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US IT Hardware

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+ **What is IT Hardware?**
+ Headwinds are now abating
+ AI tailwind - What does this mean for the stocks?
+ Apple
+ Q&A

The Hardware Cheat Sheet

	What is this product again?	Approximate Market Size ($B)	Est. GM %	Est. OP %	Software / Services intensity
PCs (& tablets)	• A computer designed for individual use • Key form factors are desktops vs. laptops vs. tablets • Market segments commercial vs. consumer • You are probably using one right now	$200-250B	15-20%	~5-7%	Low
Mobile Phones	• Portable phones that call by radio frequency link • Smartphones are what matters: devices that combine mobile phones with computing capability • If you are bored, you are probably using one right now	~$500B	Apple: ~47% Xiaomi: ~22%	Apple: ~32% Xiaomi: ~7-10%	Low (except for iOS)
Servers	• A computer designed for use by groups of users, typically by interacting with PCs (the “client”) instead of with the end-user directly • IT setups typically feature clusters of servers that are networked with each other and with client PCs • Intel’s x86 is the dominant server architecture • Mainframes are very large servers with strict backward compatibility with legacy hardware and are designed to multi-task workloads from many users with high reliability	$100-120B	10-20%	0-10%	Low
External Storage Arrays	• Standalone devices which are specialized for storing data that other networked computers can access • Typically include small amounts of computing power to handle the operating system	~$20-22B	60-70%	10-20%	High
Networking	• Devices that connect computers and allow them to “talk” • A switch connects small groups of devices • A router directs traffic between multiple switches to build larger networkers	~$80B	60-65%	30-40%	High
Printing	• Devices that convert data into hard copies • Typically, “print hardware” that consumes “supplies” - ink and toner	~$20B	30-35%	15-20%	Low

Software and Services are higher margin (SW 70%+ GM; Services 50%+), and so category margins are often defined by the degree of software/service content

Source: Company reports, Bernstein estimates and analysis

IT Hardware companies sell PCs, servers, storage and other offerings to enterprises and consumers. Product offerings vary by vendor.

Product Offerings by IT Hardware Companies

IT Hardware Companies	PCs	Mobile Phones	Printers	Servers	Storage	Networking	Consulting/SW/Other Products & Services	HDD	NAND
Dell	✓			✓	✓	✓			
HPE				✓	✓	✓	✓		
IBM				✓	✓		✓		
HPQ	✓		✓						
Apple	✓	✓					✓		
Super Micro				✓	✓		✓		
Seagate								✓	
Western Digital								✓	
Sandisk									✓
Lenovo	✓	✓		✓	✓				
Cisco		✓		✓		✓	✓		
NetApp				✓	✓		✓		
Pure Storage					✓		✓		
Huawei		✓		✓	✓	✓	✓		
Acer	✓	✓							
Asus	✓	✓		✓					
Samsung	✓	✓							✓
Fujitsu				✓	✓		✓		
Hitachi				✓	✓		✓		
Inspur				✓			✓		
Canon			✓				✓		
Xiaomi		✓							
Juniper						✓			
Arista						✓			
Toshiba Corp								✓	
Kioxia									✓
SK Hynix									✓
Micron									✓

Source: Company reports, Bernstein analysis

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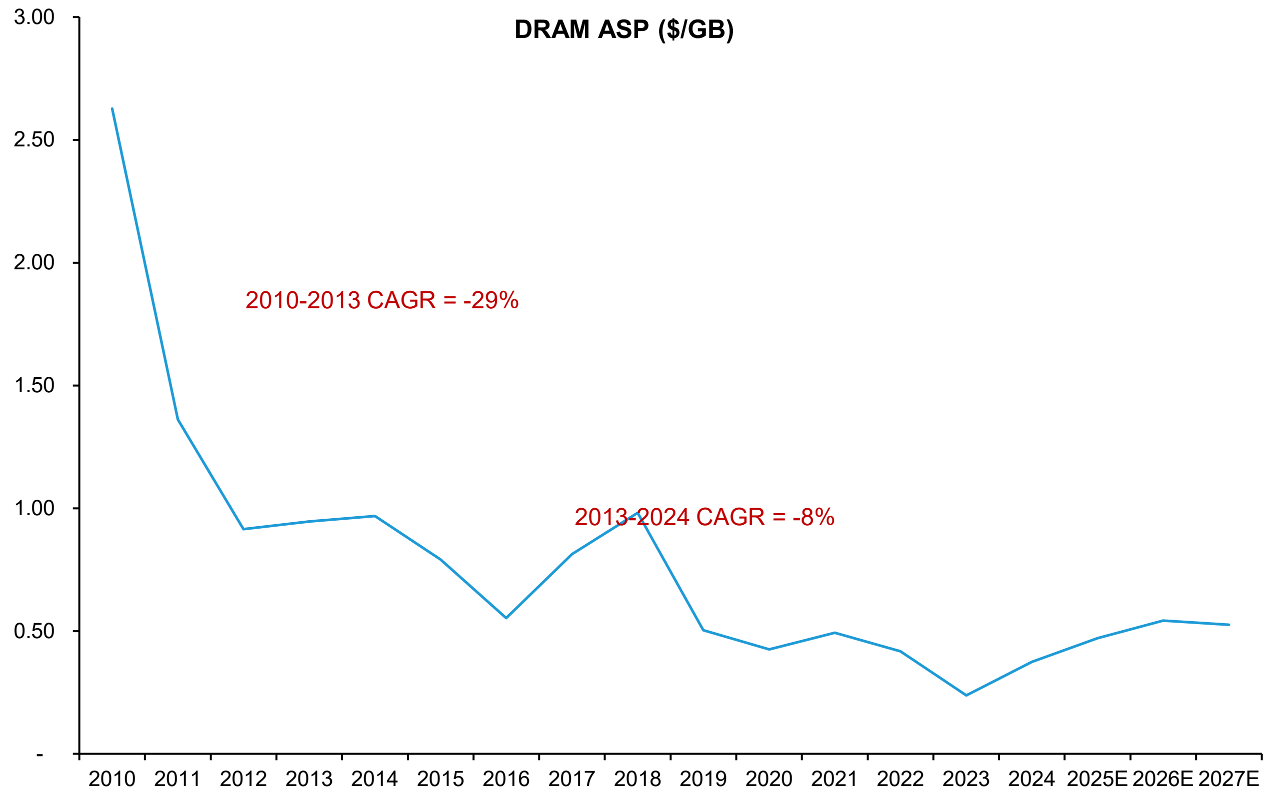
Moore's law creates massive cost deflation –but this headwind is now abating

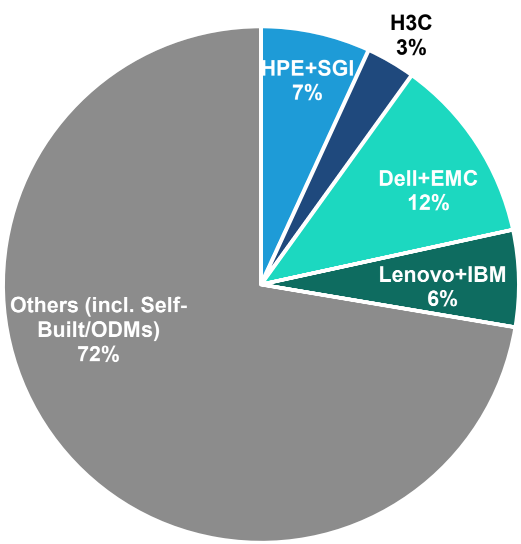


Source: IDC, Bernstein estimates and analysis

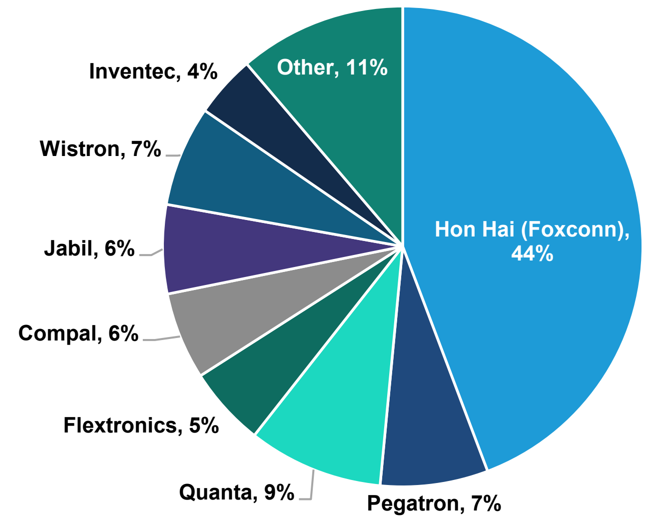
Commoditization has allowed ODMs to increasingly compete with OEMs

Server OEMs compete against their own ODM suppliers, and have a cost disadvantage

OEM brands - Global server market share (by revenue in US$mn, CY 2023)



ODM contract manufaturers - Global server market share
(by revenue in US$mn, CY2024)



Source: Company reports, Bernstein estimates and analysis

US OEMs appear increasingly competitive with Asian ODMs

"The price differential [OEM vs. ODM] was surprisingly not that much. The price differential, multiplied against the number of servers that we were predicting for the year, I couldn't even fund two full-time engineers for that difference. It just didn't work out mathematically."

