

The Anthropic Valuation: *Ford v. Ferrari*



How to Value a Company That Might Destroy Human Civilization… or Go Bankrupt Along the Way

Matt Damon, Christian Bale, and… Dario Amodei?

Whenever someone asks about the **Anthropic valuation**, I immediately think about *Ford v. Ferrari* because those are the two main "paths" for the firm.

Yes, there are questions over token spending, **compute costs**, job destruction, etc., but I focus on **the story.**

Matt Damon, Christian Bale, and… Dario Amodei?

Path 1: "Ford" Case – ANT becomes an "industrial provider" of tokens with higher market share but lower prices and margins.

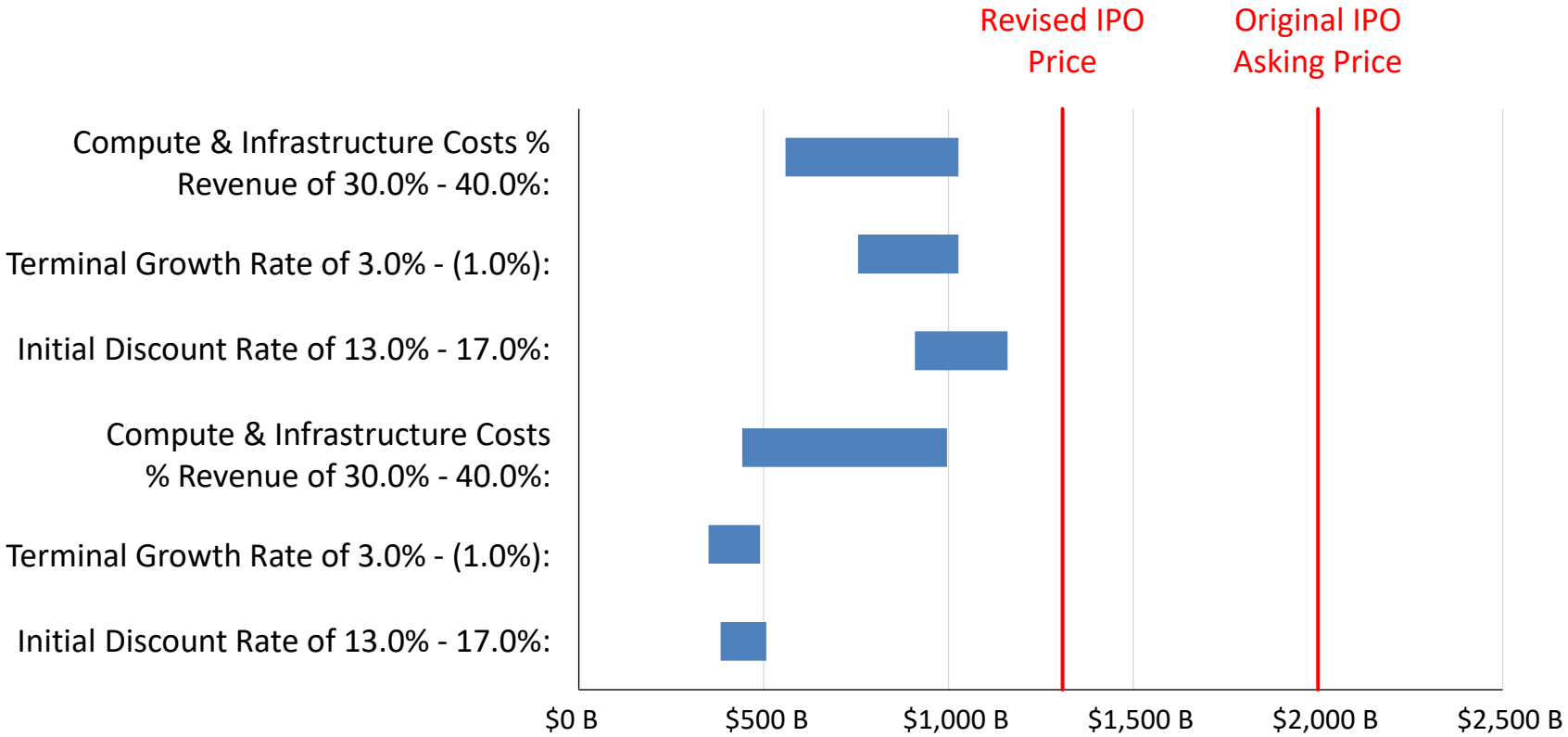
Path 2: "Ferrari" Case – ANT retains its pricing power and sells expensive tokens to a smaller group of high-end customers.

