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IDEA

*October 7, 2026 09:00 PM GMT*

**Internet and Software | North America**

# Why Amazon Bedrock and Microsoft Foundry Should Become Household Names

We detail why the hyperscalers' GenAI concierge layers (Amazon Bedrock, Microsoft Foundry, Gemini Enterprise Agent Platform) are positioned to drive and benefit from the GenAI age of inference ahead and why they leave us most constructive on AMZN and MSFT.

**Meet the Hyperscalers' GenAI Concierge Layers...**Investor debates about the application, scalability and monetization of frontier models, closed models near the frontier, open weights and source models remain front and center (see here for our work on open weights models). These are important debates, but in our view, one of the under-appreciated assets through this upcoming age of inference may prove to be leading hyperscalers' GenAI "concierge layers" — Amazon Bedrock, Microsoft Foundry and Google Gemini Enterprise Agent Platform. **These tools leave us particularly bullish on AMZN and MSFT and the under-appreciated growth and profit ahead at AWS and Azure.** Indeed, in the case of AWS, we estimate that Bedrock is run-rating at ~$10bn of revenue (a mid-single-digit percent of total AWS revenue even after considering the net accounting we believe is used with partner models) and is growing ~100% sequentially. We also think the strategic positioning of Bedrock and Foundry can ultimately lead to multiple expansion. While we're also positive on GOOGL's platform and overall earnings power, we think GOOGL shares are unlikely to re-rate meaningfully higher until the company can ship an agentic offering to offset long-term search disruption fears, making GOOGL potentially less of a direct beneficiary.

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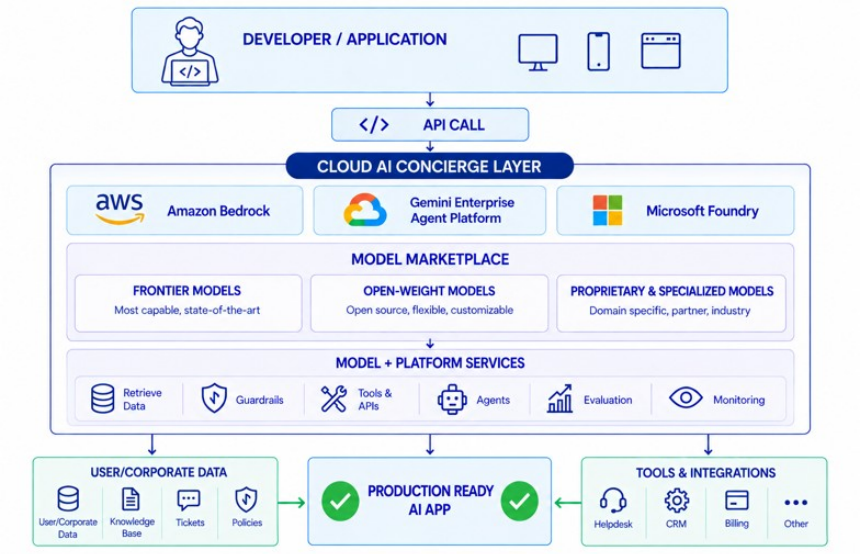
**INTERNET**

**North America**
Industry View **Attractive**

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**Exhibit 1:** We see Amazon Bedrock, Microsoft Foundry and Google Gemini Enterprise Agent Platform as Key Enablers of GenAI Adoption Given Their Model Access, Routing, Compute and Agent Orchestration in Secure and Corporate-Friendly Environments:




Source: Company data, Morgan Stanley Research

**...Key Enablers of the GenAI Inference Spending Surge Expected Ahead:** These offerings bring together model access, routing, compute and agent orchestration with enterprise security and governance controls (see Exhibit 1). Bottom line, **hyperscalers have the compute capacity (which remains the scarce resource), and these layers monetize the capacity with multiple utility-providing tools/services.** These platforms simplify GenAI development and deployment, helping developers and businesses of all sizes scale into production...while balancing cost and performance. Importantly, they also build on hyperscalers' existing customer relationships, data integrations and ability to fund and scale compute capacity...a combination we believe positions them to accelerate enterprise GenAI adoption.

**We See Hyperscalers Competing on 3 Layers of Service Here...With a Focus on Breadth of Offerings and Minimizing Cost to Serve:** We see Amazon Bedrock, Google Gemini Enterprise Agent Platform and Microsoft Foundry competing across 3 capability layers: **1)** Model intelligence/access, **2)** Compute, and **3)** GenAI production workload infrastructure. Within the layers, **we see model intelligence/access and compute/accelerator capability as offering potential differentiation**, while production infrastructure seems more table stakes.

**On model access/intelligence**, we are monitoring differences in 1P model intelligence and performance (such as Gemini), 3P frontier access (secured through partnerships), timely support for *leading* open-weights models and routing capabilities as potential drivers of platform selection and share gains. **On compute**, we continue to watch available capacity of GPU/custom-silicon (TPU/Trainium) and whether software improvements translate into stronger customer price/performance on comparable workloads...particularly where platforms offer the same models. In this case, custom silicon can offer the potential to lower cost to

serve...which matters to winning and scaling business and driving retention. **On production infrastructure**, agent orchestration, corporate data retrieval and guardrails/security are more table stakes, in our view...while essential for production ready workload deployment, we see the platforms less likely to differentiate on availability alone. Here, we would monitor ease of integration with existing enterprise systems and deployment reliability, rather than feature breadth.

