



# Investor Presentation

## Q4 FY24

February 26, 2024



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# Content

- Q4 FY24 Earnings Summary

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- Key Announcements This Quarter

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- Reconciliation of Non-GAAP to GAAP Financial Measures





# **Q4 FY24 Earnings Summary**



# Highlights

## Record quarter driven by strong Data Center growth

- Total revenue up 265% Y/Y to \$22.10B, well above outlook of \$20.00B +/- 2%
- Data Center up 409% Y/Y to \$18.40B
- Gaming up 56% Y/Y to \$2.87B

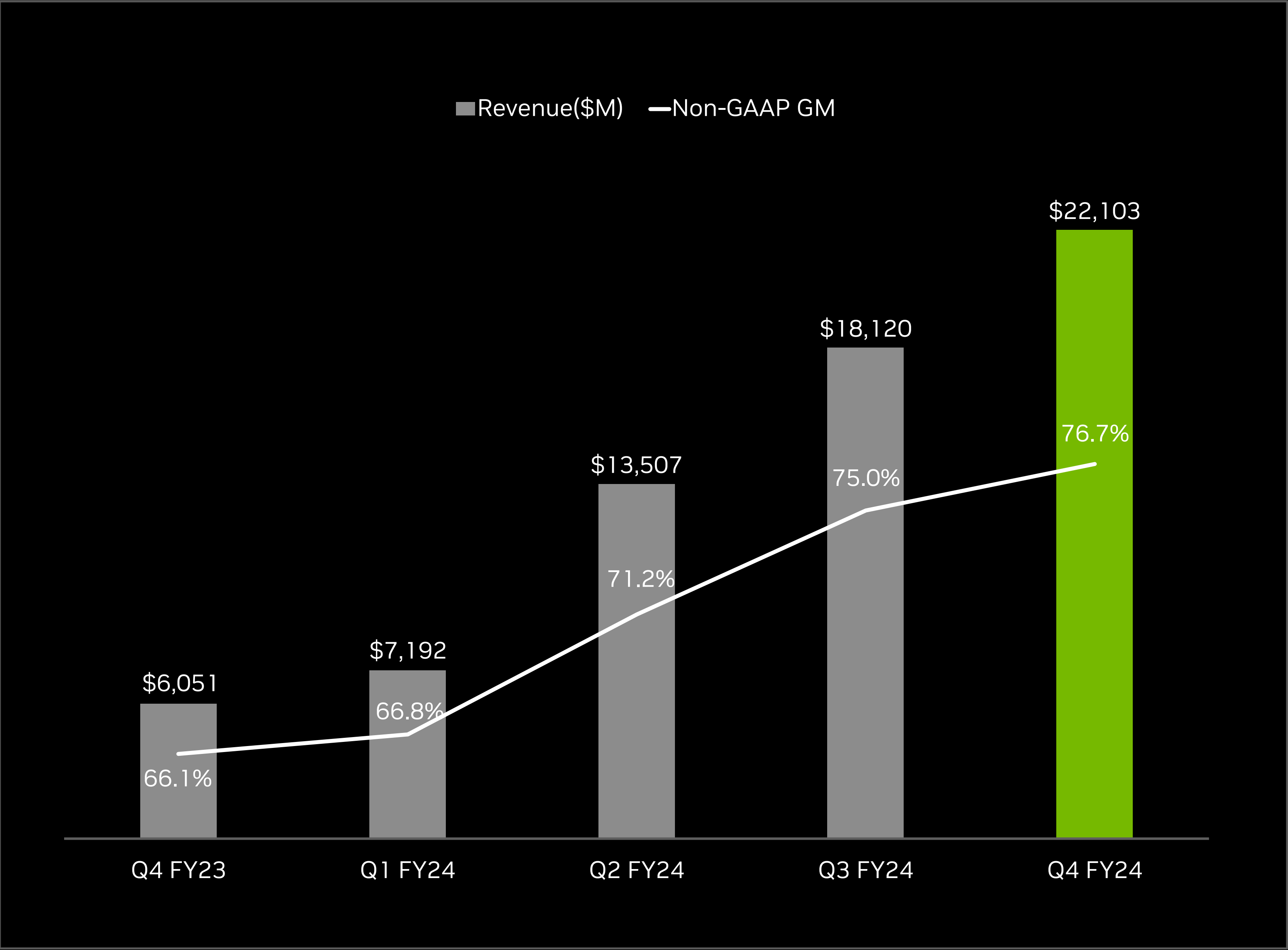
## Record Data Center revenue driven by NVIDIA Hopper GPU computing platform and InfiniBand networking

- Growth was driven by both training and inference of gen AI and LLMs across a broad set of industries, use cases and regions
- Inference was estimated to be ~40% of Data Center revenues in F24; versatility/performance of our platform enables high ROI for many use cases
- Generative AI has kicked off a whole new investment cycle to build the next trillion dollars of infrastructure of AI generation factories

## Gaming growth reflects solid consumer demand for GeForce RTX GPUs during the holidays

- GeForce RTX 40 SUPER Series GPUs sales off to a great start
- Introduced new wave of RTX 40 Series AI laptops, bringing high-performance gaming and AI capabilities to wide range of form factors
- NVIDIA fueling the next wave of generative AI applications coming to PCs, with 100M+ AI-ready RTX PCs in the installed base

