

Key Statistics (USD)	
Price	119.43
Market Cap	317.649 B
Enterprise Value	292.870 B
PEG Ratio (5 yr. expected)	2.56
52 weeks high	352.71
52 weeks low	88.09
Beta (5Y-monthly)	1.2
Dividend yield %	-
EPS (TTM)	10.66
1-Yr Stock performance	-64.22%

Growth Rates	Company	3-Yr Avg
Revenues	37.18%	28.46%
Earnings	36.45%	26.12%
Free Cash Flow	67.2%	39.47%

Margins	Company	3-Yr Avg
Gross Profit Margin	80.79%	81.10%
Operating Margin	39.65%	37.19%
Net Profit Margin	33.38%	31.15%

Key Ratios	Company	3-Yr Avg
Current Ratio	3.15	-
Total Ratio	4.03	-
Financial Leverage	1.33x	1.3x
ROE	31.53%	25.41%
ROA	28.74%	25.4%
ROIC	40.71%	38.26%

Valuation Metrics	Company	3-Yr Avg
Price to Sales	8.15x	8.56x
Price to Earnings	24.43x	27.81x
Price to Free Cash Flow	16.67x	17.76x
Price to Book Value	7.7x	6.56x

Firm's Brief Description.

Meta Platforms, Inc. develops products that enable people to connect and share with friends and family through mobile devices, personal computers, virtual reality headsets, wearables, and in-home devices worldwide. It operates in two segments, Family of Apps and Reality Labs. The Family of Apps segment's products include Facebook, which enables people to share, discover, and connect with interests; Instagram, a community for sharing photos, videos, and private messages, as well as feed, stories, reels, video, live, and shops; Messenger, a messaging application for people to connect with friends, family, groups, and businesses across platforms and devices through chat, audio and video calls, and rooms; and WhatsApp, a messaging application that is used by people and businesses to communicate and transact privately. The Reality Labs segment provides augmented and virtual reality related products comprising virtual reality hardware, software, and content that help people feel connected, anytime, and anywhere. The company was formerly known as Facebook, Inc. and changed its name to Meta Platforms, Inc. in October 2021. Meta Platforms, Inc. was incorporated in 2004 and is headquartered in Menlo Park, California.

Sector Overview

- Social media companies make a ton of money from ads because it's the way they make their free-to-use services profitable
- Globally, social media companies made \$153 billion in 2021. That number is expected to grow to \$252 billion by 2026.
- There are 4.6 billion social media users in the world as of 2022. It is forecasted that there will be 5.85 billion social media users worldwide by 2027. Facebook (member of Meta Platforms, Inc.) is the biggest social media platform in terms of user base with 2.91 billion users (2022).

Fundamental Analysis

During the period 2020-2021, Meta stock performance decreased by 66.27%. Taking into consideration the last 12 months, the company showed a higher increase in revenues by 37.18% compared to the 3-Year Average at 28.46%. Net earnings also fluctuated around the same levels, and more specifically, Meta's net earnings rose by 36.45% while the 3-Year Average was at 26.12%. When it comes to its Free Cash Flow, the company now stands at a better situation as it has seen a great rise (67.2%) for the past year. Moreover, the very high Return On Equity (ROE) ratio of 31.53% shows that the technology group is efficient in generating profits, and the high Return On Invested Capital (ROIC) of 40.71% indicates how well it is using its capital to generate profits. Compared to the 3-year average, both ROE and ROIC have slightly increased during the current year. Furthermore, we notice that Meta has an extremely high Gross Profit Margin of 80.79% which is almost equal to its 3-Year Average (81.10%). Finally, regarding the Valuation Metrics of the company, its Price to Sales ratio for the past 12 months is lower but still close to the 3-Year Average, while its Price to Earnings is slightly lower than the 3-Year Average.

Target Price (1 year forward): 151.59\$

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