

# Nebius Group N.V.

Institutional Equity Research  
February 12, 2026

## An Opportunistic Year Ahead

We reiterate our **BUY** rating and \$150 price target on Nebius Group following strong 4Q25 earnings that were highlighted by a notable beat over the ARR guide, along with a raising of the CY26 contracted power guidance to 3GW. Further, the company announced 9 new data center sites including 2 new greenfield sites in Missouri and Alabama that will be capable of adding 1.2GW and 300MW at full capacity, respectively. And while there has been notable investor skepticism over Nebius' ability to deliver on their infrastructure guidance, we remain confident in the company's ability to execute in 2026.

**Nebius Group reported total revenue of \$227.7M, growing 547% Y/Y, given the continued strength of the core business.** Annualized run-rate revenue guidance exiting the year came in above the guidance range at \$1.25B in December, while exiting November at the original range of \$900-\$1100M. Management noted that they have now delivered all the capacity for their Meta contract, along with the first tranche of capacity for Microsoft, with the second tranche expected to ramp more in the back half of this year. Furthermore, when it comes to all their customers across hyperscalers, enterprises, and AI-native startups, the average contract duration grew 50% Y/Y. During the quarter, Nebius acquired Tavilly, an agentic AI platform that is going to be used to bolster their software offerings, with management noting they remain open to making future acquisitions to build out their full-stack platform.

**Management reiterated their guidance of \$7-9B ARR and 800-1000MW of connected power, while raising their contracted power guide to 3GW.** Management noted that they have already contracted more than the original 2GW guidance for this year, which is leading them to have even greater conviction in the other two components of the 2026 guide. Additionally, management is guiding total revenue in FY26 to a range of \$3.0-\$3.4B, along with 40% adjusted EBITDA margins, and negative full-year EBIT margins. To support the massive infrastructure buildout necessary to support growth over the next two years, management is guiding capital expenditures between the range of \$16-20B, noting that 60% of that can be paid by the cash flows of large-scale deals of which the prepayment is the vast majority and paid prior to each tranche coming online.

**Nebius announced nine new data center sites including two greenfield and nine colocations.** While the full details of all these sites haven't been announced, there are several components that we do know. To start, the Missouri greenfield will deliver 200MW of capacity by 2H26, with up to 1.2GW in total capacity, while the Alabama greenfield will be capable of delivering 300MW of total capacity. Additionally, Nebius is opening a new colocation site in Lille, France that will house 240MW in total capacity, with capacity starting to come online by this summer with half the capacity online by end of the year. To that end, we expect the majority of capacity coming online in FY26 to be from colos, with the greenfield sites primarily impacting the FY27 ramp.

**We reiterate our BUY rating and \$150 price target, valuing shares at 1.8x EV/Backlog,** a premium to CRWV and a reflection of our confidence in the company's growth trajectory and the prospects for improving margins and unit economics.

FY (Dec)		2025A	2026E	Previous	Cons.	2027E	Previous	Cons.
<b>EBIT (\$M)</b>	Q1 (Mar)	\$(129.5)	<b>\$(163.0)E</b>	\$121.7	\$(137.2)	<b>\$(56.6)E</b>	n.a.	\$(140.6)
	Q2 (Jun)	\$(111.2)	<b>\$(181.4)E</b>	\$221.2	\$(150.8)	<b>\$(46.0)E</b>	n.a.	\$(160.7)
	Q3 (Sep)	\$(130.2)	<b>\$(115.3)E</b>	\$443.5	\$(126.3)	<b>\$(50.9)E</b>	n.a.	\$(161.9)
	Q4 (Dec)	\$(234.5)	<b>\$(88.1)E</b>	\$604.6	\$(126.1)	<b>\$(27.2)E</b>	n.a.	\$(149.1)
			\$(605.4)	<b>\$(547.8)E</b>	\$1,617.6	\$(540.4)	<b>\$(180.7)E</b>	n.a.
<b>Revenue (\$M)</b>	Q1 (Mar)	\$55.3	<b>\$442.4E</b>	\$718.9	\$495.4	<b>\$1,880E</b>	n.a.	\$1,842.5
	Q2 (Jun)	\$105.1	<b>\$578.1E</b>	\$998.5	\$678.1	<b>\$2,023E</b>	n.a.	\$1,975.5
	Q3 (Sep)	\$146.1	<b>\$913.1E</b>	\$1,607	\$1,007.6	<b>\$2,237E</b>	n.a.	\$2,199.2
	Q4 (Dec)	\$227.7	<b>\$1,309E</b>	\$2,056	\$1,400.7	<b>\$2,619E</b>	n.a.	\$2,524.6
			\$534.2	<b>\$3,243E</b>	\$5,381	\$3,581.8	<b>\$8,759E</b>	n.a.

