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# FINANCIAL STATEMENT ANALYSIS OF NVIDIA CORPORATION (FY2022–FY2026)

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*A Research Paper*

**Data sources:** NVIDIA Form 10-K filings and quarterly earnings press releases (NVIDIA Investor Relations, investor.nvidia.com; SEC EDGAR). All figures are in US$ millions unless stated. NVIDIA's fiscal year ends in late January (FY2026 ended 25 January 2026).

## Abstract

**Purpose.** This paper examines whether NVIDIA Corporation's financial statements for FY2022–FY2026 demonstrate sustainable growth, profitability, financial stability and efficient use of resources. The question matters because the company's reported results changed by an order of magnitude in five years, and ratios from a single year cannot separate durable performance from a demand cycle.

**Design and data.** The study is descriptive and analytical and uses secondary data from NVIDIA's Form 10-K filings and earnings releases. It applies trend and compound-growth analysis, common-size analysis, an operating-margin bridge, ratio analysis, DuPont decomposition, cash-flow quality measures, incremental and operating-leverage analysis, an equity roll-forward and an illustrative sensitivity test.

**Findings.** Revenue rose from $26.9 billion to $215.9 billion, about 68% a year, and net income from $9.8 billion to $120.1 billion, about 87% a year, with a pause in FY2023 in which operating income fell 57.9% on flat revenue. Operating margin rose from 37.3% to 60.4% and return on equity from 36.6% to 76.3%; asset turnover contributed more to that gain than net margin did, while falling leverage worked against it. Debt-to-equity fell from 0.44 to 0.07 because debt stayed near $11 billion while equity grew almost six-fold. Operating cash flow reached $102.7 billion in FY2026, but its ratio to net income slipped from 94% to 86% over FY2024–FY2026. Growth has become less profitable at the margin: the incremental operating margin fell from 84.7% to 57.3%, the degree of operating leverage from 5.4 to 0.9, and assets added per dollar of added revenue rose from $0.72 to $1.11. An illustrative test shows operating margin staying above 57% after a 20% fall in revenue at FY2026 cost levels, with gross margin

ISSN: 2582-6433

the most sensitive variable.

**Conclusions and limitations.** The statements show exceptional growth, very high margins and a conservative funding structure, but the sustainability of those margins depends on revenue continuing to outgrow costs and on gross margin. The study covers one company over one cycle, uses year-end balances and rounded ratios, and its inputs should be verified against the original filings.

**Keywords:** financial statement analysis; NVIDIA; ratio analysis; DuPont analysis; operating leverage; earnings quality; cash-flow analysis.

## 1. Introduction

Financial statements are the main formal record of what a company has done with the resources entrusted to it, and financial statement analysis (FSA) is the discipline of turning that record into judgements about performance and risk. The analysis is routine for stable companies, in which ratios change slowly and one year is a fair guide. It is much harder for a company whose scale changes many-fold in a few years, because every ratio becomes a moving target and the analyst must decide which changes reflect lasting economics and which reflect a temporary surge or a change in the size of the balance sheet.

NVIDIA Corporation is such a company. It designs graphics processing units (GPUs), networking products and software platforms (such as CUDA) used in data centers, gaming, professional visualization, automotive and robotics. The rapid adoption of accelerated computing and artificial intelligence has made it one of the most closely studied companies in global equity markets, and between FY2022 and FY2026 its revenue rose from about $26.9 billion to about $215.9 billion. This paper uses that period as a case in which standard analytical tools can be tested against unusually large and fast changes in reported numbers.

The aim is to convert NVIDIA's reported figures into an assessment of growth, profitability, liquidity, solvency, efficiency and cash generation, and to identify what in the statements is durable, what is cyclical and what deserves monitoring. The subsections that follow give the background, the motivation and the structure of the paper.

### *1.1 Background*

NVIDIA began as a designer of graphics chips for personal computers, and its products now sit in several markets at once. The company's platforms combine silicon, networking products and software, and the software layer, including the CUDA programming platform, gives

ISSN: 2582-6433

customers a reason to stay with the hardware once their applications are built on it. The company reports across data center, gaming, professional visualization and automotive uses, and it also discusses robotics as an area of activity. For a financial analyst, the commercial relevance of this structure is that revenue depends on both product cycles and on the investment decisions of a limited number of large customers.

The period studied here, FY2022 to FY2026, covers a full cycle: a year of ordinary growth, a pause in FY2023, and three years of rapid expansion. NVIDIA's fiscal year ends in late January, so FY2026 ran to 25 January 2026 and the earlier fiscal years cover periods that end in the January of the corresponding calendar year. A study of the five years in sequence therefore captures both the strength of the expansion and the vulnerability exposed by the FY2023 pause.

### *1.2 Motivation and significance*

Three considerations motivate the study. The first is scale: revenue of about $215.9 billion and net income of about $120.1 billion in FY2026 place the company among the largest and most profitable listed companies in its industry, so its statements are widely used as an indicator of demand for accelerated computing. The second is speed: the change in the company's reported numbers between FY2022 and FY2026 is large enough that ratios computed from a single year can mislead, and a multi-year view is needed to separate trend from cycle. The third is the unusual balance-sheet position of a business that grew many-fold while keeping its borrowing almost unchanged.

The study is significant for several users of financial statements. Investors need to know whether margins and returns are supported by operations or by a temporary demand surge. Lenders and bondholders need to know whether the capital structure can withstand a downturn. Management and board members need a consistent framework for tracking the efficiency of a rapidly growing asset base. Students and researchers need a worked example of how standard analytical tools behave when applied to a company whose figures change by an order of magnitude over five years.

### *1.3 Scope and structure of the paper*

The paper analyses one company over five fiscal years using published annual and quarterly reports. It covers growth, profitability, cost structure, solvency, cash flow and DuPont decomposition. It does not value the company, forecast future earnings or compare NVIDIA with other firms; these are noted as directions for later research.

ISSN: 2582-6433

The remainder of the paper is organised as follows. Section 2 states the research problem and Section 3 the objectives. Section 4 defines the terms and ratios used. Section 5 reviews the literature, presents the five-year data and ratios, and identifies the research gap. Section 6 describes the methodology, including formulas, data treatment and limitations. Section 7 contains the detailed analysis and discussion, including year-by-year narratives, incremental analysis, a scenario test and implications for stakeholders. Section 8 presents the findings, recommendations and directions for future research.

## 2. Research Problem

NVIDIA's reported results changed by an order of magnitude in five years: revenue grew roughly eight-fold and net income more than twelve-fold. Such rapid growth raises questions that raw figures alone cannot answer:

- Is the growth supported by sustainable profitability, or only by a demand cycle?
- Is the growth financed by internal cash generation or by borrowing?
- How have margins, returns and liquidity behaved as the scale of operations expanded?
- Do the financial statements show any warning signs (rising receivables, inventory build-up, investment concentration) that investors should monitor?

