

AMD Financial Results

First Quarter 2025
May 6, 2025

Cautionary Statement

This presentation contains forward-looking statements concerning Advanced Micro Devices, Inc. (AMD), such as the features, functionality, performance, availability, timing and expected benefits of future AMD products; AMD's large growth opportunities across diverse set of markets; AMD's data center AI accelerator opportunity; the integration of the ZT Systems' business and the expected benefits, synergies and growth to result therefrom; AMD's proposed sale of the ZT Systems' manufacturing business; AMD's expected second quarter 2025 financial outlook, including revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP Interest Expense/Other Income (Expense), net, non-GAAP tax rate and diluted share count; AMD's large and compelling TAM; AMD's ability to expand Data Center and AI leadership; AMD's financial and operating performance; the expected impact of the new export licensing requirement on AMD, including on its revenues; and AMD's ability to drive long-term shareholder returns, 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 presentation are based on current beliefs, assumptions and expectations, speak only as of the date of this presentation 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: impact of government actions and regulations such as export regulations, tariffs and trade protection measures, and licensing requirements; 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; 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, the revolving credit agreement and the ZT Systems credit agreement; impact of acquisitions, joint ventures and/or strategic investments on AMD's business and AMD's ability to integrate acquired businesses, including ZT Systems; AMD's ability to sell the ZT Systems manufacturing business; 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.

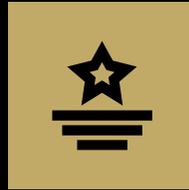
This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

NON-GAAP Financial Measures

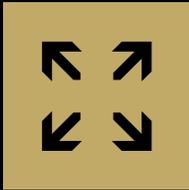
In this presentation, in addition to GAAP financial results, AMD has provided non-GAAP financial measures including non-GAAP gross profit and margin, non-GAAP operating expenses, non-GAAP operating expenses/revenue percent, non-GAAP operating income, non-GAAP operating margin, non-GAAP net income and 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 2025, AMD uses a projected non-GAAP tax rate of 13%, which excludes the tax impact of pre-tax non-GAAP adjustments. 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. The non-GAAP financial measures disclosed in this presentation 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 Appendices at the end of this presentation. This presentation also contains forward-looking non-GAAP measures concerning AMD's financial outlook such as gross margin and operating expenses. These forward-looking non-GAAP measures are based on current expectations as of May 6, 2025, and assumptions and beliefs that involve numerous risks and uncertainties. AMD undertakes no intent or obligation to publicly update or revise its forward-looking statements made in this presentation except as may be required by law.

AMD

Our Journey



Leadership Product Portfolio



Expanding Customer & Partner Ecosystem

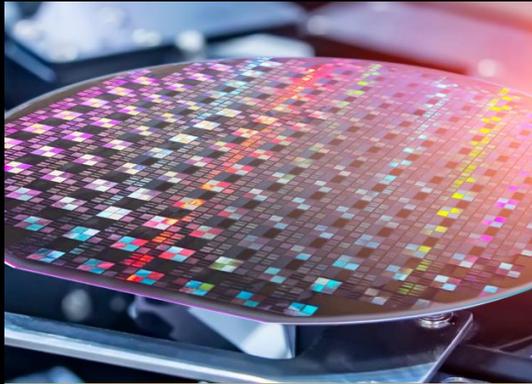


Data Center and AI Growth



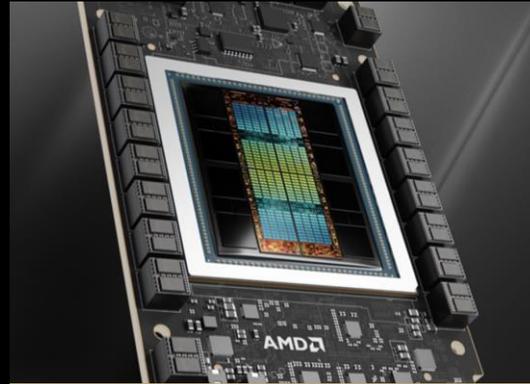
Strong Financial Foundation

High Performance & Adaptive Computing Leadership



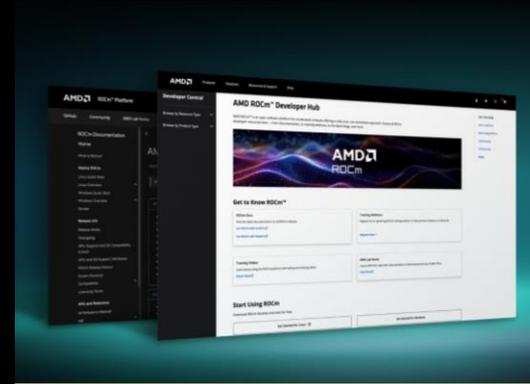
Leadership Foundational IP

Accelerating innovation in silicon architecture, advanced packaging and software



Breadth and Depth of Portfolio

Scaling compute engines from Cloud to Edge to Endpoints with leadership performance per watt



Open, Proven Software Ecosystem

Delivering flexibility, transparency and choice to Developers



Deep, Collaborative Partnerships

Computing partner of choice across AI, data center, embedded, PCs and gaming

Large Growth Opportunities

Across a Diverse Set of Markets



Data Center

Leadership performance and TCO across cloud, enterprise and AI workloads



Client and Gaming

High performance, energy efficient and AI-enabled premium PC and gaming experiences