Please refer to pages 5 - 6 of this report for detailed disclosure and certification information.

**BUY**

NBIS - NASDAQ

**Price Target 150.00**

 Price (2/12/26) \$88.61  
 Industry TECHNOLOGY

### Valuation & Performance

Total Debt/Total Capital	0.0%
Cash per share (9/30/25)	10.40
BV Per Share (9/30/25)	n.a.
Dividend	\$0.00 (0.0%)
Return on Equity (T-T-M)	(13.3%)

### Trading Data

Shares Outstanding (M)	251.1
Market Capitalization (\$M)	25
52-week range	17.39 - 141.10
Avg. Volume (3-mth.) (K)	17,658.0

### Alexander Platt

(503) 603-3045

[AJPlatt@dadco.com](mailto:AJPlatt@dadco.com)

### Company Description

Amsterdam, Netherlands – Nebius Group is a cloud computing and AI infrastructure company providing scalable, high-performance compute solutions tailored for AI workloads. Spun out from Yandex in 2023 and relisted on NASDAQ in 2024, Nebius operates independently, offering dedicated AI cloud services designed to meet the growing demand for cost-efficient, specialized compute. With a focus on innovation and efficiency, Nebius aims to be a leading neocloud provider, delivering infrastructure optimized for AI training, inference, and enterprise-scale deployment.

### DaVinci Overview

D.A. Davidson's DaVinci initiative focuses our technical-oriented research, data-driven insights, and prescient think pieces under one unified framework. We note that for our DaVinci coverage of deep tech businesses, we employ an early-stage venture approach focusing on technical foundations, disruptive potential, and long-term strategic value, rather than near-term financial and valuation metrics given the unique growth trajectories of pre-inflection markets.

### Price Performance

NASDAQ: NBIS


**D.A. Davidson & Co. Member SIPC**



**D.A. Davidson Institutional Research**  
**Nebius Group N.V.**  
 Fiscal Year Ends December 31  
 Source: NBIS filings and D.A. Davidson estimates

