First Read

Tesla, Inc.

3Q26 deliveries beat consensus by 5%; energy missed

Net: There were some puts and takes with TSLA's delivery release, 1) (+) TSLA beat consensus delivery estimates by +5%, though buyside expectations had been creeping up. Still continued rebound for vehicle deliveries. 2) (-) Energy deployment missed. As we have said before, energy is lumpy and difficult to "check". That said this will have slight model implications given the above company average gross margins (we estimate ~ $0.03 all else equal).

- **TSLA reported 3Q26 deliveries of 487k, which was +1% q/q and -2% y/y.** This compares to company collected consensus of 462k (+5% above), but we believe buyside expectations may have creeped up all the way to 470-490k. Model 3/Y deliveries were +2% q/q and -1% y/y while all other models (i.e.Cybertruck/ Cybercab) were -48% y/y and -33% q/q (remember TSLA stopped selling S/X last quarter). We believe Tesla deliveries continue to be strong in some newer markets and in exports supported by their Shanghai facility.
- **Production came in at 464k, +3% q/q, +4% y/y.** Production was below deliveries. We estimate "days" inventory (cumulative production less cumulative deliveries) are down to 18 from 22 last quarter.
- **13.7 GWh of energy storage deployments.** Energy deployment was +1% q/q and +10% y/y, this compared to consensus of 15.9 GWh. We note that energy storage deployments can be lumpy.

Equities

United States
Automobile Manufacturers

12-month rating	**Neutral ***
12m price target	**US$385.00**
Price (02 Oct 2026)	**US$354.11**

RIC: TSLA.O **BBG:** TSLA US

Trading data and key metrics

52-wk range	US$489.88-298.32
Market cap.	US$1,254b
Shares o/s	3,540m (COM)
Free float	86%
Avg. daily volume ('000)	37,869
Avg. daily value (m)	US$13,491
Common s/h equity (12/26E)	US$89.1b
P/BV (12/26E)	12.6x
Net debt to EBITDA (12/26E)	NM

EPS (UBS, diluted) (USD)

	12/26E	
	UBS	**Cons.**
Q1	0.41	0.41
Q2	0.33	0.33
Q3E	0.33	0.43
Q4E	0.29	0.46
12/26E	1.37	1.73
12/27E	1.74	2.27
12/28E	2.87	2.97

Joseph Spak, CFA
Analyst
joseph.spak@ubs.com
+1-212-713 3089

Robert Saltzman
Analyst
robert.saltzman@ubs.com
+1-212-713 2992

Alejandro Nuno
Associate Analyst
alejandro.nuno@ubs.com
+1-212-713 3886

Highlights (US$m)	12/23	12/24	12/25	12/26E	12/27E	12/28E	12/29E	12/30E
Revenues	96,773	97,690	94,827	103,489	113,320	128,678	148,785	179,973
EBIT (UBS)	10,703	9,075	7,180	5,875	7,476	12,742	20,244	30,144
Net earnings (UBS)	10,884	8,005	5,858	4,834	6,176	10,233	15,845	23,128
EPS (UBS, diluted) (US$)	3.12	2.29	1.66	1.37	1.74	2.87	4.43	6.45
DPS (net) (US$)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net (debt) / cash	23,864	28,350	35,683	22,180	10,314	4,946	5,497	20,882

Profitability/valuation	12/23	12/24	12/25	12/26E	12/27E	12/28E
EBIT (UBS) margin %	11.1	9.3	7.6	5.7	6.6	9.9
ROIC (EBIT) %	32.2	21.3	15.5	10.2	9.8	13.6
EV/EBITDA (UBS core) x	39.8	44.2	79.0	91.9	65.8	45.6
P/E (UBS, diluted) x	69.6	NM	NM	NM	NM	NM
Equity FCF (UBS) yield %	(0.3)	(0.5)	(0.1)	(1.0)	(0.9)	(0.4)
Dividend yield (net) %	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company accounts, LSEG Eikon, UBS estimates. Metrics marked as (UBS) have had analyst adjustments applied. Valuations: based on an average share price tha
price of US$ 354.11 on 02-Oct-2026 09:37:33 EDT

This report has been prepared by UBS Securities LLC. * Exception to core rating bands; See Required Disclosur
**CERTIFICATION AND REQUIRED DISCLOSURES, INCLUDING INFORMATION ON THE QUANTITATIVE
PUBLISHED BY UBS, BEGIN ON PAGE 4.**

Forecast returns

Forecast price appreciation	8.7%
Forecast dividend yield	0.0%
Forecast stock return	8.7%
Market return assumption	9.8%
Forecast excess return	-1.1%

Company Description

Tesla, Inc. manufactures and sells fully electric vehicles and energy generation and storage systems, and related services. The company's mission is to accelerate the world's transition to sustainable energy. The company is also working on automated driving technology and Optimus, a robotic humanoid.

Valuation Method and Risk Statement

Our price target is based on a P/E on our 2027 forecast. An overall slowdown in the global economy and discretionary spending remains a key risk to automotive production and, as such, to TSLA stock. Other major risks include a slower rate of electric vehicle adoption, inability to deliver on cost reduction, supply of materials and supply chain risk, failure to expand capacity rapidly, regulatory risk, key man risk and execution risk. Upside risks include stronger than expected demand for EVs and Tesla products, stronger than expected Energy products, and faster materialization of robo-taxi and other AI ventures.

Quantitative Research Review

UBS Global Research publishes a quantitative assessment of its analysts' responses to certain questions about the likelihood of an occurrence of a number of short term factors in a product known as the 'Quantitative Research Review'. The views for this month can be found below. Views contained in this assessment on a particular stock reflect only the views on those short term factors which are a different timeframe to the 12-month timeframe reflected in any equity rating set out in this note. For previous responses please make reference to (i) previous UBS Global Research reports; and (ii) where no applicable research report was published that month, the Quantitative Research Review which can be found at https://neo.ubs.com/quantitative, or contact your UBS sales representative for access to the report or the Quantitative Research Team on ubs-quant-answers@ubs.com. A consolidated report which contains all responses is also available and again you should contact your UBS sales representative for details and pricing or the Quantitative Research Team on the email above.

Tesla, Inc.

Question	Response
1. Is the industry structure facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting worse, 3 = no change, 5 = getting better, N/A = no view)	3
2. Is the regulatory/government environment facing the firm likely to improve or deteriorate over the next six months? Rate on a scale of 1-5 (1 = getting tougher 3 = no change, 5 = getting better, N/A = no view)	3
3. Over the last 3-6 months in broad terms have things been improving/no change/getting worse for this stock? Rate on a scale of 1-5 (1 = getting a lot worse, 3 = not much change, 5 = getting a lot better, N/A = no view)	4
4. Relative to the current CONSENSUS EPS forecast, is the next company EPS update likely to lead to: (1 = negative surprise vs consensus, 3 = in-line with consensus, 5 = positive surprise vs consensus expectations, N/A = no view)	3
5. What's driving the difference?	
6. Relative to YOUR current earnings forecast, is there relatively greater risk at the next earnings result of:(1 = downside skew risk to earnings, 3 = equal upside or downside risk to earnings, 5 = upside skew risk to earnings, N/A = no view)	3
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	
9. Is there an actual or approximate date for the catalyst?	
10. Is the catalyst date an actual or approximate date?	
11. What is the catalyst?	