Matt Damon, Christian Bale, and… Dario Amodei?

The Punchline: The company is always overvalued at $1.3 – $2.0 trillion:







Anthropic **Valuation** Materials

You can get the full Excel file, data, and my written summary for free via the link below (**pinned in the comments**):

https://mergersandinquisitions.com/anthropic-valuation/

Anthropic Valuation: Lesson Plan

- **Part 1:** Why Valuation is Fancy Guesswork Here **3:08**
- **Part 2:** Ford Case: Forecasts and Public Comps **7:53**
- **Part 3:** Ferrari Case: Forecasts and Public Comps **10:00**
- **Part 4:** The Failure Case, Destruction of Civilization, etc. **11:55**
- **Part 5:** Final Thoughts and Comparison to SpaceX **15:13**

Part 1: Valuation = Guesswork?

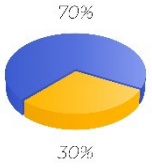
- **Biggest Issue:** No disclosures around "Capacity," Utilization Rates, Per-Unit Pricing (e.g., Compute Required for Training/Inference, Tokens per Customer, Average Token Prices)



- **Revenue and Expenses:** Yes, they disclose these for the historical periods, but it's impossible to link them to specific customer counts, usage, or market share



- **So:** *At best*, we can make a very high-level forecast based on market share, customer counts, and average customer spending



- **SpaceX:** Lots of criticisms, but they disclosed a lot more than this!



Part 1: Valuation = Guesswork?

Sets of Public Comps:



Industry Sector / Vertical:	Median Financial Stats and Multiples:
amazon, Google, Meta, Microsoft, NVIDIA, ORACLE, salesforce, SPACEX, TESLA	▪ **Annualized Revenue Growth:** 22% ▪ **EBITDA Margin:** 53% ▪ **TEV / Revenue:** 5.9x ▪ **TEV / EBITDA:** 10.8x ▪ **Discount Rate:** 11 – 12%



ChristianDior, EssilorLuxottica, ESTÉE LAUDER COMPANIES, Ferrari, HERMÈS PARIS, KERING, LVMH MOËT HENNESSY · LOUIS VUITTON, RICHEMONT	▪ **Annualized Revenue Growth:** 6% ▪ **EBITDA Margin:** 28% ▪ **TEV / Revenue:** 3.0x ▪ **TEV / EBITDA:** 13.8x ▪ **Discount Rate:** 9 – 10%



CLIFFS, DOW, Ford, gm, LEAR, NUCOR, Steel Dynamics, SHERWIN-WILLIAMS	▪ **Annualized Revenue Growth:** 4% ▪ **EBITDA Margin:** 13% ▪ **TEV / Revenue:** 1.0x ▪ **TEV / EBITDA:** 7.2x ▪ **Discount Rate:** 10 – 11%

Part 1: Valuation = Guesswork?