**Exhibit 2:** We See Hyperscalers Competing on 3 Layers of Services...Focusing on a Breadth of Offerings and Minimizing Client Cost to Serve

| LAYER | PRODUCT / SERVICE | WHAT IS IT? | WHY IT MATTERS? |
|---|---|---|---|
| MODEL INTELLIGENCE & ACCESS | 1P proprietary models | Models built, trained, owned and operated by the platform owner e.g. GOOGL Gemini | Frontier access attracts workloads, high value token spend, driving adoption and may drive a multiple premium for platform owner |
| | 3P frontier models | Leading closed models built, trained, owned and operated by external labs | Frontier access attracts workloads, high value token spend and drives adoption |
| | 3P open-weight models | Models available via API or downloadable weights for customization and self-deployment | Lower cost and deployment choice expands adoption and shifts value toward compute and attached cloud services |
| | Tuning / eval / routing | Customize models, test performance, and route requests to the best model | Improves quality, cost and latency while deepening platform integration and customer stickiness |
| COMPUTE | Accelerator breadth and capability | Breadth, scale and capabilities of GPUs and proprietary AI chips | More chip choice and differentiated silicon improve capacity and economics, driving workload adoption |
| | Serverless inference | Pay-per-token model access without provisioning or managing infrastructure | Broadens adoption; pooled demand supports utilization, token revenue and attached cloud spend |
| | Provisioned throughput | Reserved inference capacity for predictable throughput and latency | Enables reliable production scale and creates committed platform revenue |
| PRODUCTION INFRASTRUCTURE | Agent runtime / orchestration | Managed infrastructure that runs agents and coordinates tools, memory and multi-step workflows | Moves agents from pilots to reliable production, driving usage and attached cloud spend |
| | Enterprise data retrieval | RAG retrieves permissioned enterprise data and supplies it to the model at query time | Improves accuracy and enterprise relevance, enabling proprietary workflows and production adoption |
| | Guardrails / safety | Screens prompts and outputs for harmful content, attacks and sensitive data | Reduces deployment risk, unlocking regulated and customer-facing use cases/adoption |

Source: Company data, Morgan Stanley Research

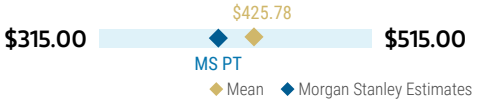
# Risk Reward – Alphabet Inc. (GOOGL.O)

Alphabet Inc.

## PRICE TARGET $400.00

Our $400 PT is based on applying a ~24X P/E multiple to the average of our $15/$18 EPS in '27/'28, and implies paying ~1.6X PEG, a ~35% premium to GOOGL's peer median.

**Consensus Price Target Distribution**

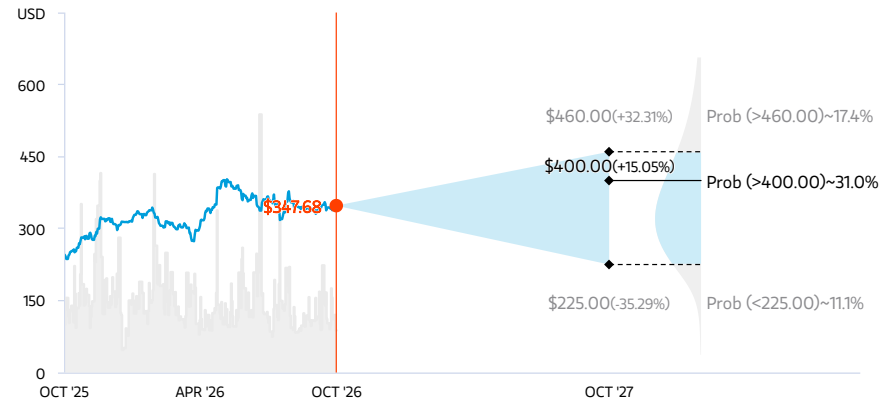



Source: Refinitiv, Morgan Stanley Research

## OVERWEIGHT THESIS

- Continued AI-driven platform-level innovation on Search, YouTube, Cloud, and with other offerings improve confidence in the durability of long term growth.
- Continued expense discipline leads to operating leverage and upward revisions on EPS and FCF estimates.

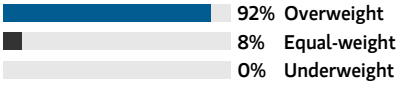
## RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)




Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 6 Oct 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

**Consensus Rating Distribution**




Source: Refinitiv, Morgan Stanley Research

**Risk Reward Themes**

| | |
|---|---|
| Secular Growth: | *Positive* |
| New Data Era: | *Positive* |

View descriptions of Risk Rewards Themes here

## BULL CASE $460.00

**~26X Avg. '27/'28 Bull Case EPS of ~$16/~$20**

**Faster innovation and Search/GCP acceleration lead to multiple expansion and higher earnings power.** Search revenue accelerates as AI-driven innovation delivers meaningful upside to engagement. New AI offerings prove incremental to the top and bottom line and don't cannibalize core Search. YouTube and Cloud become even bigger contributors to top-line growth, and operate at a higher margin than in our base case.