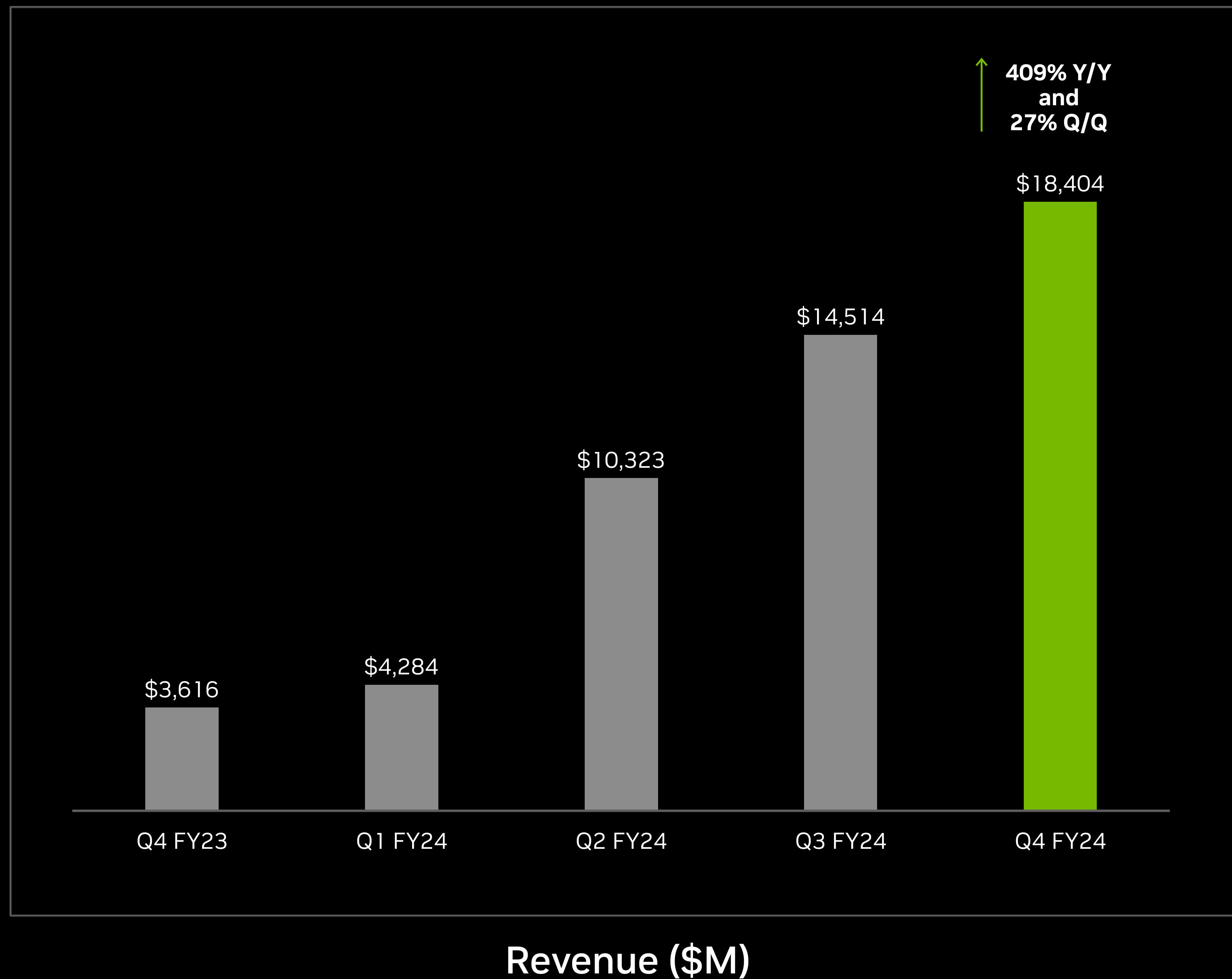
# Q4 FY24 Financial Summary



	GAAP			Non-GAAP		
	Q4 FY24	Y/Y	Q/Q	Q4 FY24	Y/Y	Q/Q
Revenue	\$22,103	+265%	+22%	\$22,103	+265%	+22%
Gross Margin	76.0%	+12.7 pts	+2.0 pts	76.7%	+10.6 pts	+1.7 pts
Operating Income	\$13,615	+983%	+31%	\$14,749	+563%	+28%
Net Income	\$12,285	+769%	+33%	\$12,839	+491%	+28%
Diluted EPS	\$4.93	+765%	+33%	\$5.16	+486%	+28%
Cash Flow from Ops	\$11,499	+411%	+57%	\$11,499	+411%	+57%

All dollar figures are in millions other than EPS. Refer to Appendix for reconciliation of Non-GAAP measures.

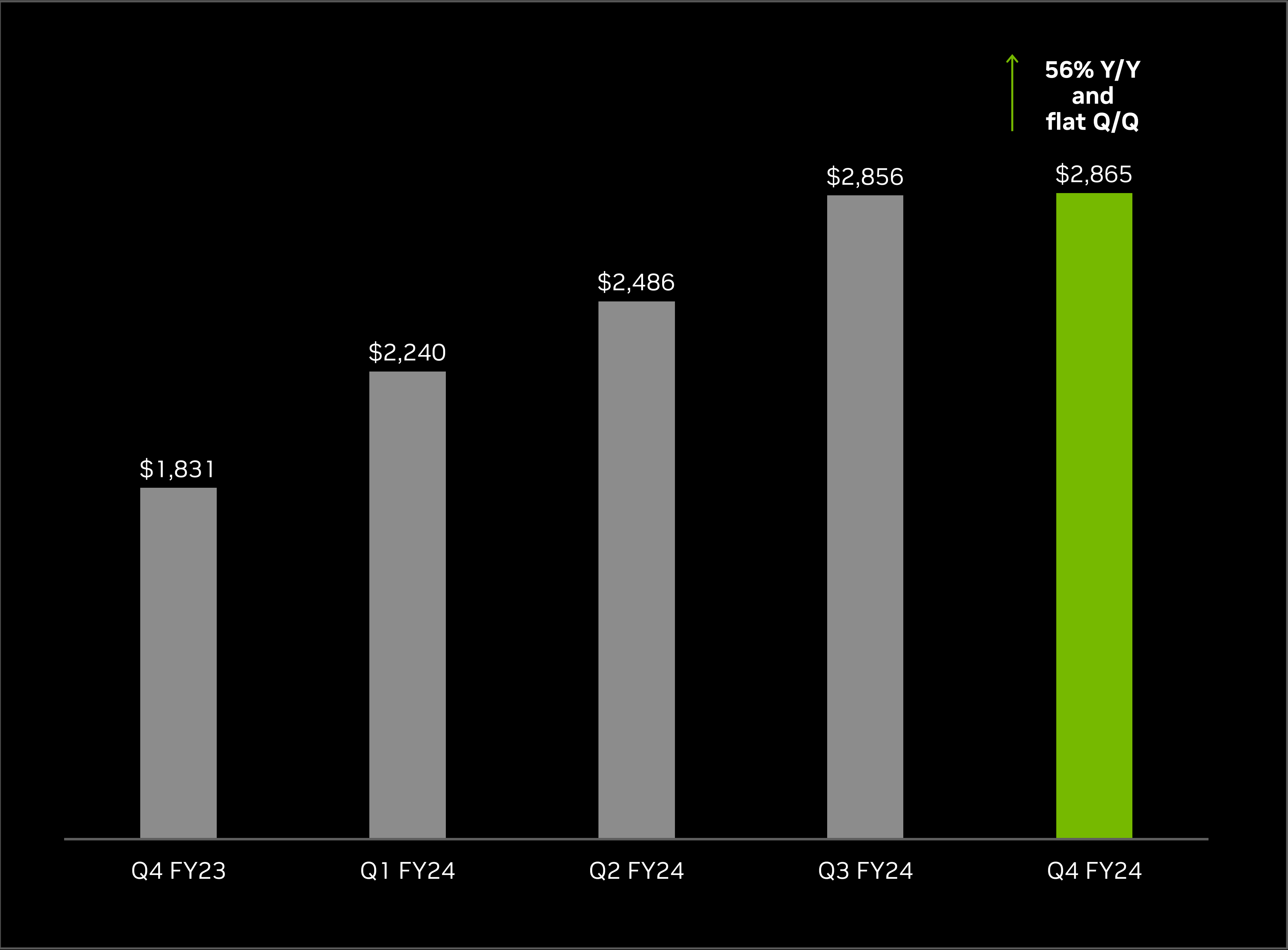
# Data Center



## Highlights

- Compute revenue grew more than 5X y/y; Networking 3X y/y
- Supply of Hopper architecture products is improving; demand remains very strong
- Expect next-generation products to be supply-constrained as demand far exceeds supply
- Data Center revenue contribution from Auto vertical exceeded \$1B last year; Healthcare, Financial Services also seeing significant AI adoption
- Software/services reached an annualized revenue run rate of \$1B
- On track to ship Spectrum-X end-to-end ethernet offering in Q1
- On track to ramp H200, initial shipments in Q2; demand is strong