**Problem statement:** *To what extent do NVIDIA's financial statements for FY2022–FY2026 demonstrate sustainable growth, profitability, financial stability and efficient use of resources?*

## 3. Research Objectives

1. To examine the trend in NVIDIA's revenue, operating income and net income over FY2022–FY2026.
2. To evaluate profitability using gross margin, operating margin, net margin, ROA and ROE.
3. To assess liquidity and solvency using balance-sheet and leverage measures.
4. To analyse cash-flow generation and how the company deploys its cash (R&D, buybacks, investments).
5. To apply DuPont analysis to identify the drivers of return on equity.
6. To identify the risks and limitations visible in the financial statements and suggest areas for further study.

ISSN: 2582-6433

## 4. Important Definitions

- **Financial statement analysis:** The process of reviewing and evaluating a company's income statement, balance sheet, cash-flow statement and notes to assess past performance, current condition and future prospects.
- **Income statement:** Statement showing revenues, expenses and profit over a period.
- **Balance sheet:** Statement of assets, liabilities and shareholders' equity at a point in time (Assets = Liabilities + Equity).
- **Cash-flow statement:** Statement of cash inflows and outflows from operating, investing and financing activities.
- **Gross margin:** (Revenue − Cost of revenue) ÷ Revenue.
- **Operating margin:** Operating income ÷ Revenue.
- **Net profit margin:** Net income ÷ Revenue.
- **Return on assets (ROA):** Net income ÷ Total assets.
- **Return on equity (ROE):** Net income ÷ Shareholders' equity.
- **Debt-to-equity ratio:** Total debt ÷ Shareholders' equity.
- **Current ratio:** Current assets ÷ Current liabilities.
- **Asset turnover:** Revenue ÷ Total assets (or average total assets).
- **Equity multiplier:** Total assets ÷ Shareholders' equity.
- **DuPont analysis:** Decomposition of ROE = Net margin × Asset turnover × Equity multiplier.
- **Trend (horizontal) analysis:** Comparison of the same item across periods, usually as percentage change.
- **Common-size (vertical) analysis:** Expressing each statement item as a percentage of a base (revenue or total assets).
- **GAAP and non-GAAP:** GAAP follows US Generally Accepted Accounting Principles; non-GAAP excludes items such as stock-based compensation, as defined by the company.
- **Free cash flow (FCF):** Operating cash flow minus capital expenditure.
- **CAGR:** Compound annual growth rate = (End value ÷ Start value)^(1/n) − 1.

ISSN: 2582-6433

# 5. Literature Review

### *5.1 Theoretical foundations*

Financial statement analysis has a long academic tradition. Beaver (1966) showed that accounting ratios have predictive power for corporate failure, and Altman (1968) combined ratios into the Z-score model for bankruptcy prediction. Ou and Penman (1989) demonstrated that ratios derived from financial statements can help predict future earnings changes, while Ohlson (1995) linked accounting numbers to firm value through the clean-surplus relation. Piotroski (2000) used a nine-signal accounting score to separate strong from weak firms. Standard textbooks such as Penman's *Financial Statement Analysis and Security Valuation*, Palepu and Healy's *Business Analysis and Valuation*, and Subramanyam's *Financial Statement Analysis* set out the modern framework used in this paper: strategy analysis, accounting analysis, financial analysis and prospective analysis. The DuPont framework, originating in industrial practice, remains the standard method of decomposing return on equity.

**Earnings quality and cash flows.** A second strand of literature asks whether reported profit is backed by cash. Sloan (1996) found that firms whose earnings contained a large accrual component tended to have less persistent earnings than firms whose earnings were mostly cash, and Dechow and Dichev (2002) linked the quality of accruals to how well they translate into cash flows over time. The practical test used in this paper, the ratio of operating cash flow to net income, descends from this work: a ratio that falls over several years invites questions about working capital and estimation.

**Profitability drivers and forecasting.** Nissim and Penman (2001) set out a framework in which ratio analysis, including the decomposition of profitability and leverage, is tied to equity valuation. Fairfield and Yohn (2001) examined whether changes in asset turnover and profit margin forecast changes in profitability, and found that the two components carry different information. Soliman (2008) examined how market participants use DuPont components. These studies support the choice in this paper to treat asset turnover as an analytical variable in its own right rather than as a by-product of margin.

**Operating leverage and risk.** Lev (1974) examined the association between operating leverage and risk, and Mandelker and Rhee (1984) studied how degrees of operating and financial leverage affect the systematic risk of common stock. The relevance here is that NVIDIA's cost base, with R&D and other expenses that do not fall in step with revenue, gives it high operating leverage: profit rises faster than sales in an expansion and can fall faster in a pause, as FY2023 showed. The paper measures this directly in Section 7.10.

**Fit with the present study.** Taken together, the literature supports a framework that reads

ISSN: 2582-6433

margins and returns through their components, tests profit against cash, and treats operating leverage as a risk variable. Most of these studies use large cross-sections of firms; a single-company, five-year study cannot test their propositions statistically, but it can apply their measures consistently, which is the contribution claimed in Section 5.4.

### *5.2 Five-year review of NVIDIA's reported performance (FY2022–FY2026)*

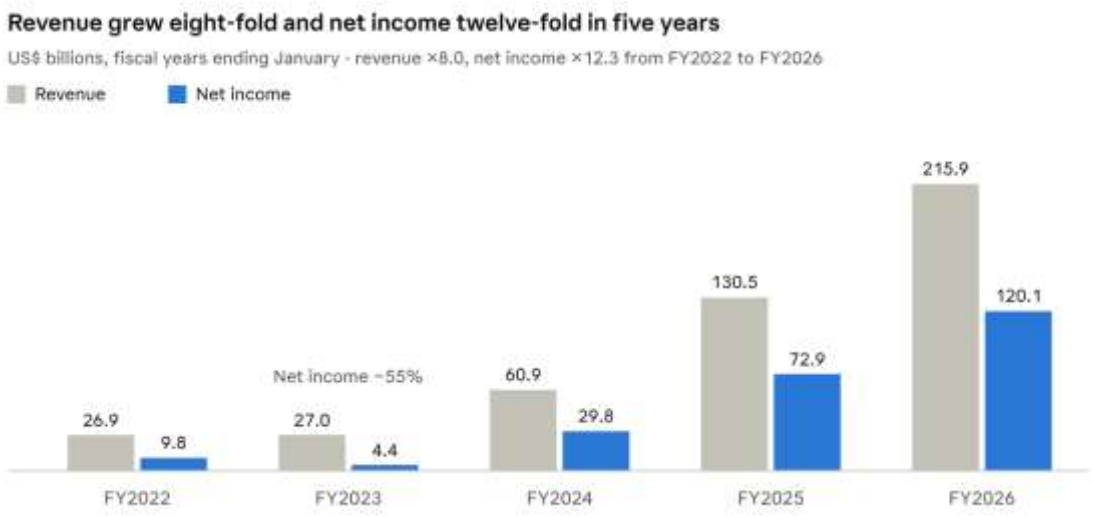
The table below summarises NVIDIA's reported figures over the five fiscal years, drawn from its annual reports and earnings releases.

