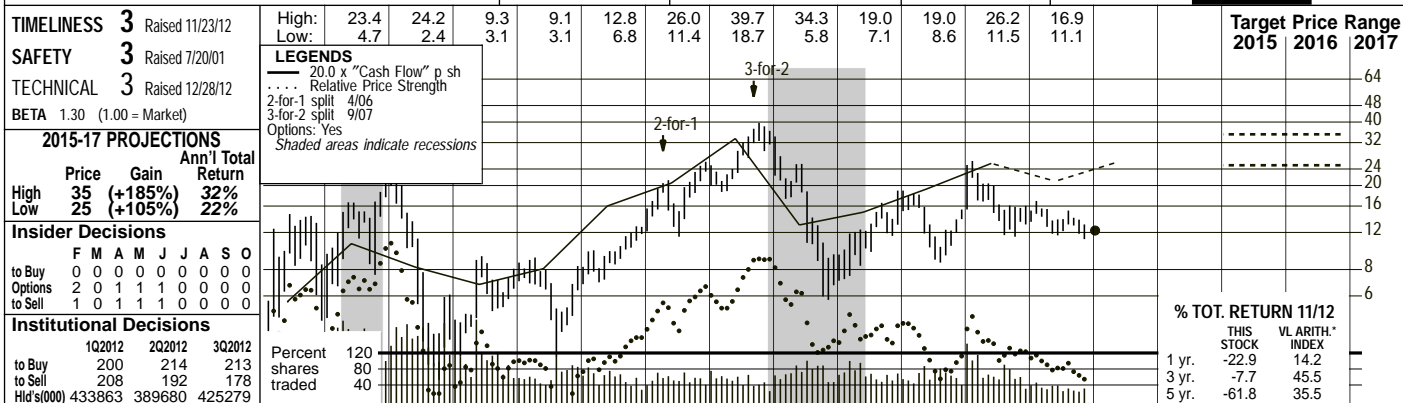


NVIDIA CORP. NDQ-NVDA

RECENT PRICE **12.25** P/E RATIO **12.3** (Trailing: 15.1 Median: 27.0) RELATIVE P/E RATIO **0.80** DIV'D YLD **2.4%** VALUE LINE



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+185%)	32%
Low	25	(+105%)	22%

Insider Decisions

	F	M	A	M	J	J	A	S	O
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	1	1	1	0	0	0	0
to Sell	1	0	1	1	1	0	0	0	0

Institutional Decisions

	1Q2012	2Q2012	3Q2012	Percent shares traded
to Buy	200	214	213	80
to Sell	208	192	178	40

NVIDIA was incorporated during 1993, in Delaware. The company's initial public offering of about 10.5 million shares, split adjusted, at \$4 a share, occurred on January 22, 1999. Net proceeds totaled approximately \$43 million. The lead underwriters were Morgan Stanley Dean Witter, Hambrecht & Quist, and Prudential Securities.

CAPITAL STRUCTURE as of 10/28/12
 Total Debt \$19.6 mill. Due in 5 Yrs \$19.6 mill.
 LT Debt \$19.6 mill. (capital leases)

Leases, Uncapitalized: Annual rentals \$34.6 mill.

No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 624,850,798 shs. as of 11/16/12

MARKET CAP: \$7.7 billion (Large Cap)

CURRENT POSITION (\$MILL.)	2010	2011	10/28/12
Cash Assets	2490.6	3129.6	3434.8
Receivables	348.8	336.1	444.9
Inventory (Avg Cst)	345.5	340.3	429.0
Other	42.1	99.4	116.1
Current Assets	3227.0	3905.4	4424.8
Accts Payable	286.1	335.1	390.3
Debt Due	-	-	-
Other	656.6	594.9	601.1
Current Liab.	942.7	930.0	991.4

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Past Est'd '09-'11 to '15-'17
Sales	12.0%	4.5%	6.0%
"Cash Flow"	12.0%	5.0%	9.0%
Earnings	11.5%	5.5%	12.5%
Dividends	-	-	Nil
Book Value	18.5%	13.0%	12.5%

