



## NEWS RELEASE

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### AMD Reports Fourth Quarter and Full Year 2024 Financial Results

**SANTA CLARA, Calif. — February 4, 2025 —** AMD (NASDAQ:AMD) today announced financial results for the fourth quarter and full year of 2024. Fourth quarter revenue was a record \$7.7 billion, gross margin was 51%, operating income was \$871 million, net income was \$482 million and diluted earnings per share was \$0.29. On a non-GAAP<sup>(\*)</sup> basis, gross margin was 54%, operating income was a record \$2.0 billion, net income was a record \$1.8 billion and diluted earnings per share was \$1.09.

For the full year 2024, AMD reported record revenue of \$25.8 billion, gross margin of 49%, operating income of \$1.9 billion, net income of \$1.6 billion, and diluted earnings per share of \$1.00. On a non-GAAP<sup>(\*)</sup> basis, gross margin was a record 53%, operating income was \$6.1 billion, net income was \$5.4 billion and diluted earnings per share was \$3.31.

“2024 was a transformative year for AMD as we delivered record annual revenue and strong earnings growth,” said AMD Chair and CEO Dr. Lisa Su. “Data Center segment annual revenue nearly doubled as EPYC processor adoption accelerated and we delivered more than \$5 billion of AMD Instinct accelerator revenue. Looking into 2025, we see clear opportunities for continued growth based on the strength of our product portfolio and growing demand for high-performance and adaptive computing.”

“We closed 2024 with a strong fourth quarter, delivering record revenue up 24% year-over-year, and accelerated earnings expansion while investing aggressively in AI and innovation to position us for long-term growth and value creation,” said AMD EVP, CFO and Treasurer Jean Hu.



### GAAP Quarterly Financial Results

|                            | Q4 2024 | Q4 2023 | Y/Y       | Q3 2024 | Q/Q      |
|----------------------------|---------|---------|-----------|---------|----------|
| Revenue (\$M)              | \$7,658 | \$6,168 | Up 24%    | \$6,819 | Up 12%   |
| Gross profit (\$M)         | \$3,882 | \$2,911 | Up 33%    | \$3,419 | Up 14%   |
| Gross margin               | 51%     | 47%     | Up 4 ppts | 50%     | Up 1%    |
| Operating expenses (\$M)   | \$3,022 | \$2,575 | Up 17%    | \$2,709 | Up 12%   |
| Operating income (\$M)     | \$871   | \$342   | Up 155%   | \$724   | Up 20%   |
| Operating margin           | 11%     | 6%      | Up 5 ppts | 11%     | Flat     |
| Net income (\$M)           | \$482   | \$667   | Down 28%  | \$771   | Down 37% |
| Diluted earnings per share | \$0.29  | \$0.41  | Down 29%  | \$0.47  | Down 38% |

### Non-GAAP(\*) Quarterly Financial Results

|                            | Q4 2024 | Q4 2023 | Y/Y       | Q3 2024 | Q/Q      |
|----------------------------|---------|---------|-----------|---------|----------|
| Revenue (\$M)              | \$7,658 | \$6,168 | Up 24%    | \$6,819 | Up 12%   |
| Gross profit (\$M)         | \$4,140 | \$3,133 | Up 32%    | \$3,657 | Up 13%   |
| Gross margin               | 54%     | 51%     | Up 3 ppts | 54%     | Flat     |
| Operating expenses (\$M)   | \$2,125 | \$1,727 | Up 23%    | \$1,956 | Up 9%    |
| Operating income (\$M)     | \$2,026 | \$1,412 | Up 43%    | \$1,715 | Up 18%   |
| Operating margin           | 26%     | 23%     | Up 3 ppts | 25%     | Up 1 ppt |
| Net income (\$M)           | \$1,777 | \$1,249 | Up 42%    | \$1,504 | Up 18%   |
| Diluted earnings per share | \$1.09  | \$0.77  | Up 42%    | \$0.92  | Up 18%   |

### Annual Financial Results

|                            | GAAP     |          |           | Non-GAAP(*) |          |           |
|----------------------------|----------|----------|-----------|-------------|----------|-----------|
|                            | 2024     | 2023     | Y/Y       | 2024        | 2023     | Y/Y       |
| Revenue (\$M)              | \$25,785 | \$22,680 | Up 14%    | \$25,785    | \$22,680 | Up 14%    |
| Gross profit (\$M)         | \$12,725 | \$10,460 | Up 22%    | \$13,759    | \$11,436 | Up 20%    |
| Gross margin %             | 49%      | 46%      | Up 3 ppts | 53%         | 50%      | Up 3 ppts |
| Operating expenses (\$M)   | \$10,873 | \$10,093 | Up 8%     | \$7,669     | \$6,616  | Up 16%    |
| Operating income (\$M)     | \$1,900  | \$401    | Up 374%   | \$6,138     | \$4,854  | Up 26%    |
| Operating margin %         | 7%       | 2%       | Up 5 ppts | 24%         | 21%      | Up 3 ppts |
| Net income (\$M)           | \$1,641  | \$854    | Up 92%    | \$5,420     | \$4,302  | Up 26%    |
| Diluted earnings per share | \$1.00   | \$0.53   | Up 89%    | \$3.31      | \$2.65   | Up 25%    |

### Segment Summary

- Data Center segment revenue in the quarter was a record \$3.9 billion, up 69% year-over-year primarily driven by the strong ramp of AMD Instinct™ GPU shipments and growth in AMD EPYC™ CPU sales.
  - For 2024, Data Center segment revenue was a record \$12.6 billion, an increase of 94% compared to the prior year, driven by growth in both AMD Instinct and EPYC processors.