# Gaming



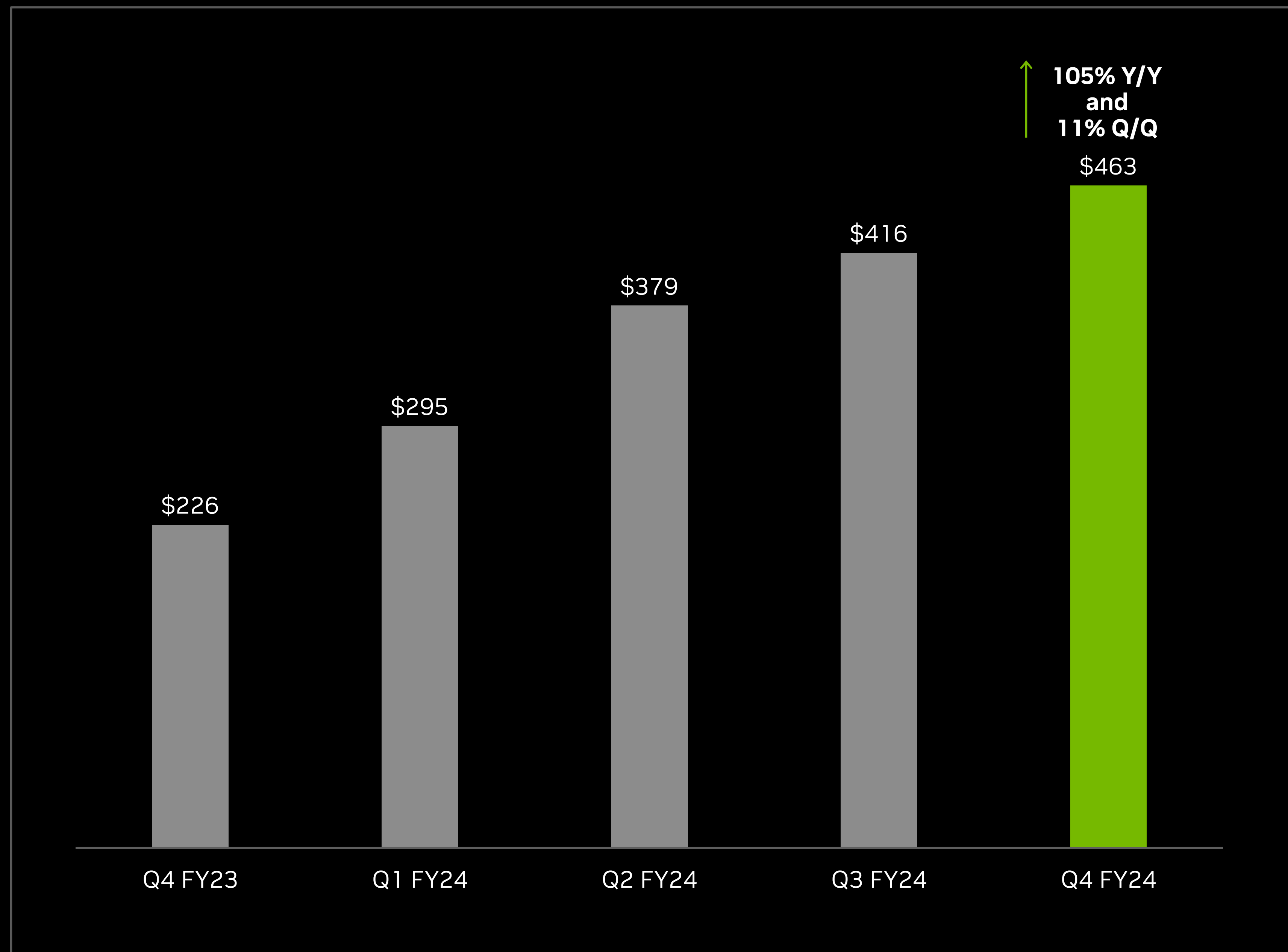
Revenue (\$M)

## Highlights

- Q4 Gaming revenue above outlook on solid consumer demand for GeForce RTX GPUs during the holidays
- GeForce RTX 40 SUPER Series GPUs sales off to a great start
- NVIDIA offers an end-to-end platform for building and deploying generative AI applications for RTX PCs and workstations
  - NVIDIA Avatar Cloud Engine microservices – which allow developers to integrate state-of-the-art generative AI models into digital avatars – won several “Best of CES 2024” awards



# Professional Visualization



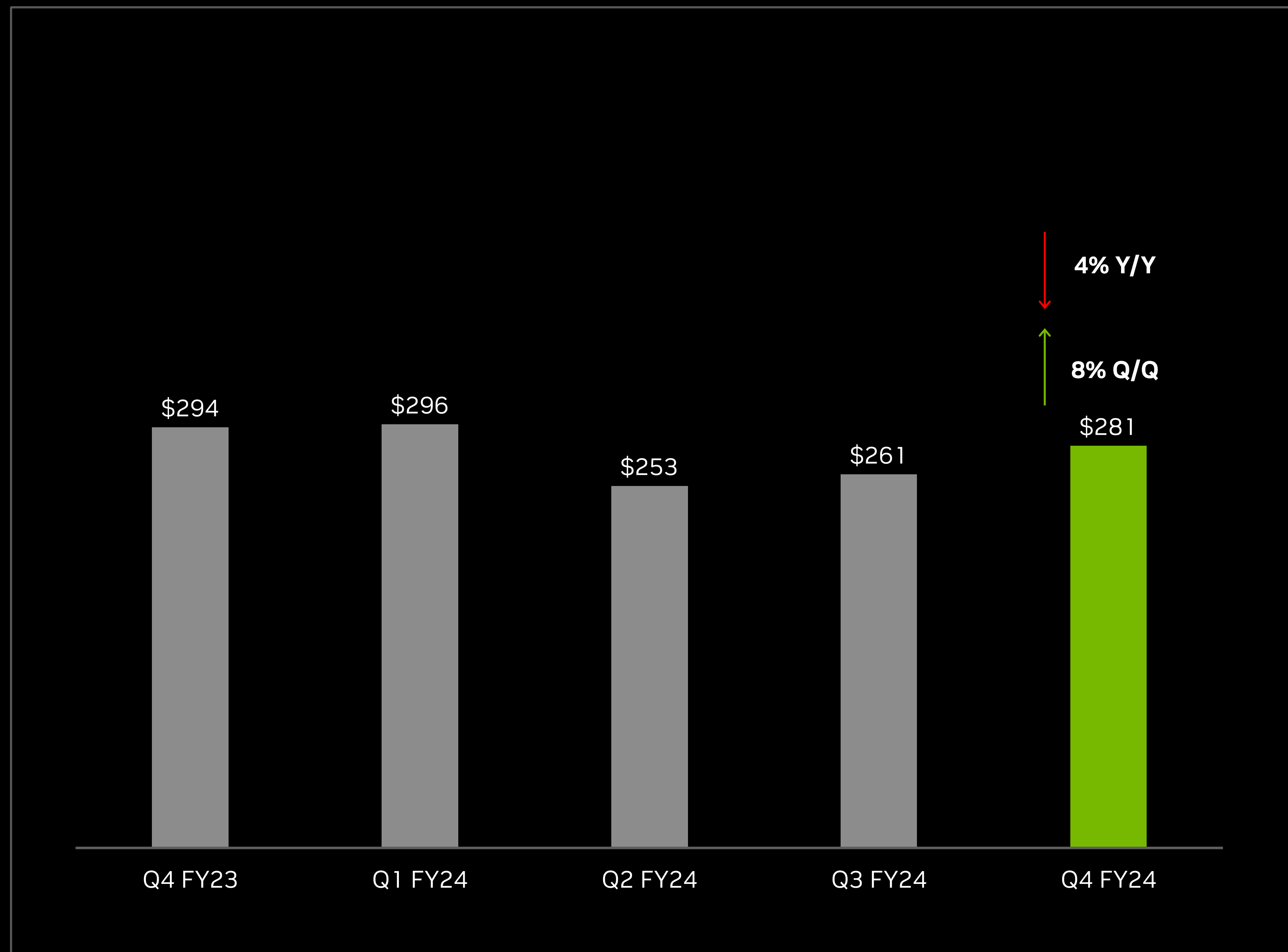
Revenue (\$M)

