



Jen-Hsun Huang

NVIDIA Update
September 6, 2011

Before We Start

During today's presentations, we will discuss non-GAAP financial measures. You can find a reconciliation of these non-GAAP financial measures to GAAP financial measures on our website.

Safe Harbor

During the course of today's presentation we may make forward-looking statements based on current expectations. Such statements are subject to a number of significant risks and uncertainties and our actual results may differ materially. For a discussion of factors that could affect our future financial results and business, please refer to the disclosure in our Form 10-Q for the quarterly period ended July 31, 2011, and the reports we may file from time to time on Form 8-K filed with the Securities and Exchange Commission. All our statements are made as of today, September 6, 2011, based on information available to us as of today and except as required by law, we assume no obligation to update any such statements.

NVIDIA

World leader in \$4.6B GPU market - 12% CAGR

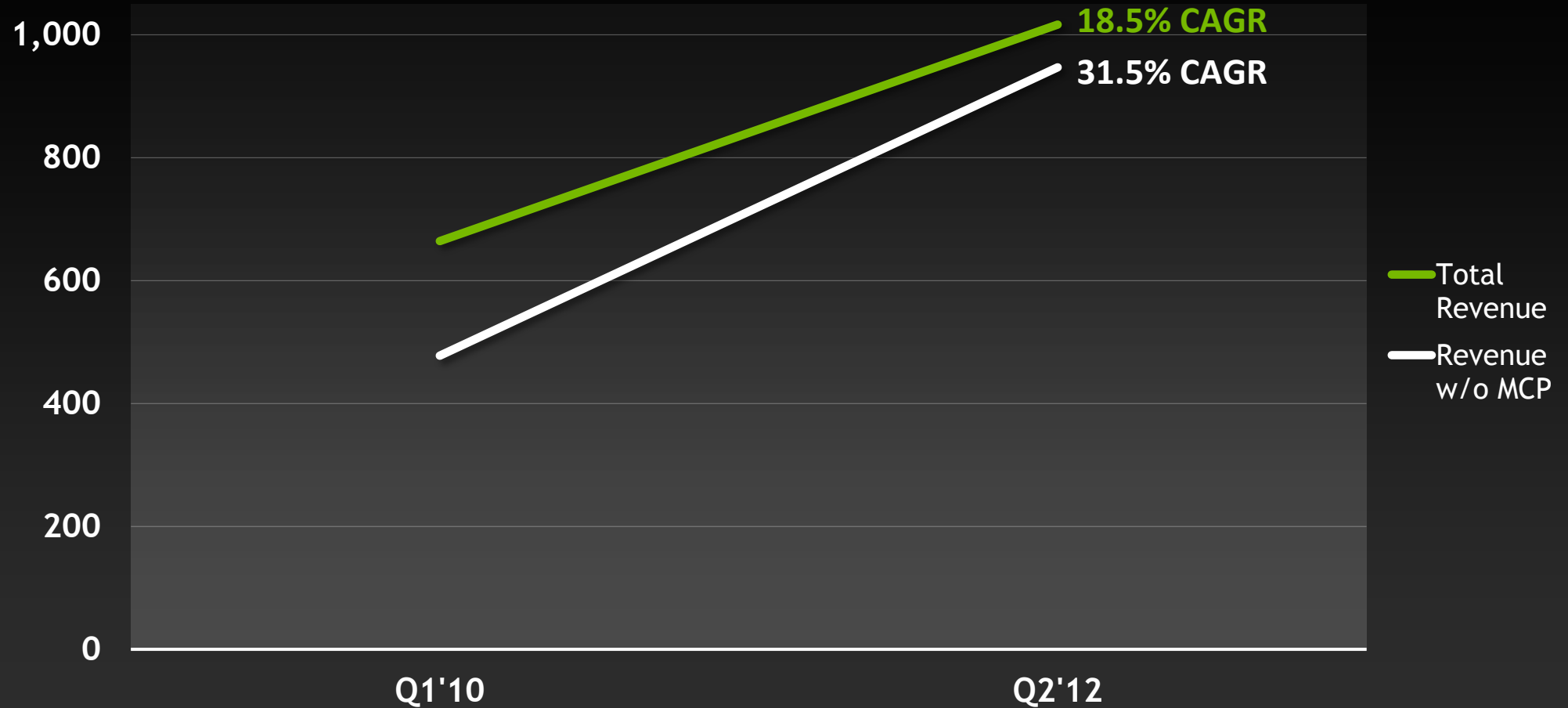
GeForce is the best PC upgrade - 53% attach rate

