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Market	US cloud software AI
Company	Microsoft (MSFT)
Close 6 Nov 2026	$530.61
Signal / active view	SELL / none assigned
Conditional TP / TSR	$515.08 / -2.29%
Market cap	$3,940.8bn
Yield 12m	0.63%
EV/EBITDA 27/28	16.15× / 13.20×
P/E 27/28	26.16× / 22.96×
Net debt/EBITDA 27	0.18×

Microsoft efficiency and capital recovery

Initiating coverage · 7 November 2026 · market inputs at 6 November close

Microsoft's enterprise franchise can benefit from more efficient AI before its ordered capacity earns an adequate return. At the 6 November regular-session $530.61 close (16:00 EST), the conditional valuation is V0 $475.64 and conditional TP12m $515.08, implying -2.29% total return against 9.00% required return. The current return calculation gives SELL: -2.29% TSR is below Ke minus 10 percentage points (-1.00%). An active investment recommendation is not assigned. The key questions are who retains efficiency savings, whether new capacity fills, and how much cash renewal and supplier funding absorb.

Technology can improve faster than capital can recover its cost. Software improvements on compatible installed equipment can lower cost per useful task without a fresh purchase; a new hardware architecture first requires procurement, power, installation and commissioning. Either can reduce future equipment demand if usage does not expand enough. A cheaper share price does not establish that assets already ordered will earn their cost of capital.

Azure revenue is not cloud rent. Delivery savings may be passed to customers, retained in margin, used to serve more tasks or used to defer purchases. The same saving cannot be credited in full to each channel. In the joint operating boundary, higher Central delivery cost and equivalent replacement cost reduce expected V0 to $408.27, $67.38 per share below the proposed base.

Suppliers are funded before owners receive cash. At 30 September, component receivables were $35.7bn and restricted supplier investments $12.6bn. Faster computation does not cancel these claims, leases or construction commitments. In-kind repayment helps only if useful components replace purchases that would otherwise have been necessary; it does not itself demonstrate recovery of the capital already committed.

The strongest countercase is a better capital business: enterprise distribution sustains demand, more efficient installed equipment delays renewal, and useful utilisation rises enough to protect price and margin. Historical returns remain strong, while actual maintenance coverage and the appropriate owner-distribution measure remain unresolved. The investment question concerns cash reaching shareholders after renewal, rather than whether Microsoft is a bad business. A more efficient system creates shareholder value only if that cash recovery follows.

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1. The enterprise franchise now carries a physical cost

Microsoft earns from both computing and the workflows that use it. Azure customers buy processing capacity and related services; Microsoft 365 customers buy access, functionality and increasingly the computing behind AI features. Data, administration and established workflows make switching costly. This is an enterprise compounder, but an additional cloud workload can require a new physical asset where an additional software licence did not.

Table 1: Agents and Infra generated $76.8bn of Q1 revenue under the recast two-segment presentation.

Revenue and operating result in USD bn. Current period: Q1 FY2027; revenue YoY compares with Q1 FY2026 recast.

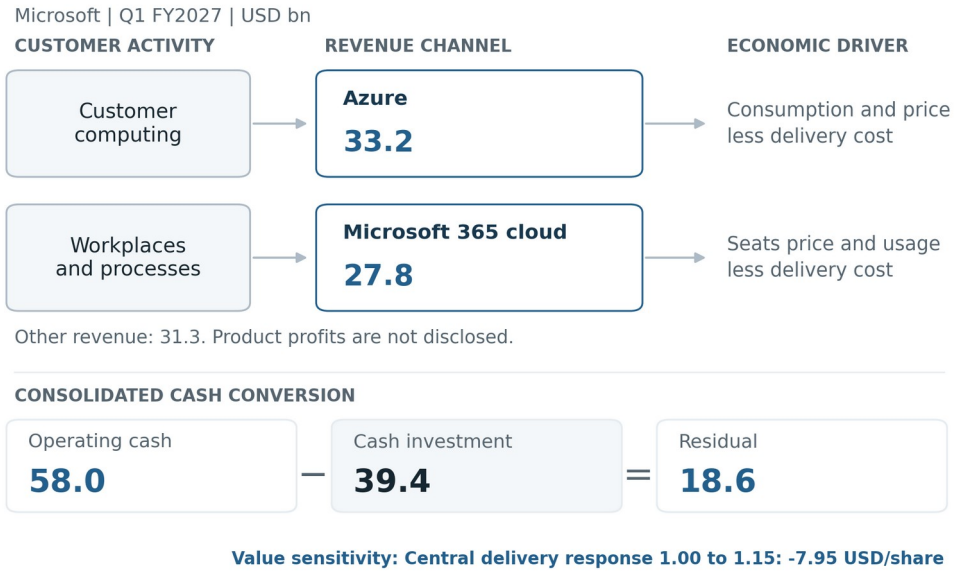
Reporting segment / reconciliation	Revenue FY2025 recast	Revenue FY2026 recast	Revenue Q1 FY2027	Revenue YoY	Operating result[1]	Operating margin[1]
Agents and Infra	218.8	268.1	76.8	24.5%	40.6	52.8%
Devices and Consumer	62.9	63.7	15.5	−3.2%	5.4	34.6%
Consolidated Microsoft	**281.7**	**331.8**	**92.3**	**18.8%**	**45.9**	**49.8%**

