## Fast Take

# HOLT TMT

**Equities**

Americas

Technology

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## HEADLINE

Micron (MU) FY26 financials updated in UBS HOLT; CFROI hits all-time high & forecast to go higher.

## OUR TAKE

CFROI hit a record 37%, up from 6% the year prior, and is forecast to nearly double to 73% in 2027. Assuming consensus sales growth & margins (2027-2028), the market is implying a 12% sales contraction longer-term.




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**INFORMATION ON THE QUANTITATIVE RESEARCH REVIEW PUBLISHED BY UBS, BEGIN ON PAGE 3.**

## Valuation Method and Risk Statement

The HOLT methodology does not assign ratings or a target price to a security. It is an analytical tool that involves use of a set of proprietary quantitative algorithms and warranted value calculations, collectively called the HOLT valuation model, that are consistently applied to all the companies included in its database. The HOLT valuation model is a discounted cash flow model. Third-party data (including consensus earnings estimates) are systematically translated into a number of default variables and incorporated into the algorithms available in the HOLT valuation model. The source financial statement, pricing, and earnings data provided by outside data vendors are subject to quality control and may also be adjusted to more closely measure the underlying economics of firm performance. These adjustments provide consistency when analyzing a single company across time, or analyzing multiple companies across industries or national borders.

The default scenario that is produced by the HOLT valuation model establishes a warranted price that represents the expected mean value for a security based upon empirically derived fade algorithms that forecast a firm's future return on capital and growth rates over an extended period of time. As the third-party data are updated, the warranted price updates automatically. A company's future achieved return on capital or growth rate may differ from HOLT default forecast. Additional information about the HOLT methodology is available upon request.

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HOLT transferred to UBS on October 1, 2024 – renamed as UBS HOLT. The UBS HOLT Lens website and materials will be transitioning to UBS branding over time, with expected full redesign to UBS in time.