
NVIDIA Corporation

Quarterly earnings review

Reporting period: Three months ended April 26, 2026

Filing date: May 20, 2026

Filing: Form 10-Q

Executive takeaway. NVIDIA delivered exceptional year-over-year growth, led by Data Center revenue of \$75.2 billion. Revenue increased 85%, gross margin was approximately 74.9%, and operating cash flow reached \$50.3 billion. Reported net income also benefited from a \$15.9 billion net gain on equity securities, which should be separated from the core operating trend.

Executive summary

NVIDIA reported first-quarter fiscal 2027 revenue of \$81,615 million, up from \$44,062 million in the comparable quarter, an increase of approximately 85%. Gross profit was \$61,157 million, producing a gross margin of approximately 74.9%, compared with approximately 60.5% in the prior-year quarter. Operating income increased to \$53,536 million from \$21,638 million.

Net income was \$58,321 million, or \$2.39 diluted earnings per share, versus \$18,775 million and \$0.76 diluted earnings per share in the prior-year quarter. The comparison includes \$15,929 million of other income, net, primarily reflecting gains on equity securities; therefore, net income growth materially exceeds the growth in operating income.

Metric	Q1 FY27	Q1 FY26	Year-over-year
Revenue	\$81.6B	\$44.1B	+85%
Gross profit	\$61.2B	\$26.7B	+129%
Operating income	\$53.5B	\$21.6B	+148%
Net income	\$58.3B	\$18.8B	+211%
Diluted EPS	\$2.39	\$0.76	+214%
Operating cash flow	\$50.3B	\$27.4B	+84%

Operating performance

Revenue mix

Data Center remained the central growth engine, contributing \$75,246 million, or roughly 92% of total revenue, compared with \$39,112 million in the prior-year quarter. Within the Data Center category, Hyperscale revenue was \$37,869 million and AI Clouds, Industrial, and Enterprise revenue was \$37,377 million. Edge Computing contributed \$6,369 million.

Market platform	Q1 FY27	Q1 FY26	Change
Data Center	\$75,246	\$39,112	+92%
Hyperscale	37,869	17,599	+115%
AI Clouds, Industrial, and Enterprise	37,377	21,513	+74%
Edge Computing	6,369	4,950	+29%

Reportable segments

Compute & Networking generated \$74,550 million of revenue and \$53,335 million of operating income. Graphics generated \$7,065 million of revenue and \$2,941 million of operating income. The filing identifies two operating and reportable segments; Compute & Networking therefore represented approximately 91% of consolidated revenue.

Profitability and cash generation

Gross profit increased by \$34,489 million year over year. Research and development expense increased to \$6,321 million from \$3,989 million, reflecting continued investment while operating leverage remained

substantial. Total operating expenses rose to \$7,621 million, but represented only approximately 9.3% of revenue, down from approximately 11.4% in the prior-year quarter.

Net cash provided by operating activities was \$50,344 million, up from \$27,414 million. Investing cash flow was an outflow of \$26,429 million, including \$18,582 million of purchases of non-marketable securities and \$8,000 million of purchases of marketable debt and equity securities. Financing cash flow was an outflow of \$21,283 million, including \$19,312 million of common-stock repurchases.

Financial position

At April 26, 2026, NVIDIA reported total assets of \$259,474 million, up from \$206,803 million at January 25, 2026. Cash and cash equivalents were \$13,237 million, while marketable debt and equity securities totaled \$67,335 million. Inventories increased to \$25,797 million from \$21,403 million, an important working-capital item to monitor as supply commitments and product transitions continue.

Selected balance-sheet item	Apr. 26, 2026	Jan. 25, 2026
Cash and cash equivalents	\$13,237	\$10,605
Marketable debt securities	37,098	39,065
Marketable equity securities	30,237	12,886
Inventories	25,797	21,403
Total assets	259,474	206,803

Key considerations and risks

- **Earnings quality:** The quarter's net income includes \$15.9 billion of net other income from equity securities. Operating income and operating cash flow provide cleaner indicators of underlying execution.
- **Customer concentration:** The filing reports non-U.S. revenue concentration risk of 22%, compared with 42% in the prior-year quarter. Large-customer exposure remains relevant despite the lower reported percentage.
- **Supply and capacity commitments:** The filing describes data-center-scale production and longer future ordering horizons, which can increase execution, inventory, and demand-forecasting risk.
- **Capital allocation:** The company combined substantial operating cash generation with large investments in securities and \$19.3 billion of share repurchases during the quarter.

Conclusion

The supplied filing presents a quarter of extraordinary operating momentum. NVIDIA's performance was led by sustained Data Center demand, strong segment profitability, and conversion of earnings into operating cash flow. The principal analytical qualification is that reported net income was amplified by equity-security gains, while the balance sheet shows rising inventories, securities holdings, and ongoing capital deployment. For decision-making, the most durable signals are the scale of Data Center revenue, the expansion in gross and operating margins, and the strength of operating cash generation.

Basis of preparation

This document is an analytical summary of the supplied exhibit and is not investment advice. Financial figures and disclosures are reproduced or calculated from the NVIDIA Form 10-Q exhibit cited below. Percentages are rounded; calculations may not sum precisely because of rounding.

Source

- [1] NVIDIA Corporation. *Quarterly Report, Form 10-Q, filed May 20, 2026*. Reporting period ended April 26, 2026; supplied filing exhibit. 2026. URL: [assets/acc9d9b8-e4ba-4022-804d-50238f959a39.html](#).