Tegra on track to \$1B next year

NVIDIA's market opportunity \$27B by 2015

Revenue Growth

Revenue in
Millions



GPU

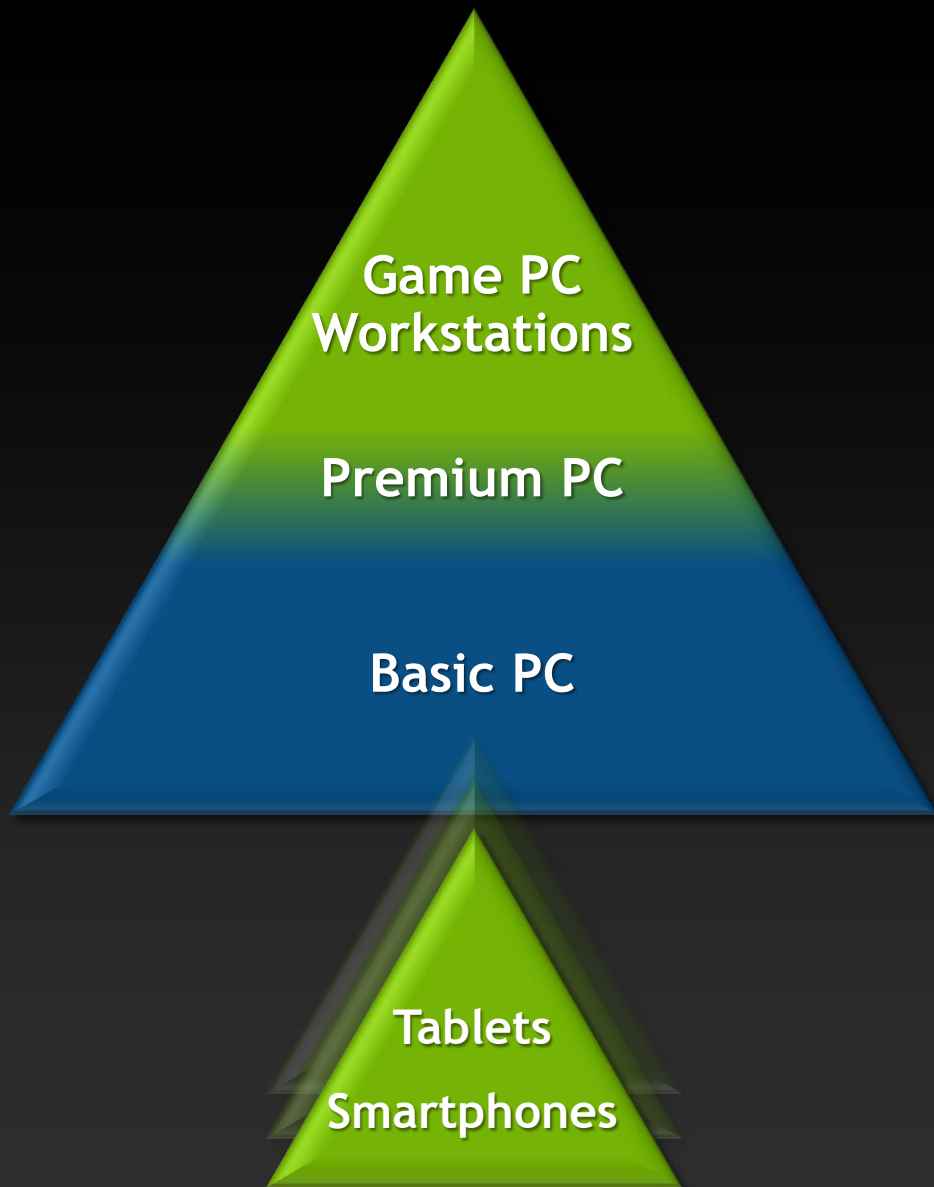


GeForce™, Quadro™, Tesla™
VISUAL COMPUTING

Mobile Processor



Tegra™
MOBILE COMPUTING

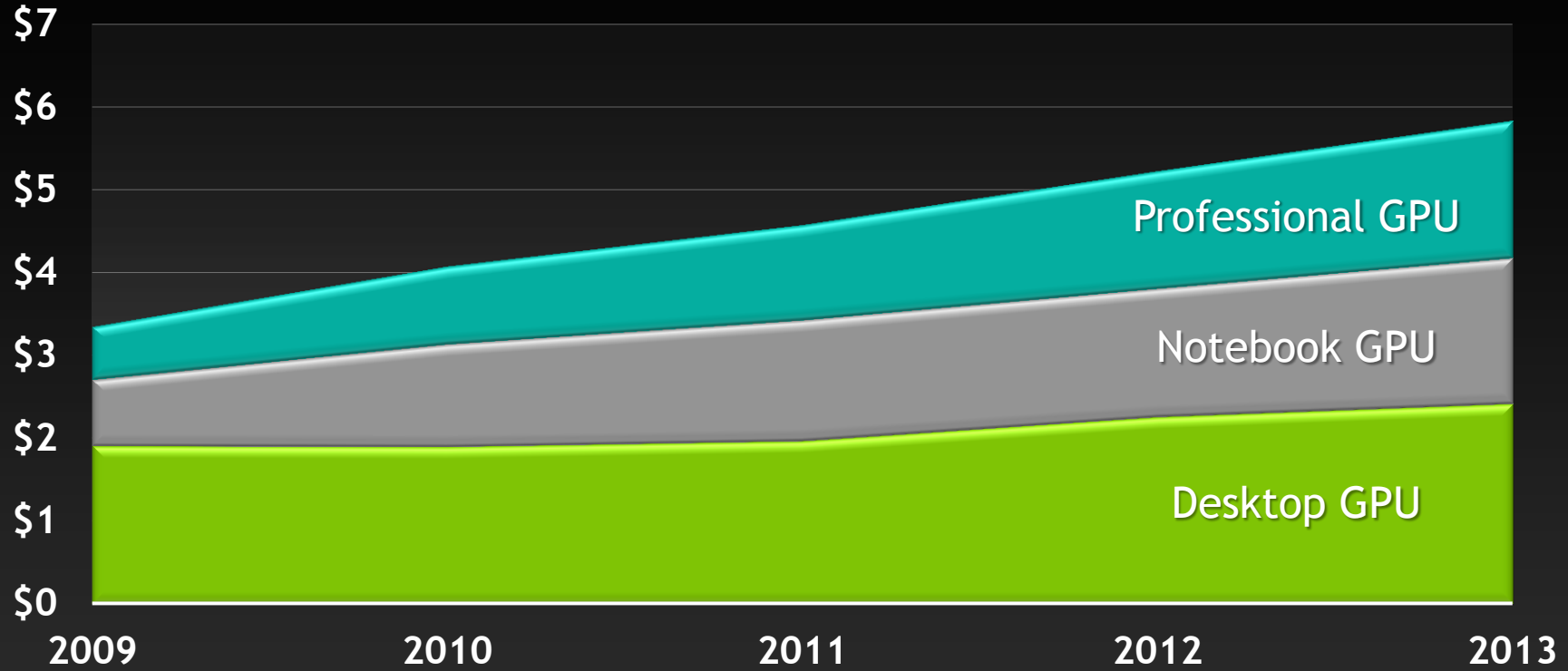


GeForce, Quadro
Tesla

Tegra

GPU: \$4.5B Growing Market

GPU Industry \$B



Professional GPU	\$640	\$940	\$1,150	\$1,420	\$1,660
Notebook GPU	\$800	\$1,240	\$1,460	\$1,550	\$1,760
Desktop GPU	\$1,910	\$1,900	\$1,970	\$2,260	\$2,420

Source: Jon Peddie Research

Gamescom

Cologne, Germany

- World's largest games event
- 275,000 attendees



\$1,000,000

GRAND PRIZE WINNER



Na'Vi

Ukraine

Danil Dendi Ishutin

Ivan ArtStyle Antonov

Ivanov Puppey Clement

Oleksandr XBOCT Dashkevych

Dmitriy LighTofHeavenN Kupriyanov

Dmytriy McDee Bleletskyi

A large, dense crowd of people, mostly young adults, is gathered at a gaming convention. Many individuals are waving their hands towards the camera. The background features various gaming-related displays, including a sign for 'STELLA ESCAPE' and other promotional banners. The atmosphere appears lively and energetic.