## Highlights

- Sequential growth driven by a richer mix as RTX Ada architecture GPUs continue to ramp
- Enterprises refreshing workstations to support generative AI-related workloads, such as data preparation, LLM fine tuning and retrieval augmented generation
- Key industry verticals driving demand include manufacturing, automotive, and robotics
- Automotive industry an early adopter of NVIDIA Omniverse
  - Creative partners and developers – including Brickland, WPP and ZeroLight – are building Omniverse-powered car configurators; Lotus adopting the technology



# Automotive



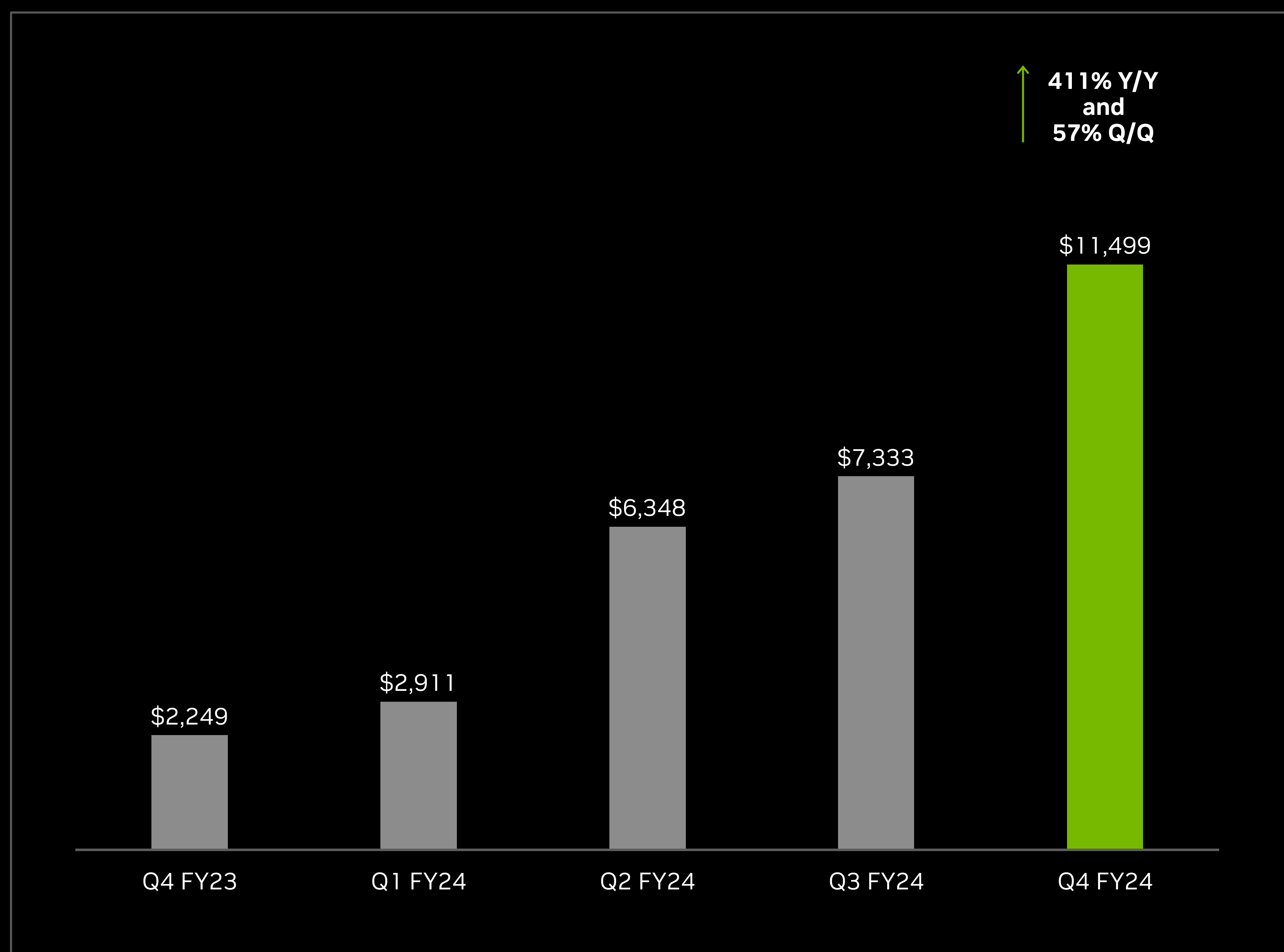
Revenue (\$M)

## Highlights

- Full year fiscal revenues crossed \$1B mark for the first time
- NVIDIA DRIVE Orin is the AI car computer of choice for software-defined AV fleets
- Orin's successor, NVIDIA DRIVE Thor, to be available next year
- Li Auto, Great Wall Motor, ZEEKR, and Xiaomi EV announced new vehicles built on NVIDIA



# Sources & Uses of Cash



Cash Flow from Operations (\$M)

## Highlights

- Y/Y and Q/Q growth reflect higher revenue
- Utilized cash of \$2.8 billion towards shareholder returns, including \$2.7 billion in share repurchases and \$99 million in cash dividends
- Invested \$282M in capex (includes principal payments on PP&E)
- Ended the quarter with \$26.0B in gross cash and \$9.8B in debt; \$16.2B in net cash

Gross cash is defined as cash/cash equivalents & marketable securities.  
Debt is defined as principal value of debt.  
Net cash is defined as gross cash less debt.