[1] Operating result and margin refer only to the current period; margin is operating result divided by revenue. Issuer-recast segments effective FY2027. Azure and Microsoft 365 are product disclosures inside these businesses; separate product operating margins are not disclosed. Prior-year comparisons use the same recast basis.

Sources: Microsoft September 2026 segment recast; FY2027 Q1 earnings release and segment tables. September 2026 segment and investor-metrics presentation · FY2027 Q1 results, quarter ended 30 September 2026

Figure 1 shows the revenue mix: Azure contributed $33.2bn and Microsoft 365 cloud $27.8bn of $92.3bn in first-quarter FY2027 revenue. Their combined FY2026 revenue was $202.2bn. Microsoft's September 2026 reporting presentation explains why the new Agents and Infra segment combines infrastructure and applications; its margin does not establish Azure's separate profitability. Revenue is disclosed, while the allocation of delivery expense remains an estimate. Microsoft FY2027 Q1 results; September 2026 reporting presentation

Figure 1: Azure and Microsoft 365 cloud generated $33.2bn and $27.8bn in Q1 FY2027. Separate product profits are not disclosed.



Source: Microsoft FY2027 Q1 results and September 2026 product recast. Valuation sensitivity: Central delivery-cost response 1.00 to 1.15, with other inputs fixed, at 6 November 2026.

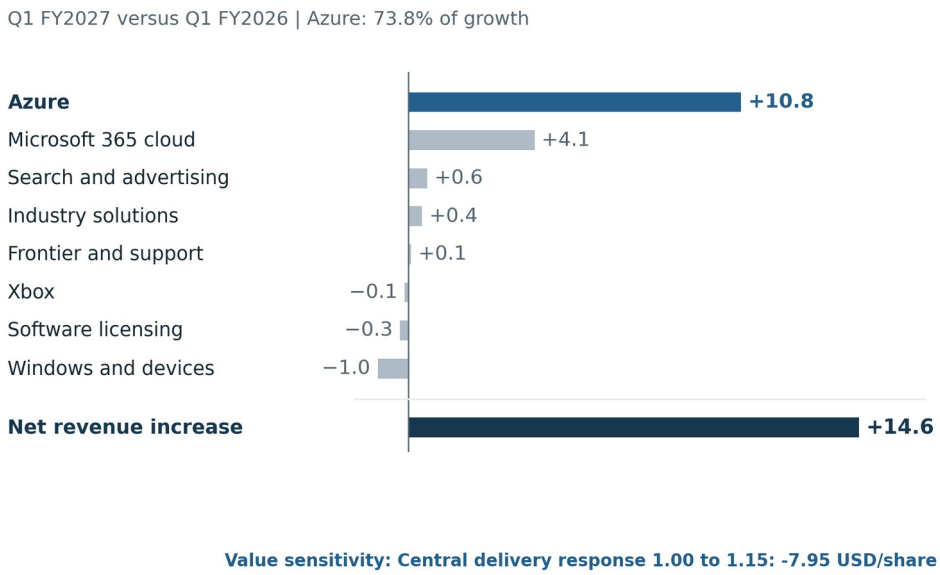
The distinction matters for pricing power. Commercial Microsoft 365 cloud revenue grew 17% while paid seats grew 5%. The resulting 11.43% increase per seat also includes mix, currency, consumption and recognition effects;

it is not a clean price increase. The $99 E7 monthly list price is not realised revenue per user. A more efficient agent can raise value to the customer while reducing infrastructure consumed per task. The owner benefits when enough of that value becomes paid usage or retained delivery margin, after renewal.

