

AMD FINANCIAL RESULTS

First Quarter 2024

April 30, 2024

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 AMD products; AMD's expected second quarter 2024 financial outlook, including revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP tax rate and diluted share count; AMD's large and compelling TAM; AMD's ability to expand Data Center and AI leadership; 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: Intel Corporation's dominance of the microprocessor market and its aggressive business practices; economic and market uncertainty; cyclical nature of the semiconductor industry; market conditions of the industries in which AMD products are sold; loss of a significant customer; public health crises, such as pandemics and epidemics; competitive markets in which AMD's products are sold; 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 introduce products on a timely basis with expected features and performance levels; 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; potential difficulties in operating AMD's newly upgraded enterprise resource planning system; uncertainties involving the ordering and shipment of AMD's products; AMD's reliance on third-party intellectual property to design and introduce new products in a timely manner; 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; impact of acquisitions, joint ventures and/or investments on AMD's business and AMD's ability to integrate acquired businesses; impact of any impairment of the combined company's assets; restrictions imposed by agreements governing AMD's notes, the guarantees of Xilinx's notes and the revolving credit facility; AMD's indebtedness; AMD's ability to generate sufficient cash to meet its working capital requirements or generate sufficient revenue and operating cash flow to make all of its planned R&D or strategic investments; 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.

NON-GAAP FINANCIAL MEASURE

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 income, 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 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, operating expenses and tax rate. These forward-looking non-GAAP measures are based on current expectations as of April 30, 2024, 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

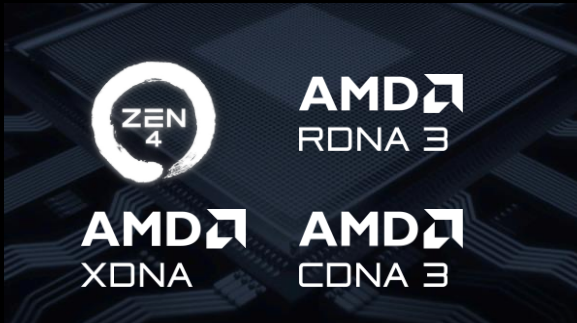
Leadership
Product Portfolio

Expanding Customer
& Partner Ecosystem

Data Center
and AI Growth

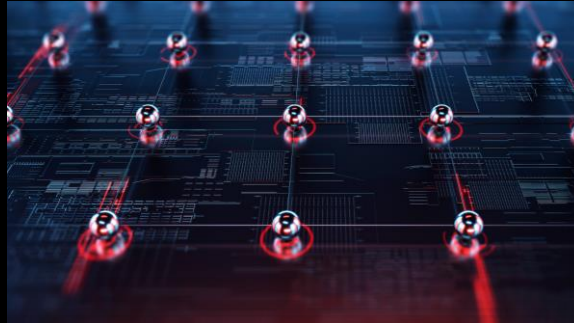
Strong
Financial Foundation

OUR LEADERSHIP TECHNOLOGY



Broad IP Portfolio

Executing leadership CPU, GPU, DPU, FPGA, Adaptive SoC and AI products



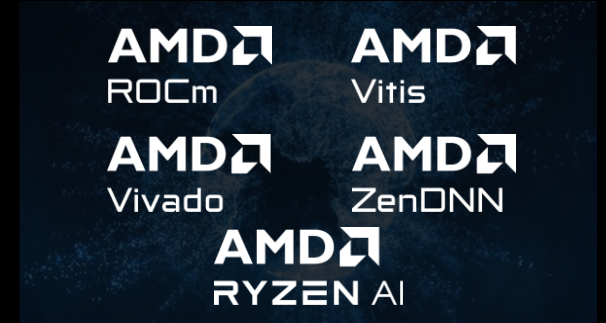
Advanced Technology

Driving leadership process technology and 3D chiplet packaging



Data Center Leadership

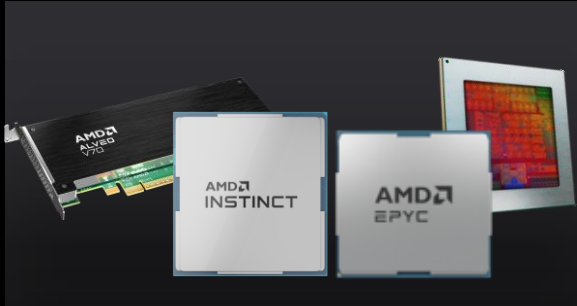
Delivering innovation in AI, cloud, enterprise and accelerated computing



