US Semiconductors and Semi Equipment

SemiBytes: Earnings Previews (AMD, ALAB, ON, ARM, SITM, QCOM, GFS, MCHP, INDI)

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Please see our separate SemiBytes note here.

AMD (reports 11/3 AMC): We see FQ3 (Sept) revenue in the ~$13.1-13.3B range (high-end of guidance) and see AMD guiding FQ4 revenue potentially as high as $17B (Street ~$16.2B) – a level broadly consistent with what we hear from investors. We see upside coming almost wholly from data center and specifically server CPU as Street model for data center GPU revenue in the low to mid $6Bs seems about right. Our checks suggest TSMC has given AMD strong priority for server CPU capacity allocation in 1H27 so expect AMD to further walk its server CPU revenue potential higher on this call (we model it up ~2x from ~$17B in C2026 to ~$34B for C2027 driven much more by units than blended pricing). On data center GPU, it is important to remember that the ODM rack ramp is fairly spread out with initial ODM shipments (we believe WiWynn) in very late CQ4 but the majority of the rack volume coming in late CQ1/early CQ2. Even so, we believe AMD can manage through this with little impact to compute board shipments and revenue recognition and we still like our ~$6.4B revenue number for data center GPU in FQ4. For server CPU, revenue has grown ~20% Q/Q in both FQ1 and FQ2 of this year and we see growth slightly accelerating with revenue up ~23% Q/Q in FQ3 and up ~26% Q/Q in FQ4 to ~$5.7B – or close to data center GPU revenue. Elsewhere, Client is not showing any particular signs of acceleration and likely remains muted, while we expect Embedded to continue growing. Finally, we have done additional work around the impact of AMD's warrants and now see the first tranche of the OAI warrants potentially diluting sharecount by ~2% next year – we are now reflecting this in our model. Net, our C27/C28 estimates move from $99,076MM/$17.93 and $142,371MM/$27.85 to $97,922MM/$17.58 and $139,993MM/$26.94, while we maintain our Buy rating and $730 PT.

ALAB (reports 11/3 AMC): We expect upside to consensus estimates for both 3Q and 4Q and are modestly raising our 4Q EPS estimate, largely reflecting slightly lower near-term OpEx expectations. For 4Q, we expect revenue to grow ~20% Q/Q, while UBS's global team expects Trainium 3 units to increase ~15% Q/Q, from ~0.6-0.7MM to ~0.7-0.8MM. At the same time, we are encouraged by ALAB's progress across the broader portfolio, which we discussed following OCP (here). In particular, we see Orion potentially addressing two distinct opportunities: (1) providing neoclouds and smaller-scale customers that may lack the resources to develop fully customized networking architectures with a more standardized rack-level solution; and (2) we believe Orion could provide AWS with an alternative rack architecture designed around its specific requirements, potentially competing with other available solutions, including, in our view, offerings from MRVL. On OpEx, what stood out to us this quarter was just how much ALAB was able to bring to market across the portfolio, particularly Orion and its new optical components (TIAs and drivers), with the underlying R&D having taken place earlier this year. This causes us to revisit our outer-year OpEx assumptions, although we continue to believe that a more meaningful expansion into optical will ultimately require greater investment than currently embedded in consensus expectations. Net, our 3Q revenue/EPS estimates remain unchanged at $557MM/$1.21, while our 4Q revenue/EPS estimates move to $668MM/$1.42. Our C2028 revenue/EPS estimates move to $3,789MM/$7.36 from $4,007MM/$7.69, reflecting a more conservative overall revenue outlook despite a broader opportunity for Scorpio X, with lower OpEx partially offsetting the revenue impact even as we continue to account for investment required to build out ALAB's optical portfolio. Following the sector-wide correction, we lower our PT

This report has been prepared by UBS Securities LLC. * Exception to core rating bands; See Required Disclosures section. **ANALYST CERTIFICATION AND REQUIRED DISCLOSURES, INCLUDING INFORMATION ON THE QUANTITATIVE RESEARCH REVIEW PUBLISHED BY UBS, BEGIN ON PAGE 51.**

to $300 from $425.

ON (reports 11/2 AMC): We estimate Sept Q revenue/EPS of $1.69B/$0.87 (vs Street $1.70B/$0.88) as TXN's results provide a constructive read-through while our alternative data suggests strengthening pricing within the channel (see here). We estimate Sept Q gross margin of 41%, with ON previously indicating that a further round of price increases was underway and would take several quarters to fully layer in. Into Dec Q, we estimate revenue/EPS of $1.71B/$0.93 (vs Street $1.74B/$0.96) - up 1.1% Q/Q and 2.9% above seasonality as the upcycle continues to materialize. That said, we continue to see little in the way of estimate revisions following the recent analyst day. At its Analyst Day, ON made a solid argument for DD annual revenue growth, with pockets of excitement around Data Center and the newly introduced Embedded Power Platform (EPP). However, the long-term model was only in-line with our preview, while the unchanged gross margin target is harder to view as a win given the significantly improved demand backdrop. The revised Synaptics acquisition should also be a meaningful focus. While the all-cash structure lowers the headline transaction value and accelerates EPS accretion, on our calculation ON is effectively paying more than the original share exchange would imply at current prices. All in, the analog backdrop is improving, but we need clearer evidence of ON-specific participation and execution. Our estimates are unchanged, we remain Neutral, but we lower our PT from $95 to $85 as we refresh multiples.

ARM (reports 11/4 AMC): We see a relatively balanced setup into the quarter, with continued momentum in data center CPUs partially offset by weakness in mobile and, importantly, a materially higher investor bar for the CPU opportunity. On the positive side, the data center CPU ramp is becoming increasingly tangible: NVIDIA's Arm-based Vera CPU is now in production, with dedicated Vera CPU racks reportedly shipping in multiple form factors, while AWS continues to broaden Graviton5 availability across general purpose, compute- and memory-optimized instances. We believe these ramps should make data center CPUs a meaningful near-term growth driver for Arm; however, mobile remains weak in our checks, both on units and with some data points suggesting less favorable share shifts at the lower end of mid-range smartphones. At the same time, we sense investor expectations for data center CPUs have increased considerably and, as we have previously estimated, NVIDIA and Amazon Graviton license payments are somewhat lower than certain other CPU programs (Cobalt, Axion), potentially limiting the licensing upside implied by the strength of deployments. Net, stronger data center CPU momentum versus continued mobile weakness and a higher expectations bar leaves us relatively balanced into the print, and our estimates remain unchanged.

SITM (reports 11/4 AMC): We expect Sept Q at least in-line with the top of guidance and above Street at $294MM/$3.63 as SITM tends to report above the top-end of the guidance range. Into Dec Q, we model revs/EPS of $332MM/$3.93 (vs Street $313MM/$3.70) as all segments of the business (including TPD) strengthen off an already strong CQ3. In particular, data center commentary remains bullish in the near term as hyperscaler capex continues to trend higher (UBSe +106%/62% in CY26/CY27), and SITM is benefiting from a combination of Vera Rubin ramping and strengthening TPU and Trainium units. More importantly, 1.6T remains a tailwind as SITM has greater share (vs 70% at 800G) and 20-30% higher ASPs, while the company expects even greater market share in 3.2T. Related to Renesas timing portfolio (TPD), we model Dec Q revenue of ~$87MM (up 2% Q/Q), but see room for upside as the business is largely supply constrained. Beyond data center, there continues to be near-term upside to AID as our alternative data and macro indicators point to a healthy industrial upcycle. Finally, our checks within smartphone point to AAPL units +8% Y/Y in CY26 and +5% Y/Y in CY27, while a strong internal modem ramp for the iPhone 18 remains a tailwind. Net, we keep our above Street estimates unchanged at CY27/CY28 revs/EPS of $1.46B/$17.43 and $1.89B/$25.20, but we lower our PT from $840 to $750 as we refresh multiples. We reiterate our Buy rating and SITM remains a preferred SMID semi supplier alongside SMTC.

QCOM (reports 11/4 AMC): We continue to remain cautious on the smartphone backdrop following UBS's August '26 global smartphone update (here). Global smartphone unit sell-through is down for eight consecutive months, now sitting at -8.9% Y/Y for Aug '26 YTD. China is experiencing significant headwinds (-17.3% Aug '26 YTD) while the US's weakness is more modest (-4.4%). While expecting to grow above the industry, Apple's iPhone supply chain, launch cadence and component costs

point to slower growth in unit sales in the Dec Q and C2027 vs. previously estimated (here). Despite QCOM's multiple growth vectors, smartphones still represent the majority of its earnings today and is highly vulnerable to these underlying trends. UBS now forecasts that growth in smartphones will be pushed out to the right, with smartphone units declining -3% in C2027 before returning to modest growth of ~2% in C2028, below our prior expectations (+2%, unchanged) (here). More specifically to QCOM, we are picking up data points suggesting that the China Android ecosystem is looking to reduce the BoM even at the modem level, with UNISOC potentially winning higher share at the low-end of the mid-range phone, which was previously dominated by Mediatek/QCOM. Apple's relationship is heavily reduced and even though the latest royalty deals with Huawei and Apple were announced, we thought it was interesting that in the deal with Apple, the financial terms and duration are not mentioned. In the deal with Huawei, QCOM is paying Huawei a certain amount of royalties, posing the question of the net contribution of the agreement. QCOM held a Snapdragon Summit in September, unveiling its next-generation mobile platforms (Snapdragon 8 Elite) designed for agentic AI experiences. QCOM is still early on the data center opportunity, with our expectation that the two custom silicon wins will contribute to revenue in Dec Q, with wafer production having already begun. On the bright side, we are hearing positive commentary from analog players on auto demand, particularly in China and we think Snapdragon should benefit from these positive trends. Net, we trim our numbers to reflect UBS's cautious view on smartphone sell-in rates for C27. Our estimates for CY27/CY28 revs/EPS are $45.8B/$10.75 (from $46.4B/$11.02) and $53.6B/$14.02 (from $54.5B/$14.43). We increase the multiple to ~17x from ~16x in line with peers, which increases our PT to $185 (from $170) and we maintain our Neutral rating.

GFS (reports 11/4 BMO): We remain constructive into the Sept Q as end market demand continues to improve across GFS's core businesses. Analog read-throughs from TXN earnings this quarter highlight the strong momentum in industrials, with management identifying solid demand across factory automation, power and connectivity. TXN earnings also demonstrate that automotive appears to be improving after lagging industrials. Data center momentum is accelerating, with demand remaining robust across optical networking, SciPho and SiGe. In Smart Devices, however, trends remain mixed. We see Apple iPhone unit growth impacted by supply chain issues, while the China Android ecosystem remains even weaker. We think GFS is levered toward the higher-end smartphone platforms and we maintain a more cautious outlook for this segment through C2026. On a positive note, we view the US-Japan manufacturing initiative (here) announced in Oct 26 - which selects GFS as the technology provider and operator for two new fabs at its Malta, New York site - as enhancing GFS's long-term thesis. Looking ahead, our CY27 revenue/EPS estimates of $8.55B/$2.57 are ~4%/~3% above consensus, reflecting our constructive view on the analog cycle, sustained data center demand and improving foundry pricing environment. We reiterate our Neutral rating but trim our PT to $48 (previously $55) to reflect multiple compression across the sector.

MCHP (reports 11/5 AMC): We see Sept revenue coming in near the top-end of guidance range, as our alternative data suggests healthy upcycle dynamics. Into Dec Q, we expect revenue guidance to mark an 8th consecutive quarter of above-seasonal growth, with at least a few hundred basis points above the seasonal ~2% Q/Q decline. While industrial continues to strengthen and auto remains somewhat choppy, we believe the focus will be around MCHP's data center opportunity. In particular, we expect incremental commentary on the breadth of MCHP's DC portfolio (both in Data Center Solutions and catalog products from various business units exposed to DC) and its impact on quarterly trends in 2H26. We currently model data center revenue up 78%/75% Y/Y in Sept Q/Dec Q, while we anticipate PCIe Gen 6 and retimers to be a tailwind in CY27. We also look for updates on the duration of the cycle as MCHP's intra-quarter commentary surrounding order and booking patterns remains strong, while the company is seeing few signs of restocking at customers. Related to gross margin, we expect GM expansion in Dec Q to 66.8% despite the reversal of distribution and licensing benefits as we believe price increases and lower underutilization charges should remain a tailwind. As MCHP continues to execute on its 9-point plan, we believe there is an opportunity for revisions higher as revenue is still ~43% below the prior peak. We reiterate our Buy rating but lower our PT from $120 to $105 as we refresh multiples.

INDI (reports 11/5 AMC): Following an in-line Jun Q print, we expect a relatively in-line Sept Q with rev/EPS of $71MM/($0.04), near the midpoint of guidance. Recent

constructive auto commentary from larger analog peers supports our view that the core business remains on track and gives us confidence in our Dec Q rev/EPS estimates of $77.5MM/($0.02). Into the print, we think the key focus will be the pace of the auto recovery, execution against the company's ramp pipeline, and updates on the pending Wuxi divestiture and ams-OSRAM CMOS image sensor acquisition. The Wuxi divestiture should benefit the margin profile given its low-30s gross margin, while the ams-OSRAM acquisition expands INDI's vision portfolio. Longer term, we expect continued radar ramps followed by increasing vision contribution led by the iND880, though cash burn and execution around both transactions remain key risks. We leave our CY26 estimates unchanged, while our CY27 rev/non-GAAP EPS estimates move lower from $395MM/$0.07 to $392MM/$0.06 and our CY28 non-GAAP EPS estimate moves from $0.32 to $0.27. We lower our PT to $1.75 from $4.25 as we reduce our target P/E to 7x from 14x, reflecting the broader sector multiple reset and a larger discount for INDI given continued near-term cash burn and transaction risk.

AMD PREVIEW

Key Topics for Earnings:

1) Server CPU demand trends near-term and longer-term; 2) Helios MI455X revenue ramp; 3) Server CPU share expectations relative to prior commentary; 4) Margin impact of MI ramp; 5) update on China accelerator shipments restrictions; 6) PC trends, TAM and share expectations for 2026/2027.

Valuation: PT $730 (unchanged)

We maintain our price target of $730, derived from a 27x multiple applied to C28E EPS of $26.94.

Figure 1: AMD New vs. Old Estimates

	C2026E New	C2026E Old	Change	C2027E New	C2027E Old	Change	C2028E New	C2028E Old	Change
Revenue ($MM)	$52,092	$52,092	0.0%	$97,922	$99,076	-1.2%	$139,993	$142,371	-1.7%
Y/Y Growth	50.4%	50.4%		88.0%	90.2%		43.0%	43.7%	
Gross Margin	55.7%	55.7%	0.0%	55.2%	55.2%	0.0%	56.0%	56.0%	0.0%
OpEx % of Revs	27.0%	27.0%	0.0%	19.4%	19.1%	-0.2%	15.6%	15.4%	-0.3%
Operating Margin	28.7%	28.7%	0.0%	35.8%	36.0%	-0.2%	40.4%	40.6%	-0.3%
Non-GAAP EPS	$7.91	$7.91	0.0%	$17.58	$17.93	-2.0%	$26.94	$27.85	-3.3%
Segment Revenues ($MM)									
Data Center	$33,355	$33,355	0.0%	$78,999	$80,153	-1.4%	$118,528	$121,129	-2.1%
Y/Y Growth	100.5%	100.5%		136.8%	140.3%		50.0%	51.1%	
Client	$11,901	$11,901	0.0%	$11,881	$11,881	0.0%	$12,983	$12,760	1.7%
Y/Y Growth	11.9%	11.9%		-0.2%	-0.2%		9.3%	7.4%	
Gaming	$2,653	$2,653	0.0%	$2,285	$2,285	0.0%	$3,281	$3,281	0.0%
Y/Y Growth	-32.1%	-32.1%		-13.9%	-13.9%		43.6%	43.6%	
Embedded	$4,183	$4,183	0.0%	$4,757	$4,757	0.0%	$5,200	$5,200	0.0%
Y/Y Growth	21.1%	21.1%		13.7%	13.7%		9.3%	9.3%	

Source: Company reports, FactSet, UBS estimates

Figure 2: AMD UBSe vs. Street

	2025	2026/1F	2026/2F	2026/3F	2026/4F	2026	2027/1F	2027/2F	2027/3F	2027/4F	2027	2028/1F	2028/2F	2028/3F	2028/4F	2028
Revenues ($MM)																
UBS	**34,639**	10,253	11,536	13,180	17,122	**52,092**	19,063	20,930	25,508	32,421	**97,922**	32,538	33,841	35,995	37,618	**139,993**
UBS (old)				13,180	17,122	**52,092**	19,063	21,065	25,876	33,073	**99,076**	33,225	34,531	36,515	38,100	**142,371**
Consensus				13,082	16,247	**51,339**	18,318	20,805	23,978	27,044	**90,410**	27,283	29,100	31,196	33,810	**125,666**
Delta				0.8%	5.4%	1.5%	4.1%	0.6%	6.4%	19.9%	8.3%	19.3%	16.3%	15.4%	11.3%	11.4%
EPS																
UBS	**$ 4.17**	$ 1.37	$ 1.66	$ 2.00	$ 2.87	**$ 7.91**	$ 3.17	$ 3.50	$ 4.59	$ 6.23	**$ 17.58**	$ 6.19	$ 6.46	$ 6.97	$ 7.30	**$ 26.94**
UBS (old)				$ 2.00	$ 2.87	**$ 7.91**	$ 3.17	$ 3.52	$ 4.69	$ 6.49	**$ 17.93**	$ 6.46	$ 6.72	$ 7.16	$ 7.49	**$ 27.85**
Consensus				$ 1.94	$ 2.67	**$ 7.64**	$ 3.08	$ 3.62	$ 4.34	$ 5.07	**$ 16.14**	$ 5.22	$ 5.58	$ 5.74	$ 6.67	**$ 23.46**
Delta				2.6%	7.4%	3.5%	3.0%	(3.4%)	5.7%	22.9%	8.9%	18.5%	15.7%	21.5%	9.5%	14.9%

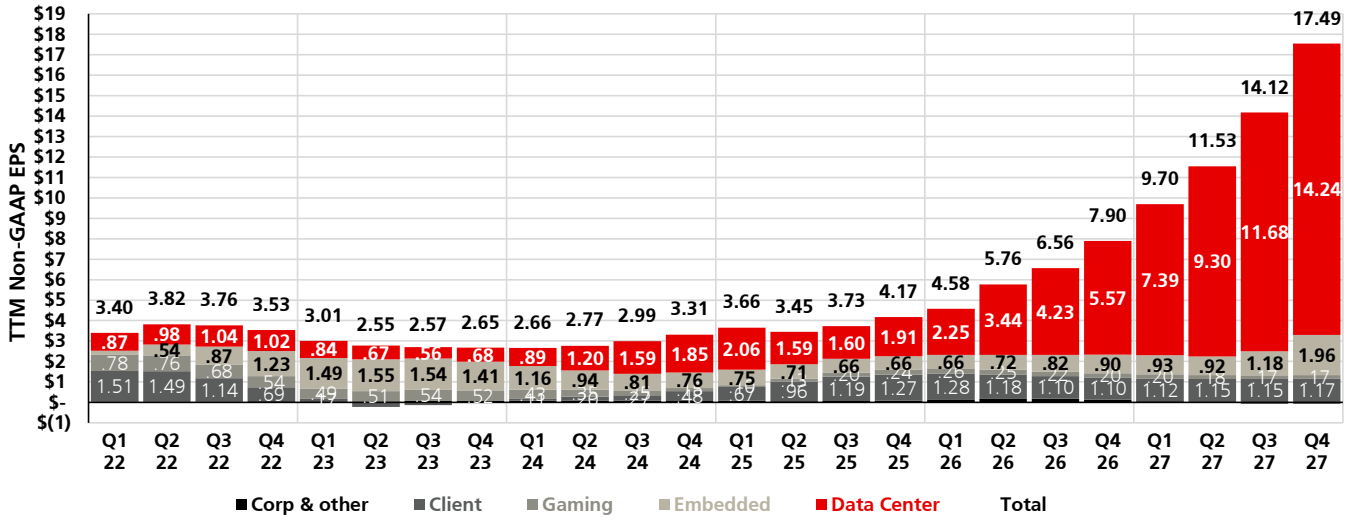
Source: Company reports, FactSet, UBS estimates

Figure 3: AMD Segments - UBSe vs. Street

	2025	2026/1F	2026/2F	2026/3F	2026/4F	2026	2027/1F	2027/2F	2027/3F	2027/4F	2027	2028/1F	2028/2F	2028/3F	2028/4F	2028
DATA CENTER																
UBS	16,636	5,775	6,718	8,394	12,467	33,355	14,419	16,400	20,747	27,432	78,999	27,556	28,897	30,359	31,716	118,528
Consensus				8,166	11,500	32,936	13,318	15,321	17,831	20,882	71,302	23,119	25,057	27,184	29,694	105,054
Delta				2.8%	8.4%	1.3%	8.3%	7.0%	16.3%	31.4%	10.8%	19.2%	15.3%	11.7%	6.8%	12.8%
Data Center GPU																
UBS	6,754	2,430	2,750	3,550	6,400	15,130	7,600	8,500	11,250	15,900	43,250	15,900	17,000	18,100	19,200	70,200
Consensus				3,577	6,102	14,897	7,953	9,346	10,804	12,588	40,691	13,689	15,006	16,578	18,355	63,627
Delta				(0.8%)	4.9%	1.6%	(4.4%)	(9.1%)	4.1%	26.3%	6.3%	16.2%	13.3%	9.2%	4.6%	10.3%
CLIENT																
UBS	10,640	2,885	3,062	2,997	2,957	11,901	2,900	2,847	2,987	3,147	11,881	2,943	2,969	3,466	3,605	12,983
Consensus				3,063	2,989	12,001	2,784	3,005	3,162	3,225	12,188	3,038	3,179	3,365	3,481	13,063
Delta				(2.1%)	(1.1%)	(0.8%)	4.2%	(5.3%)	(5.5%)	(2.4%)	(2.5%)	(3.1%)	(6.6%)	3.0%	3.5%	(0.6%)
GAMING																
UBS	3,910	720	779	640	514	2,653	583	511	568	623	2,285	795	720	839	927	3,281
Consensus				694	568	3,230	541	755	885	795	3,391	686	745	775	727	2,933
Delta				(7.8%)	(9.4%)	(17.9%)	7.7%	(32.3%)	(35.8%)	(21.7%)	(32.6%)	15.9%	(3.4%)	8.2%	27.6%	11.9%
EMBEDDED																
UBS	3,454	873	977	1,149	1,184	4,183	1,160	1,172	1,207	1,219	4,757	1,243	1,256	1,331	1,371	5,200
Consensus				1,081	1,162	4,103	1,137	1,187	1,261	1,296	4,815	1,217	1,254	1,310	1,353	5,134
Delta				6.3%	1.9%	1.9%	2.0%	(1.3%)	(4.3%)	(6.0%)	(1.2%)	2.2%	0.1%	1.6%	1.3%	1.3%

Source: Company reports, FactSet, UBS estimates

Figure 4: AMD Estimated EPS Contribution by Segment



Source: Company reports, UBS estimates

Figure 5: Server CPU share analysis

Server CPU units ('000s)	2023	2024	2025	1Q26	2Q26	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
INTC	17,108	15,315	16,709	4,354	4,397	4,661	4,941	18,353	5,039	5,191	5,346	5,560	21,137	5,393	5,609	5,946	6,065	23,013
AMD	4,768	5,028	6,554	1,997	2,316	2,756	3,307	10,375	3,638	4,074	4,624	5,318	17,654	5,344	5,425	5,560	5,644	21,973
Total	21,876	20,343	23,263	6,350	6,713	7,417	8,248	28,728	8,677	9,265	9,971	10,878	38,791	10,738	11,034	11,506	11,708	44,986
Server CPU unit share																		
INTC	78.2%	75.3%	71.8%	68.6%	65.5%	62.8%	59.9%	63.9%	58.1%	56.0%	53.6%	51.1%	54.5%	50.2%	50.8%	51.7%	51.8%	51.2%
AMD	21.8%	24.7%	28.2%	31.4%	34.5%	37.2%	40.1%	36.1%	41.9%	44.0%	46.4%	48.9%	45.5%	49.8%	49.2%	48.3%	48.2%	48.8%

Server CPU revenue ('000s)	2023	2024	2025	1Q26	2Q26	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
INTC	12,635	12,817	13,419	3,916	5,075	5,693	6,397	21,080	6,784	7,197	7,635	8,177	29,793	8,094	8,586	9,280	9,656	35,616
AMD	5,433	6,794	8,827	3,065	3,684	4,539	5,705	16,993	6,457	7,537	9,133	11,167	34,295	11,261	11,468	11,793	12,010	46,531
Total	18,068	19,611	22,246	6,981	8,759	10,232	12,101	38,073	13,241	14,734	16,767	19,344	64,087	19,355	20,053	21,074	21,666	82,148
Server CPU revenue share																		
INTC	69.9%	65.4%	60.3%	56.1%	57.9%	55.6%	52.9%	55.4%	51.2%	48.8%	45.5%	42.3%	46.5%	41.8%	42.8%	44.0%	44.6%	43.4%
AMD	30.1%	34.6%	39.7%	43.9%	42.1%	44.4%	47.1%	44.6%	48.8%	51.2%	54.5%	57.7%	53.5%	58.2%	57.2%	56.0%	55.4%	56.6%

Source: UBS estimates

Figure 6: Client CPU share analysis

Client CPU units ('000s)	2023	2024	2025	1Q26	2Q26	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
INTC	195,774	208,806	200,684	41,698	44,636	43,021	42,392	171,747	38,804	36,986	38,423	38,916	153,129	35,646	37,934	39,690	38,431	151,702
AMD	38,559	52,144	56,343	14,220	15,067	15,429	15,458	60,173	14,373	14,056	14,618	15,495	58,543	14,523	14,678	15,737	16,433	61,370
Total	234,334	260,950	257,026	55,917	59,703	58,450	57,850	231,920	53,177	51,042	53,041	54,412	211,672	50,169	52,612	55,427	54,864	213,072
Client CPU unit share																		
INTC	83.5%	80.0%	78.1%	74.6%	74.8%	73.6%	73.3%	74.1%	73.0%	72.5%	72.4%	71.5%	72.3%	71.1%	72.1%	71.6%	70.0%	71.2%
AMD	16.5%	20.0%	21.9%	25.4%	25.2%	26.4%	26.7%	25.9%	27.0%	27.5%	27.6%	28.5%	27.7%	28.9%	27.9%	28.4%	30.0%	28.8%

Client CPU revenue ('000s)	2023	2024	2025	1Q26	2Q26	3Q26E	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
INTC	27,157	28,741	27,623	6,597	7,690	7,696	7,677	29,660	7,041	6,754	7,049	7,011	27,854	6,515	6,915	7,231	6,970	27,632
AMD	4,386	6,718	10,154	2,751	2,914	2,952	2,938	11,555	2,876	2,822	2,947	3,130	11,775	2,921	2,947	3,431	3,589	12,888
Total	31,543	35,459	37,777	9,348	10,604	10,648	10,615	41,215	9,917	9,576	9,996	10,140	39,629	9,435	9,862	10,662	10,560	40,519
Client CPU revenue share																		
INTC	86.1%	81.1%	73.1%	70.6%	72.5%	72.3%	72.3%	72.0%	71.0%	70.5%	70.5%	69.1%	70.3%	69.0%	70.1%	67.8%	66.0%	68.2%
AMD	13.9%	18.9%	26.9%	29.4%	27.5%	27.7%	27.7%	28.0%	29.0%	29.5%	29.5%	30.9%	29.7%	31.0%	29.9%	32.2%	34.0%	31.8%

Source: UBS estimates

Figure 7: CPU Inventory Analysis

	2020	2021	2022	2023	2024	2025	Q126	Q226	Q326E	Q426E	2026	Q127E	Q227E	Q327E	Q427E	2027
INTC CPU Units (UBSe)	278,620	303,003	208,303	195,774	208,806	200,684	41,698	44,636	43,021	42,392	171,747	38,804	36,986	38,423	38,916	153,129
Q/Q growth							*-20.9%*	*7.0%*	*-3.6%*	*-1.5%*		*-8.5%*	*-4.7%*	*3.9%*	*1.3%*	
AMD CPU Units (UBSe)	62,179	68,108	47,747	38,559	52,144	56,343	14,220	15,067	15,429	15,458	60,173	14,373	14,056	14,618	15,495	58,543
Q/Q growth							*-5.1%*	*6.0%*	*2.4%*	*0.2%*		*-7.0%*	*-2.2%*	*4.0%*	*6.0%*	
Total CPU Units (UBSe)	**340,799**	**371,112**	**256,049**	**234,334**	**260,950**	**257,026**	**55,917**	**59,703**	**58,450**	**57,850**	**231,920**	**53,177**	**51,042**	**53,041**	**54,412**	**211,672**
Q/Q growth							*-17.4%*	*6.8%*	*-2.1%*	*-1.0%*		*-8.1%*	*-4.0%*	*3.9%*	*2.6%*	
Y/Y growth	*18.9%*	*8.9%*	*-31.0%*	*-8.5%*	*11.4%*	*-1.5%*	*-8.3%*	*-3.6%*	*-12.0%*	*-14.5%*	*-9.8%*	*-4.9%*	*-14.5%*	*-9.3%*	*-5.9%*	*-8.7%*
Global PC Units (UBSe)	**308,171**	**341,727**	**284,052**	**242,296**	**247,646**	**270,823**	**63,645**	**64,305**	**57,435**	**55,662**	**241,047**	**51,722**	**53,918**	**60,483**	**64,944**	**231,067**
Q/Q growth							*-12.0%*	*1.0%*	*-10.7%*	*-3.1%*		*-7.1%*	*4.2%*	*12.2%*	*7.4%*	
Y/Y growth	*10.5%*	*10.9%*	*-16.9%*	*-14.7%*	*2.2%*	*9.4%*	*5.5%*	*-2.5%*	*-20.5%*	*-23.0%*	*-11.0%*	*-18.7%*	*-16.2%*	*5.3%*	*16.7%*	*-4.1%*
Total Mac Units (UBSe)	**22,009**	**26,944**	**26,824**	**21,532**	**22,505**	**24,827**	**6,684**	**7,230**	**6,781**	**7,053**	**27,748**	**7,488**	**7,447**	**7,297**	**7,264**	**29,495**
Q/Q growth							*-0.1%*	*8.2%*	*-6.2%*	*4.0%*		*6.2%*	*-0.5%*	*-2.0%*	*-0.4%*	
Y/Y growth	*20.0%*	*22.4%*	*-0.4%*	*-19.7%*	*4.5%*	*10.3%*	*12.7%*	*22.0%*	*8.0%*	*5.4%*	*11.8%*	*12.0%*	*3.0%*	*7.6%*	*3.0%*	*6.3%*
Global PC Units (ex. Mac)	**286,162**	**314,783**	**257,229**	**220,764**	**225,141**	**245,996**	**56,961**	**57,075**	**50,654**	**48,609**	**213,299**	**44,234**	**46,471**	**53,186**	**57,680**	**201,572**
Q/Q growth							*-13.2%*	*0.2%*	*-11.3%*	*-4.0%*		*-9.0%*	*5.1%*	*14.4%*	*8.4%*	
Y/Y growth	*9.8%*	*10.0%*	*-18.3%*	*-14.2%*	*2.0%*	*9.3%*	*4.7%*	*-4.9%*	*-23.2%*	*-25.9%*	*-13.3%*	*-22.3%*	*-18.6%*	*5.0%*	*18.7%*	*-5.5%*
CPU vs PC Units	**32,628**	**29,385**	**(28,003)**	**(7,963)**	**13,304**	**(13,797)**	**(7,727)**	**(4,602)**	**1,015**	**2,188**	**(9,127)**	**1,455**	**(2,876)**	**(7,441)**	**(10,532)**	**(19,394)**
CPU vs PC Units (ex. Mac)	**54,637**	**56,329**	**(1,179)**	**13,569**	**35,808**	**11,030**	**(1,043)**	**2,628**	**7,796**	**9,241**	**18,621**	**8,943**	**4,571**	**(145)**	**(3,268)**	**10,101**