| Item (US$ million) | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Revenue | 26,914 | 26,974 | 60,922 | 130,497 | 215,938 |
| Operating income | 10,041 | 4,224 | 32,972 | 81,453 | 130,387 |
| Net income | 9,752 | 4,368 | 29,760 | 72,880 | 120,067 |
| Total assets | 44,187 | 41,182 | 65,728 | 111,601 | 206,803 |
| Shareholders' equity | 26,612 | 22,101 | 42,978 | 79,327 | 157,293 |
| Total debt | 11,687 | 11,855 | 10,828 | 9,982 | 11,040 |
| Operating cash flow | n/a in this paper | n/a in this paper | 28,090 | 64,089 | 102,718 |

**Key observations from the five-year record:**

- **Growth:** Revenue was nearly flat in FY2023 (about +0.2%), then grew about 126% in FY2024, 114% in FY2025 and 65.5% in FY2026. The four-year revenue CAGR from FY2022 to FY2026 is about 68%.
- **FY2023 downturn:** Operating income and net income fell sharply in FY2023, showing that the business is cyclical and exposed to demand and inventory swings.
- **Latest year:** In FY2026, NVIDIA reported record revenue of $215.9 billion (up 65%), GAAP net income of $120.1 billion and GAAP diluted EPS of $4.90. GAAP gross margin was 71.1% against 75.0% in FY2025.
- **Capital return:** NVIDIA returned $41.1 billion to shareholders in FY2026 through repurchases and dividends.
- **Balance sheet:** Total assets nearly doubled in FY2026, driven by marketable securities, receivables, inventory, goodwill and strategic equity investments.

ISSN: 2582-6433




NVIDIA Form 10-K filings and Q4 FY2026 earnings release · US$ billions, FY2022–FY2026

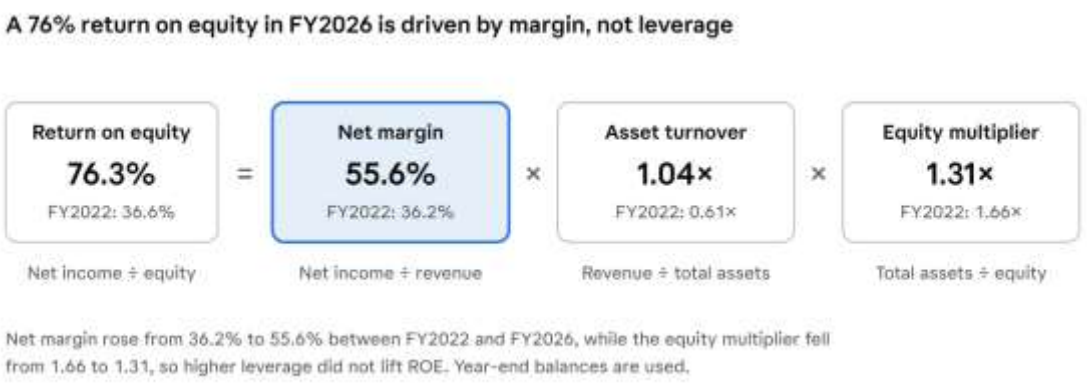
**Figure 1.** Revenue and net income, FY2022–FY2026. The FY2023 pause is visible before the step-up from FY2024.

***5.3 Ratio analysis (computed by the author from the table above)***

| Ratio | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Gross margin (reported) | 64.9% | 56.9% | 72.7% | 75.0% | 71.1% |
| Operating margin | 37.3% | 15.7% | 54.1% | 62.4% | 60.4% |
| Net profit margin | 36.2% | 16.2% | 48.9% | 55.9% | 55.6% |
| ROA (on year-end assets) | 22.1% | 10.6% | 45.3% | 65.3% | 58.1% |
| ROE (on year-end equity) | 36.6% | 19.8% | 69.2% | 91.9% | 76.3% |
| Debt-to-equity | 0.44 | 0.54 | 0.25 | 0.13 | 0.07 |
| Equity multiplier | 1.66 | 1.86 | 1.53 | 1.41 | 1.31 |
| Asset turnover | 0.61 | 0.66 | 0.93 | 1.17 | 1.04 |
| R&D as % of revenue | 19.6% | 27.2% | 14.2% | 9.9% | 8.6% |

*Interpretation.* Margins collapsed in FY2023 and then expanded to levels rare among large hardware companies. ROE is very high but is falling from the FY2025 peak because equity is growing faster than profit. Leverage has fallen steadily: the debt-to-equity ratio dropped from 0.44 to 0.07 because debt stayed near $11 billion while equity grew almost six-fold. The DuPont breakdown shows that high ROE is driven mainly by very high net margin, not by leverage (the equity multiplier fell from 1.66 to 1.31). R&D spending rose from $5.3 billion to $18.5 billion in absolute terms even as it fell as a share of revenue.

ISSN: 2582-6433




DuPont decomposition of ROE · FY2026 vs FY2022 · computed from year-end balances

**Figure 2.** DuPont decomposition of return on equity, computed from the ratios in Section 5.3.

### *5.4 Research gap*

Much commentary on NVIDIA focuses on share price and AI-sector sentiment rather than on a structured, multi-year analysis of its financial statements. This paper addresses the gap by applying a consistent ratio and DuPont framework across five fiscal years using NVIDIA's own disclosures.

## 6. Research Methodology

**6.1 Research design.** Descriptive and analytical research based on secondary data.

**6.2 Data source.** NVIDIA's Form 10-K annual reports and quarterly results press releases published on NVIDIA Investor Relations and filed with the US Securities and Exchange Commission (SEC EDGAR).

**6.3 Period of study.** Five fiscal years, FY2022 to FY2026.

**6.4 Tools and techniques.**

- Trend (horizontal) analysis and CAGR for growth.
- Common-size analysis for cost structure.
- Ratio analysis: profitability, liquidity, solvency, efficiency.
- DuPont decomposition of ROE.
- Cash-flow analysis, including free cash flow and capital allocation.
- Charts (bar graph and process diagram) to present results.

ISSN: 2582-6433

**6.5 Hypothesis (illustrative).** H0: NVIDIA's profitability (net margin and ROE) showed no significant improvement over FY2022–FY2026. H1: Profitability improved significantly.