"Difference between Quanta's ODM, and OEM product cost was 1.5%, even at scale the difference was not large"

- David Hall, Lambda Former VP of AI Infrastructure Solutions

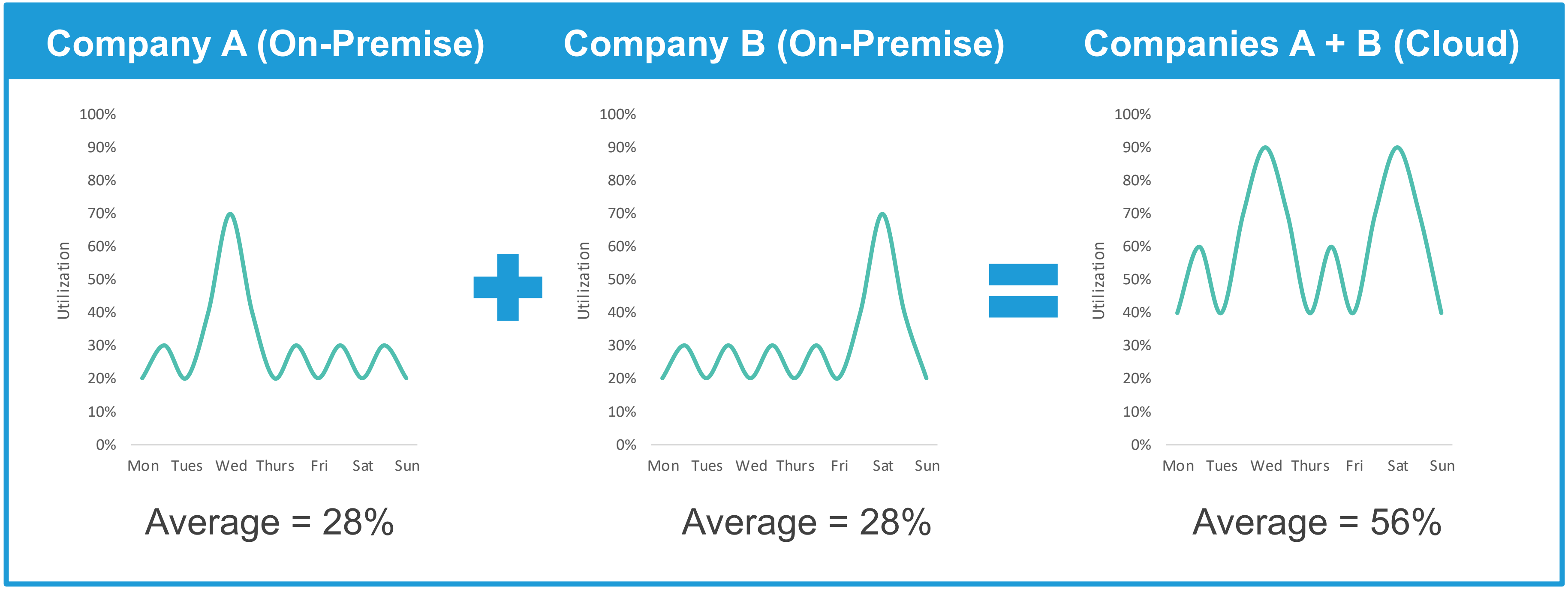
"The principle of ODM business is, they require very high-volume purchases. Hyperscalers were the true providers of those volume purchases to them. But I would say that the market has now opened up to even specialized cloud providers where we have access to both the ODMs and OEMs."

-Mitesh Agrawal, Lambda COO

- Risk of price pressure from Tier 2 GPU and large tech customers migrating to ODMs
- On-premise/inference could be more profitable for AI infra, and would favor the OEMs
- OEM value-add services and support are still enough to justify the price gap so far

Source: Bernstein expert conversations

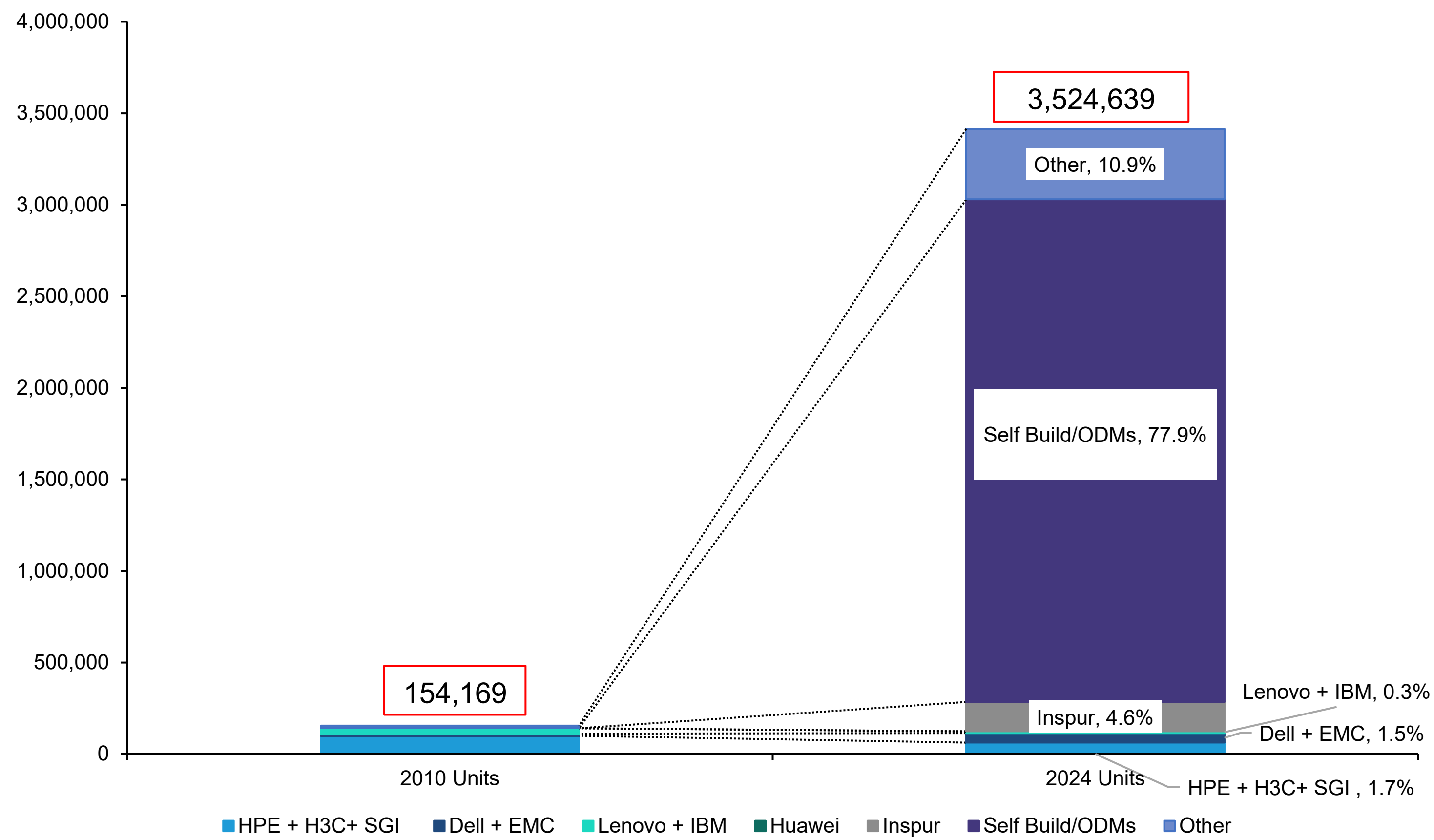
Cloud is an additional, incremental headwind, as utilization increases lower hardware demand…



Source: Bernstein analysis

… and cloud servers tend to be dominated by ODMs

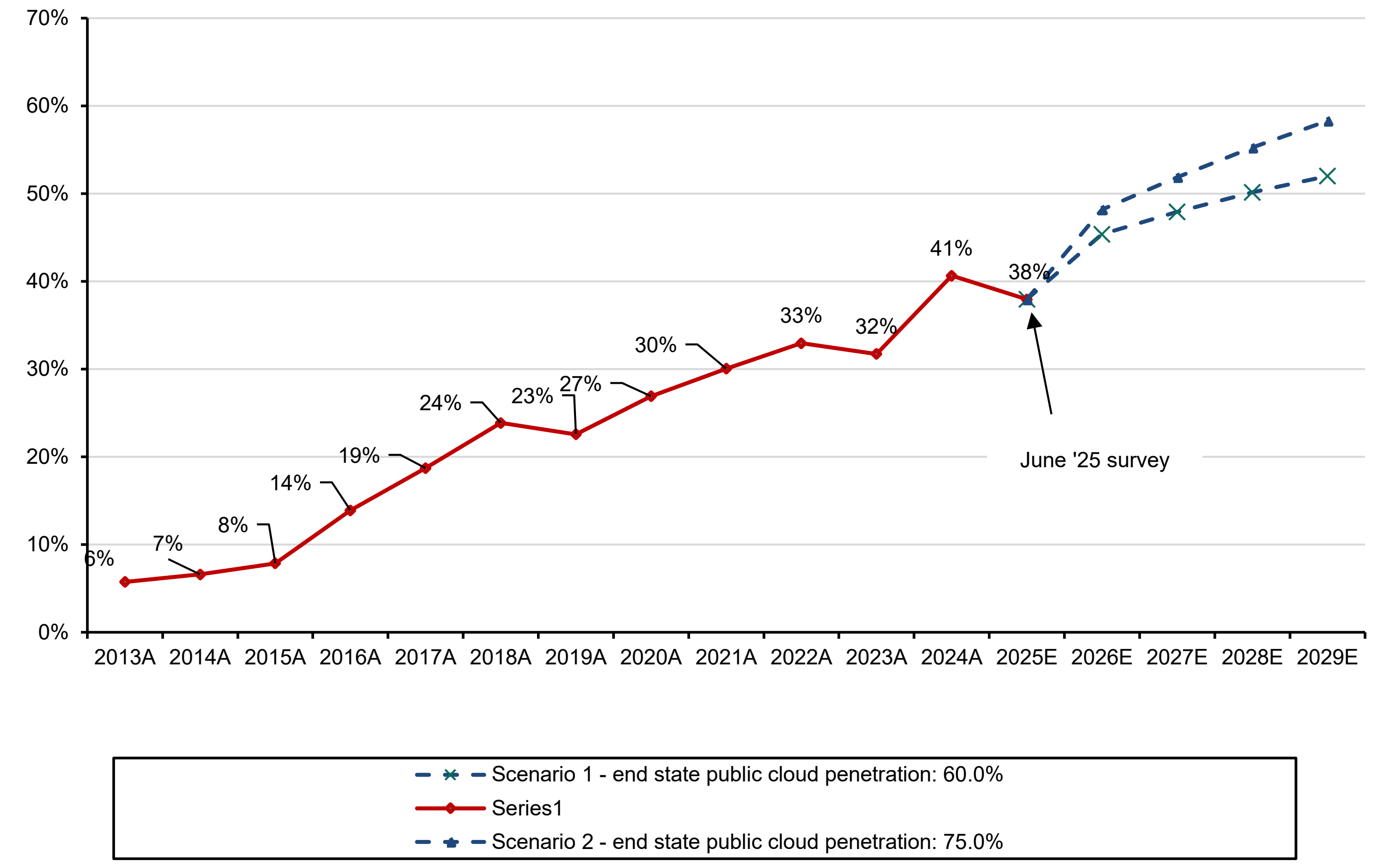
Hyperscale Server Vendor Share (%) by Units in 2010 and 2023