Source: Company reports, Mercury, UBS estimates

Figure 8: AMD - Summary Model

Advanced Micro Devices (AMD) - Key Metrics (in $MM except EPS and Units)	C2023A	C2024A	C2025A	CQ1A	CQ2A	Estimates CQ3E	CQ4E	C2026E	CQ1E	CQ2E	CQ3E	CQ4E	C2027E	CQ1E	CQ2E	CQ3E	CQ4E	C2028E	C2029E
Revenue	**22,680**	**25,785**	**34,639**	**10,253**	**11,536**	**13,180**	**17,122**	**52,092**	**19,063**	**20,930**	**25,508**	**32,421**	**97,922**	**32,538**	**33,841**	**35,995**	**37,618**	**139,993**	**176,924**
Y/Y Growth	(4%)	14%	34%	38%	50%	43%	67%	50%	86%	81%	94%	89%	88%	71%	62%	41%	16%	43%	26%
Gross Profit (Non-GAAP)	11,436	13,759	18,165	5,685	6,488	7,386	9,476	29,035	10,492	11,499	14,066	17,958	54,016	18,105	18,897	20,208	21,213	78,424	101,143
Gross Margin	**50.4%**	**53.4%**	**52.4%**	**55.4%**	**56.2%**	**56.0%**	**55.3%**	**55.7%**	**55.0%**	**54.9%**	**55.1%**	**55.4%**	**55.2%**	**55.6%**	**55.8%**	**56.1%**	**56.4%**	**56.0%**	**57.2%**
Ex-Semi-Custom GM (UBSe)	57%	55%	54%	56%	57%	57%	56%	56%	55%	55%	55%	56%	55%	56%	56%	57%	57%	56%	58%
R&D (GAAP)	5,872	6,456	8,091	2,397	2,528	2,638	2,818	10,381	3,118	3,368	3,608	3,848	13,942	3,968	4,038	4,108	4,178	16,292	17,712
SG&A (GAAP)	2,352	2,783	4,144	1,253	1,401	1,491	1,591	5,736	1,661	1,731	1,781	1,831	7,004	1,806	1,856	1,931	2,001	7,594	8,184
Other & Non-GAAP Adjustment (GAAP)	1,835	1,586	1,223	290	284	284	284	1,142	284	284	284	284	1,136	284	284	284	284	1,136	1,136
Total Opex (Non-GAAP)	**6,616**	**7,669**	**10,397**	**3,145**	**3,394**	**3,634**	**3,914**	**14,087**	**4,284**	**4,604**	**4,894**	**5,184**	**18,966**	**5,279**	**5,399**	**5,544**	**5,684**	**21,906**	**23,916**
Y/Y Growth	10%	16%	36%	42%	40%	32%	30%	35%	36%	36%	35%	32%	35%	23%	17%	13%	10%	16%	9%
Operating Income (Non-GAAP)	4,854	6,138	7,768	2,540	3,094	3,752	5,562	14,948	6,208	6,895	9,172	12,774	35,050	12,826	13,498	14,664	15,529	56,518	77,227
Operating Margin	**21.4%**	**23.8%**	**22.4%**	**24.8%**	**26.8%**	**28.5%**	**32.5%**	**28.7%**	**32.6%**	**32.9%**	**36.0%**	**39.4%**	**35.8%**	**39.4%**	**39.9%**	**40.7%**	**41.3%**	**40.4%**	**43.6%**
Non-GAAP EPS	**$ 2.65**	**$ 3.31**	**$ 4.17**	**$ 1.37**	**$ 1.66**	**$ 2.00**	**$ 2.87**	**$ 7.91**	**$ 3.17**	**$ 3.50**	**$ 4.59**	**$ 6.23**	**$ 17.58**	**$ 6.19**	**$ 6.46**	**$ 6.97**	**$ 7.30**	**$ 26.94**	**$ 35.57**
Free Cash Flow																			
CFFO	1,667	3,041	7,709	2,955	2,366	4,145	4,329	13,796	5,815	6,149	7,185	9,622	28,771	12,585	12,292	13,057	13,979	51,913	68,439
Capex	546	636	974	389	808	958	1,158	3,313	900	900	900	900	3,600	900	900	900	900	3,600	3,600
FCF	**1,121**	**2,405**	**6,735**	**2,566**	**1,558**	**3,187**	**3,171**	**10,483**	**4,915**	**5,249**	**6,285**	**8,722**	**25,171**	**11,685**	**11,392**	**12,157**	**13,079**	**48,313**	**64,839**
% revenue	5%	9%	19%	25%	14%	24%	19%	20%	26%	25%	25%	27%	26%	36%	34%	34%	35%	35%	37%
Segment Revenues																			
Data Center	**6,496**	**12,579**	**16,635**	**5,775**	**6,718**	**8,394**	**12,467**	**33,355**	**14,419**	**16,400**	**20,747**	**27,432**	**78,999**	**27,556**	**28,897**	**30,359**	**31,716**	**118,528**	**153,270**
Data Center GPU Revenue	**555**	**5,025**	**6,754**	**2,430**	**2,750**	**3,550**	**6,400**	**15,130**	**7,600**	**8,500**	**11,250**	**15,900**	**43,250**	**15,900**	**17,000**	**18,100**	**19,200**	**70,200**	**97,800**
Server CPU Revenue	**5,433**	**6,794**	**8,827**	**3,065**	**3,684**	**4,539**	**5,705**	**16,993**	**6,457**	**7,537**	**9,133**	**11,167**	**34,295**	**11,261**	**11,468**	**11,793**	**12,010**	**46,531**	**52,961**
Server ASP ($)	$ 1,140	$ 1,351	$ 1,347	$ 1,535	$ 1,591	$ 1,647	$ 1,725	$ 1,638	$ 1,775	$ 1,850	$ 1,975	$ 2,100	$ 1,943	$ 2,107	$ 2,114	$ 2,121	$ 2,128	$ 2,118	$ 2,254
Server Units (K)	4,768	5,028	6,554	1,997	2,316	2,756	3,307	10,375	3,638	4,074	4,624	5,318	17,654	5,344	5,425	5,560	5,644	21,973	23,493
Server TAM (K units)	23,307	22,432	26,046	6,506	6,640	6,727	6,939	26,812	6,683	6,823	6,913	7,126	27,545	--	--	--	--	--	--
AMD Share	20%	22%																	
XLNX FPGAs	**252**	**318**	**385**	**89**	**93**	**98**	**102**	**382**	**97**	**92**	**88**	**83**	**361**	**86**	**88**	**91**	**94**	**359**	**405**
Pensando	**254**	**441**	**669**	**191**	**191**	**208**	**260**	**850**	**265**	**271**	**276**	**282**	**1,094**	**310**	**341**	**375**	**412**	**1,437**	**2,104**
Data Center Operating Margin	20%	28%	22%	28%	31%	31%	35%	32%	36%	36%	36%	36%	36%	37%	37%	37%	37%	37%	38%
Data Center Operating Profit Y/Y Drop-through				32%	65%	38%	37%		42%	39%	39%	37%		38%	38%	39%	43%		
Client	**4,651**	**7,054**	**10,640**	**2,885**	**3,062**	**2,997**	**2,957**	**11,901**	**2,900**	**2,847**	**2,987**	**3,147**	**11,881**	**2,943**	**2,969**	**3,466**	**3,605**	**12,983**	**14,080**
PC Revenue	**4,386**	**6,718**	**10,154**	**2,751**	**2,914**	**2,952**	**2,938**	**11,555**	**2,876**	**2,822**	**2,947**	**3,130**	**11,775**	**2,921**	**2,947**	**3,431**	**3,589**	**12,888**	**13,995**
Desktop Revenue	1,386	1,863	3,196	798	829	862	827	3,317	820	807	851	909	3,387	889	884	1,038	1,101	3,912	4,389
AMD DT ASP ($)	$ 174	$ 188	$ 266	$ 270	$ 275	$ 275	$ 272	$ 273	$ 278	$ 282	$ 286	$ 288	$ 284	$ 286	$ 286	$ 311	$ 311	$ 299	$ 309
AMD DT Units (K)	7,950	9,931	12,029	2,956	3,015	3,135	3,041	12,147	2,950	2,862	2,976	3,155	11,942	3,107	3,092	3,339	3,539	13,078	14,202
DT TAM (K units)	67,010	69,021	75,737	17,683	17,652	19,987	21,236	76,558	17,685	17,667	20,019	21,277	76,647	18,215	18,197	20,619	21,915	78,947	81,315
AMD Share	12%	14%	16%	17%	17%	16%	14%	16%	17%	16%	15%	15%	16%	17%	17%	16%	16%	17%	17%
Mobile Revenue	3,001	4,854	6,958	1,953	2,085	2,090	2,111	8,239	2,056	2,015	2,096	2,221	8,388	2,032	2,062	2,393	2,488	8,975	9,606
AMD Mobile ASP ($)	$ 98	$ 115	$ 157	$ 173	$ 173	$ 170	$ 170	$ 172	$ 180	$ 180	$ 180	$ 180	$ 180	$ 178	$ 178	$ 193	$ 193	$ 186	$ 193
AMD Mobile Units (K)	30,609	42,212	44,314	11,264	12,052	12,293	12,416	48,026	11,423	11,195	11,642	12,341	46,601	11,415	11,587	12,398	12,893	48,293	49,774
Mobile TAM (K units)	160,289	186,556	180,960	41,006	42,182	43,053	43,653	169,894	41,751	42,715	43,538	43,951	171,955	43,004	43,996	44,844	45,270	177,114	182,427
AMD Share	19%	23%	24%	27%	29%	29%	28%	28%	27%	26%	27%	28%	27%	27%	26%	28%	28%	27%	27%
AMD Pro Graphics Revenue	267	335	486	134	148	45	19	346	24	25	40	17	106	23	22	35	15	95	85
Client Operating Margin	-1%	13%	23%	16%	15%	19%	20%	18%	18%	19%	20%	21%	20%	19%	19%	20%	20%	20%	20%
Client Operating Profit Y/Y Drop-through				3%	-30%	-57%	5%		351%	-35%	-279%	37%		86%	19%	20%	13%		
Gaming	**6,212**	**2,595**	**3,910**	**720**	**779**	**640**	**514**	**2,653**	**583**	**511**	**568**	**623**	**2,285**	**795**	**720**	**839**	**927**	**3,281**	**3,725**
PC GPU Gaming Revenue	**858**	**707**	**1,618**	**440**	**388**	**369**	**313**	**1,510**	**282**	**310**	**217**	**272**	**1,081**	**244**	**269**	**188**	**226**	**927**	**771**
Semi-Custom Revenue	**5,354**	**1,888**	**2,292**	**280**	**391**	**271**	**201**	**1,143**	**301**	**201**	**351**	**351**	**1,204**	**551**	**451**	**651**	**701**	**2,354**	**2,954**
Gaming Operating Margin	16%	11%	12%	11%	15%	15%	17%	14%	16%	15%	14%	15%	15%	16%	14%	13%	14%	14%	16%
Embedded	**5,321**	**3,557**	**3,454**	**873**	**977**	**1,149**	**1,184**	**4,183**	**1,160**	**1,172**	**1,207**	**1,219**	**4,757**	**1,243**	**1,256**	**1,331**	**1,371**	**5,200**	**5,849**
Embedded Operating Margin	49%	40%	36%	39%	40%	42%	44%	41%	35%	32%	85%	176%	83%	156%	171%	198%	215%	186%	267%
Q/Q Revenue Growth																			
Data Center				7%	16%	25%	49%		16%	14%	27%	32%		0%	5%	5%	4%		
Client				(7%)	6%	(2%)	(1%)		(2%)	(2%)	5%	5%		(6%)	1%	17%	4%		
Gaming				(15%)	8%	(18%)	(20%)		13%	(12%)	11%	10%		28%	(9%)	17%	10%		
Embedded				(8%)	12%	18%	3%		(2%)	1%	3%	1%		2%	1%	6%	3%		
Y/Y Revenue Growth																			
Data Center		94%	32%	57%	107%	93%	132%	101%	150%	144%	147%	120%	137%	91%	76%	46%	16%	50%	29%
Client		52%	51%	26%	23%	9%	(5%)	12%	1%	(7%)	(0%)	6%	(0%)	1%	4%	16%	15%	9%	8%
Gaming		(58%)	51%	11%	(31%)	(51%)	(39%)	(32%)	(19%)	(34%)	(11%)	21%	(14%)	36%	41%	48%	49%	44%	14%
Embedded		(33%)	(3%)	6%	19%	34%	25%	21%	33%	20%	5%	3%	14%	7%	7%	10%	12%	9%	12%

Source: Company reports, UBS estimates

Valuation

We leave our price target unchanged at $730, derived from a 27x multiple (previously 26x) applied to C28E EPS of $26.94 (previously $27.85).

Figure 9: AMD Valuation

Valuation	New	Old
EPS		
C2028	**$ 26.94**	**$ 27.85**
NTM P/E Multiple	**27x**	**26x**
Price Target	**$ 730**	**$ 730**

Source: UBS estimates, FactSet

Figure 10: Compute Peers Valuation

		P/E		
Ticker	**Company Name**	**2026**	**2027**	**2028**
ARM	ARM	95x	70x	52x
NVDA	Nvidia	23x	13x	10x
AVGO	Broadcom	28x	17x	11x
INTC	Intel	56x	40x	27x
MRVL	Marvell	54x	31x	18x
QCOM	Qualcomm	17x	17x	14x
	Median	41x	24x	16x
	Weighted Average	28x	18x	13x
	Simple Average	45x	31x	22x

Source: FactSet, UBS research

ALAB PREVIEW

Key Topics for Earnings:

1) Switching and retimers revenue ramp for new generation products ; 2) Design wins/ content gains at hyperscalers beyond announced programs with AWS, GCP, MSFT, 3) CXL adoption timing; 4) copper to Optical transition timeline and ALAB positioning.

Estimate Changes:

Figure 11: ALAB New vs. Old Estimates

	CY2026			CY2027			CY2028		
	New	Old	% Change	New	Old	% Change	New	Old	% Change
Revenue ($MM)	$1,925.8	$1,925.8	--	$3,067.0	$3,067.0	--	$3,788.6	$4,007.5	-5.5%
Y/Y Growth	125.9%	125.9%	--	59.3%	59.3%	--	23.5%	30.7%	-23.3%
Gross Margin	73.0%	73.0%	--	71.9%	71.9%	--	70.7%	70.7%	-0.0%
OPEX	$610.7	$616.7	-1.0%	$948.1	$972.1	-2.5%	$1,182.0	$1,262.8	-6.4%
Operating Margin	41.2%	40.9%	0.8%	41.0%	40.2%	1.9%	39.5%	39.2%	0.8%
FCF	$508.2	$504.4	0.8%	$1,095.4	$1,076.5	1.8%	$1,336.6	$1,367.4	-2.3%
GAAP EPS	$3.17	$3.14	0.9%	$4.22	$4.11	2.8%	$5.03	$5.23	-3.8%
Non-GAAP EPS	$4.04	$4.02	0.7%	$6.23	$6.11	1.9%	$7.36	$7.69	-4.3%

Source: Company reports, FactSet, UBS estimates

Figure 12: ALAB UBS vs. Street

	2024	2025	2026/1F	2026/2F	2026/3F	2026/4F	2026	2027/1F	2027/2F	2027/3F	2027/4F	2027	2028/1F	2028/2F	2028/3F	2028/4F	2028
	2024A	**2025A**	**Mar '26**	**Jun '26**	**Sep '26**	**Dec '26**	**2026E**	**Mar '27**	**Jun '27**	**Sep '27**	**Dec '27**	**2027E**	**Mar '28**	**Jun '28**	**Sep '28**	**Dec '28**	**2028E**
Revenue($MM)																	
UBS (New)	**$ 396**	**$ 853**	$ 308	$ 392	$ 557	$ 668	**$ 1,926**	$ 714	$ 743	$ 790	$ 820	**$ 3,067**	$ 869	$ 919	$ 972	$ 1,029	**$ 3,789**
UBS (Old)					$ 557	$ 668	**$ 1,926**	$ 714	$ 743	$ 790	$ 820	**$ 3,067**	$ 892	$ 969	$ 1,040	$ 1,107	**$ 4,007**
Consensus					$ 551	$ 656	**$ 1,907**	$ 699	$ 742	$ 780	$ 848	**$ 3,083**	$ 800	$ 835	$ 871	$ 902	**$ 4,005**
Delta					1.1%	1.8%	1.0%	2.1%	0.1%	1.3%	(3.3%)	(0.5%)	8.7%	10.1%	11.5%	14.1%	(5.4%)
Non-GAAP EPS																	
UBS (New)	**$ 0.85**	**$ 1.84**	$ 0.61	$ 0.80	$ 1.21	$ 1.42	**$ 4.04**	$ 1.50	$ 1.52	$ 1.59	$ 1.61	**$ 6.23**	$ 1.66	$ 1.78	$ 1.91	$ 2.01	**$ 7.36**
UBS (Old)					$ 1.21	$ 1.39	**$ 4.02**	$ 1.47	$ 1.49	$ 1.57	$ 1.58	**$ 6.11**	$ 1.66	$ 1.85	$ 2.02	$ 2.15	**$ 7.69**
Consensus					$ 1.19	$ 1.42	**$ 3.99**	$ 1.48	$ 1.57	$ 1.65	$ 1.79	**$ 6.49**	$ 1.78	$ 1.84	$ 1.92	$ 1.97	**$ 8.26**
Delta					1.7%	0.0%	1.3%	1.4%	(3.2%)	(3.6%)	(10.1%)	(4.0%)	(6.7%)	(3.3%)	(0.5%)	2.0%	(10.9%)

Source: Company reports, UBS estimates, FactSet

Figure 13: ALAB Seasonality

	Total Revenue % Q/Q															
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
2022	-	+42.5%	+8.0%	-11.9%												
2023	-13.2%	-39.5%	+245.5%	+36.8%												
2024	+29.2%	+17.8%	+47.2%	+24.8%												
2025	+13.0%	+20.4%	+20.1%	+17.4%												
2026E	+14.0%	+27.3%	+41.9%	+19.9%												
5Y median	**+6.5%**	**+19.1%**	**+47.2%**	**+24.8%**												
LT median	**+6.5%**	**+19.1%**	**+33.6%**	**+21.1%**												

	Total Opex % Q/Q				Adj Gross Margin bps Q-Q				Adj Operating Margin bps Q-Q				Working Capital $			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
2022	-	+85.3%	-12.5%	+67.0%	-	+296 bp	-51 bp	-254 bp	-	-2,177 bp	+1,979 bp	-8,014 bp	-2	-2	-2	-2
2023	-36.6%	+10.3%	+17.1%	-2.4%	-4,778 bp	+5,484 bp	-284 bp	+114 bp	-355 bp	-4,395 bp	+14,178 bp	+2,240 bp	+2	-6	-1	-4
2024	+31.7%	+17.2%	+24.6%	+9.5%	+95 bp	-23 bp	-20 bp	-368 bp	-6 bp	+4 bp	+804 bp	+188 bp	-2	-7	+27	-31
2025	+16.8%	+7.7%	+13.3%	+19.9%	+75 bp	+116 bp	+39 bp	-69 bp	-58 bp	+551 bp	+249 bp	-145 bp	-62	+45	-56	+7
2026E	+29.1%	+9.6%	+16.7%	+21.4%	+69 bp	-270 bp	-172 bp	-30 bp	-402 bp	+288 bp	+443 bp	-66 bp	-59	-142	-46	-52
5Y median	**+8.4%**	**+13.8%**	**+17.1%**	**+9.5%**	**+38 bp**	**+206 bp**	**-51 bp**	**-254 bp**	**-32 bp**	**-1,087 bp**	**+1,979 bp**	**+188 bp**	**-2**	**-4**	**-1**	**-4**
LT median	**+8.4%**	**+13.8%**	**+17.1%**	**+9.5%**	**+38 bp**	**+206 bp**	**-51 bp**	**-254 bp**	**-32 bp**	**-1,087 bp**	**+1,979 bp**	**+188 bp**	**-2**	**-4**	**-1**	**-4**

Source: Company reports, UBS estimates, FactSet.

Figure 14: ALAB - Summary Model

Astera Labs (ALAB) - Key Metrics						Estimates														
(in $MM except EPS)	2023A	2024A	2025A	Q1A	Q2A	Q3E	Q4E	2026E	Q1E	Q2E	Q3E	Q4E	2027E	Q1E	Q2E	Q3E	Q4E	2028E	2029E	2030E
Revenue	**115.8**	**396.3**	**852.5**	**308.4**	**392.4**	**557.0**	**668.0**	**1,925.8**	**714.0**	**743.0**	**790.0**	**820.0**	**3,067.0**	**869.0**	**919.1**	**971.8**	**1,028.8**	**3,788.6**	**4,280.3**	**4,493.1**
Y/Y Growth	45%	242%	115%	93%	104%	142%	147%	126%	132%	89%	42%	23%	59%	22%	24%	23%	25%	24%	13%	5%
COGS (non-GAAP)	35.9	92.7	206.1	72.7	103.1	156.0	189.0	520.9	201.3	208.0	221.2	230.4	861.0	255.5	268.4	283.8	302.5	1,110.1	1,279.9	1,366.4
Gross Profit (non-GAAP)	79.9	303.5	646.4	235.6	289.3	401.0	479.0	1,404.9	512.7	535.0	568.8	589.6	2,206.0	613.5	650.7	688.0	726.3	2,678.6	3,000.4	3,126.8
Gross Margin (non-GAAP)	**69.0%**	**76.6%**	**75.8%**	**76.4%**	**73.7%**	**72.0%**	**71.7%**	**73.0%**	**71.8%**	**72.0%**	**72.0%**	**71.9%**	**71.9%**	**70.6%**	**70.8%**	**70.8%**	**70.6%**	**70.7%**	**70.1%**	**69.6%**
R&D (GAAP)	73.4	200.8	304.0	125.6	135.9	153.6	177.6	592.8	192.4	209.4	227.6	244.6	874.0	251.4	260.3	269.5	279.2	1,060.4	1,148.1	1,181.0
% of revenue	63.4%	50.7%	35.7%	40.7%	34.6%	27.6%	26.6%	30.8%	27.0%	28.2%	28.8%	29.8%	28.5%	28.9%	28.3%	27.7%	27.1%	28.0%	26.8%	26.3%
SG&A (GAAP)	35.9	217.9	167.8	47.7	62.4	82.2	106.2	298.4	113.0	118.9	126.1	132.2	490.2	140.3	148.6	157.0	170.8	616.7	713.0	748.8
% of revenue	31.0%	55.0%	19.7%	15.5%	15.9%	14.8%	15.9%	15.5%	15.8%	16.0%	16.0%	16.1%	16.0%	16.1%	16.2%	16.2%	16.6%	16.3%	16.7%	16.7%
Stock comp	10.7	234.6	160.0	48.9	64.0	79.7	94.2	286.7	100.0	104.0	110.6	114.8	429.4	117.3	124.1	131.2	138.9	511.5	556.4	561.6
Other adjustments	(21.3)	(469.4)	(319.5)	(98.3)	(126.5)	(156.9)	(185.5)	(567.2)	(196.8)	(204.8)	(217.8)	(226.1)	(845.5)	(230.9)	(244.2)	(258.2)	(273.3)	(1,006.6)	(1,094.4)	(1,103.9)
Opex (Non-GAAP)	**98.7**	**184.0**	**312.4**	**123.9**	**135.8**	**158.5**	**192.5**	**610.7**	**208.5**	**227.5**	**246.5**	**265.5**	**948.1**	**278.2**	**288.8**	**299.5**	**315.6**	**1,182.0**	**1,323.1**	**1,387.6**
% of revenue	85%	46%	37%	40%	35%	28%	29%	32%	29%	31%	31%	32%	31%	32%	31%	31%	31%	31%	31%	31%
Operating Income (Non-GAAP)	(18.8)	119.6	334.0	111.7	153.5	242.5	286.4	794.2	304.1	307.4	322.3	324.1	1,257.9	335.3	361.9	388.5	410.8	1,496.6	1,677.2	1,739.2
Operating Margin (Non-GAAP)	**(16.3%)**	**30.2%**	**39.2%**	**36.2%**	**39.1%**	**43.5%**	**42.9%**	**41.2%**	**42.6%**	**41.4%**	**40.8%**	**39.5%**	**41.0%**	**38.6%**	**39.4%**	**40.0%**	**39.9%**	**39.5%**	**39.2%**	**38.7%**
Incr./Decr. Op Mgn (Non-GAAP)	31.0%	49.3%	47.0%	38.9%	39.0%	44.8%	44.7%	42.9%	47.4%	43.9%	34.2%	24.8%	40.6%	20.1%	30.9%	36.4%	41.5%	33.1%	36.7%	29.1%
GAAP NI	(26.3)	(83.4)	219.1	80.3	153.1	167.6	181.0	582.0	193.1	194.4	204.0	204.2	795.6	214.3	234.1	253.9	269.6	971.9	1,126.2	1,228.9
GAAP Diluted WASO	37.1	131.3	179.6	181.2	183.3	184.9	185.9	183.8	187.0	188.0	189.0	190.0	188.5	191.3	192.6	193.9	195.2	193.2	196.3	197.9
GAAP EPS	**($0.71)**	**($0.64)**	**$1.22**	**$0.44**	**$0.83**	**$0.91**	**$0.97**	**$3.17**	**$1.03**	**$1.03**	**$1.08**	**$1.07**	**$4.22**	**$1.12**	**$1.22**	**$1.31**	**$1.38**	**$5.03**	**$5.74**	**$6.21**
Non-GAAP NI	(15.6)	143.3	330.6	110.1	145.8	223.8	263.9	743.5	281.1	285.9	301.3	305.2	1,173.5	317.6	343.3	369.4	391.8	1,422.0	1,610.3	1,717.5
Non-GAAP Diluted WASO	128.0	168.9	179.6	181.2	183.3	184.9	185.9	183.8	187.0	188.0	189.0	190.0	188.5	191.3	192.6	193.9	195.2	193.2	196.3	197.9
Non-GAAP EPS	**($0.12)**	**$0.85**	**$1.84**	**$0.61**	**$0.80**	**$1.21**	**$1.42**	**$4.04**	**$1.50**	**$1.52**	**$1.59**	**$1.61**	**$6.23**	**$1.66**	**$1.78**	**$1.91**	**$2.01**	**$7.36**	**$8.20**	**$8.68**
Segment Revenues																				
Aries	109.6	356.0	594.8	173.4	186.0	225.0	245.0	829.4	260.0	250.0	265.0	255.0	1,030.0	270.4	284.9	295.4	304.6	1,155.3	1,210.4	1,186.4
Y/Y Growth		225%	67%	28%	28%	45%	55%	39%	50%	34%	18%	4%	24%	4%	14%	11%	19%	12%	5%	(2%)
Scorpio	-	-	110.2	78.0	145.0	250.0	334.0	807.0	360.0	390.0	410.0	430.0	1,590.0	469.0	497.4	530.4	568.9	2,065.6	2,366.8	2,504.2
Y/Y Growth				680%	620%	900%	507%	633%	362%	169%	64%	29%	97%	30%	28%	29%	32%	30%	15%	6%
Taurus	-	29.2	120.5	54.2	58.0	75.0	80.0	267.2	84.0	88.0	85.0	80.0	337.0	77.6	76.8	76.1	75.3	305.8	306.5	296.5
Y/Y Growth			313%	219%	158%	142%	60%	122%	55%	52%	13%	--	26%	(8%)	(13%)	(11%)	(6%)	(9%)	0%	(3%)
Leo	-	4.9	11.4	2.9	3.1	7.0	9.0	22.0	10.0	15.0	30.0	55.0	110.0	52.0	60.0	70.0	80.0	262.0	396.5	506.0
Y/Y Growth			133%	--	--	159%	233%	93%	245%	384%	329%	511%	400%	420%	300%	133%	45%	138%	51%	28%
Cash Flow & Capital Deployment																				
Adjustments and other CFFO items	16.5	35.0	46.0	18.3	72.7	11.7	13.4	116.2	15.3	17.4	20.1	22.7	75.6	25.5	28.1	31.2	34.5	119.4	173.7	234.9
Working Capital	(9.7)	(13.3)	(66.0)	(59.1)	(142.5)	(46.2)	(51.6)	(299.3)	(30.0)	16.6	(4.9)	7.9	(10.3)	(20.0)	1.2	2.9	5.3	(10.6)	47.7	48.8
CFFO	**(12.7)**	**136.7**	**319.3**	**74.6**	**87.7**	**205.9**	**229.4**	**597.5**	**269.9**	**322.9**	**318.8**	**337.1**	**1,248.8**	**323.0**	**372.0**	**401.9**	**429.1**	**1,526.1**	**1,804.6**	**1,933.2**
Capex	(2.8)	(34.2)	(37.5)	(7.6)	(20.5)	(27.9)	(33.4)	(89.3)	(35.7)	(37.2)	(39.5)	(41.0)	(153.4)	(43.5)	(46.0)	(48.6)	(51.4)	(189.4)	(214.0)	(224.7)
FCF	**(15.5)**	**102.4**	**281.8**	**67.0**	**67.2**	**178.0**	**196.0**	**508.2**	**234.2**	**285.8**	**279.3**	**296.1**	**1,095.4**	**279.6**	**326.1**	**353.4**	**377.7**	**1,336.6**	**1,590.5**	**1,708.6**
% of revenue	(13%)	26%	33%	22%	17%	32%	29%	26%	33%	38%	35%	36%	36%	32%	35%	36%	37%	35%	37%	38%
Y/Y Growth		762%	175%	1,023%	(50%)	170%	156%	80%	250%	325%	57%	51%	116%	19%	14%	27%	28%	22%	19%	7%
Net Debt	(45.1)	(79.6)	(167.6)	(148.3)	(111.5)	(289.5)	(485.5)	(485.5)	(719.7)	(1,005.5)	(1,284.8)	(1,580.9)	(1,580.9)	(1,860.5)	(2,186.6)	(2,539.9)	(2,917.6)	(2,917.6)	(4,508.1)	(6,216.7)

Source: Company reports, UBS estimates

Valuation

ALAB's NTM PE multiple has traded within ~38x-248x over the past 5yrs, currently trading at ~40x. ALAB trades above its networking and optical peers (27x weighted average peer PE) and has typically traded at a premium to its peer set. We apply a 40x PE (prior 56x), reflecting the sector-wide multiple reset as well as our lower outer-year growth outlook, with C2028 revenue growth now ~24% vs. ~31% previously. Applying 40x to CY28E EPS of $7.36 (down from $7.69) gets us to a PT of $300 (down from $425), as we reiterate our Neutral rating.

Figure 15: ALAB Valuation

		New		Old
Non-GAAP EPS				
C2028	$	7.36	$	7.69
PE		40x		56x
Price Target	$	300	$	425

Source: UBS estimates, FactSet

Figure 16: Networking and Optical Peers

Ticker	Company Name	P/E 2026	P/E 2027	P/E 2028	EV/FCF 2026	EV/FCF 2027	EV/FCF 2028	EV/Sales 2026	EV/Sales 2027	EV/Sales 2028	Mkt Cap	EV
Networking Semis & Optical Peers												
CIEN-US	Ciena	40x	25x	17x	58x	33x	19x	7.2x	5.5x	4.2x	$45.4B	$46.1B
LITE-US	Lumentum	49x	26x	18x	200x	35x	19x	22.4x	10.7x	6.8x	$68.5B	$67.4B
COHR-US	Coherent	96x	18x	13x	-76x	47x	21x	6.1x	4.1x	2.9x	$41.2B	$43.1B
MTSI-US	MACOM	37x	26x	22x	55x	27x	22x	13.4x	9.9x	8.5x	$18.0B	$17.8B
MRVL-US	Marvell	55x	31x	18x	76x	41x	26x	16.7x	10.3x	6.4x	$200.4B	$202.0B
CRDO-US	Credo	30x	19x	14x	42x	20x	12x	10.8x	7.0x	5.4x	$27.7B	$26.9B
SMTC-US	Semtech	36x	20x	13x	61x	19x	12x	8.4x	6.2x	4.7x	$12.3B	$12.6B
MXL-US	MaxLinear	37x	24x	20x	133x	24x	17x	7.7x	4.6x	3.6x	$5.8B	$5.9B
	Weighted Average	**55x**	**27x**	**17x**	**78x**	**37x**	**22x**	**15.5x**	**9.2x**	**6.0x**		
	Median	37x	24x	18x	61x	27x	19x	10.8x	7.0x	5.4x		
	Simple Average	49x	24x	17x	70x	30x	18x	12.2x	7.5x	5.5x	$373.9B	$375.7B
Optical Supply Chain Peers												
CIEN-US	Ciena	40x	25x	17x	58x	33x	19x	7.2x	5.5x	4.2x	$45.4B	$46.1B
LITE-US	Lumentum	49x	26x	18x	200x	35x	19x	22.4x	10.7x	6.8x	$68.5B	$67.4B
COHR-US	Coherent	96x	18x	13x	-76x	47x	21x	6.1x	4.1x	2.9x	$41.2B	$43.1B
MTSI-US	MACOM	37x	26x	22x	55x	27x	22x	13.4x	9.9x	8.5x	$18.0B	$17.8B
	Weighted Average	**57x**	**24x**	**17x**	**79x**	**37x**	**20x**	**13.4x**	**7.6x**	**5.3x**		
	Median	45x	25x	17x	57x	34x	20x	10.3x	7.7x	5.5x		
	NTM PE	**40x**										
	Simple Average	56x	24x	17x	59x	35x	20x	12.3x	7.5x	5.6x	$173.2B	$174.4B

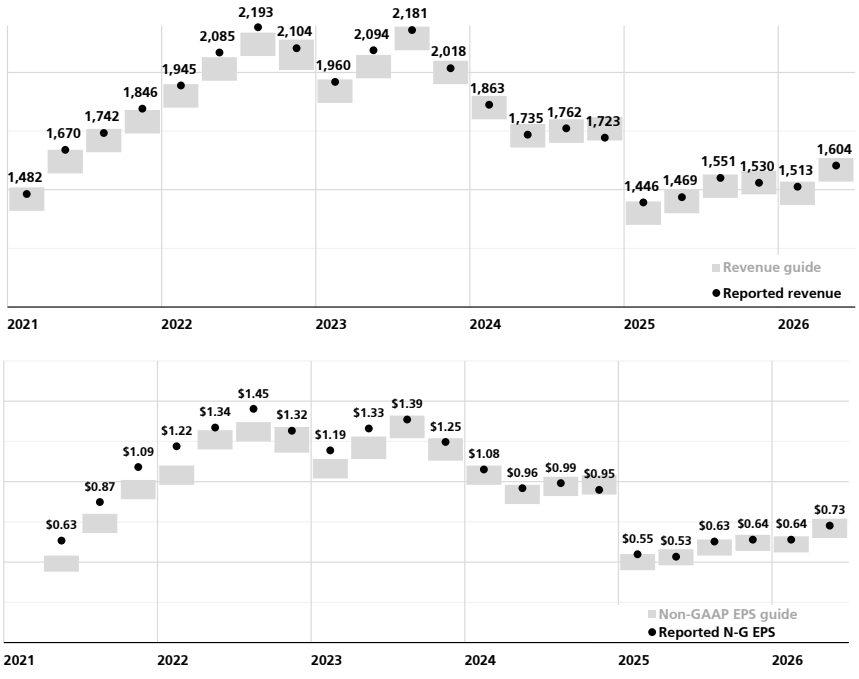
Source: Factset, UBS

ON PREVIEW

Key Topics for Earnings:

1) End market demand trends, particularly Automotive by geography and signs of backlog replenishment; 2) Pricing tailwinds, utilization and progress on Fab Right efforts supporting gross margin recovery; 3) Data Center momentum and customer adoption of EPP following Analyst Day; 4) More detail on the revised SYNA transaction, including financing, accretion and manufacturing insourcing synergies; 5) SiC pricing, China EV participation and inventory trends.

