

Meta Platforms Stock Report

Profile

Meta Platforms, Inc. engages in the development of products that enable people to connect and share with friends and family through mobile devices, personal computers, virtual reality and mixed reality headsets, augmented reality, and wearables worldwide. It operates through two segments, Family of Apps (FoA) and Reality Labs (RL). The FoA segment offers Facebook, which enables people to build community through feed, reels, stories, groups, marketplace, and other; Instagram that brings people closer through instagram feed, stories, reels, live, and messaging; Messenger, a messaging application for people to connect with friends, family, communities, and businesses across platforms and devices through text, audio, and video calls; Threads, an application for text-based updates and public conversations; and WhatsApp, a messaging application that is used by people and businesses to communicate and transact in a private way. The RL segment provides virtual, augmented, and mixed reality related products comprising consumer 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. The company was incorporated in 2004 and is headquartered in Menlo Park, California.

Company Officers

Name	Title
Mr. Mark Elliot Zuckerberg	Founder, Chairman & CEO
Ms. Susan J. S. Li	Chief Financial Officer
Mr. Javier Olivan	Chief Operating Officer
Mr. Andrew Bosworth	Chief Technology Officer
Mr. Christopher K. Cox	Chief Product Officer
Mr. Dana White	Independent Director
Mr. Aaron A. Anderson	Chief Accounting Officer
Mr. Atish Banerjea	Chief Information Officer
Ms. Jennifer G. Newstead J.D.	Chief Legal Officer
Mr. Henry T. A. Moniz	Chief Compliance Officer

Snapshot

Ticker	META
Sector	Communication Services
Industry	Internet Content & Information
Exchange	NMS
Price	\$714.80
Average Volume	13 M
Market Cap	1,797 B
PE Ratio	28.25
PB Ratio	9.75
Beta	1.28
Dividend Yield	0.29%

News

- Meta will cease political ads in European Union by fall, blaming bloc's new rules
- 4 Stocks to Boost Your Portfolio as Nasdaq Continues to Rally
- Meta Platforms to End Political, Social Issue Advertising in EU Amid New Regulation
- Meta is shelling out big bucks to get ahead in AI. Here's who it's hiring

Sources

- Website
- Yahoo
- Wikipedia
- NASDAQ

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Valuation

Return On Assets	17.88%
Return On Equity	39.84%
Earnings Growth	36.50%
Revenue Growth	16.10%
Gross Margin	81.77%
EBITDA Margin	51.64%
Operating Margin	41.49%
Profit Margin	39.11%

Rating

Price Target	759.0
Rating	1.43478
Implied Move	5.62%
View	Strong Buy

Pitch

Meta Platforms operates the world's largest family of social networking websites, including the flagship Facebook site, Instagram, Facebook Messenger, WhatsApp, Reels, and Threads. The sites enable users to communicate with friends and family by posting to the site; to comment on others' posts; to share photographs, website links, and videos; to message; and to play games. The company also partners with application developers to add functionality to the sites, and allows users to pay for virtual goods and services through its Payments function. Meta derives about 55% of its revenue from outside the U.S. and Canada.

Bull Case

- Meta's core advertising business has benefited greatly through improved ad targeting and content recommendation algorithms as well as a secular increase in digital advertising spending.
- Meta's scale, with the majority of the world's internet-connected users accessing its applications, allows it access to high-quality user data which it can package and sell to advertisers.
- The firm has an opportunity to drive more ad inventory growth, leveraging new products such as Threads while also improving its monetization of ads on more nascent features such as Stories and Reels.

Bear Case

- Meta's investments in Reality Labs and generative AI stand to lose the firm billions of dollars annually, taking some of the shine off its overall business.
- The firm has a monopoly case against it in the US which could potentially force it to break up, severing some of the scale advantages it has built up over time.
- Meta has disproportionately benefited from increased ad spending by Chinese retailers including Temu and Shein. A slowdown in spending by these firms could hit Meta's growth.

Peer Metrics

Ticker	Price	Recommendation	Revenue	Profit Margin	ROA	ROE
META	\$714.80	1.43 - Strong Buy	170 B	39.11%	17.88%	39.84%
AMZN	\$232.23	1.36 - Strong Buy	650 B	10.14%	7.63%	25.24%
GOOG	\$193.20	1.54 - Buy	371 B	31.12%	16.79%	34.83%
AAPL	\$213.76	2.02 - Buy	400 B	24.30%	23.81%	138.01%
TSLA	\$305.30	2.64 - Hold	93 B	6.26%	2.96%	8.07%
NFLX	\$1,180.76	1.98 - Buy	42 B	24.58%	15.05%	43.55%

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Meta Platforms Stock Chart with Moving Averages



Technical Analysis

Short Term:

The overall market sentiment is currently Bullish, with bearish events outweighing bullish events, as indicated by a score of 4, suggesting Very Strong Bullish Evidence. Despite this, the sector is showing a Neutral direction, supported by a 0, which reflects Neutral Evidence. However, the broader market index is also in a Bullish direction, with a score of 3, reinforcing Strong Bullish Evidence at the index level.

Long Term:

The long-term market outlook is currently Bearish, with bearish events consistently outweighing bullish events, as reflected by a score of 3, indicating Strong Bearish Evidence. In contrast, the sector is experiencing a Bullish trend, supported by a 2, signifying Bullish Evidence. However, when considering the broader market index, it is also trending in a Bullish direction, with a score of 2, reinforcing Bullish Evidence at the index level.