Source: Gartner, Bernstein estimates and analysis

…but we are now past the steepest point in cloud adoption, and recent data suggests that adoption has slowed

Average % of Workloads on Public Cloud: Historical and Projected (By Scenario)



Source: Bernstein CIO Surveys, Bernstein estimates and analysis

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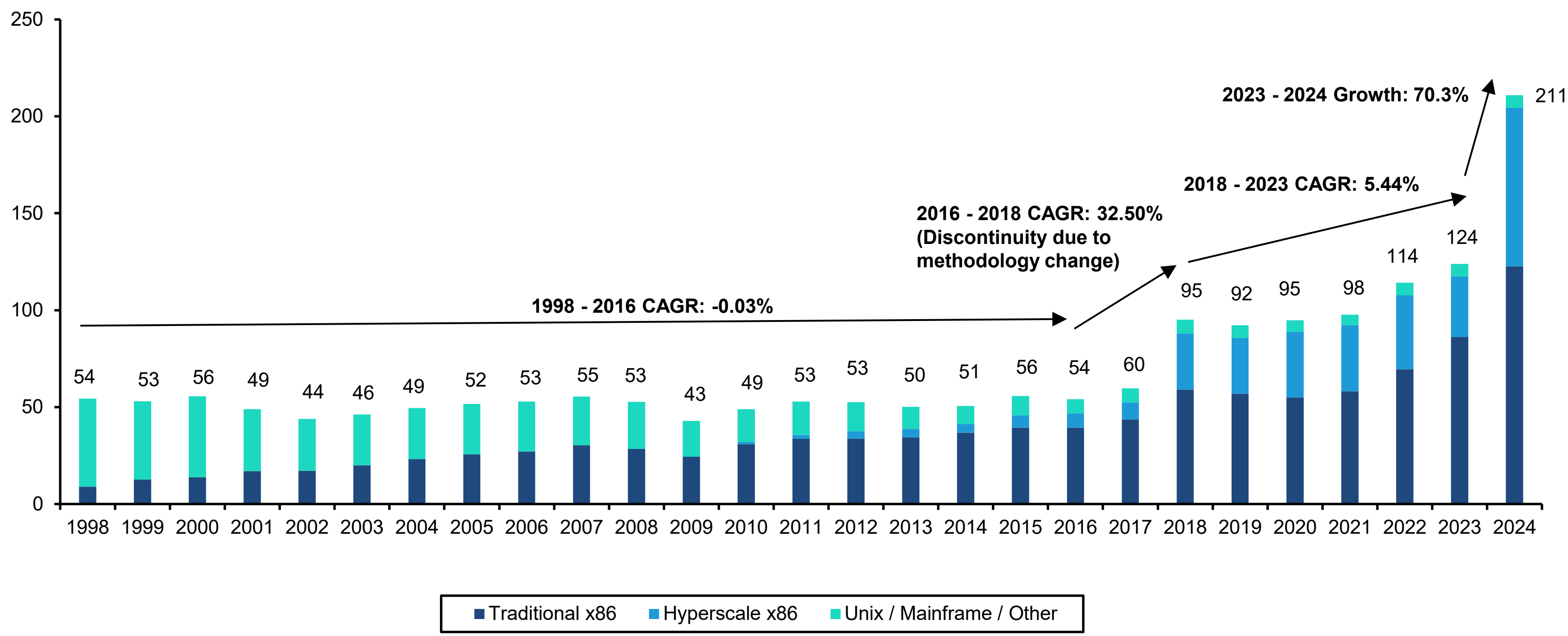
IT hardware is now returning to growth – slowly at first and then suddenly with AI, as exemplified by the server boom

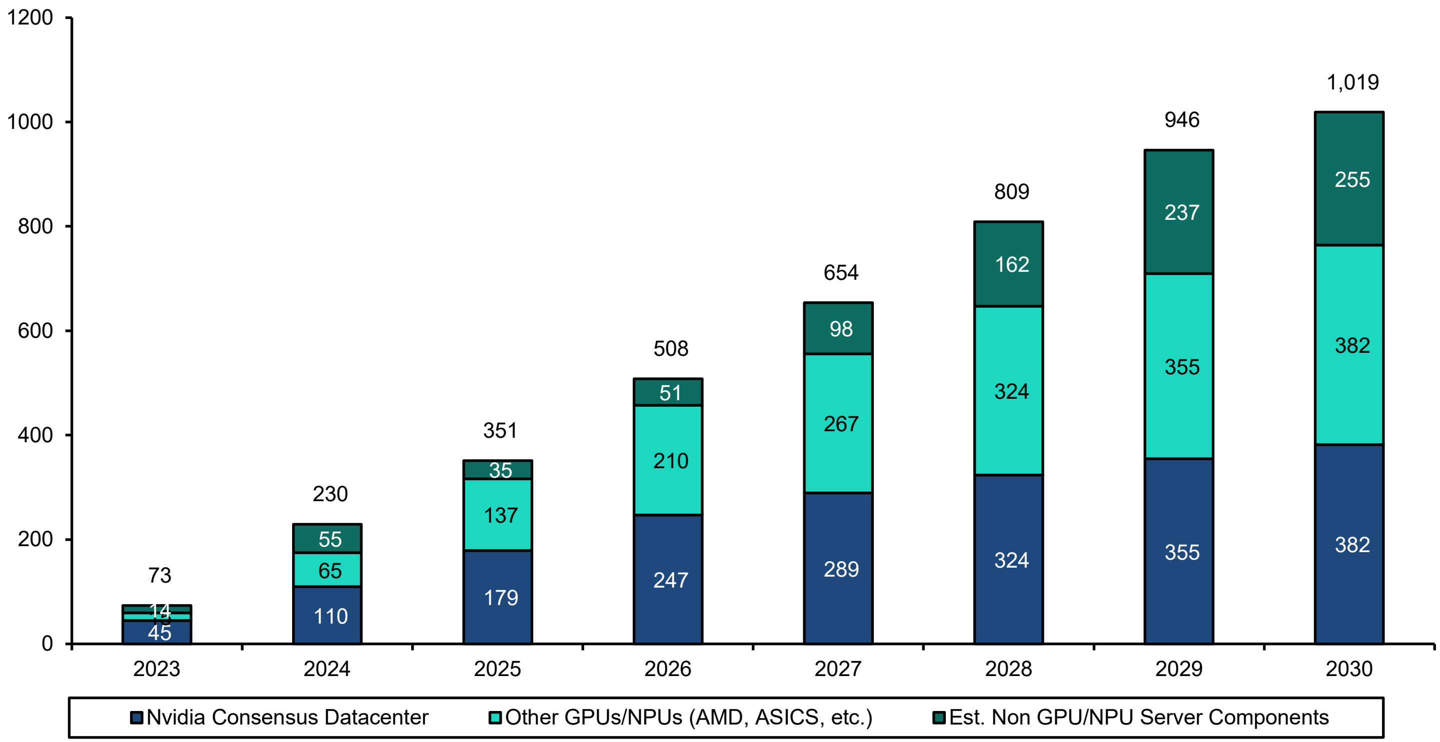
Server Hardware Growth by Operating System ($B)



Note: Multi-core x86 used as a proxy for Hyperscale
Source: Gartner, Bernstein analysis