- Client segment revenue in the quarter was a record \$2.3 billion, up 58% year-over-year primarily driven by strong demand for AMD Ryzen™ processors.
  - For 2024, Client segment revenue was a record \$7.1 billion, up 52% compared to the prior year, due to strong demand for AMD Ryzen processors in desktop and mobile.
- Gaming segment revenue in the quarter was \$563 million, down 59% year-over-year, primarily due to a decrease in semi-custom revenue.
  - For 2024, Gaming segment revenue was \$2.6 billion, down 58% compared to the prior year, primarily due to a decrease in semi-custom revenue.
- Embedded segment revenue in the quarter was \$923 million, down 13% year-over-year, as end market demand continues to be mixed.
  - For 2024, Embedded segment revenue was \$3.6 billion, down 33% from the prior year, primarily due to customers normalizing their inventory levels.

### **Recent PR Highlights**

- AMD continues expanding its partnerships to deliver highly performant AI infrastructure at scale:
  - IBM announced plans to [deploy](#) AMD Instinct MI300X accelerators to power generative AI and HPC applications on IBM Cloud.
  - Vultr and AMD [announced](#) a strategic collaboration to leverage AMD Instinct MI300X accelerators and AMD ROCm™ open software to power Vultr's cloud infrastructure for enterprise AI development and deployment.
  - Aleph Alpha [announced](#) that it will leverage AMD Instinct MI300 Series accelerators and ROCm software to enable its tokenizer-free LLM architecture, a new approach to generative AI that aims to simplify the development of sovereign AI solutions for governments and enterprises.
  - Fujitsu and AMD [announced](#) a strategic partnership to develop more sustainable computing infrastructure to accelerate open source AI.
  - AMD expanded strategic investments to advance the AI ecosystem and solutions, including investments in LiquidAI, Vultr and Absci.

- AMD is accelerating its AI software roadmap to deliver a robust open AI stack for the ecosystem:
  - AMD [released](#) ROCm 6.3 with numerous performance enhancements enabling faster inferencing on AMD Instinct accelerators as well as additional compiler tools and libraries.
  - AMD [shared](#) an update on its 2025 plans for the ROCm software stack to enable easier adoption of and improved out of box support for both inferencing and training applications.
- Dell and AMD [announced](#) that AMD Ryzen AI PRO processors will power new Dell Pro notebook and desktop PCs, bringing exceptional battery life, on-device AI, Copilot+ experiences and dependable productivity to enterprise users. For the first time, Dell will offer a full portfolio of commercial PCs based on Ryzen processors, marking a significant milestone in the companies' collaboration.
- AMD [expanded](#) its broad consumer and commercial AI PC portfolio:
  - New AMD Ryzen AI Max and Ryzen AI Max PRO Series processors deliver workstation-level performance and next-gen AI performance for gaming, content creation and complex AI-accelerated workloads.
  - Expanded Ryzen AI 300 and Ryzen AI 300 PRO Series processors bring premium AI capabilities to mainstream and entry-level notebooks, as well as enhanced security, manageability and support for Microsoft Copilot+ experiences tailored for business users.
  - Additional Ryzen 200 and Ryzen 200 PRO Series processors offer incredible AI experiences, performance and battery life for everyday users and professionals.
  - More than 150 Ryzen AI platforms are expected to be available from leading OEMs this year.
- AMD extended its leadership in high performance computing (HPC), enabling the most powerful and many of the most energy efficient supercomputers in the world:
  - The El Capitan supercomputer at Lawrence Livermore National Laboratory [became](#) the second AMD supercomputer to surpass the exascale barrier, placing #1 on the latest Top500 list.
  - The [Hunter supercomputer](#) at the High-Performance Computing Center of the University of Stuttgart (HLRS), powered by AMD Instinct MI300A APUs, began service, delivering HPC and AI resources for scientists, researchers, industry and the public sector.

- AMD EPYC processors and AMD Instinct accelerators [power](#) many new supercomputing projects and AI deployments, including the Eni HPC 6 system, the University of Paderborn's latest supercomputer and the Sigma2 AS system which is slated to be the fastest system in Norway.
- AMD powers incredible experiences for gamers across a broad range of devices:
  - At CES 2025, AMD [announced](#) new AMD Ryzen 9000X3D, Ryzen Z2 and Ryzen 9000HX processors, extending its leadership in desktop, mobile and handheld gaming.
  - AMD [shared](#) the latest version of AMD Software: Adrenalin Edition™, 24.9.1, continuing to enhance gaming experiences with AMD Fluid Motion Frames 2 and AMD HYPR-RX.
- AMD continues to deliver leadership compute performance and capabilities at the edge with an expanded portfolio of solutions:
  - New [AMD Versal™ Gen 2](#) portfolio with next-generation interface and memory technologies for data-intensive applications in the data center, communications, test and measurement and aerospace and defense markets.
  - [AMD Versal RF Series](#) adaptive SoCs, combining high-resolution radio frequency data converters, dedicated DSP hard IP, AI engines and programmable logic in a single chip.
  - Vodafone and AMD [announced](#) they are collaborating on mobile base station silicon chip designs to enable higher-capacity AI and digital services.

