## Equity Research

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Source: IDC

## Financials

## Square Inc.

## Higher-Than-Expected Spending = Weaker-ThanExpected 1019 and FY19 Outlook; Reiterating Sell

With its shares trading at what we view as a very rich multiple, Square (SQ) had little room for error heading into the release of its 4 O 18 results today after the market close. While SQ delivered what has become its customary top- and bottom-line beats in $4 \mathrm{O}_{18}$, management's guidance for $1 \mathrm{O}_{19}$ and FY19 may have muddied the story. The culprit: higher-than-expected spending factored into SO's forecasts as the Street appears to have underestimated the costs the company would incur in striving to sustain its growth trajectory.

- In particular, the high end of SQ's guidance for $1 \mathrm{O}_{19}$ adjusted EBITDA in a range of $\$ 47 \mathrm{~mm}$ to $\$ 51 \mathrm{~mm}$ was well below the consensus estimate of $\$ 70.4 \mathrm{~mm}$ and our estimate of $\$ 73.0 \mathrm{~mm}$. With regard to adjusted earnings per share, the high end of management's guidance for $1 \mathrm{O}_{19}$ in a range of $\$ 0.06$ to $\$ 0.08$ was below the consensus estimate of $\$ 0.11$ and our estimate of $\$ 0.14$.
- At the same time, the high end of SQ's guidance for FY19 adjusted EBITDA in a range of $\$ 405 \mathrm{~mm}$ to $\$ 415 \mathrm{~mm}$ was below the consensus estimate of $\$ 421 \mathrm{~mm}$ and our estimate of $\$ 432 \mathrm{~mm}$.
- While SQ's guidance for 1019 and $\mathrm{FY}_{19}$ revenue was in line with Street expectations - the midpoint of its $\mathrm{FY}_{19}$ revenue guidance would represent year-over-year growth of $41 \%$, consistent with the soft guidance that management had provided in November - its lower-than-expected bottom-line forecast was due to an increase in spending on newer services outside of its core payment-processing business.
- We are reiterating our Sell recommendation on SQ and price target of $\$ 30$ based on $20 x$ our FY20E adjusted EBITDA of $\$ 694 \mathrm{~mm}$. We view SQ shares as very expensive at $48.6 \times$ FY20E adjusted EBITDA.
- Valuation: Our \$30 price target for SQ is based on 20x our FY20E adjusted EBITDA of $\$ 694 \mathrm{~mm}$. The multiple we use reflects our anticipation of the company's continued growth, albeit at a slower rate than its valuation currently implies.


## Estimates

|  | 1Q18 A | 2Q18 A | 3Q18 A | 4Q18 A | FY18 A | 1Q19 E | 2Q19 E | 3Q19 E | 4Q19 E | FY19E | FY20 E |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Sales | 669 | 815 | 882 | 933 | 3,298 | 934 | 1,087 | 1,135 | 1,164 | 4,322 | 5,327 |
| EBITDA (Adj.) | 36 | 65 | 71 | 81 | 254 | 51 | 110 | 119 | 133 | 414 | 694 |

