%	48.5%	50.0%	45.6%	53.4%	57.1%	52.3%	42.0%	46.0%	45.0%	44.0%	Operating Margin	47.5%
Pfd Stock None	323.0	649.0	1011.0	1243.0	1945.0	2342.0	3025.0	4315.0	5741.0	6862.0	8000	8500	Depreciation (\$mill)	10500
Common Stock 2,819,444,501 shares (2,383,812,263 Class A shares and 435,632,238 Class B shares) ^C as of 7/23/21	1000.0	53.0	1491.0	2925.0	3669.0	10188	18181	22111	24584	29146	40680	44950	Net Profit (\$mill)	74200
MARKET CAP: \$927 billion (Large Cap)	41.0%	NMF	45.5%	40.1%	40.5%	18.4%	11.6%	12.8%	9.0%	12.2%	17.5%	20.0%	Income Tax Rate	21.0%
CURRENT POSITION (SMILL.)	26.9%	1.0%	18.9%	23.5%	20.5%	36.9%	44.7%	39.6%	34.8%	33.9%	33.9%	32.1%	Net Profit Margin	39.1%
Cash Assets	3705.0	10215	11970	12246	19727	31526	44803	43463	51172	60689	70000	80000	Working Cap'l (\$mill)	105000
Receivables	398.0	1991.0	237.0	119.0	107.0	--	--	--	107.0	--	Nil	Nil	Long-Term Debt (\$mill)	Nil
Inventory (FIFO)	4899.0	11755	15470	36096	44218	59194	74347	84127	101054	128290	154000	184000	Shr. Equity (\$mill) ^E	290000
Other	19.3%	.6%	9.7%	8.1%	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	26.5%	24.5%	Return on Total Cap'l	25.5%
Current Assets	20.4%	.5%	9.6%	8.1%	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	26.5%	24.5%	Return on Shr. Equity	25.5%
Accts Payable	23.3%	.5%	9.6%	8.1%	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	26.5%	24.5%	Retained to Com Eq	25.5%
Debt Due	--	--	--	--	--	--	--	--	--	--	Nil	Nil	All Div'ds to Net Prof	Nil
Other	--	--	--	--	--	--	--	--	--	--	Nil	Nil		
Current Liab.	15053	14981	17812											

ANNUAL RATES Past 5 Yrs. Past Est'd '18-'20 of change (per sh) 10 Yrs. to '24-'26

Revenues	--	40.0%	19.5%
"Cash Flow"	--	49.0%	20.0%
Earnings	--	54.5%	21.5%
Dividends	--	--	Nil
Book Value	--	26.0%	20.5%

BUSINESS: Facebook, Inc. operates the world's leading social networking service through its flagship Web site. The company's Web-based tools allow users to connect and communicate with each other. Had about 2.90 billion monthly active users at 6/30/21. Also owns Instagram, WhatsApp, and Messenger. Generates substantially all revenue from selling advertising placements to marketers. Had 58,604 full-time employees at 12/31/20. Vanguard owns 7.6% of Class A shares; BlackRock, 6.6%; FMR LLC, 5.2%; off. and dir., less than 1.0% and 89.1% of Class B shares (includes Mark Zuckerberg, 81.7%) (4/21 Proxy). Chairman and CEO: Mark Zuckerberg. Inc.: Delaware. Addr.: 1601 Willow Road, Menlo Park, CA 94025. Tel.: 650-543-4800. Internet: www.facebook.com.

Cal-endar	QUARTERLY REVENUES (\$ mill.) ^F				Full Year
	Mar.31	Jun. 30	Sep. 30	Dec. 31	
2018	11966	13231	13727	16914	55838
2019	15077	16886	17652	21082	70697
2020	17737	18687	21470	28072	85965
2021	26171	29077	29010	35742	120000
2022	32500	34000	34000	39500	140000

Cal-endar	EARNINGS PER SHARE ^{A,F}				Full Year
	Mar.31	Jun. 30	Sep. 30	Dec. 31	
2018	1.69	1.74	1.76	2.38	7.57
2019	1.89	1.99	2.12	2.56	8.56
2020	1.71	1.80	2.71	3.88	10.09
2021	3.30	3.61	3.22	4.27	14.40
2022	3.75	4.00	3.90	4.55	16.20

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2017					
2018					
2019					
2020					
2021					

NO CASH DIVIDENDS BEING PAID

Shares of Facebook have faced selling pressure in recent times. An investigation by The Wall Street Journal unveiled a number of serious issues. These include the existence of a controversial XCheck program, which has allowed certain users the ability to post anything they like on the platform. Secondly, the investigation uncovered that some bad actors and hostile groups were using the platform for illicit activities and to spread hate on the Internet. In addition, the report exposed that the company may have been aware for some time that its Instagram platform was having a negative psychological effect on certain teenage users. The source for these reports was a former employee turned whistleblower. Congressional hearings have already been held in order to address these issues. European lawmakers have also called for additional investigations following the revelations.

But performance for the September period was fairly healthy. The top line increased about 35%, on a year-over-year basis, to \$29.0 billion. Earnings per share of \$3.22 represented a 19% advance from the prior-year figure. Daily active users and monthly active users both increased 6%. Solid performance will likely continue. That said, business should still be impacted by ad targeting headwinds resulting from regulatory and platform changes. An evolving European regulatory climate may also affect results.

This stock is ranked to outperform the broader market averages for the coming six to 12 months. Looking further out, these shares offer attractive long-term appreciation potential from the recent quotation. This should be supported by strong growth in revenues and earnings per share in the years ahead. The company remains well positioned in the social media space. Active users will probably continue to increase at a moderate pace. Mobile advertising ought to remain an important driver of performance. Investment in new technologies will likely bear fruit, as well. In addition, Facebook earns favorable marks for Safety, Financial Strength, and Price Growth Persistence. All things considered, investors seeking exposure to the social media space might want to take a closer look.

Michael Napoli, CFA November 5, 2021