## Current Outlook

AMD's outlook statements are based on current expectations. The following statements are forward-looking and actual results could differ materially depending on market conditions and the factors set forth under "Cautionary Statement" below.

For the first quarter of 2025, AMD expects revenue to be approximately \$7.1 billion, plus or minus \$300 million. At the mid-point of the revenue range, this represents year-over-year growth of approximately 30% and a sequential decline of approximately 7%. Non-GAAP gross margin is expected to be approximately 54%.



### **AMD Teleconference**

AMD will hold a conference call at 2:00 p.m. PT (5:00 p.m. ET) today to discuss its fourth quarter and full year 2024 financial results. AMD will provide a real-time audio broadcast of the teleconference on the [Investor Relations](#) page of its website at [www.amd.com](http://www.amd.com).



#### RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(in millions, except per share data) (Unaudited)

|  | Three Months Ended   |                       |                      | Year Ended           |                      |                |                 |                |                 |                |
|--|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------|-----------------|----------------|-----------------|----------------|
|  | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |                |                 |                |                 |                |
| <b>GAAP gross profit</b>                               | \$ 3,882             | \$ 3,419              | \$ 2,911             | \$ 12,725            | \$ 10,460            |                |                 |                |                 |                |
| <b>GAAP gross margin</b>                               | 51 %                 | 50 %                  | 47 %                 | 49 %                 | 46 %                 |                |                 |                |                 |                |
| Stock-based compensation                               | 6                    | 5                     | 6                    | 22                   | 30                   |                |                 |                |                 |                |
| Amortization of acquisition-related intangibles        | 252                  | 233                   | 215                  | 946                  | 942                  |                |                 |                |                 |                |
| Acquisition-related and other costs <sup>(1)</sup>     | —                    | —                     | 1                    | 1                    | 4                    |                |                 |                |                 |                |
| Inventory loss at contract manufacturer <sup>(2)</sup> | —                    | —                     | —                    | 65                   | —                    |                |                 |                |                 |                |
| <b>Non-GAAP gross profit</b>                           | <b>\$ 4,140</b>      | <b>\$ 3,657</b>       | <b>\$ 3,133</b>      | <b>\$ 13,759</b>     | <b>\$ 11,436</b>     |                |                 |                |                 |                |
| <b>Non-GAAP gross margin</b>                           | <b>54 %</b>          | <b>54 %</b>           | <b>51 %</b>          | <b>53 %</b>          | <b>50 %</b>          |                |                 |                |                 |                |
| <b>GAAP operating expenses</b>                         | \$ 3,022             | \$ 2,709              | \$ 2,575             | \$ 10,873            | \$ 10,093            |                |                 |                |                 |                |
| <b>GAAP operating expenses/revenue %</b>               | 39 %                 | 40 %                  | 42 %                 | 42 %                 | 45 %                 |                |                 |                |                 |                |
| Stock-based compensation                               | 333                  | 346                   | 368                  | 1,385                | 1,350                |                |                 |                |                 |                |
| Amortization of acquisition-related intangibles        | 332                  | 352                   | 420                  | 1,448                | 1,869                |                |                 |                |                 |                |
| Acquisition-related and other costs <sup>(1)</sup>     | 46                   | 55                    | 60                   | 185                  | 258                  |                |                 |                |                 |                |
| Restructuring charges <sup>(3)</sup>                   | 186                  | —                     | —                    | 186                  | —                    |                |                 |                |                 |                |
| <b>Non-GAAP operating expenses</b>                     | <b>\$ 2,125</b>      | <b>\$ 1,956</b>       | <b>\$ 1,727</b>      | <b>\$ 7,669</b>      | <b>\$ 6,616</b>      |                |                 |                |                 |                |
| <b>Non-GAAP operating expenses/revenue %</b>           | <b>28 %</b>          | <b>29 %</b>           | <b>28 %</b>          | <b>30 %</b>          | <b>29 %</b>          |                |                 |                |                 |                |
| <b>GAAP operating income</b>                           | \$ 871               | \$ 724                | \$ 342               | \$ 1,900             | \$ 401               |                |                 |                |                 |                |
| <b>GAAP operating margin</b>                           | 11 %                 | 11 %                  | 6 %                  | 7 %                  | 2 %                  |                |                 |                |                 |                |
| Stock-based compensation                               | 339                  | 351                   | 374                  | 1,407                | 1,380                |                |                 |                |                 |                |
| Amortization of acquisition-related intangibles        | 584                  | 585                   | 635                  | 2,394                | 2,811                |                |                 |                |                 |                |
| Acquisition-related and other costs <sup>(1)</sup>     | 46                   | 55                    | 61                   | 186                  | 262                  |                |                 |                |                 |                |
| Inventory loss at contract manufacturer <sup>(2)</sup> | —                    | —                     | —                    | 65                   | —                    |                |                 |                |                 |                |
| Restructuring charges <sup>(3)</sup>                   | 186                  | —                     | —                    | 186                  | —                    |                |                 |                |                 |                |
| <b>Non-GAAP operating income</b>                       | <b>\$ 2,026</b>      | <b>\$ 1,715</b>       | <b>\$ 1,412</b>      | <b>\$ 6,138</b>      | <b>\$ 4,854</b>      |                |                 |                |                 |                |
| <b>Non-GAAP operating margin</b>                       | <b>26 %</b>          | <b>25 %</b>           | <b>23 %</b>          | <b>24 %</b>          | <b>21 %</b>          |                |                 |                |                 |                |
|  | Three Months Ended   |                       |                      | Year Ended           |                      |                |                 |                |                 |                |
|  | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |                |                 |                |                 |                |
| <b>GAAP net income / earnings per share</b>            | \$ 482               | \$ 0.29               | \$ 771               | \$ 0.47              | \$ 667               | \$ 0.41        | \$ 1,641        | \$ 1.00        | \$ 854          | \$ 0.53        |
| (Gains) losses on equity investments, net              | —                    | —                     | (1)                  | —                    | 1                    | —              | 2               | —              | (1)             | —              |
| Stock-based compensation                               | 339                  | 0.21                  | 351                  | 0.21                 | 374                  | 0.23           | 1,407           | 0.86           | 1,380           | 0.85           |
| Equity income in investee                              | (12)                 | (0.01)                | (7)                  | —                    | (6)                  | —              | (33)            | (0.02)         | (16)            | (0.01)         |
| Amortization of acquisition-related intangibles        | 584                  | 0.36                  | 585                  | 0.36                 | 635                  | 0.39           | 2,394           | 1.46           | 2,811           | 1.73           |
| Acquisition-related and other costs <sup>(1)</sup>     | 46                   | 0.03                  | 56                   | 0.03                 | 61                   | 0.04           | 187             | 0.11           | 262             | 0.16           |
| Inventory loss at contract manufacturer <sup>(2)</sup> | —                    | —                     | —                    | —                    | —                    | —              | 65              | 0.04           | —               | —              |
| Restructuring charges <sup>(3)</sup>                   | 186                  | 0.11                  | —                    | —                    | —                    | —              | 186             | 0.11           | —               | —              |
| Income tax provision                                   | 152                  | 0.10                  | (251)                | (0.15)               | (483)                | (0.30)         | (429)           | (0.25)         | (988)           | (0.61)         |
| <b>Non-GAAP net income / earnings per share</b>        | <b>\$ 1,777</b>      | <b>\$ 1.09</b>        | <b>\$ 1,504</b>      | <b>\$ 0.92</b>       | <b>\$ 1,249</b>      | <b>\$ 0.77</b> | <b>\$ 5,420</b> | <b>\$ 3.31</b> | <b>\$ 4,302</b> | <b>\$ 2.65</b> |