NVDA’s results point to huge AI server growth this year and beyond

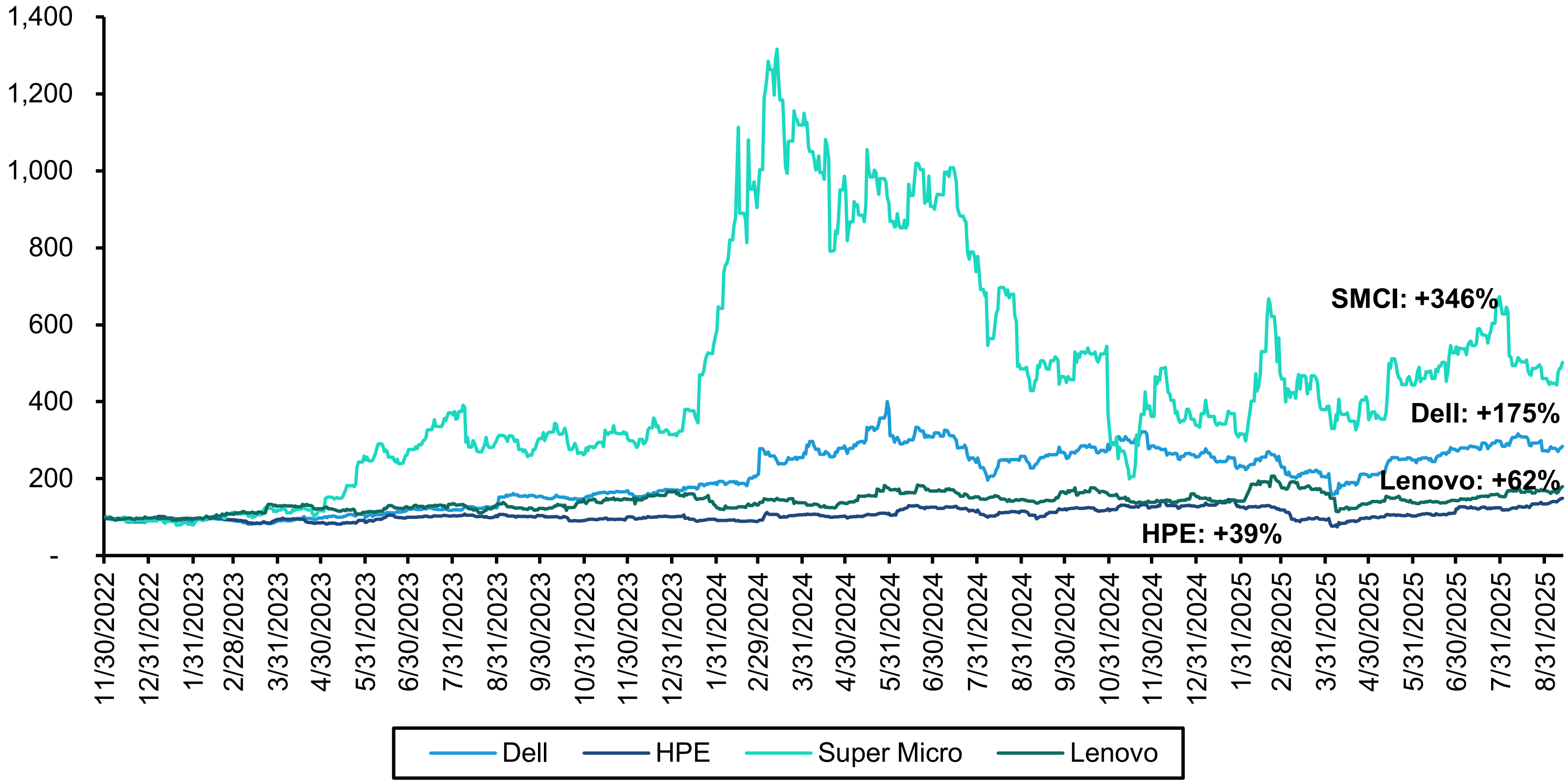
Imputed AI Server Market Size ($B)



Source: Bloomberg, Bernstein Asia IT Hardware Team (Alex Wang), Bernstein estimates and analysis
Note: Assuming Nvidia products are ~75% of the BOM for an AI server and that Nvidia server share declines from 75% in 2023 to 50% in 2030

Which has driven a major re-rating of the server stocks, even after a recent pullback

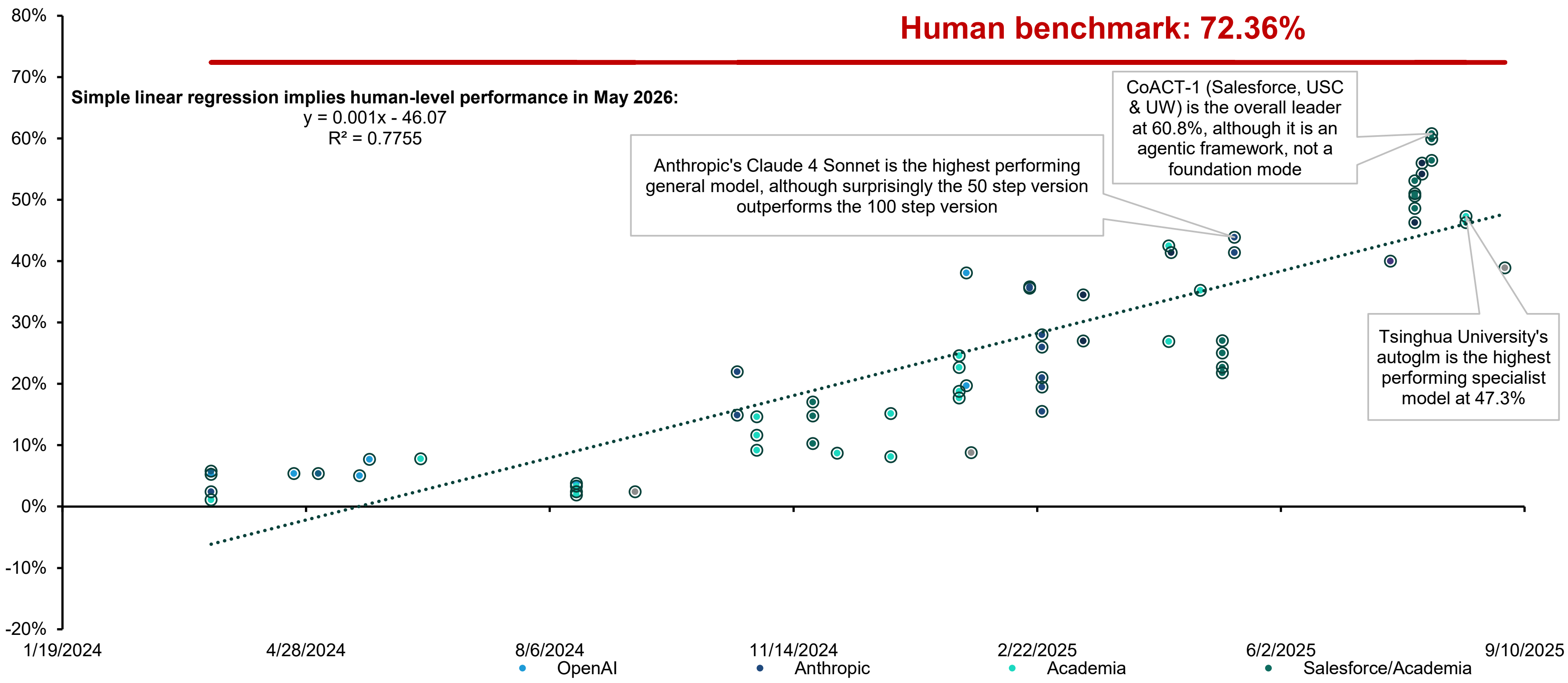
Server OEMs: Indexed Stock Return since ChatGPT Launch on 11/30/2022



Source: Bloomberg (as of 9/12/2025), Bernstein analysis

Models continue to improve, and we see this as the key leading indicator for continued TAM expansion

Leading-edge models' performance on the OSWorld agentic task benchmark is not yet at human levels, but consistent progress continues (at 37% points per year using the below chart)



Note: Models are a mix of agentic frameworks, specialized models, and generalist models. While agentic frameworks generally show best performance, and on-device agents will likely ultimately use such a framework, there is more risk that human-level performance on OSWorld does not translate to other activities for agentic frameworks and specialized models compared to general models

Source: OSWorld benchmark as of 9/12, Bernstein estimates and analysis

The range of outcomes is wide, and it's hard to have conviction, but in our base case we model the market growing 28% CAGR through 2030

Bernstein AI infrastructure model – base case

AI TAM	2024	2030
IMF GDP Forecast	109,569	132,106
IMF GDP growth	3.2%	3.1%
Total GDP	**109,569**	**137,056**
Imputed GDP growth	3.2%	3.9%
Labor % of GDP	53.8%	53.8%
Labor contribution to GDP	58,948	73,736
Global Labor Force	3.651	3.651
Average productivity per worker	**16,146**	**20,196**
% of workers addressable	62.7%	62.7%
Addressable users	**2.29**	**2.29**
Daily average users (M)	60	1,831
User growth (%)	361.5%	0.1%
User penetration (%)	2.6%	80.0%
Average productivity increase per user (%)	10.0%	34.7%
Productivity increase per user	1,611	7,001
Aggregate productivity increase	97	12,823
Enterprise IT ROI requirement	10x	10x
Enterprise AI Willingness to Pay	**10**	**1,282**
Potential productivity increase	3,690	16,033
Enterprise AI TAM	**369**	**1,603**

- Assuming 52% tasks of addressable, in line with OpenAI labor market impact working paper
- Assuming tasks addressable by AI see a 2/3 productivity improvement
- Assuming 80% adoption by 2030 and a 10x enterprise IT ROI requirement