Software Enablement

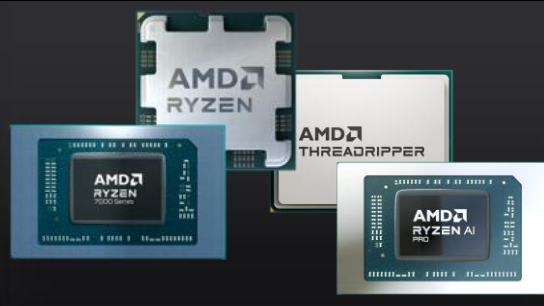
Open-source software optimized for performance across heterogeneous solutions

OUR LEADERSHIP PRODUCTS



Data Center

Broad portfolio of data center and AI solutions with server CPUs, GPUs, FPGAs, DPUs and Adaptive SoCs



Client

Powerful and efficient CPUs and APUs for notebook and desktop PCs and commercial workstations



Gaming

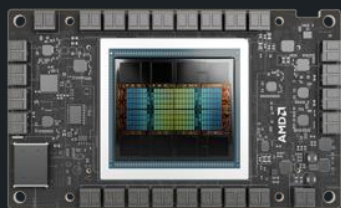
Top-to-bottom desktop and notebook GPUs, game console and semi-custom SoCs



Embedded

Leadership FPGAs, Adaptive SoCs and SoMs, and embedded CPUs and GPUs for a broad set of markets

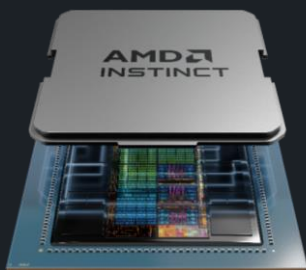
AMD IS UNIQUELY POSITIONED IN AI



Cloud

AMD Instinct™
MI300X
Accelerators

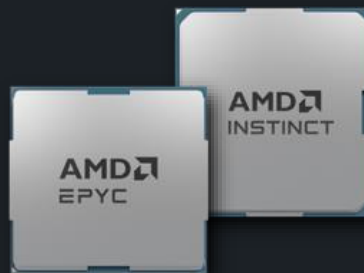
Leadership accelerator
for generative AI,
LLMs and inferencing



HPC

AMD Instinct™
MI300A
Accelerators

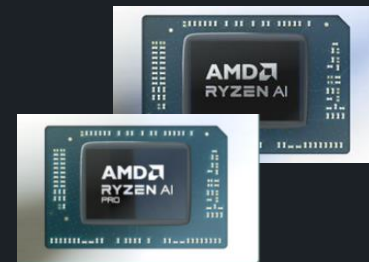
World's first data center
APU for HPC and AI



Enterprise

AMD Instinct MI300
Accelerators
4th Gen AMD EPYC™
Processors

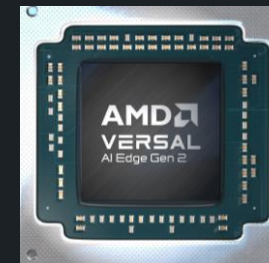
Broad ecosystem of OEM
and solution partners



PC

AMD Ryzen™ 8040
Mobile Processors
with Ryzen AI

Technology leadership with
upgraded on-die AI neural
processing unit (NPU)