Fiscal Year Begins	QUARTERLY SALES (\$ mill.) ^A				Full Fiscal Year
	Apr.Per	Jul.Per	Oct.Per	Jan.Per	
2009	664.2	776.5	903.2	982.5	3326.4
2010	1001.8	811.2	843.9	886.4	3543.3
2011	962.0	1016.5	1066.2	953.2	3997.9
2012	924.9	1044.3	1204.1	1126.7	4300
2013	1000	1120	1275	1205	4600

Fiscal Year Begins	EARNINGS PER SHARE ^{A B D}				Full Fiscal Year
	Apr.Per	Jul.Per	Oct.Per	Jan.Per	
2009	d.09	.07	.19	.23	.40
2010	.23	.04	.15	.23	.65
2011	.22	.25	.29	.19	.94
2012	.10	.19	.33	.23	.85
2013	.20	.24	.27	.29	1.00

Calendar	QUARTERLY DIVIDENDS PAID				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	.075	-
2013	-	-	-	-	-

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
Sales per sh ^A	3.96	3.70	4.01	4.62	5.67	7.36	6.36	5.92	6.02	6.88	6.90	7.30	Sales per sh ^A	8.75
"Cash Flow" per sh	.41	.34	.40	.80	1.03	1.67	.65	.75	.97	1.27	1.20	1.30	"Cash Flow" per sh	1.65
Earnings per sh ^{B D}	.27	.17	.19	.57	.77	1.31	.29	.40	.65	.94	.85	1.00	Earnings per sh ^{B D}	1.35
Div'ds Decl'd per sh	-	-	-	-	-	-	-	-	-	-	.08	.30	Div'ds Decl'd per sh	.30
Cap'l Spending per sh	.13	.26	.13	.15	.27	.34	.76	.14	.17	.23	.25	.25	Cap'l Spending per sh	.30
Book Value per sh ^E	1.97	2.13	2.35	2.83	3.71	4.70	4.45	4.75	5.41	6.73	7.70	8.55	Book Value per sh ^E	11.55
Common Shs Outst'g ^C	473.37	492.44	501.27	514.43	541.48	557.10	538.46	561.47	588.56	616.37	625.00	630.00	Common Shs Outst'g ^C	635.00
Avg Ann'l P/E Ratio	29.8	37.6	33.8	17.6	24.6	21.5	49.8	31.3	21.3	17.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	22.0
Relative P/E Ratio	1.63	2.14	1.79	.94	1.33	1.14	3.00	2.08	1.35	1.10			Relative P/E Ratio	1.45
Avg Ann'l Div'd Yield	-	-	-	-	-	-	-	-	-	-			Avg Ann'l Div'd Yield	Nil
Sales (\$mill) ^A	1873.9	1822.9	2010.0	2375.7	3068.8	4097.9	3424.9	3326.4	3543.3	3997.9	4300	4600	Sales (\$mill) ^A	5555
Operating Margin	13.2%	9.6%	10.8%	19.0%	18.3%	23.7%	9.1%	13.3%	16.4%	21.3%	19.5%	21.0%	Operating Margin	22.0%
Depreciation (\$mill)	58.2	82.0	102.6	98.0	107.6	133.2	185.0	196.7	187.0	204.2	200	200	Depreciation (\$mill)	200
Net Profit (\$mill)	136.4	85.6	100.4	314.5	448.8	797.6	165.9	224.0	381.6	581.1	535	635	Net Profit (\$mill)	855
Income Tax Rate	30.0%	14.4%	20.0%	16.0%	9.2%	11.5%	-	15.0%	6.5%	12.4%	16.0%	16.0%	Income Tax Rate	16.0%
Net Profit Margin	7.3%	4.7%	5.0%	13.2%	14.6%	19.5%	4.8%	6.7%	10.8%	14.5%	12.4%	13.8%	Net Profit Margin	15.4%
Working Cap'l (\$mill)	972.1	718.6	883.7	1110.2	1393.0	1921.6	1389.4	1696.4	2284.3	2975.4	3690	4300	Working Cap'l (\$mill)	6350
Long-Term Debt (\$mill)	304.9	.9	-	-	-	-	25.6	24.5	23.4	21.4	25.0	25.0	Long-Term Debt (\$mill)	25.0
Shr. Equity (\$mill)	932.7	1051.2	1178.3	1457.8	2006.9	2617.9	2394.7	2665.1	3181.5	4145.7	4805	5375	Shr. Equity (\$mill)	7340
Return on Total Cap'l	11.6%	8.7%	8.5%	21.6%	22.4%	30.5%	6.9%	8.4%	12.0%	14.0%	11.0%	11.5%	Return on Total Cap'l	11.5%
Return on Shr. Equity	14.6%	8.1%	8.5%	21.6%	22.4%	30.5%	6.9%	8.4%	12.0%	14.0%	11.0%	12.0%	Return on Shr. Equity	11.5%
Retained to Com Eq	14.6%	8.1%	8.5%	21.6%	22.4%	30.5%	6.9%	8.4%	12.0%	14.0%	10.0%	8.5%	Retained to Com Eq	9.0%
All Div'ds to Net Prof	-	-	-	-	-	-	-	-	-	-	9%	30%	All Div'ds to Net Prof	22%