**6.6 Limitations.**

- Only one company is studied; no peer comparison with firms such as AMD, Intel or Broadcom is included.
- Fiscal years do not align exactly with calendar years.
- Ratios use year-end rather than average balances.
- Historical results do not guarantee future performance, and the company's demand depends heavily on a small number of large customers and on AI-related spending.
- GAAP and non-GAAP measures differ; this paper uses GAAP figures unless stated.
- Figures should be verified against the original 10-K filings before academic submission, since some inputs were taken from SEC-derived data summaries.

**6.7 Formulas and computation procedures.** All measures are computed from the five-year data table in Section 5.2. Growth in any item X between consecutive years and over the whole period is measured as:

$$g_t = \frac{X_t}{X_{t-1}} - 1, \qquad \text{CAGR} = \left(\frac{X_{FY2026}}{X_{FY2022}}\right)^{1/4} - 1$$

Operating margin is split into its sources using the identity that operating margin equals gross margin minus the operating expense ratio:

$$\text{OM}_t = \text{GM}_t - \frac{\text{OpEx}_t}{\text{Revenue}_t}$$

The operating expense ratio is obtained as the difference between reported gross margin and operating margin, and operating expenses in dollars are approximated by multiplying that ratio by revenue. Return on equity is decomposed by the DuPont identity, and the contribution of each factor to a change in ROE is measured in logarithms so that the effects add:

$$\text{ROE} = \frac{NI}{Revenue} \times \frac{Revenue}{Assets} \times \frac{Assets}{Equity}, \qquad \ln\frac{ROE_1}{ROE_0} = \ln\frac{M_1}{M_0} + \ln\frac{T_1}{T_0} + \ln\frac{L_1}{L_0}$$

Operating leverage and incremental profitability are measured as:

$$\text{DOL}_t = \frac{\% \Delta \text{Operating income}_t}{\% \Delta \text{Revenue}_t}, \qquad \text{Incremental margin}_t = \frac{\Delta \text{Operating income}_t}{\Delta \text{Revenue}_t}$$

Cash conversion is operating cash flow divided by net income, and the equity ratio is

ISSN: 2582-6433

shareholders' equity divided by total assets. Total liabilities are obtained as total assets minus shareholders' equity, and liabilities other than debt as total liabilities minus total debt.

**6.8 Data treatment, reliability and validity.** The data are secondary and come from documents that a public company files with the SEC and publishes on its investor-relations site, so they are audited annual figures or company-issued earnings releases. Reliability depends on transcription and rounding. Reported margins are rounded to one decimal place, so amounts derived from them, such as operating expenses and R&D in dollars, are approximate, and the paper says so wherever it uses them. Ratios use year-end balances, which overstate or understate returns in years of rapid change in the balance sheet. In FY2026, when assets and equity nearly doubled, return measures on year-end balances will be lower than measures on average balances would be.

Internal validity is supported by consistency checks: the DuPont product reproduces reported ROE within rounding for every year, the common-size cost lines sum to 100% of revenue, and growth rates recomputed from the table agree with those in the key observations. External validity is limited. A single company in one industry over one cycle cannot establish general propositions, and the conclusions should be read as a description of NVIDIA, not as a statement about semiconductor companies as a group.

**6.9 Analytical sequence.** The analysis proceeds in five steps. First, trend analysis establishes the direction and rate of change of each major item. Second, the margin bridge and common-size analysis locate the sources of profitability. Third, balance-sheet and cash-flow measures assess solvency, liquidity proxies and earnings quality. Fourth, the DuPont decomposition ties profitability, efficiency and leverage to return on equity. Fifth, incremental analysis and an illustrative scenario test examine how sensitive profit is to a change in revenue or gross margin. Each step uses only the data in this paper, and conclusions that would need additional data are stated as limitations, not asserted.

## 7. Analysis and Discussion

This section works through the figures in Sections 5.2 and 5.3 and answers the research problem in detail. All percentages are computed by the author from the tables above; because the underlying margins are rounded to one decimal place, derived amounts are approximate.

ISSN: 2582-6433

### *7.1 Growth and trend analysis*

NVIDIA's growth over the period was not a smooth climb but a pause followed by three years of steep expansion. Revenue was almost unchanged in FY2023, then more than doubled in each of the next two years before slowing to 65.5% in FY2026. The deceleration in percentage terms hides the scale of the increase in absolute terms: the $85.4 billion added in FY2026 was larger than the $69.6 billion added in FY2025 and more than three times NVIDIA's entire FY2022 revenue.

| Item | FY2023 | FY2024 | FY2025 | FY2026 | 4-year CAGR |
|---|---|---|---|---|---|
| Revenue growth | +0.2% | +125.9% | +114.2% | +65.5% | 68.3% |
| Operating income growth | −57.9% | +680.6% | +147.0% | +60.1% | 89.8% |
| Net income growth | −55.2% | +581.3% | +144.9% | +64.7% | 87.3% |
| Total assets growth | −6.8% | +59.6% | +69.8% | +85.3% | 47.1% |
| Shareholders' equity growth | −17.0% | +94.5% | +84.6% | +98.3% | 55.9% |

Three patterns stand out. First, profit grew faster than revenue over the whole period: operating income compounded at about 90% a year against 68% for revenue, which is the signature of operating leverage. Second, the balance sheet grew more slowly than the income statement (assets at about 47% a year), so each dollar of assets was working harder at the end than at the start. Third, in FY2026 the balance sheet outgrew revenue for the first time since the downturn: assets rose 85.3% against revenue growth of 65.5%. That shift is the main reason asset turnover and ROA fell in the latest year even as profit reached a record.

The FY2023 pause matters for interpretation. A researcher who began the study in FY2024 would see only acceleration; including FY2022 and FY2023 shows that the same business can post a 58% fall in operating income in a year when revenue does not fall at all. The paper therefore treats the high-growth years as a demand surge on top of a cyclical business, not as a new steady state.

### *7.2 Profitability and the operating-margin bridge*

Gross margin, operating margin and net margin all moved in the same direction in most years, but the sources of the movement differ. Operating margin equals gross margin minus operating expenses as a share of revenue, so the change in operating margin each year can be split into those two parts. The operating expense ratio below is the gap between reported gross margin and operating margin.

ISSN: 2582-6433

| Year | Gross margin | Operating expense ratio | Operating margin | Change in operating margin | From gross margin | From expense ratio |
|---|---|---|---|---|---|---|
| FY2022 | 64.9% | 27.6% | 37.3% | n/a | n/a | n/a |
| FY2023 | 56.9% | 41.2% | 15.7% | −21.6 pts | −8.0 pts | −13.6 pts |
| FY2024 | 72.7% | 18.6% | 54.1% | +38.4 pts | +15.8 pts | +22.6 pts |
| FY2025 | 75.0% | 12.6% | 62.4% | +8.3 pts | +2.3 pts | +6.0 pts |
| FY2026 | 71.1% | 10.7% | 60.4% | −2.0 pts | −3.9 pts | +1.9 pts |

The bridge tells a story that the headline margins do not. In FY2023 about 60% of the margin collapse came from expenses growing while revenue stood still: implied operating expenses rose by roughly half, from about $7.4 billion to about $11.1 billion, against flat sales. In FY2024 and FY2025 more than half of the improvement again came from the expense ratio, because revenue grew far faster than the cost base. Only in FY2024 did gross margin make a comparably large contribution, recovering 15.8 points as the FY2023 pressure on gross margin reversed.