**Consolidated Statements of Operations, Adjusted**  
 (in millions)

	1Q25	2Q25	3Q25	4Q25	FY2025	1Q26E	2Q26E	3Q26E	4Q26E	FY2026E	1Q27E	2Q27E	3Q27E	4Q27E	FY2027E
	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25		31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26		31-Mar-27	30-Jun-27	30-Sep-27	31-Dec-27	
Total revenue	\$ 55.3	\$ 105.1	\$ 146.1	\$ 227.7	\$ 534.2	\$ 442.4	\$ 578.1	\$ 913.1	\$ 1,309.3	\$ 3,242.9	\$ 1,880.2	\$ 2,023.2	\$ 2,237.2	\$ 2,618.6	\$ 8,759.1
<i>Y/Y growth %</i>	385.1%	322.1%	237.4%	500.8%	354.6%	700.0%	450.0%	525.0%	475.0%	507.0%	325.0%	250.0%	145.0%	100.0%	170.1%
Total cost of revenue	29.5	30.1	42.9	68.5	171.0	128.3	161.9	255.7	379.7	925.5	545.3	586.7	648.8	759.4	2,540.1
Gross profit	25.8	75.0	103.2	159.2	363.2	314.1	416.2	657.5	929.6	2,317.3	1,334.9	1,436.5	1,588.4	1,859.2	6,218.9
<i>Gross margin %</i>	47%	71%	71%	70%	68%	71%	72%	72%	71%	71%	71%	71%	71%	71%	71%
<b>Operating expenses:</b>															
Product development	40.0	42.8	44.9	53.1	180.8	44.2	57.8	77.6	111.3	290.9	131.6	131.5	134.2	144.0	541.4
<i>% of total revenue</i>	72%	41%	31%	23%	34%	10%	10%	9%	9%	9%	7%	7%	6%	6%	6%
Sales, general and administrative	66.1	68.2	89.5	159.9	383.7	87.4	104.0	127.8	176.8	496.0	206.8	202.3	201.3	209.5	820.0
<i>% of total revenue</i>	120%	65%	61%	70%	72%	20%	18%	14%	14%	15%	11%	10%	9%	8%	9%
Depreciation and amortization	49.2	75.2	99.0	180.7	404.1	345.5	435.7	567.3	729.6	2,078.2	1,053.1	1,148.6	1,303.7	1,532.8	5,038.3
<i>% of total revenue</i>	89%	72%	68%	79%	76%	78%	75%	62%	56%	64%	56%	57%	58%	59%	58%
<b>Income (loss) from operations</b>	<b>(129.5)</b>	<b>(111.2)</b>	<b>(130.2)</b>	<b>(234.5)</b>	<b>(605.4)</b>	<b>(163.0)</b>	<b>(181.4)</b>	<b>(115.3)</b>	<b>(88.1)</b>	<b>(547.8)</b>	<b>(56.6)</b>	<b>(46.0)</b>	<b>(50.9)</b>	<b>(27.2)</b>	<b>(180.7)</b>
<b>Operating margin %</b>	<b>-234%</b>	<b>-106%</b>	<b>-89%</b>	<b>-103%</b>	<b>-113%</b>	<b>-37%</b>	<b>-31%</b>	<b>-13%</b>	<b>-7%</b>	<b>-17%</b>	<b>-3%</b>	<b>-2%</b>	<b>-2%</b>	<b>-1%</b>	<b>-2%</b>