Embedded

Industry's broadest portfolio of adaptive and embedded computing platforms



Announced Completion of Acquisition of ZT Systems

on March 31, 2025

**BRINGING TOGETHER WORLD-CLASS SILICON, SOFTWARE AND SYSTEMS DESIGN
TO DELIVER RACK-SCALE AI SOLUTIONS**

Enabling new class of end-to-end AMD AI solutions

Based on AMD CPU, GPU
and networking silicon,
open-source AMD
ROCm™ software and
rack-scale systems
capabilities

Addressing significant data center AI accelerator market

Full rack-scale AI solutions
and system-level
capabilities key factors in
scaling AMD AI Instinct™
business

Leadership systems design expertise

ZT Systems design teams
join the AMD Data Center
Solutions business unit

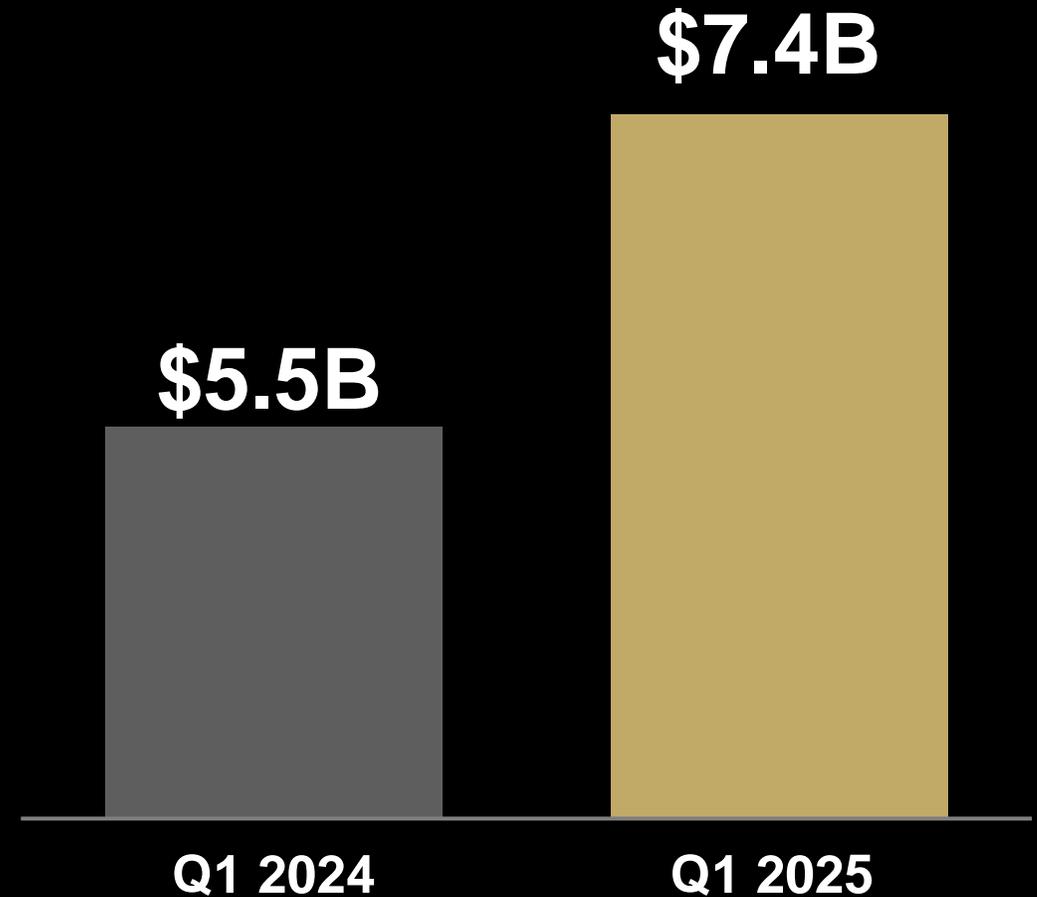
Manufacturing divestiture progress

Received significant
interest to acquire ZT
Systems US-based
manufacturing business