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Income Statement:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total Revenue	\$164,501,000	\$134,902,000	\$116,609,000	\$117,929,000
Cost of Revenue	\$30,161,000	\$25,959,000	\$25,249,000	\$22,649,000
Gross Profit	\$134,340,000	\$108,943,000	\$91,360,000	\$95,280,000
Operating Expenses				
Research and Development	\$43,873,000	\$38,483,000	\$35,338,000	\$24,655,000
Sales, General and Admin.	\$21,087,000	\$23,709,000	\$27,078,000	\$23,872,000
Operating Income	\$69,380,000	\$46,751,000	\$28,944,000	\$46,753,000
Earnings Before Interest and Tax	\$70,663,000	\$47,428,000	\$28,819,000	\$47,284,000
Earnings Before Tax	\$70,663,000	\$47,428,000	\$28,819,000	\$47,284,000
Income Tax	\$8,303,000	\$8,330,000	\$5,619,000	\$7,914,000
Net Income-Cont. Operations	\$62,360,000	\$39,098,000	\$23,200,000	\$39,370,000
Net Income	\$62,360,000	\$39,098,000	\$23,200,000	\$39,370,000
Net Income Applicable to Common Shareholders	\$62,360,000	\$39,098,000	\$23,200,000	\$39,370,000

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Balance Sheet:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Current Assets				
Cash and Cash Equivalents	\$43,889,000	\$41,862,000	\$14,681,000	\$16,601,000
Short-Term Investments	\$33,926,000	\$23,541,000	\$26,057,000	\$31,397,000
Net Receivables	\$16,994,000	\$16,169,000	\$13,466,000	\$14,039,000
Other Current Assets	\$5,236,000	\$3,793,000	\$5,345,000	\$4,629,000
Total Current Assets	\$100,045,000	\$85,365,000	\$59,549,000	\$66,666,000
Long-Term Assets				
Long-Term Investments	\$6,070,000	\$6,141,000	\$6,201,000	\$6,775,000
Fixed Assets	\$136,268,000	\$109,881,000	\$92,191,000	\$69,964,000
Goodwill	\$20,654,000	\$20,654,000	\$20,306,000	\$19,197,000
Other Assets	\$13,017,000	\$7,582,000	\$6,583,000	\$2,751,000
Total Assets	\$276,054,000	\$229,623,000	\$185,727,000	\$165,987,000
Current Liabilities				
Accounts Payable	\$31,654,000	\$30,337,000	\$24,542,000	\$18,956,000
Other Current Liabilities	\$1,942,000	\$1,623,000	\$1,367,000	\$1,127,000
Total Current Liabilities	\$33,596,000	\$31,960,000	\$27,026,000	\$21,135,000
Other Liabilities	\$30,995,000	\$26,110,000	\$23,065,000	\$19,973,000
Total Liabilities	\$93,417,000	\$76,455,000	\$60,014,000	\$41,108,000
Stock Holders Equity				
Capital Surplus	\$102,506,000	\$82,070,000	\$64,799,000	\$69,761,000
Treasury Stock	\$83,228,000	\$73,253,000	\$64,444,000	\$55,811,000
Other Equity	-\$3,097,000	-\$2,155,000	-\$3,530,000	-\$693,000
Total Equity	\$182,637,000	\$153,168,000	\$125,713,000	\$124,879,000
Total Liabilities & Equity	\$276,054,000	\$229,623,000	\$185,727,000	\$165,987,000

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Cash Flow:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Net Income	\$62,360,000	\$39,098,000	\$23,200,000	\$39,370,000
Cash Flows-Operating Activities				
Depreciation	\$15,498,000	\$11,178,000	\$8,686,000	\$7,967,000
Net Income Adjustments	\$12,422,000	\$17,001,000	\$12,906,000	\$9,646,000
Changes in Operating Activities				
Accounts Receivable	-\$1,485,000	-\$2,399,000	\$231,000	-\$3,110,000
Other Operating Activities	-\$968,000	\$479,000	\$56,000	-\$2,099,000
Liabilities	\$3,501,000	\$5,756,000	\$5,396,000	\$5,909,000
Net Cash Flow-Operating	\$91,328,000	\$71,113,000	\$50,475,000	\$57,683,000
Cash Flows-Investing Activities				
Capital Expenditures	-\$37,256,000	-\$27,045,000	-\$31,186,000	-\$18,690,000
Investments	-\$9,753,000	\$3,202,000	\$3,532,000	\$12,179,000
Other Investing Activities	-\$141,000	-\$652,000	-\$1,316,000	-\$1,059,000
Net Cash Flows-Investing	-\$47,150,000	-\$24,495,000	-\$28,970,000	-\$7,570,000
Cash Flows-Financing Activities				
Sale and Purchase of Stock	-\$30,125,000	-\$19,774,000	-\$27,956,000	-\$44,537,000
Net Borrowings	\$8,463,000	\$7,397,000	\$9,071,000	-\$677,000
Other Financing Activities	-\$14,047,000	-\$7,123,000	-\$3,251,000	-\$5,514,000
Net Cash Flows-Financing	-\$40,781,000	-\$19,500,000	-\$22,136,000	-\$50,728,000
Effect of Exchange Rate	-\$786,000	\$113,000	-\$638,000	-\$474,000
Net Cash Flow	\$2,611,000	\$27,231,000	-\$1,269,000	-\$1,089,000