**Comparison analysis to Tesla Inc. (Toyota Industries Corp., BYD Company, General Motors Corp., Stellantis NV, Rivian Automotive Inc.)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Tesla** | **Toyota** | **BYD** | **GM** | **Stellantis** | **Rivian** |
| **Valuation multiples** |  |  |  |  |  |  |
| Price (29.12.2023) ($) | 248.48 | 18.90 | 27.90 | 35.92 | 23.41 | 23.46 |
| Market Cap ($B) | 703.84 | 249.31 | 92.51 | 54.59 | 48.44 | 14.08 |
| P/E  | 58 | 3.88 | 20.36 | 4.68 | 3.94 | -4.81 |
| P/E forward | 79 | 2.57 | 17.55 | 3.63 | 5.55 | -4.99 |
| PEG | -2.15 | 0.07 | 1.27 | 0.24 | -0.14 | -1.27 |
| EV/EBITDA | 51 | 2.49 | 12 | 9.98 | 5.68 | -0.84 |
| **Solvency** |  |  |  |  |  |  |
| D/E | 0.69 | 0.8 | 3.52 | 3 | 1.46 | 0.84 |
| **Profitability multiples** |  |  |  |  |  |  |
| ROE | 24% | 3.85% | 19.97% | 14.83% | 22.65% | -59.41% |
| EBITDA/revenue | 14% | 12.66% | 7.94% | 9.18% | 14.62% | -108% |
| Net margin | 15.72% | 6.18% | 5% | 5.9% | 9.81% | -122.57% |

Data: 2023 annual report (Toyota 01.04.2023 – 31.03.2024 annual report)

Exchange rate (xe.com): Toyota 31.03.2024, BYD 31.12.2023, Stellantis 31.12.12023.

**Comparable Financial Metrics:** Tesla’s pioneer status, revolutionary systems and high expectations in the pure electric vehicle space granted the company a strong leading position in market cap, enterprise values, profitability margins and P/E ratios to peers. On these metrics alone there are no comparable companies. On some profitability measures BYD and Stellantis exhibit similarities. Toyota’s comparable EBITDA/revenue is due to high DA. All market participants are playing catch up to Tesla.

**Similar Industry Positioning:** All companies operate in the automotive manufacturing space with global reach and a range of product offerings to various market segments. However, the legacy car makers – Toyota, GM, Stellantis – continue manufacturing internal combustion vehicles alongside electric and hybrid models whilst Tesla and Rivian are pure electric and BYD is electric and hybrid plays.

**Equivalent Market Presence:** Tesla’s valuation is astronomical relative to earnings compared to peers. The other four companies are more in line with healthy ratios.

**Comparable debt sustainability performance:** Toyota, Stellantis and Rivian exhibit healthy debt-to-equity ratios similar to Tesla. Considering Tesla and Rivian are still growth stage businesses, debt levels to equity are under control. BYD and GM are in the danger zone although BYD is a fast growing company which may explain higher debt usage.

**Comparable Customer Base:** Four companies cater for all market segments, Rivian mainly targeting the higher end of the electric market.

**In conclusion**, Tesla’s unique position and financial metrics make it a positive outlier. Rivian’s more specialised focus and small operation relative to the others also stands out. However, despite some differences in financial performances, all companies occupy the space within the global car manufacturing market with wide product and service offerings targeting and drawing revenue from similar audiences which qualifies them for the same peer group.

**Comparison analysis to Netflix Inc. (Apple Inc., Amazon Inc., Walt Disney Corp., Paramount Global Corp.)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Netflix** | **Apple** | **Amazon** | **Disney** | **Paramount** |
| **Valuation multiples** |  |  |  |  |  |
| Price (29.12.2023) ($) | 486.88 | 192.53 | 151.94 | 90.29 | 14.79 |
| Market cap ($B) | 210.70 | 2994 | 1579 | 165 | 9.65 |
| P/E | 40.47 | 31.41 | 52.39 | 24 | 28.44 |
| P/E forward | 33.67 | 28.23 | 42.21 | 22.69 | 27.91 |
| PEG | 1.99 | 2.79 | 2.18 | 2.75 | 2.61 |
| EV/EBIT | 31.37 | 26.90 | 64 | 33 | -65 |
| **Solvency** |  |  |  |  |  |
| D/E | 1.37 | 4.67 | 1.61 | 0.82 | 1.32 |
| **Profitability** |  |  |  |  |  |
| ROE | 26.27% | 156% | 15.07% | 2.08% | -2.64% |
| EBIT/revenue | 20.62% | 29.82% | 4.33% | 6.72% | -1.12% |

Data: 2023 annual report

**Comparable Financial Metrics:** Similarities on PEG, enterprise multiple and P/E however Apple, Amazon and Paramount stand out in market cap. The former two operate in other industries as well and the latter is small compared to Netflix.

**Similar Industry Positioning:** All five companies operate in the entertainment industry with global reach providing similar services to various market segments. Apple and Amazon also provide products and services which support the entertainment aspect or on certain selected products compete with it.

**Comparable debt sustainability performance:** With the exception of Apple, all companies display similar and healthy debt-to-equity ratios.

**Comparable Customer Base:** Considering the core service offered by Netflix, all companies attract a similar customer base undifferentiated by financial status.

**In conclusion**, Apple and Amazon are outliers in terms of size and products/services and Paramount is a small business in comparison to Netflix, however, all five companies have enough in common in the way of financial metrics, industry positioning and debt sustainability characteristics to reinforce their peer group status. Although, it must be noted that the almost same service, target audience, the ‘biggest and most widely known ones’ in the sector and global reach are the main reasons to include them in the same peer group.