Interest income	8.6	3.6	6.2	13.5	31.9	13.5	13.5	13.5	13.5	54.0	13.5	13.5	13.5	13.5	54.0
Interest expense	-	-	(14.7)	(38.3)	(53.0)	-	-	-	-	-	-	-	-	-	-
Income from equity method investments	0.1	(4.8)	-	-	(4.7)	-	-	-	-	-	-	-	-	-	-
Gain from revaluation of investment in equity securities	-	597.4	-	1.5	598.9	-	-	-	-	-	-	-	-	-	-
Loss from equity method investments	-	(6.3)	(7.5)	(10.6)	(24.4)	-	-	-	-	-	-	-	-	-	-
Other income, net	8.1	24.6	26.3	21.4	80.4	21.4	21.4	21.4	21.4	85.6	21.4	21.4	21.4	21.4	85.6
<b>Income (loss) before income taxes</b>	<b>(112.7)</b>	<b>503.3</b>	<b>(119.9)</b>	<b>(247.0)</b>	<b>23.7</b>	<b>(128.1)</b>	<b>(146.5)</b>	<b>(80.4)</b>	<b>(53.2)</b>	<b>(408.2)</b>	<b>(21.7)</b>	<b>(11.1)</b>	<b>(16.0)</b>	<b>7.7</b>	<b>(41.1)</b>
<b>Pre-tax margin %</b>	<b>-204%</b>	<b>479%</b>	<b>-82%</b>	<b>-108%</b>	<b>4%</b>	<b>-29%</b>	<b>-25%</b>	<b>-9%</b>	<b>-4%</b>	<b>-13%</b>	<b>-1%</b>	<b>-1%</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>
Income tax expense	0.9	0.8	(0.3)	2.6	4.0	(1.3)	(1.5)	(0.8)	(0.5)	(4.1)	(0.2)	(0.1)	(0.2)	0.1	(0.4)
<i>Effective tax rate</i>	-1%	0%	0%	-1%	17%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Net income (loss)</b>	<b>(113.6)</b>	<b>584.4</b>	<b>(119.6)</b>	<b>(249.6)</b>	<b>109.6</b>	<b>(126.8)</b>	<b>(145.0)</b>	<b>(79.6)</b>	<b>(52.7)</b>	<b>(412.3)</b>	<b>(21.5)</b>	<b>(10.9)</b>	<b>(15.8)</b>	<b>7.6</b>	<b>(41.5)</b>
<b>Net margin %</b>	<b>-205%</b>	<b>556%</b>	<b>-82%</b>	<b>-110%</b>	<b>21%</b>	<b>-29%</b>	<b>-25%</b>	<b>-9%</b>	<b>-4%</b>	<b>-13%</b>	<b>-1%</b>	<b>-1%</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>
<b>GAAP diluted EPS</b>	<b>\$ (0.48)</b>	<b>\$ 2.45</b>	<b>\$ (0.47)</b>	<b>\$ (0.99)</b>	<b>\$ 0.45</b>	<b>\$ (0.50)</b>	<b>\$ (0.56)</b>	<b>\$ (0.31)</b>	<b>\$ (0.20)</b>	<b>\$ (1.59)</b>	<b>\$ (0.08)</b>	<b>\$ (0.04)</b>	<b>\$ (0.06)</b>	<b>\$ 0.03</b>	<b>\$ (0.15)</b>
Weighted average shares: diluted	238.1	238.7	251.8	253.0	245.4	255.5	258.1	260.7	263.3	259.4	265.9	268.6	271.3	274.0	269.9