[^0]- While SQ's first quarter traditionally has been impacted by seasonality, the midpoint of the company's 1019 adjusted EBITDA guidance would imply a margin of $10.3 \%$ that would be down from $11.7 \%$ in the prior year period. Management explained during today's conference call that SQ was deliberately spending more earlier in the year this year as a means of spurring growth later in the year.
- A highlight of SQ's 4O18 report was the company's disclosure that its Cash App had 15 mm monthly active customers in December 2018, more than twice the number it had a year earlier. Management would not disclose the extent to which it had been able to monetize the app while noting that the app would take revenue through Instant Deposit, Cash Card, peer-to-peer transactions and cryptocurrency.
- Square Capital during 4O18 facilitated over 72,000 business loans for a total of $\$ 472 \mathrm{~mm}$, a $55 \%$ increase versus the prior year period. At the same time, Square Installments, the company's new purchase financing product, during the quarter processed over 10 mm transactions over $\$ 250$ in the U.S. These two loan product segments may boost SQ's results in the near term while reducing churn among its core payment customers, but we believe their growth will make the company increasingly dependent on credit as a means of driving its growth and therefore increasingly at risk when credit-market volatility arises.
- As such, we view the expansion of Square Capital and Square Installments as a negative for the company's risk profile that is not currently reflected in SQ's lofty multiple.
- SQ's gross payment volume (GPV) of \$23bn represented year-overyear growth of $28 \%$. The company's GPV growth had fallen below $30 \%$ for the first time in $3 \mathrm{O}_{18}$ when it was $29 \%$.
- SQ reported 4 O 18 adjusted revenue of $\$ 464 \mathrm{~mm}$, outpacing the consensus estimate of $\$ 455 \mathrm{~mm}$. The company also reported $4 \mathrm{O}_{18}$ adjusted EBITDA of $\$ 81 \mathrm{~mm}$, better than the Street estimate of \$79mm.
- The portion of SQ's GPV generated by larger sellers, those defined as producing more than $\$ 125 \mathrm{~K}$ in annualized GPV, was $51 \%$ in 4 O 18 , up from $47 \%$ in the prior year period. That figure includes $24 \%$ of the company's GPV represented by merchants with GPV greater than \$500K.
- We believe SQ's increasing dependence on larger sellers as a driver of its growth is an underappreciated risk factor for the company. While SQ has little competition in providing payment-processing and other services to micromerchants (among whom GPV growth has been decelerating), it will be facing increasing competition in pursuing the business of larger sellers.
- In particular, we believe Fiserv's (FISV, Not Rated) pending acquisition of First Data Corporation (FDC, Neutral) poses a threat to SQ's future growth among large sellers. Even before the announcement of the
deal last month we believed that FDC's Clover and Clover Go suite of point-of-sale (POS) payment platform would represent an increasingly significant competitor to SQ in the larger-seller space as it continued to ramp up.
- The FISV-FDC combination is expected to generate $\$ 4 \mathrm{bn}$ in free cash flow in the third year following close, and the companies announced that it will invest an incremental $\$ 500 \mathrm{~mm}$ over five years to accelerate growth. The upshot is that Clover and Clover Go will now be backed by a fintech giant with deep pockets that intends to accelerate the growth of the platform.