# Q1 FY25 Outlook

Revenue	<b>\$24.0 billion</b> , plus or minus 2% Expect sequential growth in Data Center and Pro Viz, partially offset by a seasonal decline in Gaming
Gross Margins	<b>76.3%</b> GAAP and <b>77.0%</b> non-GAAP, plus or minus 50 basis points Beyond Q1, for the remainder of the year, expect gross margins to return to the mid-70s percent range
Operating Expense	Approximately <b>\$3.5 billion</b> GAAP and <b>\$2.5 billion</b> non-GAAP Fiscal year 2025 operating expenses are expected to grow in the mid-30 percent range
Other Income & Expense	Income of approximately <b>\$250 million</b> for GAAP and non-GAAP Excluding gains and losses on non-affiliated investments
Tax Rate	<b>17.0%</b> GAAP and non-GAAP, plus or minus 1%, excluding discrete items

Refer to Appendix for reconciliation of Non-GAAP measures.



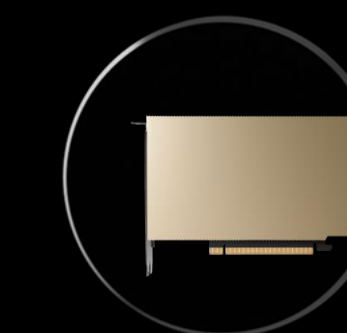
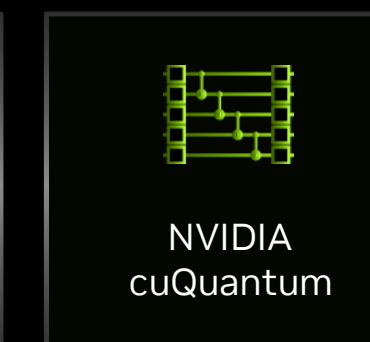
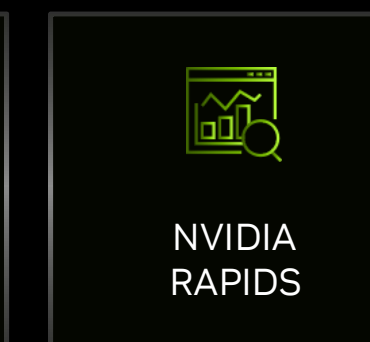
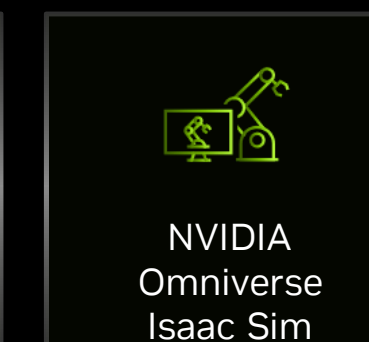
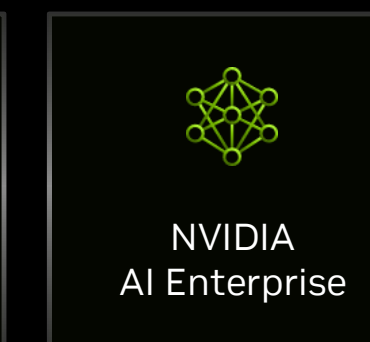
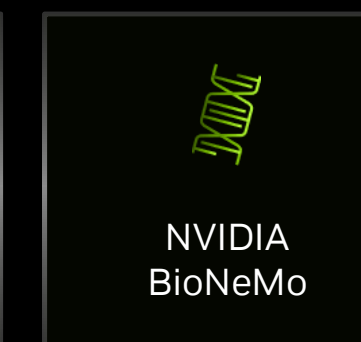
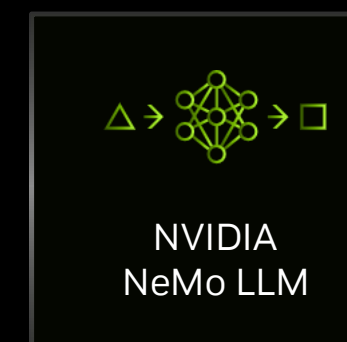


# Key Announcements This Quarter

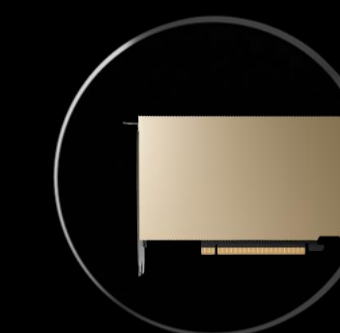


# Strategic Collaboration with AWS on New Infrastructure, Software and Services for Generative AI

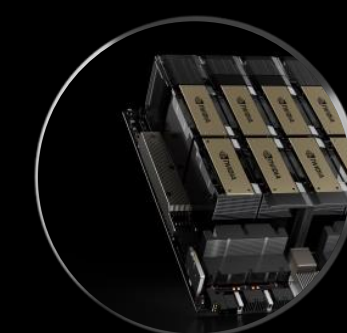
- NVIDIA and AWS will collaborate to host NVIDIA DGX Cloud on AWS
  - DGX Cloud on AWS will accelerate training of cutting-edge gen AI and LLMs that can reach beyond 1 trillion parameters
- AWS will introduce three additional new Amazon EC2 instances, based on the NVIDIA H200, L4 and L40S GPUs



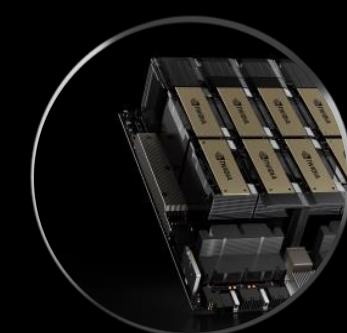
L4 G6



L40S G6e



HGX H100 P5



HGX H200 P5e



# New Gen AI Partnerships with Recursion & Amgen in Healthcare

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- Digital biology and gen AI are helping to reinvent drug discovery, surgery, medical imaging and wearable devices
- Accelerating this shift is NVIDIA BioNeMo, a generative AI platform that provides services to develop, customize and deploy foundation models for drug discovery
- Recursion is the first hosting partner offering an AI model through BioNeMo cloud APIs, available in beta this month
- Amgen will build AI models trained to analyze one of the world's largest human datasets on an NVIDIA DGX SuperPOD, enabling researchers to more efficiently analyze and learn from genome data to rapidly uncover novel health and therapeutics insights