2. Demand is strong; the threat is who captures its value

Microsoft can win workloads without keeping all the benefit. Azure supplied 73.8% of the quarterly revenue increase, adding $10.8bn while licensing, Windows and devices declined (Figure 2). Model routing, caching and better execution on compatible equipment can reduce computations or energy per completed task before a new datacentre opens. Lower customer cost can expand useful demand; lower realised service price or fewer purchased units can offset that gain. The relevant unit is a useful delivered task at an acceptable service level, rather than nominal chip throughput.

Figure 2: Azure supplied 73.8% of quarterly revenue growth; product contributions reconcile to the $14.6bn consolidated increase.



Value sensitivity: Central delivery response 1.00 to 1.15: -7.95 USD/share

Source: Microsoft September 2026 product recast and FY2027 Q1 results. Valuation sensitivity: Central delivery-cost response 1.00 to 1.15, with other inputs fixed, at 6 November 2026.

Cloud infrastructure revenue reached $168.0bn in calendar Q3 2026, up 55%; AWS, Microsoft and Google held 26%, 19% and 16%. Scale protects customer access but does not prove pricing power. Rival investment can commission supply after customers have learned to use fewer resources. Microsoft then faces lower utilisation or a lower useful-service price while fixed delivery costs, leases and supplier commitments continue. The retained replacement-cost boundary lowers proposed expected V0 by $59.43 per share when tested alone. It is a risk scale, not an observed new forecast. Synergy Q3 2026 study

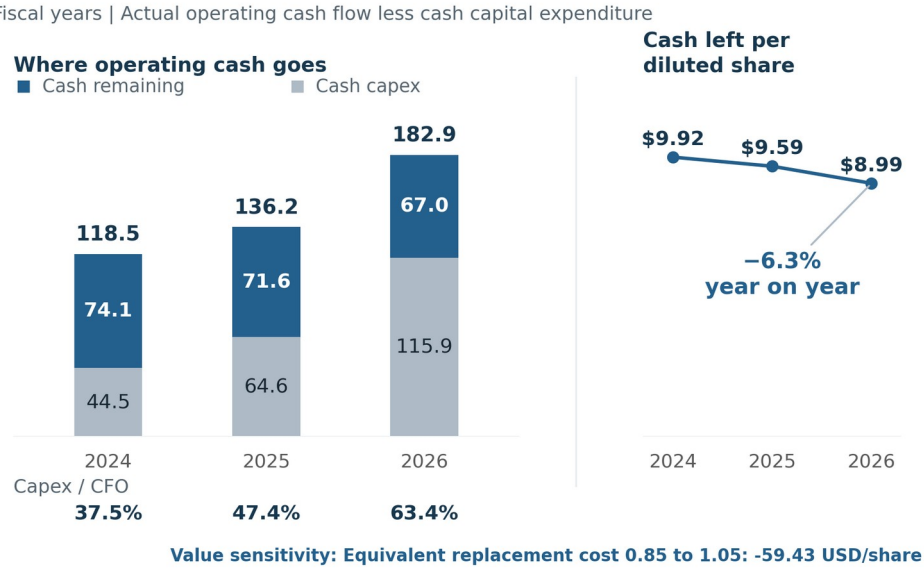
Cheaper open models can support Microsoft's distribution role: DeepSeek R1 became available through Azure AI Foundry and GitHub in January 2025. Progress in a Chinese model does not establish hardware parity. Hardware convergence would have three distinct stages. Domestic adequacy could keep more Chinese workloads local and reduce imported-system demand. Competitive external APIs could put pressure on service prices without requiring foreign customers to own Chinese hardware. An internationally repeatable hardware, software and support system could eventually alter equipment choice and bargaining power. Huawei's announcements establish a roadmap; they do not establish the dates, shares or probabilities of those stages. Azure DeepSeek R1 announcement; Huawei 2025 roadmap; Huawei 2026 announcement

For Azure, the first two stages matter through addressable workloads and useful-service prices; the third also matters through procurement options, ecosystem compatibility and the value of the existing fleet. Porting costs, reliability, networking, power and support determine whether a nominally cheaper platform is economical. Export and data-location rules can restrict demand or require duplicated capacity. No separate China revenue loss is measured here. Neither model progress nor the market's one-day fall identifies the cause of the share-price move.

