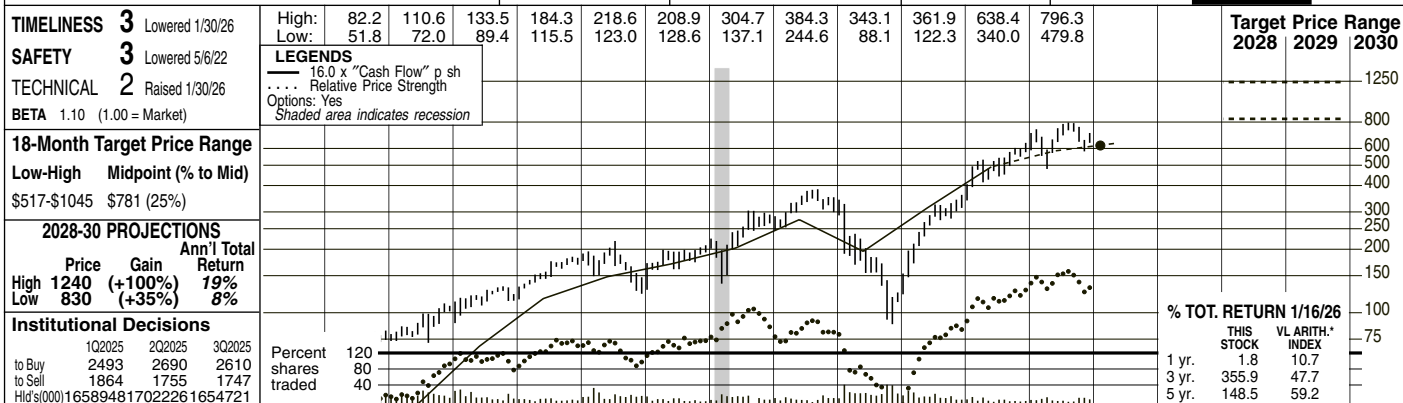


# META PLATFORMS NDQ-META

RECENT PRICE **620.25** P/E RATIO **20.4** (Trailing: 21.5 / Median: 23.0) RELATIVE P/E RATIO **1.06** DIV'D YLD **0.4%** VALUE LINE



**TIMELINESS** 3 Lowered 1/30/26  
**SAFETY** 3 Lowered 5/6/22  
**TECHNICAL** 2 Raised 1/30/26  
**BETA** 1.10 (1.00 = Market)

**LEGENDS**  
 --- 16.0 x "Cash Flow" p sh  
 ... Relative Price Strength  
 Options: Yes  
 Shaded area indicates recession

**18-Month Target Price Range**  
 Low-High Midpoint (% to Mid)  
 \$517-\$1045 \$781 (25%)

**2028-30 PROJECTIONS**

	Price	Gain	Ann'l Total Return
High	1240	(+100%)	19%
Low	830	(+35%)	8%

**Institutional Decisions**

	1Q2025	2Q2025	3Q2025	Percent shares traded
to Buy	2493	2690	2610	120
to Sell	1864	1755	1747	80
Hlds(000)	16589481702226	1654721		40

**% TOT. RETURN 1/16/26**

	THIS STOCK	VL ARITH. INDEX
1 yr.	1.8	10.7
3 yr.	355.9	47.7
5 yr.	148.5	59.2

Facebook was founded by Mark Zuckerberg and fellow students at Harvard University in 2004. The company was incorporated in Delaware in July of 2004. Facebook completed its initial public offering on the NASDAQ Global Select Market in May of 2012. The total offering comprised 421,233,615 shares of Class A stock, initially priced at \$38 per share. Morgan Stanley was the lead manager. The company changed its name to Meta Platforms in October of 2021 and its ticker symbol to META in June of 2022.