Embedded

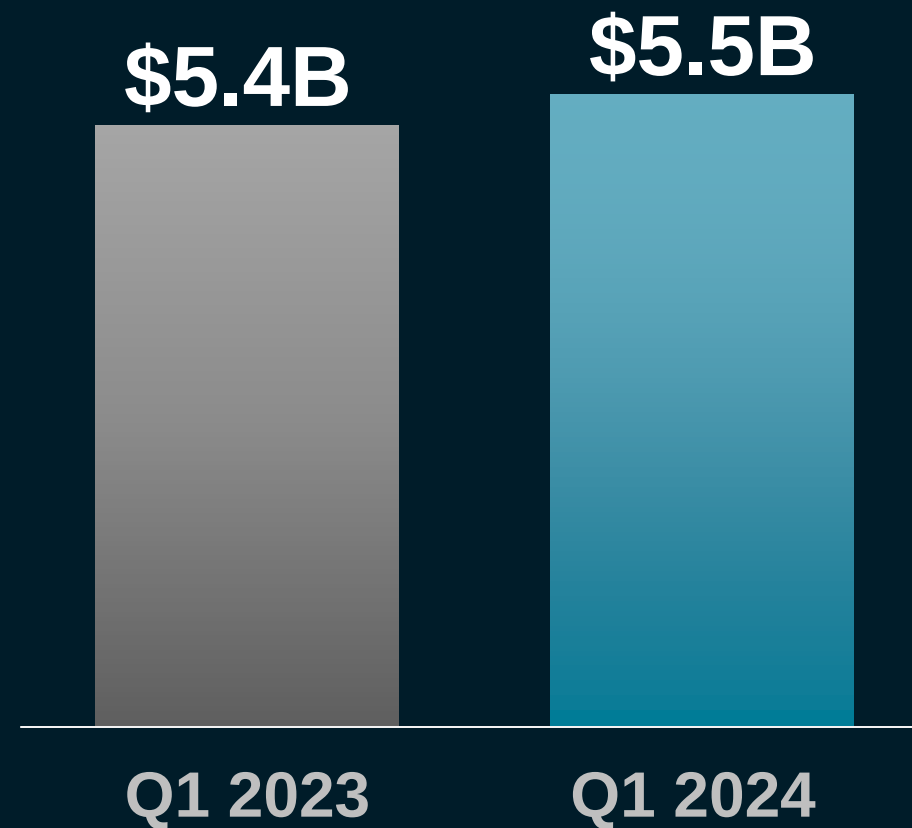
AMD Versal™ AI
Edge Adaptive SoCs

Single Chip Intelligence
at the Edge for all
Embedded Markets

ADVANCING END-TO-END AI INFRASTRUCTURE

REVENUE Q1 2024

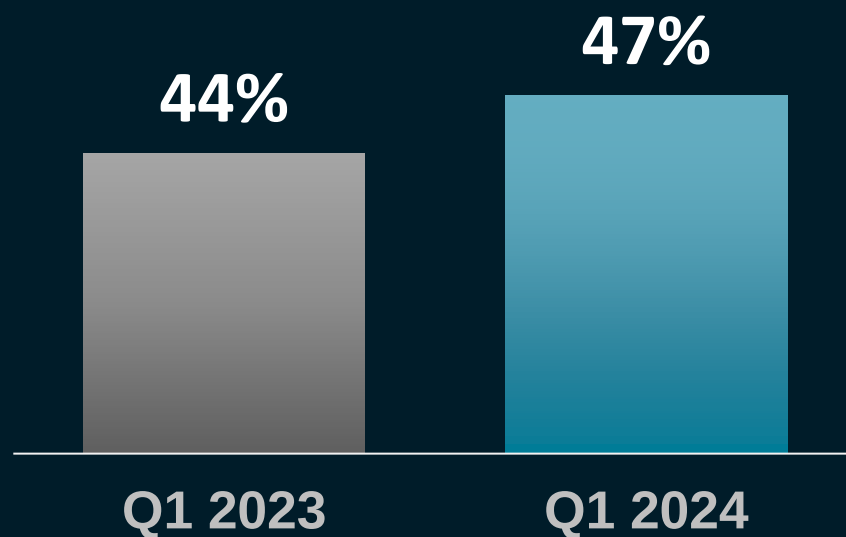
- Revenue of \$5.5 billion increased 2% y/y
- Revenue growth in Data Center and Client segments was partially offset by lower revenue in Gaming and Embedded segments