- (1) Acquisition-related and other costs primarily include transaction costs, purchase price fair value adjustments for inventory, certain compensation charges, contract termination costs and workforce rebalancing charges.
- (2) Inventory loss at contract manufacturer is related to an incident at a third-party contract manufacturing facility.
- (3) Restructuring charges are related to the 2024 Restructuring Plan which comprised of employee severance charges and non-cash asset impairments.

## About AMD

For more than 50 years AMD has driven innovation in high-performance computing, graphics and visualization technologies. AMD employees are focused on building leadership high-performance and adaptive products that push the boundaries of what is possible. Billions of people, leading Fortune 500 businesses and cutting-edge scientific research institutions around the world rely on AMD technology daily to improve how they live, work and play. For more information about how AMD is enabling today and inspiring tomorrow, visit the AMD (NASDAQ: AMD) [website](#), [blog](#), [LinkedIn](#) and [X](#) pages.

## Cautionary Statement

This press release contains forward-looking statements concerning Advanced Micro Devices, Inc. (AMD) such as, the opportunities for continued growth based on AMD's product portfolio and growing demand for high-performance and adaptive computing; AMD's ability to position itself for long-term growth and value creation; the features, functionality, performance, availability, timing and expected benefits of future AMD products; and AMD's expected first quarter 2025 financial outlook, including revenue and non-GAAP gross margin, which are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are commonly identified by words such as "would," "may," "expects," "believes," "plans," "intends," "projects" and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this press release are based on current beliefs, assumptions and expectations, speak only as of the date of this press release and involve risks and uncertainties that could cause actual results to differ materially from current expectations. Such statements are subject to certain known and unknown risks and uncertainties, many of which are difficult to predict and generally beyond AMD's control, that could cause actual results and other future events to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Material factors that could cause actual results to differ materially from current expectations include, without limitation, the following: Intel Corporation's dominance of the microprocessor market and its aggressive business practices; Nvidia's dominance in the graphics processing unit market and its aggressive business practices; competitive markets in which AMD's products are sold; the cyclical nature of the semiconductor industry; market conditions of the industries in which AMD products are sold; AMD's ability to introduce products on a timely basis with expected features and performance levels; loss of a significant customer; economic and market uncertainty; quarterly and seasonal sales patterns; AMD's ability to adequately protect its technology or other intellectual property; unfavorable currency exchange rate fluctuations; ability of third party manufacturers to manufacture AMD's products on a timely basis in sufficient quantities and using competitive technologies; availability of essential equipment, materials, substrates or manufacturing processes; ability to achieve expected manufacturing yields for AMD's products; AMD's ability to generate revenue from its semi-custom SoC products; potential security vulnerabilities; potential security incidents including IT outages, data loss, data breaches and cyberattacks; uncertainties involving the ordering and shipment of AMD's products; AMD's reliance on third-party intellectual property to design and introduce new products; AMD's reliance on third-party companies for design, manufacture and supply of motherboards, software, memory and other computer platform components; AMD's reliance on Microsoft and other software vendors' support to design and develop software to run on AMD's products; AMD's reliance on third-party distributors and add-in-board partners; impact of modification or interruption of AMD's internal business processes and information systems; compatibility of AMD's products with some or all industry-standard software and hardware; costs related to defective products; efficiency of AMD's supply chain; AMD's ability to rely on third party supply-chain logistics functions; AMD's ability to effectively control sales of its products on the gray market; long-term impact of climate change on AMD's business; impact of government actions and regulations such as export regulations, tariffs and trade protection measures; AMD's ability to realize its deferred tax assets; potential tax liabilities; current and future claims and litigation; impact of environmental laws, conflict minerals related provisions and other laws or regulations; evolving expectations from governments, investors, customers and other stakeholders regarding corporate responsibility matters; issues related to the responsible use of AI; restrictions imposed by agreements governing AMD's notes, the guarantees of Xilinx's notes and the revolving credit agreement; impact of acquisitions, joint ventures and/or strategic investments on AMD's business and AMD's ability to integrate acquired businesses; our ability to complete the acquisition of ZT Systems; impact of any impairment of the combined company's assets; political, legal and economic risks and natural disasters; future impairments of technology license purchases;



