AN ARGUMENT TIED TO A COMPLETE CALCULATION

Example · Anthropic at a $500bn EV

Anthropic · Operating enterprise value · USD billions. The saved cases are illustrative assumptions, not disclosed company forecasts.

Captured 2026-10-19T00:00:00.000Z · Metadata updated 2026-10-19T00:00:00.000Z. This document recalculates the captured inputs; it carries no saved server-verification claim.

Reference · Base	Alternative · Bull	Alternative minus reference
$367.8bn	$500.0bn	+$132.2bn
Operating enterprise value	Operating enterprise value	Signed enterprise-value change

Analyst argument

The following plain-text notes were supplied by the analyst. Selected sources provide context and do not establish every assumption or certify the conclusion.

Rationale

Illustrative research example: explore the 2036 EBIT margin required to support a $500bn operating enterprise value while retaining the Bull revenue and capital assumptions. Compare the solved alternative against the original Base case. This is a conditional model requirement, not a financing price or a forecast of what will happen.

Key assumption

The selected 10.5% WACC, Bull growth path and capital efficiency must hold. The solved margin retains full numerical precision. Source S19 supports the terminal reinvestment relationship; it does not establish the chosen WACC, perpetual growth or ROIC.

Review trigger

Revisit the case when dated operating disclosures change the revenue bridge, evidence clarifies gross versus net revenue, or capital commitments can be translated into a defensible payment and reinvestment schedule. Recalculate the complete case before updating the argument.

Negative operating EV remains negative. This operating model does not apply a liquidation floor or calculate a share price. Terminal value describes cash flows after 2036; it is not cash received in that year.

THE CAPTURED CALCULATION

Complete model inputs

The main values use the labeled input units. Each “Stored” line gives the exact captured number, with rates expressed as decimals. Future inputs remain analyst assumptions.

Assumption / input unit	Reference · Base origin	Alternative · Bull origin
2026 model revenue USD bn	53.26 Stored: 53.26	56.62 Stored: 56.62
2027–2030 annual growth %	45.00% Stored: 0.45	65.00% Stored: 0.65
2031–2033 annual growth %	24.00% Stored: 0.24	30.00% Stored: 0.3
2034–2036 annual growth %	12.00% Stored: 0.12	15.00% Stored: 0.15
2027 EBIT margin %	−2.00% Stored: -0.02	5.00% Stored: 0.05
2030 EBIT margin %	18.00% Stored: 0.18	25.00% Stored: 0.25
2036 EBIT margin %	22.00% Stored: 0.22	7.12% Stored: 0.07118481610922622
Sales / invested capital ×	2.500× Stored: 2.5	3.500× Stored: 3.5
Cost of capital (WACC) %	12.50% Stored: 0.125	10.50% Stored: 0.105
Perpetual growth %	3.00% Stored: 0.03	3.50% Stored: 0.035
Terminal ROIC %	20.00% Stored: 0.2	25.00% Stored: 0.25
Remaining-2026 FCFF USD bn	−3.00 Stored: -3	−1.00 Stored: -1
Tax on positive EBIT %	25.00% Stored: 0.25	25.00% Stored: 0.25

Follow the cash-flow path

Recalculated annual values · USD billions, except margin · Displayed cash flows rounded

Year	Revenue Ref	Revenue Alt	FCFF Ref	FCFF Alt	PV Ref	PV Alt
2027	77.2	93.4	−11.1	−7.0	−9.7	−6.2
2028	112.0	154.1	−10.0	−3.9	−7.7	−3.1
2029	162.4	254.3	−6.4	6.3	−4.4	4.6
2030	235.4	419.7	2.6	31.5	1.6	20.7
2031	291.9	545.6	18.3	54.1	9.9	32.2
2032	362.0	709.2	24.5	54.5	11.8	29.3
2033	448.9	922.0	32.6	50.3	13.9	24.5
2034	502.8	1,060.3	56.4	64.5	21.5	28.4
2035	563.1	1,219.4	66.0	46.9	22.3	18.7
2036	630.7	1,402.3	77.0	22.6	23.2	8.2

Remaining-2026 FCFF is included separately, once. Reference: −$3.0bn before discounting; −$2.9bn present value. Alternative: −$1.0bn before discounting; −$1.0bn present value.

FCFF deducts taxes on positive EBIT and aggregate net reinvestment, including net capital expenditure and working capital. No tax-loss carryforward or loss benefit is modeled. Reference peak cumulative economic FCFF deficit: $30.5bn. Alternative peak cumulative economic FCFF deficit: $11.9bn. These deficits are not literal cash runway or exact external financing requirements.

THE COMPLETE TWO-CASE CONTEXT

Explain the valuation change

Exact grouped attribution evaluates all 64 combinations of six assumption groups, equivalent to averaging all 720 orders. It is conditional on these cases and these groups; it does not establish causality or scenario probabilities.