GROSS MARGIN Q1 2024

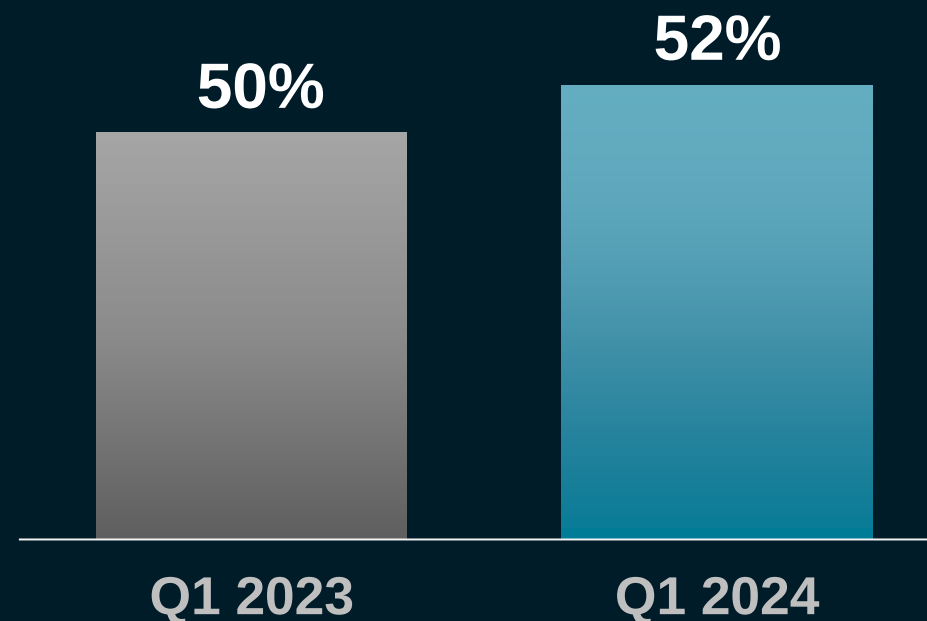


GAAP



- Increase driven by higher revenue contribution from Data Center and Client segments, lower amortization of acquisition-related intangible assets, partially offset by lower Embedded and Gaming segments revenue

Non-GAAP¹



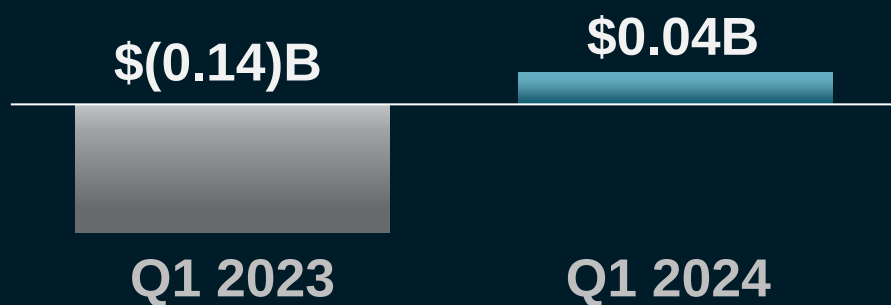
- Increase driven by higher revenue contribution from Data Center and Client segments, partially offset by lower Embedded and Gaming segments revenue

1. See Appendices for GAAP to Non-GAAP reconciliation

OPERATING INCOME (LOSS) Q1 2024

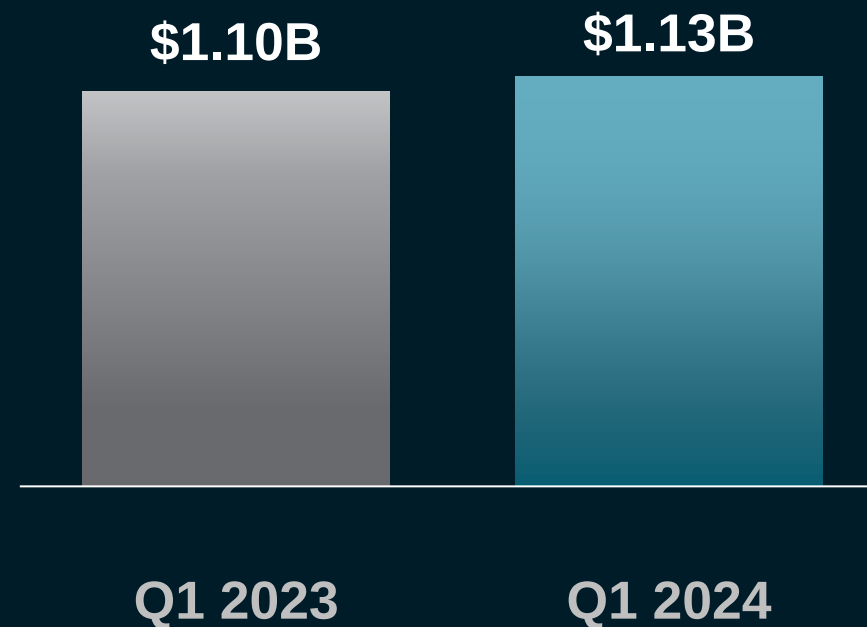


GAAP



- Increase driven by higher gross margin and lower amortization of acquisition-related intangible assets, partially offset by increased operating expenses