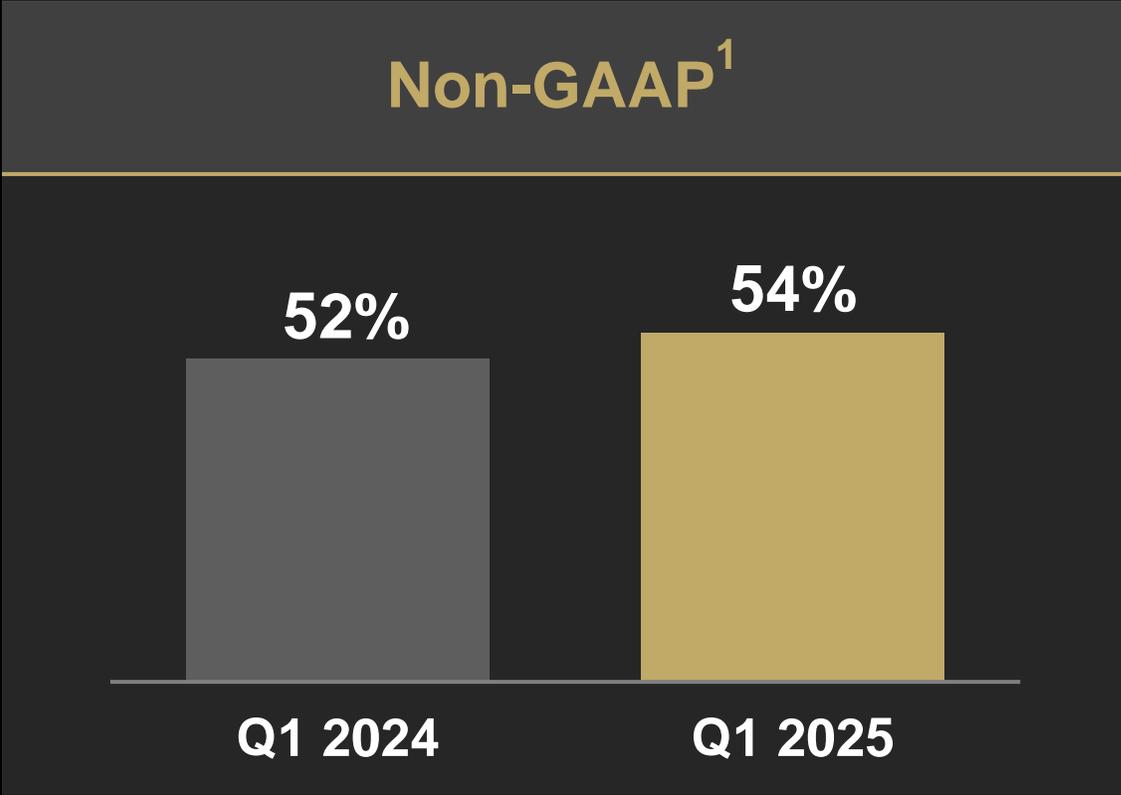
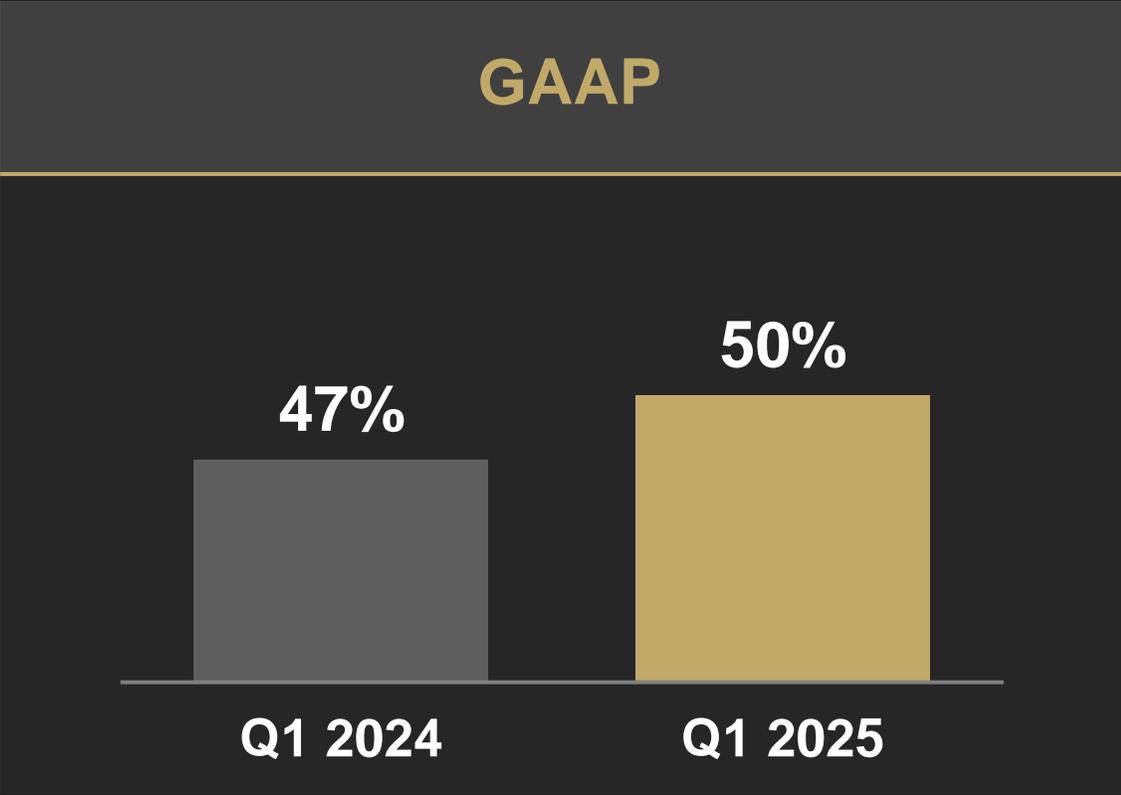
Revenue Q1 2025