FY2026 is the first year in the sample in which gross margin and expense leverage pulled in opposite directions. Gross margin fell 3.9 points to 71.1%, which on its own would have cut operating margin by the same amount; expense leverage returned 1.9 points, leaving a net decline of 2.0 points. The company still earned a 60.4% operating margin, but the lesson for an analyst is that the cushion now comes from spreading overhead over a larger revenue base rather than from pricing and product mix. If revenue growth slows further, that cushion shrinks, and a further gross-margin decline would flow almost one-for-one into operating margin.

Net margin tracks operating margin closely. Net income was about 97% of operating income in FY2022, 103% in FY2023, 90% in FY2024, 89% in FY2025 and 92% in FY2026. The paper's tables do not break out interest, other income or tax, so it does not attempt to explain these differences, but the narrow band shows that profitability is driven by the operating business rather than by financial items.

### *7.3 Cost structure (common-size analysis)*

Expressing each cost line as a percentage of revenue shows where each dollar of sales went. Cost of revenue is 100% minus the gross margin; research and development is taken from Section 5.3; the remaining operating expenses are the gap between the total operating expense ratio and R&D.

ISSN: 2582-6433

| Share of revenue | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Cost of revenue | 35.1% | 43.1% | 27.3% | 25.0% | 28.9% |
| Research and development | 19.6% | 27.2% | 14.2% | 9.9% | 8.6% |
| Other operating expenses | 8.0% | 14.0% | 4.4% | 2.7% | 2.1% |
| Operating income | 37.3% | 15.7% | 54.1% | 62.4% | 60.4% |

The table makes the operating-leverage argument concrete. Between FY2022 and FY2026 R&D spending rose from roughly $5.3 billion to roughly $18.5 billion, an increase of about 250%, yet it shrank from 19.6% to 8.6% of revenue because sales grew about 700%. Other operating expenses fell even faster as a share of revenue. The cost base was therefore not cut; it was outgrown. This distinction is important for the sustainability question in the research problem: margins at this level depend on revenue continuing to grow faster than spending, and the company has chosen to keep investing heavily in absolute terms rather than harvest the margin.

The cost-of-revenue line is the only component that moved against the company in FY2026, rising from 25.0% to 28.9% of revenue. The statements reviewed in this paper do not explain the cause, and the paper does not speculate; the point for the analyst is that gross margin is the single most sensitive line in the structure, because a one-point change in it equals a one-point change in operating margin when expenses are fixed.

### *7.4 Liquidity, solvency and capital structure*

The tables used in this paper do not include current assets, current liabilities or cash balances, so a current ratio cannot be computed here and the paper does not report one. Liquidity is instead assessed through the capital structure and through cash generated by operations, which are available for the full period. A current-ratio and quick-ratio schedule taken from each Form 10-K would be a natural addition before submission.

| Measure | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Total liabilities (US$ million, assets minus equity) | 17,575 | 19,081 | 22,750 | 32,274 | 49,510 |
| Equity as % of total assets | 60.2% | 53.7% | 65.4% | 71.1% | 76.1% |
| Total debt as % of total assets | 26.4% | 28.8% | 16.5% | 8.9% | 5.3% |
| Debt as % of total liabilities | 66.5% | 62.1% | 47.6% | 30.9% | 22.3% |
| Debt-to-equity (x) | 0.44 | 0.54 | 0.25 | 0.13 | 0.07 |

Total debt stayed within a narrow band of $10.0 billion to $11.9 billion throughout, while

ISSN: 2582-6433

equity grew almost six-fold, so leverage fell mechanically rather than through repayment. By FY2026 equity financed about three-quarters of the asset base and debt financed about 5%. The weakest point in the period was FY2023, when equity fell 17.0% and the equity ratio dropped to 53.7%; even then the company was financed more by equity than by liabilities.

One feature deserves attention. Liabilities other than debt grew from about $5.9 billion in FY2022 to about $38.5 billion in FY2026, and in FY2026 alone they rose about 73%. These are the obligations that arise from operating a larger business, and the paper's tables do not separate them into components. They now make up roughly four-fifths of all liabilities, so the headline debt-to-equity ratio of 0.07 understates the total claims on the company's assets. Total liabilities to equity is about 0.31 in FY2026, still low, but it is the more complete measure.

Operating cash flow supports the same conclusion. In FY2026 the company generated $102.7 billion from operations against $11.0 billion of debt, so annual operating cash flow covered total debt about 9.3 times. On these measures solvency risk is minimal; the risks identified in this paper lie in the business model and the asset mix, not in the funding structure.

### *7.5 Cash-flow quality and capital allocation*

Operating cash flow is available in the paper's data for FY2024 to FY2026, so cash-flow quality is assessed over those three years. Capital expenditure is not included in the data set, which means free cash flow cannot be computed; operating cash flow is the upper bound on it.

| Measure | FY2024 | FY2025 | FY2026 |
|---|---|---|---|
| Operating cash flow (US$ million) | 28,090 | 64,089 | 102,718 |
| Growth in operating cash flow | n/a | +128.2% | +60.3% |
| Operating cash flow ÷ net income | 94% | 88% | 86% |
| Operating cash flow ÷ revenue | 46.1% | 49.1% | 47.6% |
| Net income minus operating cash flow (US$ million) | 1,670 | 8,791 | 17,349 |

Cash generation is strong in absolute terms: nearly half of each revenue dollar converted into operating cash in all three years. But the conversion of accounting profit into cash slipped each year, from 94% to 86%, and the gap between net income and operating cash flow widened from about $1.7 billion to about $17.3 billion. A widening gap is a standard signal in earnings-quality analysis because it can indicate that profit is being absorbed by working capital, such as receivables and inventory, rather than collected. The FY2026 balance sheet is consistent with that reading, since receivables and inventory are among the items the company cites for the near-doubling of assets. This paper does not have the working-capital detail to confirm it, so the finding is presented as a warning to monitor, not as a conclusion.

ISSN: 2582-6433

On capital allocation, the company returned $41.1 billion to shareholders in FY2026 through repurchases and dividends. That equals about 40% of operating cash flow and about 34% of net income, which leaves most of the cash generated available for reinvestment, acquisitions and strategic investments. Combined with the rise in goodwill and equity investments noted in Section 5.2, the picture is of a company that returns a substantial share of cash but is also deploying a growing share into assets whose returns are harder to measure than those of its core products.