China Joy

Shanghai, China

- Asia's largest gamer show
- 300 gaming companies
- 150,000 attendees



League of Legends

Riot Games

- 15 million players
- \$5M prize pool for Season 2



GAMES VS. MOVIES

Opening Week: First Week Sales Revenues

◀ 2010 ▶



\$650 MILLION

VS



\$128 MILLION

◀ 2009 ▶



\$550 MILLION

VS



\$232 MILLION

◀ 2008 ▶



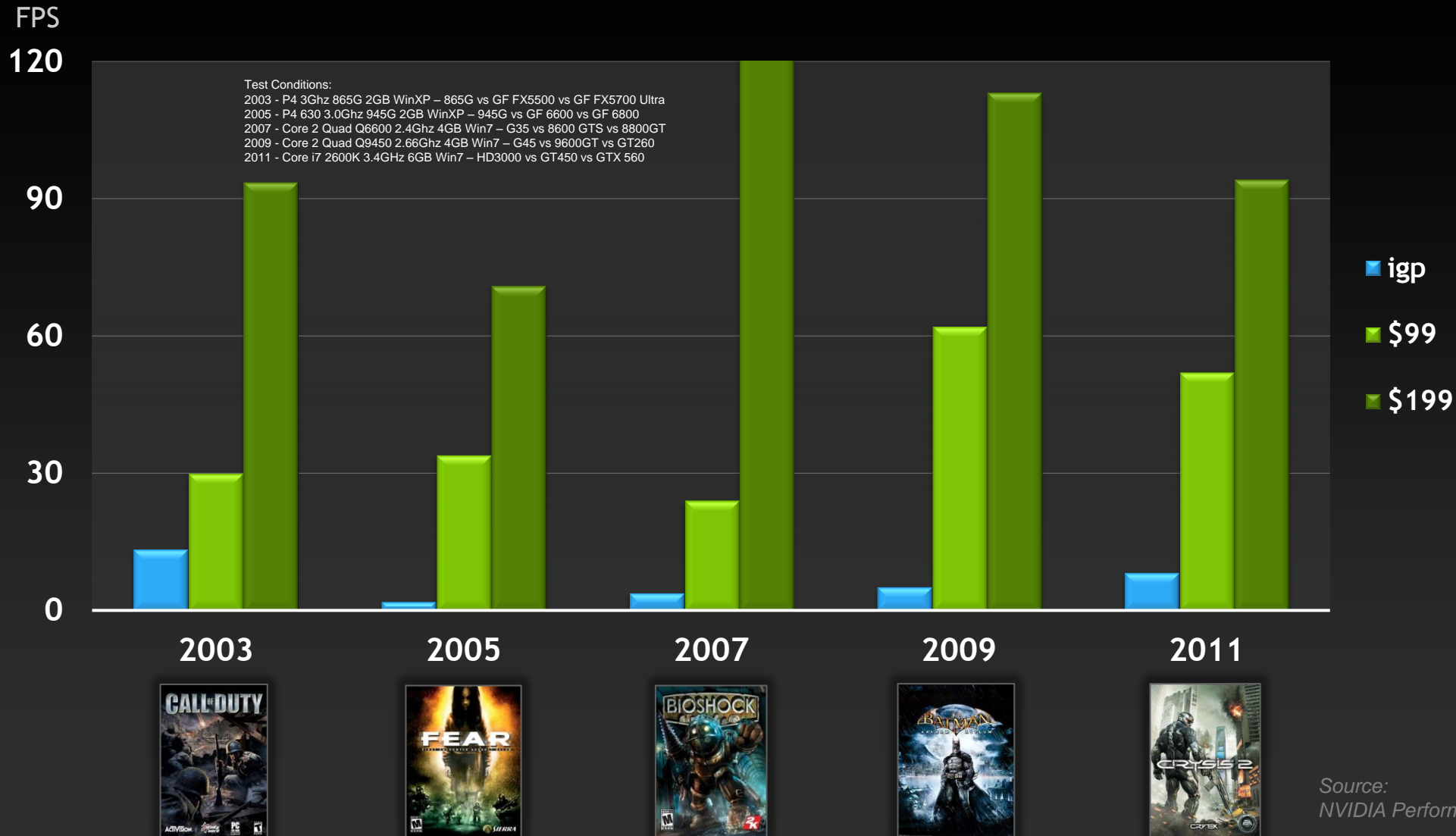
\$500 MILLION

VS



\$155 MILLION

GeForce: The Ultimate Gaming Experience



IGP Simply Not Good Enough

Frames Per Second

120

90

60

30

0

Test Conditions:

2003 - P4 3Ghz 865G 2GB WinXP - 865G vs GF FX5500 vs GF FX5700 Ultra

2005 - P4 630 3.0Ghz 945G 2GB WinXP - 945G vs GF 6600 vs GF 6800

2007 - Core 2 Quad Q6600 2.4Ghz 4GB Win7 - G35 vs 8600 GTS vs 8800GT

2009 - Core 2 Quad Q9450 2.66Ghz 4GB Win7 - G45 vs 9600GT vs GT260

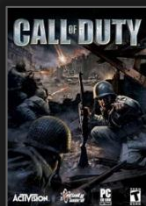
2011 - Core i7 2600K 3.4Ghz 6GB Win7 - HD3000 vs GT450 vs GTX 560