Consolidated Balance Sheets (in millions)	1Q25 31-Mar-25	2Q25 30-Jun-25	3Q25 30-Sep-25	4Q25 31-Dec-25	FY2025	1Q26E 31-Mar-26	2Q26E 30-Jun-26	3Q26E 30-Sep-26	4Q26E 31-Dec-26	FY2026E	1Q27E 31-Mar-27	2Q27E 30-Jun-27	3Q27E 30-Sep-27	4Q27E 31-Dec-27	FY2027E
<b>Assets</b>															
<b>Current assets</b>															
Cash and cash equivalents	\$ 1,447.0	\$ 1,679.3	\$ 4,794.8	\$ 3,678.1	\$ 3,678.1	\$ (2,574.4)	\$ (5,025.5)	\$ (8,558.0)	\$ (13,755.8)	\$ (13,755.8)	\$ (21,065.1)	\$ (25,835.3)	\$ (30,934.2)	\$ (35,656.0)	\$ (35,656.0)
Accounts receivable	24.3	54.7	91.2	720.3	720.3	201.9	286.5	414.5	577.5	577.5	769.4	839.1	1,020.5	1,079.9	1,079.9
Prepaid expenses	22.4	28.3	29.1	34.8	34.8	55.3	83.7	129.7	194.6	194.6	140.4	183.8	223.5	262.8	262.8
Restricted cash	80.6	74.5	107.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest receivable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
VAT reclaimable	84.4	158.3	133.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4	131.4
Other current assets	24.6	34.5	61.4	146.8	146.8	55.3	69.7	64.8	64.9	64.9	70.2	61.3	74.5	87.6	87.6
<b>Total current assets</b>	<b>1,683.3</b>	<b>2,029.6</b>	<b>5,217.0</b>	<b>4,711.4</b>	<b>4,711.4</b>	<b>(2,130.5)</b>	<b>(4,454.2)</b>	<b>(7,817.6)</b>	<b>(12,787.5)</b>	<b>(12,787.5)</b>	<b>(19,953.6)</b>	<b>(24,619.7)</b>	<b>(29,484.3)</b>	<b>(34,094.3)</b>	<b>(34,094.3)</b>
Property and equipment	1,334.1	1,789.4	3,314.4	5,572.5	5,572.5	7,357.5	9,971.7	13,997.1	19,955.8	19,955.8	27,093.8	32,071.0	37,285.9	42,322.4	42,322.4
Intangible assets	17.4	15.6	18.0	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7
Operating lease right-of-use assets	250.3	277.3	501.0	918.8	918.8	437.6	488.0	540.3	648.6	648.6	468.1	612.6	745.0	875.9	875.9
Equity method investments	6.4	32.3	21.7	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1
Investments in non-marketable equity securities	90.7	835.1	835.1	836.6	836.6	836.6	836.6	836.6	836.6	836.6	836.6	836.6	836.6	836.6	836.6
Deferred tax assets	8.9	8.8	9.0	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8	11.8
Other non-current assets	45.4	108.5	186.0	367.9	367.9	367.9	367.9	367.9	367.9	367.9	367.9	367.9	367.9	367.9	367.9
<b>Total assets</b>	<b>3,436.5</b>	<b>5,096.6</b>	<b>10,102.2</b>	<b>12,449.8</b>	<b>12,449.8</b>	<b>6,911.7</b>	<b>7,252.6</b>	<b>7,966.9</b>	<b>9,064.1</b>	<b>9,064.1</b>	<b>8,855.4</b>	<b>9,311.0</b>	<b>9,793.7</b>	<b>10,351.0</b>	<b>10,351.0</b>
<b>Liabilities and Stockholders' Equity</b>															
<b>Current liabilities</b>															
Accounts payable, accrued and other liabilities	61.4	103.6	726.4	1,210.1	1,210.1	739.2	1,100.1	1,683.1	2,535.7	2,535.7	1,839.0	1,936.8	2,071.7	2,261.8	2,261.8
Debt, current portion	6.2	8.0	16.0	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5
Income and non-income taxes payable	6.9	7.2	36.6	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7
Deferred revenue	19.0	19.3	15.6	275.5	275.5	6.4	1.4	2.2	3.2	3.2	32.8	6.1	7.4	8.8	8.8
Current liabilities from discontinued operations															
<b>Total current liabilities</b>	<b>93.5</b>	<b>138.1</b>	<b>794.6</b>	<b>1,527.8</b>	<b>1,527.8</b>	<b>787.8</b>	<b>1,143.7</b>	<b>1,727.4</b>	<b>2,581.1</b>	<b>2,581.1</b>	<b>1,914.0</b>	<b>1,985.1</b>	<b>2,121.3</b>	<b>2,312.7</b>	<b>2,312.7</b>
Debt, non-current		978.2	4,090.8	4,103.2	4,103.2										
Operating lease liabilities	181.6	204.5	405.4	760.5	760.5	246.9	373.7	579.2	869.1	869.1	1,254.4	1,641.7	1,996.5	2,347.4	2,347.4
Deferred revenue, non-current	0.0	0.0	0.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0	1,302.0
Other accrued liabilities	0.1	0.3	0.6	143.1	143.1	4.6	7.0	10.8	16.2	16.2	23.4	30.6	37.2	43.8	43.8
Non-current liabilities from discontinued operations															
<b>Total liabilities</b>	<b>275.2</b>	<b>1,321.1</b>	<b>5,291.4</b>	<b>7,836.6</b>	<b>7,836.6</b>	<b>2,341.3</b>	<b>2,826.4</b>	<b>3,619.5</b>	<b>4,768.4</b>	<b>4,768.4</b>	<b>4,493.8</b>	<b>4,959.5</b>	<b>5,457.1</b>	<b>6,006.0</b>	<b>6,006.0</b>
<b>Total stockholders' equity</b>	<b>3,161.3</b>	<b>3,775.5</b>	<b>4,810.8</b>	<b>4,613.2</b>	<b>4,613.2</b>	<b>4,570.4</b>	<b>4,426.3</b>	<b>4,347.5</b>	<b>4,295.7</b>	<b>4,295.7</b>	<b>4,361.6</b>	<b>4,351.5</b>	<b>4,336.6</b>	<b>4,345.1</b>	<b>4,345.1</b>
<b>Total liabilities and stockholders' equity</b>	<b>3,436.5</b>	<b>5,096.6</b>	<b>10,102.2</b>	<b>12,449.8</b>	<b>12,449.8</b>	<b>6,911.7</b>	<b>7,252.6</b>	<b>7,966.9</b>	<b>9,064.1</b>	<b>9,064.1</b>	<b>8,855.4</b>	<b>9,311.0</b>	<b>9,793.7</b>	<b>10,351.0</b>	<b>10,351.0</b>