➤ Record first quarter revenue of \$7.4 billion increased 36% y/y

➤ Revenue growth in both Data Center and Client and Gaming segments



Gross Margin Q1 2025

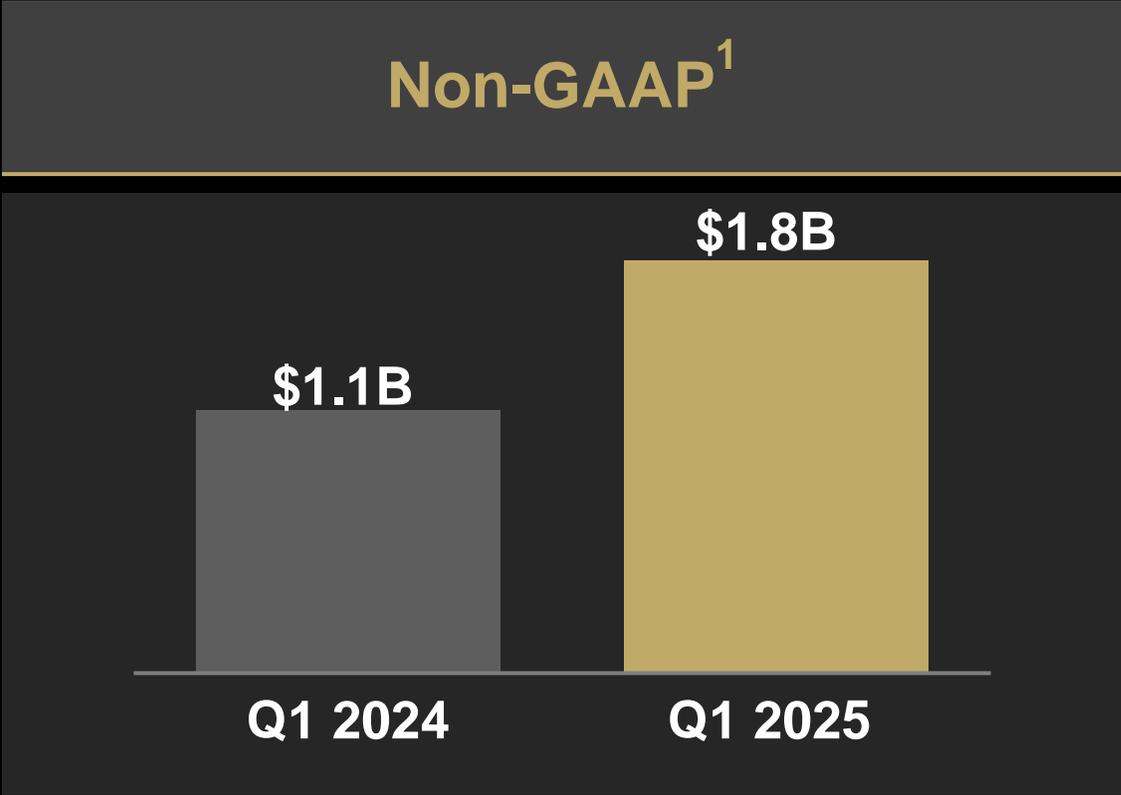
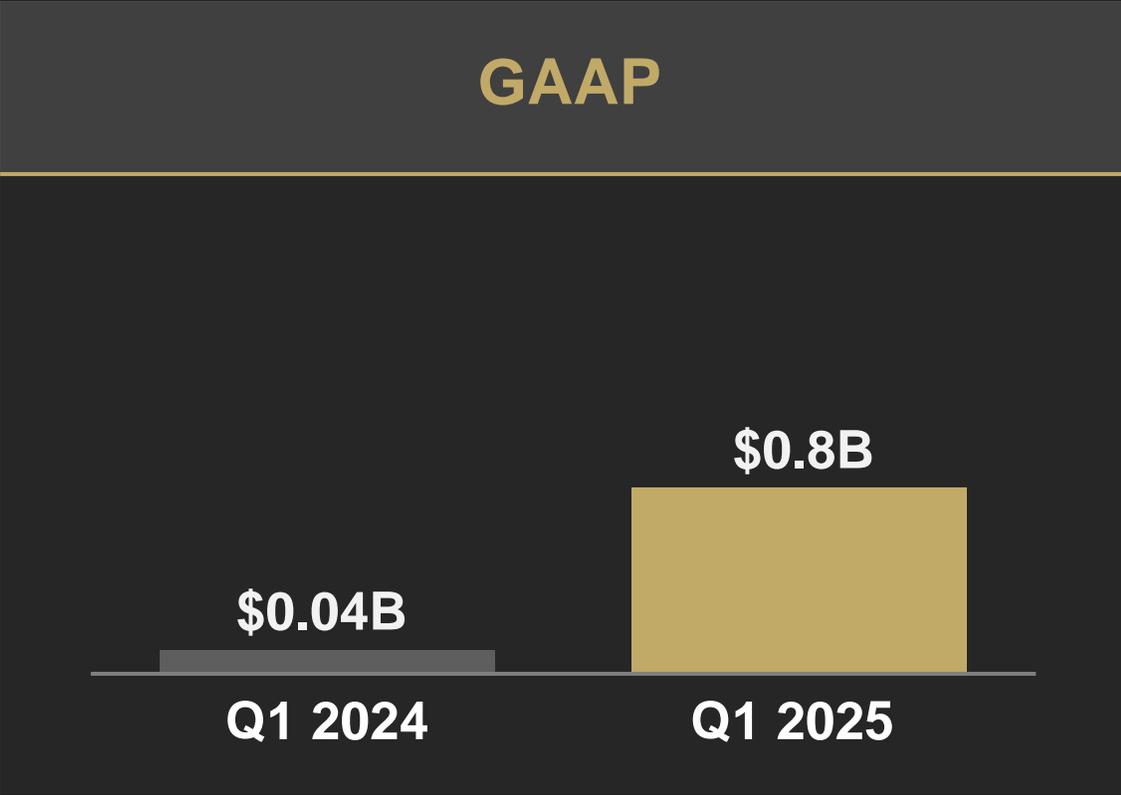


Increase in gross margin primarily driven by higher Data Center segment revenue and a richer Ryzen™ processor mix

1. See Appendices for GAAP to Non-GAAP reconciliation



Operating Income Q1 2025

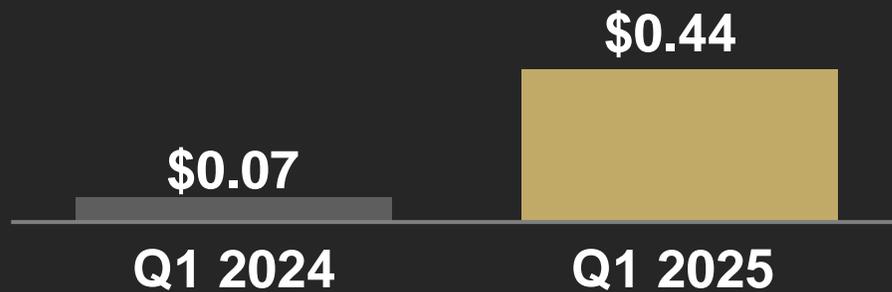


Increase in operating income driven by higher revenue in the Data Center segment and the Client and Gaming segment