## BASE CASE $400.00

**~24X Avg. '27/'28 Base Case EPS of ~$15/~$18**

**Assumes pragmatic search revenue growth in '26, continued incremental platform monetization and Google Cloud acceleration in '26.** As GOOGL continues platform-level innovation on Search and other categories, we assume pragmatic revenue/EBITDA growth. GOOGL introduces new AI offerings which increase confidence in the durability of long term growth and calm fears around competition. Google Cloud accelerates driven by new partnerships and growing backlog.

## BEAR CASE $225.00

**~15X Avg. '27/'28 Bear Case EPS of ~$14/~$16**

**Global ad growth slows further and margins face pressure.** Assumes slower search advertising growth, and that ad spending slows further. Expense discipline fails to materialize leading to lower than expected margin expansion and adj. EBITDA. New AI products create greater than expected margin pressure due to lower monetization rates and increased compute intensity.

# Risk Reward – Alphabet Inc. (GOOGL.O)

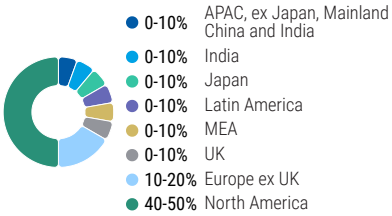
## KEY EARNINGS INPUTS

| Drivers | Dec 2025 | Dec 2026e | Dec 2027e | Dec 2028e |
|---|---|---|---|---|
| Total operating income (GAAP) ($, mm) | 129,039 | 171,465 | 229,478 | 284,409 |
| GAAP Operating Income (Loss) ($, mm) | 137,054 | 178,940 | 236,678 | 290,959 |

## INVESTMENT DRIVERS

- Search advertising spend continues to gain share of global advertising budgets.
- Mobile search advertising continues to take share of online budgets.
- Investments in video driving longer-term monetization at YouTube.
- Moderation of expense growth.

## GLOBAL REVENUE EXPOSURE




Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies here

## MS ALPHA MODELS

| | | | |
|---|---|---|---|
| 4/5 BEST | 24 Month Horizon | 3/5 MOST | 3 Month Horizon |

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

## RISKS TO PT/RATING

**RISKS TO UPSIDE**

- New products generate higher than expected top line contribution.
- Capital returns through greater share buybacks.
- Hiring and/or spend per headcount is lower than expected.

**RISKS TO DOWNSIDE**

- High exposure to SMB and travel could pressure ad revenue in a recession
- Improved disclosure around the Google and Other Alphabet segments may not decrease the overall investment activity of the business.

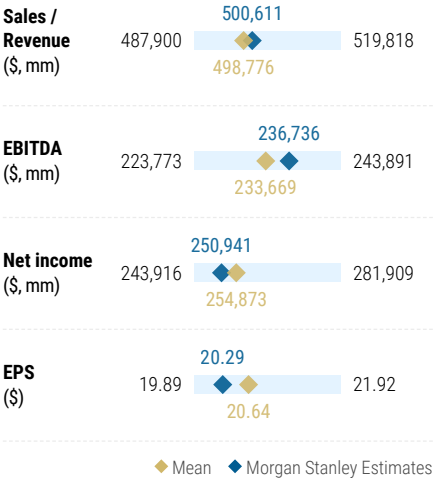
## OWNERSHIP POSITIONING

| | |
|---|---|
| **Inst. Owners, % Active** | 56.5% |
| **HF Sector Long/Short Ratio** | 2.2x |
| **HF Sector Net Exposure** | 9.9% |

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

## MS ESTIMATES VS. CONSENSUS

*FY Dec 2026e*




Source: Refinitiv, Morgan Stanley Research

# Risk Reward – Microsoft (MSFT.O)

Durability of Earnings Growth & AI Leadership Not Priced-In

## PRICE TARGET $600.00

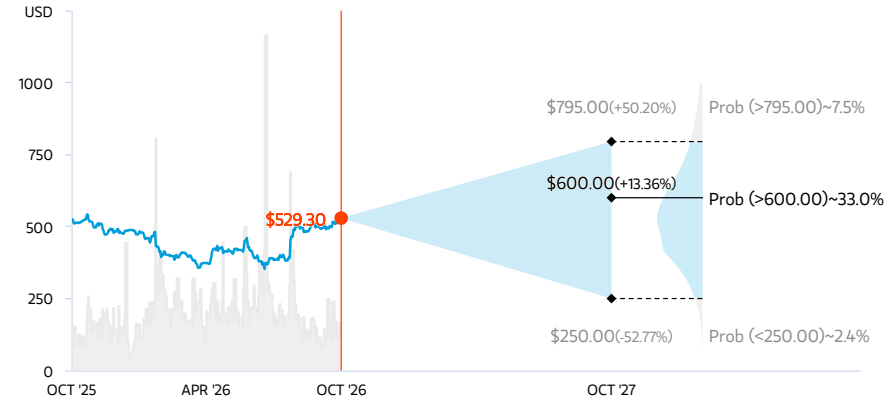
25x Base Case FY28e EPS of $24.06. 25x PE is a slight premium to large cap software peers, 1.2x PEG is a discount to MSFT historical PEG and large-cap software peers.