Assumption group	Signed EV contribution
Revenue scale & growth	+$330.9bn
Operating margins	−$488.9bn
Capital efficiency	+$56.6bn
Long-run economics	+$231.7bn
Tax rate	$0.0bn
Remaining-2026 cash flow	+$2.0bn
Sum of contributions	**+$132.2bn**

Reconciliation residual: 5.684341886080802e-14 USD billions. No contribution is normalized or clipped.

What would support the target?

Target operating EV: $500.0bn. Hold the alternative case's other eleven assumptions fixed and solve its 2036 EBIT margin at each captured WACC.

Exact target · USD billions: `500`

WACC axis · decimals: `0.075, 0.09, 0.105, 0.12, 0.135, 0.15, 0.165, 0.18, 0.195`

Margin axis · decimals: `0.06, 0.09, 0.12, 0.15000000000000002, 0.18, 0.21, 0.24000000000000002, 0.27, 0.3, 0.32999999999999996, 0.36, 0.39, 0.42`

WACC	Required margin	EV / outcome	Interpretation
7.50%	—	Below window	The target requires an operating margin below the supplied margin range.
9.00%	—	Below window	The target requires an operating margin below the supplied margin range.
10.50%	7.12% Stored: 0.07118481610922622	$500.0bn	Solved within the displayed window.
12.00%	9.56% Stored: 0.09560910536613577	$500.0bn	Solved within the displayed window.
13.50%	12.41% Stored: 0.12413499415026316	$500.0bn	Solved within the displayed window.
15.00%	15.72% Stored: 0.15720520276845493	$500.0bn	Solved within the displayed window.
16.50%	19.53% Stored: 0.19529235730062908	$500.0bn	Solved within the displayed window.
18.00%	23.89% Stored: 0.23890014371150187	$500.0bn	Solved within the displayed window.
19.50%	28.86% Stored: 0.2885644597484829	$500.0bn	Solved within the displayed window.

117 of 117 captured grid combinations are model-valid. This is a count of deterministic inputs, not a probability. A target outside the supplied margin range is labeled rather than extrapolated. Changing the 2036 margin also changes interpolated margins in 2031–2036.

DATED EVIDENCE, WITH ITS LIMITS

Keep the evidence next to the argument

“Analyst-selected” identifies the references saved with these notes. Source dates, evidence classes and limitations remain visible. A financing equity value uses a different basis from the operating EV calculation.

> **Separate financing context:** $965.0bn of Post-money equity · Completed Series H · 2026-05-28.
>
> The $65B round includes $15B of earlier hyperscaler commitments. Neither amount establishes current net cash.

ANALYST-SELECTED · COMPANY DISCLOSURE

S01 · Series H financing

Anthropic · 2026-05-28

Recorded use: Completed Series H financing. Company-announced revenue run-rate.

Limit: Primary company announcement; unaudited operating run-rate claim.

COMPANY / METHOD CONTEXT · REPORTED EVIDENCE

S04 · Anthropic investor-day update

Reuters · 2026-10-15T21:00:00Z

Recorded use: Investor IPO valuation expectations. Quarterly revenue and adjusted profitability.

Limit: Multiple unnamed people with knowledge of investor-day disclosures; company did not respond.

ANALYST-SELECTED · REPORTED EVIDENCE

S09 · Anthropic partner accounting and concentration

Reuters · 2026-09-29T20:53:00Z

Recorded use: 2025 cloud channel revenue and fees.

Limit: Confidential prospectus reviewed by Reuters plus its fee analysis.

ANALYST-SELECTED · REPORTED EVIDENCE

S13 · Anthropic infrastructure commitments

Reuters · 2026-09-29T10:08:00Z

Recorded use: Infrastructure obligations in confidential prospectus.

Limit: Reporter reviewed confidential prospectus; debt and lease accounting notes unavailable.

ANALYST-SELECTED · REPORTED EVIDENCE

S18 · Anthropic Q3 investor-day revenue

Reuters · 2026-10-14; updated 2026-10-15

Recorded use: Q1 $4.7B, Q2 $11.6B and Q3 $16.8B underpin the illustrative full-year revenue bridge.

Limit: Based on investor-day reporting; underlying statements and an adjusted-profit reconciliation were not reviewed.

ANALYST-SELECTED · ACADEMIC METHODOLOGY

S19 · Stable growth and reinvestment

Aswath Damodaran / NYU Stern · Undated; retrieved 2026-10-18

Recorded use: Terminal reinvestment rate equals perpetual growth divided by return on capital.

Limit: Supports a valuation relationship, not a company-specific discount rate, return on capital or growth assumption.

Frozen research cutoff: 2026-10-18T09:22:26-07:00. The argument does not imply a live company-data refresh. Future growth, operating margins, capital efficiency, WACC and terminal returns remain analyst inputs.

Reopen the exact calculation ↗

The calculation link restores the numeric scenarios, target and exact landscape axes and any hypothetical bridges. This research brief and the exported casebook JSON retain the title, analyst notes and selected source references.

Application 4.0.0 · Financial engine 3.0.0 · Thesis method 1.0.0
Valuation date 2026-10-18 · Conditional research; not an investment recommendation.

Inspect the source and methodology ↗