	Current (FY 26)	Ford: Final Year (FY 40)	Ferrari: Final Year (FY 40)
Customers > $100K (Market Share)	▪ 15,000 (0.7%)	▪ 1 million (30%)	▪ 183,000 (6%)
Avg. Spend (> $100K)	▪ $2.8 million	▪ $1.2 million	▪ $5.4 million
Customers < $100K	▪ 45 million	▪ 800 million	▪ 262 million
Avg. Spend (< $100K)	▪ $328	▪ $195	▪ $666
Revenue	▪ $56 billion	▪ $1,379 billion	▪ $1,158 billion
Compute (% Revenue)	▪ $32 billion (57%)	▪ $552 billion (40%)	▪ $347 billion (30%)
EBITDA (% Margin)	▪ ($1.8 billion) (–3%)	▪ $248 billion (18%)	▪ $382 billion (33%)
Discount Rate	▪ 15%	▪ 15 → 10%	▪ 15 → 10%
Implied Equity Value		▪ $400 – $1,000 billion	▪ $600 – $1,200 billion

Part 2: Ford Case: Forecasts & Public Comps

- **"Dispersion"** is the key word here: Massive market share gains, with ANT winning ~30% of all companies worldwide with over $10 million in revenue by the end



- **But:** They get "Deepseek'd" and must drop prices to compete with lower-cost models, Chinese companies, etc.

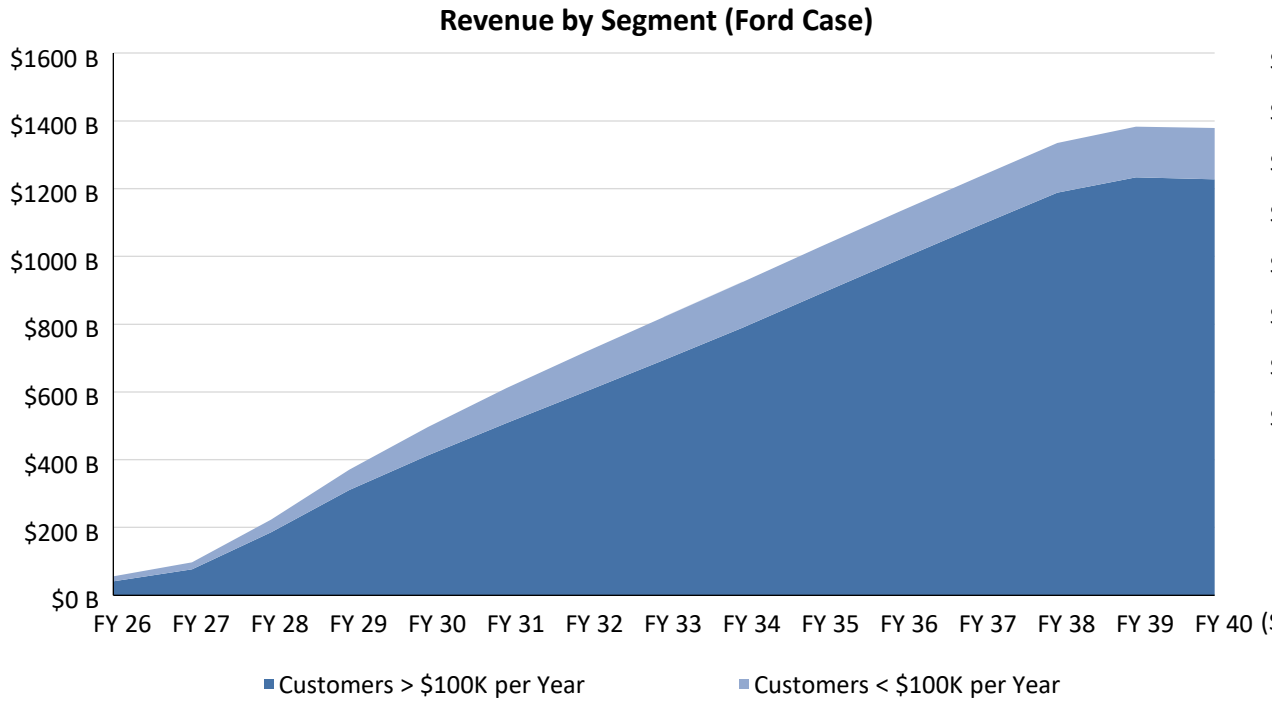
- **So:** Compute & Infrastructure Costs improve, falling to ~40% of Revenue, but never reach the "traditional software COGS" level; EBITDA Margins end at ~18%