**Consensus Price Target Distribution** $400.00 — $581.59 (MS PT) — $870.00

Source: Refinitiv, Morgan Stanley Research

◆ Mean ◆ Morgan Stanley Estimates

## RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)




Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 6 Oct 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

## OVERWEIGHT THESIS

- Greater than expected capacity-driven Azure growth inflection and Copilot monetization supports high-teens rev growth.
- Meaningful gross margin % headwinds are offset by operating leverage, yielding 20%+ EBIT growth and >20% EPS growth
- Shares trading at ~20x FY28 GAAP EPS too cheap. Overweight

**Consensus Rating Distribution**

| | |
|---|---|
| 98% | Overweight |
| 2% | Equal-weight |
| 0% | Underweight |

● MS Rating

Source: Refinitiv, Morgan Stanley Research

**Risk Reward Themes**

| | |
|---|---|
| **New Data Era:** | *Positive* |
| **Pricing Power:** | *Positive* |
| **Secular Growth:** | *Positive* |

View descriptions of Risk Rewards Themes here

## BULL CASE $795.00

**~29x Bull Case FY28e EPS: $27.64**

**Azure, O365 & Robust Contribution from AI Drive Top-Line Growth.** Acceleration in Azure growth, adoption of higher priced M365 Commercial SKUs and continued seat growth, and robust adoption of Azure AI services and Microsoft AI Copilots across business lines drive low-20s revenue CAGR in the coming years. Operating margins expand to ~49.0% by FY28 and FY28e EPS is $27.64. ~29x PE represents a premium to large cap software peers, but below MSFT historical avg PEG at ~1.2x given >20% EPS CAGR.

## BASE CASE $600.00

**~25x Base Case FY28e EPS of $24.06**

**Azure, M365 & Ramping Contribution from AI Drive Top-Line Growth.** Durability of Azure growth, adoption of higher priced M365 Commercial SKUs and continued seat growth, and ramping adoption of Azure AI services & Microsoft AI Copilots across business lines drive high-teens rev CAGR ahead. Operating margins expand beyond ~46.7% by FY28 and FY28e EPS is $24.06. 25x PE is a premium to large cap software peers, given strong positioning and execution. 1.2x PEG is a discount to MSFT historical PEG.

## BEAR CASE $250.00

**~11x Bear Case FY28e EPS: $21.84**

**Macro, Scale & Limited AI Adoption Drives Top-Line Growth Deceleration.** Azure growth continues deceleration given scale, while M365 reaches penetration and adoption of Azure AI services & Microsoft AI Copilots across business lines remains limited. This drives mid-teens rev CAGR. Operating margins only expand to ~45.0% by FY28 from gross margin pressure and FY28 EPS is $21.84. ~12x PE is a discount to large cap software peers and a discount on a PEG.

# Risk Reward – Microsoft (MSFT.O)

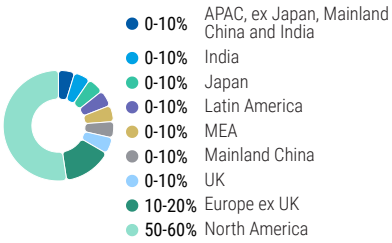
## KEY EARNINGS INPUTS

| Drivers | Jun 2026 | Jun 2027e | Jun 2028e | Jun 2029e |
|---|---|---|---|---|
| Azure and Other Cloud Services Growth (%) | 40.7 | 44.9 | 43.2 | 41.2 |
| M365 Commercial Cloud Growth (%) | 16.4 | 16.6 | 17.6 | 17.7 |
| Gross Margins (%) | 67.9 | 65.7 | 64.4 | 63.4 |
| Operating Margins (%) | 46.8 | 46.5 | 46.7 | 47.2 |
| GAAP EPS Growth (%) | 31.5 | 9.6 | 22.4 | 25.1 |

## INVESTMENT DRIVERS

- Sustainability of commercial cloud growth, Copilot growth
- Improving Azure growth, cloud momentum, improving cloud margins

## GLOBAL REVENUE EXPOSURE




Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies here

## MS ALPHA MODELS

| | | | |
|---|---|---|---|
| 3/5 BEST | 24 Month Horizon | 1/5 MOST | 3 Month Horizon |

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

## RISKS TO PT/RATING

**RISKS TO UPSIDE**

- Cloud adoption accelerates, with Azure as convincing winner
- AI leadership results in substantial revenue contribution over-time
- Operational efficiencies leading to greater than anticipated economies of scale and margin expansion

**RISKS TO DOWNSIDE**

- Weak macro impacting IT spending
- On-premises cannibalization by Cloud
- Increased investments hurt margin expansion
- AI adoption proves limited

## OWNERSHIP POSITIONING

| | |
|---|---|
| **Inst. Owners, % Active** | 52.4% |
| **HF Sector Long/Short Ratio** | 2.2x |
| **HF Sector Net Exposure** | 30.6% |

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

## MS ESTIMATES VS. CONSENSUS

*FY Jun 2027e*

| | | | |
|---|---|---|---|
| **Sales / Revenue** ($, mm) | 378,969 | 393,588 / 390,964 | 402,719 |
| **EBITDA** ($, mm) | 224,029 | 235,048 / 239,988 | 251,848 |
| **Net income** ($, mm) | 141,161 | 145,544 / 146,757 | 156,956 |
| **EPS** ($) | 19.00 | 19.66 / 19.74 | 21.12 |

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

# Risk Reward – Amazon.com Inc (AMZN.O)

AMZN Risk Reward

## PRICE TARGET $335.00

Our $335 PT is based on applying a ~25X P/E multiple to an average of our $14 of '27/'28 EPS (roll to mid-year), which implies ~28X '27 EPS and ~22X '28 EPS.