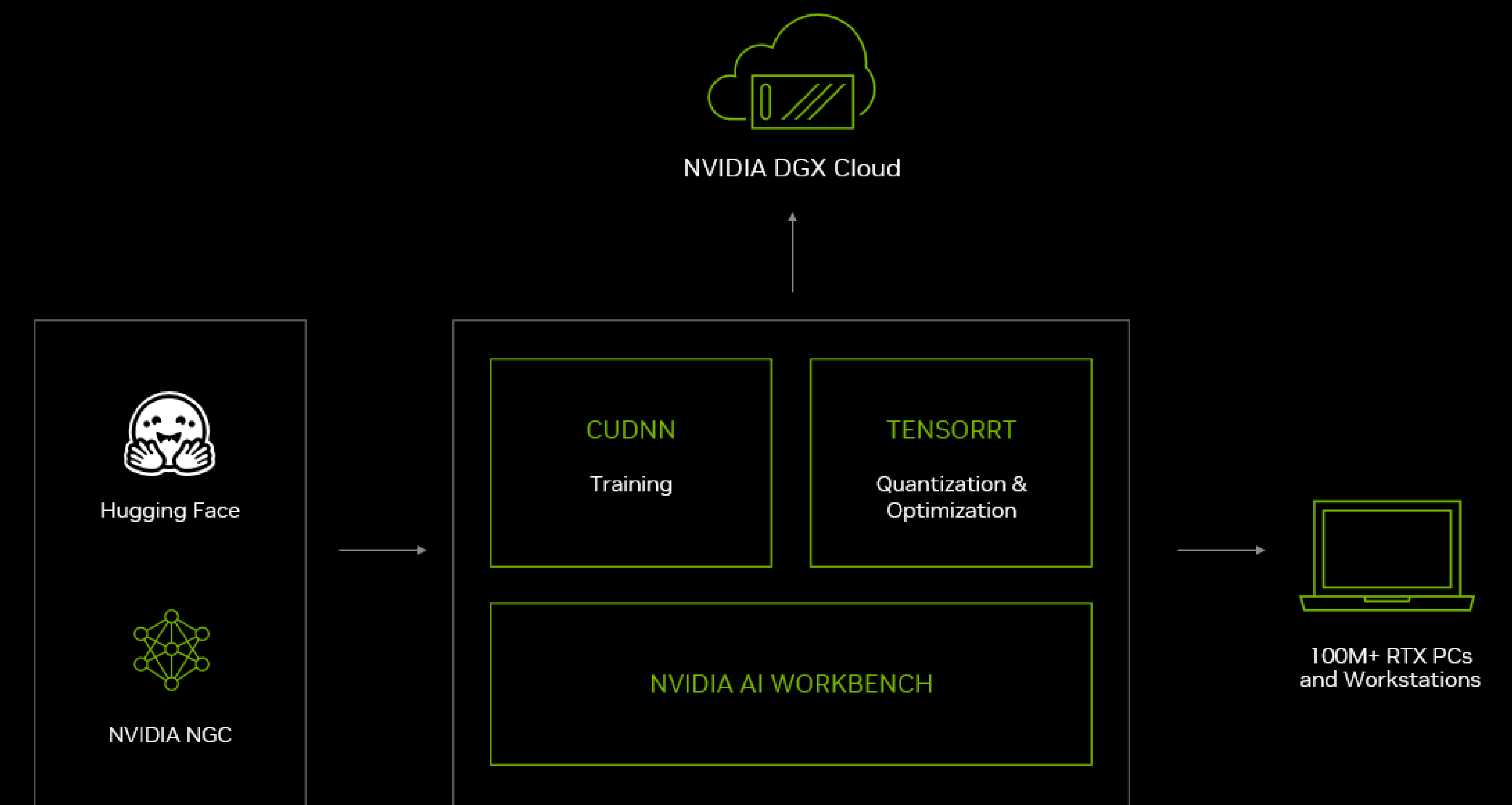




# NVIDIA Brings Generative AI to Installed Base of over 100 Million AI-Ready RTX PCs and Workstations

- NVIDIA has a massive installed base for AI applications, with over 100M NVIDIA RTX PCs and workstations shipped
- AI will be delivered with a hybrid of cloud and PC computation
  - NVIDIA GPUs in the cloud to run the largest language models
  - RTX Tensor Cores on PC to run privacy, latency and cost-sensitive applications
- Running gen AI locally on a PC requires the right developer tools to tune and optimize AI models. NVIDIA provides developers an end-to-end platform to build and deploy gen AI applications for RTX PCs and workstations
  - **NVIDIA ACE (Avatar Cloud Engine)** to enable developers to add intelligent, dynamic digital avatars to games
  - **NVIDIA AI Workbench** for streamlined access to popular repositories like Hugging Face, GitHub and NVIDIA NGC
  - **TensorRT-LLM** for Windows, an open-source library for accelerating LLMs up to 5X on RTX PCs