**CAPITAL STRUCTURE as of 9/30/25**  
 Total Debt \$51060 mill. Due in 5 Yrs \$5,250 mill.  
 LT Debt \$48947 mill. LT interest \$800 mill. (20% of Cap'l)

**Leases, Uncapitalized:** Annual rentals \$2657 mill.  
**No Defined Benefit Pension Plan**  
**Pfd Stock None**  
**Common Stock** 2,520,527,597 shares  
 (2,177,889,269 Class A shares and 342,638,328 Class B shares)  
**as of 10/24/25**  
**MARKET CAP: \$1.56 trillion (Large Cap)**

**CURRENT POSITION (\$MILL.)**

	2023	2024	9/30/25
Cash Assets	65403	77815	44590
Receivables	16169	16994	17297
Inventory (FIFO)			
Other	3793	5236	11231
Current Assets	85365	100045	73118
Accts Payable	4849	7687	7798
Debt Due			2113
Other	27111	25909	27047
Current Liab.	31960	33596	36958

**ANNUAL RATES of change (per sh)**

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	32.5%	22.5%	17.0%
"Cash Flow"	36.5%	18.0%	18.0%
Earnings	39.5%	16.0%	19.0%
Dividends	--	--	30.0%
Book Value	22.5%	14.5%	20.0%

**QUARTERLY REVENUES (\$ mill.)<sup>E</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	27908	28822	27714	32165	116609
2023	28645	31999	34146	40112	134902
2024	36455	39071	40589	48385	164501
2025	42314	47516	51242	57428	198500
2026	51000	56000	58000	65000	230000

**EARNINGS PER SHARE<sup>A E</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2.72	2.46	1.64	1.76	8.59
2023	2.20	2.98	4.39	5.33	14.87
2024	4.71	5.16	6.03	8.02	23.86
2025	6.43	7.14	7.25	8.18	29.00
2026	7.00	8.00	7.75	8.75	31.50

**QUARTERLY DIVIDENDS PAID<sup>F</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	--	--	--	--	--
2023	--	--	--	--	--
2024	.50	.50	.50	.50	2.00
2025	.525	.525	.525	.525	2.10
2026					

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
Revenues per sh	6.30	9.56	13.99	19.56	24.79	30.17	43.02	44.61	52.68	64.92	79.10	93.90		139.15
"Cash Flow" per sh	1.97	4.33	7.30	9.26	10.63	12.64	17.27	12.20	19.63	30.73	36.55	39.90		56.40
Earnings per sh	1.29	3.49	6.16	7.57	8.56	10.09	13.77	8.59	14.87	23.86	29.00	31.50		45.00
Div'ds Decl'd per sh	--	--	--	--	--	--	--	--	--	2.00	2.10	2.30		3.20
Cap'l Spending per sh	.89	1.55	2.32	4.88	5.30	5.31	6.77	12.02	10.65	14.70	27.10	30.60		41.30
Book Value per sh	15.54	20.47	25.58	29.48	35.43	45.03	45.56	48.09	59.81	72.07	93.65	110.20		178.25
Common Shs Outst'g	2845.0	2892.0	2906.0	2854.0	2852.0	2849.0	2741.0	2614.0	2561.0	2534.0	2510.0	2450.0		2300.0
Avg Ann'l P/E Ratio	NMF 33.5	25.3	22.6	21.3	23.2	23.3	21.2	17.5	21.2	23.1				23.0
Relative P/E Ratio	NMF 1.76	1.27	1.22	1.13	1.19	1.26	1.22	.97	1.12	1.20				1.30
Avg Ann'l Div'd Yield	--	--	--	--	--	--	--	--	1.4%	1.2%	1.3%			.3%
Revenues (\$mill)	17928	27638	40653	55838	70697	85965	117929	116609	134902	164501	198500	230000		320000
Operating Margin	45.6%	53.4%	57.1%	52.3%	42.0%	46.0%	46.4%	32.3%	42.9%	51.6%	56.0%	52.0%		50.0%
Depreciation (\$mill)	1945.0	2342.0	3025.0	4315.0	5741.0	6862.0	7967.0	8686.0	11178	15498	17500	19000		24000
Net Profit (\$mill)	3669.0	10188	18181	22111	24584	29146	39370	23200	39098	62360	74250	78750		105750
Income Tax Rate	40.5%	18.4%	11.6%	12.8%	.9%	12.2%	16.7%	19.5%	17.6%	11.8%	25.0%	17.6%		21.0%
Net Profit Margin	20.5%	36.9%	44.7%	39.6%	34.8%	33.9%	33.4%	19.9%	29.0%	37.9%	37.4%	34.2%		33.0%
Working Cap'l (\$mill)	19727	31526	44803	43463	51172	60689	45531	32523	53405	66449	40000	50000		90000
Long-Term Debt (\$mill)	107.0	--	--	--	--	--	--	9923.0	18385	28826	50000	60000		90000
Shr. Equity (\$mill)	44218	59194	74347	84127	101054	128290	124879	125713	153168	182637	235000	270000		410000
Return on Total Cap'l	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	31.5%	17.1%	22.9%	29.7%	26.0%	24.0%		21.5%
Return on Shr. Equity	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	31.5%	18.5%	25.5%	34.1%	31.5%	29.0%		26.0%
Retained to Com Eq	8.3%	17.2%	24.5%	26.3%	24.3%	22.7%	31.5%	18.5%	25.5%	31.4%	29.5%	27.0%		24.0%
All Div'ds to Net Prof	--	--	--	--	--	--	--	--	--	8%	7%	7%		7%