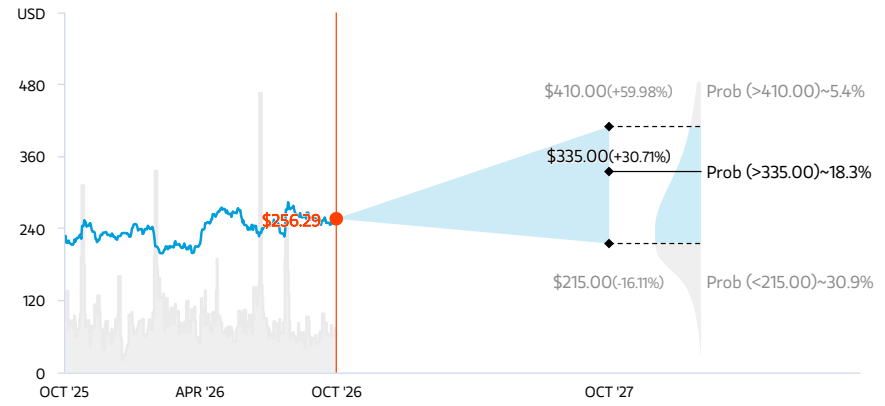
**Consensus Price Target Distribution** $207.00 — $322.81 — $405.00

MS PT

Source: Refinitiv, Morgan Stanley Research

◆ Mean ◆ Morgan Stanley Estimates

## RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)




Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 6 Oct 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

## OVERWEIGHT THESIS

- Amazon's high-margin businesses continue to allow Amazon to drive greater profitability while still continuing to invest (last mile delivery, fulfillment, Prime Now, Fresh, Prime digital content, Alexa/Echo, India, AWS, etc).
- Amazon Prime membership growth drives recurring revenue and positive mix shift.
- Cloud adoption hitting an inflection point.
- Advertising serves as a key area for both further growth potential and profitability flow-through.

**Consensus Rating Distribution**

| | |
|---|---|
| 97% | Overweight |
| 3% | Equal-weight |
| 0% | Underweight |

● MS Rating

Source: Refinitiv, Morgan Stanley Research

**Risk Reward Themes**

| | |
|---|---|
| **Secular Growth:** | *Positive* |
| **New Data Era:** | *Positive* |
| **Technology Diffusion:** | *Positive* |

View descriptions of Risk Rewards Themes here

## BULL CASE $410.00

**~27X an average of $15 of bull '27/'28 EPS**

Our Bull case is derived from higher Revenue and EBIT margin assumptions than in our base case

## BASE CASE $335.00

**~25X an average of $14 of base '27/'28 EPS**

Our $335 PT is based on applying a ~25X P/E multiple to an average of our $14 of '27/'28 EPS (roll to mid-year), which implies ~28X '27 EPS and ~22X '28 EPS.

## BEAR CASE $215.00

**~17X an average of $12 of bear '27/'28 EPS**

Our Bear case is derived from lower Revenue and EBIT margin assumptions than in our base case

# Risk Reward – Amazon.com Inc (AMZN.O)

## KEY EARNINGS INPUTS

| Drivers | Dec 2025 | Dec 2026e | Dec 2027e | Dec 2028e |
|---|---|---|---|---|
| Revenue ($, mm) | 716,924 | 833,352 | 973,667 | 1,134,182 |
| Gross Profit ($, mm) | 361,287 | 433,328 | 534,679 | 656,405 |
| GAAP EBIT ($, mm) | 79,975 | 116,753 | 166,089 | 227,300 |
| Paid Unit Growth (y/y) (%) | 10.8 | 12.9 | 9.6 | 9.1 |
| AWS Revenue Growth (%) | 19.7 | 37.4 | 40.8 | 36.8 |

## INVESTMENT DRIVERS

- Amazon's high-margin businesses continue to allow Amazon to drive greater profitability while still continuing to invest
- Cloud is in a multi-decade secular adoption cycle
- Amazon is gaining share in eCommerce/retail and share of consumers' wallets

## GLOBAL REVENUE EXPOSURE



- 0-10% APAC, ex Japan, Mainland China and India
- 0-10% India
- 0-10% Japan
- 0-10% Latin America
- 0-10% Mainland China
- 0-10% UK
- 10-20% Europe ex UK
- 60-70% North America

Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies here

## MS ALPHA MODELS

| | | | |
|---|---|---|---|
| 3/5 BEST | 24 Month Horizon | 2/5 MOST | 3 Month Horizon |

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

## RISKS TO PT/RATING

**RISKS TO UPSIDE**

- Faster than expected AWS rev growth and stable margin expansion
- Faster than expected Retail rev growth, stable to expanding 1P Merch Margins
- Greater than expected shipping and fulfillment leverage