AMD's ability to attract and retain qualified personnel; and AMD's stock price volatility. Investors are urged to review in detail the risks and uncertainties in AMD's Securities and Exchange Commission filings, including but not limited to AMD's most recent reports on Forms 10-K and 10-Q.

- (\*) In this earnings press release, in addition to GAAP financial results, AMD has provided non-GAAP financial measures including non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating expenses/revenue%, non-GAAP operating income, non-GAAP operating margin, non-GAAP net income and non-GAAP diluted earnings per share. AMD uses a normalized tax rate in its computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. For fiscal 2024, AMD used a non-GAAP tax rate of 13%, which excludes the tax impact of pre-tax non-GAAP adjustments. AMD also provided adjusted EBITDA, free cash flow and free cash flow margin as supplemental non-GAAP measures of its performance. These items are defined in the footnotes to the selected corporate data tables provided at the end of this earnings press release. AMD is providing these financial measures because it believes this non-GAAP presentation makes it easier for investors to compare its operating results for current and historical periods and also because AMD believes it assists investors in comparing AMD's performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance and for the other reasons described in the footnotes to the selected data tables. The non-GAAP financial measures disclosed in this earnings press release should be viewed in addition to and not as a substitute for or superior to AMD's reported results prepared in accordance with GAAP and should be read only in conjunction with AMD's Consolidated Financial Statements prepared in accordance with GAAP. These non-GAAP financial measures referenced are reconciled to their most directly comparable GAAP financial measures in the data tables in this earnings press release. This earnings press release also contains forward-looking non-GAAP gross margin concerning AMD's financial outlook, which is based on current expectations as of February 4, 2025, and assumptions and beliefs that involve numerous risks and uncertainties. Adjustments to arrive at the GAAP gross margin outlook typically include stock-based compensation, amortization of acquired intangible assets and acquisition-related and other costs. The timing and impact of such adjustments are dependent on future events that are typically uncertain or outside of AMD's control, therefore, a reconciliation to equivalent GAAP measures is not practicable at this time. AMD undertakes no intent or obligation to publicly update or revise its outlook statements as a result of new information, future events or otherwise, except as may be required by law.

-30-

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**ADVANCED MICRO DEVICES, INC.****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Millions except per share amounts and percentages) (Unaudited)

|   | Three Months Ended   |                       |                      | Year Ended           |                      |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| Net revenue                                     | \$ 7,658             | \$ 6,819              | \$ 6,168             | \$ 25,785            | \$ 22,680            |
| Cost of sales                                   | 3,524                | 3,167                 | 3,042                | 12,114               | 11,278               |
| Amortization of acquisition-related intangibles | 252                  | 233                   | 215                  | 946                  | 942                  |
| Total cost of sales                             | 3,776                | 3,400                 | 3,257                | 13,060               | 12,220               |
| Gross profit                                    | 3,882                | 3,419                 | 2,911                | 12,725               | 10,460               |
| Gross margin                                    | 51 %                 | 50 %                  | 47 %                 | 49 %                 | 46 %                 |
| Research and development                        | 1,712                | 1,636                 | 1,511                | 6,456                | 5,872                |
| Marketing, general and administrative           | 792                  | 721                   | 644                  | 2,783                | 2,352                |
| Amortization of acquisition-related intangibles | 332                  | 352                   | 420                  | 1,448                | 1,869                |
| Licensing gain                                  | (11)                 | (14)                  | (6)                  | (48)                 | (34)                 |
| Restructuring charges                           | 186                  | —                     | —                    | 186                  | —                    |
| Operating income                                | 871                  | 724                   | 342                  | 1,900                | 401                  |
| Interest expense                                | (19)                 | (23)                  | (27)                 | (92)                 | (106)                |
| Other income (expense), net                     | 37                   | 36                    | 49                   | 181                  | 197                  |
| Income before income taxes and equity income    | 889                  | 737                   | 364                  | 1,989                | 492                  |
| Income tax provision (benefit)                  | 419                  | (27)                  | (297)                | 381                  | (346)                |
| Equity income in investee                       | 12                   | 7                     | 6                    | 33                   | 16                   |
| Net income                                      | \$ 482               | \$ 771                | \$ 667               | \$ 1,641             | \$ 854               |
| Earnings per share                              |                      |                       |                      |                      |                      |
| Basic   | \$ 0.30              | \$ 0.48               | \$ 0.41              | \$ 1.01              | \$ 0.53              |
| Diluted   | \$ 0.29              | \$ 0.47               | \$ 0.41              | \$ 1.00              | \$ 0.53              |
| Shares used in per share calculation            |                      |                       |                      |                      |                      |
| Basic   | 1,623                | 1,620                 | 1,616                | 1,620                | 1,614                |
| Diluted   | 1,634                | 1,636                 | 1,628                | 1,637                | 1,625                |