■ igp

■ \$99

■ \$199

2003



2005



2007



2009



2011



Source:
NVIDIA Performance Lab

Battlefield 1942
2001



Battlefield 3
Fall 2011



Battlefield 1942

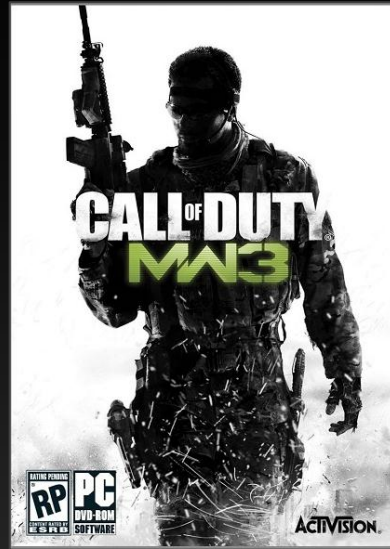
2001



Battlefield 3
Fall 2011



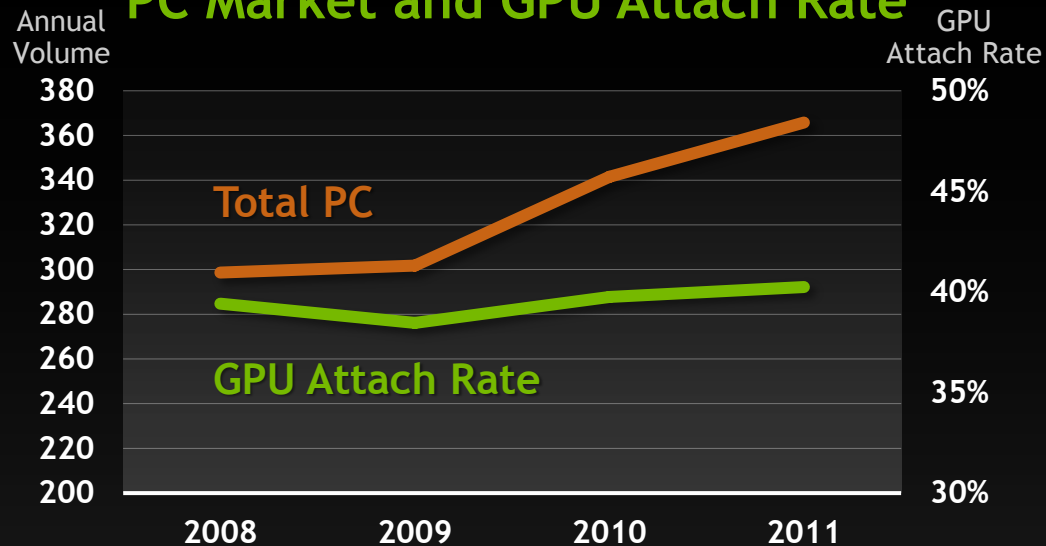
Major Blockbusters This Fall



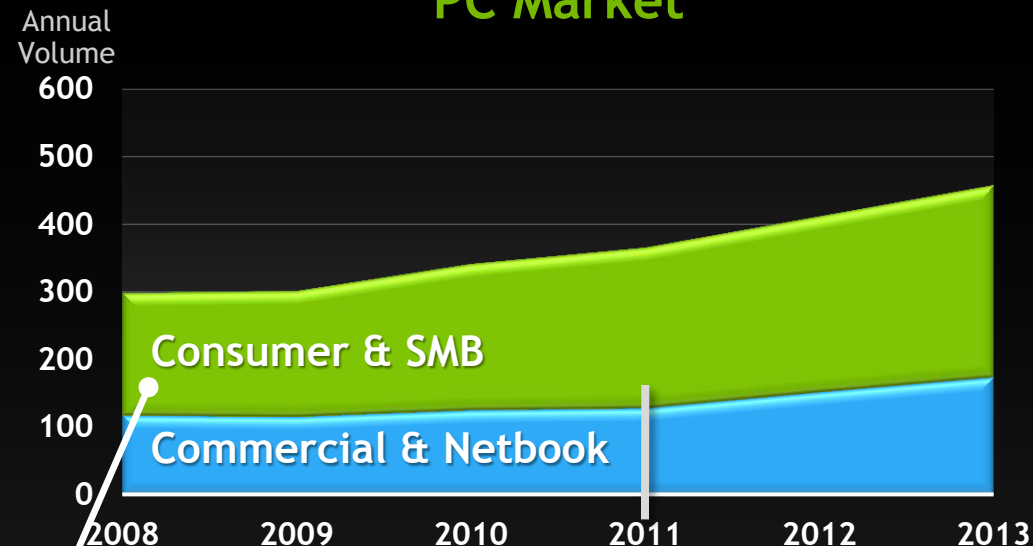
“If you know anyone who’s planning to pick up Battlefield 3 on a console box, kindly show them the [trailer]. It’s all the proof you need that Battlefield 3 must be played on PC.”