Consolidated Statements of Cash Flows, YTD															
(in millions)															
	1Q25	2Q25	3Q25	4Q25	FY2025	1Q26E	2Q26E	3Q26E	4Q26E	FY2026E	1Q27E	2Q27E	3Q27E	4Q27E	FY2027E
	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25		31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26		31-Mar-27	30-Jun-27	30-Sep-27	31-Dec-27	
<b>Cash flows from operating activities:</b>															
Net income (loss)	\$ (104)	\$ 398	\$ 278.6	\$ 29.0	\$ 29.0	\$ (126.8)	\$ (271.8)	\$ (351.4)	\$ (404.1)	\$ (404.1)	\$ (21.5)	\$ (32.5)	\$ (48.3)	\$ (40.7)	\$ (40.7)
<b>Adjustments to reconcile...:</b>															
Depreciation of property and equipment	49	121	219.4	397.1	397.1	345.5	781.2	1,348.5	2,078.2	2,078.2	1,053.1	2,201.7	3,505.4	5,038.3	5,038.3
Amortization of intangible assets	1	3	3.9	6.9	6.9										
Operating lease right-of-use assets amortization and the l	7	17	29.3	50.6	50.6										
Amortization of debt discount and issuance costs, net of i	-	3	8.8	17.5	17.5										
Share-based compensation expense	17	32	58.3	83.2	83.2	84.0	84.9	85.7	86.6	86.6	87.4	88.3	89.2	90.1	90.1
Deferred income tax benefit	(1)	(0)	(0.6)	(3.4)	(3.4)										
Foreign exchange (gains) / losses	4	(11)	(25.0)	(27.2)	(27.2)										
Gain from revaluation of investment in equity securities	-	(597)	(597.4)	(598.9)	(598.9)										
Loss/(income) from equity method investments	-	6	13.7	24.3	24.3										
Provision for expected credit losses	0	1	1.8	5.5	5.5										
Other	1	1	0.9	53.9	53.9										
<b>Changes in assets and liabilities:</b>															
Accounts receivable	(10)	(45)	(81.8)	(714.6)	(714.6)	518.4	433.8	305.8	142.8	142.8	(191.9)	(261.7)	(443.0)	(502.4)	(502.4)
Prepaid expenses	1	(5)	(12.1)	(17.8)	(17.8)	(20.5)	(48.9)	(94.9)	(159.8)	(159.8)	54.2	10.8	(28.9)	(68.2)	(68.2)
Accounts payable, accrued and other liabilities and no	(57)	(50)	(54.4)	(29.0)	(29.0)	(1,123.0)	(632.9)	159.4	1,307.3	1,307.3	(304.1)	188.2	684.5	1,232.0	1,232.0
Deferred revenue	2	3	5.5	1,565.8	1,565.8	(269.1)	(274.1)	(273.3)	(272.3)	(272.3)	29.5	2.9	4.2	5.5	5.5
Other assets	(19)	(92)	(172.3)	(339.2)	(339.2)	572.7	507.9	460.4	352.2	352.2	175.2	39.6	(106.1)	(250.1)	(250.1)
VAT reclaimable	(76)	(137)	(109.0)	(101.8)	(101.8)	-	-	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>(198)</b>	<b>(369)</b>	<b>(449.5)</b>	<b>384.8</b>	<b>384.8</b>	<b>(18.8)</b>	<b>580.1</b>	<b>1,640.2</b>	<b>3,130.8</b>	<b>3,130.8</b>	<b>881.8</b>	<b>2,237.4</b>	<b>3,657.0</b>	<b>5,504.6</b>	<b>5,504.6</b>
<b>Cash flows from investing activities:</b>															