**ADVANCED MICRO DEVICES, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS**

(Millions)

|   | December 28,<br>2024 | December 30,<br>2023 |  |  |
|---|----------------------|----------------------|--|--|
|   | (Unaudited)          |                      |  |  |
| <b>ASSETS</b>                                     |                      |                      |  |  |
| <b>Current assets:</b>                            |                      |                      |  |  |
| Cash and cash equivalents                         | \$ 3,787             | \$ 3,933             |  |  |
| Short-term investments                            | 1,345                | 1,840                |  |  |
| Accounts receivable, net                          | 6,192                | 4,323                |  |  |
| Inventories                                       | 5,734                | 4,351                |  |  |
| Receivables from related parties                  | 113                  | 9                    |  |  |
| Prepaid expenses and other current assets         | 1,878                | 2,312                |  |  |
| <b>Total current assets</b>                       | <b>19,049</b>        | <b>16,768</b>        |  |  |
| Property and equipment, net                       | 1,802                | 1,589                |  |  |
| Operating lease right-of-use assets               | 623                  | 633                  |  |  |
| Goodwill  | 24,839               | 24,262               |  |  |
| Acquisition-related intangibles, net              | 18,930               | 21,363               |  |  |
| Investment: equity method                         | 149                  | 99                   |  |  |
| Deferred tax assets                               | 688                  | 366                  |  |  |
| Other non-current assets                          | 3,146                | 2,805                |  |  |
| <b>Total Assets</b>                               | <b>\$ 69,226</b>     | <b>\$ 67,885</b>     |  |  |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>       |                      |                      |  |  |
| <b>Current liabilities:</b>                       |                      |                      |  |  |
| Accounts payable                                  | \$ 1,990             | \$ 2,055             |  |  |
| Payables to related parties                       | 476                  | 363                  |  |  |
| Accrued liabilities                               | 4,260                | 3,082                |  |  |
| Current portion of long-term debt, net            | —                    | 751                  |  |  |
| Other current liabilities                         | 555                  | 438                  |  |  |
| <b>Total current liabilities</b>                  | <b>7,281</b>         | <b>6,689</b>         |  |  |
| Long-term debt, net of current portion            | 1,721                | 1,717                |  |  |
| Long-term operating lease liabilities             | 491                  | 535                  |  |  |
| Deferred tax liabilities                          | 349                  | 1,202                |  |  |
| Other long-term liabilities                       | 1,816                | 1,850                |  |  |
| <b>Stockholders' equity:</b>                      |                      |                      |  |  |
| Capital stock:                                    |                      |                      |  |  |
| Common stock, par value                           | 17                   | 17                   |  |  |
| Additional paid-in capital                        | 61,362               | 59,676               |  |  |
| Treasury stock, at cost                           | (6,106)              | (4,514)              |  |  |
| Retained earnings                                 | 2,364                | 723                  |  |  |
| Accumulated other comprehensive loss              | (69)                 | (10)                 |  |  |
| <b>Total stockholders' equity</b>                 | <b>57,568</b>        | <b>55,892</b>        |  |  |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 69,226</b>     | <b>\$ 67,885</b>     |  |  |