Figure 17: ON - Revenue and Adj EPS Guidance and Surprise History



Source: Company reports, UBS research, FactSet

Figure 18: ON - UBS vs Street

	2025	2026/1F	2026/2F	2026/3F	2026/4F	2026	2027/1F	2027/2F	2027/3F	2027/4F	2027	2028/1F	2028/2F	2028/3F	2028/4F	2028
Revenues ($MM)																
UBS (new)	**5,995**	1,513	1,604	1,691	1,710	**6,517**	1,716	1,854	1,977	1,968	**7,515**	1,947	2,092	2,221	2,226	**8,486**
UBS (old)				1,691	1,710	**6,517**	1,716	1,854	1,977	1,968	**7,515**	1,947	2,092	2,221	2,226	**8,486**
Consensus				1,704	1,737	**6,556**	1,738	1,818	1,913	1,948	**7,407**	1,925	2,026	2,139	2,149	**8,409**
Delta				(0.8%)	(1.6%)	(0.6%)	(1.3%)	2.0%	3.4%	1.0%	1.5%	1.1%	3.3%	3.9%	3.6%	0.9%
non-GAAP EPS																
UBS (new)	**$ 2.35**	$ 0.64	$ 0.73	$ 0.87	$ 0.93	**$ 3.16**	$ 0.93	$ 1.07	$ 1.22	$ 1.22	**$ 4.44**	$ 1.23	$ 1.43	$ 1.61	$ 1.62	**$ 5.88**
UBS (old)				$ 0.87	$ 0.93	**$ 3.16**	$ 0.93	$ 1.07	$ 1.22	$ 1.22	**$ 4.44**	$ 1.23	$ 1.43	$ 1.61	$ 1.62	**$ 5.88**
Consensus				$ 0.88	$ 0.96	**$ 3.21**	$ 0.97	$ 1.08	$ 1.21	$ 1.28	**$ 4.55**	$ 1.26	$ 1.40	$ 1.55	$ 1.60	**$ 5.81**
Delta				(1.0%)	(2.5%)	(1.5%)	(4.5%)	(1.0%)	0.5%	(4.9%)	(2.3%)	(2.3%)	1.9%	3.6%	1.3%	1.2%

Source: Company reports, UBS estimates, FactSet

Figure 19: ON - Summary Model

ONsemi (ON) - Key Metrics (in $MM except EPS)	C2023A	C2024A	C2025A	CQ1A	CQ2A	Estimates CQ3E	CQ4E	C2026E	CQ1E	CQ2E	CQ3E	CQ4E	C2027E	CQ1E	CQ2E	CQ3E	CQ4E	C2028E
Revenue	**$8,253**	**$7,082**	**$5,995**	**$1,513**	**$1,604**	**$1,691**	**$1,710**	**$6,517**	**$1,716**	**$1,854**	**$1,977**	**$1,968**	**$7,515**	**$1,947**	**$2,092**	**$2,221**	**$2,226**	**$8,486**
Y/Y Growth	(1%)	(14%)	(15%)	5%	9%	9%	12%	9%	13%	16%	17%	15%	15%	13%	13%	12%	13%	13%
Gross Profit	$3,885	$3,222	$2,305	$583	$631	$693	$718	$2,626	$721	$807	$880	$876	$3,283	$886	$973	$1,044	$1,046	$3,949
Gross Margin	**47.1%**	**45.5%**	**38.4%**	**38.5%**	**39.3%**	**41.0%**	**42.0%**	**40.3%**	**42.0%**	**43.5%**	**44.5%**	**44.5%**	**43.7%**	**45.5%**	**46.5%**	**47.0%**	**47.0%**	**46.5%**
R&D (Non-GAAP)	$577	$613	$584	$144	$141	$142	$137	$564	$141	$144	$145	$146	$575	$150	$153	$154	$155	$611
SG&A (Non-GAAP)	$642	$650	$605	$152	$165	$165	$163	$646	$167	$165	$165	$165	$663	$169	$167	$167	$167	$671
Opex (Non-GAAP)	**$1,220**	**$1,249**	**$1,185**	**$294**	**$297**	**$307**	**$300**	**$1,198**	**$308**	**$309**	**$310**	**$311**	**$1,238**	**$319**	**$320**	**$321**	**$322**	**$1,282**
Y/Y Growth	(0%)	2%	(5%)	(7%)	(0%)	5%	6%	1%	5%	4%	1%	4%	3%	4%	4%	4%	4%	4%
Operating Income	$2,665	$1,974	$1,120	$290	$334	$386	$418	$1,428	$413	$498	$570	$565	$2,045	$567	$653	$723	$724	$2,667
Operating Margin	**32.3%**	**27.9%**	**18.7%**	**19.1%**	**20.8%**	**22.8%**	**24.5%**	**21.9%**	**24.0%**	**26.8%**	**28.8%**	**28.7%**	**27.2%**	**29.1%**	**31.2%**	**32.5%**	**32.5%**	**31.4%**
Non-GAAP EPS	**$ 5.16**	**$ 3.98**	**$ 2.35**	**$ 0.64**	**$ 0.73**	**$ 0.87**	**$ 0.93**	**$ 3.16**	**$ 0.93**	**$ 1.07**	**$ 1.22**	**$ 1.22**	**$ 4.44**	**$ 1.23**	**$ 1.43**	**$ 1.61**	**$ 1.62**	**$ 5.88**
Free Cash Flow																		
CFFO	$1,978	$1,906	$1,760	$239	$460	$387	$700	$1,785	$552	$435	$548	$787	$2,321	$692	$546	$665	$909	$2,812
Capex	$1,576	$706	$341	$22	$34	$42	$68	$167	$51	$56	$59	$59	$225	$78	$84	$89	$89	$339
FCF	**$402**	**$1,200**	**$1,419**	**$217**	**$425**	**$344**	**$632**	**$1,618**	**$500**	**$379**	**$488**	**$727**	**$2,096**	**$614**	**$462**	**$577**	**$820**	**$2,473**
% revenue	5%	17%	24%	14%	27%	20%	37%	25%	29%	20%	25%	37%	28%	32%	22%	26%	37%	29%
Y/Y Growth	(75%)	199%	18%	(52%)	301%	(8%)	30%	14%	130%	(11%)	42%	15%	29%	23%	22%	18%	13%	18%
Segment Revenue																		
PSG (Power Solution Group)	**$3,880**	**$3,348**	**$2,805**	**$737**	**$829**	**$875**	**$880**	**$3,320**	**$866**	**$936**	**$998**	**$993**	**$3,793**	**$963**	**$1,035**	**$1,099**	**$1,101**	**$4,198**
Q/Q Growth				2%	13%	5%	1%		(2%)	8%	7%	(0%)		(3%)	7%	6%	0%	
Y/Y Growth	12%	(14%)	(16%)	14%	19%	19%	22%	18%	18%	13%	14%	13%	14%	11%	11%	10%	11%	11%
ASG (Analog & Mixed Signal Group)	**$3,057**	**$2,609**	**$2,262**	**$540**	**$546**	**$572**	**$559**	**$2,217**	**$595**	**$643**	**$686**	**$683**	**$2,607**	**$714**	**$768**	**$815**	**$817**	**$3,114**
Q/Q Growth				(3%)	1%	5%	(2%)		6%	8%	7%	(0%)		5%	7%	6%	0%	
Y/Y Growth	(15%)	(15%)	(13%)	(5%)	(2%)	(2%)	0%	(2%)	10%	18%	20%	22%	18%	20%	19%	19%	20%	19%
ISG (Image Sensor Group)	**$1,316**	**$1,125**	**$928**	**$236**	**$229**	**$245**	**$271**	**$980**	**$255**	**$275**	**$293**	**$292**	**$1,115**	**$269**	**$290**	**$307**	**$308**	**$1,174**
Q/Q Growth				(5%)	(3%)	7%	11%		(6%)	8%	7%	(0%)		(8%)	7%	6%	0%	
Y/Y Growth	3%	(14%)	(17%)	1%	7%	6%	8%	6%	8%	20%	20%	8%	14%	6%	5%	5%	5%	5%
End Market Revenue																		
Auto	**$4,320**	**$3,901**	**$3,081**	**$797**	**$781**	**$805**	**$805**	**$3,188**	**$829**	**$895**	**$940**	**$968**	**$3,632**	**$988**	**$1,047**	**$1,110**	**$1,143**	**$4,287**
Q/Q Growth				(0%)	(2%)	3%	--		3%	8%	5%	3%		2%	6%	6%	3%	
Y/Y Growth	29%	(10%)	(21%)	5%	7%	2%	1%	3%	4%	15%	17%	20%	14%	19%	17%	18%	18%	18%
of which SiC	$655	$600	$605	$160	$160	$160	$160	$640	$170	$180	$190	$220	$760	$275	$300	$325	$350	$1,250
Y/Y Growth	290%	(8%)	1%	7%	10%	7%	--	6%	6%	13%	19%	38%	19%	--	--	--	--	--
of which ex-SiC	$3,665	$3,301	$2,476	$637	$621	$645	$645	$2,548	$659	$715	$750	$748	$2,872	$713	$747	$785	$793	$3,037
Y/Y Growth	15%	(10%)	(25%)	4%	6%	1%	1%	3%	3%	15%	16%	16%	13%	--	--	--	--	--
Industrial	**$2,278**	**$1,801**	**$1,675**	**$417**	**$423**	**$423**	**$418**	**$1,681**	**$410**	**$435**	**$465**	**$451**	**$1,761**	**$438**	**$477**	**$487**	**$477**	**$1,878**
Q/Q Growth				(6%)	1%	--	(1%)		(2%)	6%	7%	(3%)		(3%)	9%	2%	(2%)	
Y/Y Growth	(1%)	(21%)	(7%)	4%	4%	(1%)	(5%)	0%	(2%)	3%	10%	8%	5%	7%	10%	5%	6%	7%
Others (Computing, Cons., Comm.)	**$1,655**	**$1,381**	**$1,240**	**$299**	**$400**	**$463**	**$487**	**$1,649**	**$477**	**$525**	**$572**	**$549**	**$2,122**	**$521**	**$568**	**$625**	**$606**	**$2,321**
Q/Q Growth				3%	34%	16%	5%		(2%)	10%	9%	(4%)		(5%)	9%	10%	(3%)	
Y/Y Growth	(38%)	(17%)	(10%)	5%	21%	37%	68%	33%	59%	31%	23%	13%	29%	9%	8%	9%	10%	9%

Source: Company reports, UBS estimates

Figure 20: ON - Seasonality

	Total Revenue % Q/Q				Auto Revenue % Q/Q				Industrial Revenue % Q/Q				Other Revenue % Q/Q				PSG Revenue % Q/Q				AMG Revenue % Q/Q				ISG Revenue % Q/Q			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
2004		+8.2%	-4.5%	-3.6%		-1.6%	+0.2%	-12.8%		+8.2%	-15.8%	-16.5%		+11.8%	-3.0%	+2.4%													
2005	-1.4%	+0.1%	+3.6%	+9.0%	+8.9%	-9.4%	-1.9%	+2.9%	+13.7%	-6.5%	+3.6%	-6.6%	-7.2%	+4.8%	+5.1%	+13.8%												
2006	-2.3%	+12.4%	+12.2%	-4.6%	-2.3%	+5.8%	+5.1%	-4.6%	-2.3%	+31.1%	-3.9%	+3.4%	-2.3%	+10.8%	+17.0%	-5.9%												
2007	-6.8%	+1.9%	+5.7%	+1.2%	+5.6%	+7.9%	-6.1%	-5.1%	+0.3%	+1.9%	-17.0%	+1.2%	-10.7%	+0.4%	+13.5%	+2.6%												
2008	+3.4%	+33.4%	+3.3%	-16.0%	+17.2%	NM	-16.3%	-20.9%	+12.8%	NM	-1.4%	+0.0%	-0.8%	+7.1%	+12.4%	-20.0%												
2009	-22.4%	+10.7%	+12.6%	+5.1%	-17.6%	+10.7%	+19.3%	+11.0%	-22.4%	+1.9%	+2.9%	+10.1%	-23.7%	+14.6%	+14.5%	+1.7%												
2010	+10.7%	+6.0%	+3.0%	-3.6%	+10.7%	+11.6%	-2.2%	+11.6%	+15.7%	+1.4%	-1.7%	-17.4%	+8.8%	+6.0%	+6.5%	-3.6%												
2011	NM	+4.0%	-0.9%	-14.5%	NM	+4.0%	-0.9%	-2.3%	NM	+9.8%	-6.1%	-5.0%	NM	+2.3%	+0.8%	-21.5%												
2012	-3.1%	+0.1%	-2.6%	-6.2%	+5.0%	+0.1%	-6.3%	-4.0%	-3.1%	-4.9%	-7.7%	+8.1%	-6.5%	+1.9%	+1.0%	-11.8%												
2013	-2.8%	+4.1%	+3.9%	+0.4%	+8.7%	+3.4%	-	+4.1%	-5.8%	+3.4%	+2.5%	-2.5%	-7.2%	+4.8%	+6.7%	-0.5%												
2014	-1.6%	+7.2%	+10.0%	+3.7%	+5.8%	+3.4%	+8.3%	+13.2%	+7.9%	+20.8%	+11.0%	+8.1%	-9.1%	+3.8%	+10.6%	-4.4%												
2015	+0.8%	+1.1%	+2.7%	-7.1%	+9.6%	-5.4%	-0.3%	+5.5%	-0.5%	+4.1%	+4.1%	-11.2%	-5.0%	+4.8%	+4.2%	-13.7%												
2016	-2.7%	+7.4%	+8.3%	+32.6%	+5.7%	+0.5%	-1.2%	+18.5%	-4.0%	+12.6%	+7.8%	+30.4%	-9.5%	+11.3%	+17.6%	+45.0%		+8.2%	+15.3%	+52.1%		+8.4%	+7.6%	+29.3%		+4.2%	-3.5%	-4.8%
2017	+13.9%	-6.9%	+4.0%	-1.0%	+10.6%	+0.4%	-1.5%	+6.4%	+7.0%	+9.3%	-0.0%	-0.2%	+19.8%	-19.0%	+10.5%	-6.2%	+19.9%	-9.7%	+5.2%	-1.2%	+7.3%	-7.0%	+4.9%	-0.9%	+10.5%	+4.6%	-2.6%	-0.2%
2018	+0.0%	+5.7%	+5.9%	-3.2%	+2.2%	+4.1%	+1.4%	+3.3%	+1.1%	+10.1%	-1.1%	-4.6%	-2.3%	+4.0%	+14.2%	-6.8%	-0.7%	+8.0%	+8.3%	-2.8%	+1.8%	+3.4%	+3.6%	-0.3%	-2.0%	+3.0%	+2.7%	-7.0%
2019	-7.8%	-2.8%	+2.7%	+1.9%	-2.9%	-5.4%	+1.3%	+3.8%	-7.4%	+0.8%	-2.6%	-2.1%	-11.7%	-3.0%	+7.4%	+2.9%	-10.5%	-0.5%	-1.9%	-1.9%	-6.8%	-6.5%	+10.2%	+10.2%	+1.3%	-1.9%	+0.1%	+0.1%
2020	-8.8%	-5.4%	+9.2%	+8.1%	-4.6%	-26.0%	+28.1%	+17.1%	-7.5%	+9.8%	-5.8%	+6.7%	-12.8%	+3.0%	+7.2%	+2.3%	-10.3%	-0.9%	+4.7%	+4.7%	-7.9%	-8.6%	+15.9%	+15.9%	-6.2%	-9.9%	+4.1%	+4.1%
2021	+4.0%	+12.6%	+4.3%	+6.0%	+4.8%	+8.0%	+3.5%	+11.4%	+6.4%	+17.0%	+10.3%	+9.1%	+2.0%	+13.9%	+1.0%	-0.7%	-16.0%	+13.3%	+5.2%	+5.2%	+29.4%	+14.3%	+2.1%	+2.1%	-2.3%	+6.2%	+9.6%	+9.6%
2022	+5.4%	+7.2%	+5.2%	-4.1%	+11.4%	+9.7%	+11.4%	+13.2%	+4.1%	+7.1%	+5.4%	-9.9%	+0.6%	+4.6%	-1.9%	-20.3%	+3.9%	+7.9%	+7.1%	-4.0%	+5.5%	+3.9%	+1.7%	-6.9%	+9.6%	+15.7%	+10.0%	+3.5%
2023	-6.8%	+6.9%	+4.1%	-7.5%	-0.3%	+7.7%	+9.0%	-3.8%	+0.7%	+9.6%	+1.1%	-19.3%	-25.8%	+1.4%	-3.8%	-0.1%	-2.7%	+13.6%	+10.1%	-10.3%	-13.8%	+6.3%	-2.0%	-4.0%	-0.0%	-8.2%	+1.1%	-6.4%
2024	-7.7%	-6.8%	+1.5%	-2.2%	-8.7%	-10.8%	+4.9%	+7.8%	-4.2%	-1.7%	-6.0%	-5.2%	-9.2%	-2.5%	+2.9%	-24.5%	-9.5%	-4.4%	-0.7%	-2.4%	-6.4%	-7.1%	+0.9%	-6.6%	-5.3%	-13.5%	+10.5%	+8.5%
2025	-16.1%	+1.6%	+5.6%	-1.3%	-25.7%	-3.8%	+7.4%	+1.4%	-4.1%	+1.6%	+4.9%	+3.8%	+1.3%	+16.0%	+2.4%	-14.2%	-20.3%	+8.2%	+5.6%	-1.8%	-7.2%	-1.9%	+4.9%	-4.6%	-22.6%	-8.4%	+7.2%	+8.5%
2026E	-1.1%	+6.0%	+5.4%	+1.1%	-0.1%	-2.0%	+3.0%	-	-5.7%	+1.4%	-	-1.0%	+3.3%	+33.6%	+16.0%	+5.0%	+1.7%	+12.5%	+5.5%	+0.6%	-2.9%	+1.0%	+4.8%	-2.2%	-5.3%	-3.2%	+6.9%	+10.7%
2027E	+0.4%	+8.1%	+6.6%	-0.4%	+3.0%	+8.0%	+5.0%	+3.0%	-2.0%	+6.0%	+7.0%	-3.0%	-2.0%	+10.0%	+9.0%	-4.0%	-1.6%	+8.1%	+6.6%	-0.4%	+6.5%	+8.1%	+6.6%	-0.4%	-6.0%	+8.1%	+6.6%	-0.4%
LT median	**-2.3%**	**+5.7%**	**+4.0%**	**-1.8%**	**+5.0%**	**+1.9%**	**+0.8%**	**+3.9%**	**-0.5%**	**+5.6%**	**-0.6%**	**-1.2%**	**-6.5%**	**+4.8%**	**+6.6%**	**-4.0%**	**-6.1%**	**+8.0%**	**+5.4%**	**-1.8%**	**-4.6%**	**+1.0%**	**+4.3%**	**-0.6%**	**-2.1%**	**-1.9%**	**+3.4%**	**+1.8%**
5Y median	**-6.8%**	**+6.0%**	**+4.3%**	**-2.2%**	**-0.3%**	**-2.0%**	**+7.4%**	**+7.8%**	**-4.1%**	**+1.6%**	**+4.9%**	**-5.2%**	**+0.6%**	**+4.6%**	**+1.0%**	**-14.2%**	**-2.7%**	**+8.2%**	**+5.6%**	**-2.4%**	**-6.4%**	**+1.0%**	**+1.7%**	**-4.6%**	**-5.3%**	**-8.2%**	**+9.6%**	**+8.5%**
10Y median	**-4.0%**	**+3.6%**	**+4.7%**	**-1.2%**	**-0.2%**	**-0.8%**	**+4.2%**	**+7.1%**	**-1.7%**	**+8.2%**	**+0.5%**	**-1.2%**	**-0.8%**	**+3.5%**	**+5.1%**	**-3.5%**	**-6.1%**	**+8.0%**	**+5.4%**	**-1.8%**	**-4.6%**	**-0.4%**	**+4.3%**	**-0.6%**	**-2.1%**	**-2.5%**	**+3.4%**	**+1.8%**

	Total Opex % Q/Q				Adj Gross Margin bps Q-Q				Adj Operating Margin bps Q-Q				Working Capital $			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
2004		+7.3%	-6.2%	-1.8%		+259 bp	-135 bp	-21 bp		+673 bp	-76 bp	-238 bp				
2005	+7.5%	-5.4%	+3.9%	+3.2%	-33 bp	+72 bp	+67 bp	+183 bp	-60 bp	+131 bp	+147 bp	+316 bp				
2006	+1.7%	+11.9%	-0.4%	-13.4%	+22 bp	+558 bp	-271 bp	+116 bp	-78 bp	+654 bp	-143 bp	+21 bp	-8	-27	-18	-9
2007	+18.2%	+0.8%	+10.6%	+0.1%	-276 bp	+180 bp	+32 bp	-111 bp	-441 bp	+200 bp	-9 bp	-114 bp	-2	-12	+4	+2
2008	+40.4%	+36.6%	-6.4%	NM	-27 bp	+371 bp	-10 bp	-123 bp	-160 bp	+62 bp	+45 bp	-291 bp	+61	-54	+20	-16
2009	NM	+6.7%	+1.3%	-12.1%	-907 bp	+314 bp	+413 bp	+212 bp	-988 bp	+350 bp	+666 bp	+459 bp	-8	-9	-9	-33
2010	+29.9%	-1.1%	-2.5%	+13.0%	+220 bp	+34 bp	-116 bp	-7 bp	-87 bp	+177 bp	-19 bp	-76 bp	-15	+13	-31	+11
2011	NM	-0.2%	+28.0%	-22.1%	-524 bp	-76 bp	-18 bp	-216 bp	-642 bp	+147 bp	+20 bp	-450 bp	-11	+6	+13	+57
2012	-3.4%	+14.8%	-16.4%	NM	+6 bp	+275 bp	-246 bp	-223 bp	-76 bp	+197 bp	-121 bp	-297 bp	-54	-31	-82	+42
2013	NM	+8.5%	+0.6%	+4.8%	+95 bp	+173 bp	+116 bp	-34 bp	+145 bp	+135 bp	+262 bp	-56 bp	+10	-77	-65	+16
2014	-6.9%	+7.8%	+17.1%	+17.4%	+63 bp	+175 bp	-163 bp	-118 bp	+50 bp	+200 bp	-146 bp	-231 bp	-52	-2	-47	+29
2015	-11.8%	+2.0%	+1.1%	-6.1%	+43 bp	+7 bp	-45 bp	-90 bp	+122 bp	+85 bp	-54 bp	-70 bp	-86	-68	-37	-13
2016	-3.3%	+7.1%	+21.4%	+16.5%	+50 bp	+136 bp	+77 bp	-70 bp	-53 bp	+177 bp	+60 bp	-6 bp	-42	-44	+59	+51
2017	-2.7%	+5.6%	+2.7%	+0.6%	+26 bp	+145 bp	+98 bp	-36 bp	+32 bp	+150 bp	+191 bp	-126 bp	-92	+45	-2	-45
2018	-5.0%	+7.9%	-0.8%	-2.3%	+6 bp	+58 bp	+58 bp	-77 bp	+41 bp	+59 bp	+152 bp	-101 bp	-81	-102	-15	+73
2019	-3.7%	+1.9%	+52.4%	-33.2%	-89 bp	+2 bp	-131 bp	-112 bp	-131 bp	+17 bp	-267 bp	-74 bp	-170	-74	+139	-162
2020	+10.8%	-13.8%	-2.7%	+2.3%	-314 bp	-67 bp	+265 bp	+91 bp	-570 bp	+82 bp	+457 bp	+222 bp	+8	-42	-60	+95
2021	+19.9%	-9.5%	-10.1%	+9.4%	+77 bp	+320 bp	+315 bp	+368 bp	-93 bp	+630 bp	+496 bp	+409 bp	-36	+65	-84	-5
2022	-10.7%	+44.3%	+39.9%	-50.1%	+422 bp	+32 bp	-42 bp	-81 bp	+525 bp	+65 bp	+94 bp	-121 bp	-248	-294	+326	-36
2023	+11.5%	-9.6%	+7.8%	-4.0%	-173 bp	+63 bp	-9 bp	-58 bp	-204 bp	+64 bp	-27 bp	-99 bp	-249	-342	-140	-132
2024	-0.4%	+20.4%	-10.5%	+4.7%	-84 bp	-63 bp	+19 bp	-14 bp	-253 bp	-153 bp	+68 bp	-151 bp	-99	-163	-95	-25
2025	+134.1%	-58.7%	-10.0%	+8.7%	-531 bp	-240 bp	+36 bp	+25 bp	-841 bp	-91 bp	+185 bp	+59 bp	+463	-200	+45	+185
2026E	+81.4%	-43.8%	-8.4%	-2.1%	+32 bp	+80 bp	+165 bp	+100 bp	-66 bp	+170 bp	+201 bp	+161 bp	-201	+45	-91	+202
2027E	+2.2%	+0.3%	+0.3%	+0.3%	-	+150 bp	+100 bp	-	-40 bp	+279 bp	+198 bp	-12 bp	+49	-138	-81	+164
LT median	**+1.7%**	**+5.6%**	**+0.8%**	**+0.3%**	**+6 bp**	**+80 bp**	**+5 bp**	**-47 bp**	**-82 bp**	**+147 bp**	**+52 bp**	**-87 bp**	**-42**	**-42**	**-17**	**-1**
5Y median	**+11.5%**	**-9.6%**	**-10.0%**	**+4.7%**	**-84 bp**	**+32 bp**	**+19 bp**	**-14 bp**	**-204 bp**	**+64 bp**	**+94 bp**	**-99 bp**	**-201**	**-200**	**-84**	**-25**
10Y median	**+5.2%**	**-3.8%**	**+0.9%**	**+1.4%**	**-39 bp**	**+45 bp**	**+47 bp**	**-47 bp**	**-112 bp**	**+64 bp**	**+123 bp**	**-87 bp**	**-95**	**-88**	**-9**	**-15**

Source: UBS research, company reports.

Valuation

While much of the analog sector has re-rated, ON still commands a discount to peers given structural headwinds to gross margin from underutilization and competition from China. We trim our PT from $95 to $85, based on a 15x target multiple and C28E EPS of $5.88.

Figure 21: ON - Valuation

Valuation	New	Old
Non-GAAP EPS		
C28E	**$ 5.88**	**$ 5.88**
Multiple	**15x**	**17x**
Price Target (undiscounted)	**$ 90**	**$ 100**
discount periods	0.50	0.50
discount rate	11%	11%
Price Target (discounted)	**$ 85**	**$ 95**

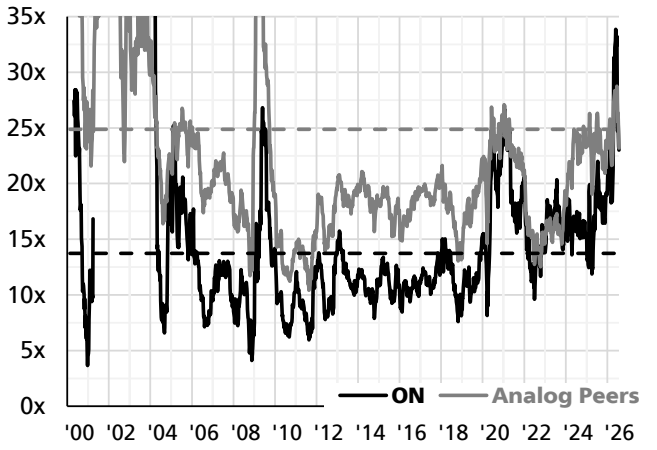
Source: UBS estimates

Figure 22: ON - Relative Valuations

onsemi Relative Valuation	
Current Analog NTM P/E Multiple	23x
ON LT Average Premium/Discount to Analog	-32%
Peers-Implied ON Multiple	**15x**
Current SOX 500 NTM P/E Multiple	21x
ON LT Average Premium/Discount to SOX	-30%
SOX-Implied ON Multiple	**15x**
Current S&P 500 NTM P/E Multiple	20x
ON LT Average Premium/Discount to S&P 500	-18%
S&P 500-Implied ON Multiple	**16x**

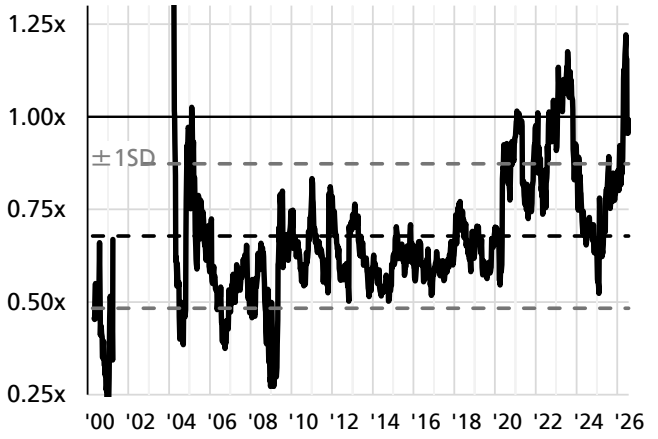
Source: Company reports, UBS research, FactSet

Figure 23: onsemi (ON) and Peers' 1-yr Forward P/E LT History



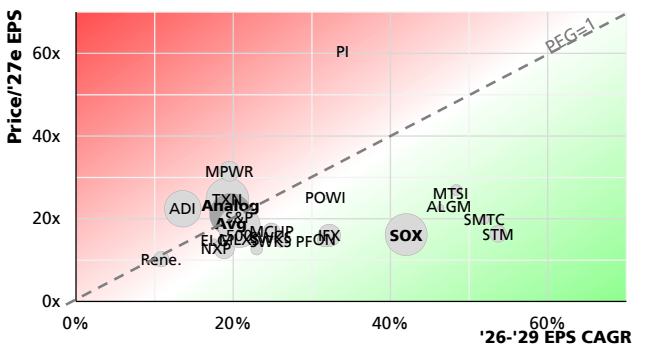
Source: Company reports, UBS research, FactSet.

Figure 24: onsemi (ON) 1y Fwd P/E Relative to Analog Peers - LT History



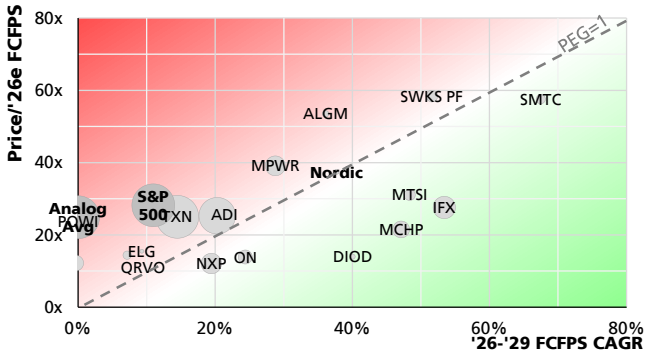
Source: Company reports, UBS research, FactSet.

Figure 25: Analog Semis PEG



Source: Company reports, UBS research, FactSet, Visible Alpha. '26-'29 or '25-'28 CAGRs used where C29 estimates are unavailable.

Figure 26: Analog Semis FCF P-to-G



Source: Company reports, UBS research, FactSet, Visible Alpha. '26-'29 or '25-'28 CAGRs used where C29 estimates are unavailable.