Purchases of property and equipment and intangible assets	(544)	(1,055)	(2,010.0)	(4,066.0)	(4,066.0)	(2,130.5)	(5,180.4)	(9,773.1)	(16,461.5)	(16,461.5)	(8,191.1)	(14,316.9)	(20,835.5)	(27,404.8)	(27,404.8)
Proceeds from Divestment, net of cash of discontinued oper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from the sale of the remaining equity interest in Div	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in debt securities	-	-	-	(75.0)	(75.0)	-	-	-	-	-	-	-	-	-	-
Proceeds from maturity of debt securities	-	(43)	(42.7)	(42.7)	(42.7)	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property and equipment	-	(50)	(50.0)	(50.0)	(50.0)	-	-	-	-	-	-	-	-	-	-
Other investing activities	-	1	4.5	4.5	4.5	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by investing activities</b>	<b>(544)</b>	<b>(1,146)</b>	<b>(2,098.3)</b>	<b>(4,229.3)</b>	<b>(4,229.3)</b>	<b>(2,130.5)</b>	<b>(5,180.4)</b>	<b>(9,773.1)</b>	<b>(16,461.5)</b>	<b>(16,461.5)</b>	<b>(8,191.1)</b>	<b>(14,316.9)</b>	<b>(20,835.5)</b>	<b>(27,404.8)</b>	<b>(27,404.8)</b>
<b>Cash flows from financing activities:</b>															
Proceeds from issuance of convertible notes	-	1,000	4,162.5	4,162.5	4,162.5	-	-	-	-	-	-	-	-	-	-
Convertible notes issuance costs	-	-	(89.3)	(89.3)	(89.3)	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of equity securities	-	-	1,150.0	1,150.0	1,150.0	-	-	-	-	-	-	-	-	-	-
Treasury shares issuance costs	-	-	(23.8)	(23.8)	(23.8)	-	-	-	-	-	-	-	-	-	-
Withholding tax paid	(182)	(182)	(181.5)	(181.5)	(181.5)	-	-	-	-	-	-	-	-	-	-
Proceeds from exercise of share options	-	-	2.0	(0.8)	(0.8)	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of SAFE instruments	-	-	-	100.0	100.0	-	-	-	-	-	-	-	-	-	-
Repurchase of equity classified awards	-	-	(0.8)	8.4	8.4	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by financing activities</b>	<b>(182)</b>	<b>819</b>	<b>5,019.1</b>	<b>5,125.5</b>	<b>5,125.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash effect of foreign exchange rates	0	0	2.0	(9.7)	(9.7)	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash, equivalents, and restricted	(923)	(697)	2,473.3	1,271.3	1,271.3	(2,149.3)	(4,600.4)	(8,132.9)	(13,330.7)	(13,330.7)	(7,309.3)	(12,079.5)	(17,178.5)	(21,900.2)	(21,900.2)
Balance, beginning of period	2,450	2,450	2,450.3	2,450.3	2,450.3	3,721.6	3,721.6	3,721.6	3,721.6	3,721.6	(13,755.8)	(13,755.8)	(13,755.8)	(13,755.8)	(13,755.8)
Balance, end of period	\$ 1,528	\$ 1,754	4,923.6	3,721.6	3,721.6	(2,574.4)	(5,025.5)	(8,558.0)	(13,755.8)	(13,755.8)	(21,065.1)	(25,835.3)	(30,934.2)	(35,656.0)	(35,656.0)