— PC Gamer

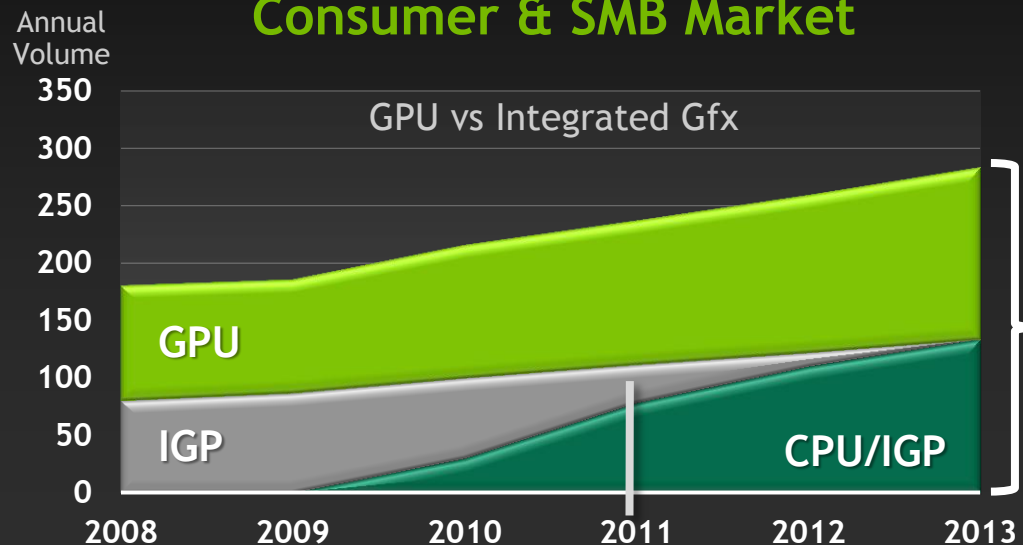
PC Market and GPU Attach Rate



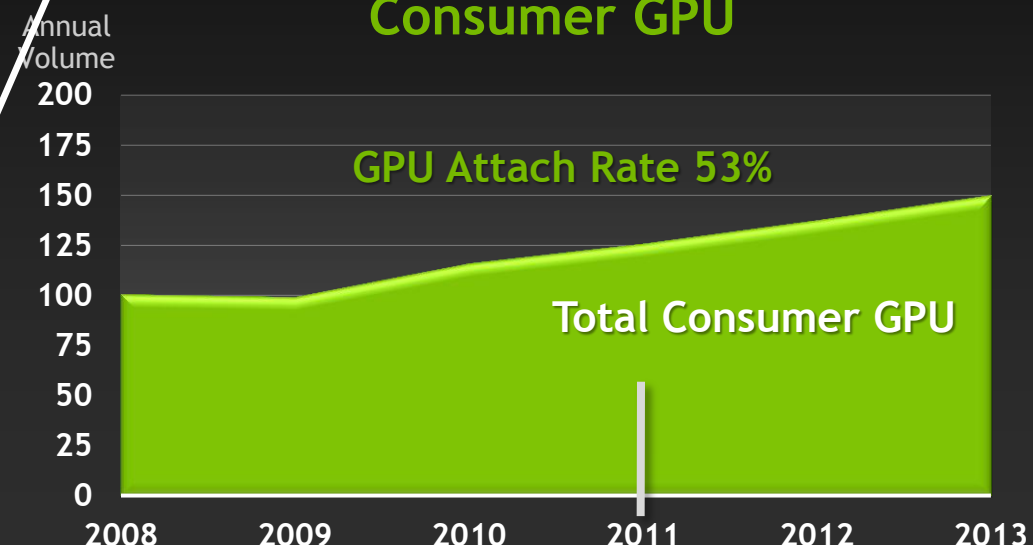
PC Market



Consumer & SMB Market



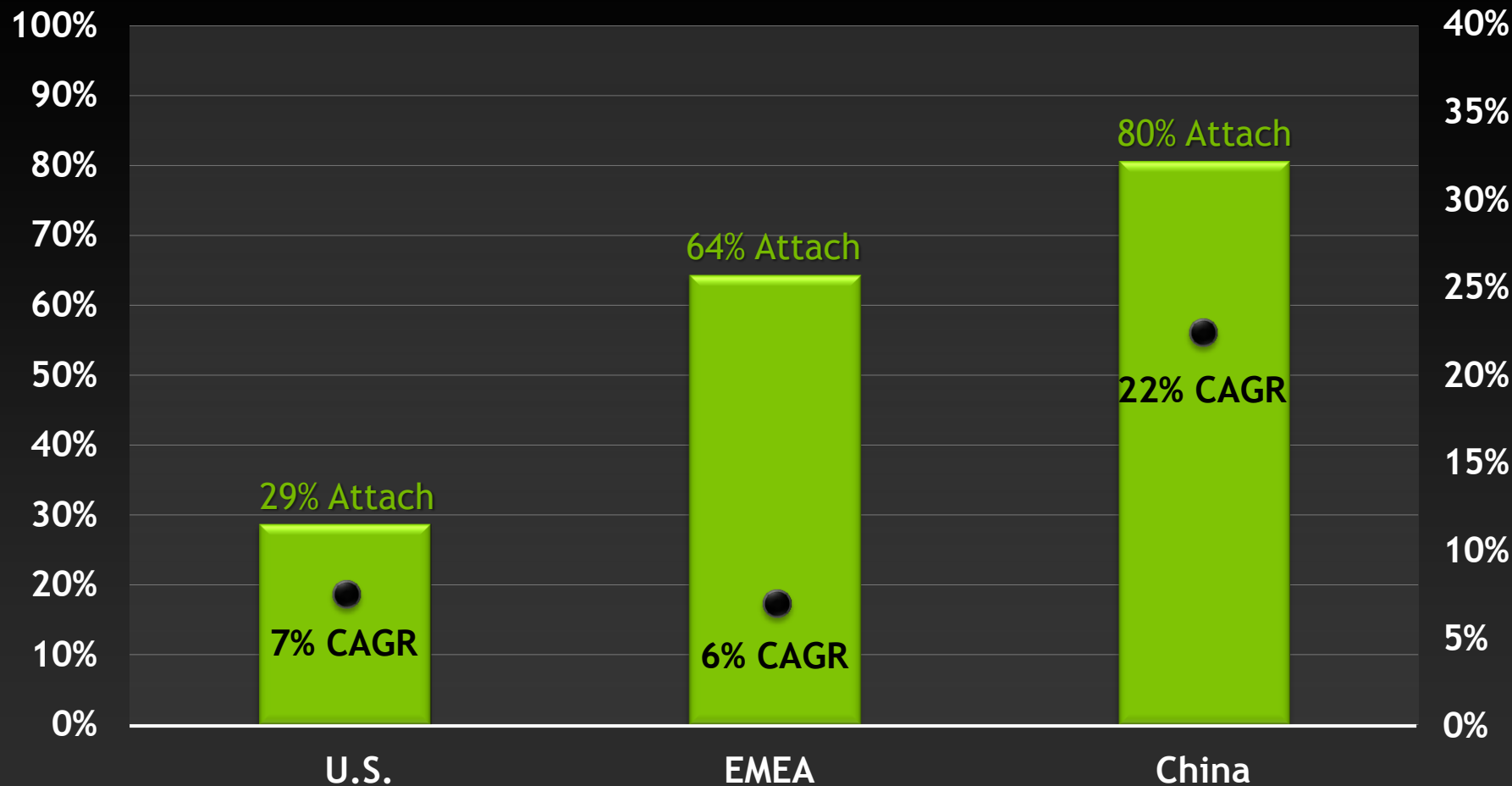
Consumer GPU



GPU Attach Highest Outside of U.S.

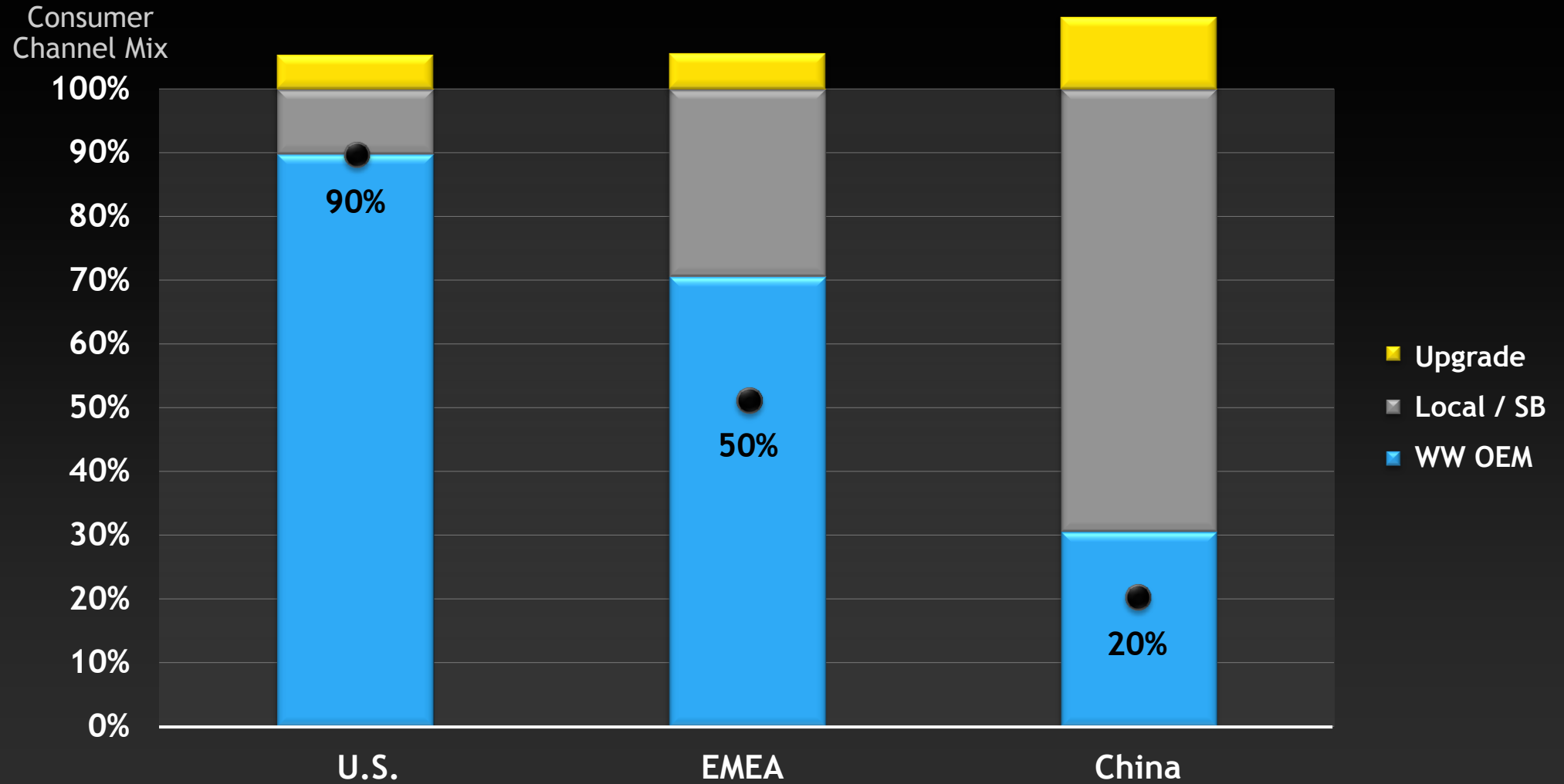
GPU Attach Rate
for Consumer PC

Consumer PC CAGR



GPU Attach Rate for Consumer PC Source: NVIDIA and GFK; Consumer PC CAGR Source: Gartner

