

Key Statistics (USD)

Price	88.26
Market Cap	1.138T
Enterprise Value	1.08T
PEG Ratio (5 yr. expected)	1.26
52 weeks high	152.10
52 weeks low	83.45
Beta (5Y-monthly)	1.06
Dividend yield %	N/A
EPS (TTM)	4.92
1-Yr Stock performance	-40.02%

Growth Rates

	Company	3-Yr Avg
Revenues	+27.35%	+14.63%
Earnings	+3.19%	+3.69%
Free Cash Flow	+5.24%	+3.43%

Margins

	Company	3-Yr Avg
Gross Profit Margin	56.94%	55.37%
Operating Margin	30.55%	24.76%
Net Profit Margin	29.51%	24.26%

Key Ratios

	Company	3-Yr Avg
Current Ratio	2.93	-
Total Ratio	3.34	-
Financial Leverage	1.43x	1.41x
ROE	30.22%	22.03%
ROA	23.19%	17.05%
ROIC	31.88%	25.59%

Valuation Metrics

	Company	3-Yr Avg
Price to Sales	7.61x	6.66x
Price to Earnings	25.79x	27.62x
Price to Free Cash Flow	21.20x	19.00x
Price to Book Value	7.79x	5.95x

Firm's Brief Description.

Alphabet Inc. provides various products and platforms in the United States, Europe, the Middle East, Africa, the Asia-Pacific, Canada, and Latin America. It operates through Google Services, Google Cloud, and Other Bets segments. The Google Services segment offers products and services, including ads, Android, Chrome, hardware, Gmail, Google Drive, Google Maps, Google Photos, Google Play, Search, and YouTube. It is also involved in the sale of apps and in-app purchases and digital content in the Google Play store; and Fitbit wearable devices, Google Nest home products, Pixel phones, and other devices, as well as in the provision of YouTube non-advertising services. The Google Cloud segment offers infrastructure, platform, and other services; Google Workspace that include cloud-based collaboration tools for enterprises, such as Gmail, Docs, Drive, Calendar, and Meet; and other services for enterprise customers. The Other Bets segment sells health technology and internet services. The company was founded in 1998 and is headquartered in Mountain View, California.

Sector Overview

- Social media majors Meta Platforms (META), Snap (SNAP), and Pinterest (PINS) have seen an overall tough 2022 so far with all-around layoffs, hiring freezes, and in Meta's case a not-so-great response to its Metaverse.
- Twitter cut half of its public policy team. Across all of Twitter, it's estimated that about 75% of employees have either chosen to leave or have been laid off since Elon Musk took ownership of the company in October.
- The average number of people using Facebook monthly rose 3 per cent to 2.94 billion by the end of March, while some 3.64 billion people used at least one member of Meta's family of apps each month, the tech giant reported.

Fundamental Analysis

Alphabet's stock performance has shown a steady increase even during the Covid19 period, which reflects the company's financial health all these years. In general terms, alphabet stock is considering a low risk stock due to its steadily increasing value. Only in 2022 the increase has been stopped – and followed by a decrease – but that could be a periodic downward movement which may give another boost in the following years. Taking into account some valuation metrics of the company, we can see price to book value at 7.79x which is higher than the 3 Years average, and price to free cash flow which is also slightly above the average. These ratios reflect the stock's movement during 2022, but on the other hand, it is worth mentioning that the Revenues and the free cash flow percentages are fairly above the average, which gives an optimistic view of the stock's potential in the years to come.

Target Price (1 year forward):132.15\$

DISCLAIMER

THE FINANCE CLUB OF UNIVERSITY OF MACEDONIA, THESSALONIKI, GREECE

The Finance Club of University of Macedonia - www.financeclub.gr is an independent non-profitable student organization founded by students of the University of Macedonia, Greece (UoM - www.uom.gr) that aims to build strong relations between the market and the University. Though based in the University of Macedonia, it also operates via associates in Aristotle University of Thessaloniki, Greece and other institutions. The Club's goal is to give its members the chance to view the market in a more practical approach rather than solely relying on the abstract knowledge offered by the university. In order to achieve this goal, the Club organizes various events like conferences, workshops and seminars. Moreover, its members are able to cooperate with companies by taking up real case projects to work on along with the managers of the associated companies. In addition, the Club is trying to build and expand its network among students, market professionals and professors therefore giving its members a very broad pool of potential partners and employers.

This report has been compiled by the authors mentioned above and published by them via the Finance Club UoM site and many other platforms. The club confirms that the authors are active members at the time this article is published but emphasizes the fact that opinions and views given by the authors in this article are their own views. Finance Club UoM takes no responsibility for the completeness or correctness of information provided. No investment advice is given with the text above and the reader should not take any financial position based on the information published in this article. The Club recommends extensive research by the reader before investing in any financial asset. General this report may be based on the information extracted from various sources including but not limited to various companies' and statistical agencies' websites, online portals, third-party research, annual reports etc. No representation or warranty of any kind is or may be made with respect to the accuracy or completeness of, and no representation or warranty should be inferred from, any projections or futuristic statement contained herein or any underlying assumptions. This article may include descriptions, statements, estimates and projections/futuristic statements with respect to current and anticipated performance of the underlying. Such statements, estimates and projections reflect various assumptions and best estimates made by the participants concerning anticipated results, whose assumptions and estimates may or may not prove to be accurate or correct. There are no assurances whatsoever that any statements, estimates or projections contained in this article, including without limitation any financial or business projections, accurately present in all material respects the underlying's financial and/or business position as of the respective dates specified and the results of its operations for any respective periods indicated. No copyright or trademark infringement is intended in any form.

© Copyright 2020. Finance Club UoM