BUSINESS: NVIDIA Corp. is a leading developer of 3D graphics and multimedia processing technology used in personal computers, gaming consoles, and other devices. Products include GeForce, GeForce Go, nForce, GoForce, PureVideo, TurboCache, and Quadro chips. Customers include Microsoft, HP, Dell, Fujitsu-Siemens, NEC, Sony, Toshiba, Apple, and other OEMs and system

integrators. Production is outsourced to Taiwan Semiconductor and IBM. R&D was 25% of 2011 sales. Intl. sales accounted for 85% of revenues. Acquired MediaQ (8/03). Has about 7,133 employees. Officers and dirs. own 5.3% of common stock (4/12 proxy). CEO: Jen-Hsun Huang. Inc.: DE. Addr.: 2701 San Tomas Exp., Santa Clara, CA 95050. Tel.: 408-486-2000. Internet: www.nvidia.com.

NVIDIA Corp. appears to be experiencing a performance improvement in the second half of fiscal 2012 (ends January 27th). After a difficult start to the first half, earnings are rebounding nicely. All told, for the year, we expect to see a top-line advance of about 7.5% when compared to 2011. This ought to be supported by steady gains at the company's consumer Graphics Processing Unit division, which includes desktop, notebook, memory, and the Intel licensing agreement. Meanwhile, the Professional Solutions division, which includes workstation graphics and computing, will likely be a bit of a moderator this year, as sales for those offerings have been weak. Nonetheless, we anticipate that cost-cutting efforts put into play throughout the year will lower cost of goods sold and operating expenses. On balance, we have raised our 2012 earnings estimate by a dime, to \$0.85 a share. However, it is worth noting that this still represents a year-over-year decline of 10%. This reflects the weak economic conditions, which have been weighing on most companies in this space.

rebound in 2013. Solid acceptance of NVDA's offerings ought to contribute to a top-line increase of almost 7%. Meanwhile, recently penned deals, like the one with the U.S. Defense Department's research and development arm, augur well for prospects. This deal could generate about \$20 million, which is a modest amount in comparison to the company's overall sales. However, assuming NVIDIA does well in developing faster, more energy efficient processors for ground and airborne drones, this could pave the way for more robust deals, down the road.

Dividends and share buybacks may entice some risk-tolerant accounts. The company recently initiated a quarterly dividend of \$0.075, or \$0.30 annually. This represents a yield of 2.4%. Meanwhile, the board authorized a \$1.24 billion share-repurchase agreement, which, if utilized could bolster share net.

These shares have improved one notch in Timeliness, to 3 (Average), since our October review. And they offer attractive appreciation potential for the pull to 2015-2017.

Annual earnings may begin to Bryan J. Fong January 4, 2013

(A) Fiscal year ends on the last Sunday in January of following year.
 (B) Diluted earnings. Excludes non-recurring gains/(losses): '02, (\$0.11); '03, (\$0.02); '05, (\$0.02); '08, (\$0.34). Next egs. report due mid-Feb. Qly. egs. may not sum to total, due to change in shares outstanding.
 (C) In millions, adjusted for splits.
 (D) Incl. stock option expense of 23¢ in fiscal 2006, 25¢ in fiscal 2007, 24¢ in fiscal 2008.
 (E) Incl. intangibles. At 1/29/12, \$967 million, \$1.57 a share.

Company's Financial Strength	A
Stock's Price Stability	25
Price Growth Persistence	50
Earnings Predictability	25

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