Income Statement

| Square Inc. - Operating Model \$ millions | Dec-14 2014A | Dec-15 | Dec-16 | ${ }^{\text {Dec-17 }}$ | Mar-18 | $\begin{aligned} & \mathrm{Jun}-18 \\ & 2018 \mathrm{~A} \end{aligned}$ | Sep-18 3018A | Dec- 18 4018 A | Dec-18 | Mar-19 10.19E | ${ }_{\text {Jun-19 }}$ | Sep-19 3019 E | ${ }_{\text {Dec- } 19} 4019 \mathrm{E}$ | ${ }_{\text {Dec-19 }}$ | Mar-20 1020 E | $\frac{\text { Jun-20 }}{2020 \mathrm{E}}$ | Sep-20 3020 E | Dec-20 4020 E | Dec-20 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Transaction-based revenue | 707.80 | 1,050.45 | 1,456.16 | 1,920.17 | 23.04 | 25.23 | 55.38 | 667.80 | 2,471.45 | 662.46 | 795.95 | 338.82 | 860.57 | 3,157.79 | 839.73 | 1,009.55 | 1,063.21 | 1,084.17 | 3,996.66 |
| Starbucks transaction-based reverue | ${ }^{123.02}$ | ${ }^{142.28}$ | 78.90 |  | ${ }^{\circ}$ | - | - |  |  |  | - |  |  |  |  |  |  |  |  |
| Subscription and services-based revenue | 12.05 | 58.01 | 129.35 | 252.66 | 97.05 | 134.33 | 166.20 | 194.12 | 591.71 | 197.87 | 211.19 | 216.91 | 222.70 | 848.67 | 225.62 | 240.82 | 246.83 | 252.48 | 965.75 |
| Hardware revenue | 7.32 | 16.38 | 44.31 | 41.42 | 14.42 | 18.36 | 17.56 | 18.17 | 68.50 | 21.07 | 26.83 | 25.66 | 26.54 | 100.10 | 29.73 | 37.86 | 36.20 | 37.46 | 141.25 |
| Bitcoin revenue |  |  |  |  | 34.10 | 37.02 | 42.96 | 52.44 | 166.52 | 52.97 | 53.50 | 54.03 | 54.57 | 215.07 | 55.12 | 55.67 | 56.23 | 56.79 | 223.80 |
| Total net revenue | 850.19 | 1,267.12 | 1,708.72 | 2,214.25 | 668.60 | 814.94 | 882.11 | 932.53 | 3,298.18 | 934.36 | 1,087.47 | 1,135.41 | 1,164.38 | 4,321.63 | 1,150.19 | 1,343.90 | 1,402.48 | 1,430.89 | 5,327.47 |
| Transaction costs | 450.86 | 672.67 | 943.20 | 1,230.29 | 327.91 | 395.35 | 414.46 | 420.85 | 1,558.56 | 422.03 | 506.98 | 534.18 | 547.92 | 2,011.11 | 532.94 | 640.60 | 674.51 | 687.67 | 2,535.72 |
| Starbucks transaction costs | 150.96 | 165.44 | 69.76 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Software and data products cost | 2.97 | 22.47 | 43.13 | 75.72 | 30.37 | 39.78 | 47.08 | 52.65 | 169.88 | 54.91 | 58.39 | 59.76 | 61.13 | 234.19 | 61.37 | 65.50 | 67.14 | 68.67 | 262.68 |
| Hardware cost | 18.33 | 30.87 | 68.56 | 62.39 | 19.70 | 25.54 | 23.23 | 25.65 | 94.11 | 24.23 | 30.85 | 29.50 | 30.53 | 115.11 | 32.70 | 41.6 | 39.83 | 41.20 | 155.38 |
| Bitcoin costs |  |  |  |  | 33.87 | 36.60 | 42.41 | 51.95 | 164.83 | 51.64 | 52.16 | 52.68 | 53.21 | 209.69 | 53.74 | 54.28 | 54.82 | 55.37 | 18.21 |
| Amortization of acquired technology | 1.00 | 5.64 | 8.03 | 6.54 | 1.58 | 1.86 | 2.28 | 1.38 | 7.09 | 1.44 | 1.52 | 1.59 | 1.67 | 6.23 | 1.76 | 1.84 | 1.94 | 2.03 | 7.57 |
| Total cost of revenue | 624.12 | 897.09 | 1,132.68 | 1,374.95 | ${ }^{413.43}$ | 49.12 | 29.45 | 552.47 | 1,994.48 | 554.26 | 649.90 | 677.71 | 694.46 | 2,576.33 | 682.5 | 803.87 | 38.23 | 854.95 | 3,179.56 |
| Gross profit (loss) | 226.07 | 370.03 | 576.04 | 839.31 | 255.17 | 315.82 | 352.66 | 380.05 | 1,303.70 | 380.11 | 437.56 | 457.70 | 469.93 | 1,745.30 | 467.68 | 540.03 | 564.24 | 575.94 | 2,147.90 |
| Product development | 144.64 | 199.64 | 268.54 | 321.89 | 105.10 | 114.80 | 135.77 | 141.81 | 497.48 | 155.50 | 154.21 | 162.63 | 167.30 | 639.62 | 178.01 | 178.73 | 188.46 | 192.96 | 738.15 |
| Sales and marketing | 112.58 | 145.62 | 173.88 | 253.17 | 77.27 | 98.24 | 116.34 | 119.31 | 411.15 | 116.59 | 132.23 | 135.88 | 138.10 | 522.80 | 136.75 | 157.35 | 161.47 | 163.25 | 618.82 |