Figure 27: Onsemi Comps

		P/E				EV/FCF				EV/Sales				EV/EBITDA					
Ticker	Company Name	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	Mkt Cap	EV
TXN-US	Texas Instruments	52x	31x	25x	21x	NM	28x	25x	22x	15.1x	12.0x	10.2x	9.2x	33x	22x	18x	15x	$260.0B	$267.6B
ADI-US	Analog Devices	50x	30x	23x	20x	45x	38x	27x	22x	18.0x	13.1x	10.6x	9.5x	31x	25x	20x	18x	$189.5B	$198.0B
IFX-DE	Infineon	34x	28x	17x	13x	38x	59x	33x	22x	4.6x	4.3x	3.5x	3.0x	16x	14x	10x	8x	$71.2B	$78.8B
6981-JP	Murata	49x	31x	21x	16x	52x	62x	33x	21x	6.0x	5.1x	4.3x	3.7x	NM	17x	11x	NM	$78.6B	$69.8B
NXPI-US	NXP Semiconductors	20x	16x	13x	11x	26x	18x	16x	13x	5.5x	4.7x	4.2x	3.9x	15x	12x	10x	9x	$59.2B	$67.8B
MPWR	Monolithic Power	64x	41x	31x	26x	69x	50x	33x	27x	19.6x	13.1x	10.1x	8.5x	53x	34x	26x	NM	$56.0B	$54.8B
6723-JP	Renesas	NM	12x	11x	10x	18x	12x	13x	11x	4.6x	3.7x	3.3x	2.9x	14x	10x	8x	7x	$34.4B	$39.0B
STMPA-PAR	STMicro	83x	33x	16x	11x	NM	73x	21x	14x	3.3x	2.7x	2.3x	2.0x	16x	12x	8x	6x	$40.3B	$39.4B
MCHP-US	Microchip	45x	20x	16x	NM	48x	23x	19x	NM	9.7x	7.2x	6.1x	NM	26x	15x	13x	NM	$40.2B	$45.9B
6963-JP	Rohm	NM	32x	22x	NM	8x	43x	40x	NM	3.4x	3.0x	2.8x	NM	17x	17x	12x	NM	$9.6B	$10.4B
ALGM	Allegro Microsystems	58x	31x	21x	15x	48x	43x	25x	NM	6.8x	5.5x	4.7x	4.0x	53x	24x	17x	NM	$5.9B	$6.0B
VSH	Vishay	NM	31x	15x	NM	NM	NM	-38x	NM	1.2x	1.0x	0.9x	NM	9x	8x	6x	NM	$3.8B	$3.7B
DIOD	Diodes, Inc	66x	25x	14x	NM	NM	NM	NM	NM	2.3x	1.9x	1.5x	NM	11x	14x	12x	NM	$3.7B	$3.5B
MELE-BE	Melexis	19x	19x	15x	12x	22x	12x	15x	13x	2.8x	2.8x	2.6x	2.4x	14x	12x	10x	9x	$2.5B	$2.8B
AMS-CH	AMS-osram	32x	NM	NM	21x	17x	NM	42x	41x	0.9x	1.0x	1.0x	NM	3x	7x	6x	NM	$2.1B	$3.6B
POWI	Power Integrations	38x	34x	25x	16x	28x	NM	NM	NM	5.4x	5.0x	4.4x	3.6x	35x	21x	15x	NM	$2.6B	$2.4B
WOLF	Wolfspeed	NM	NM	NM	NM	NM	NM	NM	NM	2.5x	2.9x	3.0x	NM	NM	NM	NM	NM	$1.2B	$1.9B
2481-TW	Pan Jit Int'l	49x	30x	21x	18x	62x	61x	33x	NM	4.8x	4.0x	3.4x	3.1x	16x	21x	15x	NM	$1.8B	$2.0B
4966-TW	Parade Technologies	14x	15x	12x	10x	9x	12x	NM	NM	1.7x	1.7x	1.5x	1.3x	10x	9x	7x	NM	$1.2B	$0.9B
INDI	Indie Semi	NM	NM	NM	7x	NM	NM	NM	NM	3.0x	2.5x	1.8x	1.4x	NM	NM	NM	NM	$0.4B	$0.7B
	Median	**49x**	**30x**	**17x**	**15x**	**33x**	**40x**	**25x**	**21x**	**4.6x**	**3.9x**	**3.3x**	**3.3x**	**16x**	**15x**	**11x**	**9x**	**$864.4B**	**$898.9B**
	Simple Average	45x	27x	19x	15x	35x	38x	23x	21x	6.1x	4.9x	4.1x	4.2x	22x	16x	12x	10x		
	Weighted Average	49x	29x	21x	18x	42x	37x	26x	21x	11.9x	9.1x	7.6x	7.0x	28x	20x	16x	14x		
ON-US	ON Semi	31x	23x	16x	12x	20x	18x	14x	12x	4.8x	4.4x	3.9x	3.4x	17x	15x	11x	10x	$28.1B	$29.0B

Source: Company reports, UBS estimates, FactSet.

ARM PREVIEW

Key Topics for Earnings: 1) Any commentary about recent compute megaprojects, including Arm/x86 CPU mix and which CPUs, pace of spending, any expanded role for Arm in other aspects of the design, and any read-throughs on Softbank's Arm shareholding; 2) early commentary on the shape of F3Q27; 3) data points on the ramp of smartphone CSS (like design win momentum of the MediaTek Dimensity 9400) and general purpose cloud compute (Google Axion/Microsoft Cobalt were first available in public instances in October, while Amazon has long offered Graviton to the public and is starting to use it for internal workloads); 4) potential tariff impacts on end demand.

Figure 28: ARM - UBS vs Street

	F2025	F2026	Jun '26	Sep '26	Dec '26	Mar '27	F2027	Jun '27	Sep '27	Dec '27	Mar '28	F2028	Jun '28	Sep '28	Dec '28	Mar '29	F2029	CY2024	CY2025	CY2026	CY2027	CY2028
Revenues ($MM)																						
UBSe	$ 4,007	$ 4,920	$ 1,289	$ 1,379	$ 1,552	$ 1,923	$ 6,143	$ 1,710	$ 1,855	$ 2,162	$ 2,505	$ 8,233	$ 2,554	$ 2,692	$ 2,893	$ 3,057	$ 11,195	$ 3,694	$ 4,671	$ 5,711	$ 7,650	$ 10,644
UBS (Old)				$ 1,379	$ 1,552	$ 1,923	$ 6,143	$ 1,710	$ 1,855	$ 2,162	$ 2,505	$ 8,233	$ 2,554	$ 2,692	$ 2,893	$ 3,057	$ 11,195			$ 5,711	$ 7,650	$ 10,644
Consensus				$ 1,377	$ 1,523	$ 1,880	$ 6,070	$ 1,720	$ 1,878	$ 2,097	$ 2,503	$ 8,199	$ 2,292	$ 2,472	$ 2,694	$ 3,046	$ 10,504			$ 5,680	$ 7,576	$ 9,961
Delta				0.2%	1.9%	2.3%	1.2%	-0.6%	-1.2%	3.1%	0.1%	0.4%	11.4%	8.9%	7.4%	0.4%	6.6%			0.6%	1.0%	6.9%
EPS (Non GAAP)																						
UBSe	$ 1.64	$ 1.77	$ 0.45	$ 0.48	$ 0.58	$ 0.78	$ 2.28	$ 0.60	$ 0.66	$ 0.81	$ 0.99	$ 3.07	$ 0.97	$ 1.05	$ 1.13	$ 1.24	$ 4.39	$ 1.45	$ 1.72	$ 2.10	$ 2.85	$ 4.14
UBS (Old)				$ 0.48	$ 0.58	$ 0.78	$ 2.28	$ 0.60	$ 0.66	$ 0.81	$ 0.99	$ 3.07	$ 0.97	$ 1.05	$ 1.13	$ 1.24	$ 4.39			$ 2.10	$ 2.85	$ 4.14
Consensus				$ 0.47	$ 0.55	$ 0.76	$ 2.23	$ 0.60	$ 0.67	$ 0.78	$ 1.02	$ 3.07	$ 0.81	$ 0.90	$ 1.02	$ 1.22	$ 3.94			$ 2.07	$ 2.81	$ 3.74
Delta				2.1%	5.5%	2.6%	2.2%	1.0%	-1.4%	3.7%	-2.6%	-0.0%	19.3%	17.1%	11.3%	1.9%	11.4%			1.6%	1.4%	10.6%

Source: Company reports, UBS estimates, FactSet

Figure 29: ARM - Summary Model

Arm Holdings Plc. (ARM) - Key Metrics (in $MM except EPS and units)	C2022A	C2023A	C2024A	C2025A	FQ4:26A CQ1A	FQ1A CQ2A	Estimates FQ2E CQ3E	FQ3E CQ4E	C2026E	FQ4:27E CQ1E	FQ1E CQ2E	FQ2E CQ3E	FQ3E CQ4E	C2027E	C2028E	FISCAL YEAR SUMMARY F2023A	F2024A	F2025A	F2026E	F2027E
Revenue	**$2,703**	**$2,938**	**$3,694**	**$4,671**	**$1,490**	**$1,289**	**$1,379**	**$1,552**	**$5,711**	**$1,923**	**$1,710**	**$1,855**	**$2,162**	**$7,650**	**$10,644**	**$2,679**	**$3,233**	**$4,007**	**$4,920**	**$6,143**
Y/Y Growth		8.7%	25.7%	26.4%	20.1%	22.4%	21.5%	25.0%	22.3%	29.0%	32.6%	34.5%	39.3%	34.0%	39.1%	-0.9%	20.7%	23.9%	22.8%	24.9%
Gross Profit (Non-GAAP)	$2,592	$2,837	$3,607	$4,588	$1,465	$1,264	$1,354	$1,527	$5,611	$1,818	$1,628	$1,730	$1,951	$7,126	$9,294	$2,580	$3,131	$3,926	$4,832	$5,964
Gross Margin	**95.9%**	**96.6%**	**97.6%**	**98.2%**	**98.3%**	**98.1%**	**98.2%**	**98.4%**	**98.2%**	**94.6%**	**95.2%**	**93.2%**	**90.2%**	**93.2%**	**87.3%**	**96.3%**	**96.8%**	**98.0%**	**98.2%**	**97.1%**
Opex (Non-GAAP)	**$1,839**	**$1,821**	**$1,994**	**$2,549**	**$734**	**$733**	**$780**	**$822**	**$3,069**	**$866**	**$900**	**$931**	**$966**	**$3,662**	**$4,232**	**$1,797**	**$1,723**	**$2,049**	**$2,717**	**$3,202**
Y/Y Growth			9.5%	27.8%	29.7%	18.4%	20.4%	14.8%	20.4%	18.0%	22.7%	19.3%	17.4%	19.3%	15.5%	-2.9%	-4.1%	18.9%	32.6%	17.8%
Operating Income (Non-GAAP)	$753	$1,016	$1,613	$2,039	$731	$531	$574	$705	$2,541	$952	$728	$799	$986	$3,464	$5,062	$783	$1,408	$1,877	$2,115	$2,762
Operating Margin	**27.9%**	**34.6%**	**43.7%**	**43.7%**	**49.1%**	**41.2%**	**41.6%**	**45.4%**	**44.5%**	**49.5%**	**42.6%**	**43.1%**	**45.6%**	**45.3%**	**47.6%**	**29.2%**	**43.6%**	**46.8%**	**43.0%**	**45.0%**
Non-GAAP EPS	**$ 0.62**	**$ 0.94**	**$ 1.45**	**$ 1.72**	**$ 0.60**	**$ 0.45**	**$ 0.48**	**$ 0.58**	**$ 2.10**	**$ 0.78**	**$ 0.60**	**$ 0.66**	**$ 0.81**	**$ 2.85**	**$ 4.14**	**$ 0.64**	**$ 1.28**	**$ 1.64**	**$ 1.77**	**$ 2.28**
Free Cash Flow																				
CFFO	$256	$906	$806	$1,522	$260	$902	$510	$536	$2,208	$538	$1,013	$686	$684	$2,921	$4,374	$739	$1,090	$397	$1,524	$2,486
Capex and intangibles	($104)	($182)	($233)	($629)	($108)	($237)	($177)	($200)	($722)	($247)	($203)	($220)	($256)	($926)	($1,180)	($133)	($183)	($298)	($642)	($861)
FCF	**$152**	**$724**	**$573**	**$893**	**$152**	**$665**	**$332**	**$337**	**$1,486**	**$291**	**$810**	**$466**	**$427**	**$1,995**	**$3,194**	**$606**	**$907**	**$99**	**$882**	**$1,625**
% of revenue	(6%)	-24.6%	-15.5%	-19.1%	-10.2%	-51.6%	-24.1%	-21.7%	-26.0%	-15.1%	-47.4%	-25.1%	-19.8%	-26.1%	-30.0%	22.6%	28.1%	2.5%	17.9%	26.5%
Y/Y Growth		376.3%	-20.9%	55.8%	-6.7%	343.3%	-19.1%	99.3%	66.4%	91.5%	21.9%	40.3%	26.9%	34.2%	60.1%	75.1%	49.7%	-89.1%	790.9%	84.3%
Revenue Reporting																				
Royalty revenue	**$1,725**	**$1,662**	**$2,075**	**$2,549**	**$671**	**$715**	**$708**	**$807**	**$2,901**	**$831**	**$856**	**$899**	**$975**	**$3,561**	**$4,361**	**$1,675**	**$1,802**	**$2,168**	**$2,613**	**$3,061**
% of revenue	64%	56.6%	56.2%	54.6%	45.0%	55.5%	51.3%	52.0%	50.8%	43.2%	50.1%	48.5%	45.1%	46.6%	41.0%	62.5%	55.7%	54.1%	53.1%	49.8%
Y/Y growth		-3.7%	24.8%	22.8%	10.5%	22.2%	14.2%	9.5%	13.8%	23.9%	19.7%	27.0%	20.9%	22.8%	22.4%	7.2%	7.6%	20.3%	20.5%	17.1%
Q/Q growth					-9.0%	6.6%	-1.0%	14.0%		3.0%	3.0%	5.0%	8.5%							
of which ARM v7			90.0%	25.0%												43.0%	36.0%	28.6%	25.0%	
of which ARM v8			135.0%	44.0%												49.0%	46.5%	44.7%	15.0%	
of which ARM v9		25.0%	95.0%	31.0%												8.0%	17.5%	26.7%	60.0%	
License and other revenue	**$978**	**$1,276**	**$1,619**	**$2,122**	**$819**	**$574**	**$672**	**$745**	**$2,810**	**$991**	**$754**	**$776**	**$807**	**$3,328**	**$3,634**	**$1,004**	**$1,431**	**$1,839**	**$2,307**	**$2,982**
% of Total revenue	36%	43.4%	43.8%	45.4%	55.0%	44.5%	48.7%	48.0%	49.2%	51.6%	44.1%	41.8%	37.3%	43.5%	34.1%	37.5%	44.3%	45.9%	46.9%	48.5%
Y/Y growth		30.5%	26.9%	31.1%	29.2%	22.6%	30.4%	47.6%	32.4%	21.1%	31.3%	15.6%	8.3%	18.4%	9.2%	-12.0%	42.5%	28.5%	25.4%	29.3%
Q/Q growth					62.2%	-29.9%	17.0%	11.0%		33.0%	-24.0%	3.0%	4.0%							
Annualized Contract Value (ACV)	$4,171	$4,346	$4,898	$6,113												$1,030	$1,182	$1,365		
% Y/Y		4.2%	12.7%	24.8%												-	14.8%	15.5%		
% Q/Q																				
Remaining Performance Obligation (RPO)	$6,993	$8,177	$9,362	$8,852												$1,712	$2,484	$2,226		
% Y/Y		16.9%	14.5%	-5.4%												-2.2%	45.1%	-10.4%		
% Q/Q																				
implied orders	$408	$1,528	$1,162	$1,043	$518	$935	$1,020	$1,132	$3,604	$1,505	$1,151	$1,186	$1,233	$5,076	$5,580	$530	$1,823	$1,163	$1,143	$4,592
book-to-bill	2.4x	0.8x	1.4x	2.0x	0.9x	1.1x	1.0x	1.0x	0.8x	1.0x	1.0x	1.0x	1.0x	0.7x	0.7x	0.9x	1.7x	0.8x	0.9x	1.0x

Source: Company reports, UBS estimates

Figure 30: ARM - Seasonality

	Total Revenue Q/O				Royalty Revenue Q/O				License & Other Rev. Q/O				ACV Q/O				RPO Q/O			
	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4
	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3
CY00		12.9%	18.5%	15.5%		22.6%	37.5%	13.4%		-4.8%	0.7%	28.4%								
CY01	8.0%	13.8%	3.2%	6.6%	1.6%	-20.8%	-1.1%	5.8%	6.8%	36.3%	16.4%	4.1%								
CY02	6.0%	0.1%	-27.2%	-4.4%	-4.8%	-0.8%	-10.0%	23.9%	5.2%	6.4%	-34.3%	-13.0%								
CY03	-5.9%	0.2%	1.5%	1.0%	29.5%	-1.9%	8.3%	9.8%	-24.9%	4.0%	3.6%	-7.1%								
CY04	-4.2%	7.3%	6.1%	2.7%	-2.7%	5.4%	14.4%	-0.7%	0.9%	6.0%	-0.6%	8.1%								
CY05	30.7%	7.1%	1.9%	13.3%	26.3%	-1.7%	10.2%	21.2%	51.2%	14.8%	-3.8%	1.4%								
CY06	2.6%	-2.5%	-3.9%	2.8%	10.6%	-10.7%	-2.2%	2.0%	-2.4%	9.0%	-4.9%	1.4%								
CY07	-4.2%	-3.0%	-5.8%	1.3%	-2.0%	-14.2%	3.6%	10.3%	-4.7%	6.1%	-10.2%	-12.2%								
CY08	9.0%	-3.9%	14.7%	58.4%	19.9%	-4.6%	18.2%	69.0%	1.6%	-10.0%	18.9%	59.1%								
CY09	-7.1%	-24.9%	9.5%	13.9%	-9.6%	-27.7%	13.2%	19.3%	-16.3%	-18.5%	3.4%	13.8%								
CY10	13.4%	13.1%	-3.3%	11.4%	16.3%	16.6%	-10.4%	12.5%	5.4%	15.7%	5.4%	22.0%								
CY11	0.4%	-0.2%	3.3%	17.4%	1.3%	-6.0%	3.7%	24.3%	-4.2%	7.8%	5.7%	11.8%								
CY12	-3.8%	1.5%	6.9%	11.7%	-7.5%	3.5%	9.9%	9.3%	-3.3%	2.1%	6.2%	16.8%								
CY13	7.2%	1.7%	6.4%	-1.6%	10.3%	-2.2%	-0.6%	-1.8%	-0.2%	10.4%	17.8%	-2.3%								
CY14	-3.4%	-1.4%	5.3%	21.9%	-6.4%	-9.0%	13.4%	22.5%	-1.3%	8.9%	-0.6%	22.2%								
CY15	5.2%	-0.6%	5.2%	13.1%	20.9%	-7.6%	14.7%	11.1%	-11.6%	9.4%	-3.2%	13.6%								
CY16	1.9%				5.5%				-4.1%											
CY17-CY21																				
CY22		5.3%	-9.0%	14.9%		2.4%	1.8%	-3.8%		10.7%	-27.1%	59.0%		2.1%	2.7%	-6.6%		-1.0%	1.0%	0.4%
CY23	-12.6%	6.6%	19.4%	2.2%	-12.0%	7.0%	4.5%	12.4%	-13.4%	6.2%	41.1%	-8.8%	2.1%	1.7%	5.7%	4.7%	-2.6%	-5.5%	49.2%	0.8%
CY24	12.6%	1.2%	-10.1%	16.5%	9.4%	-9.1%	10.1%	12.8%	16.9%	14.0%	-30.1%	22.1%	1.9%	0.9%	5.0%	1.4%	2.1%	-12.7%	-4.0%	-2.5%
CY25	26.2%	-15.1%	7.8%	9.4%	4.7%	-3.6%	6.0%	18.9%	57.3%	-26.2%	10.0%	-1.9%	7.5%	11.9%	4.7%		-4.3%	0.3%	0.6%	
CY26E	20.0%	-13.5%	7.0%	12.5%	-9.0%	6.6%	-1.0%	14.0%	62.2%	-29.9%	17.0%	11.0%								
All-time Avg	**4.3%**	**1.0%**	**2.5%**	**11.4%**	**5.8%**	**-3.1%**	**7.3%**	**14.6%**	**3.1%**	**5.4%**	**0.7%**	**11.9%**	**3.8%**	**4.2%**	**4.5%**	**-0.2%**	**-1.6%**	**-4.7%**	**11.7%**	**-0.4%**
Post-IPO Avg	8.8%	-0.5%	2.0%	10.8%	0.7%	-0.9%	5.6%	10.1%	20.3%	1.2%	-1.5%	17.6%	3.8%	4.2%	4.5%	-0.2%	-1.6%	-4.7%	11.7%	-0.4%
Median	2.6%	0.7%	4.3%	11.5%	4.7%	-2.9%	7.1%	12.5%	-1.3%	7.1%	2.1%	9.9%	2.1%	1.9%	4.9%	1.4%	-2.6%	-3.3%	0.8%	0.4%

	R&D % Q/Q				SG&A % Q/Q				Adj. Op Margin bps Q-Q				Working Capital $MMs			
	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4	CQ1	CQ2	CQ3	CQ4
	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3
CY00		12.4%	34.4%	5.2%		40.6%	-11.0%	51.6%		-248 bp	-179 bp	+77 bp				
CY01	12.5%	8.0%	1.5%	0.7%	-24.5%	32.0%	-3.6%	0.6%	+208 bp	-101 bp	-3 bp	+20 bp				
CY02	17.7%	14.3%	-11.4%	-11.6%	13.3%	-3.2%	-3.5%	-13.1%	+257 bp	-41 bp	-1,392 bp	-161 bp				
CY03	6.5%	0.9%	5.3%	-15.4%	-7.3%	4.8%	4.2%	-3.0%	-299 bp	+75 bp	+53 bp	-1,416 bp				
CY04	-2.1%	1.6%	7.7%	-17.5%	-15.4%	1.6%	-0.6%	6.3%	+1,992 bp	+101 bp	+528 bp	-39 bp				
CY05	32.1%	9.2%	-8.3%	13.3%	36.3%	2.1%	5.8%	7.9%	+309 bp	-62 bp	-53 bp	+369 bp				
CY06	-2.2%	-5.1%	0.5%	15.5%	5.0%	-0.3%	-0.4%	11.9%	+59 bp	-335 bp	-221 bp	-106 bp				
CY07	-10.9%	-8.2%	-6.2%	0.8%	-4.3%	-7.4%	-3.2%	6.5%	+137 bp	+163 bp	-17 bp	-29 bp				
CY08	11.9%	-6.1%	7.0%	42.3%	2.7%	-1.1%	8.7%	48.9%	-90 bp	+114 bp	+128 bp	+158 bp				
CY09	29.2%	-4.7%	-9.6%	11.3%	-3.4%	-13.4%	-3.2%	7.9%	-512 bp	-480 bp	+703 bp	+557 bp				
CY10	10.3%	9.7%	-3.7%	10.1%	-1.2%	11.5%	0.1%	17.1%	+268 bp	+273 bp	-496 bp	+341 bp				
CY11	-4.3%	-1.1%	4.2%	8.2%	-13.5%	-3.9%	15.5%	13.5%	+131 bp	+200 bp	+16 bp	+362 bp				
CY12	2.8%	0.8%	-1.6%	12.1%	-11.3%	-2.7%	4.2%	16.0%	-371 bp	+189 bp	-181 bp	+198 bp				
CY13	3.1%	2.9%	-4.9%	4.3%	2.8%	-1.6%	7.4%	5.6%	+391 bp	-190 bp	-1 bp	+22 bp				
CY14	0.1%	-1.9%	4.6%	13.7%	-6.3%	-4.5%	0.8%	25.7%	+159 bp	-150 bp	+153 bp	+100 bp				
CY15	12.5%	5.7%	7.0%	12.1%	-4.4%	-3.4%	10.6%	16.0%	+21 bp	+122 bp	-120 bp	-120 bp				
CY16	11.3%				-7.8%				-184 bp							
CY17-CY21																
CY22		-35.4%	15.2%	8.0%		-51.4%	3.3%	-12.7%		+4,764 bp	-1,149 bp	+849 bp		-537	-171	+154
CY23	32.6%	-32.7%	16.6%	-0.4%	81.9%	-45.0%	-16.7%	36.5%	-4,008 bp	+4,045 bp	+735 bp	-383 bp	+424	-402	-224	-20
CY24	16.4%	-8.6%	8.1%	8.7%	17.8%	-8.6%	1.8%	-	-168 bp	+622 bp	-972 bp	+634 bp	+451	-726	-380	-69
CY25	5.7%	18.9%	5.9%	9.9%	14.0%	-8.7%	1.7%	12.1%	+782 bp	-1,365 bp	+202 bp	-49 bp	-290	-89	+135	-179
CY26E	-3.7%	7.5%	7.0%	5.5%	18.1%	-15.8%	5.0%	5.0%	+840 bp	-787 bp	+43 bp	+381 bp	-469	+389	-84	-176
All-time Avg	**9.7%**	**-1.0%**	**3.6%**	**6.6%**	**3.9%**	**-3.1%**	**1.1%**	**12.8%**	**-48 bp**	**+385 bp**	**-113 bp**	**+69 bp**	**+195**	**-439**	**-160**	**-29**
Post-IPO Avg	18.2%	-14.4%	11.4%	6.6%	37.9%	-28.4%	-2.5%	9.0%	-1,131 bp	+2,016 bp	-296 bp	+263 bp	+195	-439	-160	-29
Median	10.3%	0.8%	4.4%	8.4%	-3.4%	-2.9%	1.2%	9.9%	+131 bp	+88 bp	-10 bp	+49 bp	+424	-470	-198	-45

Source: Company reports, UBS research

Valuation

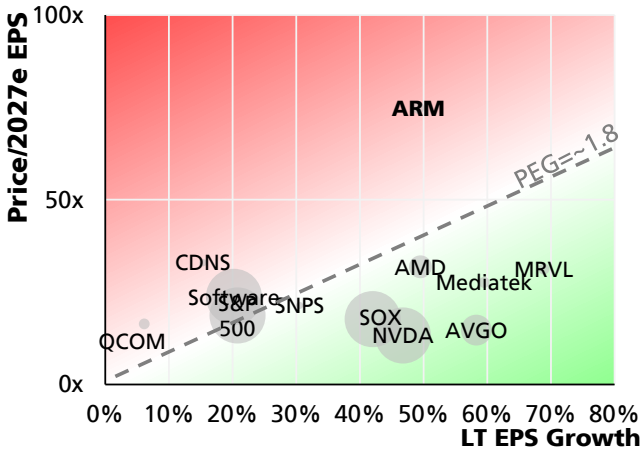
We maintain our price target of $320, applying a 78x P/E multiple (no change), which is based on our target PEG of 1.8x (no change) and a LT EPS CAGR for ARM at 42.2% (no change), on our CY28E EPS of $4.14.

Figure 31: ARM - Price Target

Valuation	New	Old
Non-GAAP EPS		
C2028	**$ 4.14**	**$ 4.14**
LT EPS Growth (till 2030)	42.2%	42.2%
Target PEG	1.8x	1.8x
P/E	78x	78x
PT	**$ 320**	**$ 320**

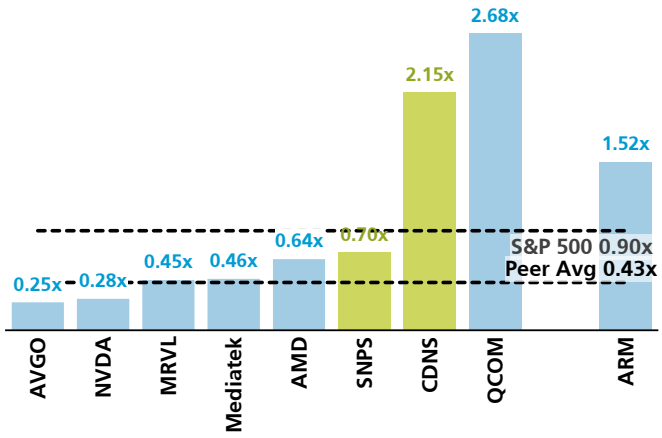
Source: UBS estimates

Figure 32: ARM - Compute/EDA Semiconductors' PEG



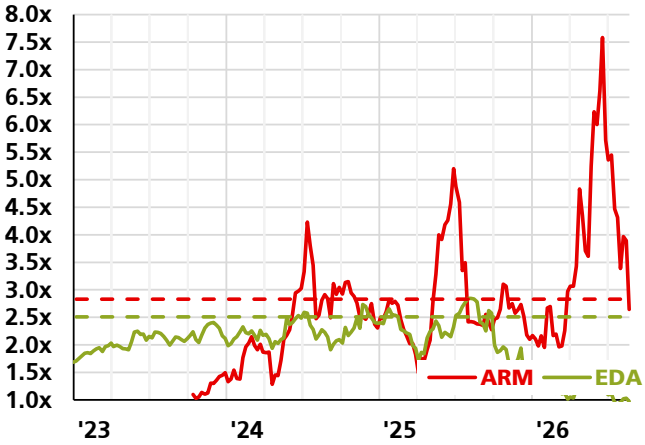
Source: Company reports, UBS research, FactSet, Visible Alpha

Figure 33: ARM - Compute/EDA Semiconductors' PEG



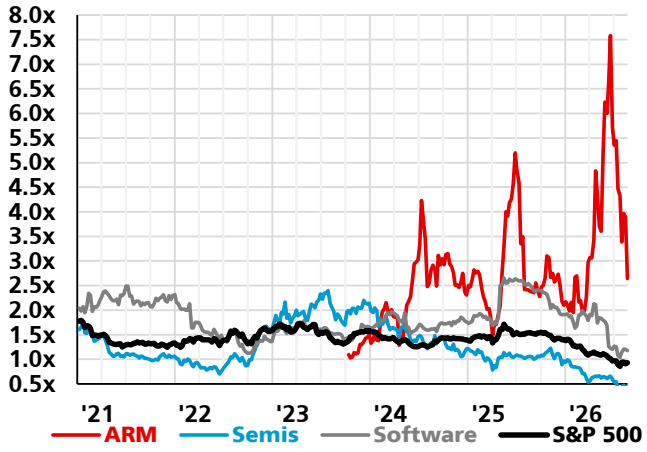
Source: Company reports, UBS research, FactSet, Visible Alpha

Figure 34: ARM and EDA PEG History



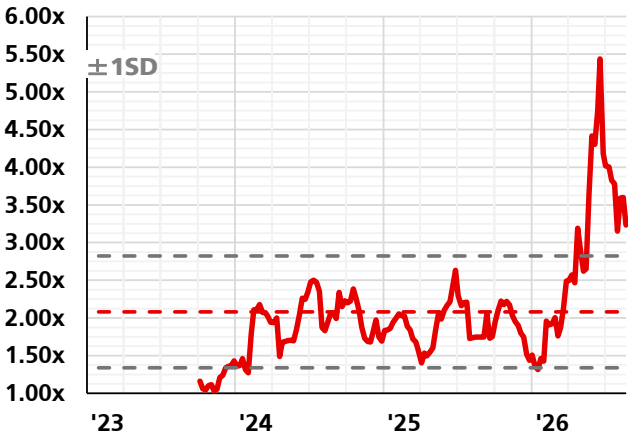
Source: Company reports, UBS research, FactSet

Figure 35: ARM and Key Sectors' PEG History



Source: Company reports, UBS research, FactSet

Figure 36: ARM and EDA 1-yr Forward P/E LT History



Source: Company reports, UBS research, FactSet

Figure 37: ARM Comps

		P/E				PEG		EV/FCF				EV/Sales				EV/EBITDA					
Ticker	Company Name	2024	2025	2026	2027	Growth	PEG	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027	Mkt Cap	EV
Semiconductor EDA																					
SNPS	Synopsys	57x	56x	27x	22x	31%	0.70x	61x	64x	33x	27x	12.5x	12.3x	8.8x	7.5x	42x	47x	20x	17x	$82B	$90B
CDNS	Cadence	78x	77x	39x	33x	15%	2.15x	73x	54x	50x	37x	17.7x	16.0x	13.9x	12.1x	52x	45x	30x	25x	$87B	$88B
	Simple Average	**68x**	**67x**	**33x**	**27x**	**23%**	**1.42x**	**67x**	**59x**	**41x**	**32x**	**15.1x**	**14.2x**	**11.4x**	**9.8x**	**47x**	**46x**	**25x**	**21x**	**$85B**	**$89B**
Compute Semiconductors																					
NVDA	Nvidia	49x	38x	24x	14x	47%	0.28x	58x	48x	27x	15x	26.9x	21.1x	12.6x	7.2x	42x	34x	19x	11x	$5,084B	$5,024B
AVGO	Broadcom	137x	78x	25x	15x	58%	0.25x	90x	117x	28x	16x	16.8x	28.9x	13.2x	7.8x	34x	53x	19x	12x	$1,536B	$1,571B
QCOM	Qualcomm	19x	34x	17x	16x	6%	2.68x	26x	21x	20x	19x	5.0x	4.3x	4.5x	4.2x	16x	14x	13x	13x	$188B	$195B
AMD	AMD	125x	81x	68x	32x	50%	0.64x	84x	51x	122x	53x	7.8x	10.0x	16.3x	9.1x	39x	53x	62x	25x	$844B	$835B
INTC	Intel	NM	207x	56x	41x	65%	0.75x	NM	-23x	NM	NM	2.3x	3.5x	7.6x	6.6x	18x	14x	21x	17x	$460B	$496B
2454-TW	MediaTek	21x	22x	58x	28x	60%	0.46x	39x	36x	163x	35x	3.9x	3.4x	9.4x	5.5x	17x	16x	47x	22x	$197B	$192B
MRVL	Marvell	146x	26x	56x	32x	69%	0.45x	85x	60x	78x	41x	17.6x	8.7x	17.1x	10.2x	NM	27x	43x	25x	$200B	$202B
	Simple Average	**79x**	**69x**	**41x**	**26x**	**44%**	**0.93x**	**65x**	**47x**	**65x**	**30x**	**12.3x**	**12.0x**	**11.5x**	**7.8x**	**33x**	**34x**	**30x**	**18x**	**$964B**	**$966B**
	Weighted Average	74x	58x	31x	18x	50%	0.40x	63x	56x	42x	19x	20.5x	19.3x	12.7x	7.4x	37x	37x	25x	13x		
	Median	87x	38x	56x	28x	58%	0.46x	71x	48x	53x	27x	7.8x	8.7x	12.6x	7.2x	26x	27x	21x	17x		
ARM	ARM	NM	179x	99x	75x	49%	1.52x	NM	162x	137x	79x	27.7x	32.2x	38.0x	28.4x	NM	139x	78x	58x	$224B	$221B

Source: Company reports, UBS estimates, FactSet, Visible Alpha

SITM PREVIEW

Key Topics for Earnings:

1) Additional clock design wins driving increased dollar content in a fragmented market, 2) tone on Apple internal modem mix for iPhone 18, 3) demand trends in AI infrastructure, 4) opportunity at 1.6T vs 800GB, 5) the pace of autos/industrial recovery, and 6) incremental commentary on TDP.