Source: Anthropic Economic Index, IMF, Bernstein estimates and analysis

Summary of ratings and theses

	Rating	Price Target	Upside/Downside to Target	Investment thesis
AAPL	O	290	17%	As the gateway to the Intelligence Revolution, Apple is well positioned to reap rewards from AI. We believe that the Google remedies decision not only clears a significant downside risk, but opens the path for Apple to leverage Gemini's AI, ruling out the most severe downside cases.
Dell	O	180	17%	Dell has out-executed peers, and we believe it will continue to be a structural share gainer. The company continues to have large upside opportunities in AI servers and in storage, and is very inexpensive relative to its growth profile.
SNDK	O	120	-9%	After its spin-out from WDC, SNDK remains significantly undervalued and underappreciated as a leader in NAND, one of the core building blocks of the Intelligence Revolution.
STX	O	250	14%	Cyclical and structural tailwinds are aligning for STX, amid cyclical strength in HDDs and with STX's technology leadership in HAMR beginning to pay dividends. While STX has already re-rated, we believe it has more room to run, given valuation is still un-demanding considering its 20%+ EPS CAGR.
WDC	M	96	-19%	While WDC is inexpensive both in absolute terms and relative to STX, and will benefit from cyclical strength in HDDs, it will face both market share and margin pressure as it attempts to catch up in HAMR.
IBM	M	280	1%	IBM's investments in innovation are yielding dividends - returning the business to growth, especially in software. However, the turnaround in the core business is largely priced in, and we're not yet ready to bet on quantum.
SMCI	M	46	-16%	While Super Micro has been one of the stand-out growth stories in the story, its growth is decelerating sharply, guidance looks aggressive, and the business is more expensive than it looks given cash conversion challenges.
HPE	M	24	-4%	HPE's Juniper acquisition closed on July 2nd following a settlement with the DOJ, but we still struggle to underwrite the deal logic, given limited visibility to revenue synergies, the licensing requirements for Mist, and the generally poor track record of transformative M&A. Outside of the merger, Aruba has done well prior to its combination with Juniper, but HPE continues to lag peers in both servers and storage.
HPQ	M	30	10%	While HPQ's management have been disciplined cost operators and the stock is inexpensive, printing remains a structural decline industry and the business may be over-earning. In addition, HPQ's PC outlook appears optimistic relative to peers.

Prices as of 10/13/2025; Source: Bernstein estimates and analysis

Summary of ratings and theses

	Rating	Price Target	Upside/Downside to Target	Methodology description
AAPL	O	290	17%	We value AAPL at 32x our FY 27 basic EPS of $9.03, or $290, implying EV 29.8x our estimate of $143B FY 27 FCF. We sense-check the valuation against discounted cash flow.
Dell	O	180	17%	Our price target of $180 values Dell at 14x our estimated earnings of $12.81 in FY 2028 / CY 2027, implying EV 17.3x our estimate of $8.3B FY 28 FCF. We also sense-check the valuation against AI technology peers and discounted cash flow.
SNDK	O	120	-9%	We value SanDisk at 10x our CY27 EPS, implying EV 13.4x our estimate of $1.3B FY 27 FCF. We sense check this valuation against EV/Sales as well as fab replacement cost and discounted cash flow
STX	O	250	14%	We value Seagate at 18.5x our FY27 EPS of $13.27, roughly its 5 year average which we think is conservative considering, its improving technology advantage and strong EPS and FCF growth. This implies EV 22.8x our estimate of $2.5B FY 27 FCF. We sense-check this valuation against discounted cash flow.
WDC	M	96	-19%	We value WDC at 13x our CY 2027 EPS of $7.39, or $96, and close to its peak multiple (ex. periods where EPS is near-zero), implying EV 19.2x our estimate of $1.9B FY 27 FCF. We sense-check the valuation against discounted cash flow.
IBM	M	280	1%	We value IBM at 21x 2027 EPS of $13.23, implying EV 19.5x our estimate of $16.0B FY 27 FCF. We sense check this against a DCF and our SOTP analysis.
SMCI	M	46	-16%	We value Super Micro at 16x our FY27 EPS, slightly above its 5 year average PE of 13.5x, implying EV 0.72x our estimate of $37.6B FY 27 sales. We note that this valuation is high compared to discounted cash flow.
HPE	M	24	-4%	We value HPE at 8.5x its FY27 EPS of $2.84, slightly above its 5year average PE of 8x, implying EV 24.0x our estimate of $2.1B FY 27 FCF (incl. Juniper fully consolidated). We sense-check the valuation against discounted cash flow.
HPQ	M	30	10%	We value HPQ at ~9x our FY 2027 EPS, or $30, implying EV 10.5x our estimate of $3.4B FY 27 FCF. We sense-check the valuation against discounted cash flow.

Prices as of 10/13/2025; Source: Bernstein estimates and analysis

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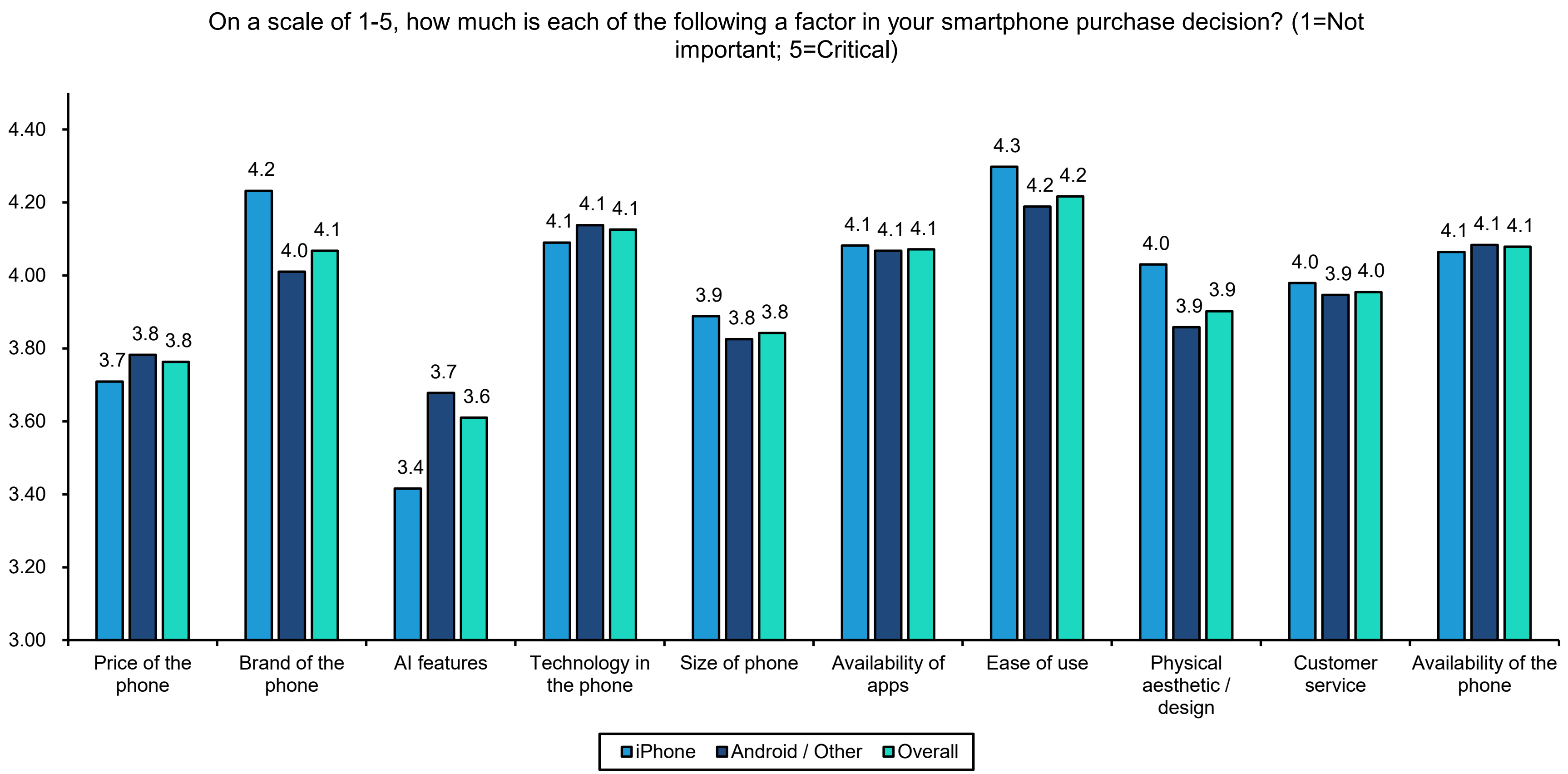
Apple Thesis Summary: The Gateway to the Intelligence Revolution TP: 290

- **Strong brand loyalty:** Access to the most lucrative 1 billion customers in the world provides significant upside from AI if executed well
- **Better late than never:** Even if Apple is slow to execute in AI, there is precedent for it to lag peers, out execute rivals, and still dominate the category with meaningful upside
- **Recent Google DOJ ruling** enables Apple to further monetize search
- **Assymetric Risk/Reward:** Significant risks from continued delays in AI, new form factors, and regulatory risk offset the huge opportunities
- **Cheap on EV/FCF:** Although Apple looks fully valued on PE basis, we see the stock as cheap vs. peers on EV/FCF particularly taking into account its consistent double-digit EPS and FCF/share growth.

