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September-quarter revenue of $228M beat consensus, but free cash flow of −$4.36B and a delayed Microsoft build keep the stock under pressure

Overall Verdict
SELL
Bull 2 · Bear 5 · Deferred 0

Price at Issue	External Average Target Price	52-Week Low · High	Next Earnings
$19.73	$56.69	$17.16 ~ $70.71	TBD
Nov 10, 2026 close · −7.8%	+187.3% · 19 analysts	vs. high −72.1%	Q4 2026 earnings

01 4 Key Data Points

Quarterly free cash flow −$4.36B
Sep quarter · capex $4.89B vs operating cash flow $0.53B · cash $3.52B

Total debt $10.2B, up 30.3% in a quarter
Sep 30 · $7.84B at Jun 30 · equity $5.12B

Sept-quarter revenue $228M, up 66.2% from June
AI cloud $200M · above the roughly $222M consensus · 5.0% below $240M a year earlier

$4B revenue goal pushed to January
Moved from year-end and may reach late February · Microsoft build delayed

02 Research Team Debate — 6 Issues

Microsoft Childress delay ×2	Bear	The delay is a fact that Microsoft's own CFO confirmed, while recovery is only a forecast, and a second slip was flagged, so the ruling goes to Bear.
Funding the roughly $15B build	Bear	One quarter of free cash outflow (−$4.36B) exceeded the cash left ($3.52B) and debt is already 1.2x the $8.37B market cap, so new funding is required and the ruling goes to Bear.
AI cloud ramp	Bull	A 66.2% quarterly rise and an 87.7% AI share show the ramp is real; the year-on-year dip reflects mining being wound down, so the ruling goes to Bull.
Valuation	Bull	PSR divided by fiscal 2026 revenue growth is 0.29 (12.0 ÷ 41.1), and the 35.2% discount to the peer median of 18.6x outweighs the net debt, so the ruling goes to Bull.
Price target cuts	Bear	Target changes are judged by direction: five cuts and one new target, with sizes up to 52.5%, so the ruling goes to Bear even though the average stays high.
Dilution	Bear	Stock pay at 34.3% of revenue is far above the 10% line and shares are up 43.8%; book value per share rose 23.7%, but the ruling goes to Bear.

The overall call is SELL. AI cloud revenue is real and the stock is cheap against peers, but the Microsoft delay, funding, target cuts and dilution outweigh it, and the call reopens when the January revenue goal is met or missed.

03 Conditions That Change the Verdict

▲ Upgrade Conditions

January revenue goal
If annualized revenue reaches the $4B target in January

Funding plan
If financing for the roughly $15B plan is announced without a large share issue

Reclaim the 20-day line
If the close moves above the 20-day average of $25.07

▼ Downgrade Conditions

Goal slips to late February
If the $4B goal moves beyond January

Support breaks
If the close falls below the 52-week low of $17.16

More target cuts
If the average target falls below $50 or another large bank moves to Sell

Sources: Finimize, CryptoBriefing, TIKR, Blockspace, Simply Wall St., Motley Fool, Decrypt · SEC EDGAR 10-Q https://www.sec.gov/Archives/edgar/data/1878848/000187884826000066/iren-20260930.htm · 8-K https://www.sec.gov/Archives/edgar/data/1878848/000187884826000065/iren-20261105.htm · Yahoo Finance · Yahoo Finance quarterly and annual statements
Full report: lightview.kr/en/report_iren_20261111 · This summary condenses the full report and is not investment advice. Investors are responsible for their own decisions.

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04 Quarterly Results Unit: $B

	Q3 2025	Q4	Q1 2026	Q2	Q3
Revenue	0.2	0.2	0.1	0.1	**0.2**
Operating Income	-0.1	-0.1	-0.1	-0.1	**-0.2**
Net Income	0.4	-0.2	-0.2	-0.7	**-0.3**
Operating Margin	-25.0%	-45.8%	-64.5%	-102.5%	**-84.2%**

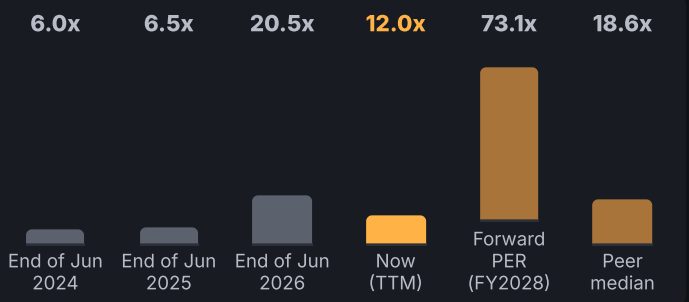
Operating margin
−84.2%
Year ago −25.0%

Net margin
−115.4%
Year ago +160.4%

Operating cash flow margin
232.0%
Year ago 59.2%

Free cash flow margin
−1,912.3%
Year ago −57.5%

05 PSR trend



06 Street Opinions

Buy 15 Hold 5 Sell 0 Avg $56.69 · High $139.00 · Low $23.00

JPMorgan	55	Target cut
Macquarie	55	Target cut
Jones Trading	40	New target (Hold → Buy)
H.C. Wainwright	56	Target cut

07 Financial Strength

Cash and short-term investments (9/30)
$3.52B
$1.03B → +241.2%

Total debt (9/30)
$10.22B
$0.97B → +957.9%

Equity (9/30)
$5.12B
$2.88B → +77.9%

Shares outstanding (9/30)
407M
283M → +43.8%

08 Recent News

11/10 Bernstein keeps Outperform with a $55 target, citing owned power and prepayments
Blockspace Nov 10 · shares fell 7.9% that day

11/9 JPMorgan trims its target to $55 from $65 and keeps Overweight
Yahoo Finance target data Nov 9 · AI lending worries cited by 24/7 Wall Street

11/6 Shares jump 20.0% after the September-quarter results
Revenue $228M vs about $222M consensus, AI cloud $200M (CryptoBriefing, Nov 6)

09 Upcoming Events

November 13 (Fri) · Weekly options expiry
Max pain $22.5 · put/call open interest 0.74

November 27 (Fri) · Options expiry
Max pain $26 · put/call open interest 0.80

January 2027 · Revenue goal date
Finimize: above $4B annualized run-rate moved from year-end to January, may reach late February

10 Key Risks

Funding the roughly $15B build (free cash flow −$4.36B vs cash $3.52B)
Impact High · Likelihood High · Watch Funding news

Second slip in the $4B revenue goal
Impact High · Likelihood High · Watch January

Microsoft concentration and a pullback from neocloud deals
Impact Medium · Likelihood High · Watch Next 10-Q

11 Checkpoints

★★★ **January revenue goal**
Check whether annualized revenue reaches $4B in January or slips to late February.

★★★ **Funding of the roughly $15B plan**
Watch for new debt or shares: cash is $3.52B against a −$4.36B quarterly free cash flow.

★★☆ **Microsoft Childress phases**
On-time delivery of the remaining phases would show the delay was contained.