Figure 38: SiTime UBS vs Street Estimates

	2025	Mar '26	Jun '26	Sep '26	Dec '26	2026E	Mar '27	Jun '27	Sep '27	Dec '27	2027E	Mar '28	Jun '28	Sep '28	Dec '28	2028E
Revenue($MM)																
UBS (New)	**$ 327**	$ 114	$ 157	$ 294	$ 332	**$ 897**	$ 334	$ 348	$ 377	$ 401	**$ 1,461**	$ 411	$ 444	$ 486	$ 546	**$ 1,888**
UBS (Old)				$ 294	$ 332	**$ 897**	$ 334	$ 348	$ 377	$ 401	**$ 1,461**	$ 411	$ 444	$ 486	$ 546	**$ 1,888**
Consensus				$ 292	$ 313	**$ 875**	$ 298	$ 318	$ 351	$ 371	**$ 1,353**	$ 352	$ 378	$ 435	$ 460	**$ 1,735**
Delta				0.7%	6.2%	2.5%	12.2%	9.4%	7.6%	8.2%	8.0%	16.9%	17.4%	11.8%	18.7%	8.8%
Non-GAAP EPS																
UBS (New)	**$ 3.21**	$ 1.44	$ 2.34	$ 3.63	$ 3.93	**$ 11.61**	$ 3.75	$ 4.08	$ 4.60	$ 5.00	**$ 17.43**	$ 5.02	$ 5.77	$ 6.65	$ 7.75	**$ 25.20**
UBS (Old)				$ 3.63	$ 3.93	**$ 11.61**	$ 3.75	$ 4.08	$ 4.60	$ 5.00	**$ 17.43**	$ 5.02	$ 5.77	$ 6.65	$ 7.75	**$ 25.20**
Consensus				$ 3.61	$ 3.70	**$ 11.22**	$ 3.25	$ 3.45	$ 3.86	$ 4.06	**$ 14.92**	$ 3.30	$ 3.69	$ 4.57	$ 4.90	**$ 20.06**
Delta				0.7%	6.3%	3.5%	15.4%	18.1%	19.2%	23.1%	16.8%	52.2%	56.5%	45.6%	58.2%	25.6%

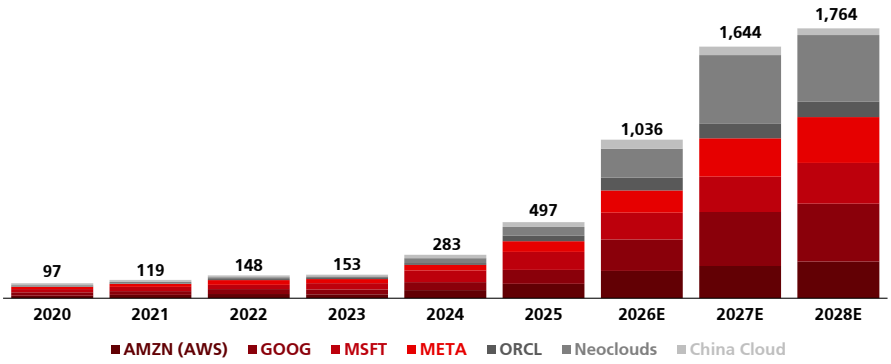
Source: Company reports, UBS estimates, VisibleAlpha

Figure 39: SiTime Seasonality

	Total Revenue % Q/Q				CED Revenue % Q/Q				AID Revenue % Q/Q				MIC Revenue % Q/Q			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2019		+6.9%	+59.8%	+10.9%		+114.6%	+15.0%	+55.6%		-27.4%	+45.3%	+1.9%		+34.4%	+62.1%	+6.3%
2020	-22.6%	-1.2%	+52.1%	+23.3%	+4.8%	+18.2%	+3.8%	+13.0%	+3.8%	+10.9%	+4.9%	+7.8%	-36.0%	-14.3%	+104.9%	+30.6%
2021	-11.7%	+25.2%	+41.7%	+20.2%	-4.9%	+58.6%	+10.9%	+7.8%	+5.8%	+86.3%	+53.7%	+9.6%	-17.9%	-3.1%	+47.0%	+31.3%
2022	-7.2%	+13.0%	-8.0%	-16.8%	+14.5%	+60.3%	+17.8%	-33.6%	+20.5%	+16.7%	-22.0%	-19.1%	-28.4%	-10.0%	-10.4%	+2.1%
2023	-37.0%	-27.7%	+28.1%	+19.4%	-31.0%	-55.0%	+20.4%	+64.4%	-7.9%	-33.7%	-5.6%	+33.3%	-64.4%	+18.2%	+72.1%	-4.5%
2024	-22.1%	+32.8%	+31.5%	+18.0%	+2.1%	+53.5%	+29.6%	+25.9%	-17.3%	+14.7%	+19.6%	+15.8%	-39.8%	+34.0%	+47.1%	+12.3%
2025	-11.4%	+15.2%	+20.3%	+35.6%	+18.1%	+22.9%	+16.9%	+53.2%	-31.2%	+17.0%	+22.4%	+21.3%	-25.9%	+0.6%	+25.3%	+13.6%
2026E	+0.2%	+38.6%	+86.6%	+13.1%	+17.4%	+33.7%	+29.0%	+15.0%	-13.5%	+17.0%	+22.0%	+20.0%	-31.0%	+88.0%	+53.0%	+23.0%
2027E	+0.7%	+4.1%	+8.4%	+6.4%	+8.0%	+7.0%	+3.9%	+5.0%	+4.0%	+5.0%	+5.0%	+4.0%	-22.0%	-3.0%	+40.0%	+17.0%
2028E	+2.5%	+7.9%	+9.5%	+12.3%	+9.5%	+11.5%	+9.5%	+10.5%	+7.0%	+12.0%	+15.0%	+13.5%	-19.0%	-3.0%	+13.0%	+27.0%
Median	-11.7%	+14.1%	+31.5%	+19.4%	+4.8%	+43.6%	+16.9%	+25.9%	-7.9%	+15.7%	+19.6%	+9.6%	-31.0%	+9.4%	+47.1%	+12.3%
Avg	-16.0%	+12.9%	+32.2%	+15.8%	+3.0%	+38.3%	+16.4%	+26.6%	-5.7%	+12.7%	+16.9%	+10.1%	-34.8%	+18.5%	+49.7%	+13.1%

Source: Company reports, UBS estimates

Figure 40: UBS hyperscaler capex overview



Source: Company reports, UBS research, press reports.

Figure 41: SiTime Summary Model

SiTime (SITM) - Key Metrics (in MM except EPS)	CY2023	CY2024	Mar'25 CQ1A	Jun'25 CQ2A	Sep'25 CQ3A	Dec'25 CQ4A	CY2025	Mar'26 CQ1A	Jun'26 CQ2A	Estimates Sep'26 CQ3E	Dec'26 CQ4E	CY2026	Mar'27 CQ1E	Jun'27 CQ2E	Sep'27 CQ3E	Dec'27 CQ4E	CY2027	Mar'28 CQ1E	Jun'28 CQ2E	Sep'28 CQ3E	Dec'28 CQ4E	CY2028
Revenue	**144.0**	**202.7**	**60.3**	**69.5**	**83.6**	**113.3**	**326.7**	**113.6**	**157.4**	**293.8**	**332.2**	**897.1**	**334.4**	**348.0**	**377.3**	**401.4**	**1,461.2**	**411.4**	**443.9**	**486.3**	**546.0**	**1,887.6**
Y/Y Growth	(49%)	41%	83%	58%	45%	66%	61%	88%	127%	252%	193%	175%	194%	121%	28%	21%	63%	23%	28%	29%	36%	29%
Q/Q Growth			(11%)	15%	20%	36%		0%	39%	87%	13%		1%	4%	8%	6%		2%	8%	10%	12%	
Gross Profit	85.2	118.0	34.6	40.5	49.1	69.4	193.5	73.3	105.6	200.6	225.1	604.6	225.7	238.4	260.3	275.0	999.4	281.8	308.5	339.2	379.5	1,309.0
Gross Margin	**59.2%**	**58.2%**	**57.4%**	**58.2%**	**58.8%**	**61.2%**	**59.3%**	**64.5%**	**67.1%**	**68.3%**	**67.8%**	**67.4%**	**67.5%**	**68.5%**	**69.0%**	**68.5%**	**68.4%**	**68.5%**	**69.5%**	**69.8%**	**69.5%**	**69.3%**
R&D	64.7	68.9	19.3	19.5	18.5	19.0	76.4	21.5	25.6	42.6	49.8	139.6	53.5	55.7	58.5	59.2	226.9	65.8	64.4	66.9	71.0	268.0
SG&A	43.0	48.6	13.2	13.8	15.2	16.5	58.6	20.0	26.5	42.6	49.8	138.9	53.5	53.9	56.6	58.2	222.3	57.6	62.1	62.0	62.8	244.5
Opex (Non-GAAP)	**107.6**	**117.5**	**32.5**	**33.3**	**33.7**	**35.5**	**135.0**	**41.5**	**52.1**	**85.2**	**99.7**	**278.5**	**107.0**	**109.6**	**115.1**	**117.4**	**449.1**	**123.4**	**126.5**	**128.9**	**133.8**	**512.6**
% of revenue	75%	58%	54%	48%	40%	31%	41%	37%	33%	29%	30%	31%	32%	32%	31%	29%	31%	30%	29%	27%	25%	27%
Operating Income (Non-GAAP)	(22.4)	0.6	2.1	7.2	15.4	33.9	58.6	31.8	53.5	115.4	125.5	326.1	118.7	128.8	145.3	157.6	550.3	158.4	182.0	210.3	245.7	796.4
Operating Margin	**(15.6%)**	**0.3%**	**3.4%**	**10.3%**	**18.5%**	**29.9%**	**17.9%**	**28.0%**	**34.0%**	**39.3%**	**37.8%**	**36.4%**	**35.5%**	**37.0%**	**38.5%**	**39.3%**	**37.7%**	**38.5%**	**41.0%**	**43.3%**	**45.0%**	**42.2%**
GAAP EPS	($3.63)	($4.05)	($1.01)	($0.84)	($0.31)	$0.34	($1.72)	($0.20)	$0.66	$1.76	$1.83	$4.30	$2.18	$2.46	$2.88	$3.83	$11.35	$3.83	$4.52	$5.31	$6.28	$19.95
Non-GAAP EPS	**$0.18**	**$0.94**	**$0.26**	**$0.47**	**$0.87**	**$1.52**	**$3.21**	**$1.44**	**$2.34**	**$3.63**	**$3.93**	**$11.61**	**$3.75**	**$4.08**	**$4.60**	**$5.00**	**$17.43**	**$5.02**	**$5.77**	**$6.65**	**$7.75**	**$25.20**
Free Cash Flow																						
CFFO	8.1	23.2	15.0	15.3	31.4	25.4	87.2	31.2	39.8	0.8	110.0	181.8	137.0	139.4	143.7	158.3	578.4	176.1	183.4	200.9	221.5	781.9
Capex	12.2	36.7	16.4	18.3	5.1	12.6	52.5	13.5	12.9	23.5	26.6	76.5	26.8	24.4	26.4	28.1	105.6	28.8	31.1	29.2	32.8	121.8
FCF	**(4.2)**	**(13.5)**	**(1.4)**	**(2.9)**	**26.3**	**12.8**	**34.7**	**17.7**	**26.9**	**(22.7)**	**83.5**	**105.3**	**110.2**	**115.0**	**117.3**	**130.2**	**472.7**	**147.3**	**152.3**	**171.7**	**188.8**	**660.1**
% of revenue	(3%)	(7%)	(2%)	(4%)	31%	11%	11%	16%	17%	(8%)	25%	12%	33%	33%	31%	32%	32%	36%	34%	35%	35%	35%
Y/Y Growth	(202%)	NM	NM	NM	NM	NM	NM	NM	NM	(186%)	554%	204%	524%	328%	NM	56%	349%	34%	32%	46%	45%	40%
Debt Issue / (repayment)	-	-	-	-	-	-	-	(1.4)	1,192.3	-	-	1,190.9	-	-	-	-	-	-	-	-	-	-
Stock Issue / (repurchase)	44.8	48.8	-	418.0	(1.0)	34.6	451.6	-	-	-	-	-	-	-	-	-	-	-	(50.0)	(50.0)	(50.0)	(150.0)
Net Debt	(9.5)	(6.1)	(38.8)	(172.5)	(27.1)	(16.8)	(16.8)	(498.5)	(603.6)	919.1	835.6	835.6	725.4	610.4	493.1	362.9	362.9	215.6	113.3	(8.4)	(147.2)	(147.2)
Net Leverage	1.4x	-0.3x	-1.3x	-4.1x	-0.5x	-0.2x	-0.2x	-4.4x	-3.7x	3.5x	2.3x	2.3x	1.6x	1.2x	0.9x	0.6x	0.6x	0.3x	0.2x	-0.0x	-0.2x	-0.2x
Segment Revenue																						
Core Comms-Enterprise-DC	**31.4**	**69.6**	**29.3**	**36.0**	**42.1**	**64.5**	**171.9**	**75.7**	**101.2**	**130.5**	**150.1**	**457.6**	**162.1**	**173.5**	**180.2**	**189.2**	**705.0**	**207.2**	**231.0**	**252.9**	**279.5**	**970.5**
Y/Y Growth	(57%)	122%	196%	137%	114%	160%	147%	158%	181%	210%	133%	166%	114%	71%	38%	26%	54%	28%	33%	40%	48%	38%
Q/Q Growth			18%	23%	17%	53%		17%	34%	29%	15%		8%	7%	4%	5%		10%	12%	10%	11%	
% of revenue	22%	34%	49%	52%	50%	57%	53%	67%	64%	44%	45%	51%	48%	50%	48%	47%	48%	50%	52%	52%	51%	51%
Core Auto-Industrial-Defense	**58.4**	**65.9**	**14.1**	**16.5**	**20.2**	**24.5**	**75.3**	**21.2**	**24.8**	**30.3**	**36.3**	**112.6**	**37.8**	**39.6**	**41.6**	**43.3**	**162.3**	**46.3**	**51.9**	**59.7**	**67.7**	**225.6**
Y/Y Growth	(44%)	13%	9%	11%	14%	20%	14%	50%	50%	50%	48%	49%	78%	60%	38%	19%	44%	23%	31%	43%	56%	39%
Q/Q Growth			(31%)	17%	22%	21%		(13%)	17%	22%	20%		4%	5%	5%	4%		7%	12%	15%	14%	
% of revenue	41%	33%	23%	24%	24%	22%	23%	19%	16%	10%	11%	13%	11%	11%	11%	11%	11%	11%	12%	12%	12%	12%
TPD										**85.0**	**86.7**	**171.7**	**88.4**	**90.2**	**92.9**	**95.7**	**367.2**	**98.6**	**103.5**	**108.7**	**116.3**	**427.0**
Q/Q Growth											2%		2%	2%	3%	3%		5%	5%	5%	7%	
of which Data Center										63.8	65.0	128.8	66.3	67.7	69.7	71.8	275.4	73.9	77.6	81.5	87.2	320.3
of which Auto/Industrial										21.3	21.7	42.9	22.1	22.6	23.2	23.9	47.2	24.6	25.9	27.2	29.1	56.2
Mobile-IoT-Consumer (MIC)	**54.2**	**67.2**	**16.9**	**17.0**	**21.3**	**24.2**	**79.4**	**16.7**	**31.4**	**48.0**	**59.1**	**155.2**	**46.1**	**44.7**	**62.6**	**73.2**	**226.6**	**59.3**	**57.5**	**65.0**	**82.6**	**264.5**
Y/Y Growth	(49%)	24%	64%	23%	5%	6%	18%	(1%)	85%	126%	144%	96%	176%	42%	30%	24%	46%	29%	29%	4%	13%	17%
Q/Q Growth			(26%)	1%	25%	14%		(31%)	88%	53%	23%		(22%)	(3%)	40%	17%		(19%)	(3%)	13%	27%	
% of revenue	38%	33%	28%	24%	25%	21%	24%	15%	20%	16%	18%	17%	14%	13%	17%	18%	16%	14%	13%	13%	15%	14%
Apple	**30.7**	**43.7**	**11.1**	**11.8**	**15.3**	**17.0**	**55.2**	**10.2**	**22.8**	**41.0**	**52.5**	**126.6**	**39.4**	**37.4**	**53.9**	**64.7**	**195.4**	**51.7**	**49.2**	**56.5**	**73.5**	**230.9**
Y/Y Growth	(47%)	42%	76%	49%	17%	4%	26%	(8%)	93%	168%	209%	129%	286%	64%	31%	23%	54%	31%	31%	5%	14%	18%
Q/Q Growth			(32%)	6%	30%	11%		(40%)	124%	80%	28%		(25%)	(5%)	44%	20%		(20%)	(5%)	15%	30%	
% of revenue	21%	22%	18%	17%	18%	15%	17%	9%	14%	14%	16%	14%	12%	11%	14%	16%	13%	13%	11%	12%	13%	12%

Source: Company reports, UBS estimates, FactSet

Valuation

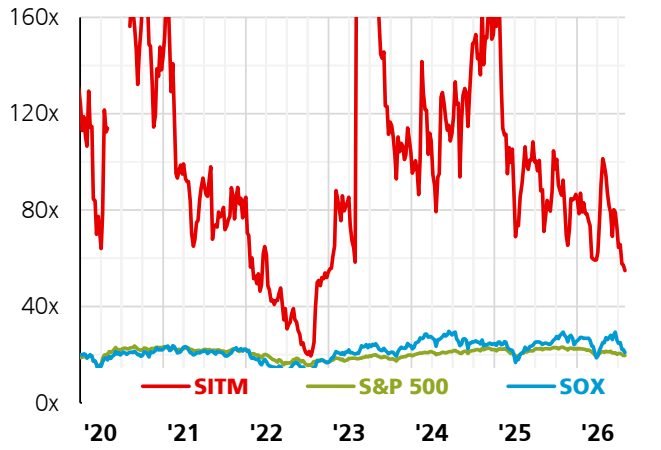
Our PT decreases from $840 to $750, based on 30x target multiple (vs. prior 33x) applied to CY28E EPS of $25.20 (unchanged).

Figure 42: SiTime Valuation

Valuation		New		Old
Non-GAAP EPS				
C2028	$	25.20	$	25.20
P/E		30x		33x
Price Target	$	750	$	840

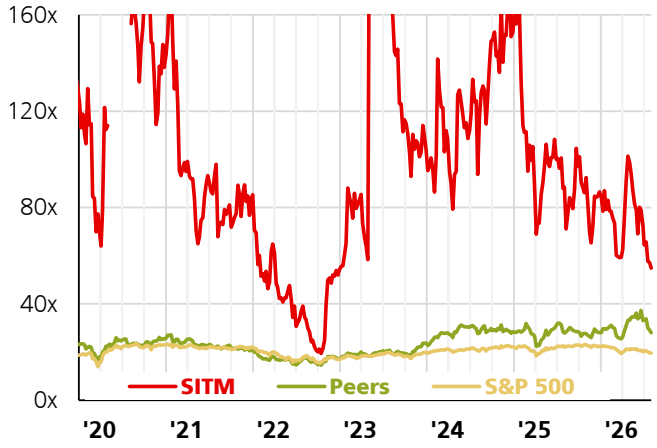
Source: Company reports, UBS estimates

Figure 43: SITM, S&P 500 and SOX 1-yr forward P/E



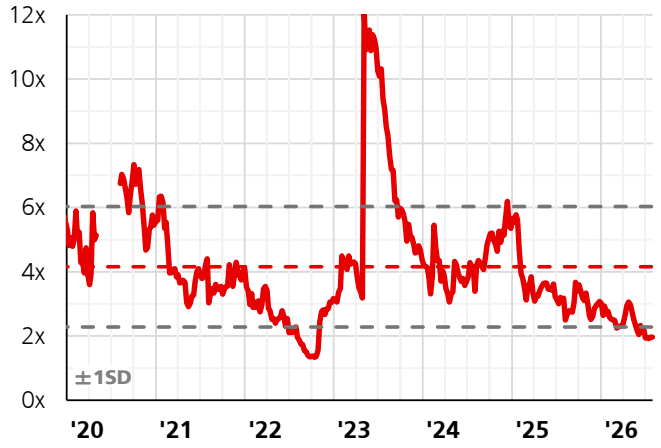
Source: Company reports, UBS research, FactSet

Figure 44: SITM and Peers 1-yr forward P/E



Source: Company reports, UBS research, FactSet

Figure 45: SITM 1-yr forward P/E relative to peers



Source: Company reports, UBS research, FactSet

Figure 46: SiTime Comps

		P/E					EV/FCF					EV/Sales					EV/EBITDA					Market	Enter.
Ticker	Company	2025	2026E	2027E	2028E	2029E	2025	2026E	2027E	2028E	2029E	2025	2026E	2027E	2028E	2029E	2025	2026E	2027E	2028E	2029E	Cap	Value
TXN	Texas Instruments	32x	34x	28x	26x	25x	NM	32x	27x	23x	112x	9.5x	12.4x	10.9x	10.0x	9.2x	21x	23x	20x	19x	81x	$256B	$263B
ADI	Analog Devices	69x	31x	24x	22x	20x	89x	37x	27x	25x	NM	12.5x	13.4x	11.3x	10.4x	9.4x	28x	25x	21x	19x	NM	$196B	$202B
6981-JP	Murata	18x	41x	28x	21x	15x	20x	73x	49x	30x	23x	2.1x	6.4x	5.4x	4.6x	3.8x	8x	22x	16x	12x	10x	$93B	$83B
LITE	Lumentum	255x	65x	35x	23x	18x	-80x	93x	37x	21x	14x	5.1x	15.6x	8.9x	6.0x	4.2x	110x	38x	19x	13x	9x	$81B	$80B
COHR	Coherent	NM	39x	25x	18x	13x	108x	NM	66x	30x	NM	3.4x	6.6x	4.7x	3.5x	2.5x	17x	26x	17x	12x	NM	$52B	$54B
ALAB	Astera Labs	136x	81x	52x	40x	22x	102x	105x	52x	44x	22x	33.7x	30.6x	19.1x	14.7x	9.2x	159x	72x	44x	35x	21x	$52B	$51B
MCHP	Microchip	NM	24x	17x	15x	NM	-152x	26x	19x	21x	NM	7.0x	7.7x	6.5x	5.9x	NM	27x	17x	14x	13x	NM	$39B	$44B
STM	STMicro	143x	36x	19x	13x	12x	NM	96x	26x	16x	39x	1.8x	3.0x	2.6x	2.3x	2.1x	10x	13x	9x	7x	25x	$44B	$41B
6971-JP	Kyocera	98x	31x	29x	24x	NM	NM	43x	52x	37x	NM	1.1x	2.4x	2.3x	2.2x	NM	12x	17x	15x	13x	NM	$34B	$31B
MTSI	MACOM	107x	50x	35x	29x	NM	58x	76x	38x	32x	NM	11.2x	16.6x	12.9x	11.0x	NM	54x	45x	31x	27x	NM	$22B	$22B
SWKS	Skyworks	27x	15x	15x	13x	NM	13x	25x	15x	16x	NM	3.7x	2.9x	2.8x	2.6x	NM	12x	11x	10x	9x	NM	$18B	$18B
SMTC	Semtech	NM	52x	31x	24x	NM	114x	99x	30x	25x	NM	6.2x	12.3x	9.5x	7.8x	NM	51x	42x	25x	19x	NM	$15B	$15B
MXL	Maxlinear	NM	51x	32x	27x	25x	NM	224x	35x	27x	23x	3.4x	11.6x	8.9x	7.4x	7.0x	NM	42x	NM	NM	24x	$7B	$7B
ADTN	Adtran	NM	24x	12x	8x	NM	12x	17x	13x	28x	NM	1.1x	0.9x	0.8x	0.8x	NM	15x	8x	6x	6x	NM	$1B	$1B
	Median	**98x**	**37x**	**28x**	**23x**	**19x**	**39x**	**73x**	**33x**	**26x**	**23x**	**4.4x**	**9.7x**	**7.7x**	**5.9x**	**5.6x**	**21x**	**24x**	**17x**	**13x**	**23x**	**$909B**	**$913B**
	Simple Average	98x	41x	27x	22x	19x	29x	73x	35x	27x	39x	7.3x	10.2x	7.6x	6.4x	5.9x	40x	29x	19x	16x	28x		
	Weighted Average	80x	40x	28x	23x	20x	37x	54x	34x	26x	67x	9.2x	11.9x	9.4x	8.1x	7.3x	37x	28x	20x	17x	48x		
	Wtd Avg (SMID-only)	83x	37x	28x	23x	NM	58x	70x	36x	29x	NM	5.0x	8.1x	6.5x	5.6x	NM	29x	28x	20x	17x	NM		
SITM	**SiTime @ Consensus**	**NM**	**51x**	**39x**	**29x**	**NM**	**NM**	**73x**	**36x**	**30x**	**NM**	**24.5x**	**17.6x**	**11.4x**	**9.0x**	**NM**	**NM**	**45x**	**30x**	**24x**	**NM**	**$16B**	**$15B**
	SiTime @ UBSe	**NM**	**45x**	**30x**	**21x**	**16x**	**NM**	**144x**	**32x**	**23x**	**23x**	**46.5x**	**16.9x**	**10.4x**	**8.0x**	**8.0x**	**NM**	**122x**	**43x**	**24x**	**24x**	**$16B**	**$15B**

Source: Company reports, UBS estimates, FactSet, Visible Alpha

QCOM PREVIEW

Key Topics for Earnings: 1) Outlook for content/share gain; 2) Expectations for handset demand given macro outlook; 3) China smartphone; 4) Commentary on adjacencies (PC, autos).

Figure 47: QCOM - New vs Old Estimates

	FY 2026			FY 2027			FY 2028		
	New	Old	% Change	New	Old	% Change	New	Old	% Change
Revenue ($MM)	$42,775	$42,775	0.0%	$44,189	$44,650	-1.0%	$51,758	$52,641	-1.7%
Y/Y Growth	-3.4%	-3.4%		3.3%	4.4%		17.1%	17.9%	
Gross Margin (Non-GAAP)	54.5%	54.5%	0.0%	53.6%	53.6%	0.0%	53.5%	53.5%	0.0%
Operating Margin	30.7%	30.7%	0.0%	28.1%	28.4%	-0.3%	31.0%	31.3%	-0.4%
Non-GAAP EPS	$10.50	$10.50	0.0%	$10.16	$10.36	-1.9%	$13.21	$13.61	-2.9%
Segment Revenues									
QCT Revenues	$36,944	$36,944	0.0%	$38,968	$39,429	-1.2%	$46,528	$47,410	-1.9%
Y/Y Growth	-3.7%	-3.7%		5.5%	6.7%		19.4%	20.2%	
EBT Margin	27.2%	27.2%	0.0%	25.0%	25.0%	0.0%	27.8%	27.8%	0.0%
QTL Revenues	$5,477	$5,477	0.0%	$5,220	$5,220	0.0%	$5,230	$5,230	0.0%
Y/Y Growth	-1.9%	-1.9%		-4.7%	-4.7%		0.2%	0.2%	
EBT Margin	72.4%	72.4%	0.0%	72.0%	72.0%	0.0%	71.3%	71.3%	0.0%
MSM Shipments (MM)	815	815	0.0%	523	537	-2.6%	455	480	-5.3%
Y/Y Growth	-18%	-18%		-36%	-34%		-13%	-11%	

Source: Company reports, UBS estimates

Figure 48: QCOM - Seasonality Analysis

	Total QCT revenue				QCT Chipset Revenue				QCT Handset Units				QCT Handset ASP			
	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1
2009	-2.2%	36.8%	-4.7%	-7.8%	-4.5%	40.3%	-4.3%	-7.9%	9.5%	36.5%	-3.2%	0.9%	-12.8%	2.8%	-1.2%	-8.7%
2010	-2.6%	10.6%	10.0%	13.8%	-2.6%	10.8%	10.3%	14.2%	1.1%	10.7%	7.8%	6.3%	-3.7%	0.1%	2.3%	7.4%
2011	-7.3%	9.8%	20.0%	19.3%	-6.9%	4.5%	18.9%	20.8%	0.0%	-6.8%	15.5%	22.8%	-6.9%	12.1%	3.0%	-1.7%
2012	-0.8%	-6.2%	0.0%	43.6%	-1.0%	-6.7%	-0.2%	46.2%	-2.6%	-7.2%	0.0%	29.1%	1.6%	0.6%	-0.2%	13.2%
2013	-5.0%	7.8%	5.6%	3.6%	-5.3%	8.1%	5.7%	-4.6%	-4.9%	-0.6%	10.5%	12.1%	-0.4%	8.7%	-4.3%	-14.9%
2014	-8.1%	16.8%	-2.2%	8.1%	-9.3%	19.2%	-2.6%	7.5%	-11.7%	19.7%	4.9%	14.4%	2.8%	-0.4%	-7.1%	-6.0%
2015	-15.4%	-13.1%	-5.9%	13.0%	-17.7%	-15.6%	-7.4%	10.9%	-13.7%	-3.5%	-9.8%	33.0%	-4.7%	-12.6%	2.6%	-16.6%
2016	-18.5%	15.5%	7.0%	-0.6%	-23.4%	20.1%	8.6%	-6.7%	-13.7%	-3.5%	-9.8%	19.2%	-11.2%	24.4%	20.4%	-21.8%
2017	-10.4%	10.2%	14.8%	0.0%	-14.2%	13.9%	19.6%	-3.0%	-21.9%	2.0%	5.0%	12.3%	9.9%	7.1%	14.0%	-13.7%
2018	-16.2%	4.9%	13.7%	-19.5%	-23.8%	11.0%	20.8%	-19.8%	-21.1%	6.4%	16.6%	-19.8%	-3.5%	4.3%	0.0%	0.0%
2019	-0.5%	-4.2%	2.0%	-0.7%	-16.7%	-6.5%	-0.3%	6.4%	-16.7%	0.6%	-3.0%	2.0%	0.0%	-7.1%	2.4%	4.3%
2020	13.5%	-7.1%	30.5%	31.5%	12.8%	-7.4%	22.1%	40.5%	-16.8%	0.8%	24.6%	32.3%	35.5%	-8.1%	-2.0%	6.2%
2021	-3.9%	3.0%	19.6%	14.3%	-3.6%	-5.0%	21.3%	27.7%	-5.7%	-12.2%	0.8%	19.9%	2.3%	8.3%	20.4%	6.5%
2022	7.9%	-1.8%	5.6%	-20.3%	5.7%	-2.8%	6.8%	-12.4%	-5.7%	10.5%	-14.8%	18.3%	12.1%	-12.0%	25.4%	-26.0%
2023	0.6%	-9.7%	2.8%	14.2%	6.1%	-13.9%	3.8%	22.6%	-4.1%	7.9%	-12.2%	23.5%	10.6%	-20.2%	18.3%	-0.8%
2024	-4.7%	0.5%	7.6%	16.2%	-7.6%	-4.5%	3.4%	24.2%	-19.1%	23.7%	10.3%	-3.3%	14.3%	-22.8%	-6.3%	28.5%
2025	-6.1%	-5.0%	9.2%	8.1%	-8.5%	-8.7%	10.0%	12.4%	-19.5%	16.5%	3.0%	10.8%	13.7%	-21.6%	6.8%	1.4%
2026E	-14.5%	-9.5%	1.1%	3.0%	-23.0%	-19.0%	-1.1%	-3.2%	-31.6%	-12.0%	-4.0%	-6.0%	12.5%	-8.0%	3.0%	3.0%
LT Median	**-4.8%**	**1.8%**	**7.0%**	**8.1%**	**-7.2%**	**-3.7%**	**6.8%**	**10.9%**	**-12.7%**	**1.4%**	**3.0%**	**14.4%**	**1.9%**	**-0.2%**	**2.4%**	**-0.8%**
5 Year Median	-4.7%	-5.0%	7.6%	14.2%	-7.6%	-8.7%	6.8%	22.6%	-19.1%	10.5%	0.8%	18.3%	12.5%	-20.2%	18.3%	1.4%
10 Year Median	-4.3%	-3.0%	8.4%	4.0%	-8.0%	-5.7%	9.3%	9.4%	-17.9%	4.2%	1.9%	15.3%	11.4%	-8.0%	10.4%	0.7%