Markets Are Different



● % PC Sold through Mass Retailers (Source: GFK, Gartner, NVIDIA)





NVIDIA®

GeForce® 显卡
是好电脑

DX11

GeForce GT230 GeForce GT240 GeForce GT250 GeForce GT260 GeForce GT280

DX11

GeForce GT320 GeForce GT330 GeForce GT340 GeForce GT350 GeForce GT360

GeForce GT220 GeForce 210

Hailong PC Mall in Beijing

1,100 shops

10,000 DIY PCs sold monthly

75% GPU attach rate

80% NVIDIA GPU share

3,000 similar malls in China



NVIDIA
英伟达

请保管好
随身物品

3D 体验区
支持全球所有3D游戏
请将3D眼镜主动
交还给当区网管

NVIDIA
3D 全新视界
立体游戏体验

3D 全新视界
立体游戏体验

iCafes in China

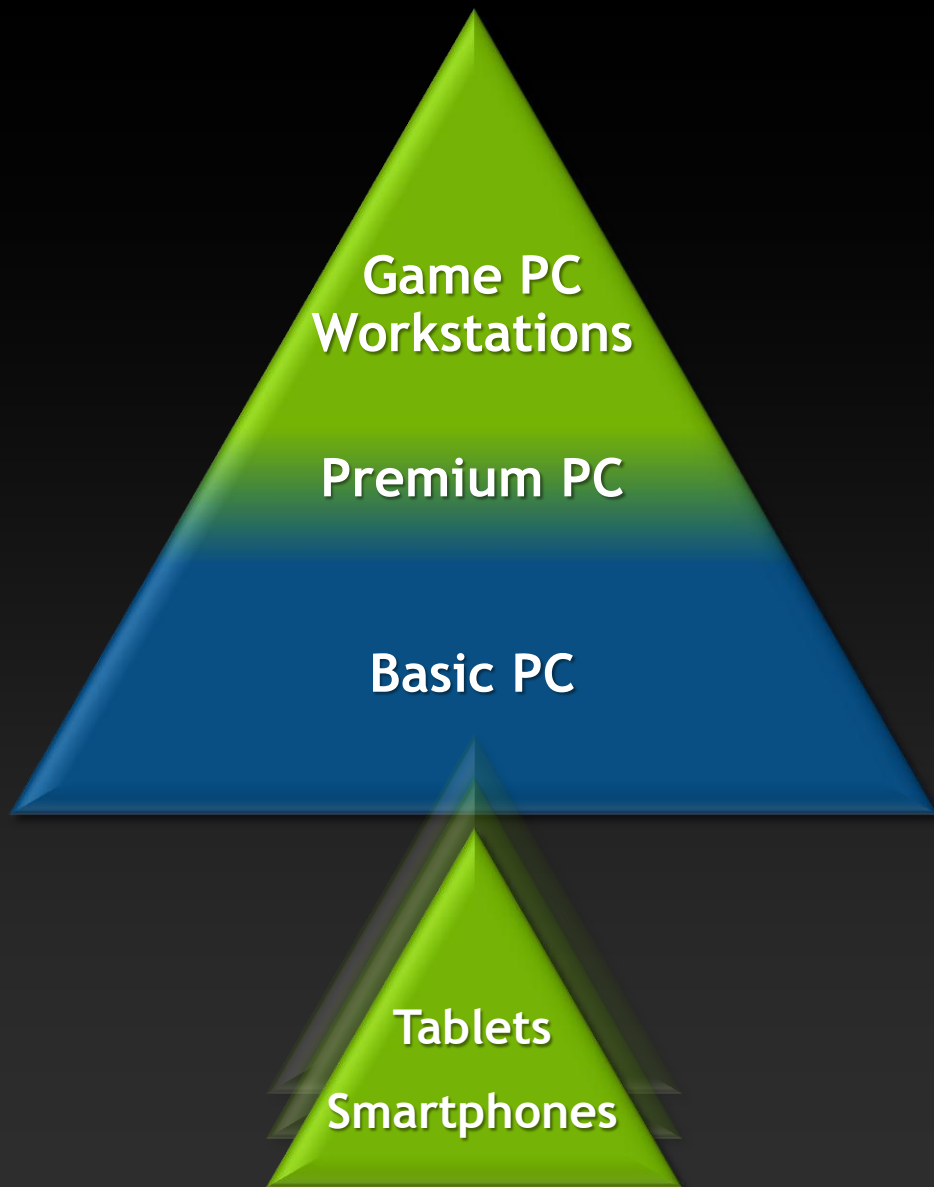
160,000 iCafes

18M PCs

4.5M new PCs annually

92% GPU attach

93% NVIDIA share



GeForce, Quadro
Tesla

Tegra

Tegra Super Phone Growth

of SKUs

60

50

40

30

20

10

0



65 countries
16 of top 20 carriers

1

Q4 '11

18

Q1 '12

53

Q2 '12

Source: NVIDIA



“The Galaxy Tab 10.1 matches iPad 2 in design, price, and even that intangible IT factor.”



“The Asus Eee Pad Transformer is what we’ve been waiting for – a tablet that can truly replace a netbook or ultra-portable laptop.”