1. See Appendices for GAAP to Non-GAAP reconciliation

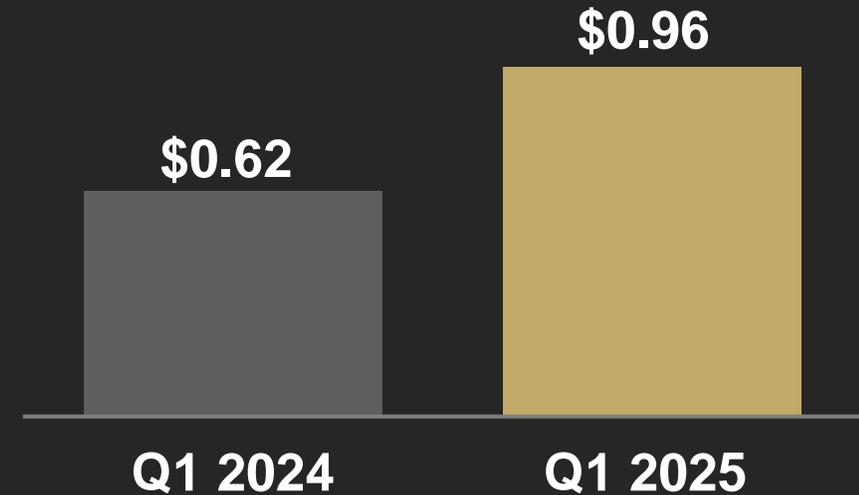
Diluted Earnings Per Share Q1 2025

GAAP



- GAAP net income of \$0.7 billion
- GAAP EPS up significantly y/y, primarily driven by higher revenue and gross margin, partially offset by higher operating expenses

Non-GAAP¹



- Non-GAAP net income of \$1.6 billion
- Non-GAAP EPS up 55% y/y, primarily driven by higher revenue and gross margin, partially offset by higher operating expenses

1. See Appendices for GAAP to Non-GAAP reconciliation

Q1 2025 Summary P&L | GAAP

\$ in millions, except per share data and %	Q1'25	Q1'24	Y/Y	Q4'24	Q/Q
Revenue	\$7,438	\$5,473	Up 36%	\$7,658	Down 3%
Gross Profit	\$3,736	\$2,560	Up 46%	\$3,882	Down 4%
Gross Margin	50%	47%	Up 3 pts	51%	Down 1 ppt
Operating Expenses	\$2,930	\$2,524	Up 16%	\$3,011	Down 3%
Operating Expense/Revenue %	39%	46%	Down 7%	39%	Flat
Operating Income	\$806	\$36	Up 2,139%	\$871	Down 7%
Operating Margin	11%	1%	Up 10 pts	11%	Flat
Net Income	\$709	\$123	Up 476%	\$482	Up 47%
Diluted Earnings Per Share	\$0.44	\$0.07	Up 529%	\$0.29	Up 52%

Q1 2025 Summary P&L | NON-GAAP¹

\$ in millions, except per share data and %	Q1'25	Q1'24	Y/Y	Q4'24	Q/Q
Revenue	\$7,438	\$5,473	Up 36%	\$7,658	Down 3%
Gross Profit	\$3,992	\$2,861	Up 40%	\$4,140	Down 4%
Gross Margin	54%	52%	Up 2 pts	54%	Flat
Operating Expenses	\$2,213	\$1,728	Up 28%	\$2,114	Up 5%
Operating Expense/Revenue %	30%	32%	Down 2%	28%	Up 2%
Operating Income	\$1,779	\$1,133	Up 57%	\$2,026	Down 12%
Operating Margin	24%	21%	Up 3 pts	26%	Down 2 pts
Net Income	\$1,566	\$1,013	Up 55%	\$1,777	Down 12%
Diluted Earnings Per Share	\$0.96	\$0.62	Up 55%	\$1.09	Down 12%

1. See Appendices for GAAP to Non-GAAP reconciliation

Q1 2025 Segment Results

\$ in millions	Q1'25	Q1'24	Y/Y	Q4'24	Q/Q
Data Center					
Net Revenue	\$3,674	\$2,337	Up 57%	\$3,859	Down 5%
Operating Income	\$932	\$541	Up 72%	\$1,157	Down 19%
Client & Gaming					
Net Revenue	\$2,941	\$2,290	Up 28%	\$2,876	Up 2%
Operating Income	\$496	\$237	Up 109%	\$496	Flat
Embedded					
Net Revenue	\$823	\$846	Down 3%	\$923	Down 11%
Operating Income	\$328	\$342	Down 4%	\$362	Down 9%