| General and administrative | 94.22 | 143.47 | 251.99 | 250.55 | 75.50 | 82.77 | 85.53 | 95.45 | 339.25 | 100.22 | 101.22 | 102.23 | 104.28 | 407.94 | 104.54 | 104.80 | 105.06 | 105.32 | 419.72 |
| Transaction and advance losses | 24.08 | 54.01 | 51.24 | 67.02 | 18.03 | 21.98 | 23.60 | 24.47 | 88.08 | 26.56 | 31.92 | 33.65 | 34.53 | 126.65 | 33.73 | 40.56 | 42.73 | 43.59 | 160.60 |
| Amortization of acquired customer assets | 1.05 | 1.76 | . 85 | . 88 | 0.27 | 0.67 | 1.29 | 2.13 | 4.36 |  | . |  | - |  |  |  |  |  |  |
| Impairment of intangible assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total operating expenses | 376.57 | 544.49 | 746.49 | 893.51 | 276.16 | 318.46 | 362.53 | 383.16 | 1,340.31 | 398.86 | 9.57 | 434.39 | 444.20 | 1,697.02 | 53.0 | 481.43 | 497.71 | 505.12 | 1,937.30 |
| Operating income (loss) | (150.49) | (174.46) | (170.45) | (54.21) | (20.99) | (2.65) | (9.87) | (3.11) | (36.51) | (18.75) | 17.99 | 23.31 | 25.73 | 48.27 | 14.66 | 58.60 | 66.53 | 70.82 | 210.61 |
| EBITDA | (131.91) | (146.83) | (132.71) | (16.93) | (10.83) | 9.68 | 5.97 | 19.53 | 24.35 | (2.38) | 36.74 | 42.77 | 45.71 | 122.84 | 34.66 | 81.61 | 90.39 | 95.21 | 301.86 |
| Adjusted EBITDA | (67.74) | (41.12) | 45.74 | 139.01 | 35.89 | 65.32 | 71.00 | 81.31 | 253.52 | 51.39 | 110.40 | 119.24 | 132.80 | 413.84 | 114.65 | 180.23 | 192.66 | 20.68 | 694.22 |
| Interest (income) and expense | 1.06 | 1.16 | (0.24) | 8.46 | 2.82 | 2.66 | 7.22 | 5.18 | 17.87 | 5.23 | 5.28 | 5.33 | 5.39 | 1.23 | 5.44 | 5.49 | 5.55 | 5.60 | 22.09 |
|  | 1.10 <br> 152.65$)$ | 0.45 | ${ }_{\text {(10.54) }}^{(16967)}$ |  |  |  | $\stackrel{(37.80)}{ }$ |  | ${ }_{(18.36)}$ |  |  |  |  |  |  |  |  |  |  |
| ${ }^{\text {Income (loss) before income taxes }}$ | $\begin{array}{r}\text { (152.65) } \\ 1.44 \\ \hline 1.4\end{array}$ | $(176.07)$ <br> 3.75 <br> 150 | $(169.67)$ 1.92 | $(62.66)$ <br> 0.15 <br> $(2)$ | $\underset{\substack{(23.81) \\ 0.18}}{ }$ | ${ }_{0}^{(5.30)}$ | 20.71 1.07 | ${ }_{\substack{\text { (27.72) } \\ 0.48}}$ | $(36.13)$ 2.33 | (23.98) | 12.71 | 17.98 | 20.34 | 27.05 | 9.22 | 53.10 | 60.98 | 65.22 | 88.52 |
| Net income (loss) | (154.09) | (179.82) | (171.59) | (62.81) | (23.99) | (5.91) | 19.64 | (28.20) | (38.45) | (23.98) | 12.71 | 17.98 | 20.34 | 27.05 | 9.22 | 53.10 | 60.98 | 65.22 | 88.52 |
| Adjusted EPS - Diluted |  | 10.39 | 0.04 | 0.27 | 0.06 | 0.13 | 0.14 | 0.10 | 0.43 | 0.09 | 0.21 | 0.22 | 0.25 | 0.77 | 0.21 | 0.33 | 0.35 | 0.37 | 1.26 |
| Shares outstanding - diluted |  | 170.50 | 362.58 | 426.52 | 461.76 | 470.02 | 474.92 | 488.18 | 478.90 | 493.06 | 496.76 | 500.48 | 504.24 | 498.63 | 508.02 | 510.56 | 513.11 | 515.68 | 511.84 |
| Total net revenue | 850.19 | 1,267.12 | 1,708.72 | 2,214.25 | 668.60 | 814.94 | 882.11 | 932.53 | 3,298.18 | 934.36 | 1,087.47 | 1,135.41 | 1,164.38 | 4,321.63 | 1,150.19 | 1,343.90 | 1,402.48 | 1,430.89 | 5,327.47 |
| Starbucks transaction revenue | 123.02 | 142.28 | 78.90 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Transaction costs | 450.86 | 672.67 | 943.20 | 1,230.29 | 327.91 | 395.35 | 414.46 | 420.85 | 1,558.56 | 422.03 | 506.98 | 534.18 | 547.92 | 2,011.11 | 532.94 | 640.60 | 674.51 | 587.67 | 2,535.72 |
| Bitcoin costs |  |  |  |  | 33.87 | 36.60 | 42.41 | 51.95 | 164.83 | 51.64 | 52.16 | 52.68 | 53.21 | 209.69 | 53.74 | 54.28 | 54.82 | 55.37 | 218.21 |