Sony S1 and S2

Tegra Tablets Growth

of Models

14

12

10

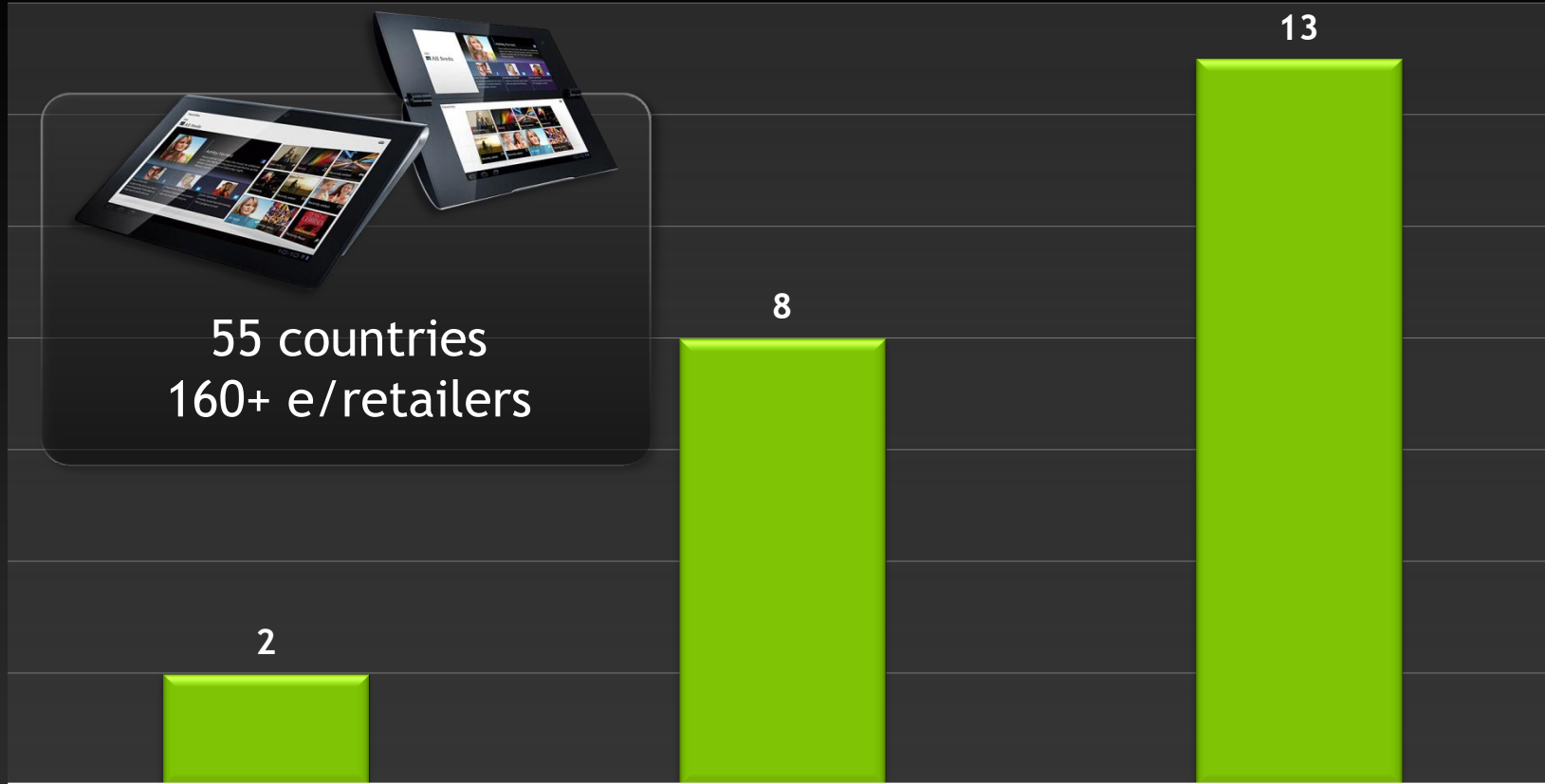
8

6

4

2

0



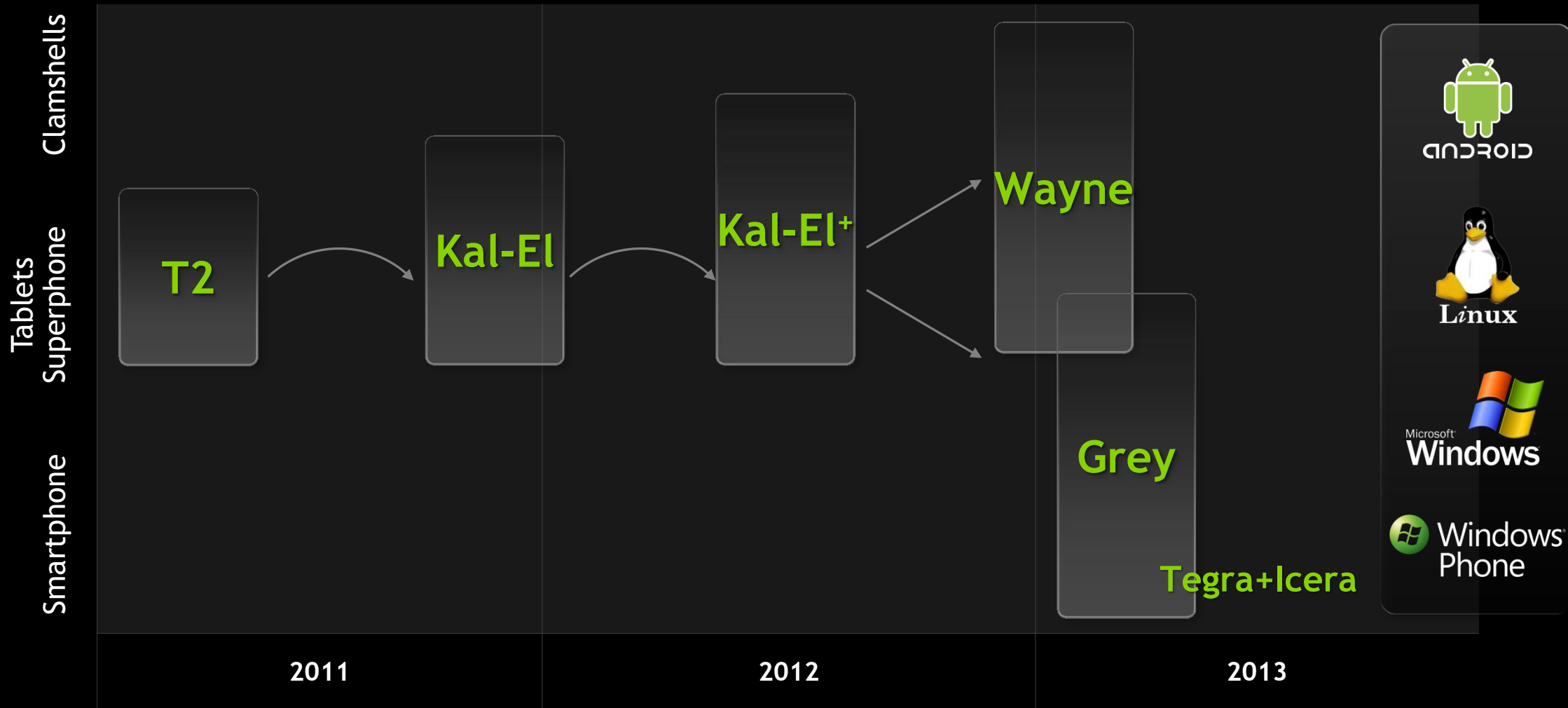
Q4 '11

Q1 '12

Q2 '12

Source: NVIDIA

Tegra Roadmap



Tegra Market Expanding

Million Units

1,200

1,000

800

600

400

200

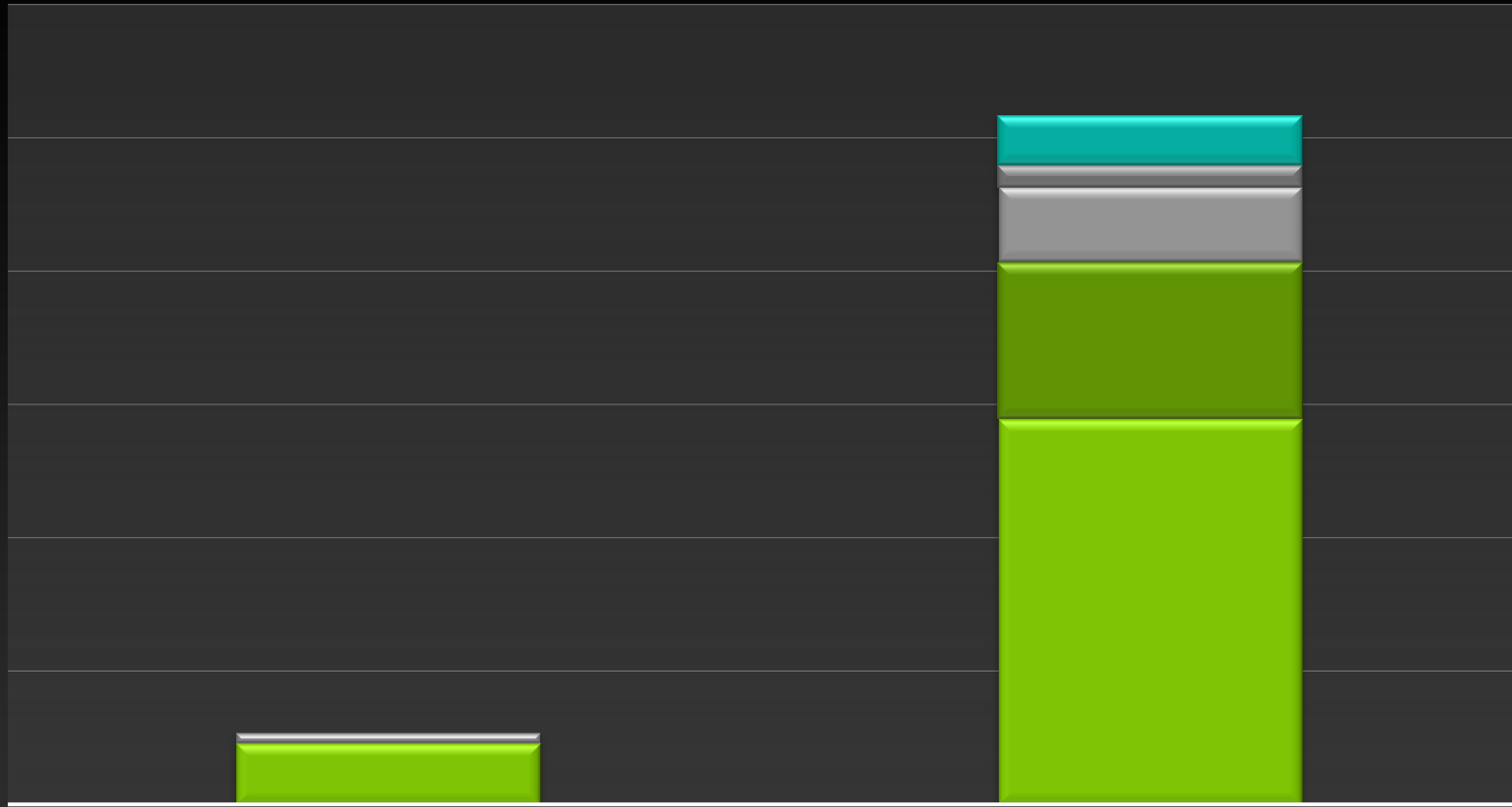
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2011

2015

- WoA Clamshell
- WoA Tablet
- Android Tablet
- Windows Phone
- Android Phone

Smartphone data: Gartner 2011-07; Tablet data: Gartner 2011-06; Windows on ARM PC data: iSuppli 2011-07.