### *7.6 DuPont analysis in depth*

The DuPont identity splits return on equity into profitability (net margin), efficiency (asset turnover) and leverage (equity multiplier). The ratios below come from Section 5.3 and use year-end balances.

| Year | Net margin | × Asset turnover | × Equity multiplier | = ROE |
|---|---|---|---|---|
| FY2022 | 36.2% | 0.61 | 1.66 | 36.6% |
| FY2023 | 16.2% | 0.66 | 1.86 | 19.8% |
| FY2024 | 48.9% | 0.93 | 1.53 | 69.2% |
| FY2025 | 55.9% | 1.17 | 1.41 | 91.9% |
| FY2026 | 55.6% | 1.04 | 1.31 | 76.3% |

Over the full period ROE roughly doubled, from 36.6% to 76.3%. The three drivers moved very differently. Net margin rose by a factor of about 1.5, asset turnover by about 1.7, and the equity multiplier fell to about 0.8 of its starting value. Measured in logarithms, which allows the effects to be added, the margin gain accounts for roughly 59% of the improvement in ROE, the turnover gain for roughly 74%, and the fall in leverage offsets about 33%. These shares are approximate because of rounding, but the ranking is clear: reading NVIDIA’s returns as purely a margin story understates how much of the improvement came from using assets more intensively, and leverage worked against ROE, not for it.

The pattern in individual years is also informative. In FY2023 the equity multiplier rose to 1.86 as equity shrank, which cushioned ROE slightly while net margin collapsed. In FY2025 net margin and asset turnover both reached their highest levels in the period, producing the 91.9% ROE. In FY2026 ROE fell by about 15.6 points even though net margin was essentially unchanged. About three-fifths of that fall came from lower asset turnover, because assets grew faster than revenue, and about two-fifths from lower leverage, because equity doubled. In other words, the decline in ROE reflects a larger and more conservatively financed balance sheet, not a deterioration in the underlying profit margin. Whether the added assets will earn returns

ISSN: 2582-6433

comparable to the existing business is the central question for FY2027 and beyond.

### *7.7 Assessment of the hypothesis*

Section 6.5 states a null hypothesis of no significant improvement in profitability and an alternative of significant improvement. With only five annual observations and a structural break in FY2023, a formal statistical test would have little power and is not attempted. The assessment is therefore descriptive. Net margin rose from 36.2% to 55.6%, an increase of 19.4 percentage points, and ROE rose from 36.6% to 76.3%, an increase of 39.7 points. Net margin was higher than its FY2022 level in each of the last three years (48.9%, 55.9% and 55.6%), so the improvement is not a single-year spike. On this evidence the null hypothesis is rejected in favour of the alternative. The qualification is that the FY2023 result, in which net margin was less than half its FY2022 level, shows that profitability can reverse quickly, so "improved" should not be read as "permanently higher".

### *7.8 Risk indicators and warning signs*

The research problem asked whether the statements show warning signs that investors should monitor. The table below lists the indicators that emerge from the analysis above, what the figures show and what should be watched in later filings.

| Indicator | What the statements show | What to monitor |
|---|---|---|
| Demand cyclicality | FY2023 operating income fell 57.9% on flat revenue; operating margin dropped from 37.3% to 15.7% | Growth in revenue relative to operating expenses; any quarter in which expense growth exceeds revenue growth |
| Growth deceleration | Revenue growth slowed from 126% to 114% to 65.5% | Whether the slowdown continues; margin depends on revenue outgrowing costs |
| Gross-margin pressure | Gross margin fell 3.9 points to 71.1% in FY2026 | Gross margin trend; it is the most sensitive line in the cost structure |
| Earnings-to-cash conversion | Operating cash flow fell from 94% to 86% of net income over FY2024–FY2026 | Receivables and inventory against revenue; days sales outstanding and inventory days |
| Asset-mix concentration | FY2026 assets nearly doubled, driven in part by receivables, inventory, | Share of assets in goodwill and investments; any impairment |

ISSN: 2582-6433

| Indicator | What the statements show | What to monitor |
|---|---|---|
| | goodwill and strategic equity investments | charges |
| Customer concentration | The paper's limitations note dependence on a small number of large customers and on AI-related spending | Disclosed customer concentration percentages in each 10-K |
| Declining asset turnover | Turnover fell from 1.17 to 1.04 in FY2026 as assets grew faster than sales | Whether new assets generate revenue at the rate of the existing base |

No single item is alarming on its own, and the strongest finding of the paper is that the funding structure leaves the company well able to absorb a downturn. The cautionary reading is a combination: a business whose margins depend on revenue continuing to outgrow costs, whose profit is converting to cash at a slowly falling rate, and whose balance sheet is increasingly weighted toward assets such as investments and acquired goodwill whose value depends on conditions outside its core products. The FY2023 experience shows how fast the first of these can turn. The paper therefore recommends monitoring revenue growth, gross margin and working capital as leading indicators and treating the strength of the balance sheet as a cushion, not as protection against a fall in earnings.

### *7.9 Year-by-year review*

The aggregate ratios hide how different each year was. This subsection reads the five years in sequence, using only the figures in Sections 5.2 and 5.3.

**FY2022: the baseline.** Revenue was $26.9 billion, operating income $10.0 billion (37.3% of revenue) and net income $9.8 billion (36.2%). Total assets were $44.2 billion, financed 60.2% by equity and with debt of $11.7 billion, a debt-to-equity ratio of 0.44. ROE was 36.6% and asset turnover 0.61. R&D was about 19.6% of revenue, or roughly $5.3 billion. This is the reference point against which the later growth is measured, and it was already a highly profitable year by the standards of most industrial companies.

**FY2023: pause and cost pressure.** Revenue was effectively unchanged at $27.0 billion (+0.2%), but gross margin fell 8.0 points to 56.9% and implied operating expenses rose by about half. Operating income fell 57.9% to $4.2 billion and net income fell 55.2% to $4.4 billion, an unusual case in which net income slightly exceeded operating income. Total assets fell 6.8% and equity 17.0%. Debt rose 1.4% to $11.9 billion, so debt-to-equity rose to 0.54, the highest of the period. R&D rose to about 27.2% of revenue, roughly $7.3 billion, about 39%

ISSN: 2582-6433

more than the year before, which shows that the company kept investing through the pause. ROE fell to 19.8%.

**FY2024: the step change.** Revenue rose 125.9% to $60.9 billion and operating income rose almost eight-fold to $33.0 billion. Gross margin recovered to 72.7% and the operating expense ratio fell to 18.6%, taking operating margin to 54.1%. Net income was $29.8 billion. Equity nearly doubled to $43.0 billion and debt fell 8.7% to $10.8 billion, cutting debt-to-equity to 0.25. Operating cash flow was $28.1 billion, equal to 94% of net income. ROE rose to 69.2%, and R&D, at about $8.7 billion, increased only about 18% in dollars while falling to 14.2% of revenue.