| Deferred revenue adjustment |  |  |  |  |  | 2.44 | 5.89 | 4.52 | 12.85 | 6.93 | 7.39 | 7.59 | 7.79 | 29.70 | 7.90 | 8.43 | 8.64 | 8.84 | 33.80 |
| Adjusted revenue | 276.31 | 452.17 | 686.62 | 983.96 | 306.82 | 385.43 | 431.14 | 464.25 | 1,587.64 | 467.61 | 535.72 | 556.15 | 571.05 | 2,130.53 | 571.41 | 657.46 | 681.78 | 696.69 | 2,607.34 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net income (loss) Starbucks transaction revenue | ${ }^{(154.09)}$ | ${ }^{(179.82)}$ | ${ }^{(171.59)}$ | (62.81) | (23.99) | (5.91) | 19.64 | ${ }^{(28.20)}$ | (38.45) | (23.98) | 12.71 | 17.98 | ${ }^{20.34}$ | 27.05 | 9.22 | 53.10 | 60.98 | 65.22 | 188.52 |
| Starbucks transaction revenue Starbucks transaction costs | $(123.02)$ <br> 150.96 | $(142.28)$ <br> 165.44 | $(78.90)$ <br> 69.76 |  | - | - | - | - | - | - | - |  |  |  |  |  |  |  |  |
| Share-based compensation expense | 350.12 <br> 36.12 | 1255.24 <br> 82.29 | 138.79 | 155.84 | 46.82 | 52.12 | 58.91 | 59.03 | 216.88 | 53.78 | 73.66 | 76.47 | 87.08 | 290.99 | 80.00 | 98.62 | 102.27 | 111.47 | 392.35 |
| Depreciation and amortization | 18.59 | 27.63 | 37.75 | 37.28 | 10.16 | 12.33 | 15.84 | 22.64 | 60.96 | 16.37 | 18.75 | 19.47 | 19.99 | 74.57 | 20.00 | 23.01 | 23.86 | 24.38 | 91.26 |
| Interest (income) expense | 1.06 | 1.16 | (0.24) | 8.46 | 2.82 | 2.66 | 7.22 | 5.18 | 17.87 | 5.23 | 5.28 | 5.33 | 5.39 | 21.23 | 5.44 | 5.49 | 5.55 | 5.60 | 22.09 |
| Other (income) expense | 1.10 | 0.45 | 48.32 |  |  | 3.45 | (37.80) | 19.44 | (14.91) |  |  |  |  |  |  |  |  |  |  |
| Provision (benefit) for income taxes | 1.44 | 3.75 | 1.92 | 0.15 | 0.18 | 0.60 | 1.07 | 0.48 | 2.33 |  | - | - |  |  |  | - |  |  |  |
| Loss on sale of property plant and equipment | 0.11 | 0.27 | ${ }^{(0.05)}$ | 0.10 | ${ }^{(0.10)}$ | 0.07 | ${ }^{0.81}$ |  | 0.78 |  | - | - | - |  |  | - |  |  |  |
| Other |  |  |  |  |  |  | 5.31 | 2.76 | 8.07 |  |  |  |  |  |  |  |  |  |  |
| Adjusted EBITDA | (67.74) | (41.12) | 45.74 | 139.01 | 35.89 | 65.32 | 71.00 | 81.31 | 253.52 | 51.39 | 110.40 | 119.24 | 132.80 | 413.84 | 114.65 | 180.23 | 192.66 | 206.68 | 694.2 |
| Tax rate | ${ }^{-0.9 \%}$ | -2.1\% | -1.1\% | -0.2\% | -0.7\% | -11.4\% | 5.1\% | -1.7\% | ${ }^{-6.4 \%}$ | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% | 0.0\% |
| Adjusted revenue growth | 72.5\% | 63.6\% | 51.9\% | 43.3\% | 50.6\% | 60.3\% | 67.7\% | 64.2\% | 61.4\% | 52.4\% | 39.0\% | 29.0\% | 23.0\% | 34.2\% | 22.2\% | 22.7\% | 22.6\% | 22.0\% | 22.4\% |
| Transaction revenue growth | 63.2\% | 48.4\% | 38.6\% | 31.9\% | 29.6\% | 29.7\% | 28.5\% | 27.3\% | 28.7\% | 26.7\% | 27.3\% | 28.0\% | 28.9\% | 27.8\% | 26.8\% | 26.8\% | 26.8\% | 26.0\% | 26.6\% |
| Software and data product growth |  | 381.6\% | 123.0\% | 95.3\% | 97.8\% | 127.1\% | 155.5\% | 144.5\% | 134.2\% | 103.9\% | 57.2\% | 30.5\% | 14.7\% | 43.4\% | 14.0\% | 14.0\% | 13.8\% | 13.4\% | 13.8\% |
| Hardware revenue growth | 72.7\% | 123.6\% | 170.5\% | -6.5\% | 59.9\% | 78.5\% | 74.\% | 51.1\% | 65.4\% | 46.1\% | 46.1\% | 46.1\% | 46.1\% | 46.1\% | 41.1\% | 41.1\% | 41.1\% | 41.1\% | 41.1\% |
| EBITDA Margin | -47.7\% | -32.5\% | -19.3\% | -1.7\% | -3.5\% | 2.5\% | 1.4\% | 4.2\% | 1.5\% | -0.5\% | 6.9\% | 7.7\% | 8.0\% | 5.8\% | 6.1\% | 12.4\% | 13.3\% | 13.7\% | 11.6\% |
| Adjusted EEITDA margin | -24.5\% | -9.1\% | 6.7\% | 14.1\% | 11.7\% | 16.9\% | 16.5\% | 17.5\% | 16.\% | 11.0\% | 20.6\% | 21.4\% | 23.3\% | 19.4\% | 20.1\% | 27.4\% | 28.3\% | 29.7\% | 26.6\% |

