

# DOLBY LABORATORIES, INC.



## Company Overview

Dolby Laboratories, Inc. (“Dolby”, NYSE: DLB) is a global leader in audio, video, and imaging technologies that enhance content creation, distribution, and playback across entertainment, consumer electronics, mobile devices, automotive systems, and professional markets. Dolby monetizes its innovations primarily through licensing of its proprietary technologies and patents, complemented by select products and services.

Dolby’s core technology platforms include:

**Dolby Atmos** - immersive audio technology used in cinema, streaming, music, gaming, and automotive applications.

**Dolby Vision** - advanced high-dynamic-range (HDR) imaging technology for TVs, mobile devices, and streaming content.

**Dolby Cinema** - premium theatrical experience combining Dolby Vision and Dolby Atmos.

**Emerging Imaging & OptiView** - next-generation imaging and video solutions expanding Dolby’s addressable market.

The company’s asset-light, high-margin licensing model generates strong cash flows and allows Dolby to maintain industry-leading gross margins. Dolby continues to expand adoption of its technologies across streaming platforms, smart TVs, smartphones, gaming consoles, automobiles, and social media ecosystems.

Dolby is **headquartered in San Francisco, California**, and employs approximately **2,300 people worldwide**.

In fiscal 2025, Dolby delivered stable revenue growth, strong operating margins, and robust free cash flow, supported by expanding Dolby Atmos and Dolby Vision penetration and disciplined cost control.

## 1. Top 5 Competitors

- **DTS (Xperi)** - audio technologies competing in consumer electronics and automotive.
- **Auro Technologies** - immersive audio solutions for cinema and home entertainment.
- **Sony Audio Technologies** - proprietary audio and imaging technologies embedded in Sony ecosystems.
- **Samsung Audio Labs** - in-house audio and video processing technologies.
- **Fraunhofer IIS** - audio codec technologies including MPEG standards.

## 2. Largest Institutional Shareholders

(Estimated from latest available institutional filings; percentages rounded.)

# DOLBY LABORATORIES, INC.



Shareholder	% Ownership	Shares (Millions)
Vanguard Group Inc.	~10.5%	~10.9M
BlackRock Inc.	~7.3%	~7.6M
State Street Corp.	~4.8%	~5.0M
Capital World Investors	~4.1%	~4.2M
Geode Capital Management	~2.6%	~2.7M
Fidelity (FMR)	~2.3%	~2.4M
JPMorgan Asset Management	~2.0%	~2.1M
Wellington Management	~1.7%	~1.8M
Northern Trust Corp.	~1.4%	~1.5M
Norges Bank Investment Management	~1.2%	~1.2M

**Top 10 Institutional Ownership:** ~38–40%

**Total Institutional Ownership:** ~85%+

## 3. Management Team

- **Kevin Yeaman** - President & Chief Executive Officer
- **Lewis Chew** - Chief Financial Officer
- **Giles Baker** - Senior Vice President, Corporate Development
- **Gilles Bresson** - Vice President, Product Strategy
- **Joanne L. Bradford** - Board Member

Management remains focused on technology leadership, ecosystem expansion, and disciplined capital allocation.

# DOLBY LABORATORIES, INC.



## 4. Revenue

- **FY2025 Results:**
- **Revenue:** ~\$1.35 billion
- **Licensing Revenue:** Majority of total revenue with high visibility and recurring characteristics
- **Gross Margin:** ~88–90%
- **Operating Margin:** ~21% GAAP; ~34% non-GAAP
- **Free Cash Flow:** Strong, supporting dividends and share repurchases

**FY2024 Revenue:** ~\$1.27 billion

**FY2026 Revenue Outlook:** ~\$1.39–\$1.44 billion

Key revenue drivers include:

- Expansion of Dolby Atmos and Dolby Vision adoption
- Growth in streaming and mobile video formats
- Automotive infotainment penetration
- Imaging and next-generation video standards

## 5. Institutions with Buy Recommendations

Major research institutions maintaining **Buy / Overweight** ratings include:

- Morgan Stanley - Overweight
- UBS - Buy
- Goldman Sachs - Buy
- Bank of America - Buy
- Needham - Buy

Analysts cite Dolby's pricing power, expanding addressable market, and high-margin licensing model as key positives.

## 6. Analyst Sentiment Summary

- **Consensus Rating:** Buy / Moderate Buy
- **Consensus Target Price Range:** ~\$70–\$100
- **Median Target:** ~\$82
- **High Estimate:** ~\$100
- **Low Estimate:** ~\$59

While near-term sentiment has been cautious due to content cycle volatility, longer-term analyst views remain constructive given Dolby's IP strength and margin durability.

**BCG Target Price: \$95**, reflecting normalized earnings power, expanding ecosystem penetration, and valuation re-rating potential.

# DOLBY LABORATORIES, INC.



## 7. Insider Buying and Selling (Last 24 Months)

- Insider activity has been **limited and predominantly neutral**, with transactions largely related to equity compensation.
- No pattern of sustained open-market insider buying or aggressive selling has been observed.
- Insider behavior remains consistent with founder-driven, IP-focused technology companies.