



Productivity and Business Processes Overview

Investor Metrics	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1
Office Commercial products and cloud services revenue growth (y/y)	7% / 13%	7% / 14%	13% / 17%	12% / 14%	15% / 14%
Office Consumer products and cloud services revenue growth (y/y)	7% / 11%	(2)% / 3%	1% / 4%	3% / 6%	3% / 4%
Office 365 Commercial seat growth (y/y)	14%	12%	11%	11%	10%
Microsoft 365 Consumer subscribers (in millions)	65.1	67.7	70.8	74.9	76.7
Dynamics products and cloud services revenue growth (y/y)	15% / 22%	13% / 20%	17% / 21%	19% / 21%	22% / 21%
LinkedIn revenue growth (y/y)	17% / 21%	10% / 14%	8% / 11%	6% / 8%	8%

Growth rates include non-GAAP CC growth (GAAP % / CC %).

• Press release

Business Highlights

Revenue in Productivity and Business Processes was \$17.0 billion and increased 7% (up 13% in constant currency), with the following business highlights:

- Office Commercial products and cloud services revenue increased 7% (up 14% in constant currency) driven by Office 365 Commercial revenue growth of 11% (up 18% in constant currency)
- Office Consumer products and cloud services revenue decreased 2% (up 3% in constant currency) and Microsoft 365 Consumer **subscribers** grew to 63.2 million
- LinkedIn revenue increased 10% (up 14% in constant currency)
- Dynamics products and cloud services revenue increased 13% (up 20% in constant currency) driven by Dynamics 365 revenue growth of 21% (up 29% in constant currency)

Revenue in Intelligent Cloud was \$21.5 billion and increased 18% (up 24% in constant currency), with the following business highlights:

- Server products and cloud services revenue increased 20% (up 26% in constant currency) driven by Azure and other cloud services revenue growth of 31% (up 38% in constant currency)

Revenue in More Personal Computing was \$14.2 billion and decreased 19% (down 16% in constant currency), with the following business highlights:

- Windows OEM revenue decreased 39%
- Windows Commercial products and cloud services revenue decreased 3% (up 3% in constant currency)
- Xbox content and services revenue decreased 12% (down 8% in constant currency)
- Search and news advertising revenue excluding traffic acquisition costs increased 10% (up 15% in constant currency)
- Devices revenue decreased 39% (down 34% in constant currency)

• Financial statement-MD&A

Highlights from the second quarter of fiscal year 2024 compared with the second quarter of fiscal year 2023 included:

- Microsoft Cloud revenue increased 24% to \$33.7 billion.
- Office Commercial products and cloud services revenue increased 15% driven by Office 365 Commercial growth of 17%.
- Office Consumer products and cloud services revenue increased 5% and Microsoft 365 **Consumer subscribers** grew to 78.4 million.
- LinkedIn revenue increased 9%.
- Dynamics products and cloud services revenue increased 21% driven by Dynamics 365 growth of 27%.
- Server products and cloud services revenue increased 22% driven by Azure and other cloud services growth of 30%.
- Windows revenue increased 9% with Windows original equipment manufacturer licensing ("Windows OEM") revenue growth of 11% and Windows Commercial products and cloud services revenue growth of 9%.
- Devices revenue decreased 9%.