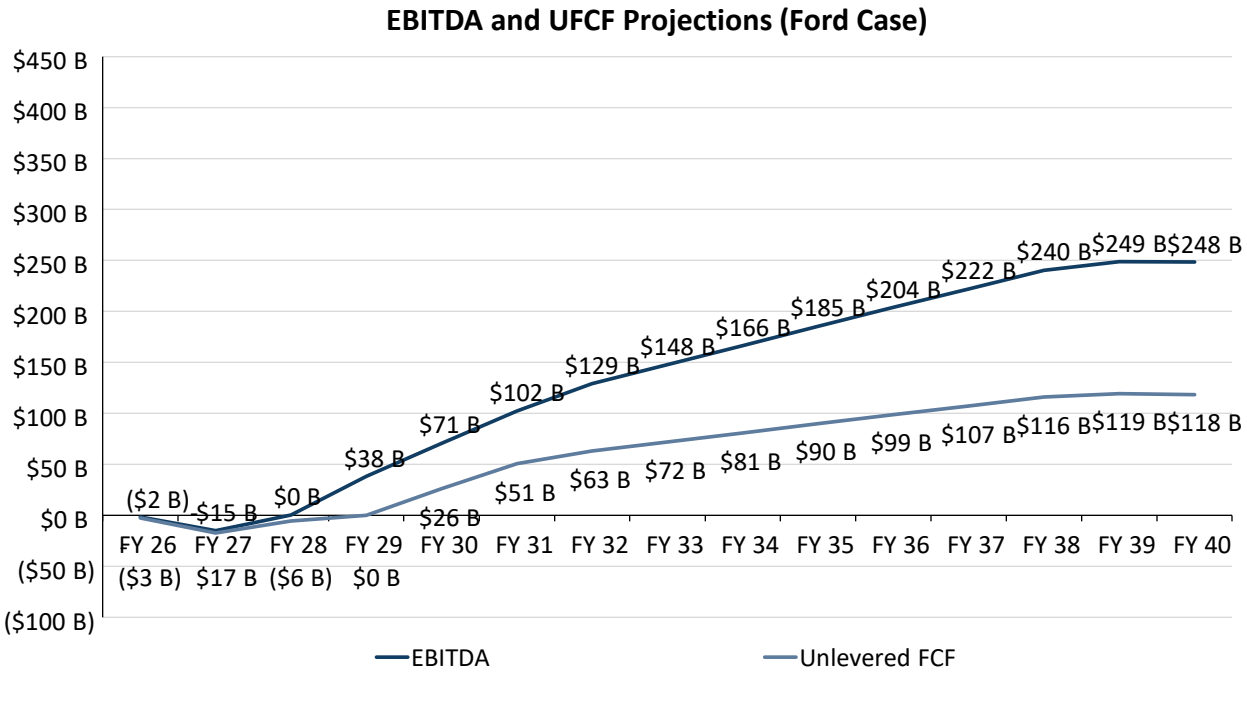


- **Reference:** Tesla is currently at ~15%, with AMZN at ~29%

Part 2: Ford Case: Forecasts & Public Comps

- **Valuation Outcome:** "Disappointing" since it's in the $400 billion – $1 trillion range, but ANT was worth only $350B a year ago…





Part 3: Ferrari Case: Forecasts & Public Comps

- **"Premium"** is the key word here; ANT keeps spending on state-of-the-art models to attract high-end tech customers, but most normal people don't need them



- **So:** Market share of > $10 million revenue companies remains quite low (~6%), but they maintain pricing power and margins



- **Financials:** Compute represents only 30% of Revenue, and Sales & Marketing is lower, so 33% EBITDA margins



- **Reference:** Apple is at a 33% EBITDA margin, and the median "Luxury" comp margin is 28%