Q1 2025 Summary Balance Sheet Items

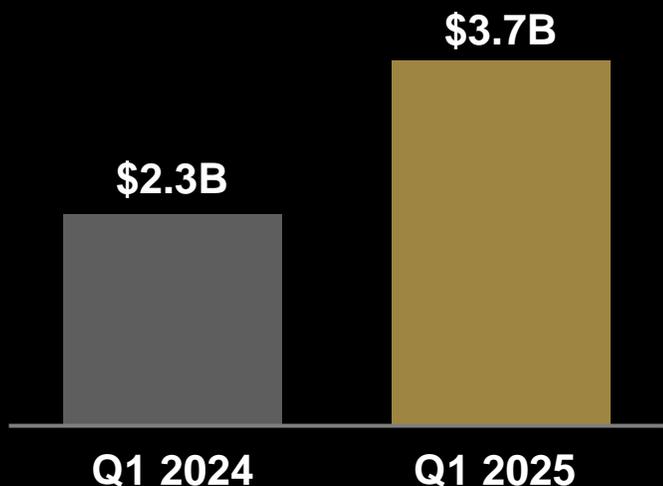
\$ in millions	Q1'25	Q4'24	Q/Q
Cash, Cash Equivalents and Short-term Investments ¹	\$7,310	\$5,132	Up 42%
Accounts Receivable, Net	\$5,443	\$6,192	Down 12%
Inventories	\$6,416	\$5,734	Up 12%
Total Debt ¹	\$4,164	\$1,721	Up 142%

Cash from operations \$939 million; free cash flow \$727 million²
Repurchased \$749 million of common stock

1. Increase in balances due to \$1.5 billion of debt raised and \$950 million of commercial paper issued during Q1'25 associated with the acquisition of ZT Systems which was completed on March 31, 2025
2. See Appendices for GAAP to Non-GAAP reconciliation

Data Center Segment Q1 2025

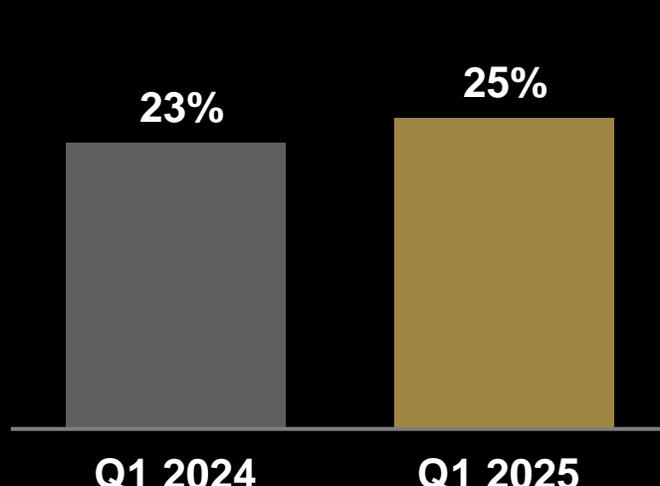
Revenue



Revenue
\$3.7 Billion
 Up 57% y/y

Driven primarily by growth in
 AMD EPYC™ CPU and
 AMD Instinct GPU sales

Operating Margin



Operating Income
\$932 Million
 vs. \$541 Million a year ago

Primarily driven by higher revenue

Strategic Highlights



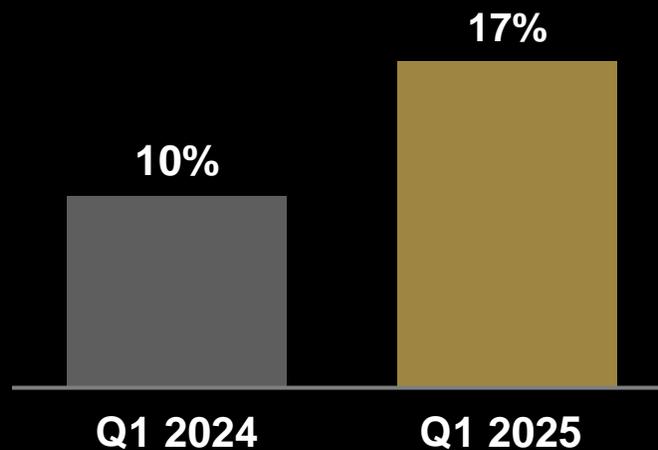
- Partnering with Oracle to deploy a large-scale cluster powered by MI355X accelerators and 5th Gen EPYC processors
- Released ROCm 6.4 with performance and feature updates; now delivering ready to deploy inferencing and training containers on bi-weekly basis
- Core42 announced it is broadly deploying AMD Instinct GPU technology to create one of France's most powerful AI compute facilities
- AMD, Jio Platforms Limited, Cisco and Nokia announced the formation of a new Open Telecom AI Platform
- Siemens launched latest Software Defined Vehicle solution powered by EPYC CPUs and Radeon™ PRO GPUs on Azure significantly accelerating automotive design and validation
- Next-gen MI350 series Instinct GPUs on track to begin accelerated production by mid-2025

Client and Gaming Segment Q1 2025

Revenue



Operating Margin



Strategic Highlights



- Launched 16-core Ryzen 9950X3D processor expanding AMD leadership desktop CPU portfolio
- PC OEMs launched first notebooks powered by new high-end Ryzen AI Max+ and first mainstream Ryzen AI 7 and 5 300 series processors for gaming, ultrathin and commercial notebooks
- Launched Radeon 9070 series to strong demand as new RDNA™ 4 architecture delivers leadership performance for mainstream gamers
- Introduced FSR4, first machine learning-based upscaling and frame generation technology delivering higher frame rates and immersive gaming experiences

Revenue

\$2.9 Billion

Up 28% y/y

Primarily driven by a richer mix and strong demand for latest “Zen 5” AMD Ryzen™ processors