\$27B Market Opportunity by 2015

	2011	2015
GPU	\$4.6B	\$7.3B
Mobile Processor	\$2.0B	\$20.0B
Total	\$6.6B	\$27.3B

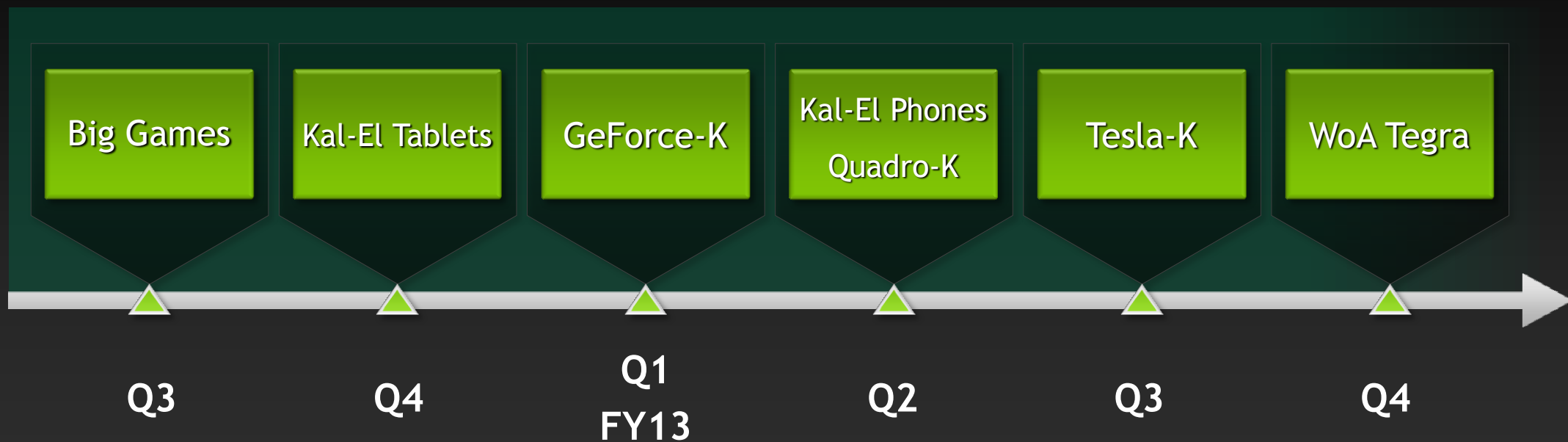
Source: Gartner, Jon Peddie Research, NVIDIA

FY13 Financial Outlook

	GAAP	non-GAAP
Revenue	\$4.7 - \$5.0B	\$4.7 - \$5.0B
GM%	51-53%	51-53%
OPEX	\$1.54 - \$1.61B	\$1.38 - \$1.43B

Non-GAAP operating expenses exclude stock-based compensation, amortization of acquisition-related intangible assets, and other acquisition-related costs.

Growth Drivers



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NVIDIA's market opportunity \$27B by 2015