**ADVANCED MICRO DEVICES, INC.****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Millions) (Unaudited)

|   | Three Months Ended   |                      | Year Ended           |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| <b>Cash flows from operating activities:</b>                                      |                      |                      |                      |                      |
| Net income  | \$ 482               | \$ 667               | \$ 1,641             | \$ 854               |
| Adjustments to reconcile net income to net cash provided by operating activities: |                      |                      |                      |                      |
| Depreciation and amortization   | 172                  | 164                  | 671                  | 642                  |
| Amortization of acquisition-related intangibles                                   | 583                  | 635                  | 2,393                | 2,811                |
| Stock-based compensation  | 339                  | 374                  | 1,407                | 1,384                |
| Amortization of operating lease right-of-use assets                               | 31                   | 25                   | 113                  | 98                   |
| Deferred income taxes   | (300)                | (219)                | (1,163)              | (1,019)              |
| Inventory loss at contract manufacturer   | —                    | —                    | 65                   | —                    |
| Other   | 62                   | (23)                 | 12                   | (54)                 |
| Changes in operating assets and liabilities                                       |                      |                      |                      |                      |
| Accounts receivable, net  | 96                   | (379)                | (1,865)              | (1,339)              |
| Inventories   | (362)                | 94                   | (1,458)              | (580)                |
| Prepaid expenses and other assets   | 494                  | (34)                 | 343                  | (383)                |
| Receivables from and payables to related parties, net                             | 30                   | 29                   | 108                  | (107)                |
| Accounts payable  | (585)                | (181)                | (109)                | (419)                |
| Accrued and other liabilities   | 257                  | (771)                | 883                  | (221)                |
| Net cash provided by operating activities   | 1,299                | 381                  | 3,041                | 1,667                |
| <b>Cash flows from investing activities:</b>                                      |                      |                      |                      |                      |
| Purchases of property and equipment   | (208)                | (139)                | (636)                | (546)                |
| Purchases of short-term investments   | (786)                | (410)                | (1,493)              | (3,722)              |
| Proceeds from maturity of short-term investments                                  | 65                   | 770                  | 1,416                | 2,687                |
| Proceeds from sale of short-term investments                                      | 25                   | 52                   | 616                  | 300                  |
| Acquisitions, net of cash acquired  | —                    | (117)                | (548)                | (131)                |
| Related party equity method investment  | —                    | —                    | (17)                 | —                    |
| Issuance of loan to related party   | (100)                | —                    | (100)                | —                    |
| Purchase of strategic investments   | (210)                | (6)                  | (341)                | (11)                 |
| Other   | —                    | —                    | 2                    | —                    |
| Net cash provided by (used in) investing activities                               | (1,214)              | 150                  | (1,101)              | (1,423)              |
| <b>Cash flows from financing activities:</b>                                      |                      |                      |                      |                      |
| Repayment of debt   | —                    | —                    | (750)                | —                    |
| Proceeds from sales of common stock through employee equity plans                 | 127                  | 120                  | 279                  | 268                  |
| Repurchases of common stock   | (256)                | (233)                | (862)                | (985)                |
| Common stock repurchases for tax withholding on employee equity plans             | (42)                 | (45)                 | (728)                | (427)                |
| Other   | —                    | (1)                  | (1)                  | (2)                  |
| Net cash used in financing activities   | (171)                | (159)                | (2,062)              | (1,146)              |
| Net increase (decrease) in cash, cash equivalents and restricted cash             | (86)                 | 372                  | (122)                | (902)                |
| Cash, cash equivalents and restricted cash at beginning of period                 | 3,897                | 3,561                | 3,933                | 4,835                |
| Cash, cash equivalents and restricted cash at end of period                       | \$ 3,811             | \$ 3,933             | \$ 3,811             | \$ 3,933             |

**ADVANCED MICRO DEVICES, INC.****SELECTED CORPORATE DATA**

(Millions) (Unaudited)

|   | Three Months Ended   |                       |                      | Year Ended           |                      |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| <b>Segment and Category Information<sup>(1)</sup></b> |                      |                       |                      |                      |                      |
| <b>Data Center</b>                                    |                      |                       |                      |                      |                      |
| Net revenue   | \$ 3,859             | \$ 3,549              | \$ 2,282             | \$ 12,579            | \$ 6,496             |
| Operating income                                      | \$ 1,157             | \$ 1,041              | \$ 666               | \$ 3,482             | \$ 1,267             |
| <b>Client</b>   |                      |                       |                      |                      |                      |
| Net revenue   | \$ 2,313             | \$ 1,881              | \$ 1,461             | \$ 7,054             | \$ 4,651             |
| Operating income (loss)                               | \$ 446               | \$ 276                | \$ 55                | \$ 897               | \$ (46)              |
| <b>Gaming</b>   |                      |                       |                      |                      |                      |
| Net revenue   | \$ 563               | \$ 462                | \$ 1,368             | \$ 2,595             | \$ 6,212             |
| Operating income                                      | \$ 50                | \$ 12                 | \$ 224               | \$ 290               | \$ 971               |
| <b>Embedded</b>                                       |                      |                       |                      |                      |                      |
| Net revenue   | \$ 923               | \$ 927                | \$ 1,057             | \$ 3,557             | \$ 5,321             |
| Operating income                                      | \$ 362               | \$ 372                | \$ 461               | \$ 1,421             | \$ 2,628             |
| <b>All Other</b>                                      |                      |                       |                      |                      |                      |
| Net revenue   | \$ —                 | \$ —                  | \$ —                 | \$ —                 | \$ —                 |
| Operating loss  | \$ (1,144)           | \$ (977)              | \$ (1,064)           | \$ (4,190)           | \$ (4,419)           |
| <b>Total</b>  |                      |                       |                      |                      |                      |
| <b>Net revenue</b>                                    | <b>\$ 7,658</b>      | <b>\$ 6,819</b>       | <b>\$ 6,168</b>      | <b>\$ 25,785</b>     | <b>\$ 22,680</b>     |
| <b>Operating income</b>                               | <b>\$ 871</b>        | <b>\$ 724</b>         | <b>\$ 342</b>        | <b>\$ 1,900</b>      | <b>\$ 401</b>        |
| <b>Other Data</b>                                     |                      |                       |                      |                      |                      |
| Capital expenditures                                  | \$ 208               | \$ 132                | \$ 139               | \$ 636               | \$ 546               |
| Adjusted EBITDA <sup>(2)</sup>                        | \$ 2,212             | \$ 1,887              | \$ 1,576             | \$ 6,824             | \$ 5,496             |
| Cash, cash equivalents and short-term investments     | \$ 5,132             | \$ 4,544              | \$ 5,773             | \$ 5,132             | \$ 5,773             |
| Free cash flow <sup>(3)</sup>                         | \$ 1,091             | \$ 496                | \$ 242               | \$ 2,405             | \$ 1,121             |
| Total assets  | \$ 69,226            | \$ 69,636             | \$ 67,885            | \$ 69,226            | \$ 67,885            |
| Total debt  | \$ 1,721             | \$ 1,720              | \$ 2,468             | \$ 1,721             | \$ 2,468             |