Operating Income

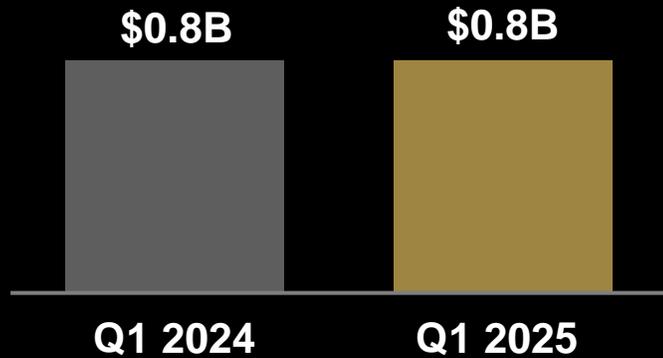
\$496 Million

vs. \$237 Million a year ago

Primarily driven by higher revenue and a richer Ryzen processor mix

Embedded Segment Q1 2025

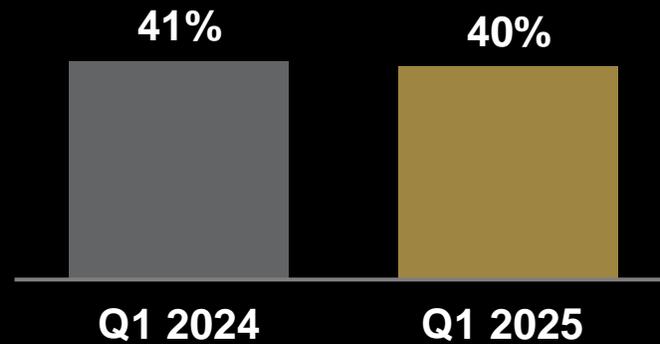
Revenue



Revenue
\$823 Million
 Down 3% y/y

Primarily due to mixed end market demand

Operating Margin



Operating Income
\$328 Million
 vs. \$342 Million a year ago

Primarily due to lower revenue

Strategic Highlights

AMD  AMD  AMD 
 VERSAL ALVEO ZYNQ

AMD  AMD 
 EPYC RYZEN
 Embedded Embedded

- AWS launched new FPGA-accelerated instances powered by EPYC processors with AMD Virtex™ FPGAs optimized for data and compute-intensive workloads
- Completed initial shipments of Spartan™ UltraScale+™ FPGAs and 2nd-Gen Versal™ AI Edge SoCs to meet growing demand for AI at the edge
- Launched EPYC Embedded 9005 series processors; powering IBM's latest storage scale system 6000 and the latest generation Cisco high-end firewalls
- Launched Vitis™ software suite with expanded support for the latest AI models

Financial Outlook – NON-GAAP¹

	Q2'25
Revenue	~\$7.4 Billion, +/- \$300 Million
Gross Margin ²	~43%, including \$800M inventory charge; ~54%, excluding this one-time charge
Operating Expenses	~\$2.3 Billion
Interest Expense/Other Income (Expense), net	~\$(5) Million
Effective Tax Rate	~13% of pre-tax income
Diluted Share Count ³	~1.64 Billion shares

1. See Cautionary Statement on Slide 2. These forward-looking outlook statements and non-GAAP measures are based on current expectations as of May 6, 2025, and assumptions and beliefs that involve numerous risks and uncertainties. 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. All items, except revenue, are on a non-GAAP basis. Adjustments to arrive at the GAAP financial outlook typically include stock-based compensation, amortization of acquired intangible assets, income tax provision, and other non-recurring items such as impairment charges and acquisition-related 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.

2. Q2'25 estimated Non-GAAP gross margin includes the expected impact of approximately \$800 million in charges for inventory and related reserves related to the U.S. government's implementation of new export controls, which was previously disclosed in AMD's Current Report on Form 8-K filed on April 16, 2025.

3. Q2'25 estimated diluted share count includes 9 million of shares related to the acquisition of ZT Systems which was completed on March 31, 2025. Refer to Diluted Share Count overview in the Appendices.

Q1 2025 Summary¹

Revenue
\$7.4B
Up 36% y/y

Data Center
Segment
Revenue \$3.7B
Up 57% y/y

Gross Margin 50%
Non-GAAP
Gross Margin 54%

Diluted EPS \$0.44
Non-GAAP Diluted
EPS \$0.96

**Significant y/y Revenue and EPS Growth Driven by
Higher AMD Instinct, EPYC and Ryzen Processor Sales**

1. See Appendices for GAAP to Non-GAAP reconciliation

Corporate Responsibility at AMD

Environmental

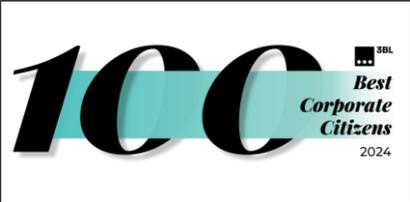
Advancing environmental solutions in our products, supply chain and operations, while accelerating energy efficiency for IT users

Social

Fostering a culture of diversity, belonging and inclusion, partnering with suppliers and positively impacting our communities

Governance

Integrating corporate responsibility and governance across product design, supply chain, operations and external engagement



AMD

Our Momentum

Large and
Compelling TAM

Technology
Leadership

Expanding Data
Center and AI
Leadership

World-Class
Execution and
Focus

Strong Balance
Sheet

DRIVING LONG-TERM SHAREHOLDER RETURNS

Appendices

Reconciliation of GAAP to Non-GAAP Gross Profit and Gross Margin

\$ in millions, except % (Unaudited)	Q1'25	Q1'24	Q4'24
GAAP gross profit	\$3,736	\$2,560	\$3,882
<i>GAAP gross margin</i>	50%	47%	51%
Stock-based compensation	5	6	6
Amortization of acquisition-related intangibles	251	230	252
Inventory loss at contract manufacturer ⁽²⁾	-	65	-
Non-GAAP gross profit	\$3,992	\$2,861	\$4,140
<i>Non-GAAP gross margin</i>	54%	52%	54%