3. Growth reaches owners after replacement and supplier funding

The physical cost of growth is already visible. Cash capex rose from 37.5% of operating cash flow in FY2024 to 63.4% in FY2026. Operating cash flow less cash PP&E purchases fell from $74.1bn to $67.0bn, or $9.92 to $8.99 per diluted share (Figure 3). This reported cash residual precedes other investing and financing requirements; it is not normalised owner earnings. Economic replacement is an estimate of future purchases required to retain useful service, while reported cash capex records payments and book depreciation allocates recognised asset cost. Microsoft Annual Report 2026

Figure 3: Rising operating cash flow did not protect the cash residual per diluted share: $9.92 fell to $8.99 in FY2024–26. Maintenance coverage remains unresolved.



Source: Microsoft Annual Report 2026, FY2024–26 cash-flow statements and diluted shares. Valuation sensitivity: Central equivalent replacement cost 0.85 to 1.05, with other inputs fixed, at 6 November 2026.

More efficient new hardware can lower capital per useful unit, but it first consumes cash. Central asset acquisitions, including leases and economic renewal, reach $225.1bn in FY2028 and $332.9bn in FY2032 under the annual efficiency assumption. Longer economic service life can defer replacement purchases; extending accounting depreciation alone cannot. Better software may delay a purchase on the installed fleet; it cannot recover an unsuitable machine's sunk cost merely by raising its theoretical throughput.

Book earnings can improve before cash recovery. The forecast uses a blended life for new owned and finance-leased assets, not a disclosed Azure or Microsoft 365 depreciation schedule or six-class book allocation. Longer book life changes the timing of expense; it does not by itself lower cash capex or create a cash-tax saving. Across FY2022–26, $88.1bn of programme repurchases bought 263 million shares while 171 million were issued; the net reduction was 1.22% of opening shares and dividends totalled $110.2bn. Renewal, supplier recovery and net issuance therefore matter more than gross repurchases alone.

4. Higher earnings leave limited near-term room for distributions

Growth lifts earnings before it replenishes cash available to owners (Table 2). The Central forecast retains Azure expansion and Microsoft 365 monetisation, together with annual delivery and new-capacity efficiencies. The proposed common risk inputs are a 4.86% Treasury rate and a 4.50% equity risk premium; the latter is a convention, not a market observation. Procurement, leased capacity and supplier funding continue to delay distributions. The 5.00% premium is tested separately below.

Table 2: Central revenue rises from $395.3bn in FY2027E to $473.7bn in FY2028E, while cash requirements remain substantial.

$bn, except per-share figures and ratios	FY2026A	FY2027E	FY2028E
Revenue	331.8	395.3	473.7
EBITDA	—	246.6	301.8
EBITDA margin	—	62.40%	63.71%
Net income	133.7	151.2	172.5
Diluted EPS, $	17.95	20.28	23.12
Operating cash flow	182.9	229.9	276.5
Cash capital expenditure	115.9	172.2	146.4
Operating cash flow less cash capex	67.0	57.8	130.0
Cash dividends / average shares, $	—	3.84	4.22
Dividend yield at $530.61	—	0.72%	0.80%
Net debt including finance leases / EBITDA	—	0.38×	0.26×

Source: Microsoft Annual Report 2026 and the separate 6 November current-macro Central forecast. EBITDA is operating profit before PP&E depreciation and intangible amortisation. Historical broader cash-flow adjustments are not substituted for pure depreciation. FY dividends differ from the forward 12-month estimate.

The FY2028 cash recovery partly reflects payment timing rather than a cheaper total acquisition programme. In FY2027, supplier and other investment funding requires $54.8bn. Operating cash less cash PP&E, finance-lease principal, acquisition payments and that funding leaves a $4.2bn shortfall before ordinary debt and shareholder distributions; sales of liquid investments help fund the gap. Faster task execution improves this outcome only if it reduces a cash cost, releases funding, or earns additional profitable revenue. A smaller reported depreciation charge alone does none of those things.

