# Nasdaq-100 Index®: Q2 2025 Earnings Updates

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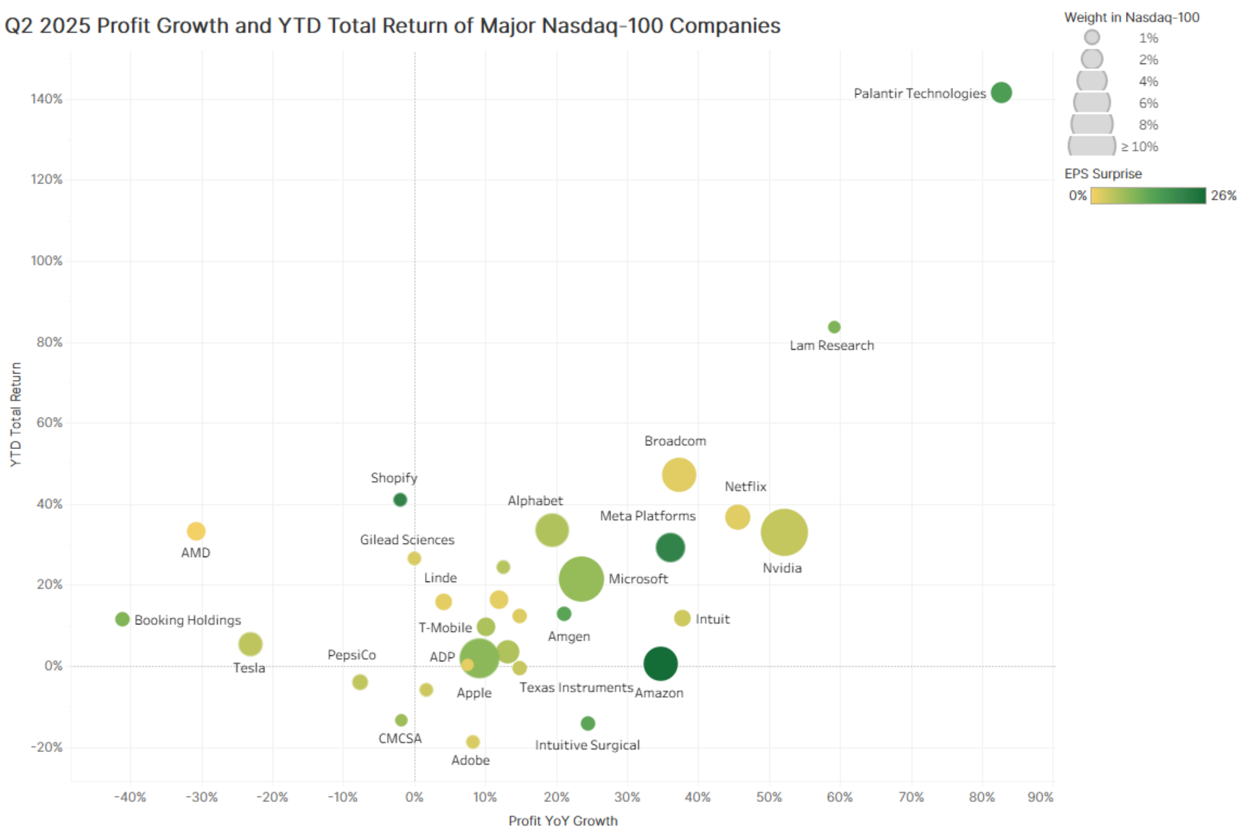
- Although tariffs are creating economic headwinds, the strength of U.S. corporate earnings driven by AI innovation is prevailing. 96% of Nasdaq-100® companies by weight exceeded analysts' earnings estimates. Leading U.S. tech giants, including Microsoft, Amazon, Alphabet and Meta, reaffirmed their commitment to AI by expanding their capital expenditure (capex) plans. AI is rapidly becoming a key growth driver, as new use cases emerge and monetization continues to accelerate.

- While mega-cap tech names have driven recent market gains, strength is beginning to broaden across the wider tech landscape. Palantir Technologies delivered an adjusted net income of US$405 million, representing year-over-year growth of 83%, the fastest among the 20 largest Nasdaq-100 constituents. The company leverages advanced data analytics to uncover hidden patterns and power high-stakes decision-making. Its new boot camp-style sales initiative has accelerated adoption in the US commercial market, which represents a substantial opportunity.