Reconciliation of GAAP to Non-GAAP Operating Expenses

\$ in millions, except % (Unaudited)	Q1'25	Q1'24	Q4'24
GAAP operating expenses ⁽⁴⁾	\$2,930	\$2,524	\$3,011
<i>GAAP operating expenses/revenue %</i>	39%	46%	39%
Stock-based compensation	359	365	333
Amortization of acquisition-related intangibles	316	392	332
Acquisition-related and other costs ⁽¹⁾	42	39	46
Restructuring charges ⁽³⁾	-	-	186
Non-GAAP operating expenses ⁽⁴⁾	\$2,213	\$1,728	\$2,114
<i>Non-GAAP operating expenses/revenue %</i>	30%	32%	28%

(1) Acquisition-related and other costs primarily include transaction costs, purchase price fair value adjustments, 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.

(4) Effective first quarter of 2025, licensing gain amounts were reclassified against Marketing, general and administrative expenses as the amounts were immaterial.

Appendices

Reconciliation of GAAP Operating Income to Non-GAAP Operating Income

\$ in millions, except % (Unaudited)	Q1'25	Q1'24	Q4'24
GAAP operating income	\$806	\$36	\$871
<i>GAAP operating margin</i>	11%	1%	11%
Stock-based compensation	364	371	339
Amortization of acquisition-related intangibles	567	622	584
Acquisition-related and other costs ⁽¹⁾	42	39	46
Inventory loss at contract manufacturer ⁽²⁾	-	65	-
Restructuring charges ⁽³⁾	-	-	186
Non-GAAP operating income	\$1,779	\$1,133	\$2,026
<i>Non-GAAP operating margin</i>	24%	21%	26%

(1) Acquisition-related and other costs primarily include transaction costs, purchase price fair value adjustments, 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.

Appendices

Reconciliation of GAAP to Non-GAAP Net Income / Diluted Earnings Per Share

\$ in Millions, except per share data (Unaudited)	Q1'25		Q1'24		Q4'24	
GAAP net income / diluted earnings per share	\$709	\$0.44	\$123	\$0.07	\$482	\$0.29
(Gains) losses on equity investments, net	2	-	3	-	-	-
Stock-based compensation	364	0.22	371	0.23	339	0.21
Equity income in investee	(7)	-	(7)	-	(12)	(0.01)
Amortization of acquisition-related intangibles	567	0.35	622	0.38	584	0.36
Acquisition-related and other costs ⁽¹⁾	42	0.03	39	0.02	46	0.03
Inventory loss at contract manufacturer ⁽²⁾	-	-	65	0.04	-	-
Restructuring charges ⁽³⁾	-	-	-	-	186	0.11
Income tax provision	(111)	(0.08)	(203)	(0.12)	152	0.10
Non-GAAP net income / diluted earnings per share	\$1,566	\$0.96	\$1,013	\$0.62	\$1,777	\$1.09
Shares used in earnings per share calculation						
Shares used in per share calculation (GAAP and Non-GAAP)		1,626		1,639		1,634

(1) Acquisition-related and other costs primarily include transaction costs, purchase price fair value adjustments, 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.

Appendices

Reconciliation of GAAP Net Cash Provided by Operating Activities to Free Cash Flow

\$ in millions, except % (Unaudited)	Q1'25
GAAP net cash provided by operating activities	\$939
<i>Operating cash flow margin %</i>	13%
Purchases of property and equipment	(212)
Free cash flow	\$727
<i>Free cash flow margin %</i>	10%

Appendices

Share Count Overview

Shares (millions) ⁽¹⁾	Q1'25	Q2'25
	Actual	Estimate
Basic shares	1,620	1,627
Dilutive impact from employee equity grants ⁽²⁾	6	8
Diluted shares ⁽³⁾	1,626	1,635

The table above provides actual share count for Q1'25 and an estimate of share count to use when calculating GAAP and non-GAAP diluted earnings per share for Q2'25.

(1) Share counts are weighted average shares.

(2) The dilutive impact of employee equity grants is based on the Treasury Stock method and is dependent upon the average stock price during the period. The Q1'25 average stock price was \$111.67. The Q1'25 average stock price of \$111.67 was assumed for Q2'25 average stock price estimates.

(3) Q2'25 estimated diluted share count includes 9 million of shares related to the acquisition of ZT Systems which was completed on March 31, 2025.

Endnotes

STX-04: Based on AMD product specifications and competitive products announced as of May 2024. AMD Ryzen™ AI 300 Series processors' NPU offer up to 50 peak TOPS. AI PC is defined as a laptop PC with a processor that includes a neural processing unit (NPU). STX-04.

GD-220c: Ryzen™ AI is defined as the combination of a dedicated AI engine, AMD Radeon™ graphics engine, and Ryzen processor cores that enable AI capabilities. OEM and ISV enablement is required, and certain AI features may not yet be optimized for Ryzen AI processors. Ryzen AI is compatible with: (a) AMD Ryzen 7040 and 8040 Series processors except Ryzen 5 7540U, Ryzen 5 8540U, Ryzen 3 7440U, and Ryzen 3 8440U processors; (b) AMD Ryzen AI 300 Series processors, and (c) all AMD Ryzen 8000G Series desktop processors except the Ryzen 5 8500G/GE and Ryzen 3 8300G/GE. Please check with your system manufacturer for feature availability prior to purchase. GD-220c.