5. Today's price requires better infrastructure economics

The valuation combines adverse, Central and favourable outcomes at 25% / 50% / 25%, giving V0 $475.64 at 6 November 2026. The three case values are $2.31, $404.25 and $1,091.77. The favourable tail lifts the weighted value above Central. These weights are analytical assumptions, not observed probabilities; the valuation is conditional on the stated operating paths.

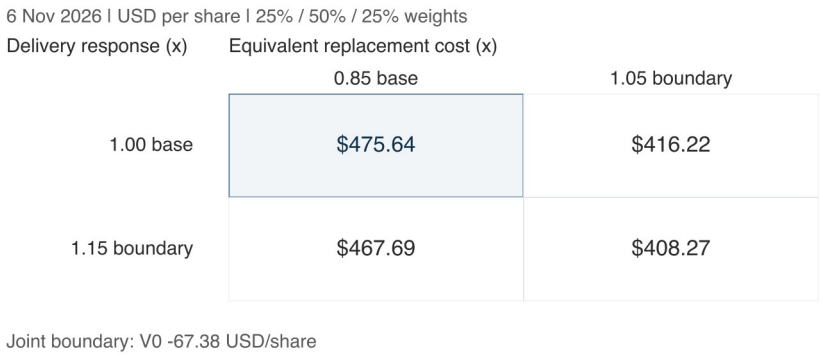
The current operating comparison asks whether delivery and renewal improve quickly enough to justify the installed and ordered fleet. Central retains four-year accelerator service, an 85% IT share of new capacity and 5% annual reduction in capital cost per added weighted revenue dollar. The first boundary changes the Azure delivery-cost response from 1.00 to 1.15; the second changes the cost of equivalent future service from 0.85 to 1.05 of original cost. Only Central changes. Downside, Upside and the 25% / 50% / 25% weights remain intact. The 15% response change applies to a specified cost term; it is not a 15% haircut to all Azure costs, margins, revenue or value.

The assessment discounts cash through FY2041 and then 3% nominal growth, after cash operating costs, supplier and working-capital funding, economic purchases and renewal, cash tax and the economic cost of new awards. Cash, investments and existing obligations convert operating value into equity value. Forward value and dividends obey $TP12m + D12m = V0 \times (1 + Ke)$ at the same date and currency. Book D&A is not deducted again from a cash

flow that already pays for acquisitions; the cash-tax budget is separate from book expense. Calculation notes C–E explain the conventions and the limits of the asset information.

At the $530.61 reference price, V0 $475.64, dividend $3.37 and Ke 9.00% give conditional TP12m $515.08 for 6 November 2027 and TSR -2.29%. This is below the -1.00% lower arithmetic boundary; the upper boundary is 19.00%. The corresponding unchanged-assumption entry thresholds are $523.69 and $435.67. These calculations do not constitute an active investment recommendation; BUY would also require the business-quality and realisation conditions.

Figure 4: Joint retained boundaries reduce expected V0 from $475.64 to $408.27. The relevant lower TSR boundary is -1.00%; no active recommendation.



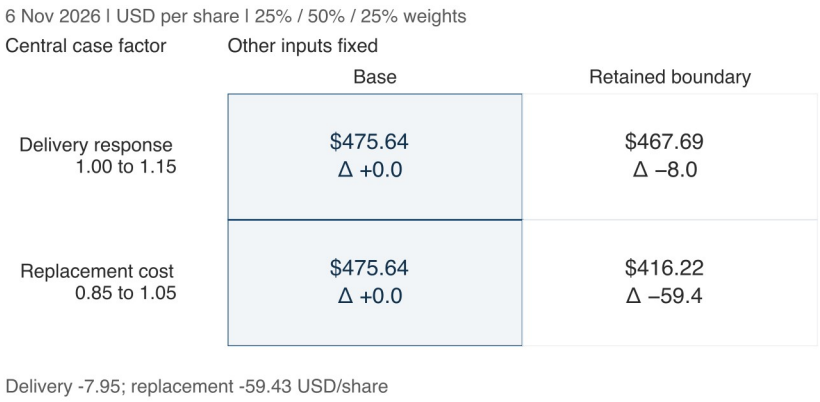
Source: supplied complete financial-graph runs, 6 November 2026, USD per share. Only Central operating inputs change; all three cases, original share bases and 25% / 50% / 25% weights are retained. Two endpoints only; no interpolated forecasts.