## BTIG Covered Companies Mentioned in this Report

SQUARE INC. (SQ, Sell, \$30.00 PT; Current Price: \$79.32; Analyst: Mark.Palmer)

## Appendix: Analyst Certification and Other Important Disclosures

## Analyst Certification

I, Mark Palmer, hereby certify that the views about the companies and securities discussed in this report are accurately expressed and that I have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.
I, Giuliano Bologna, hereby certify that the views about the companies and securities discussed in this report are accurately expressed and that I have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

## Regulatory Disclosures

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SELL - A security which is expected to produce a negative total return of $15 \%$ or greater over the next 12 months following the recommendation. The SELL rating may be maintained as long as it is deemed appropriate, notwithstanding price fluctuations that would cause the target to fall outside of the $15 \%$ return.
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## Company Valuation and Risk Disclosures

## Square Inc. (SQ, Sell, \$30.00 PT)

Valuation: Our \$30 price target for SQ is based on 20x our FY20E adjusted EBITDA of $\$ 694 \mathrm{~mm}$. The multiple we use reflects our anticipation of the company's continued rapid growth.
Risks: The primary Upside risks include, better-than-anticipated performance by the company, rapid growth, continued multiple expansion, Square's ability to launch new lines of business, the company's ability to expand into additional countries to continue their rapid growth and an acquisition of the company.

Square Inc. (SQ)
(\$)


Note: Closing Price and Target Price have been adjusted for corporate actions.

| Date | Closing Price (\$) | Target Price (\$) | Analyst | Rating |
| :---: | :---: | :---: | :---: | :---: |
| 02-Dec-15 | 11.93 | 15 | Mark Palmer | Buy |
| $31-$ Mar-16 | 15.28 | NA | Mark Palmer | Neutral |
| $23-$ May-16 | 9.46 | 12 | Mark Palmer | Buy |
| $29-$-Aug-16 | 12.01 | NA | Mark Palmer | Neutral |
| $22-$ Feb-17 | 15.04 | 20 | Mark Palmer | Buy |
| $17-$ May-17 | 19.56 | NA | Mark Palmer | Neutral |
| $27-\mathrm{Nov-17}$ | 41.02 | 30 | Mark Palmer | Sell |

## Other Disclosures

Additional Information Available Upon Request

## General Disclosures

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