Copyright D.A. Davidson & Co., 2026. All rights reserved.

### Potential Risks

**Hyperscaler Competitive Pressures:** While Nebius benefits from the AI compute unbundling trend, hyperscalers like AWS, Azure, and GCP have deep resources and could adjust pricing, expand AI-specific offerings, or bundle services in ways that make it harder for Nebius to compete long-term.

**Capital Intensity and Scaling Challenges:** Expanding AI infrastructure requires significant upfront capital for data centers, GPUs, and networking. If Nebius cannot secure sufficient funding or optimize its cost structure, it may struggle to scale profitably.

**Enterprise Adoption Uncertainty:** While AI-native startups are early adopters, Nebius needs enterprise customers for long-term stability. Winning over traditional companies that are deeply embedded with hyperscalers could be challenging.

**Geopolitical & Regulatory Risks:** As a company spun out of Yandex, Nebius may face heightened regulatory scrutiny or geopolitical risks, particularly in regions where ties to its former parent company are viewed as a liability.

### Required Disclosures

D.A. Davidson & Co. makes a market in Nebius Group N.V..

D.A. Davidson & Co, or any of its affiliates, does or seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

D.A. Davidson & Co. is a full service investment firm that provides both brokerage and investment banking services. Alexander Platt, the research analyst principally responsible for the preparation of this report has received and is eligible to receive compensation, including bonus compensation, based on D.A. Davidson’s overall operating revenues, including revenues generated by its investment banking and institutional equities activities. D.A. Davidson & Co.’s analysts, however, are not directly compensated for involvement in specific investment banking transactions.

I, Alexander Platt, attest that (i) all the views expressed in this research report accurately reflect my personal views about the common stock of the subject company, and (ii) no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

### Rating Information

**D.A. Davidson & Co.’s Institutional Research Rating Scale Definitions** (maintained since October 10, 2017); information regarding our previous definitions is available upon request:

**BUY:** Expected to produce a total return of over 15% on a risk adjusted basis over the next 12-18 months

**NEUTRAL:** Expected to produce a total return of -15% to +15% on a risk adjusted basis over the next 12-18 months

**UNDERPERFORM:** Expected to lose value of over 15% on a risk adjusted basis over the next 12-18 months

Rating Distribution (as of 12/31/25)	Coverage Universe Distribution			Investment Banking Distribution		
	IR	WMR	Combined	IR	WMR	Combined
<b>BUY (Buy)</b>	60%	85%	63%	8%	0%	8%
<b>NEUTRAL (Hold)</b>	40%	13%	36%	4%	0%	3%
<b>UNDERPERFORM (Sell)</b>	0%	2%	1%	0%	0%	0%

IR denotes Institutional Research; WMR denotes Wealth Management Research whose rating scale is Buy/Add, Neutral, Sell/Reduce. Investment Banking Distribution denotes companies from whom D.A. Davidson & Co. has received compensation in the last 12 months. Best-of-Breed: Expected to outperform on a risk adjusted basis over a five-year time horizon.



Target prices are our Institutional Research Department’s evaluation of price potential over the next 12 months, based upon our assessment of future earnings and cash flow, comparable company valuations, growth prospects and other financial criteria. Certain risks may impede achievement of these price targets including, but not limited to, broader market and macroeconomic fluctuations and unforeseen changes in the subject company’s fundamentals or business trends.

This report is intended for AJPlatt@dacdo.com. Unauthorized distribution prohibited.



While the Best-of-Breed designation does not contain a separate rating and/or price target from that of the standard ratings system referenced above, the expectation is that the security, based on the 12 criteria utilized in assessing the “Best-of-Breed” designation, will outperform over a five-year time horizon, not the standard 12-18 month time horizon.

### Other Disclosures

Information contained herein has been obtained by sources we consider reliable, but is not guaranteed and we are not soliciting any action based upon it. Any opinions expressed are based on our interpretation of data available to us at the time of the original publication of the report. These opinions are subject to change at any time without notice. Investors must bear in mind that inherent in investments are the risks of fluctuating prices and the uncertainties of dividends, rates of return and yield. Investors should also remember that past performance is not necessarily an indicator of future performance and D.A. Davidson & Co. makes no guarantee, express or implied, as to future performance. Investors should note this report was prepared by D.A. Davidson & Co.’s Institutional Research Department for distribution to D.A. Davidson & Co.’s institutional investor clients and assumes a certain level of investment sophistication on the part of the recipient. Readers, who are not institutional investors or other market professionals, should seek the advice of their individual investment advisor for an explanation of this report’s contents, and should always seek such advisor’s advice before making any investment decisions. Consensus estimates are obtained from Capital IQ. Further information and elaboration will be furnished upon request.

### Other Companies Mentioned in this Report

Company Name	Ticker	Rating	Price
Apple Inc.	AAPL	NEUTRAL	\$275.50
Amazon.com, Inc.	AMZN	NEUTRAL	\$204.08
CoreWeave, Inc.	CRWV	BUY	\$95.15
Alphabet Inc.	GOOGL	NEUTRAL	\$310.96
Meta Platforms, Inc.	META	BUY	\$668.69
Microsoft Corporation	MSFT	BUY	\$404.37
NVIDIA Corporation	NVDA	BUY	\$190.05
Nebius Group N.V.	NBIS	BUY	\$88.61

This report is intended for AJPlatt@dadco.com. Unauthorized distribution prohibited.