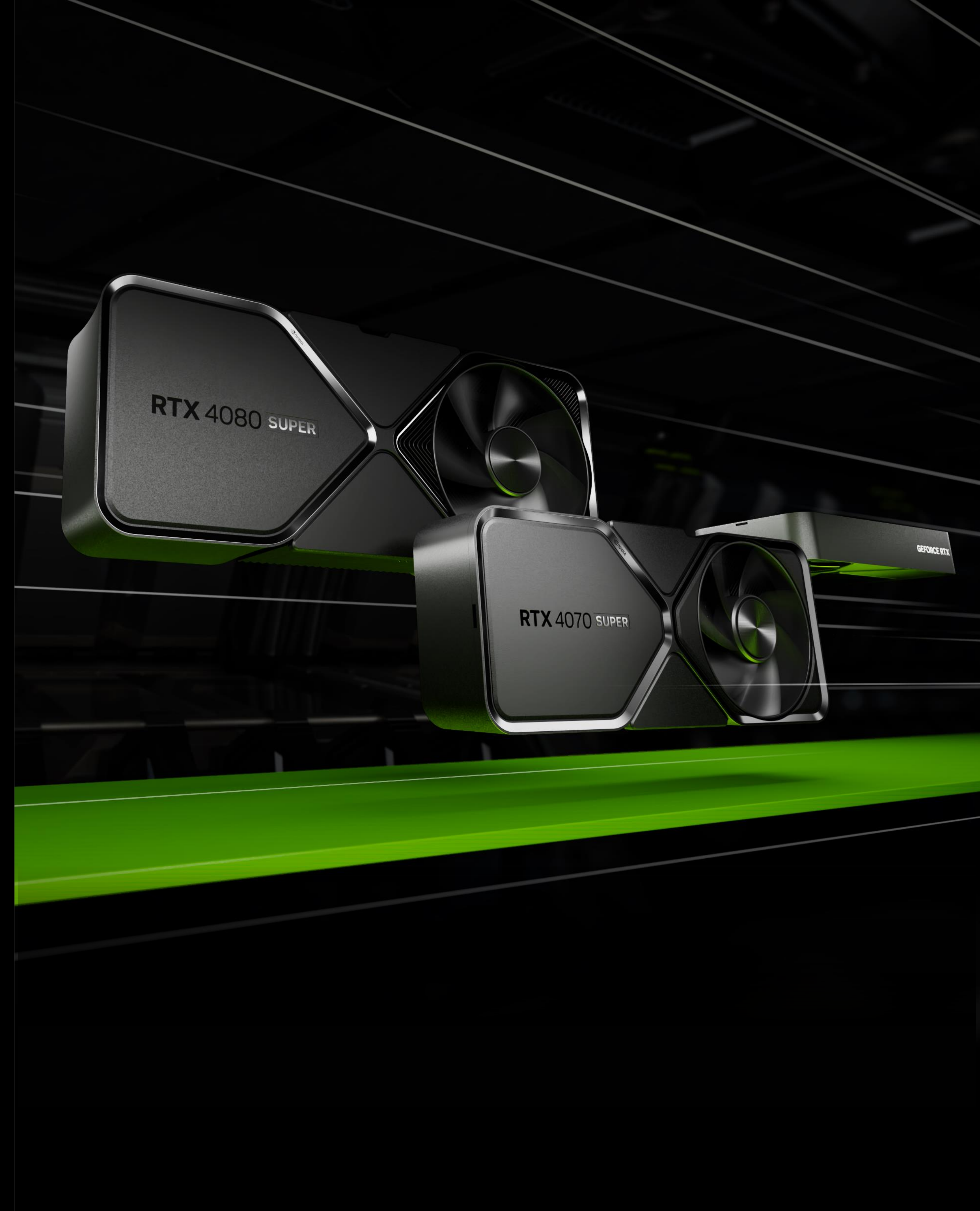
## NVIDIA RTX AI Developer Platform





# New GeForce RTX 40 SUPER Series Desktop GPUs and New Wave of GeForce and Studio Laptops — All AI-Ready

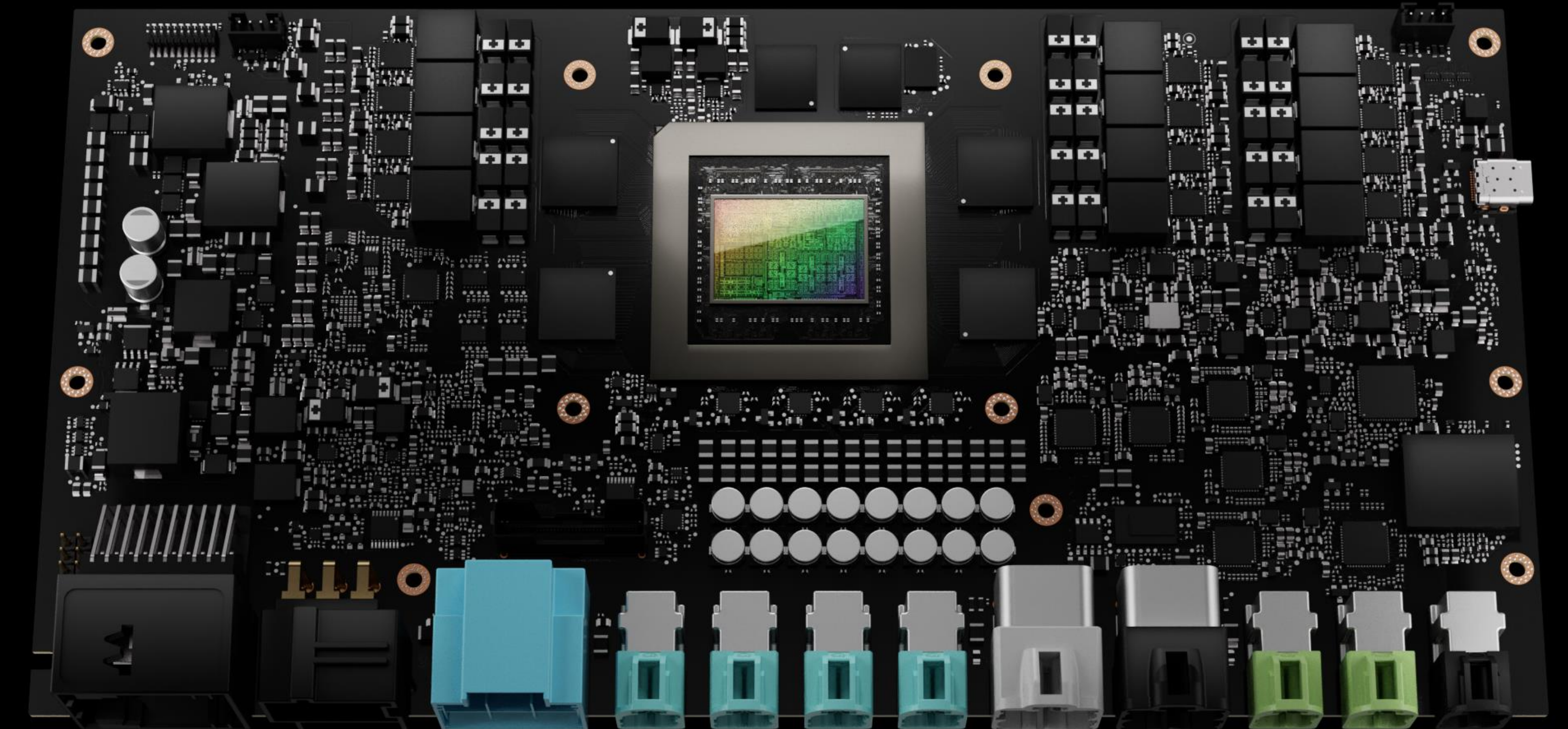
- Announced **GeForce RTX 40 SUPER Series GPUs**, the latest iteration of our Ada Lovelace architecture
  - Up to 836 AI TOPS delivering transformative capabilities for AI in gaming, creating and everyday productivity
  - Rich software stack on top of RTX GPUs further accelerates AI
- With DLSS, 7 out of 8 pixels can be AI-generated, accelerating full ray tracing by up to 4x with better image quality
- 3 new desktop GPUs now available
  - **GeForce RTX 4080 SUPER** — 1.4x faster than RTX 3080 Ti, and 2x faster with DLSS; priced at \$999
  - **GeForce RTX 4070 Ti SUPER** — 1.6x faster than RTX 3070 Ti, and 2.5x faster with DLSS; priced at \$799
  - **GeForce RTX 4070 SUPER** — Faster than RTX 3090 at fraction of the power, and 1.5x faster with DLSS; priced at \$599
- Announced new GeForce RTX 40 Series laptops for the best gaming and AI experiences, and new NVIDIA Studio laptops and desktops for the best creative and AI experiences
  - With OEMs including Acer, ASUS, Dell, HP, Lenovo, MSI, Samsung





# More EV Makers Choose NVIDIA DRIVE for Automated Driving

- **Li Auto**, a pioneer in extended-range EVs, has selected NVIDIA DRIVE Thor to power its next-generation fleets
- **GWM** (Great Wall Motor), among China's leading new energy vehicle makers, has announced its upcoming EVs will integrate DRIVE Orin for intelligent assisted-driving; first model with the system debuts in 1H 2024
- **ZEEKR**, the premium EV subsidiary of Geely, has launched the ZEEKR Luxury Sedan, its 4th model powered by DRIVE Orin
- **Xiaomi EV**, the auto arm of Xiaomi, has announced its first EV, the SU7 sedan, built on a dual DRIVE Orin configuration; SU7 will be launched in 1H 2024



NVIDIA Drive Thor

NVIDIA DRIVE Orin is the AI car computer of choice for today's intelligent fleets

Its successor, NVIDIA DRIVE Thor, offers more AI performance, and integrates a wide range of intelligent capabilities into a single AI compute platform

Delivers autonomous driving and parking, driver and passenger monitoring, and AI cockpit functionality