**RISKS TO DOWNSIDE**

- Investments step up and continue for longer than expected
- Merch margins worse than expected
- AWS revenue decelerates and /or margins decline

## OWNERSHIP POSITIONING

| | |
|---|---|
| **Inst. Owners, % Active** | 55.8% |
| **HF Sector Long/Short Ratio** | 1.8x |
| **HF Sector Net Exposure** | 11.3% |

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

## MS ESTIMATES VS. CONSENSUS

*FY Dec 2026e*

| | | | |
|---|---|---|---|
| **Sales / Revenue** ($, mm) | 815,866 | 833,352 / 828,559 | 841,977 |
| **EBITDA** ($, mm) | 197,862 | 224,292 / 216,507 | 235,567 |
| **Net income** ($, mm) | 96,276 | 146,557 / 138,880 | 148,986 |
| **EPS** ($) | 9.00 | 13.43 / 12.86 | 13.70 |

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research



# Risk Reward Reference links

1. View explanation of Options Probabilities methodology - Options_Probabilities_Exhibit_Link.pdf

2. View descriptions of Risk Rewards Themes - RR_Themes_Exhibit_Link.pdf

3. View explanation of regional hierarchies - GEG_Exhibit_Link.pdf

4. View explanation of Theme/Exposure methodology - ESG_Sustainable_Solutions_External_Link.pdf

5. View explanation of HERS methodology - ESG_HERS_External_Link.pdf



# Disclosure Section

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## Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Brian Nowak, CFA; Adam Wood.

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## Global Stock Ratings Distribution

(as of September 30, 2026)

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| | Coverage Universe | | Investment Banking Clients (IBC) | | | Other Material Investment Services Clients (MISC) | |
|---|---|---|---|---|---|---|---|
| Stock Rating Category | Count | % of Total | Count | % of Total IBC | % of Rating Category | Count | % of Total Other MISC |
| Overweight/Buy | 1599 | 43% | 455 | 48% | 28% | 783 | 44% |
| Equal-weight/Hold | 1563 | 42% | 394 | 42% | 25% | 763 | 43% |
| Not-Rated/Hold | 2 | 0% | 1 | 0% | 50% | 1 | 0% |
| Underweight/Sell | 570 | 15% | 96 | 10% | 17% | 227 | 13% |
| Total | 3,734 | | 946 | | | 1774 | |

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

## Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

## Analyst Industry Views

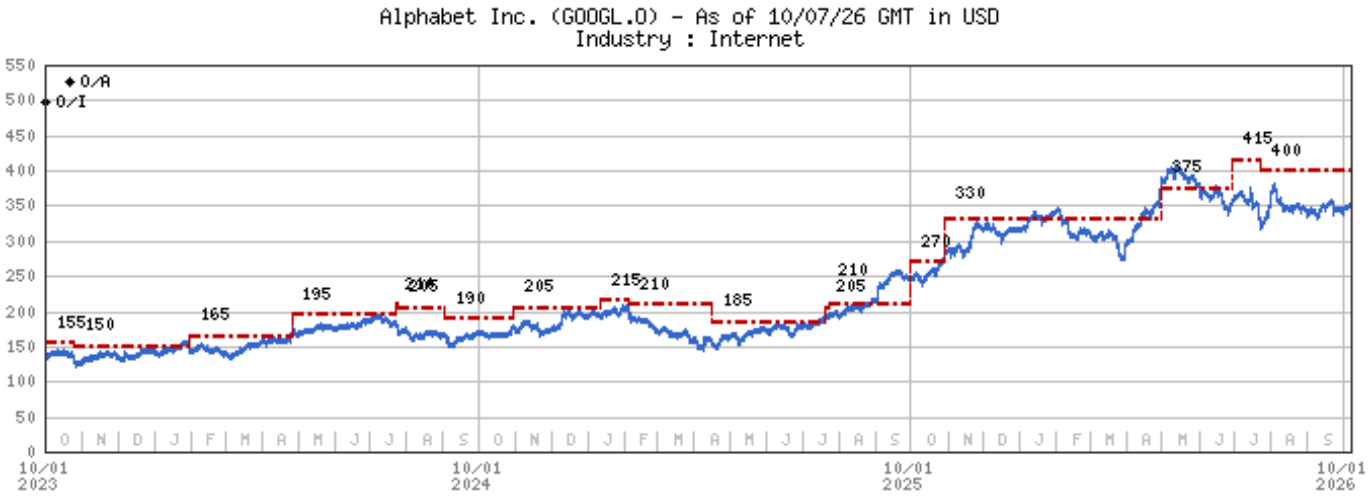
Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