**Comparison analysis to Nvidia Corp. (Broadcom Corp., Advanced Micro Devices Inc., Qualcomm Inc., Intel Corp.)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Nvidia** | **Broadcom** | **AMD** | **Qualcomm** | **Intel** |
| **Valuation multiples** |  |  |  |  |  |
| Price (29.12.2023.) ($) | 49.52 | 111.63 | 147.41 | 144.63 | 50.25 |
| Market cap ($B) | 3182.50 | 774.39 | 250.83 | 193.28 | 87.83 |
| P/E | 38 | 26.39 | 55.63 | 17.16 | 47.86 |
| P/E forward | 26.91 | 20.67 | 34.93 | 15.44 | 36.95 |
| PEG | 0.91 | 1.8 | 1.77 | 1.26 | 3.06 |
| EV/EBITDA | 92.52 | 39.58 | 64.77 | 19.14 | 13.50 |
| **Solvency** |  |  |  |  |  |
| D/E | 0.53 | 2.04 | 0.21 | 1.37 | 0.74 |
| **Profitability** |  |  |  |  |  |
| ROE | 69.24% | 58.69% | 1.53% | 33.50% | 1.54% |
| EBITDA/revenue | 56.60% | 56.39% | 16.98% | 29.20% | 17.76% |
| Dividend yield | 0.003% | 6% | - | 2.14% | 2.77% |

Data: 2023 annual report

**Comparable Financial Metrics:** Nvidia being the absolute market leader in the semiconductor space is reflected in market cap, enterprise-to-earnings valuation and profitability margins. Surprisingly Nvidia does not return the highest P/E valuation. In this regard AMD and Intel are the leaders and this is something to consider when valuing. The other four come as close to Nvidia as possible on these metrics within the industry.

**Similar Industry Positioning:** All five companies’ main business profile is high tech semiconductor development, manufacturing and software solutions operating globally catering to market segments from individual users to government and private organisations.

**Equivalent Market Presence:** As mentioned earlier Nvidia is the market leader by far and it is reflected in its valuation to earnings. Despite some variations, the other four companies are the next big things in the pecking order.

**Comparable debt sustainability performance:** All five companies exhibit similar and sustainable debt ratios.

**Comparable Customer Base:** Revenue is generated from similar customer base with some variations (i.e. PCs from Intel) across the five companies.

**In conclusion**, despite Nvidia being way ahead of the group in terms of market share and valuation to earnings, the companies’ other metrics and product / service offerings and similar revenue sources cement their status as peers within the industry.

**Comparison analysis to Pfizer Inc. (Eli Lilly and Co., Johnson&Johnson, AbbVie Inc., Merck and Co., AstraZeneca Plc.)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Pfizer** | **Lilly (Eli)** | **Johnson&Johnson** | **Abbvie** | **Merck** | **AstraZen.** |
| **Valuation multiples** |  |  |  |  |  |  |
| Price (29.12.2023.) ($) | 28.79 | 582.92 | 156.74 | 154.97 | 109.02 | 135 |
| Market cap ($B) | 164.14 | 906.48 | 397.22 | 348.94 | 295.31 | 268.74 |
| P/E | 15.65 | 92.23 | 15.80 | 13.95 | 72.20 | 18.60 |
| P/E forward | 14.47 | 81.07 | 14.77 | 12.53 | 59.57 | 16.07 |
| P/BV | 1.82 | 48.58 | 5.49 | 26.36 | 7.33 | 5.34 |
| EV/EBITDA | 20.24 | 75.46 | 13.15 | 15 | 16.41 | 19.42 |
| **Solvency** |  |  |  |  |  |  |
| D/E | 1.53 | 4.89 | 1.44 | 11.95 | 1.83 | 1.58 |
| **Profitability** |  |  |  |  |  |  |
| ROE | 2.37% | 48.25% | 51.11% | 46.73% | 0.97% | 15.22% |
| EBITDA/revenue | 19.69% | 36% | 36.13% | 48.53% | 32.78% | 32.77% |
| Dividend yield | 5.73% | 0.8% | 2.3% | 11.62% | 2.72% | 2.15% |

Data: 2023 annual report

Exchange rate (xe.com): AstraZeneca 31.12.2023.

**Comparable Financial Metrics:** J&J, AbbVie, Merck and AstraZeneca show similar market capitalization, P/BV, enterprise values and earnings-to-revenue to Pfizer. Lilly and Merck return above average P/E multiples compared to the others.

**Similar Industry Positioning:** Here are six companies all researching, developing and manufacturing pharmaceutical products as their main business operation targeting a global customer base independent of financial status.

**Equivalent Market Presence:** Despite a higher valuation of Lilly, all the other companies have a similar enterprise valuation to earnings.

**Comparable sustainability performance:** AbbVie and Lilly aside, the other three companies have a very similar debt-to-equity ratio to Pfizer.

**Comparable Customer Base:** All six companies operate in the pharmaceutical space providing products for customers independent of any specific characteristics.

**In conclusion**, aside some one off differences in the main valuation ratios, all companies have similar market and enterprise valuations to earnings, debt ratio, earnings to revenue and dividend yield. The fact that they are clearly operating mainly within the original pharmaceutical products market with similar revenue sources make these companies an easy qualification into the same peer group to Pfizer.