- Lam Research, a leading supplier of wafer fabrication equipment, reported a quarterly profit of US$1.7 billion, up 59% from a year ago. Its highly complex tools and integrated services create deep customer lock-in. The firm is positioned to benefit from rising semiconductor complexity, including advanced packaging and the expansion of high-bandwidth memory capacity. Both Palantir and Lam Research outpaced their larger peers in Q2 earnings growth, underscoring the strength emerging beyond mega-cap tech.




Source: Nasdaq Global Indexes, FactSet. Data as of September 23, 2025.

- Nvidia posted Q2 revenue of US$46.7 billion, up 56% year-over-year, marking its ninth consecutive quarter of more than 50% growth. Its data center unit, a segment larger than any rival chipmaker on its own, reported sales of US$41.1 billion. Blackwell platform sales hit record highs, rising 17% from the first quarter. Management guided Q3 revenue to US$54.0 billion, in line with average Wall Street expectations. Both its results and outlook exclude any H20-related China sales. Nvidia projects AI infrastructure spending of US$3 trillion to US$4 trillion by 2030, underscoring a massive long-term growth runway. The firm plans to invest up to US$100 billion in OpenAI to accelerate the build-out of data centers with at least 10 gigawatts of capacity, and US$5 billion in Intel to co-develop next-generation data center and personal computing products.

- Microsoft's quarterly revenue surged 18% to US$76.4 billion, marking its fastest growth in over three years. Sales from Azure and other cloud services soared 39% year-over-year, surpassing analyst expectations. Its Copilot app suite has exceeded 100 million monthly active users across commercial and consumer segments. Confronted with ongoing data center infrastructure shortages, the company is expanding capacity to support AI workloads and anticipates capex exceeding US$30 billion in the current quarter.

- Apple's Q2 revenue rose 10% to US$94.0 billion, representing its strongest growth since December 2021. iPhone sales jumped 13% to US$44.6 billion, driven by "strong double-digit" year-over-year growth in the iPhone 16 family compared to its predecessor. The company is also making a comeback in Greater China, with sales climbing 4% to US$15.4 billion last quarter, ending seven consecutive quarters of decline. Apple incurred US$800 million in tariff costs in the previous quarter, lower than its earlier estimate of US$900 million.

- Amazon's quarterly revenue and profit climbed 13% and 35%, respectively, both outperforming analyst projections. Amazon Web Services posted a 17% sales increase to US$30.9 billion for the quarter, trailing Microsoft Azure and Google Cloud in growth pace. Despite ongoing tariffs and shifting trade policies, Amazon appears to have weathered these challenges more successfully than Wall Street had anticipated, with online store sales exceeding forecasts and rising 11% year-over-year. Capex reached US$31.4 billion in Q2, a level the company considers "reasonably representative" of spending in the second half of the year.

- Broadcom's chip revenue climbed 26% to US$9.2 billion, accounting for 57% of total quarterly sales. Growth was fueled by AI semiconductor revenue of US$5.2 billion, up 63% year-on-year and ahead of the company's US$5.1 billion forecast. The firm secured US$10 billion in custom chip orders from a new client, widely expected to be OpenAI, though Broadcom does not disclose customer names. Infrastructure software revenue rose 17% to US$6.8 billion, supported by continued growth in VMware.

- Meta's Q2 profit surged 36% to US$18.3 billion, surpassing analyst expectations, while the company projects stronger-than-anticipated sales for the current quarter. Advertising revenue climbed 21% to US$46.6 billion, with AI-driven improvements leading to approximately a 5% boost in ad conversions on Instagram and 3% on Facebook. Meta's family of apps recorded an average of 3.48 billion daily active users in June 2025, marking a 6% year-over-year increase. The company's Q2 results underscored AI's positive influence on user engagement and ad efficiency, enabling further investment in AI infrastructure. It increased the lower bound of its 2025 capital expenditure forecast by US$2 billion, setting a range of US$66 billion to US$72 billion.