## Stock Price, Price Target and Rating History (See Rating Definitions)



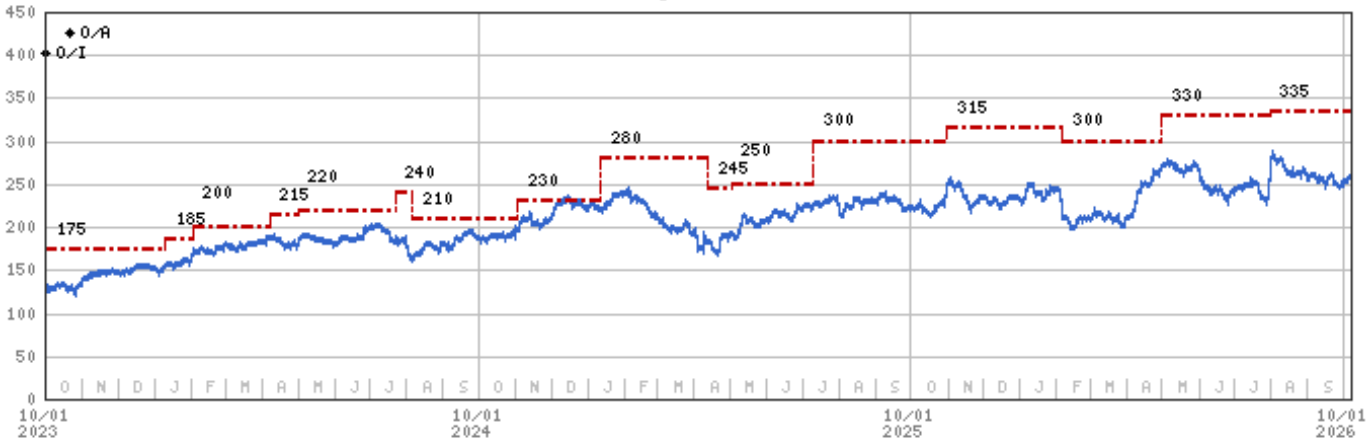

Stock Rating History: 10/1/21 : O/I; 10/22/23 : O/A

Price Target History: 7/27/21 : 150; 11/1/21 : 160; 1/19/22 : 171.5; 2/2/22 : 172.5; 4/27/22 : 163.5; 5/31/22 : 150; 7/18/22 : 140; 7/27/22 : 145; 10/9/22 : 135; 10/26/22 : 125; 11/14/22 : 120; 1/17/23 : 125; 2/3/23 : 135; 4/25/23 : 140; 7/12/23 : 150; 7/26/23 : 155; 10/25/23 : 150; 1/31/24 : 165; 4/26/24 : 195; 7/22/24 : 210; 7/24/24 : 205; 9/2/24 : 190; 10/30/24 : 205; 1/12/25 : 215; 2/5/25 : 210; 4/16/25 : 185; 7/20/25 : 205; 7/23/25 : 210; 10/1/25 : 270; 10/30/25 : 330; 4/30/26 : 375; 6/29/26 : 415; 7/23/26 : 400

Source: Morgan Stanley Research  Date Format : MM/DD/YY  Price Target --  No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst)  Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.



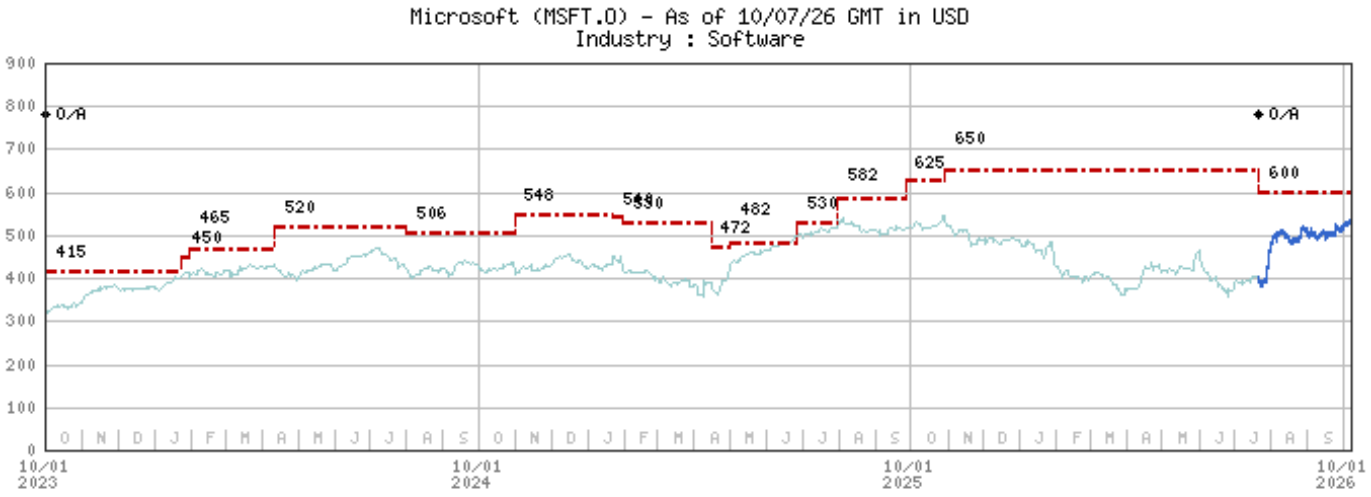

Stock Rating History: 10/1/21 : O/I; 10/22/23 : O/A

Price Target History: 9/26/21 : 205; 10/29/21 : 200; 1/10/22 : 210; 4/29/22 : 190; 5/31/22 : 175; 10/28/22 : 140; 2/3/23 : 150; 8/4/23 : 175; 1/10/24 : 185; 2/2/24 : 200; 4/7/24 : 215; 5/1/24 : 220; 7/22/24 : 240; 8/5/24 : 210; 11/3/24 : 230; 1/12/25 : 280; 4/13/25 : 245; 5/2/25 : 250; 7/10/25 : 300; 10/31/25 : 315; 2/6/26 : 300; 4/30/26 : 330; 7/31/26 : 335

Source: Morgan Stanley Research  Date Format : MM/DD/YY  Price Target --  No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst)  Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

Effective January 13, 2014, the industry view benchmarks for Morgan Stanley Asia Pacific are as follows: relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.