	QCT Autos				QCT IoT				QTL revenue				Opex			
	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1	CQ1 FQ2	CQ2 FQ3	CQ3 FQ4	CQ4 FQ1
2009									-5.2%	-15.4%	3.7%	9.6%	81.1%	-46.5%	32.4%	-26.2%
2010									6.2%	-13.0%	8.7%	14.8%	11.9%	-6.9%	12.4%	-2.9%
2011													32.0%	-16.0%	9.5%	-2.3%
2012													26.3%	-10.5%	20.3%	-7.4%
2013									17.1%	-9.2%	0.4%	1.4%	13.8%	11.2%	6.1%	12.6%
2014									9.0%	-12.9%	-0.4%	1.2%	-24.2%	6.2%	-2.0%	-5.3%
2015									32.9%	-20.0%	-7.6%	-10.0%	2.1%	6.4%	-3.1%	-2.1%
2016									32.9%	-4.5%	-7.5%	-3.9%	-0.7%	-2.0%	-2.6%	0.7%
2017									24.2%	-47.9%	3.5%	-2.0%	7.4%	6.4%	3.4%	0.8%
2018									5.7%	16.5%	-22.3%	-10.5%	-1.8%	1.4%	-1.4%	-15.1%
2019									29.2%	7.8%	-1.5%	13.5%	6.0%	1.1%	-1.3%	-0.6%
2020	21.3%	-19.3%	36.2%	12.8%	-11.2%	22.0%	21.0%	12.7%	-2.3%	5.3%	29.1%	29.6%	4.1%	-2.0%	6.7%	-0.5%
2021	13.2%	5.4%	10.3%	-8.2%	2.8%	30.4%	10.1%	-4.2%	-12.8%	-19.8%	6.6%	16.9%	6.5%	5.6%	2.1%	-1.1%
2022	32.4%	3.2%	22.0%	6.8%	16.8%	6.3%	4.5%	-12.2%	-2.5%	-25.0%	-9.6%	-3.1%	8.5%	-0.2%	7.4%	-6.0%
2023	-2.0%	-2.9%	23.3%	11.8%	-17.4%	6.8%	-6.9%	-17.7%	-5.6%	-3.8%	1.3%	15.3%	-1.5%	0.4%	-0.8%	-5.2%
2024	0.8%	34.5%	10.9%	6.9%	9.2%	9.3%	23.8%	-8.0%	-6.5%	-5.5%	17.3%	1.9%	5.5%	4.1%	3.5%	-6.3%
2025	-0.2%	2.6%	7.0%	4.6%	2.1%	6.3%	7.5%	-6.6%	-20.1%	4.6%	-0.5%	16.5%	3.9%	-1.0%	11.8%	-6.4%
2026E	20.4%	12.0%	4.0%	4.0%	2.3%	7.0%	4.8%	-0.8%	-16.2%	-8.2%	1.7%	22.4%	6.8%	2.7%	0.7%	1.8%
LT Median	**13.2%**	**3.2%**	**16.4%**	**6.8%**	**2.3%**	**7.0%**	**8.8%**	**-7.3%**	**1.7%**	**-8.7%**	**0.4%**	**1.9%**	**6.2%**	**0.8%**	**3.5%**	**-2.9%**
5 Year Median	0.8%	3.2%	10.9%	6.8%	2.3%	6.8%	7.5%	-8.0%	-6.5%	-5.5%	1.3%	15.3%	5.5%	0.4%	3.5%	-6.0%
10 Year Median	13.2%	3.2%	16.4%	6.8%	2.3%	7.0%	8.8%	-7.3%	-4.0%	-4.6%	0.4%	7.7%	5.7%	1.3%	2.7%	-3.2%

Source: Company reports, UBS estimates

Figure 49: QCOM - UBSe vs. Street

	FY2025	Dec '25 2026/1F	Mar '26 2026/2F	Jun '26 2026/3F	Sep '26 2026/4F	FY2026	Dec '26 2027/1F	Mar '27 2027/2F	Jun '27 2027/3F	Sep '27 2027/4F	FY2027	Dec '27 2028/1F	Mar '28 2028/2F	Jun '28 2028/3F	Sep '28 2028/4F	FY2028	CY2025	CY2026	CY2027	CY2028
Revenues ($MM)																				
UBSe	**$ 44,283**	$ 12,252	$ 10,599	$ 9,947	$ 9,977	**$ 42,775**	$ 10,487	$ 10,643	$ 11,051	$ 12,008	**$ 44,189**	$ 12,102	$ 12,296	$ 13,050	$ 14,310	**$ 51,758**	**$ 44,866**	**$ 41,010**	**$ 45,804**	**$ 53,608**
UBS (Old)					$ 9,977	**$ 42,775**	$ 10,541	$ 10,742	$ 11,185	$ 12,181	**$ 44,650**	$ 12,309	$ 12,498	$ 13,274	$ 14,560	**$ 52,641**		**$ 41,064**	**$ 46,417**	**$ 54,507**
Consensus					$ 10,141	**$ 42,999**	$ 10,512	$ 10,823	$ 11,247	$ 12,172	**$ 45,001**	$ 12,546	$ 12,806	$ 13,035	$ 13,906	**$ 52,232**		**$ 41,199**	**$ 46,789**	**$ 53,869**
Delta					-1.6%	-0.5%	-0.2%	-1.7%	-1.7%	-1.4%	-1.8%	-3.5%	-4.0%	0.1%	2.9%	-0.9%		-0.5%	-2.1%	-0.5%
EPS (Non GAAP)																				
UBSe	**$ 12.03**	$ 3.50	$ 2.65	$ 2.20	$ 2.14	**$ 10.50**	$ 2.42	$ 2.37	$ 2.54	$ 2.84	**$ 10.16**	$ 3.01	$ 3.04	$ 3.32	$ 3.85	**$ 13.21**	**$ 12.12**	**$ 9.41**	**$ 10.75**	**$ 14.02**
UBS (Old)					$ 2.14	**$ 10.50**	$ 2.44	$ 2.41	$ 2.59	$ 2.91	**$ 10.36**	$ 3.11	$ 3.13	$ 3.42	$ 3.96	**$ 13.61**		**$ 9.44**	**$ 11.02**	**$ 14.43**
Consensus					$ 2.17	**$ 10.54**	$ 2.27	$ 2.32	$ 2.49	$ 2.88	**$ 10.12**	$ 3.07	$ 3.04	$ 3.14	$ 3.52	**$ 12.98**		**$ 9.30**	**$ 10.76**	**$ 13.20**
Delta					-1.3%	-0.3%	6.5%	2.3%	1.9%	-1.5%	0.4%	-1.9%	-0.1%	5.6%	9.2%	1.8%		1.2%	0.0%	6.3%

Source: Company reports, FactSet, UBS estimates

Figure 50: QCOM - Summary Model

Qualcomm (QCOM) - Key Metrics (in $MM except EPS and units)	C2024A	C2025A	FQ2A CQ1A	FQ3 CQ2	Estimates FQ4:26E CQ3E	FQ1E CQ4E	C2026E	FQ2E CQ1E	FQ3E CQ2E	FQ4:27E CQ3E	FQ1E CQ4E	C2027E	FQ2E CQ1E	FQ3E CQ2E	FQ4:28E CQ3E	FQ1E CQ4E	C2028E	F2024A	F2025A	F2026E	F2027E	F2028E
Revenue	**40,695**	**44,866**	**10,599**	**9,947**	**9,977**	**10,487**	**41,010**	**10,643**	**11,051**	**12,008**	**12,102**	**45,804**	**12,296**	**13,050**	**14,310**	**13,952**	**53,608**	**38,961**	**44,283**	**42,775**	**44,189**	**51,758**
Y/Y Growth	12%	10%	(3%)	(4%)	(11%)	(14%)	(9%)	0%	11%	20%	15%	12%	16%	18%	19%	15%	17%	9%	14%	(3%)	3%	17%
Revenue (Non-GAAP)	40,690	44,723	10,599	9,947	9,977	10,487	41,010	10,643	11,051	12,008	12,102	45,804	12,296	13,050	14,310	13,952	53,608	38,943	44,140	42,775	44,189	51,758
Gross Profit (Non -GAAP)	23,011	24,870	5,794	5,369	5,387	5,716	22,266	5,747	5,912	6,304	6,547	24,511	6,591	6,930	7,599	7,576	28,695	22,115	24,670	23,317	23,679	27,666
Gross Margin	**56.6%**	**55.6%**	**54.7%**	**54.0%**	**54.0%**	**54.5%**	**54.3%**	**54.0%**	**53.5%**	**52.5%**	**54.1%**	**53.5%**	**53.6%**	**53.1%**	**53.1%**	**54.3%**	**53.5%**	**56.8%**	**55.7%**	**54.5%**	**53.6%**	**53.5%**
R&D	6,781	6,915	1,867	1,895	1,990	2,010	7,761	2,090	2,090	2,090	2,111	8,381	2,132	2,153	2,175	2,197	8,657	6,722	6,793	7,523	8,280	8,571
SG&A	2,148	2,470	650	698	726	726	2,800	748	748	748	755	2,998	763	770	778	786	3,097	2,074	2,423	2,656	2,969	3,066
Opex (Non-GAAP)	**8,929**	**9,385**	**2,514**	**2,593**	**2,716**	**2,736**	**10,558**	**2,838**	**2,838**	**2,838**	**2,866**	**11,379**	**2,895**	**2,924**	**2,953**	**2,982**	**11,754**	**8,796**	**9,216**	**10,176**	**11,249**	**11,638**
Y/Y Growth	4%	5%	11%	15%	8%	16%	13%	13%	9%	4%	5%	8%	2%	3%	4%	4%	3%	1%	5%	10%	11%	3%
Operating Income	14,082	15,485	3,280	2,776	2,672	2,980	11,708	2,910	3,074	3,466	3,681	13,132	3,696	4,006	4,646	4,594	16,941	13,319	15,454	13,142	12,430	16,029
Operating Margin (Non-GAAP)	**34.6%**	**34.5%**	**30.9%**	**27.9%**	**26.8%**	**28.4%**	**28.5%**	**27.3%**	**27.8%**	**28.9%**	**30.4%**	**28.7%**	**30.1%**	**30.7%**	**32.5%**	**32.9%**	**31.6%**	**34.2%**	**34.9%**	**30.7%**	**28.1%**	**31.0%**
Non-GAAP EPS	**$ 10.88**	**$ 12.12**	**$ 2.65**	**$ 2.20**	**$ 2.14**	**$ 2.42**	**$ 9.41**	**$ 2.37**	**$ 2.54**	**$ 2.84**	**$ 3.01**	**$ 10.75**	**$ 3.04**	**$ 3.32**	**$ 3.85**	**$ 3.82**	**$ 14.02**	**$ 10.22**	**$ 12.03**	**$ 10.50**	**$ 10.16**	**$ 13.21**
Free Cash Flow																						
CFFO	13,840	14,390	2,449	991	2,493	2,954	8,887	3,008	3,093	2,390	3,602	12,092	3,272	3,042	3,184	4,766	14,264	12,202	14,012	10,898	11,445	13,100
Capex	1,104	1,464	533	496	399	419	1,848	426	442	480	484	1,832	492	522	572	558	2,144	1,041	1,192	1,977	1,768	2,070
FCF	**12,736**	**12,926**	**1,916**	**495**	**2,094**	**2,535**	**7,040**	**2,582**	**2,651**	**1,909**	**3,118**	**10,260**	**2,780**	**2,520**	**2,612**	**4,208**	**12,120**	**11,161**	**12,820**	**8,921**	**9,677**	**11,030**
% revenue	31%	29%	18%	5%	21%	24%	17%	24%	24%	16%	26%	22%	23%	19%	18%	30%	23%	29%	29%	21%	22%	21%
Segment Revenue																						
MSM Chipset Revenue	**25,750**	**28,043**	**6,024**	**5,086**	**5,239**	**4,802**	**21,151**	**4,440**	**4,048**	**3,920**	**3,718**	**16,126**	**3,638**	**4,042**	**4,513**	**4,021**	**16,214**	**24,863**	**27,793**	**24,173**	**17,210**	**15,911**
Unit (in MM)	1,004	1,017	197	165	165	147	673	133	125	118	110	486	104	115	126	113	458	987	998	815	523	455
ASP (in $)	$ 25.65	$ 27.58	$ 30.56	$ 30.87	$ 31.79	$ 32.74	$ 31.41	$ 33.27	$ 32.27	$ 33.24	$ 33.90	$ 33.15	$ 34.92	$ 35.27	$ 35.80	$ 35.44	$ 35.38	$ 25.19	$ 27.85	$ 29.67	$ 32.88	$ 35.01
Other (auto, IoT)	**9,108**	**10,854**	**3,052**	**3,418**	**3,513**	**3,643**	**13,626**	**3,879**	**4,283**	**4,749**	**4,815**	**17,725**	**4,976**	**5,293**	**5,670**	**5,747**	**21,685**	**8,334**	**10,575**	**12,772**	**16,553**	**20,753**
Auto	3,274	4,097	1,326	1,588	1,699	1,801	6,414	1,927	2,120	2,332	2,379	8,758	2,426	2,523	2,624	2,677	10,250	2,911	3,957	5,714	8,180	9,952
Iot	5,834	6,757	1,726	1,830	1,814	1,842	7,212	1,951	2,163	2,417	2,436	8,967	2,549	2,770	3,046	3,070	11,435	5,423	6,618	7,058	8,373	10,801
X Elite (PC)		528	140	153	137	165	595	191	261	363	423	1,238	436	509	626	723	2,294		489	580	980	1,994
Other IoT		6,229	1,586	1,677	1,677	1,677	6,617	1,761	1,902	2,054	2,013	7,729	2,113	2,261	2,420	2,347	9,141		6,129	6,477	7,393	8,807
Datacenter	**-**	**-**	**-**	**-**	**-**	**560**	**560**	**1,040**	**1,562**	**2,043**	**2,220**	**6,865**	**2,371**	**2,521**	**2,753**	**3,142**	**10,786**	**-**	**-**	**-**	**5,205**	**9,864**
A100/A200/A300	-	-	-	-	-	60	60	90	162	243	389	884	505	581	668	816	2,571	-	-	-	555	2,144
Custom ASIC	-	-	-	-	-	400	400	800	1,200	1,500	1,525	5,025	1,550	1,575	1,600	1,625	6,350	-	-	-	3,900	6,250
Connectivity	-	-	-	-	50	100	150	150	200	300	306	956	315	325	334	351	1,325	-	-	50	750	1,280
CPU	-	-	-	-	-	-	-	-	-	-	-	-	-	40	150	350	540	-	-	-	-	190
CDMA Technologies (QCT)	**34,857**	**38,896**	**9,076**	**8,504**	**8,751**	**9,005**	**35,337**	**9,359**	**9,893**	**10,712**	**10,753**	**40,716**	**10,984**	**11,856**	**12,935**	**12,909**	**48,685**	**33,196**	**38,367**	**36,944**	**38,968**	**46,528**
Q/Q Growth			(14%)	(6%)	3%	3%		4%	6%	8%	0%		2%	8%	9%	(0%)						
Y/Y Growth	13%	12%	(4%)	(5%)	(11%)	(15%)	(9%)	3%	16%	22%	19%	15%	17%	20%	21%	20%	20%	9%	16%	(4%)	5%	19%
QTL Revs Ex AAPL	**4,538**	**3,942**	**856**	**821**	**789**	**776**	**3,242**	**991**	**921**	**1,018**	**900**	**3,829**	**1,012**	**952**	**1,091**	**1,043**	**4,098**	**4,436**	**4,065**	**3,443**	**3,706**	**3,955**
TRDS Revenue ex AAPL	242,271	247,771	54,158	54,718	60,715	55,452	225,043	58,275	57,535	63,633	58,066	237,510	59,519	59,511	64,181	57,941	241,151	236,298	246,883	230,638	234,896	241,277
Nominal Royalty Rate			2%	2%	1%	1%		2%	2%	2%	2%		2%	2%	2%	2%		2%	2%	1%	2%	2%
AAPL	**1,772**	**1,944**	**480**	**372**	**436**	**706**	**1,994**	**294**	**237**	**278**	**450**	**1,259**	**300**	**242**	**284**	**-**	**825**	**1,784**	**1,828**	**2,008**	**1,515**	**1,275**
Unit (in MM)	222	243	60	47	55	88	249	59	47	56	90	252	60	48	57	92	257	223	229	251	250	255
ASP (in $)	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 5.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 3.21	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00
Technology Licensing (QTL)	**5,647**	**5,638**	**1,382**	**1,278**	**1,225**	**1,482**	**5,367**	**1,285**	**1,158**	**1,296**	**1,350**	**5,088**	**1,312**	**1,194**	**1,375**	**1,043**	**4,923**	**5,572**	**5,581**	**5,477**	**5,220**	**5,230**
Q/Q Growth			(13%)	(8%)	(4%)	21%		(13%)	(10%)	12%	4%		(3%)	(9%)	15%	(24%)						
Y/Y Growth	8%	(0%)	5%	(3%)	(13%)	(7%)	(5%)	(7%)	(9%)	6%	(9%)	(5%)	2%	3%	6%	(23%)	(3%)	5%	0%	(2%)	(5%)	0%
Segment EBT																						
QCT Expenses	**24,677**	**27,170**	**6,611**	**6,312**	**6,651**	**6,844**	**26,418**	**7,019**	**7,420**	**7,927**	**7,849**	**30,215**	**8,019**	**8,536**	**9,184**	**9,101**	**34,840**	**23,669**	**26,697**	**26,885**	**29,209**	**33,588**
Y/Y Growth	9%	10%	(0%)	(0%)	(4%)	(6%)	(3%)	6%	18%	19%	15%	14%	14%	15%	16%	16%	15%	5%	13%	1%	9%	15%
QCT EBT	**10,180**	**11,726**	**2,465**	**2,192**	**2,100**	**2,161**	**8,919**	**2,340**	**2,473**	**2,785**	**2,903**	**10,501**	**2,966**	**3,320**	**3,751**	**3,808**	**13,845**	**9,527**	**11,670**	**10,059**	**9,759**	**12,940**
% segment revenue	29%	30%	27%	26%	24%	24%	25%	25%	25%	26%	27%	26%	27%	28%	29%	30%	28%	29%	30%	27%	25%	28%
QTL Expenses	**1,542**	**1,521**	**388**	**397**	**368**	**370**	**1,523**	**379**	**336**	**376**	**364**	**1,455**	**394**	**346**	**399**	**282**	**1,420**	**1,545**	**1,537**	**1,514**	**1,461**	**1,503**
Y/Y Growth	(7%)	(1%)	(1%)	6%	(7%)	3%	0%	(2%)	(15%)	2%	(2%)	(4%)	4%	3%	6%	(23%)	(2%)	(8%)	(1%)	(2%)	(3%)	3%
QTL EBT	**4,105**	**4,117**	**994**	**881**	**858**	**1,111**	**3,844**	**906**	**822**	**920**	**985**	**3,633**	**918**	**848**	**976**	**761**	**3,503**	**4,027**	**4,044**	**3,964**	**3,759**	**3,727**
% segment revenue	73%	73%	72%	69%	70%	75%	72%	71%	71%	71%	73%	71%	70%	71%	71%	73%	71%	72%	72%	72%	72%	71%

Source: Company reports, UBS estimates

Valuation

Our $185 PT (from $170) is based on ~17x (from ~16x) C2027E EPS estimate of $10.75 (from $11.02). Our ~17x multiple is in-line with the median of QCOM's peer set.

Figure 51: QCOM - Valuation

Valuation	New	Old
Non-GAAP EPS		
C2027E	**$ 10.75**	**$ 11.02**
Multiple	17x	16x
PT	**$ 185**	**$ 170**

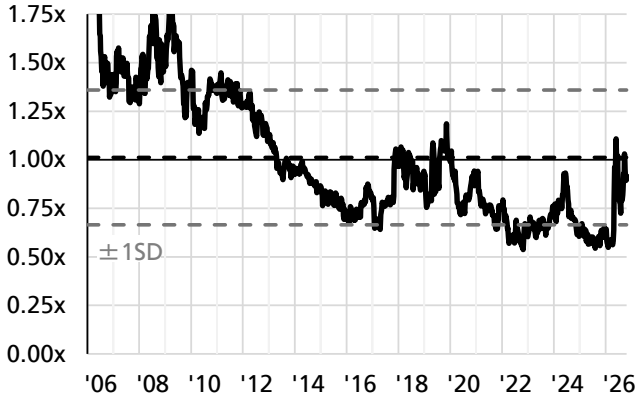
Source: UBS estimates

Figure 52: QCOM Relative Valuation

Qualcomm Relative Valuation	
Current S&P 500 NTMA P/E Multiple	18.6x
QCOM 10Y Avg Premium/Discount to S&P	-23.1%
S&P-Implied QCOM Multiple	**14.3x**
Current SOX NTMA P/E Multiple	17.2x
QCOM 10Y Avg Premium/Discount to SOX	-21.3%
SOX-Implied QCOM Multiple	**13.6x**

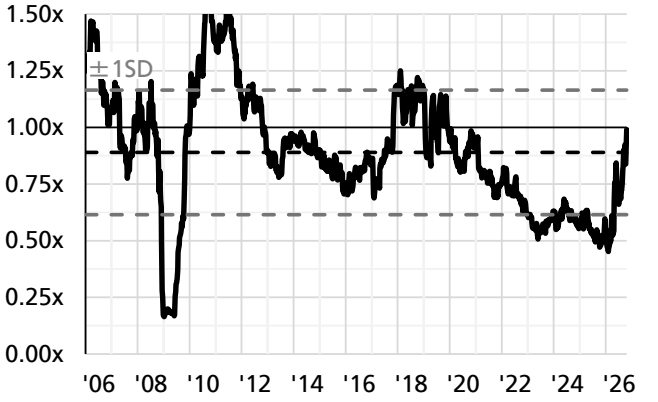
Source: FactSet

Figure 53: QCOM 1yr Fwd P/E Relative to S&P 500 -LT History



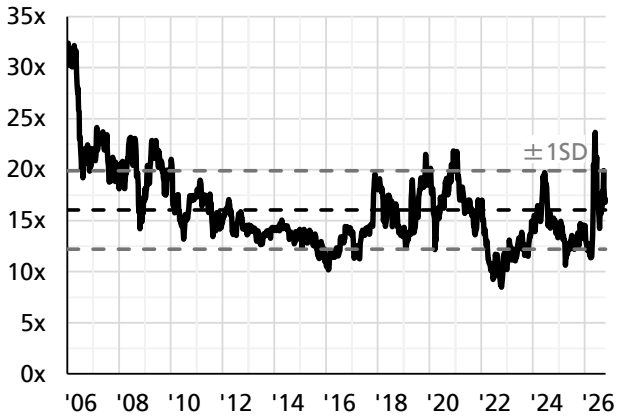
Source: FactSet

Figure 54: QCOM 1yr Fwd P/E Relative to SOX - LT History



Source: FactSet

Figure 55: QCOM 1yr Fwd P/E - LT History



Source: FactSet

Figure 56: Qualcomm Comps

		P/E				EV/FCF				EV/Sales				EV/EBITDA					
Ticker	Company Name	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027	Mkt Cap	EV
AVGO-US	Broadcom	66x	47x	28x	17x	73x	58x	32x	18x	30.5x	24.6x	14.8x	9.0x	49x	37x	22x	13x	$1536B	$1571B
TXN-US	Texas Instruments	55x	52x	31x	25x	145x	94x	28x	25x	17.0x	15.0x	11.9x	10.1x	37x	33x	22x	17x	$260.0B	$265.6B
NXPI-US	NXP Semiconductors	18x	20x	16x	13x	33x	26x	18x	16x	5.3x	5.5x	4.7x	4.2x	14x	15x	12x	10x	$59.2B	$67.4B
6981-JP	Murata	47x	49x	31x	21x	42x	52x	62x	33x	5.8x	6.0x	5.1x	4.3x	22x	22x	17x	11x	$78.6B	$69.8B
MCHP-US	Microchip	57x	45x	20x	16x	51x	48x	22x	19x	10.3x	9.6x	7.1x	6.1x	31x	26x	15x	13x	$40.2B	$45.3B
STMPA-PAR	STMicro	27x	83x	33x	16x	160x	176x	70x	20x	2.9x	3.2x	2.6x	2.2x	11x	16x	11x	8x	$40.3B	$37.8B
SWKS-US	Skyworks	13x	14x	17x	17x	12x	17x	38x	26x	4.7x	4.8x	4.9x	4.8x	14x	15x	25x	25x	$19.6B	$19.5B
	Median	**47x**	**47x**	**28x**	**17x**	**51x**	**52x**	**32x**	**20x**	**5.8x**	**6.0x**	**5.1x**	**4.8x**	**22x**	**22x**	**17x**	**13x**	**$2,033B**	**$2,076B**
	Simple Average	40x	44x	25x	18x	74x	67x	39x	22x	10.9x	9.8x	7.3x	5.8x	25x	23x	18x	14x		
	Weighted Average	61x	47x	28x	18x	81x	63x	33x	20x	25.9x	21.2x	13.3x	8.6x	44x	34x	21x	14x		
QCOM-US	Qualcomm	17x	15x	17x	17x	17x	15x	19x	20x	5.0x	4.4x	4.5x	4.3x	14x	11x	13x	14x	$187.8B	$194.8B

Source: UBS research, FactSet

GFS PREVIEW

Key Topics for Earnings:

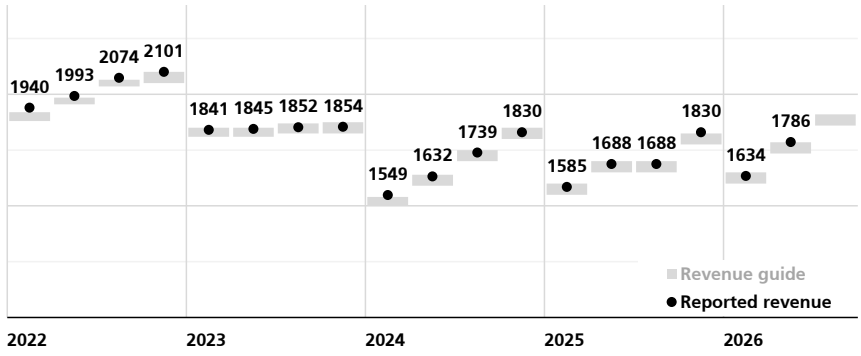
1) Commentary on channel inventory trends for IoT; 2) Update on foundry pricing environment; 3) Capex and capacity expansion plans for 2026/27; 4) SiPh and SiGe revenue expectations and timing; 5) potential smartphone demand destruction from increasing memory prices; 6) reshoring efforts by customers.

Figure 57: GFS - UBS vs Street

	Actual 2023	Actual 2024	Actual 2025	Actual 2026/1F	Actual 2026/2F	Estimate 2026/3F	Estimate 2026/4F	Estimate 2026	Estimate 2027/1F	Estimate 2027/2F	Estimate 2027/3F	Estimate 2027/4F	Estimate 2027	Estimate 2028/1F	Estimate 2028/2F	Estimate 2028/3F	Estimate 2028/4F	Estimate 2028
Revenues ($MM)																		
UBS	$ 7,392	$ 6,750	$ 6,791	$ 1,634	$ 1,786	$ 1,909	$ 2,008	$ 7,336	$ 1,935	$ 2,070	$ 2,222	$ 2,326	$ 8,553	$ 2,195	$ 2,322	$ 2,435	$ 2,575	$ 9,528
UBS (old)						$ 1,909	$ 2,008	$ 7,336	$ 1,935	$ 2,070	$ 2,222	$ 2,326	$ 8,553	$ 2,195	$ 2,322	$ 2,435	$ 2,575	$ 9,528
Consensus						$ 1,888	$ 2,001	$ 7,305	$ 1,863	$ 1,988	$ 2,127	$ 2,243	$ 8,222	$ 2,157	$ 2,336	$ 2,523	$ 2,650	$ 9,666
Delta						1.1%	0.4%	0.4%	3.9%	4.1%	4.5%	3.7%	4.0%	1.8%	(0.6%)	(3.5%)	(2.9%)	(1.4%)
EPS																		
UBS (non-IFRS)	$ 2.25	$ 1.57	$ 1.73	$ 0.40	$ 0.46	$ 0.52	$ 0.54	$ 1.92	$ 0.52	$ 0.60	$ 0.68	$ 0.78	$ 2.57	$ 0.69	$ 0.79	$ 0.87	$ 0.96	$ 3.31
UBS (non-IFRS) (old)						$ 0.52	$ 0.54	$ 1.92	$ 0.52	$ 0.60	$ 0.68	$ 0.78	$ 2.57	$ 0.69	$ 0.79	$ 0.87	$ 0.96	$ 3.31
Consensus						$ 0.51	$ 0.56	$ 1.94	$ 0.49	$ 0.58	$ 0.67	$ 0.76	$ 2.50	$ 0.68	$ 0.81	$ 0.95	$ 1.05	$ 3.49
Delta						1.3%	(3.8%)	(0.9%)	5.2%	3.7%	1.5%	1.8%	2.8%	2.0%	(2.5%)	(8.5%)	(8.5%)	(5.1%)

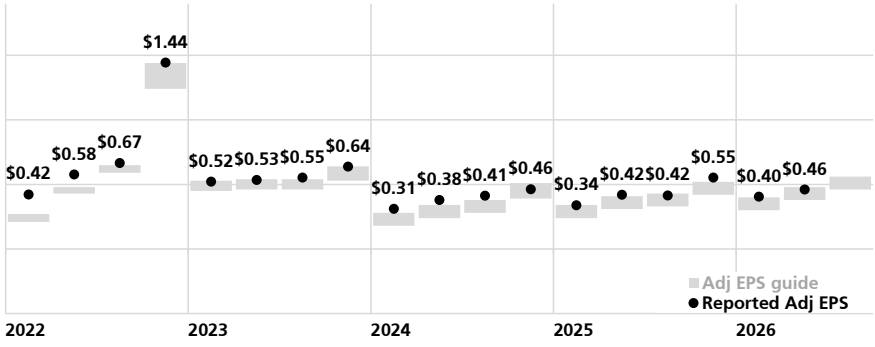
Source: Company reports, FactSet, UBS estimates