Figure 5: The same full joint run gives conditional TP12m $441.64, versus $515.08 at base. The relevant lower TSR boundary is -1.00%; no active recommendation.



Source: supplied complete financial-graph runs, 6 November 2026, USD per share. Only Central operating inputs change; all three cases, original share bases and 25% / 50% / 25% weights are retained. Two endpoints only; no interpolated forecasts.

Figure 6: Isolated V0 effects are -$7.95 for delivery and -$59.43 for replacement. The relevant lower TSR boundary is -1.00%; no active recommendation.



Source: supplied complete financial-graph runs, 6 November 2026, USD per share. Only Central operating inputs change; all three cases, original share bases and 25% / 50% / 25% weights are retained. Two endpoints only; no interpolated forecasts.

The 5.00% ERP sensitivity keeps Rf at 4.86% and the operating base unchanged: expected V0 is $436.36, conditional TP12m $474.27 and TSR -9.98%, against Ke 9.46% and boundaries -0.54% / 19.46%. With both operating boundaries it gives V0 $374.48, conditional TP12m $406.54 and TSR -22.75%. This is a separate risk-premium layer, not a measured rise in business losses.

6. What changes the call

The countercase requires efficiency to reach owners. More useful tasks on the compatible fleet are an early sign; sustained paid demand and lower cash delivery cost at the same service quality are stronger evidence. Lower cash required per added workload, useful utilisation of commissioned assets and supplier recovery confirm the capital mechanism. Cash remaining after renewal is the lagging proof. The joint retained boundary gives V0 $408.27 and conditional TP12m $441.64, rather than a sum of independently added price deltas.

The next balance-sheet checkpoints are 31 December 2026 and 31 March 2027; release dates were not established at the information cutoff. Watch additions and commissioning, useful utilisation, realised price per workload, delivery cost, replacement orders, component balances relative to procurement and net issuance. The declared $0.98 dividend has 19 November ex-dividend and record dates and 10 December 2026 payment; the shareholder meeting is 8 December. The meaningful test is whether savings survive lower customer prices and the cost of committed capacity.

The lasting downside is capital paid before cheaper technology or competition prevents recovery. The adverse state is $2.31 per existing share; the underlying operating case requires $44.8bn of new ordinary debt in FY2027, halts discretionary repurchases and ends dividends from FY2029, with later dilution after debt capacity was exhausted. It is a conditional loss-of-capital case, not a liquidation estimate or near-term bankruptcy forecast. The opposite risk is durable enterprise demand on longer-lived, cheaper assets. A lower quote alone resolves neither case.

Calculation notes and sources

A. Products and historical business quality

Microsoft is treated as an enterprise compounder. The differentiated product and service economics are the relevant form of the cost framework. Product revenue and recast segment structure are disclosed; standalone Azure profit, actual maintenance spending and a consistent owner-distribution test remain unresolved. They prevent a claim that all four business-quality tests are jointly established.

B. Forecast and the two operating boundaries

The retained pair raises the Azure cash-delivery-cost response multiplier from 1.00 to 1.15 and equivalent future-service replacement cost from 0.85 to 1.05 of original cost, only in Central. In FY2028 Central, revenue remains $473.7bn; Azure-related cash delivery cost rises from $68.3bn to $72.6bn, economic service renewal from $31.5bn to $39.0bn, and total economic capital acquisitions from $225.1bn to $232.5bn. GAAP operating income falls from $220.7bn to $215.6bn and capitalised-lease FCFF after economic grant cost from $48.3bn to $36.2bn. Cash delivery margin and cash replacement are different channels. Every pair cell and isolated endpoint comes from its own complete three-case run. The joint result is taken directly from that run, not obtained by adding separate deltas.

C. Cash flow depreciation tax and share conventions

The economic fleet is divided into accelerator, CPU, network, fit-out, building and other equipment renewal classes. These are estimated service requirements, not a disclosed six-class book-depreciation allocation. New owned and finance-leased book depreciation instead uses the retained blended life of eight years in Central, six in Downside and ten in Upside, with cohort timing and remaining-book-value caps. Total FY2028 Central PP&E and intangible D&A is $81.1bn at base and $81.5bn at the joint boundary. Neither is a disclosed Azure or Microsoft 365 D&A figure. The delivery reconstruction removes noncash allocations before cash delivery cost is stressed; the replacement programme is charged once as acquisitions. FCFF does not subtract book D&A again.