Apple users have high brand loyalty and are less concerned about AI features, suggesting that Apple has time to catch up



Source: Bernstein Proprietary 2025 Smartphone Survey (n=1,000)

Apple benefits from net switchers and does not have to worry about switching between brands within the ecosystem

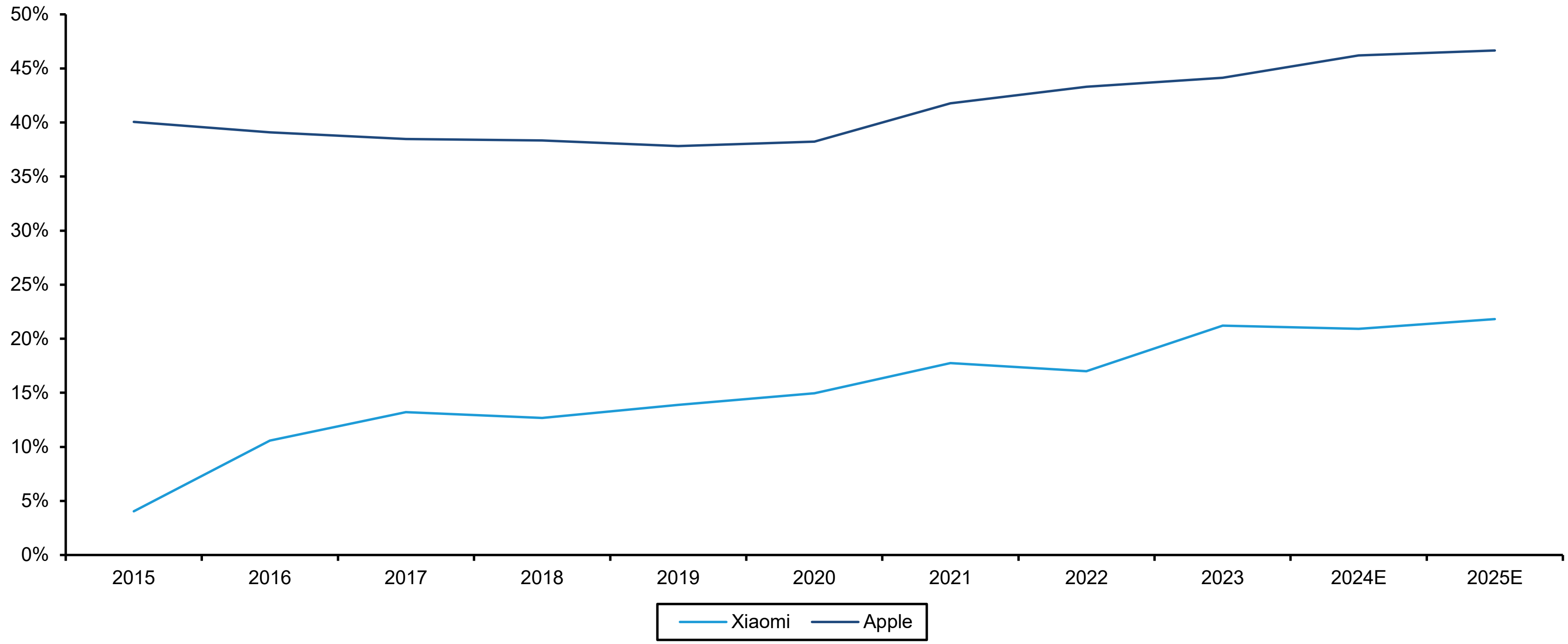
Smartphone users: Brand of current phone vs. brand of next planned smartphone purchase

		Planned next brand							
	Count	Apple	Samsung	Pixel	Huawei	Oppo	Vivo / Xiaomi / Lenovo	Other	Don't know
Current Brand	iPhone	80%	2%	1%	5%	2%	2%	0%	2%
	Samsung	18%	62%	6%	3%	0%	3%	1%	1%
	Google Pixel	14%	27%	36%	0%	6%	11%	1%	2%
	Huawei	13%	8%	0%	73%	0%	5%	0%	0%
	OPPO	17%	9%	0%	26%	33%	7%	0%	0%
	Vivo / Lenovo	29%	24%	3%	0%	11%	30%	3%	0%
	Xiaomi	13%	12%	0%	17%	7%	45%	1%	3%
	Other	12%	30%	5%	2%	2%	6%	24%	7%

Source: Bernstein 2025 Smartphone Survey (n=1,000)

Enabling Apple to earn structurally higher ASPs and margins

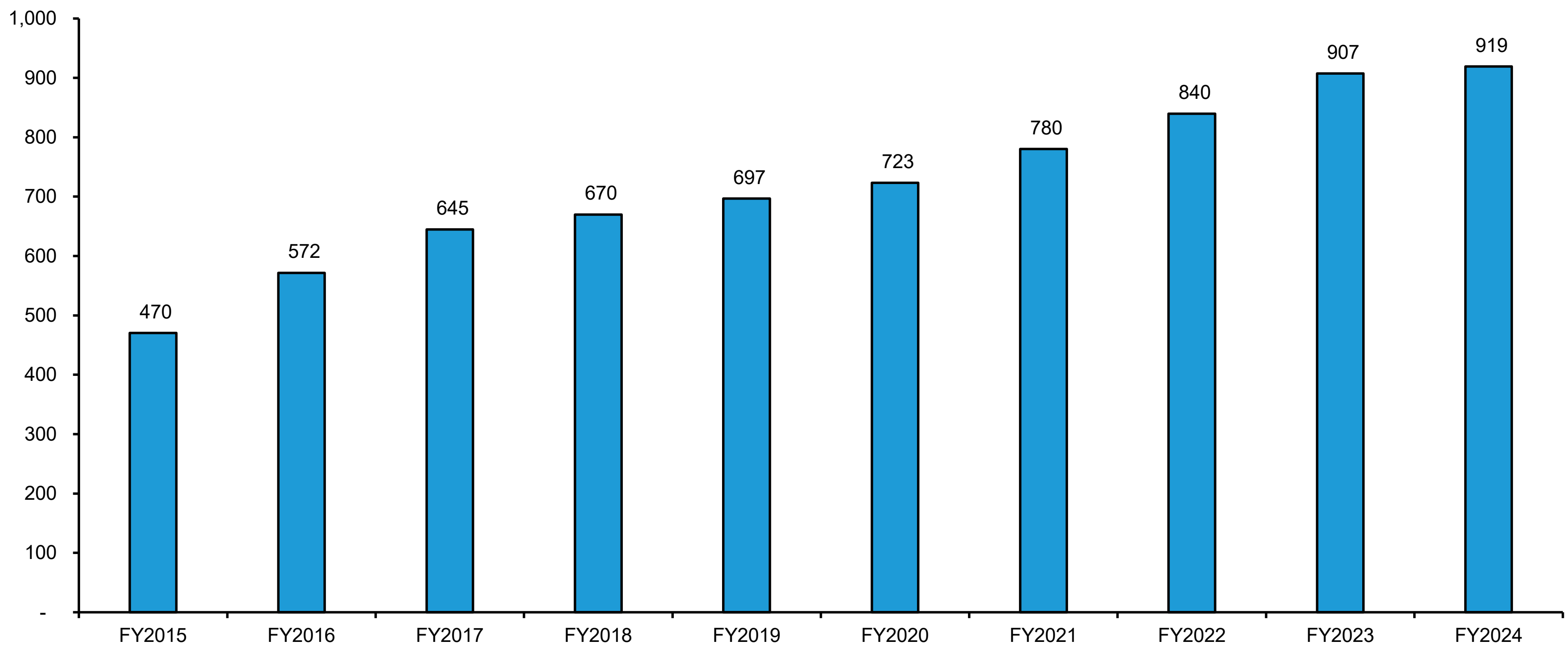
Gross Margins: Apple vs. Xiaomi



Source: Company reports, Bernstein estimates and analysis

Apple has ~1B of the most lucrative and brand loyal customers in the world, and its installed base is still growing…

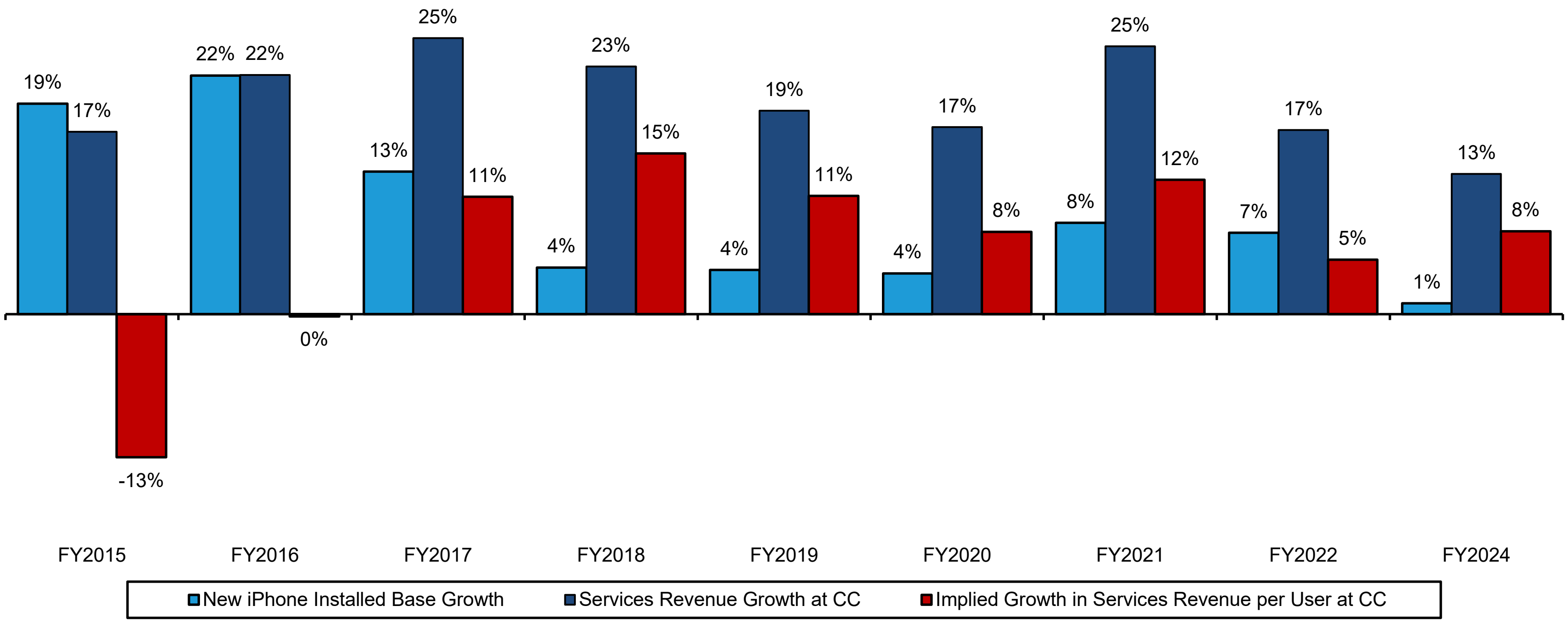
Apple estimated unique users across product lines