Stock Rating History: 10/1/21 : O/A; 7/21/26 : O/A

Price Target History: 9/14/21 : 331; 10/27/21 : 364; 1/26/22 : 372; 7/12/22 : 354; 10/14/22 : 325; 10/26/22 : 307; 4/26/23 : 335; 7/6/23 : 415; 1/23/24 : 450; 1/31/24 : 465; 4/11/24 : 520; 7/31/24 : 506; 10/31/24 : 548; 1/22/25 : 540; 1/30/25 : 530; 4/15/25 : 472; 5/1/25 : 482; 6/26/25 : 530; 7/31/25 : 582; 9/26/25 : 625; 10/30/25 : 650; 7/21/26 : 600

Source: Morgan Stanley Research  Date Format : MM/DD/YY  Price Target  No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst)  Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

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## INDUSTRY COVERAGE: Internet

| COMPANY (TICKER) | RATING (AS OF) | PRICE* (10/06/2026) |
|---|---|---|
| **Brian Nowak, CFA** | | |
| Alphabet Inc. (GOOGL.O) | O (08/11/2015) | $347.68 |
| Amazon.com Inc (AMZN.O) | O (04/24/2015) | $256.29 |
| DoorDash Inc (DASH.O) | O (02/21/2024) | $193.62 |
| Instacart (CART.O) | E (01/29/2024) | $45.47 |
| Lyft Inc (LYFT.O) | E (10/24/2019) | $15.76 |
| Meta Platforms Inc (META.O) | O (03/20/2023) | $738.88 |
| Pinterest Inc (PINS.N) | O (07/20/2025) | $20.03 |
| Reddit Inc (RDDT.N) | O (12/08/2024) | $148.95 |
| Snap Inc. (SNAP.N) | E (07/22/2024) | $5.78 |
| Uber Technologies Inc (UBER.N) | ++ | $69.08 |
| **Matthew Cost** | | |
| Airbnb Inc (ABNB.O) | E (09/16/2026) | $160.39 |
| AppLovin Corp (APP.O) | O (04/10/2025) | $278.78 |
| Booking Holdings Inc (BKNG.O) | O (02/23/2026) | $157.63 |
| Compass, Inc. (COMP.N) | E (01/12/2026) | $9.29 |
| Criteo SA (CRTO.O) | E (01/26/2016) | $14.80 |
| DoubleVerify Holdings Inc (DV.N) | E (06/25/2024) | $13.48 |
| Expedia Inc. (EXPE.O) | U (09/16/2026) | $260.07 |
| Liftoff Mobile Inc. (LFTO.O) | E (06/29/2026) | $15.49 |
| MNTN Inc (MNTN.N) | E (06/16/2025) | $10.05 |
| Opendoor Technologies Inc (OPEN.O) | E (07/24/2023) | $2.27 |
| Playtika Holding Corp (PLTK.O) | E (11/27/2022) | $2.29 |
| Roblox Corporation (RBLX.N) | O (11/04/2024) | $45.56 |
| Take-Two Interactive Software (TTWO.O) | O (02/01/2018) | $202.53 |
| Trade Desk Inc (TTD.O) | E (09/10/2025) | $11.92 |

| | | |
|---|---|---|
| Unity Software Inc (U.N) | O (09/02/2024) | $44.95 |
| Webtoon Entertainment Inc (WBTN.O) | E (07/22/2024) | $10.20 |
| Yelp Inc (YELP.N) | U (01/10/2019) | $18.14 |
| Zillow Group Inc (Z.O) | E (04/18/2018) | $27.70 |
| **Nathan Feather** | | |
| Bumble Inc. (BMBL.O) | E (03/08/2021) | $2.51 |
| Chewy Inc (CHWY.N) | O (10/31/2023) | $18.14 |
| Duolingo Inc (DUOL.O) | E (02/27/2026) | $148.13 |
| eBay Inc (EBAY.O) | O (04/18/2024) | $107.06 |
| Etsy Inc (ETSY.N) | E (07/20/2025) | $71.39 |
| FIGS, Inc. (FIGS.N) | E (02/29/2024) | $14.10 |
| Grindr Inc. (GRND.N) | O (07/01/2026) | $13.94 |
| Match Group Inc (MTCH.O) | E (04/18/2024) | $40.62 |
| Peloton Interactive, Inc. (PTON.O) | U (09/08/2026) | $4.87 |
| Revolve Group Inc (RVLV.N) | E (10/20/2024) | $21.21 |
| WW International Inc (WW.O) | E (08/01/2025) | $15.68 |

Stock Ratings are subject to change. Please see latest research for each company.
* Historical prices are not split adjusted.

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