**BUSINESS:** Meta Platforms, Inc. operates the world's leading social networking service through its Facebook Web site. The company's Web-based tools allow users to connect and communicate with each other. Had about 3.54 billion daily active people at 9/30/25. Also owns Instagram, WhatsApp, and Messenger. Generates substantially all revenue from selling advertising placements to

**Shares of Meta Platforms have traded in a fairly narrow range lately, following a sharp selloff that accompanied the company's third-quarter earnings release.** Meta had reported revenue of \$51.2 billion for the September quarter, which represented an increase of 26% on a year-to-year basis. Ad impressions and daily active people rose 14% and 8%, respectively, and average price per ad increased 10%. Expenses also rose significantly, but income from operations of \$20.5 billion still represented an 18% advance from the year-ago level. Even so, provision for income taxes was significantly greater, owing to a noncash deferred tax asset reduction that resulted in a GAAP tax rate of 87%. As a result, GAAP earnings per share of \$1.05 were well below the year-ago level of \$6.03. Our bottom-line presentation of \$7.25 excludes this non-recurring charge and represents an increase of 20% over the prior-year level. However, it appears likely that growth in capital expenditures will be significantly larger in 2026. This is expected to be largely driven by greater infrastructure costs and higher employee compensation

marketers. Had 74,067 full-time employees at 12/31/24. Vanguard owns 8.5% of Class A shares; BlackRock, 7.2%; FMR LLC, 6.1%; off. and dir., less than 1.0% and 99.8% of Class B shares (includes Mark Zuckerberg, 99.8%) (4/25 Proxy). Chairman and CEO: Mark Zuckerberg. Inc.: Delaware. Addr.: 1 Meta Way, Menlo Park, CA 94025. Tel.: 650-543-4800. Internet: investor.atmeta.com.

expense. All told, we expect somewhat slower earnings growth in the current year. Potential legal and regulatory headwinds in the United States and Europe are another area of concern.

**The company has won its case against the Federal Trade Commission (FTC).** A federal judge ruled in November 2025 that the FTC had failed to prove that Meta held monopoly power in a sufficiently defined market, despite past actions like buying rivals. The ruling effectively ends the FTC's bid to break up the company.

**This equity offers respectable long-term capital gains potential.** We anticipate that revenues will continue to advance at a good pace and bottom-line growth will pick up from 2027 onward. The company remains well positioned in the social media space, and investment in its platform ought to bear fruit in the years ahead. That said, the shares have experienced several large drawdowns over the past decade, and this could happen again. We think that investors seeking exposure to the social media space should consider a dollar-cost averaging strategy.

*Michael Napoli, CFA*      *January 30, 2026*

(A) Diluted earnings. Next earnings report due late April. (B) In millions. (C) Class A stock is entitled to one vote per share and Class B stock is entitled to ten votes per share. (D) Includes intangibles. In 2024, \$20,654 million. (E) Totals may not sum due to rounding. (F) Quarterly dividend initiated in March of 2024. Dividends paid in late March, June, September, and December.

**Company's Financial Strength** A++  
**Stock's Price Stability** 30  
**Price Growth Persistence** 75  
**Earnings Predictability** 55