The operating cash-tax budget is independently specified: Central uses 15% of profit before book depreciation after economic grant cost, less a 10% marginal capital-dollar benefit against the retained reference capex intensity, floored at zero. Book tax uses 20%; interest and lease adjustments reconcile the cash-tax schedule. These are assumptions, not a reconstructed tax basis or disclosed tax depreciation schedule. Extending book life alone creates no direct cash-tax windfall in that budget. A real tax benefit requires an established cash-tax mechanism. Without asset-level tax bases and service allocations, the separate tax and product-D&A effects cannot be priced credibly; no zero cost or fabricated allocation is assigned to them. The quantified delivery and renewal boundaries show $67.38 per share at risk together, not a measured price of these missing disclosures.

V0 uses case-specific common shares plus expected existing award claims; the Central denominator is 7,491.988631 million. Market capitalisation instead uses 7,427 million common shares. The Central full-fiscal-year forecast supplies the cover EPS and EBITDA; it is distinct from the probability-weighted valuation. The cover EV is equity market value plus proposed 6 November ordinary and finance-lease net debt of $43.4bn, excluding operating leases because GAAP EBITDA retains operating rent; nonoperating equity investments are not netted for this multiple. EV is $3,984.2bn. The DCF separately capitalises operating leases and values nonoperating investments. Forecast year-end net debt in Table 2 has a different date.

D. Conditional valuation and investment thresholds

At Rf 4.86%, ERP 4.50% and beta 0.92, Ke is 9.00%. Case values $2.31, $404.25 and $1,091.77 at unchanged weights give expected V0 $475.64. Conditional TP12m $515.08 plus expected dividend $3.37 equals V0 × 1.09 before rounding; TSR is -2.29%. Recommendation arithmetic is SELL below Ke minus 10 percentage points and BUY above Ke plus 10 points. At unchanged V0, prices above $523.69 and below $435.67 cross those respective numerical boundaries. An active call additionally requires the stated business, realisation and acceptance conditions. The retained operating endpoints are not confidence intervals or measured new outcomes.

E. Valuation date and forecast timing

The valuation date is 6 November 2026, with a $530.61 regular-session closing price and a twelve-month horizon ending 6 November 2027. Remaining-period flows and balance items use an elapsed-day interpolation from 30 September to the fiscal year end; these are economic forecast conventions, not observed November cash, debt or

lease balances. Future exact dividend declarations and intra-period funding dates remain uncertain. Expected awards and price-linked funding recalculate; recovery-floor payment proxies remain conventions. Standalone sensitivities at 30 October 2026 inputs and the $521.91 quote isolate different mechanisms: a 15% increase in cash delivery cost reduces value by $7.83 per share; an additional 4 percentage points of annual Azure growth adds $11.77; extending accelerator service from four to five years adds $23.20. On that basis, 12.23% lower assumed delivery cost or an extra 2.24 percentage points of annual FY2028–32 Azure growth separately removes the financial SELL signal. Annual capital-cost improvement of 9.42% reproduces the quote with other inputs fixed. These date-specific tests are not the decision thresholds at the 6 November quote.

The confirmed official Nasdaq-100 end-of-day level is 26,989.99 on 6 November. It is a price index; its return excludes dividends and is not a total-return comparison with Microsoft TSR. The index level does not itself establish a causal explanation of Microsoft's one-day move.

F. Monitoring limitations and official sources

Early evidence is useful demand on compatible installed capacity. Confirmation requires comparable service price and quality, cash delivery costs, commissioned utilisation and purchase deferrals without degraded service. The eventual test is cash remaining after renewal and supplier recovery. No probability, timetable or market share is assigned to the three conditional China stages. The financial consequences of missing asset-level D&A and tax data remain unpriced; they are not substituted with a fabricated tax basis. The current assessment and matrices are conditional review material; acceptance is not recorded.

Microsoft FY2027 Q1 results, quarter ended 30 September 2026

Microsoft September 2026 segments and investor metrics presentation

Microsoft Annual Report 2026

Nasdaq regular-session Microsoft close

Official Nasdaq-100 history

US Treasury daily par yield curve, 6 November 2026

G. Current valuation bridge and verification priorities

The valuation date is 6 November 2026 and all values are in USD. V0 is a 25% / 50% / 25% weighted value; the forecast table presents Central. The accompanying workbook and its independent formula replay agree on the three case values.