Source: Company disclosures, Bernstein estimates and analysis

…and services ARPU has grown on top of that

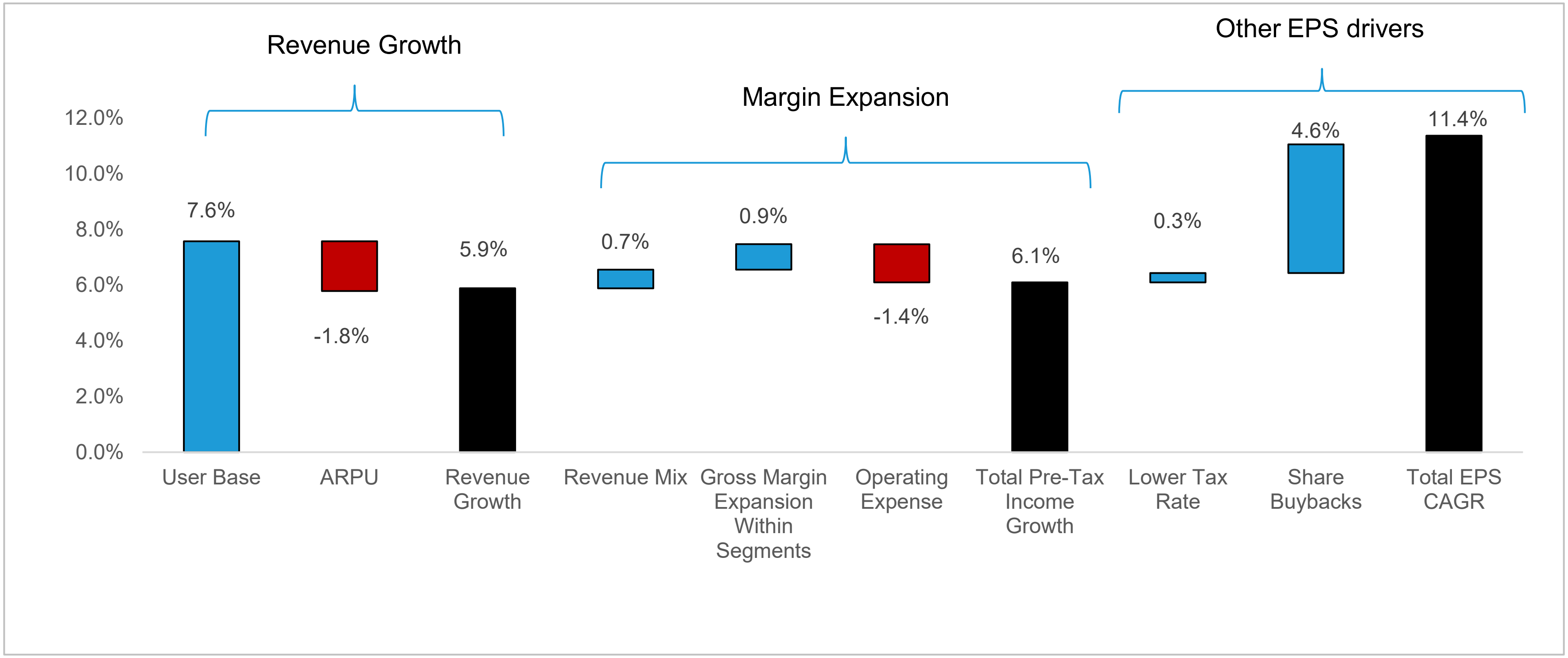
Implied Growth in Average Services Revenue Per User



Source: Company reports, Bernstein analysis

Apple has delivered double digit EPS growth over the last 8+ years

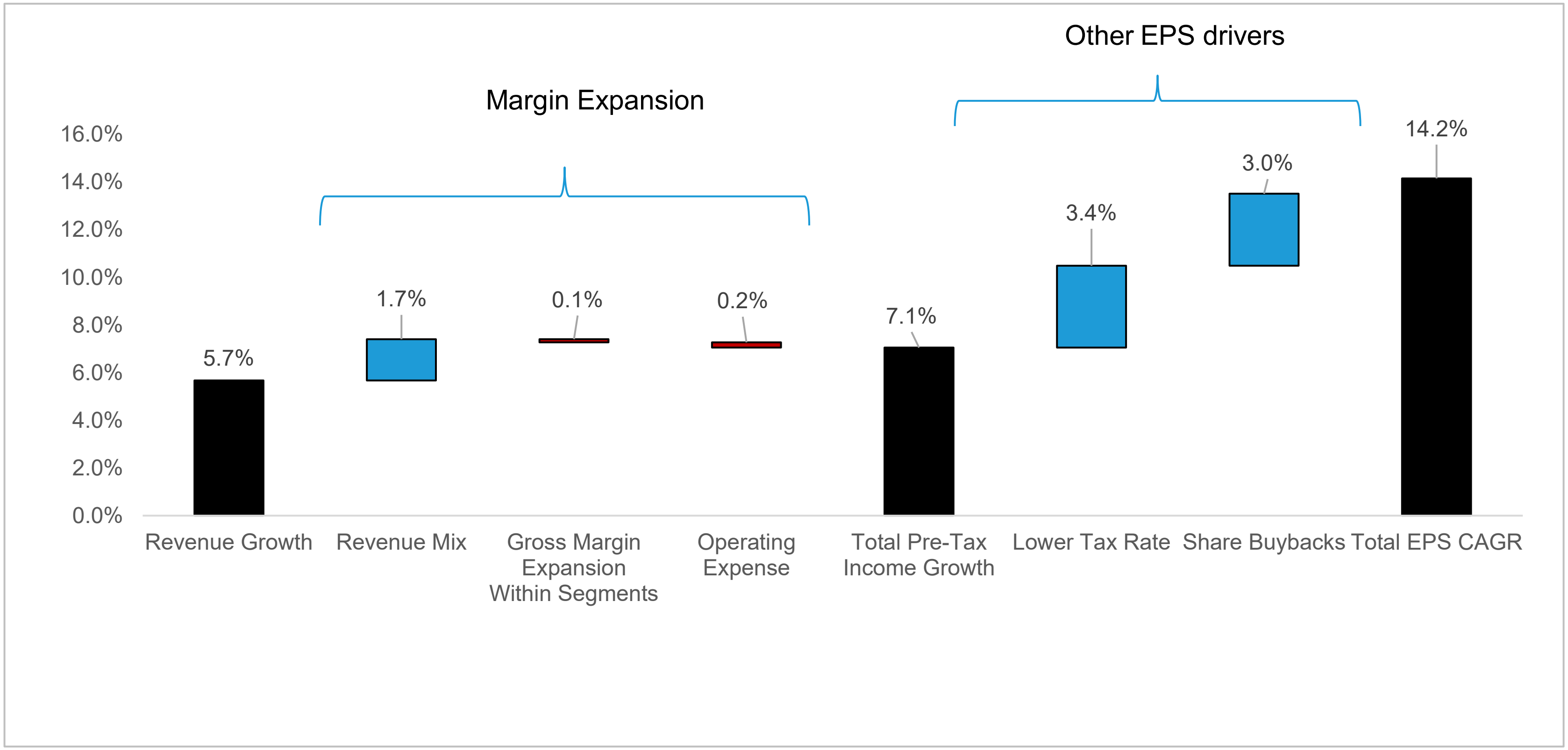
Apple: Drivers of Annual EPS Growth 2015-24



Note: Percentages may not sum to totals as they actual compound multiplicatively; adding percentages is just an approximation
Source: Company reports, Bernstein analysis

We expect Apple to continue to drive teens EPS growth through 2027, albeit helped by the State Aid tax discrete rolling over

Apple: Drivers of Annual EPS Growth 2024-27



Note: Percentages may not sum to totals as they actual compound multiplicatively; adding percentages is just an approximation
Source: Company reports, Bernstein analysis

While Apple lags in AI, there is precedent for it to lag competitors in new technologies and still benefit…

Comparison of Samsung / Apple timelines for select smartphone technologies

Technology	First Major Samsung Smartphone Product	Date Announced	First iPhone Product	Date Announced	NTM iPhone Rev Growth
Phablet / Plus sized Smartphone	Samsung Galaxy Note	**September 2011**	iPhone 6 Plus	**September 2014**	52%
OLED Screen	Samsung Galaxy	**April 2009**	iPhone X*	**September 2017**	17%
5G	Samsung Galaxy S10 5G	**April 2019**	iPhone 12	**October 2020**	39%
Video calling	Samsung Galaxy S	**March 2010**	iPhone 4	**June 2010**	95%
Voice assistant	Galaxy S III	**May 2012**	iPhone 4S	**October 2011**	71%

Note: *Samsung Display was exclusive supplier of iPhone X screen and continues to be Apple's primary screen supplier
Source: Company websites, company reports, Bernstein analysis