- (1) The Data Center segment primarily includes Artificial Intelligence (AI) accelerators, server microprocessors (CPUs), graphics processing units (GPUs), accelerated processing units (APUs), data processing units (DPUs), Field Programmable Gate Arrays (FPGAs), Smart Network Interface Cards (SmartNICs) and Adaptive System-on-Chip (SoC) products for data centers.
- The Client segment primarily includes CPUs, APUs, and chipsets for desktops and notebooks.
- The Gaming segment primarily includes discrete GPUs, and semi-custom SoC products and development services.
- The Embedded segment primarily includes embedded CPUs, GPUs, APUs, FPGAs, System on Modules (SOMs), and Adaptive SoC products.
- From time to time, the Company may also sell or license portions of its IP portfolio.
- All Other category primarily includes certain expenses and credits that are not allocated to any of the operating segments, such as amortization of acquisition-related intangible asset, employee stock-based compensation expense, acquisition-related and other costs, inventory loss at contract manufacturer, restructuring charges and licensing gain.

(2) **Reconciliation of GAAP Net Income to Adjusted EBITDA**

| (Millions) (Unaudited)                          | Three Months Ended   |                       |                      | Year Ended           |                      |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| GAAP net income                                 | \$ 482               | \$ 771                | \$ 667               | \$ 1,641             | \$ 854               |
| Interest expense                                | 19                   | 23                    | 27                   | 92                   | 106                  |
| Other (income) expense, net                     | (37)                 | (36)                  | (49)                 | (181)                | (197)                |
| Income tax provision (benefit)                  | 419                  | (27)                  | (297)                | 381                  | (346)                |
| Equity income in investee                       | (12)                 | (7)                   | (6)                  | (33)                 | (16)                 |
| Stock-based compensation                        | 339                  | 351                   | 374                  | 1,407                | 1,380                |
| Depreciation and amortization                   | 186                  | 171                   | 164                  | 685                  | 642                  |
| Amortization of acquisition-related intangibles | 584                  | 585                   | 635                  | 2,394                | 2,811                |
| Inventory loss at contract manufacturer         | —                    | —                     | —                    | 65                   | —                    |
| Acquisition-related and other costs             | 46                   | 56                    | 61                   | 187                  | 262                  |
| Restructuring charges                           | 186                  | —                     | —                    | 186                  | —                    |
| Adjusted EBITDA                                 | \$ 2,212             | \$ 1,887              | \$ 1,576             | \$ 6,824             | \$ 5,496             |

The Company presents "Adjusted EBITDA" as a supplemental measure of its performance. Adjusted EBITDA for the Company is determined by adjusting GAAP net income for interest expense, other (income) expense, net, income tax provision (benefit), equity income in investee, stock-based compensation, depreciation and amortization expense, amortization of acquisition-related intangibles, inventory loss at contract manufacturer, acquisition-related and other costs, and restructuring charges. The Company calculates and presents Adjusted EBITDA because management believes it is of importance to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. In addition, the Company presents Adjusted EBITDA because it believes this measure assists investors in comparing its performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. The Company's calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the GAAP operating measure of income or GAAP liquidity measures of cash flows from operating, investing and financing activities. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities that can affect cash flows.

(3) **Reconciliation of GAAP Net Cash Provided by Operating Activities to Free Cash Flow**

| (Millions except percentages) (Unaudited)      | Three Months Ended   |                       |                      | Year Ended           |                      |
|--|----------------------|-----------------------|----------------------|----------------------|----------------------|
|  | December 28,<br>2024 | September 28,<br>2024 | December 30,<br>2023 | December 28,<br>2024 | December 30,<br>2023 |
| GAAP net cash provided by operating activities | \$ 1,299             | \$ 628                | \$ 381               | \$ 3,041             | \$ 1,667             |
| Operating cash flow margin %                   | 17%                  | 9%                    | 6%                   | 12%                  | 7%                   |
| Purchases of property and equipment            | (208)                | (132)                 | (139)                | (636)                | (546)                |
| Free cash flow                                 | \$ 1,091             | \$ 496                | \$ 242               | \$ 2,405             | \$ 1,121             |
| Free cash flow margin %                        | 14%                  | 7%                    | 4%                   | 9%                   | 5%                   |

The Company also presents free cash flow as a supplemental Non-GAAP measure of its performance. Free cash flow is determined by adjusting GAAP net cash provided by operating activities for capital expenditures, and free cash flow margin % is free cash flow expressed as a percentage of the Company's net revenue. The Company calculates and communicates free cash flow in the financial earnings press release because management believes it is of importance to investors to understand the nature of these cash flows. The Company's calculation of free cash flow may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view free cash flow as an alternative to GAAP liquidity measures of cash flows from operating activities.