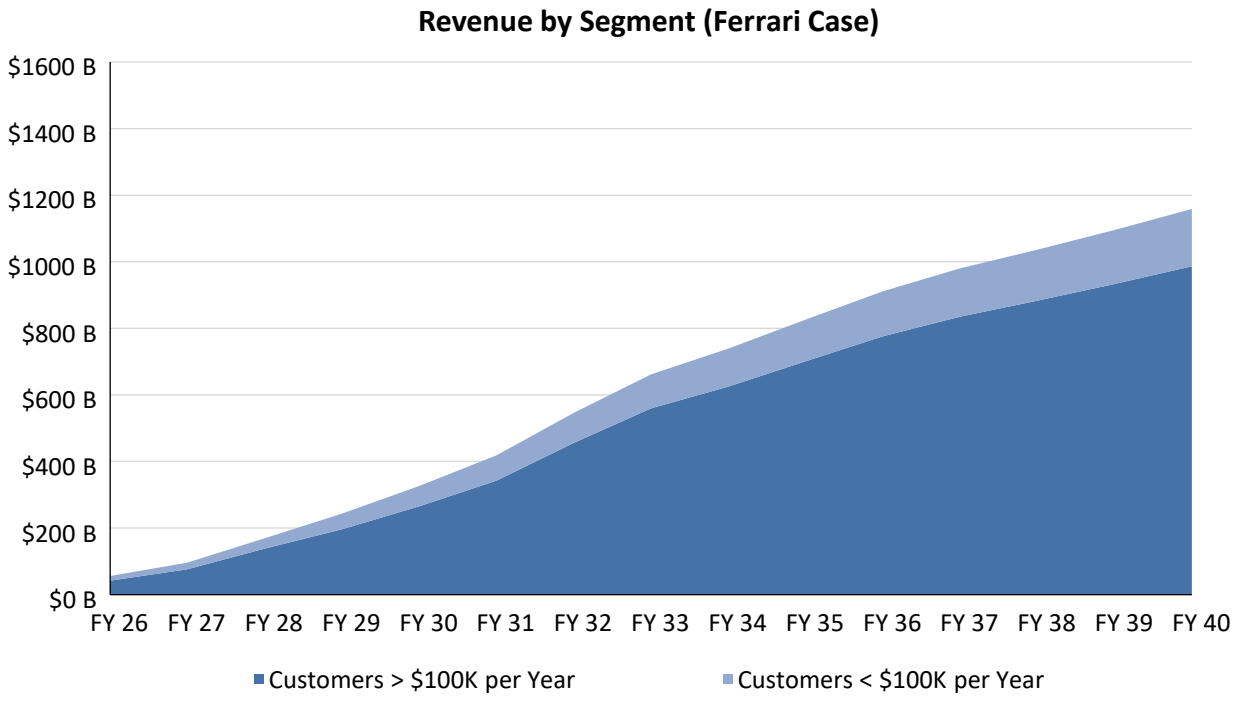


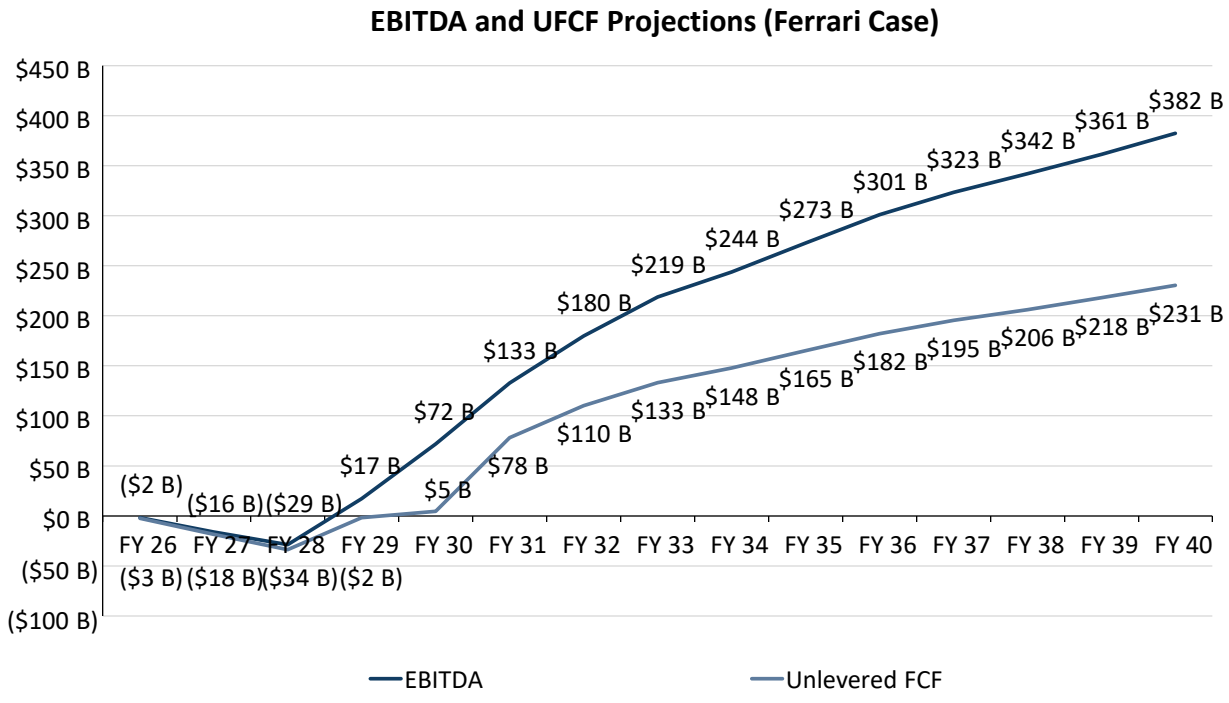




Part 3: Ferrari Case: Forecasts & Public Comps

- **Valuation Outcome:** Most would consider this "the good case," but it's still just above ~$1 trillion at most





Part 4: Other Cases and Outcomes

- **"Failure Case":** ANT does have almost $900 billion worth of compute contracts, most of which are non-cancellable



- **Risk:** If its Revenue Growth falls greatly, it might have trouble covering $100 – $150 billion per year (not necessarily bankruptcy, but it would have to raise even more capital)





- **Likely Valuation:** Probably in the $100 – $300 billion range if Revenue "stalls" in the hundreds of billions and does not approach $1 trillion by Year 10, as assumed here



Part 4: Other Cases and Outcomes

- **Destroyer of Civilization:** ~~Wario~~ Dario Amodei loves to go on media tours and tell everyone all their jobs will be destroyed, Claude might destroy human civilization, etc.



- **QUESTIONS:** OK, if AI "kills every single white-collar job," who pays for these services? How does the economy work when there's no consumer spending because no one has income?



- **"Companies will Pay Other Companies and Everyone Will Get UBI!":** I'm quite skeptical; no idea of the valuation implications



- **So:** Same category as SpaceX colonizing Jupiter, Mars, etc.



Part 5: Final Thoughts and SpaceX Comparison

- **"Are you 'long' or 'short' Anthropic?"** Neither one! The market is so irrational it's not worth trading



- **Gut Feeling:** Very skeptical of a $2 trillion or even a $1.3 trillion valuation (and huge governance issues and lockup problems!)



- **But:** Unlike SpaceX, it is possible to construct a plausible but optimistic scenario in which the firm is worth $1T+; however, the risk factors are also much greater

- **Me:** If I invested in IPOs or newly public firms, I might be a buyer somewhere in the $500B – $1T range



Recap and Summary

- **Part 1:** Why Valuation is Fancy Guesswork Here



- **Part 2:** Ford Case: Forecasts and Public Comps



- **Part 3:** Ferrari Case: Forecasts and Public Comps



- **Part 4:** The Failure Case, Destruction of Civilization, etc.



- **Part 5:** Final Thoughts and Comparison to SpaceX