Figure 58: GFS Revenue Guidance and Surprise History



Source: Company reports, UBS research

Figure 59: GFS EPS Guidance and Surprise History



Source: Company reports, UBS research

Figure 60: GFS - Summary Model

GlobalFoundries, Inc. (GFS) - Key Metrics (in $MM except EPS and units)	C2022A	C2023A	C2024A	C2025A	FQ1A CQ1A	FQ2A CQ2A	Estimates FQ3E CQ3E	FQ4E CQ4E	C2026E	FQ1E CQ1E	FQ2E CQ2E	FQ3E CQ3E	FQ4E CQ4E	C2027E	FQ1E CQ1E	FQ2E CQ2E	FQ3E CQ3E	FQ4E CQ4E	C2028E
Revenue	**$8,108**	**$7,392**	**$6,750**	**$6,791**	**$1,634**	**$1,786**	**$1,909**	**$2,008**	**$7,336**	**$1,935**	**$2,070**	**$2,222**	**$2,326**	**$8,553**	**$2,195**	**$2,322**	**$2,435**	**$2,575**	**$9,528**
Y/Y Growth	23%	(9%)	(9%)	1%	3%	6%	13%	10%	8%	18%	16%	16%	16%	17%	13%	12%	10%	11%	11%
Gross Profit	$2,303	$2,149	$1,709	$1,773	$474	$534	$582	$622	$2,213	$587	$648	$703	$771	$2,710	$711	$776	$838	$899	$3,223
Gross Margin	**28.4%**	**29.1%**	**25.3%**	**26.1%**	**29.0%**	**29.9%**	**30.5%**	**31.0%**	**30.2%**	**30.3%**	**31.3%**	**31.6%**	**33.1%**	**31.7%**	**32.4%**	**33.4%**	**34.4%**	**34.9%**	**33.8%**
R&D (Non-IFRS)	$450	$403	$462	$465	$114	$144	$168	$170	$596	$168	$169	$170	$171	$678	$166	$169	$174	$174	$683
SG&A (Non-IFRS)	$410	$377	$327	$242	$89	$92	$97	$98	$376	$88	$90	$91	$93	$362	$88	$91	$96	$98	$373
Opex (Non-IFRS)	**$860**	**$780**	**$789**	**$707**	**$203**	**$236**	**$265**	**$268**	**$972**	**$256**	**$259**	**$261**	**$264**	**$1,040**	**$254**	**$260**	**$270**	**$272**	**$1,056**
Y/Y Growth	(4%)	(9%)	1%	(10%)	22%	41%	48%	37%	37%	26%	10%	(2%)	(1%)	7%	(1%)	0%	3%	3%	2%
Operating Income (Non-IFRS)	$1,443	$1,369	$920	$1,066	$271	$298	$317	$354	$1,241	$331	$389	$442	$507	$1,670	$457	$516	$568	$627	$2,167
Operating Margin	**17.8%**	**18.5%**	**13.6%**	**15.7%**	**16.6%**	**16.7%**	**16.6%**	**17.7%**	**16.9%**	**17.1%**	**18.8%**	**19.9%**	**21.8%**	**19.5%**	**20.8%**	**22.2%**	**23.3%**	**24.3%**	**22.7%**
Non-IFRS EPS	**$3.11**	**$2.25**	**$1.57**	**$1.73**	**$0.40**	**$0.46**	**$0.52**	**$0.54**	**$1.92**	**$0.52**	**$0.60**	**$0.68**	**$0.78**	**$2.57**	**$0.69**	**$0.79**	**$0.87**	**$0.96**	**$3.31**
Free Cash Flow																			
CFFO	$2,624	$2,125	$1,722	$1,731	$542	$405	$639	$492	$2,185	$618	$530	$613	$701	$2,463	$832	$617	$748	$783	$2,980
Gross Capex	$3,000	$1,804	$625	$722	$312	$411	$453	$477	$1,653	$506	$541	$580	$608	$2,235	$417	$441	$463	$489	$1,810
Purchase of intangible assets	$59	--	--	--	--	--	$24	$25	$49	$27	$28	$31	$32	$118	$22	$23	$24	$26	$95
Contributions from third parties	--	$138	$10	$148	--	--	$133	$133	$266	$133	$133	$133	$133	$533	$133	$133	$133	$133	$533
FCF	**($435)**	**$459**	**$1,107**	**$1,157**	**$230**	**($6)**	**$295**	**$123**	**$749**	**$219**	**$94**	**$136**	**$195**	**$643**	**$526**	**$286**	**$394**	**$401**	**$1,607**
% revenue	(5%)	6%	16%	17%	14%	(0%)	15%	6%	10%	11%	5%	6%	8%	8%	24%	12%	16%	16%	17%
Y/Y Growth	(141%)	(206%)	141%	5%	39%	(102%)	(35%)	(53%)	(35%)	(5%)	(1,671%)	(54%)	58%	(14%)	140%	203%	191%	106%	150%
Revenue Decomposition																			
Wafer Shipments (000s)	**2,472**	**2,211**	**2,124**	**2,345**	**579**	**625**	**647**	**650**	**2,501**	**614**	**655**	**697**	**722**	**2,688**	**670**	**715**	**749**	**793**	**2,926**
Q/Q					-6%	8%	4%	1%		-6%	7%	6%	4%		-7%	7%	5%	6%	
Y/Y	4%	-11%	-4%	10%	7%	8%	7%	5%	7%	6%	5%	8%	11%	7%	9%	9%	7%	10%	9%
Wafer ASP (per wafers)	**$ 2.953**	**$ 2.956**	**$ 2.871**	**$ 2.568**	**$ 2.461**	**$ 2.536**	**$ 2.587**	**$ 2.664**	**$ 2.565**	**$ 2.691**	**$ 2.731**	**$ 2.772**	**$ 2.800**	**$ 2.751**	**$ 2.807**	**$ 2.814**	**$ 2.821**	**$ 2.828**	**$ 2.818**
Q/Q					-5%	3%	2%	3%		1%	1%	1%	1%		0%	0%	0%	0%	
Y/Y	17%	0%	-3%	-11%	-4%	-3%	4%	2%	0%	9%	8%	7%	5%	7%	4%	3%	2%	1%	2%
End Market Revenue																			
Smart Mobile Devices	**$3,723**	**$3,023**	**$3,048**	**$2,678**	**$558**	**$644**	**$628**	**$502**	**$2,332**	**$487**	**$551**	**$617**	**$586**	**$2,240**	**$539**	**$604**	**$646**	**$675**	**$2,463**
Q/Q					-15%	15%	-3%	-20%		-3%	13%	12%	-5%		-8%	12%	7%	5%	
Y/Y	11%	-19%	1%	-12%	-5%	-6%	-17%	-24%	-13%	-13%	-15%	-2%	17%	-4%	11%	10%	5%	15%	10%
Communications Infrastructure & Datacenter	**$1,423**	**$863**	**$577**	**$745**	**$230**	**$277**	**$319**	**$366**	**$1,192**	**$392**	**$435**	**$487**	**$551**	**$1,865**	**$523**	**$544**	**$571**	**$606**	**$2,244**
Q/Q					2%	20%	15%	15%		7%	11%	12%	13%		-5%	4%	5%	6%	
Y/Y	42%	-39%	-33%	29%	32%	62%	82%	63%	60%	70%	57%	53%	50%	56%	33%	25%	17%	10%	20%
Home and Industrial IoT	**$1,782**	**$1,604**	**$1,267**	**$1,189**	**$255**	**$331**	**$367**	**$378**	**$1,332**	**$341**	**$354**	**$358**	**$379**	**$1,432**	**$353**	**$374**	**$385**	**$416**	**$1,527**
Q/Q					-16%	30%	11%	3%		-10%	4%	1%	6%		-7%	6%	3%	8%	
Y/Y	31%	-10%	-21%	-6%	-22%	10%	42%	25%	12%	34%	7%	-3%	0%	8%	4%	6%	8%	10%	7%
Automotive	**$373**	**$1,046**	**$1,206**	**$1,410**	**$382**	**$333**	**$360**	**$486**	**$1,560**	**$432**	**$449**	**$470**	**$507**	**$1,858**	**$467**	**$490**	**$510**	**$545**	**$2,011**
Q/Q					-11%	-13%	8%	35%		-11%	4%	5%	8%		-8%	5%	4%	7%	
Y/Y	30%	180%	15%	17%	24%	-10%	18%	14%	11%	13%	35%	31%	4%	19%	8%	9%	9%	7%	8%
Technology Services	**$807**	**$856**	**$652**	**$769**	**$209**	**$201**	**$235**	**$275**	**$920**	**$283**	**$281**	**$290**	**$303**	**$1,158**	**$314**	**$311**	**$323**	**$333**	**$1,281**
Q/Q					-4%	-4%	17%	17%		3%	-1%	4%	5%		4%	-1%	4%	3%	
Y/Y	37%	6%	-24%	18%	11%	21%	19%	26%	20%	36%	40%	23%	10%	26%	11%	11%	11%	10%	11%

Source: Company reports, UBS estimates

Valuation

We trim our price target to $48 (from $55) based on a ~15x P/E multiple (from ~17x). This reduction in multiple is in-line with peers as valuations have compressed across the sector. This is applied to CY28E Non-IFRS EPS of $3.31 (unchanged).

Figure 61: GFS - Valuation

Valuation	New	Old
Non-IFRS EPS		
C2028	$3.31	$3.31
Multiple	~14x	~17x
Price Target	$48	$55

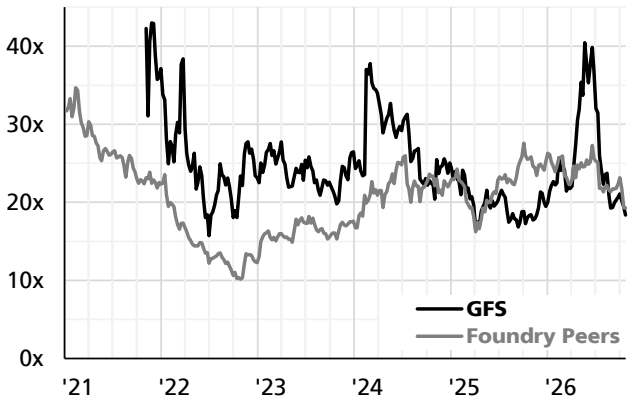
Source: UBS estimates

Figure 62: Peer Multiples

		P/E					EV/EBITDA				EV/FCF				Mkt	EV
Ticker	Company Name	2025	2026e	2027e	2028e	10-yr avg	2025	2026e	2027e	2028e	2025	2026e	2027e	2028e	Cap $B	$B
TSM-US	TSMC	29x	24x	18x	14x	20x	18x	14x	10x	7x	77x	39x	23x	16x	$1,896	$1,803
981-HK	SMIC	105x	33x	26x	21x	88x	20x	12x	10x	9x	NM	NM	NM	64x	$76	$65
UMC-US	UMC	15x	16x	16x	13x	16x	5x	11x	8x	7x	34x	24x	18x	13x	$48	$46
TSEM-US	Tower Semi	61x	43x	25x	16x	19x	25x	23x	14x	9x	NM	119x	66x	22x	$19	$18
6770-TW	Powerchip	NM	9x	8x	7x	24x	126x	5x	3x	2x	NM	3x	4x	3x	$10	$8
5347-TW	Vanguard	22x	27x	21x	17x	19x	11x	15x	11x	9x	NM	NM	NM	NM	$9	$10
XFAB-PAR	X-FAB	25x	NM	22x	12x	44x	7x	7x	6x	4x	NM	NM	NM	13x	$1	$1
Median		**27x**	**25x**	**21x**	**14x**	**20x**	**18x**	**12x**	**10x**	**7x**	**56x**	**31x**	**21x**	**15x**	**$2,059**	**$1,951**
Simple Average		**43x**	**25x**	**19x**	**14x**	**33x**	**30x**	**12x**	**9x**	**7x**	**56x**	**46x**	**28x**	**22x**		
GFS-US	**GlobalFoundries**	**22x**	**22x**	**17x**	**17x**	**25x**	**9x**	**9x**	**8x**	**6x**	**18x**	**37x**	**27x**	**16x**	**$24**	**$24**

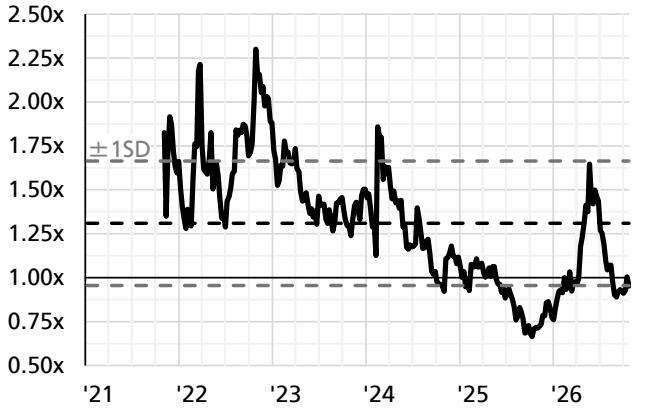
Source: Company reports, UBS research, FactSet

Figure 63: GFS and peers' 1-yr forward P/E history



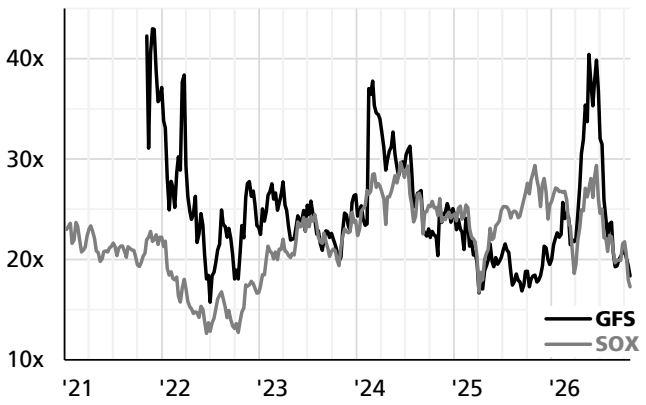
Source: FactSet, UBS

Figure 64: GFS 1-yr forward P/E relative to foundry peers



Source: FactSet, UBS

Figure 65: GFS and SOX 1-yr forward P/E history



Source: FactSet, UBS

Figure 66: GFS 1-yr forward P/E relative to SOX



Source: FactSet, UBS

MCHP PREVIEW

Key Topics for Earnings:

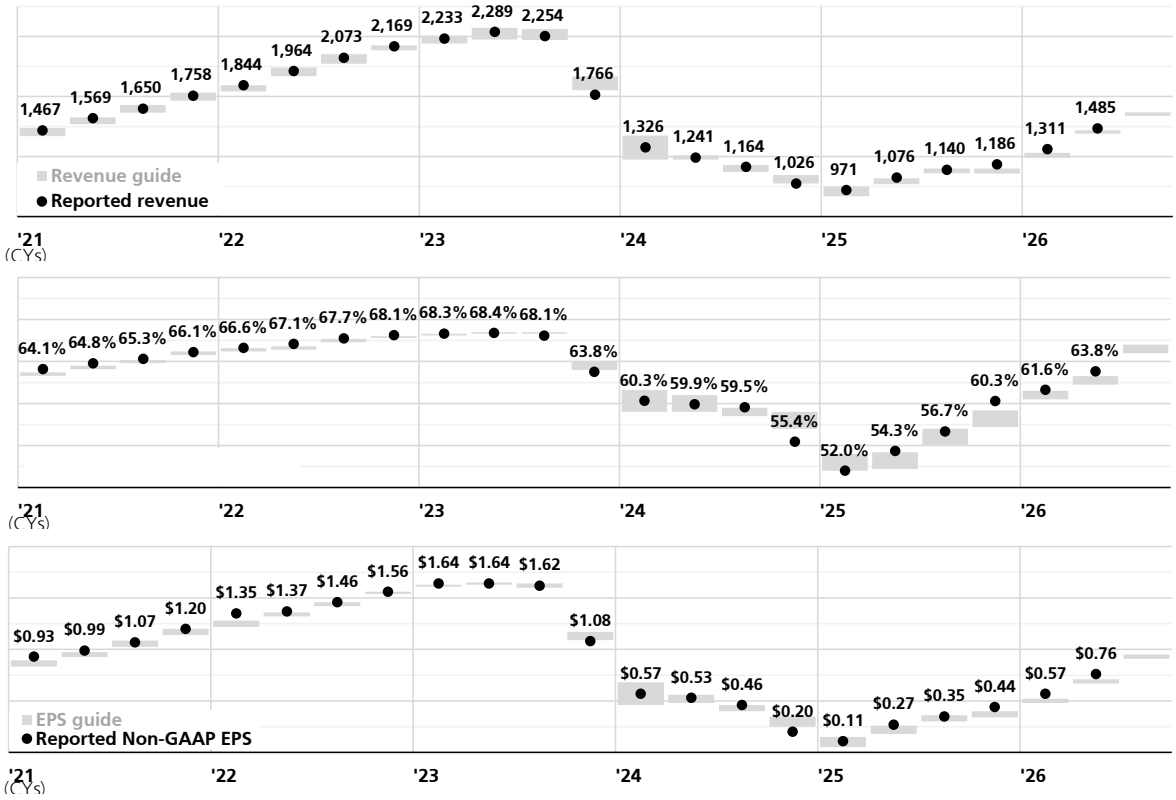
1) Continued confidence on achieving above-seasonal quarters; 2) Any incremental color on order trends, expedite activity, lead times, and substrate/foundry capacity constraints; 3) Data Center momentum and updates to CY26 revenue targets; 4) Pace of gross margin expansion due to underutilization charges roll off, pricing action, and inventory reduction efforts.

Figure 67: Microchip UBSe vs. Street

		Jun '26	Sep '26	Dec '26	Mar '27		Jun '27	Sep '27	Dec '27	Mar '28				
	F2026	2027/1F	2027/2F	2027/3F	2027/4F	F2027	2028/1F	2028/2F	2028/3F	2028/4F	F2028	CY2026	CY2027	CY2028
Revenues ($MM)														
UBS (new)	$4,713	$1,485	$1,611	$1,639	$1,744	$6,478	$1,888	$1,995	$1,978	$2,059	$7,921	$6,046	$7,605	$8,778
UBS (old)			$1,611	$1,639	$1,744	$6,478	$1,888	$1,995	$1,978	$2,059	$7,921	$6,046	$7,605	$8,778
Consensus			$1,554	$1,572	$1,639	$6,224	$1,731	$1,824	$1,831	$1,888	$7,274	$5,896	$7,024	$7,741
Delta			3.6%	4.3%	6.4%	4.1%	9.1%	9.3%	8.0%	9.1%	8.9%	2.5%	8.3%	13.4%
EPS (non-GAAP)														
UBS (new)	$ 1.63	$ 0.76	$ 0.94	$ 0.98	$ 1.07	$ 3.76	$ 1.22	$ 1.33	$ 1.30	$ 1.37	$ 5.22	$ 3.26	$ 4.93	$ 5.95
UBS (old)			$ 0.94	$ 0.98	$ 1.07	$ 3.76	$ 1.22	$ 1.33	$ 1.30	$ 1.37	$ 5.22	$ 3.26	$ 4.93	$ 5.95
Consensus			$ 0.80	$ 0.81	$ 0.87	$ 3.18	$ 0.96	$ 1.05	$ 1.06	$ 1.11	$ 4.19	$ 2.88	$ 3.95	$ 4.54
Delta			17.8%	20.5%	23.4%	18.1%	27.6%	26.9%	21.9%	22.7%	24.7%	13.0%	24.8%	31.0%

Source: Company reports, FactSet, UBS estimates

Figure 68: Microchip Guidance History (calendar years)



Source: UBS research, company reports

Figure 69: Microchip Summary Model

Microchip (MCHP) - Key Metrics (in $MM except EPS)	C2023A	C2024A	C2025A	FQ4:26A CQ1A	FQ1:27A CQ2A	Estimates FQ2E CQ3E	FQ3E CQ4E	C2026E	FQ4:27E CQ1E	FQ1:28E CQ2E	FQ2E CQ3E	FQ3E CQ4E	C2027E	FISCAL YEAR SUMMARY F2024A	F2025A	F2026E	F2027E	F2028E
Revenue	**$8,541**	**$4,757**	**$4,372**	**$1,311**	**$1,485**	**$1,611**	**$1,639**	**$6,046**	**$1,744**	**$1,888**	**$1,995**	**$1,978**	**$7,605**	**$7,634**	**$4,402**	**$4,713**	**$6,478**	**$7,921**
Y/Y Growth	6%	(44%)	(8%)	35%	38%	41%	38%	38%	33%	27%	24%	21%	26%	(10%)	(42%)	7%	37%	22%
Gross Profit	$5,751	$2,805	$2,450	$808	$948	$1,071	$1,095	$3,922	$1,168	$1,265	$1,335	$1,314	$5,081	$5,026	$2,510	$2,754	$4,282	$5,281
Gross Margin	**67.3%**	**59.0%**	**56.0%**	**61.6%**	**63.8%**	**66.5%**	**66.8%**	**64.9%**	**67.0%**	**67.0%**	**66.9%**	**66.4%**	**66.8%**	**65.8%**	**57.0%**	**58.4%**	**66.1%**	**66.7%**
R&D (Non-GAAP)	$1,062	$867	$926	$255	$268	$274	$276	$1,073	$284	$286	$289	$291	$1,150	$1,003	$879	$952	$1,101	$1,159
SG&A (Non-GAAP)	$713	$560	$551	$152	$159	$163	$164	$637	$169	$169	$169	$169	$674	$674	$553	$563	$654	$679
Opex (Non-GAAP)	**$1,775**	**$1,427**	**$1,477**	**$407**	**$427**	**$437**	**$440**	**$1,710**	**$453**	**$455**	**$458**	**$460**	**$1,825**	**$1,676**	**$1,432**	**$1,515**	**$1,755**	**$1,839**
Y/Y Growth	4%	(20%)	4%	10%	18%	18%	17%	16%	11%	7%	5%	5%	7%	(5%)	(15%)	6%	16%	5%
Operating Income	$3,977	$1,378	$973	$401	$521	$634	$656	$2,212	$715	$810	$877	$854	$3,257	$3,349	$1,078	$1,238	$2,527	$3,442
Operating Margin	**46.6%**	**29.0%**	**22.3%**	**30.6%**	**35.1%**	**39.4%**	**40.0%**	**36.6%**	**41.0%**	**42.9%**	**44.0%**	**43.2%**	**42.8%**	**43.9%**	**24.5%**	**26.3%**	**39.0%**	**43.5%**
Non-GAAP EPS	**$5.98**	**$1.76**	**$1.17**	**$0.57**	**$0.76**	**$0.94**	**$0.98**	**$3.26**	**$1.07**	**$1.22**	**$1.33**	**$1.30**	**$4.93**	**$4.92**	**$1.31**	**$1.63**	**$3.76**	**$5.22**
Free Cash Flow																		
CFFO	$3,172	$1,122	$911	$257	$512	$479	$552	$1,799	$575	$660	$776	$758	$2,769	$2,893	$898	$962	$2,117	$3,002
Capex	$358	$152	$91	$14	$14	$25	$30	$83	$30	$30	$30	$30	$120	$285	$126	$91	$99	$120
FCF	**$2,511**	**$950**	**$798**	**$243**	**$498**	**$454**	**$522**	**$1,716**	**$545**	**$630**	**$746**	**$728**	**$2,649**	**$2,384**	**$743**	**$858**	**$2,018**	**$2,882**
% revenue	29%	20%	18%	19%	34%	28%	32%	28%	31%	33%	37%	37%	35%	31%	17%	18%	31%	36%
Y/Y Growth	(10%)	(62%)	(16%)	33%	104%	779%	64%	115%	124%	27%	65%	39%	54%	(11%)	(69%)	16%	135%	43%
Segment Revenue																		
Mixed Signal MCU	**$4,869**	**$2,462**	**$2,181**	**$652**	**$739**	**$820**	**$837**	**$3,048**	**$887**	**$976**	**$1,054**	**$1,043**	**$3,960**	**$4,266**	**$2,250**	**$2,355**	**$3,283**	**$4,158**
Q/Q Growth				11%	13%	11%	2%		6%	10%	8%	(1%)						
Y/Y Growth	8%	(49%)	(11%)	37%	39%	40%	43%	40%	36%	32%	28%	25%	30%	(10%)	(47%)	5%	39%	27%
Analog	**$2,305**	**$1,227**	**$1,222**	**$368**	**$411**	**$431**	**$440**	**$1,651**	**$480**	**$513**	**$529**	**$523**	**$2,045**	**$2,019**	**$1,157**	**$1,329**	**$1,762**	**$2,115**
Q/Q Growth				14%	12%	5%	2%		9%	7%	3%	(1%)						
Y/Y Growth	1%	(47%)	(0%)	41%	30%	34%	36%	35%	30%	25%	23%	19%	24%	(15%)	(43%)	15%	33%	20%
Other (LMO + FPGA)	**$1,367**	**$1,068**	**$969**	**$291**	**$335**	**$359**	**$362**	**$1,347**	**$377**	**$399**	**$412**	**$412**	**$1,600**	**$1,349**	**$995**	**$1,029**	**$1,433**	**$1,648**
Q/Q Growth				5%	15%	7%	1%		4%	6%	3%	(0%)						
Y/Y Growth	8%	(22%)	(9%)	26%	48%	53%	31%	39%	29%	19%	15%	14%	19%	3%	(26%)	3%	39%	15%

Source: Company reports, UBS estimates

Figure 70: Microchip Key Metrics Seasonality

		Total Revenue % Q/O				Mixed Signal/MCU Revenue % Q/O				Analog Revenue % Q/O				LMO + FPGA Revenue % Q/O			
		F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q
CY96	FY97			+7.2%	+9.5%												
CY97	FY98	+7.4%	+4.0%	+6.0%	+0.5%												
CY98	FY99	-10.1%	+6.9%	+4.3%	-3.5%												
CY99	FY00	+2.9%	+17.0%	+9.4%	+9.2%												
CY00	FY01	+8.7%	+13.5%	+9.4%	-2.2%												
CY01	FY02	-19.3%	-9.4%	+2.0%	+0.1%												
CY02	FY03	+4.9%	+7.3%	+6.3%	-1.3%												
CY03	FY04	-7.7%	+4.4%	+4.5%	+5.6%												
CY04	FY05	+7.6%	+11.1%	+3.7%	-6.9%												
CY05	FY06	+1.3%	+5.0%	+4.0%	+3.3%			+3.1%	+3.5%			+5.5%	+17.8%			+8.7%	-3.9%
CY06	FY07	+5.2%	+6.2%	+2.0%	-6.3%	+4.9%	+8.2%	+1.6%	-6.8%	+17.6%	+1.2%	+1.9%	-0.9%	+0.3%	-2.6%	+5.0%	-6.3%
CY07	FY08	+2.9%	+2.3%	-2.1%	-2.3%	+4.0%	+2.5%	-3.6%	-1.3%	-3.3%	+1.6%	+0.0%	-2.4%	-0.7%	+1.3%	+7.7%	-9.1%
CY08	FY09	+3.1%	+3.0%	+0.6%	-28.7%	+4.0%	+3.1%	-0.2%	-28.2%	+8.0%	+2.5%	+11.7%	-23.3%	-6.7%	+2.7%	-1.9%	-37.8%
CY09	FY10	-9.8%	+11.4%	+17.5%	+10.3%	-9.5%	+11.9%	+16.6%	+9.9%	-13.0%	+12.2%	+25.5%	+14.1%	-9.7%	+5.5%	+16.8%	+9.8%
CY10	FY11	+11.2%	+28.5%	+7.0%	-3.8%	+10.3%	+9.8%	+4.7%	-2.2%	+19.3%	+31.5%	+11.6%	-4.7%	+9.3%	+203.8%	+12.5%	-8.3%
CY11	FY12	+3.3%	-1.4%	-9.1%	-3.4%	+4.0%	-2.0%	-11.2%	-4.4%	+3.5%	-7.0%	-0.7%	+1.7%	+0.9%	+4.1%	-6.4%	-3.0%
CY12	FY13	+3.0%	+4.0%	+15.7%	+2.0%	+5.5%	+5.0%	+5.4%	+5.0%	+0.7%	+9.0%	+48.5%	+33.2%	-3.6%	-3.2%	-7.3%	-5.3%
CY13	FY14	+3.4%	+7.6%	+6.5%	-2.1%	+3.7%	+8.9%	+6.9%	-2.4%	+4.1%	+6.2%	+5.1%	+0.4%	+0.8%	+3.7%	+6.6%	-4.8%
CY14	FY15	+2.3%	+7.7%	+2.8%	-1.9%	+4.2%	+5.3%	+5.2%	-6.5%	-1.3%	+16.6%	-2.2%	+2.4%	-1.0%	+0.4%	+3.5%	+4.7%
CY15	FY16	+2.1%	-2.4%	+4.8%	-1.3%	+3.3%	-0.4%	-4.0%	-3.5%	+1.6%	-0.4%	+15.9%	+8.9%	+1.9%	-11.0%	+2.0%	-4.2%
CY16	FY17	+3.0%	NM	+3.5%	+0.8%	+5.5%	NM	+10.7%	-6.3%	+0.4%	NM	+6.0%	-1.8%	-1.8%	NM	+6.4%	+2.3%
CY17	FY18	+2.4%	+7.7%	+4.1%	-1.8%	+12.3%	+9.5%	+4.7%	-0.6%	+4.3%	+3.7%	+0.1%	-3.2%	-5.1%	+6.4%	+10.4%	-5.6%
CY18	FY19	+0.8%	NM	+17.7%	-4.0%	-0.6%	NM	+7.8%	-7.9%	+4.7%	NM	+26.3%	-5.4%	+0.9%	NM	+48.5%	+11.3%
CY19	FY20	-3.3%	-0.5%	+1.1%	-3.8%	-1.8%	+0.6%	-1.5%	-1.7%	-3.4%	+0.9%	+1.9%	-7.8%	-7.0%	-6.2%	+8.0%	-3.2%
CY20	FY21	+3.0%	-1.3%	-0.0%	+3.3%	+5.9%	-1.3%	-1.9%	+3.3%	+1.2%	+0.7%	-2.3%	+3.1%	-2.3%	-4.2%	+9.7%	+3.4%
CY21	FY22	+8.5%	+7.0%	+5.1%	+6.5%	+12.2%	+10.7%	-0.9%	+8.7%	+11.3%	+4.1%	+13.6%	+2.0%	-6.4%	-0.8%	+12.8%	+7.5%
CY22	FY23	+4.9%	+6.5%	+5.6%	+4.6%	+7.6%	+1.6%	+11.0%	+3.5%	+3.0%	+12.5%	-1.3%	+5.9%	-0.8%	+13.5%	+0.2%	+6.3%
CY23	FY24	+2.9%	+2.5%	-1.5%	-21.7%	+5.8%	+0.8%	-1.7%	-22.3%	+1.9%	+2.5%	-1.7%	-30.9%	-5.4%	+9.4%	-0.6%	-3.2%
CY24	FY25	-24.9%	-6.4%	-6.2%	-11.8%	-30.7%	-6.5%	-7.8%	-10.3%	-23.0%	-0.3%	-11.6%	-6.6%	-10.3%	-12.8%	+4.2%	-20.6%
CY25	FY26E	-5.4%	+10.8%	+6.0%	+4.0%	-10.5%	+11.6%	+9.7%	+0.3%	-4.1%	+20.9%	+1.7%	+0.4%	+5.3%	-2.2%	+3.4%	+18.0%
CY26E	FY27E	+10.6%	+13.2%	+8.5%	+1.8%	+11.1%	+13.4%	+11.0%	+2.0%	+14.1%	+11.5%	+5.0%	+2.0%	+5.2%	+15.0%	+7.2%	+1.1%
CY27E	FY28E	+6.4%	+8.3%	+5.7%	-0.8%	+6.0%	+10.0%	+8.0%	-1.0%	+9.0%	+7.0%	+3.0%	-1.0%	+4.0%	+5.9%	+3.3%	-0.2%
LT median		**+2.9%**	**+6.3%**	**+4.3%**	**-1.8%**	**+4.2%**	**+5.0%**	**+3.1%**	**-2.2%**	**+1.9%**	**+3.7%**	**+1.9%**	**+0.4%**	**-1.0%**	**+1.3%**	**+6.4%**	**-3.2%**
5y median		+2.9%	+6.5%	+5.1%	+4.0%	+5.8%	+1.6%	-0.9%	+0.3%	+1.9%	+11.5%	-1.3%	+0.4%	-0.8%	+9.4%	+3.4%	+6.3%
10y median		+2.7%	+6.5%	+3.8%	-0.5%	+5.8%	+1.6%	+1.9%	-1.2%	+2.4%	+3.7%	+0.9%	-2.5%	-3.7%	-0.8%	+7.2%	+2.8%