**FY2025: peak efficiency.** Revenue more than doubled again, to $130.5 billion (+114.2%). Gross margin reached 75.0% and operating margin 62.4%, the highest of the period, with net income of $72.9 billion. Asset turnover peaked at 1.17 and ROE at 91.9%. Operating cash flow was $64.1 billion, 88% of net income. Debt fell a further 7.8% to $10.0 billion, and the equity ratio rose to 71.1%. R&D, at about $12.9 billion, rose about 49% in dollars but only reached 9.9% of revenue.

**FY2026: scale and a changing mix.** Revenue reached $215.9 billion (+65.5%), operating income $130.4 billion and net income $120.1 billion, with diluted EPS of $4.90. Gross margin fell to 71.1% and operating margin to 60.4%. Operating cash flow was $102.7 billion, 86% of net income, and $41.1 billion was returned to shareholders. Assets rose 85.3% to $206.8 billion and equity 98.3% to $157.3 billion, so asset turnover fell to 1.04 and ROE to 76.3%. Debt rose 10.6% to $11.0 billion, still only 7% of equity. R&D was about $18.5 billion, up about 44%, and 8.6% of revenue.

Reading the five years together, the sequence is not a simple story of improvement. The company's results depend on a pause, an acceleration, a peak in efficiency and then a year in which scale began to dilute some of the ratios. FY2026 in particular marks a shift from a period in which every efficiency measure improved to a period in which the balance sheet, not the income statement, drives the change in returns.

### *7.10 Incremental analysis and operating leverage*

Average margins describe the whole business. Incremental measures describe what the last dollar of growth earned and what it cost in assets, and they are the clearest test of whether growth remains as profitable as it was.

ISSN: 2582-6433

| Measure | FY2024 | FY2025 | FY2026 |
|---|---|---|---|
| Increase in revenue (US$ million) | 33,948 | 69,575 | 85,441 |
| Increase in operating income (US$ million) | 28,748 | 48,481 | 48,934 |
| Incremental operating margin | 84.7% | 69.7% | 57.3% |
| Increase in net income (US$ million) | 25,392 | 43,120 | 47,187 |
| Incremental net margin | 74.8% | 62.0% | 55.2% |
| Increase in assets per $1 of added revenue | 0.72 | 0.66 | 1.11 |
| Degree of operating leverage | 5.4 | 1.3 | 0.9 |

FY2023 is omitted because revenue was flat and the ratios are not meaningful. Three observations follow. First, the incremental operating margin fell in each year, from 84.7% to 57.3%. In FY2024 the company kept more than 84 cents of every added revenue dollar as operating profit because the cost base barely moved. By FY2026 the figure was below the average operating margin of the previous year, 62.4%, which is why the average margin slipped. Second, the degree of operating leverage fell from 5.4 to 0.9, meaning that in FY2026 operating income grew slightly more slowly than revenue for the first time in the expansion. Operating leverage in the sense of profit growing faster than sales had run its course in the income statement by then.

Third, the asset base needed to support growth changed. In FY2024 and FY2025 each added dollar of revenue came with 66 to 72 cents of added assets. In FY2026 it came with $1.11 of added assets. A rise in assets per dollar of incremental sales is the arithmetic behind the fall in asset turnover, and it has an economic meaning: the company is either holding more cash and securities, building inventory and receivables ahead of or behind sales, or making acquisitions and investments that do not yet earn revenue. The paper's data cannot say which, but the combination of a lower incremental margin and a higher capital requirement per dollar of growth means that incremental returns on assets are now lower than average returns.

### *7.11 Equity roll-forward: how much profit was retained*

A useful cross-check on the balance sheet is to compare each year's net income with the change in shareholders' equity. If all profit were retained and nothing else changed equity, the two would be equal. The gap shows how much was paid out or otherwise removed from, or added to, equity.

ISSN: 2582-6433

| Year | Net income (US$ million) | Change in equity (US$ million) | Difference (US$ million) | Difference as % of net income |
|---|---|---|---|---|
| FY2023 | 4,368 | −4,511 | −8,879 | 203% |
| FY2024 | 29,760 | 20,877 | −8,883 | 30% |
| FY2025 | 72,880 | 36,349 | −36,531 | 50% |
| FY2026 | 120,067 | 77,966 | −42,101 | 35% |

The FY2026 figures reconcile closely with the company's disclosure. Net income of $120.1 billion less the $41.1 billion returned to shareholders gives about $79.0 billion, against an actual rise in equity of $78.0 billion, a difference of about $1.0 billion attributable to items the paper's data do not itemise. The FY2023 figure shows that equity fell by more than net income in a year in which profit was low, so that year's fall is explained by movements other than earnings. For FY2024 and FY2025 the paper does not have a breakdown of the reductions in equity, so it reports the gaps without attributing them.

The pattern supports two conclusions. Equity growth has come mainly from retained earnings, which is why leverage ratios fell without any repayment of debt. And in the last two years a large share of profit, between a third and a half, did not remain in equity, so the high ROE is earned on an equity base that is being reduced by distributions and other items as well as enlarged by retained profit.

### *7.12 Illustrative sensitivity test*

The operating-leverage analysis in Section 7.10 looks backward. This subsection asks how FY2026 profit would respond to a fall in revenue, to illustrate the exposure described in Section 7.8. The test uses three simplifying assumptions: operating expenses stay at their FY2026 dollar level of about $23.1 billion, gross margin stays at 71.1% unless stated, and tax and non-operating items are ignored. It is an arithmetic illustration, not a forecast, and FY2023 shows that in practice expenses may rise while revenue stalls.

| Scenario | Revenue (US$ million) | Operating income (US$ million) | Operating margin | Change in operating income |
|---|---|---|---|---|
| FY2026 actual | 215,938 | 130,387 | 60.4% | n/a |
| Revenue down 10% | 194,344 | 115,034 | 59.2% | −11.8% |
| Revenue down 20% | 172,750 | 99,684 | 57.7% | −23.5% |
| Revenue down 30% | 151,157 | 84,327 | 55.8% | −35.3% |

ISSN: 2582-6433

| Scenario | Revenue (US$ million) | Operating income (US$ million) | Operating margin | Change in operating income |
|---|---|---|---|---|
| Revenue down 50% | 107,969 | 53,621 | 49.7% | −58.9% |
| Revenue down 20% and gross margin down 5 points | 172,750 | 91,042 | 52.7% | −30.2% |

The results show that at FY2026 margins, operating profit is resilient to a moderate revenue decline: a 20% fall in sales leaves operating margin above 57%. The company's cost structure, in which operating expenses are about one-tenth of revenue, means that even a 50% fall in revenue leaves operating margin at 49.7%, still above the 37.3% of FY2022. The more sensitive variable is gross margin. A five-point fall in gross margin combined with a 20% fall in revenue reduces operating income by about 30%, compared with 23.5% for the revenue fall alone. Each percentage point of gross margin is worth about $2.2 billion of operating income at FY2026 revenue, or about 1.7% of operating income.