# Singtel, NVIDIA to Bring Sovereign AI to Southeast Asia

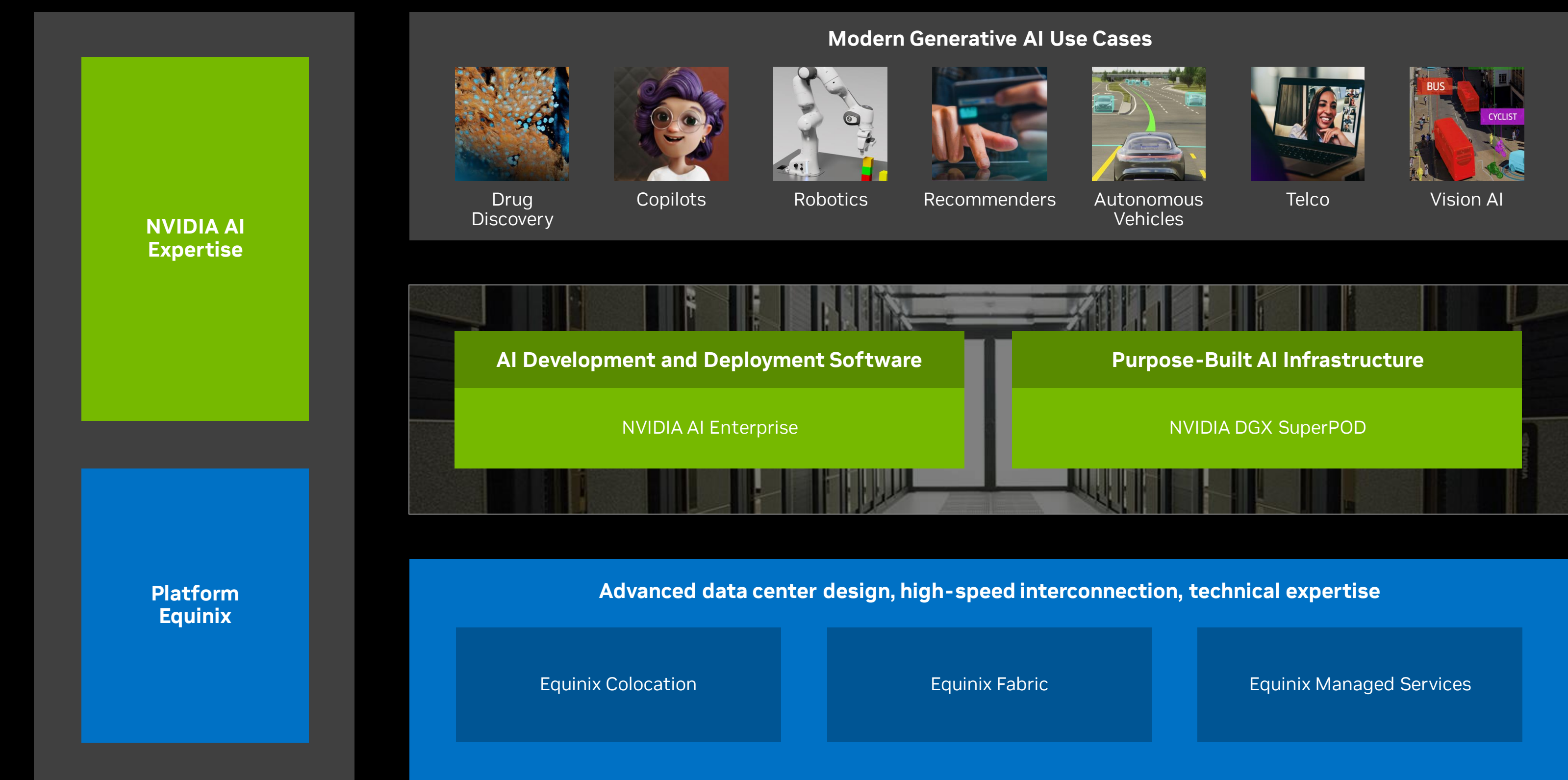
- Singtel, a leading communications services provider based in Singapore, will bring the NVIDIA AI platform to businesses in the island nation and beyond
- The data centers will serve as sovereign national resources — AI factories that process the private datasets of companies, startups, universities and governments safely on shore
- Singtel will offer its customers:
  - **NVIDIA AI Enterprise**, a software platform for building and deploying AI applications, including generative AI
  - Singtel will also be an **NVIDIA Cloud Partner**, delivering optimized AI services on the NVIDIA platform
- Singtel's first AI services will spin up in Singapore, with future data centers under construction in Indonesia and Thailand





# Announcing Equinix Private AI with NVIDIA DGX

- Equinix, the world's digital infrastructure company, announced a fully managed private cloud service that enables enterprises to easily acquire and manage their own **NVIDIA DGX AI infrastructure** for building and running custom gen AI models
- Service includes NVIDIA DGX systems, networking and NVIDIA AI Enterprise software platform
- Enterprises can own NVIDIA AI supercomputing and software, paired with operational efficiency of Equinix management, in hundreds of data centers worldwide



Turnkey offering hosted and managed by Equinix,  
designed and deployed by NVIDIA



# Reconciliation of Non-GAAP to GAAP Financial Measures



# Reconciliation of Non-GAAP to GAAP Financial Measures

	Non-GAAP	Acquisition-Related and Other Costs (A)	Stock-Based Compensation (B)	IP-Related Costs	Other (C)	Tax Impact of Adjustments	GAAP
<b>Q4 FY24</b>							
Gross margin (\$ in million)	\$16,959	(119)	(45)	(4)	—	—	\$16,791
	76.7%	(0.5)	(0.2)	—	—	—	76.0%
Operating income (\$ in million)	\$14,749	(137)	(993)	(4)	—	—	\$13,615
Net income (\$ in million)	\$12,839	(137)	(993)	(4)	259	321	\$12,285
Shares used in diluted per share calculation (millions)	2,490	—	—	—	—	—	2,490
Diluted EPS	\$5.16	—	—	—	—	—	\$4.93

A. Consists of amortization of intangible assets and transaction costs.

B. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.

C. Other represents net gains from non-affiliated investments and interest expense related to amortization of debt discount



# Reconciliation of Non-GAAP to GAAP Financial Measures (contd.)

Gross Margin	Non-GAAP	Acquisition-Related and Other Costs (A)	Stock-Based Compensation (B)	IP-Related Costs	GAAP
Q4 FY 2023	66.1%	(2.0)	(0.5)	(0.3)	63.3%
Q1 FY 2024	66.8%	(1.7)	(0.4)	(0.1)	64.6%
Q2 FY 2024	71.2%	(0.9)	(0.2)	—	70.1%
Q3 FY 2024	75.0%	(0.7)	(0.2)	(0.1)	74.0%

A. Consists of amortization of intangible assets

B. Stock-based compensation charge was allocated to cost of goods sold



# Reconciliation of Non-GAAP to GAAP Financial Measures (contd.)

(\$ in Millions)	Q1 FY25 Outlook
Non-GAAP gross margin	77.0%
Impact of stock-based compensation expense, acquisition-related costs, and other costs	(0.7%)
GAAP gross margin	76.3%
Non-GAAP operating expenses	\$2,500
Impact of stock-based compensation expense, acquisition-related costs, and other costs	980
GAAP operating expenses	\$3,480