…and the potential upside from monetizing AI could be material

Sensitivity table for potential incremental revenue and EPS impact from Apple AI monetization ($B) as a % of FY28E revenue and EPS given adoption rate within unique user base and monthly subscription payment

If you assume Apple only pays a small take rate for AI models and has 70% OMs:

Incremental EPS as % of overall FY28E EPS

Adoption rate of paid Apple AI services among unique user base	Average Monthly Subscription Price: $5	$10	$20	$30	$40
10%	2.5%	5.0%	10.1%	15.1%	20.2%
20%	5.0%	10.1%	20.2%	30.2%	40.3%
30%	7.6%	15.1%	30.2%	45.4%	60.5%
40%	10.1%	20.2%	40.3%	60.5%	80.7%
50%	12.6%	25.2%	50.4%	75.6%	100.8%

Apple One subscription costs $20/month (Premium tier at $38/month) and has ~15% penetration; ChatGPT Plus/Gemini Pro/Perplexity Pro also cost $20/month

If you assume Apple gets an App Store-type cut of 25%, at 90% OMs:

Incremental EPS as % of overall FY28E EPS

Adoption rate of paid Apple AI services among unique user base	Average Monthly Subscription Price: $5	$10	$20	$30	$40
10%	0.8%	1.6%	3.2%	4.9%	6.5%
20%	1.6%	3.2%	6.5%	9.7%	13.0%
30%	2.4%	4.9%	9.7%	14.6%	19.4%
40%	3.2%	6.5%	13.0%	19.4%	25.9%
50%	4.1%	8.1%	16.2%	24.3%	32.4%

Note: Assuming 70% Operating Margins for incremental revenue from AI monetization
Source: Bernstein Smartphone Survey, Company reports, Bernstein estimates and analysis

Apple is now entering its traditionally weak seasonality trading period post iPhone launch

Apple: Relative Performance to the S&P500 Before and After iPhone Product Announcements

Apple relative return

		Before					After				
Launch Date		6 Mo.	3 Mo.	1 Mo.	1 Wk.	Day of	1 Wk.	1 Mo.	2 Mo.	3 Mo.	6 Mo.
1/9/2007	iPhone	42.6%	9.9%	-3.4%	1.1%	8.4%	3.5%	-11.9%	-4.3%	-1.1%	32.3%
6/9/2008	iPhone 3G	5.1%	46.6%	3.2%	1.2%	-2.2%	-2.5%	4.5%	-1.8%	-6.4%	-10.2%
6/8/2009	iPhone 3GS	41.7%	32.0%	10.8%	4.2%	-0.5%	-3.8%	1.7%	7.5%	11.0%	15.7%
6/7/2010	iPhone 4	38.9%	23.4%	12.7%	1.9%	-0.6%	-2.4%	2.1%	-3.1%	-1.2%	10.3%
10/4/2011	iPhone 4S	27.3%	27.1%	6.5%	-1.6%	-2.8%	1.1%	-4.1%	-6.1%	-2.7%	43.1%
9/12/2012	iPhone 5	15.1%	6.4%	4.3%	-4.2%	1.2%	3.1%	-5.4%	-15.0%	-19.0%	-44.1%
9/10/2013	iPhones 5S	9.5%	13.6%	12.5%	1.5%	-3.0%	-9.2%	-1.5%	0.1%	7.3%	-4.1%
9/9/2014	iPhone 6	23.2%	2.4%	0.2%	-3.9%	0.3%	2.4%	6.1%	9.1%	12.9%	25.2%
9/9/2015	iPhone 6S	-6.4%	-6.5%	2.4%	1.4%	-0.5%	2.9%	-2.0%	2.4%	-0.5%	-10.6%
9/7/2016	iPhone 7	-3.5%	5.2%	0.0%	1.1%	0.6%	5.9%	6.7%	4.4%	-0.1%	20.4%
9/12/2017	iPhone 8 + X	11.2%	8.6%	0.6%	-2.0%	-0.7%	-1.7%	-5.2%	5.1%	0.0%	1.5%
9/12/2018	iPhone XS/R	19.4%	12.8%	5.9%	-1.7%	-1.3%	-1.9%	4.7%	-6.5%	-15.3%	-14.8%
9/10/2019	iPhone 11	15.3%	8.0%	4.5%	0.8%	1.1%	1.0%	7.6%	16.2%	18.8%	34.9%
10/13/2020	iPhone 12	54.1%	18.3%	5.3%	3.1%	-2.0%	-1.0%	-3.6%	-3.2%	-0.4%	-6.9%
9/14/2021	iPhone 13	10.2%	9.6%	0.3%	-1.6%	-0.4%	-1.2%	-2.8%	-4.1%	13.4%	7.8%
9/7/2022	iPhone 14	4.0%	10.0%	-0.8%	-0.8%	-0.9%	0.4%	-1.6%	-6.6%	-8.5%	-3.0%
9/12/2023	iPhone 15	4.6%	-5.8%	0.4%	-4.7%	-1.1%	2.0%	5.0%	6.8%	6.4%	-17.7%
9/9/2024	iPhone 16	23.8%	11.0%	0.9%	0.7%	-1.1%	-5.0%	-2.0%	-6.8%	1.1%	2.8%
9/9/2025	iPhone 17	-13.1%	9.9%	2.1%	1.9%	-1.8%	0.2%	5.0%			
	Avg. 2014-2025	**10.0%**	**6.2%**	**1.9%**	**-0.3%**	**-0.6%**	**0.3%**	**1.2%**	**0.5%**	**1.4%**	**3.4%**

Source: Bloomberg (as of 10/13/25), Bernstein analysis

Summary of ratings and theses

	Rating	Price Target	Upside/Downside to Target	Investment thesis
AAPL	O	290	17%	As the gateway to the Intelligence Revolution, Apple is well positioned to reap rewards from AI. We believe that the Google remedies decision not only clears a significant downside risk, but opens the path for Apple to leverage Gemini's AI, ruling out the most severe downside cases.
Dell	O	180	17%	Dell has out-executed peers, and we believe it will continue to be a structural share gainer. The company continues to have large upside opportunities in AI servers and in storage, and is very inexpensive relative to its growth profile.
SNDK	O	120	-9%	After its spin-out from WDC, SNDK remains significantly undervalued and underappreciated as a leader in NAND, one of the core building blocks of the Intelligence Revolution.
STX	O	250	14%	Cyclical and structural tailwinds are aligning for STX, amid cyclical strength in HDDs and with STX's technology leadership in HAMR beginning to pay dividends. While STX has already re-rated, we believe it has more room to run, given valuation is still un-demanding considering its 20%+ EPS CAGR.
WDC	M	96	-19%	While WDC is inexpensive both in absolute terms and relative to STX, and will benefit from cyclical strength in HDDs, it will face both market share and margin pressure as it attempts to catch up in HAMR.
IBM	M	280	1%	IBM's investments in innovation are yielding dividends - returning the business to growth, especially in software. However, the turnaround in the core business is largely priced in, and we're not yet ready to bet on quantum.
SMCI	M	46	-16%	While Super Micro has been one of the stand-out growth stories in the story, its growth is decelerating sharply, guidance looks aggressive, and the business is more expensive than it looks given cash conversion challenges.
HPE	M	24	-4%	HPE's Juniper acquisition closed on July 2nd following a settlement with the DOJ, but we still struggle to underwrite the deal logic, given limited visibility to revenue synergies, the licensing requirements for Mist, and the generally poor track record of transformative M&A. Outside of the merger, Aruba has done well prior to its combination with Juniper, but HPE continues to lag peers in both servers and storage.
HPQ	M	30	10%	While HPQ's management have been disciplined cost operators and the stock is inexpensive, printing remains a structural decline industry and the business may be over-earning. In addition, HPQ's PC outlook appears optimistic relative to peers.

Prices as of 10/13/2025; Source: Bernstein estimates and analysis

Q&A

Ticker Table

BERNSTEIN TICKER TABLE

			13 Oct 2025		TTM		Adjusted EPS			Adjusted P/E (x)		
			Closing	Price	Rel.							
Ticker	Rating	Cur	Price	Target	Perf.	Cur	2025A	2026E	2027E	2025A	2026E	2027E
AAPL	O	USD	247.66	290.00	(4.5)%	USD	6.07	7.32	8.07	40.8	33.9	30.7
DELL	O	USD	153.40	180.00	6.7%	USD	8.10	9.55	11.11	18.9	16.1	13.8
HPE	M	USD	24.80	24.00	6.6%	USD	1.98	1.88	2.69	12.5	13.2	9.2
HPQ	M	USD	27.35	30.00	(39.5)%	USD	3.38	3.11	3.43	8.1	8.8	8.0
IBM	M	USD	277.22	280.00	5.5%	USD	10.32	11.30	12.24	26.9	24.5	22.7
SNDK	O	USD	134.61	120.00	NA	USD	2.32	6.88	12.12	58.1	19.6	11.1
STX	O	USD	219.51	250.00	86.5%	USD	8.10	10.97	13.27	27.1	20.0	16.5
SMCI	M	USD	54.75	46.00	1.2%	USD	2.04	2.10	2.85	26.8	26.1	19.2
WDC	M	USD	118.86	96.00	129.1%	USD	4.96	6.66	7.39	23.9	17.8	16.1
SPX			6,552.51									

O - Outperform, M - Market-Perform, U - Underperform, NR - Not Rated, CS - Coverage Suspended
DELL estimate is Reported EPS; AAPL, HPE, HPQ, IBM base year is 2024;
Source: Bloomberg, Bernstein estimates and analysis.

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