The test does not capture the FY2023 experience, in which operating expenses grew by about half while sales were flat. If expenses had risen in a downturn of the kind assumed above, the decline in operating income would have been larger. The correct reading is that the company has a large margin of safety against a moderate fall in demand, provided it manages its expense growth and its gross margin, and that these two variables, not the funding structure, determine how much profit is lost.

### *7.13 Implications for stakeholders*

**Investors.** The figures support the view that the business earns very high returns, but they also show that returns have peaked on several measures and that the sources of future profit growth are changing. Investors who use FY2025 ratios as a benchmark risk treating a peak as a norm. The analysis suggests tracking incremental margin and assets per dollar of added revenue alongside the headline ratios, because those show whether growth is still as profitable as before.

**Creditors and counterparties.** Solvency is not a concern on the data reviewed. Debt of $11.0 billion is small beside equity of $157.3 billion and operating cash flow of $102.7 billion. The point for a creditor is the growth in non-debt liabilities, which now account for most of the claims on assets, and the quality of those obligations, which the paper's data do not describe.

**Management and the board.** The decline in asset turnover and the rise in assets per dollar of revenue are issues of capital allocation. The company can choose how much of its large operating cash flow to return to shareholders, hold in securities or invest in other companies

ISSN: 2582-6433

and acquisitions. The analysis suggests that management should set explicit return targets for the growing categories of assets so that the added balance-sheet size does not dilute returns.

**Regulators, auditors and analysts.** The widening gap between net income and operating cash flow and the growth in goodwill and strategic investments are areas in which disclosure and estimation judgement matter. They are natural subjects for closer review, such as the composition of receivables and inventory, and the carrying value and impairment testing of goodwill and investments.

**Students and researchers.** The case illustrates that a decomposition of ROE can reverse a first impression. The first reading, that margin explains the returns, is partly wrong; asset turnover contributes more of the improvement, and leverage works against it. It also shows why incremental and cash-based measures should accompany ratios based on year-end balances.

## 8. Findings and Conclusion

NVIDIA's statements show exceptional growth, very high margins and a conservative capital structure. The FY2023 dip is an important reminder that the business is cyclical. The FY2026 balance sheet also shows rising investments in other companies and acquisition-related goodwill, which add a new risk dimension that future analysis should watch. A peer-comparison study and a forward-looking valuation would be natural extensions of this work.

The findings against each objective in Section 3 are as follows.

1. **Trend:** Revenue grew at about 68% a year and net income at about 87% a year over FY2022–FY2026, with a pause in FY2023.
2. **Profitability:** Operating margin moved from 37.3% to 60.4% and ROE from 36.6% to 76.3%; expense leverage explains most of the margin gain in each growth year.
3. **Liquidity and solvency:** Debt-to-equity fell from 0.44 to 0.07 and equity financed 76.1% of assets in FY2026. A current ratio is not reported because the data set lacks current balances.
4. **Cash flow:** Operating cash flow reached $102.7 billion in FY2026, but conversion of net income to operating cash flow slipped from 94% to 86%; $41.1 billion was returned to shareholders.
5. **DuPont:** The rise in ROE came from net margin and, even more, from asset turnover; falling leverage worked against it, and the FY2026 fall in ROE came from turnover and leverage rather than margin.
6. **Risks:** The main warning signs are cyclicality, gross-margin pressure, widening gap between profit and cash, and a growing share of investments and goodwill in assets.

ISSN: 2582-6433

In answer to the research problem, the statements support the view that NVIDIA's growth, profitability and financial stability over the period were exceptional, while the sustainability of those margins depends on revenue continuing to outgrow costs. Future work should add capital expenditure and working-capital data to measure free cash flow and cash conversion, compare NVIDIA with peers such as AMD, Intel and Broadcom, use average rather than year-end balances, and verify every input against the original Form 10-K filings.

**8.1 Recommendations.** On the evidence of this paper, users of NVIDIA's statements should do four things. They should track incremental operating margin and assets per dollar of added revenue as well as average margins. They should monitor gross margin, because it is the most sensitive line in the cost structure. They should follow the ratio of operating cash flow to net income and the underlying receivables and inventory. And they should examine the growth in goodwill and strategic investments, because these now form a larger part of the asset base.

**8.2 Directions for future research.** Later studies could extend this work in four ways: a peer comparison with companies such as AMD, Intel and Broadcom; a segment-level analysis if the company's segment disclosures are added to the data set; a quarterly analysis that tests how quickly margins respond to changes in revenue; and a valuation study that uses the ratios and incremental measures computed here as inputs to a forecast.

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ISSN: 2582-6433


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**Appendix A. Derived quantities used in the analysis**

The table lists the amounts that the paper derived from reported ratios and balances instead of taking them directly from a statement. Gross profit and operating expenses are approximate because the margins they come from are rounded to one decimal place; research and development in FY2026 uses the $18.5 billion cited in the paper, and the other years use the reported share of revenue.

| US$ billion | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Gross profit (gross margin × revenue) | 17.5 | 15.3 | 44.3 | 97.9 | 153.5 |
| Operating expenses ((gross margin − operating margin) × revenue) | 7.4 | 11.1 | 11.3 | 16.4 | 23.1 |
| Research and development (approx.) | 5.3 | 7.3 | 8.7 | 12.9 | 18.5 |
| Total liabilities (assets − equity) | 17.6 | 19.1 | 22.8 | 32.3 | 49.5 |

ISSN: 2582-6433

| US$ billion | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|---|
| Liabilities other than debt (total liabilities − debt) | 5.9 | 7.2 | 11.9 | 22.3 | 38.5 |

**Appendix B. Abbreviations**

CAGR: compound annual growth rate. DOL: degree of operating leverage. EPS: earnings per share. FCF: free cash flow. FY: fiscal year, ending in late January. GAAP: US Generally Accepted Accounting Principles. GM: gross margin. NI: net income. OCF: operating cash flow. OM: operating margin. ROA: return on assets. ROE: return on equity.

**Appendix C. Verification checklist before submission**

The paper's limitations note that some inputs came from SEC-derived data summaries. Before the paper is submitted, each of the following should be checked against the original Form 10-K for the relevant year:

- Revenue, operating income, net income, total assets, shareholders' equity and total debt for FY2022–FY2026.
- Operating cash flow for FY2024–FY2026, and the FY2022 and FY2023 values, which this paper does not report.
- Capital expenditure, so that free cash flow can be computed.
- Current assets, current liabilities and cash, so that the current and quick ratios can be reported.
- The composition of receivables, inventory, goodwill and equity investments in FY2026.
- Average balances for assets and equity, so that return ratios can be recomputed on average rather than year-end balances.