		Adj. Gross Margin bps Q-Q				Opex $ % Q/O				Adj. Operating Margin bps Q-Q				Working Capital $				Capex $			
		F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q	F4Q C1Q	F1Q C2Q	F2Q C3Q	F3Q C4Q
CY96	FY97			+64 bp	-7 bp			+8.8%	+6.8%			+2,675 bp	-66 bp			-3	-12			-20	-13
CY97	FY98	+28 bp	+55 bp	-20 bp	-251 bp	+9.1%	+2.6%	+4.5%	+2.4%	+41 bp	-35 bp	-36 bp	+49 bp	+2	+24	+8	+2	-19	-30	-48	-45
CY98	FY99	+134 bp	+7 bp	+9 bp	+96 bp	-2.0%	-1.6%	+2.1%	-4.8%	+238 bp	-226 bp	-57 bp	-35 bp	-20	-4	-8	-13	-22	-12	-12	-6
CY99	FY00	-56 bp	-39 bp	+141 bp	+48 bp	-1.3%	+23.9%	+9.6%	+4.5%	-103 bp	+145 bp	+3 bp	-113 bp	-19	+3	+15	+22	-10	-23	-52	-65
CY00	FY01	+97 bp	+145 bp	+93 bp	-141 bp	+6.3%	+14.4%	+7.6%	+1.3%	-54 bp	+19 bp	-40 bp	+87 bp	-0	+17	+5	+33	-74	-104	-157	-143
CY01	FY02	-353 bp	+5 bp	+6 bp	+12 bp	-7.9%	-6.1%	-1.6%	+2.3%	+355 bp	+105 bp	-103 bp	+63 bp	-90	-40	-31	-7	-37	-13	-18	-5
CY02	FY03	+46 bp	+191 bp	+139 bp	+156 bp	+1.0%	+4.4%	+4.5%	-1.6%	-110 bp	-77 bp	-45 bp	-6 bp	+56	+9	-16	+7	-8	-25	-17	-21
CY03	FY04	-114 bp	-93 bp	+72 bp	+39 bp	-2.6%	-0.5%	+0.5%	+0.7%	+150 bp	-131 bp	-103 bp	-120 bp	+7	-5	+8	+21	-17	-10	-11	-18
CY04	FY05	+95 bp	+162 bp	+18 bp	-40 bp	+6.8%	+7.7%	+1.6%	-0.3%	-19 bp	-75 bp	-48 bp	+166 bp	+14	-18	-2	+18	-24	-14	-21	-21
CY05	FY06	+49 bp	+99 bp	+85 bp	+52 bp	+0.1%	+6.3%	+1.4%	+0.8%	-29 bp	+31 bp	-62 bp	-61 bp	-11	-5	+9	+14	-8	-15	-10	-18
CY06	FY07	+38 bp	+26 bp	+9 bp	-17 bp	+6.1%	+6.6%	+2.3%	-3.6%	+20 bp	+9 bp	+5 bp	+69 bp	+19	+20	-4	-2	-33	-17	-19	-16
CY07	FY08	+25 bp	+12 bp	-25 bp	+81 bp	+2.0%	+6.0%	-1.6%	+1.5%	-21 bp	+88 bp	+11 bp	+101 bp	-93	+11	-14	+15	-9	-25	-12	-12
CY08	FY09	+31 bp	+10 bp	+1 bp	-643 bp	+4.1%	+1.6%	-0.5%	-19.9%	+27 bp	-36 bp	-28 bp	+324 bp	-22	+13	+48	-58	-21	-22	-46	-24
CY09	FY10	-590 bp	+207 bp	+413 bp	+351 bp	-8.1%	+8.7%	+11.2%	+4.5%	+57 bp	-72 bp	-157 bp	-146 bp	-27	-5	+21	-12	-11	-4	-6	-19
CY10	FY11	+262 bp	-134 bp	-9 bp	-43 bp	+9.4%	+22.1%	+4.9%	-3.5%	-41 bp	-128 bp	-48 bp	+8 bp	-8	-2	+12	-3	-19	-34	-32	-34
CY11	FY12	+46 bp	-72 bp	-128 bp	-146 bp	+3.2%	+2.3%	-5.7%	-2.1%	-3 bp	+93 bp	+92 bp	+34 bp	-20	-60	+36	-57	-24	-27	-25	-6
CY12	FY13	+133 bp	+85 bp	-128 bp	-166 bp	+2.8%	+4.1%	+25.4%	+9.8%	-4 bp	+2 bp	+220 bp	+217 bp	-28	+10	+28	+39	-4	-10	-16	-10
CY13	FY14	+38 bp	+163 bp	+98 bp	-1 bp	-3.4%	+3.4%	+5.4%	-2.5%	-202 bp	-112 bp	-27 bp	-10 bp	+0	+13	-16	-30	-15	-28	-27	-24
CY14	FY15	+30 bp	+50 bp	-71 bp	-93 bp	+0.2%	+7.9%	+2.9%	-2.2%	-55 bp	+5 bp	+2 bp	-8 bp	+48	-2	+11	-5	-34	-45	-39	-37
CY15	FY16	+13 bp	-0 bp	-39 bp	+2 bp	-0.5%	-3.3%	+12.4%	+2.2%	-69 bp	-23 bp	+186 bp	+97 bp	-13	-4	-7	+11	-29	-34	-30	-18
CY16	FY17	+47 bp	-258 bp	+139 bp	+63 bp	-2.3%	NM	-2.7%	-5.5%	-146 bp	+143 bp	-170 bp	-169 bp	+78	+117	+88	+57	-16	-18	-18	-16
CY17	FY18	+139 bp	+116 bp	+64 bp	+37 bp	-3.2%	+4.4%	+2.0%	-3.7%	-138 bp	-73 bp	-47 bp	-44 bp	+43	-15	-18	+292	-23	-22	-60	-66
CY18	FY19	+29 bp	+49 bp	-92 bp	+110 bp	+1.7%	NM	+25.1%	-0.9%	+20 bp	+106 bp	+147 bp	+80 bp	+5	-76	+247	+71	-58	-89	-72	-27
CY19	FY20	-18 bp	-18 bp	+24 bp	-79 bp	-2.4%	-0.4%	+0.1%	-0.8%	+24 bp	+5 bp	-27 bp	+78 bp	-57	-37	+4	-4	-40	-24	-18	-14
CY20	FY21	+54 bp	-34 bp	+50 bp	+87 bp	-0.7%	-10.2%	-0.7%	+4.7%	-96 bp	-230 bp	-16 bp	+31 bp	-30	+36	-22	+10	-12	-10	-6	-21
CY21	FY22	+107 bp	+66 bp	+54 bp	+79 bp	+9.4%	+5.2%	+4.3%	+0.1%	+18 bp	-39 bp	-19 bp	-137 bp	-51	+11	-27	+108	-55	-86	-79	-91
CY22	FY23	+51 bp	+49 bp	+64 bp	+38 bp	+7.0%	+4.8%	+2.4%	+3.4%	+42 bp	-35 bp	-64 bp	-24 bp	-57	-52	-107	+349	-115	-122	-110	-141
CY23	FY24	+20 bp	+7 bp	-31 bp	-431 bp	+3.1%	+0.7%	-3.2%	-11.6%	+3 bp	-37 bp	-34 bp	+257 bp	-206	+22	-327	+149	-113	-111	-74	-60
CY24	FY25	-346 bp	-41 bp	-36 bp	-410 bp	-8.6%	-2.9%	-0.3%	+1.7%	+489 bp	+101 bp	+182 bp	+465 bp	+79	+23	-235	+161	-40	-73	-21	-18
CY25	FY26E	-344 bp	+234 bp	+233 bp	+361 bp	+2.9%	-1.8%	+1.9%	+2.2%	+308 bp	-431 bp	-131 bp	-55 bp	+152	+69	-205	+48	-14	-18	-37	-23
CY26E	FY27E	+134 bp	+220 bp	+268 bp	+30 bp	+7.9%	+4.8%	+2.3%	+0.7%	-76 bp	-232 bp	-162 bp	-29 bp	-80	+36	-33	-19	-14	-91	-14	-25
CY27E	FY28E	+20 bp	-	-10 bp	-50 bp	+3.0%	+0.4%	+0.7%	+0.4%	-85 bp	-188 bp	-114 bp	+29 bp	-34	-50	-46	+9	-30	-30	-30	-30
LT median		**+38 bp**	**+38 bp**	**+18 bp**	**+12 bp**	**+1.4%**	**+4.2%**	**+2.1%**	**+0.1%**	**-3 bp**	**-35 bp**	**-34 bp**	**+31 bp**	**-12**	**+6**	**-2**	**+14**	**-21**	**-25**	**-25**	**-21**
5y median		+20 bp	+49 bp	+54 bp	+38 bp	+3.1%	+0.7%	+1.9%	+1.7%	+42 bp	-37 bp	-34 bp	-24 bp	-57	+23	-205	+149	-40	-91	-74	-60
10y median		+40 bp	+49 bp	+52 bp	+51 bp	+2.3%	+0.7%	+1.0%	-0.3%	+19 bp	-38 bp	-31 bp	+4 bp	-40	+17	-25	+90	-40	-80	-48	-25

Source: UBS research, company reports

Valuation

Our $105 PT is based on a 18x multiple on our CY2028 EPS estimate of $5.95, a discount to the S&P-Implied MCHP multiple of ~25x , but in-line with peers.

Figure 71: Microchip Valuation

Valuation	New	Old
Non-GAAP EPS C2028	$ 5.95	$ 5.95
P/E Multiple	18x	20x
Valuation	$ 105	$ 120

Source: UBS estimates

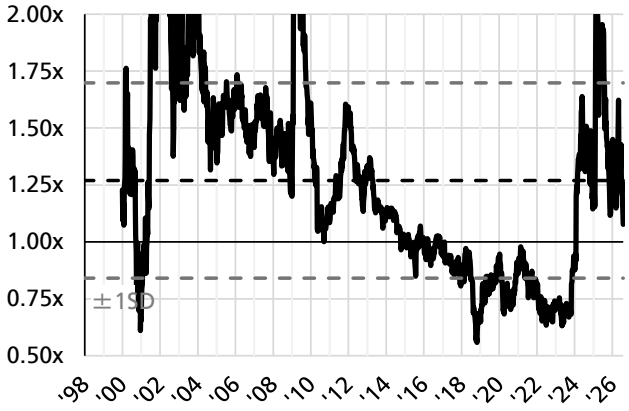
Figure 72: Relative Valuations would support substantial further upside

Microchip Relative Valuation

Current S&P 500 NTMA P/E Multiple	19.6x
MCHP Average Premium/Discount to S&I	27.0%
S&P-Implied MCHP Multiple	**24.9x**
Current SOX NTMA P/E Multiple	20.8x
MCHP Average Premium/Discount to SO	-1.7%
SOX-Implied MCHP Multiple	**20.4x**

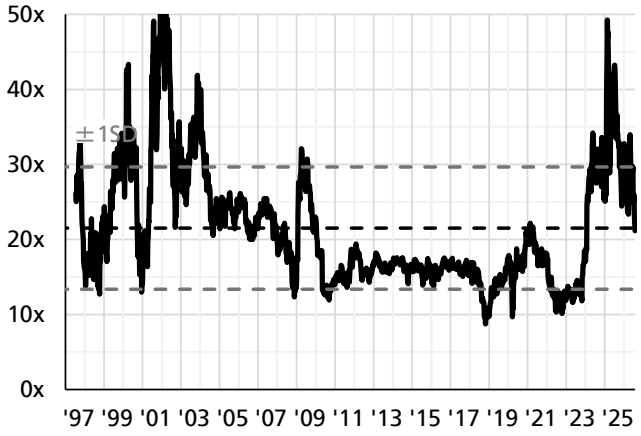
Source: Company reports, UBS research, FactSet

Figure 73: MCHP Forward PE History Relative to S&P 500



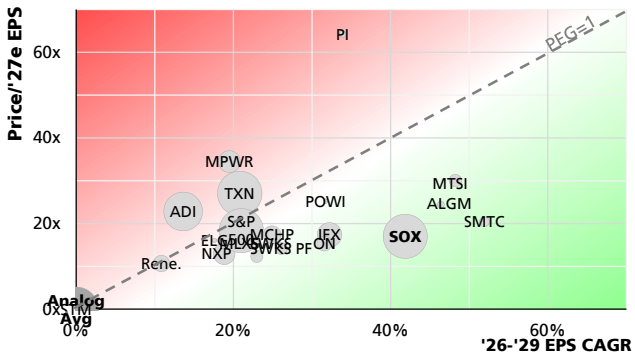
Source: Company reports, UBS research, FactSet

Figure 74: MCHP Forward PE History



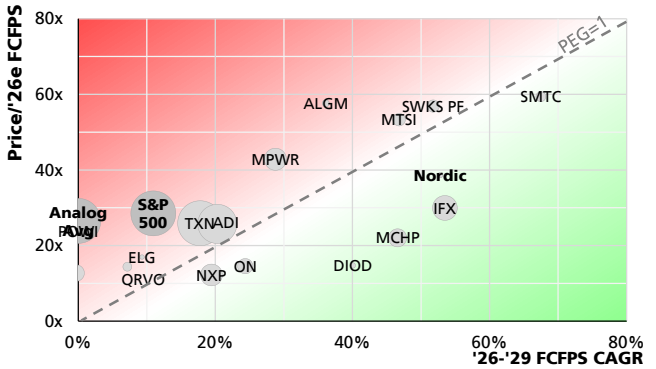
Source: Company reports, UBS research, FactSet

Figure 75: MCHP looks cheap on PEG…



Source: Company reports, UBS research, FactSet, Visible Alpha. '25-'27 or '25-'28 CAGRs used where C29 estimates are unavailable.

Figure 76: …but only in line with the sector on FCF P-to-G



Source: Company reports, UBS research, FactSet, Visible Alpha. '25-'27 or '25-'28 CAGRs used where C29 estimates are unavailable.

Figure 77: Microchip Comps

		P/E				PEG		EV/FCF				EV/Sales				EV/EBITDA					
Ticker	Company Name	2025	2026	2027	2028	LT Growth	PEG	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	Mkt Cap	EV
TXN-US	Texas Instruments	51x	33x	27x	23x	30.3%	1.09x	93x	31x	26x	22x	14.9x	12.0x	10.5x	9.5x	33x	22x	18x	16x	$256.3B	$263.4B
ADI-US	Analog Devices	52x	31x	24x	21x	19.0%	1.65x	46x	38x	27x	23x	18.4x	13.4x	11.0x	9.8x	32x	26x	20x	19x	$195.6B	$202.4B
IFX-DE	Infineon	38x	32x	19x	15x	41.7%	0.76x	42x	65x	37x	24x	5.1x	4.8x	3.9x	3.4x	18x	16x	11x	9x	$80.4B	$87.2B
NXPI-US	NXP Semiconductors	19x	15x	12x	10x	21.4%	0.68x	24x	17x	15x	13x	5.2x	4.5x	4.0x	3.7x	14x	11x	10x	8x	$55.7B	$63.8B
6723-JP	Renesas	NM	14x	13x	11x	21.9%	0.59x	20x	15x	15x	13x	5.1x	4.2x	3.7x	3.3x	15x	11x	9x	8x	$39.4B	$43.4B
STMPA-PAR	STMicro	NM	35x	18x	12x	92.4%	0.38x	NM	76x	22x	14x	3.5x	2.9x	2.4x	2.1x	17x	12x	8x	7x	$43.6B	$41.1B
ON-US	onsemi	31x	23x	16x	13x	NM	NM	21x	18x	14x	12x	4.9x	4.5x	4.0x	3.5x	17x	15x	11x	10x	$28.6B	$29.4B
AMBQ	Ambiq	NM	NM	NM	NM	32.3%	NM	NM	NM	NM	NM	12.2x	6.5x	5.0x	3.7x	NM	NM	NM	NM	$1.2B	$0.9B
	Median	**38x**	**31x**	**18x**	**13x**	**30.3%**	**0.72x**	**33x**	**31x**	**22x**	**14x**	**5.2x**	**4.6x**	**4.0x**	**3.6x**	**17x**	**15x**	**11x**	**9x**	**$700.8B**	**$731.5B**
	Simple Average	38x	26x	19x	15x	37.0%	0.86x	41x	37x	23x	17x	8.7x	6.6x	5.6x	4.9x	21x	16x	13x	11x		
	Weighted Average	46x	30x	22x	19x	31.2%	1.10x	59x	37x	26x	20x	12.2x	9.6x	8.2x	7.3x	27x	20x	16x	14x		
MCHP-US	Microchip	43x	20x	16x	14x	45.5%	0.43x	46x	22x	18x	21x	9.3x	6.8x	5.9x	5.3x	25x	15x	13x	12x	$38.7B	$43.8B

Source: Company reports, UBS research, FactSet, VisibleAlpha.

INDI PREVIEW

Key Topics for Earnings

1) Any update to the timing of the corner radar product ramp; 2) timing and financial implications of the Wuxi divestiture and ams-OSRAM acquisition, including any geographic decomposition of revenue between China and the West; 3) whether INDI is seeing any impacts of tariff/EV policy uncertainty downstream at Tier 1s or automakers; 4) any momentum on higher-value ADAS in China, and more generally any other key design wins or new product introductions.

Valuation: PT $1.75 (from $4.25)

Our $1.75 price target (from $4.25) is derived from a 7x target PE multiple (from 14x) applied to a CY28E EPS of $0.27.

Estimate Changes

Figure 78: INDI New vs Old Estimates

	CY2026			CY2027			CY2028		
	New	Old	% Change	New	Old	% Change	New	Old	% Change
Revenue ($MM)	$267.9	$267.9	--	$391.6	$394.5	-0.7%	$525.7	$548.1	-4.1%
Y/Y Growth	23.2%	23.2%	--	46.2%	47.3%	-1.1%	34.2%	38.9%	-4.7%
Gross Margin	45.3%	45.3%	--	47.0%	47.0%	-0.0%	49.1%	49.1%	-0.0%
Opex ($MM)	$149.7	$149.7	--	$158.2	$156.5	+1.1%	$172.4	$169.7	+1.6%
Operating Margin	-10.6%	-10.6%	--	6.6%	7.3%	-0.7%	16.3%	18.1%	-1.8%
GAAP EPS	($0.68)	($0.68)	--	($0.41)	($0.37)	-10.8%	$0.33	$0.37	-10.8%
Non-GAAP EPS	($0.18)	($0.18)	--	$0.06	$0.07	-14.3%	$0.27	$0.32	-15.6%

Source: Company reports, UBS estimates

Figure 79: Indie Summary Model

Indie Semi (INDI) - Key Metrics (in $MM except EPS)	C2023A	C2024A	C2025A	CQ1A	CQ2A	Estimates CQ3E	CQ4E	C2026E	CQ1E	CQ2E	CQ3E	CQ4E	C2027E	CQ1E	CQ2E	CQ3E	CQ4E	C2028E
Revenue	**223.2**	**216.7**	**217.4**	**55.5**	**64.0**	**71.0**	**77.5**	**267.9**	**85.0**	**94.1**	**102.3**	**110.3**	**391.6**	**117.8**	**127.1**	**135.8**	**145.1**	**525.7**
Y/Y Growth	101%	(3%)	0%	3%	24%	32%	34%	23%	53%	47%	44%	42%	46%	39%	35%	33%	32%	34%
Q/Q Growth				(4%)	15%	11%	9%		10%	11%	9%	8%		7%	8%	7%	7%	
of which in-car	136.9	131.8	128.3					117.5					137.4					149.6
of which ADAS	39.1	50.7	55.9					112.4					213.7					340.4
of which all other product revenue	19.6	20.3	22.8					25.5					30.5					25.8
COGS (non-GAAP)	106.0	107.6	111.9	29.2	35.1	39.6	42.8	146.7	46.7	50.7	53.7	56.5	207.6	60.4	64.9	69.0	73.5	267.8
Gross Profit (non-GAAP)	117.2	109.1	105.4	26.2	28.9	31.4	34.7	121.2	38.3	43.3	48.6	53.8	184.0	57.4	62.2	66.7	71.6	258.0
Gross Margin (non-GAAP)	**52.5%**	**50.4%**	**48.5%**	**47.3%**	**45.2%**	**44.2%**	**44.8%**	**45.3%**	**45.1%**	**46.1%**	**47.6%**	**48.8%**	**47.0%**	**48.8%**	**49.0%**	**49.2%**	**49.4%**	**49.1%**
R&D (GAAP)	154.5	175.1	154.1	38.5	37.8	38.4	39.2	153.9	39.9	40.7	41.4	42.2	164.1	43.2	44.2	45.2	46.2	178.6
% of revenue	69.2%	80.8%	70.9%	69.5%	59.1%	54.1%	50.5%	57.4%	47.0%	43.2%	40.5%	38.2%	41.9%	36.6%	34.7%	33.3%	31.8%	34.0%
SG&A (GAAP)	70.5	80.9	77.7	21.4	20.4	19.7	20.0	81.4	20.2	20.5	20.7	21.0	82.3	21.4	21.8	22.2	22.6	87.8
% of revenue	31.6%	37.4%	35.7%	38.6%	31.8%	27.8%	25.7%	30.4%	23.8%	21.7%	20.2%	19.0%	21.0%	18.1%	17.1%	16.3%	15.5%	16.7%
Stock comp	(43.7)	(68.0)	(65.2)	(20.1)	(17.5)	(18.8)	(19.1)	(75.6)	(19.5)	(19.8)	(20.1)	(20.5)	(79.8)	(20.9)	(21.4)	(21.8)	(22.3)	(86.4)
Other adjustments	(15.5)	(13.6)	(10.1)	(2.5)	(2.8)	(2.3)	(2.3)	(10.0)	(2.1)	(2.1)	(2.1)	(2.1)	(8.4)	(1.9)	(1.9)	(1.9)	(1.9)	(7.6)
Opex (Non-GAAP)	**165.8**	**174.5**	**156.5**	**37.3**	**37.8**	**37.0**	**37.6**	**149.7**	**38.5**	**39.2**	**39.9**	**40.5**	**158.2**	**41.7**	**42.6**	**43.6**	**44.5**	**172.4**
% of revenue	74%	81%	72%	67%	59%	52%	49%	56%	45%	42%	39%	37%	40%	35%	34%	32%	31%	33%
Operating Income (Non-GAAP)	(48.6)	(65.4)	(51.0)	(11.1)	(8.9)	(5.6)	(2.9)	(28.5)	(0.3)	4.1	8.8	13.2	25.8	15.7	19.6	23.2	27.1	85.6
Operating Margin (Non-GAAP)	**(21.8%)**	**(30.2%)**	**(23.5%)**	**(20.0%)**	**(13.9%)**	**(7.9%)**	**(3.8%)**	**(10.6%)**	**(0.3%)**	**4.4%**	**8.6%**	**12.0%**	**6.6%**	**13.4%**	**15.4%**	**17.1%**	**18.7%**	**16.3%**
Incr./Decr. Op Mgn (Non-GAAP)	14.0%	258.7%	NM	288.8%	45.6%	33.0%	37.0%	44.6%	36.6%	43.2%	45.8%	49.2%	43.9%	48.7%	46.8%	43.0%	39.9%	44.5%
GAAP NI	(117.6)	(132.5)	(144.0)	(43.2)	(37.1)	(33.3)	(30.5)	(144.0)	(29.7)	(25.3)	(20.3)	(15.2)	(90.5)	39.0	18.4	21.9	(4.0)	75.3
GAAP Diluted WASO	145.2	175.0	197.3	207.0	212.0	214.4	216.6	212.5	218.7	220.6	222.3	223.9	221.4	225.6	227.1	228.7	230.3	227.9
GAAP EPS	**($0.81)**	**($0.76)**	**($0.73)**	**($0.21)**	**($0.17)**	**($0.16)**	**($0.14)**	**($0.68)**	**($0.14)**	**($0.11)**	**($0.09)**	**($0.07)**	**($0.41)**	**$0.17**	**$0.08**	**$0.10**	**($0.02)**	**$0.33**
Non-GAAP NI	(48.4)	(68.9)	(58.5)	(13.9)	(11.7)	(8.8)	(5.4)	(39.8)	(2.7)	1.4	5.5	9.7	13.9	11.5	14.9	18.0	21.5	65.9
Non-GAAP Diluted WASO	167.3	195.6	216.1	224.0	227.6	230.0	232.2	228.4	234.2	236.1	237.9	239.5	236.9	241.1	242.7	244.3	245.8	243.5
Non-GAAP EPS	**($0.29)**	**($0.35)**	**($0.29)**	**($0.06)**	**($0.05)**	**($0.04)**	**($0.02)**	**($0.18)**	**($0.01)**	**$0.01**	**$0.02**	**$0.04**	**$0.06**	**$0.05**	**$0.06**	**$0.07**	**$0.09**	**$0.27**
Cash Flow & Capital Deployment																		
Adj EBITDA	(51.5)	(58.5)	(42.6)	(8.9)	(7.4)	(3.3)	(0.5)	(20.1)	2.2	6.7	11.4	16.0	36.3	18.6	22.5	26.3	30.4	97.8
Cash taxes	-	-	(0.7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash interest	(7.4)	(7.4)	(15.0)	(3.5)	(3.5)	(3.9)	(3.2)	(14.0)	(3.2)	(3.2)	(3.2)	(2.9)	(12.4)	(3.4)	(3.4)	(3.4)	(3.4)	(13.5)
Adjustments and other CFFO items	8.3	(0.5)	9.1	(4.0)	(2.6)	0.2	(0.1)	(6.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)
Working Capital	(53.8)	7.8	(7.9)	(8.8)	(18.5)	5.3	(0.5)	(22.4)	(6.1)	(7.3)	(5.0)	(4.1)	(22.5)	(3.5)	(4.9)	(3.5)	(3.4)	(15.4)
CFFO	**(104.4)**	**(58.6)**	**(57.1)**	**(25.2)**	**(32.0)**	**(1.6)**	**(4.3)**	**(63.0)**	**(7.1)**	**(4.0)**	**3.1**	**8.8**	**0.8**	**11.6**	**14.2**	**19.3**	**23.5**	**68.5**
Capex	(12.8)	(14.3)	(14.3)	(3.3)	(3.7)	(4.3)	(4.6)	(16.0)	(4.2)	(4.7)	(5.1)	(5.5)	(19.6)	(5.9)	(6.4)	(6.8)	(7.3)	(26.3)
FCF	**(117.1)**	**(72.9)**	**(71.4)**	**(28.5)**	**(35.7)**	**(5.8)**	**(8.9)**	**(79.0)**	**(11.4)**	**(8.7)**	**(2.0)**	**3.3**	**(18.7)**	**5.7**	**7.8**	**12.5**	**16.2**	**42.2**
% of revenue	(52%)	(34%)	(33%)	(51%)	(56%)	(8%)	(12%)	(29%)	(13%)	(9%)	(2%)	3%	(5%)	5%	6%	9%	11%	8%
Y/Y Growth	39%	(38%)	(2%)	(9%)	162%	(43%)	(45%)	11%	(60%)	(76%)	(66%)	(137%)	(76%)	(150%)	(190%)	(724%)	389%	(325%)
Debt issuance/(paydown)	(11.7)	198.3	(28.5)	57.5	-	(0.0)	(0.8)	56.7	(0.0)	(0.0)	(26.0)	(0.0)	(26.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Buybacks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Debt	9.2	96.8	197.7	230.4	267.1	272.9	160.3	160.3	181.7	190.4	192.4	189.1	189.1	183.4	175.6	163.1	146.9	146.9

Source: Company reports, UBS research, FactSet.

Valuation

Our price target decreases to $1.75 from $4.25, based on a 7x target P/E (previously 14x) applied to our CY28E EPS of $0.27 (previously $0.32). We believe a discount to peers is warranted given INDI's continued near-term cash burn and transaction risk, with the reduction from our prior 14x multiple also reflecting the broader sector multiple reset. INDI has typically traded at a multiple discount to its peer set.

Figure 80: Indie Semi Price Target

Valuation		New		Old
Non-GAAP EPS				
CY28	$	0.27	$	0.32
NTM P/E Multiple		7x		14x
Price Target	$	1.75	$	4.25

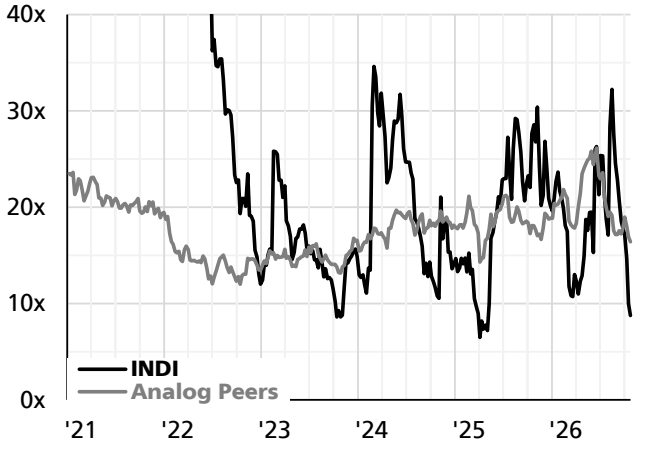
Source: Company reports, UBS estimates

Figure 81: Indie Comps

		P/E				EV/Sales				EV/EBITDA				EV/FCF					
Ticker	Company Name	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	Mkt Cap	EV
QCOM	Qualcomm	15x	17x	17x	14x	4.4x	4.5x	4.3x	3.7x	11x	13x	14x	11x	15x	19x	20x	17x	$187.8B	$194.8B
IFX-DE	Infineon	34x	28x	17x	13x	4.6x	4.3x	3.5x	3.0x	16x	14x	10x	8x	37x	59x	33x	21x	$71.2B	$78.1B
NXPI-US	NXP Semi	20x	16x	13x	11x	5.5x	4.7x	4.2x	3.9x	15x	12x	10x	9x	26x	18x	16x	13x	$59.2B	$67.4B
STMPA-PAR	STMicro	NM	33x	16x	11x	3.2x	2.6x	2.2x	1.9x	16x	11x	8x	6x	NM	70x	20x	13x	$40.3B	$37.8B
6723-JP	Renesas	NM	12x	11x	10x	4.6x	3.6x	3.2x	2.9x	14x	9x	8x	7x	NM	12x	13x	11x	$34.4B	$38.5B
ON-US	ON Semi	31x	23x	16x	12x	4.8x	4.4x	3.9x	3.4x	17x	15x	11x	10x	20x	18x	14x	12x	$28.1B	$29.0B
6963-JP	Rohm	NM	32x	22x	17x	2.9x	2.5x	2.4x	2.2x	NM	13x	8x	NM	NM	36x	34x	26x	$9.6B	$8.8B
ALGM-US	Allegro Microsystems	58x	31x	21x	15x	6.7x	5.5x	4.7x	4.0x	37x	23x	18x	NM	48x	43x	25x	NM	$5.9B	$6.0B
MELE-BE	Melexis	19x	19x	15x	12x	2.8x	2.8x	2.6x	2.4x	13x	12x	10x	9x	22x	12x	15x	13x	$2.5B	$2.8B
WRD-US	WeRide	NM	NM	NM	NM	6.9x	4.3x	2.3x	1.1x	NM	NM	NM	NM	NM	NM	NM	NM	$1.4B	$0.7B
MBLY-US	Mobileye	18x	13x	13x	9x	2.2x	2.1x	1.9x	1.6x	12x	8x	8x	6x	8x	13x	11x	8x	$1.7B	$4.1B
	Median	**20x**	**21x**	**16x**	**12x**	**4.6x**	**4.3x**	**3.2x**	**2.9x**	**15x**	**13x**	**10x**	**8x**	**22x**	**19x**	**18x**	**13x**	**$442.2B**	**$467.9B**
	Weighted Average	**21x**	**20x**	**16x**	**13x**	**4.5x**	**4.2x**	**3.8x**	**3.3x**	**14x**	**13x**	**11x**	**9x**	**22x**	**30x**	**21x**	**16x**		
	Simple Average	28x	22x	16x	12x	4.4x	3.8x	3.2x	2.7x	17x	13x	11x	8x	25x	30x	20x	15x		

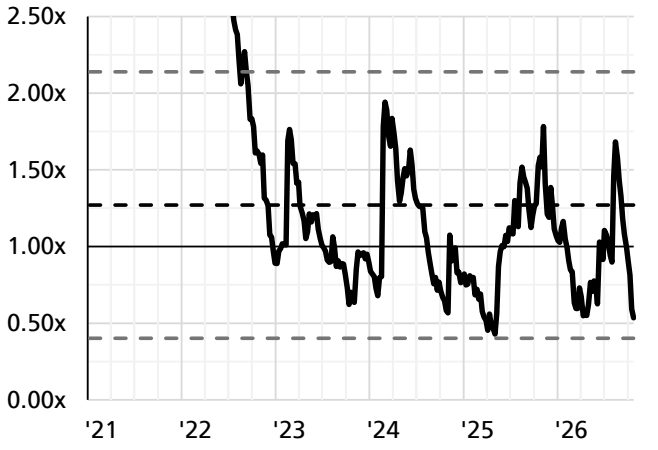
Source: Company reports, UBS estimates, FactSet.

Figure 82: Indie (INDI) and Peers' 2-yr Forward P/E History



Source: Company reports, UBS, FactSet.

Figure 83: Indie (INDI) 2-yr Forward P/E Relative to Peers



Source: Company reports, UBS, FactSet.

Valuation Method and Risk Statement

We use various valuation techniques such as P/E, EV/FCF for valuing the companies in this report. Risk factors include but are not limited to macroeconomic factors such as a downturn in the economy, technological disruption due to new inventions, or business model innovation whereby structural changes in the industry alter the future course of revenues.

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.

Advanced Micro Dev

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)	4
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)	N/A
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)	N/A
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?	

Microchip Technology

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)	N/A
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)	N/A
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)	N/A
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)	N/A
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)	N/A
7. What's driving the difference?	



Question	Response
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst
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?	

GlobalFoundries

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)	4
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)	N/A
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)	N/A
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?	

SiTime Corp

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)	5
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)	5
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)	4
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst

Question	Response
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?	

Indie Semiconductor

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)	4
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)	N/A
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)	N/A
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?	

Qualcomm 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)	N/A
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)	N/A
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)	N/A
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)	N/A
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)	2
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst
9. Is there an actual or approximate date for the catalyst?	

Question	Response
10. Is the catalyst date an actual or approximate date?	
11. What is the catalyst?	

Arm Holdings

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)	3
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)	N/A
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)	N/A
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?	

Astera Labs 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)	4
7. What's driving the difference?	Strong demand for expanded networking-intensive AI infrastructure buildouts from large customers.
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst
9. Is there an actual or approximate date for the catalyst?	
10. Is the catalyst date an actual or approximate date?	

Question	Response
11. What is the catalyst?	

Onsemi

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)	N/A
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)	N/A
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)	N/A
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)	N/A
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)	N/A
7. What's driving the difference?	
8. Is there an upcoming catalyst for the company over the next three months?	No Catalyst
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?	