Table 3: Central operating value is $3,078.8bn; case weighting gives $475.64 per existing share.

USD bn, except as labelled	Downside 25%	Central 50%	Upside 25%
FY27 Oct–Jun FCFF before 6 Nov cut	-133.6	-42.3	19.7
FY28 FCFF	-57.9	48.3	138.2
FY32 FCFF	-121.8	166.8	428.6
FY41 FCFF	-455.8	411.1	917.8
PV remaining FY27–41 FCFF	-1802.2	1488.4	3787.0
PV continuing + transition	-2637.4	1590.4	4425.0
Operating enterprise value	-4439.6	3078.8	8212.0
Cash + investments − debt/leases	-69.8	-50.2	-35.4
Equity after recovery floor	17.3	3028.6	8176.7
Existing shares + award claims, m	7495.0	7492.0	7489.4
V0, USD/share	2.31	404.25	1091.77

Source: current native Microsoft workbook, Valuation and linked cash-flow schedules; full formula replay. FCFF includes economic grant cost and capitalised leases; the first cash-flow row covers October–June, then is reduced to the period after 6

November. Central WACC is 8.81472%, with 3% terminal growth after FY2041. Central continuing PV is $1,590.4bn, or 51.66% of operating EV, including the terminal transition. In Downside the negative operating DCF is superseded by the model's dividend-recovery floor ($2.31/share); this is a recovery convention, not liquidation proceeds.

The weighted bridge is V0 $475.6438245 × 1.09 − D12 $3.3684253 = TP12 $515.0833434; ($515.0833434 + $3.3684253) / $530.61 − 1 = −2.2914% TSR. The price is the 6 November 2026 close; the horizon is 6 November 2027. SELL is the calculated signal; no active call is assigned.

Table 4: Three dividend periods answer different questions.

Measure / period	USD per share / interpretation
Declared quarterly cash dividend	0.98; declared 15 Sep; ex/record 19 Nov; payable 10 Dec 2026.
Central fiscal-year cash dividends / average shares	FY2027 3.84; FY2028 4.22. Forecast budgets, not a schedule of declarations.
Weighted next 12 months: 6 Nov 2026–6 Nov 2027	3.3684253 = 0.98 declared + 1.4893786 residual FY27 + 0.8990467 one-quarter FY28 proxy. Central alone is 4.0088198.

The retained D12 allocation combines scenario funding capacity with payment proxies; it is neither four times the declared quarterly dividend nor either fiscal-year row. Future declarations and exact payment timing have not been independently established.

At the same 6 November date, price and risk inputs, a full-model reverse check requires an additional 15.07 percentage points of annual Central Azure growth in FY2028–32 to lift weighted V0 to $530.61. Downside, Upside, scenario weights and other inputs remain fixed; capex, supplier funding and cash flows recalculate. The solution is conditional and demanding, not measured investor consensus. A peer multiple without matched segment margins, leases and renewal definitions would add false precision; no new method weight is assigned.

Table 5: Cash recovery remains the decision's material uncertainty.

Unresolved item	Value exposure / limitation	Next observation / owner
Product cash delivery and renewal costs	Retained joint boundary −$67.38/share; this is a scenario, not the price of missing evidence.	Dec 2026 / Mar 2027 balance dates: procurement, cash costs and commissioned utilisation; research analyst.
Asset-level cash tax and useful lives	Separate missing-data cost not measured; no fabricated zero or tax basis.	Next filing plus asset/cohort disclosure; reconcile cash tax and renewal separately; research analyst.
Date cash, distributions and recovery floor	November balances are interpolated forecasts; exact funding/payment dates and floor validity remain unverified.	Next cash/lease and supplier disclosures; reconcile actual cash to the forecast; research analyst.

Microsoft FY2027 Q1 Form 10-Q: declared dividend and 30 September balance

Current paired calculation workbook: Microsoft (MSFT) — модель.xlsx

The accompanying native Microsoft workbook values the business at 6 November 2026; full calculation graphs and file identities are supplied in the calculation package. The September recast and October 28 earnings-release links above were checked against their official document titles and periods on 7 November.

Rounding: monetary amounts in USD bn are shown to one decimal; per-share values, percentages and ratios are calculated from full precision. Displayed rows may not sum exactly. A blank or "not measured" is not a zero.