PRACTICAL INCOME INVESTING

ROBINHOOD MARKETS (HOOD)

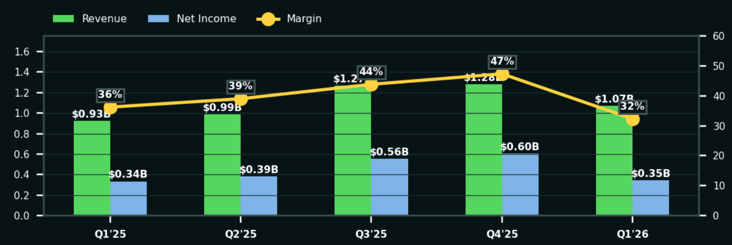
Digital Financial Services Platform | Investing • Trading • Crypto

Financial super-app expanding beyond brokerage, but results remain tied to trading activity, crypto cycles, and regulatory risk.

CURRENT PRICE	MARKET CAP
$108.15	$99.0B
TICKER: HOOD	NASDAQ

REVENUE GROWTH	NET DEPOSITS	PLATFORM ASSETS	ADJ. EBITDA	NET MARGIN	CASH
+15% YoY	$17.7B	$307B	$534M	32%	$5.0B

BUSINESS MOMENTUM DASHBOARD



Sources: Robinhood official quarterly releases / investor materials; margins calculated from revenue and net income.

PROFITABLE GROWTH

47%

Q1 revenue growth plus net margin. Useful for quality, not a pure SaaS Rule of 40.

BALANCE SHEET

85/100

Cash-rich and profitable, but more cyclical than a software compounder.

KEY FINANCIAL SNAPSHOT

Q1 Revenue	$1.07B (+15% YoY)
Transaction Revenue	$623M (+7% YoY)
Net Interest Revenue	$359M (+24% YoY)
Other Revenue	$85M (+57% YoY)
Net Income	$346M (+3% YoY)
Diluted EPS	$0.38 (+3% YoY)
Platform Assets	$307B (+39% YoY)
Cash & Equiv.	$5.0B

7 FUNDAMENTAL PRINCIPLES

Growth	8/10	Assets +39%; Q1 revenue +15%.
Moat	7/10	Brand, UX, product velocity.
Management	7/10	Execution improving; CFO transition.
Margins	8/10	Q1 net margin ~32%; adj EBITDA $534M.
Cash Flow	8/10	Profitable and cash-rich.
Risk	5/10	Regulatory/crypto/cycle risk.
Valuation	7/10	Premium, but growth can support some.
TOTAL SCORE	**50/70**	

VALUATION

Current Price	$108.15
Market Cap	$99.0B
P/E	52.5x
EPS	$2.06

Valuation is one input. Weigh it against growth, margin quality, balance sheet, and execution.

CATALYSTS / RISKS

Catalysts

- Net deposits and platform assets grow.
- Gold/retirement/banking/advisory adoption.
- Prediction markets, futures, active tools.

Risks

- Trading and crypto volumes are cyclical.
- Regulatory scrutiny can alter economics.
- Premium multiple can compress quickly.

THESIS BREAKERS

- Revenue growth falls below ~10%.
- Net deposits weaken for multiple quarters.
- Platform assets shrink beyond market moves.

PRACTICAL INCOME INVESTING VERDICT

CATEGORY:	Growth Compounder
QUALITY:	B+
VAL/RISK:	Fair, but Cyclical
ACTION:	Hold / accumulate on weakness