- Alphabet, Google's parent company, reported strong Q2 earnings with sales rising 14% year-over-year to US$96.4 billion. Its cloud computing division delivered a 32% revenue increase to US$13.6 billion, surpassing analysts' expectations. Google Search posted 12% growth, underscoring its resilience amid heightened competition from AI-powered rivals. The integration of new features, such as AI Overviews and AI Mode, within Google Search has been crucial for sustaining its relevance. Alphabet plans to boost capex to approximately US$85 billion this year, US$10 billion above its earlier forecast.

- Tesla's Q2 revenue declined 12% year-over-year to US$22.5 billion, marking its steepest drop since 2012, with CEO Elon Musk cautioning about challenging times ahead. The company delivered 384,122 electric vehicles in Q2, falling short of analyst expectations and down 13% from the prior year. In June, Tesla began producing a more affordable EV model, targeting volume production in the latter half of 2025. Tariff costs added roughly US$300 million in expenses, impacting the automotive segment by about two-thirds, with the remainder affecting the energy division.

| Name of Company | Revenue growth (yoy) | Profit growth (yoy) | Q2 Revenue Beat/Miss% | Q2 EPS Beat/Miss % |
|---|---|---|---|---|
| Nvidia | 56% | 52% | 1.6% | 4.1% |
| Microsoft | 18% | 24% | 3.4% | 8.2% |
| Apple | 10% | 9% | 4.9% | 9.1% |
| Amazon | 13% | 35% | 3.2% | 26.5% |
| Broadcom | 22% | 37% | 0.8% | 1.7% |
| Alphabet | 14% | 19% | 2.5% | 5.8% |
| Meta | 22% | 36% | 6.0% | 21.4% |
| Tesla | -12% | -23% | 1.9% | 4.6% |

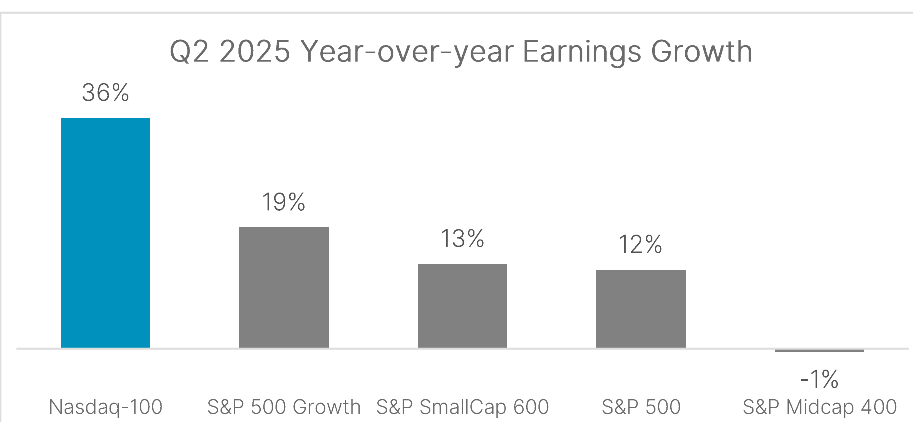
Source: Nasdaq Global Indexes, FactSet, company filings. Note: Figures are on non-GAAP basis.

- On average, Nasdaq-100 firms beat their revenue and earnings estimates for the quarter by 2.5% and 10.8%, respectively, with 82 companies (94% by weight) exceeding both top-line and bottom-line expectations.

- The rates of top-line and bottom-line beats by index weight exceed those of the previous quarter. Regarding index constituent count, both the rates of revenue and earnings beats are superior to last quarter.

| | Beats | | Misses | |
|---|---|---|---|---|
| | No. of firms / Index weight | Average Beat % | No. of firms / Index weight | Average Miss % |
| Q2 25 Revenues | 88 / 96.1% | 2.9% | 12 / 3.9% | -0.5% |
| Q2 25 Earnings | 89 / 95.6% | 12.7% | 9 / 4.4% | -5.7% |

Source: Nasdaq Global Indexes, FactSet. Data as of September 23, 2025.

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Nasdaq-100 companies posted a remarkable 36% earnings growth in Q2, tripling the growth rate of the S&P 500. This marks the fourth consecutive quarter of over 20% earnings growth for the Nasdaq-100. The technology sector (by ICB Industry) within the Nasdaq-100 achieved earnings growth of 33%.