

FINTECH | EARNINGS REPORT

# SoFi Stock Soars After Company Posts First-Ever Quarterly Profit

By [Emily Dattilo](#) [Follow](#)

Updated Jan 29, 2024, 9:12 am EST / Original Jan 28, 2024, 7:00 pm EST

[Share](#) [Bookmark](#) [AA](#) | [Reprints](#) [Headphones](#)

## In this article

[↓ SOFI](#)

SoFi operates through three segments: lending, financial services, and a technology platform.

JUSTIN SULLIVAN/GETTY IMAGES

Shares of [SoFi Technologies](#) were trading sharply higher Monday after the financial technology company posted its first quarterly profit and stellar volumes for its lending segment.

[SoFi SOFI -0.39% ▼](#) posted fourth-quarter earnings of 2 cents a share, beating Wall Street's call

for a break-even quarter. In the year-ago quarter, it posted a loss of 5 cents a share, according to FactSet.

SoFi stock was rising 16% to \$8.80 in premarket trading Monday. Over the past 12 months, shares have gained 14%.

Adjusted net revenue of \$594.25 million in the fourth quarter beat the \$572 million analysts had forecast. A year ago, revenue was \$443.42 million.

“Record revenue at the company level was driven by record revenue across all three of our business segments, with a record contribution of 40% of adjusted net revenue generated by our non-Lending segments (Technology Platform and Financial Services segments),” CEO Anthony Noto said.

SoFi began as a lender focused on refinancing debt but now operates through three segments: lending, which includes student, personal, and home loans; financial services; and a technology platform.

The lending segment also posted excellent numbers with personal, student, and home loan origination volumes soaring 31%, 95%, and 193%, respectively, from the year-ago quarter.

Deposits increased by \$2.9 billion to \$18.6 billion in the quarter, and customers grew by nearly 585,000 to more than 7.5 million.

For its first fiscal quarter, the company expects to post adjusted net revenue between \$550 million and \$560 million, adjusted Ebitda between \$110 million and \$120 million, and net income of \$10 million to \$20 million. Analysts had forecast revenue of \$578 million.

For 2024, SoFi expects earnings per share between 7 cents and 8 cents. Analysts had been forecasting 5 cents.

Beyond 2024, the company forecasts 20% to 25% compound revenue growth between 2023 and 2026, with earnings per share expected at between 55 cents and 80 cents a share in 2026.

Jefferies analysts, who rate SoFi shares Buy with a price target of \$15, said they felt upbeat about the forecast.

“SOFI continues to navigate well in a somewhat challenging environment given the macro & rate environment,” the team wrote Monday. “Our thesis remains intact, and we will continue to follow the pace of new account and product growth, as well as the funding benefit from a rapidly growing deposit base.”

Write to Emily Dattilo at [emily.dattilo@dowjones.com](mailto:emily.dattilo@dowjones.com) 