Non-GAAP¹



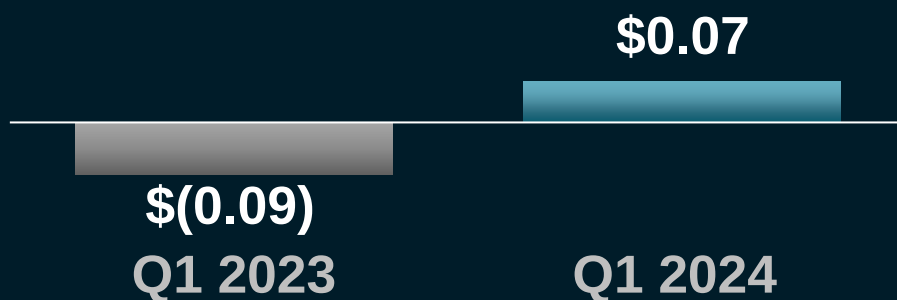
- Increase driven by higher gross margin, partially offset by increased operating expenses

1. See Appendices for GAAP to Non-GAAP reconciliation

EARNINGS (LOSS) PER SHARE Q1 2024

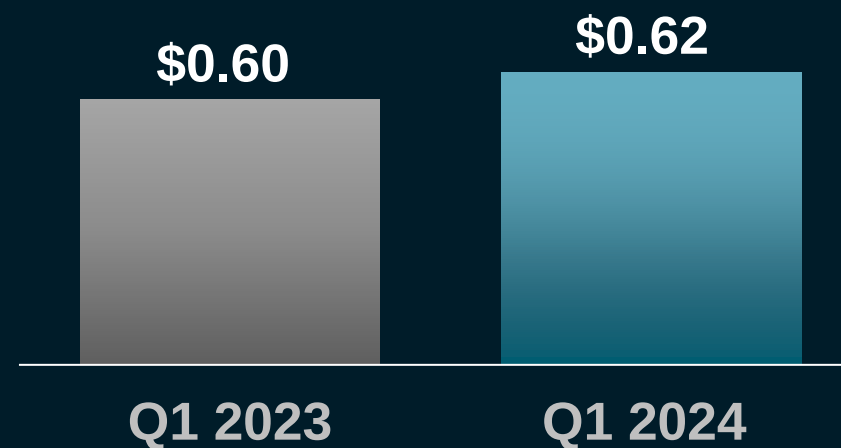


GAAP



- GAAP net income of \$123 million
- GAAP EPS of \$0.07 primarily driven by higher gross margin and lower amortization of acquisition-related intangible assets, partially offset by increased operating expenses

Non-GAAP¹



- Non-GAAP net income of \$1.0 billion
- Non-GAAP EPS of \$0.62, up 3%, primarily driven by higher gross margin, partially offset by increased operating expenses

1. See Appendices for GAAP to Non-GAAP reconciliation

Q1 2024 SUMMARY P&L | GAAP

\$ in millions, except per share data and %	Q1'24	Q1'23	Y/Y	Q4'23	Q/Q
Revenue	\$5,473	\$5,353	Up 2%	\$6,168	Down 11%
Gross Profit	\$2,560	\$2,359	Up 9%	\$2,911	Down 12%
Gross Margin	47%	44%	Up 3 pts	47%	Flat
Operating Expenses	\$2,537	\$2,514	Flat	\$2,575	Flat
Operating Expense/Revenue %	46%	47%	Down 1 ppt	42%	Up 4 pts
Operating Income (Loss)	\$36	\$(145)	Up 125%	\$342	Down 89%
Operating Margin	1%	(3)%	Up 4 pts	6%	Down 5 pts
Net Income (Loss)	\$123	\$(139)	Up 188%	\$667	Down 82%
Earnings (Loss) Per Share	\$0.07	\$(0.09)	Up 178%	\$0.41	Down 83%

Q1 2024 SUMMARY P&L | NON-GAAP¹

\$ in millions, except per share data and %	Q1'24	Q1'23	Y/Y	Q4'23	Q/Q
Revenue	\$5,473	\$5,353	Up 2%	\$6,168	Down 11%
Gross Profit	\$2,861	\$2,675	Up 7%	\$3,133	Down 9%
Gross Margin	52%	50%	Up 2 pts	51%	Up 1 ppt
Operating Expenses	\$1,741	\$1,587	Up 10%	\$1,727	Flat
Operating Expense/Revenue %	32%	30%	Up 2 pts	28%	Up 4 pts
Operating Income	\$1,133	\$1,098	Up 3%	\$1,412	Down 20%
Operating Margin	21%	21%	Flat	23%	Down 2 pts
Net Income	\$1,013	\$970	Up 4%	\$1,249	Down 19%
Earnings Per Share	\$0.62	\$0.60	Up 3%	\$0.77	Down 19%

1. See Appendices for GAAP to Non-GAAP reconciliation

Q1 2024 SUMMARY BALANCE SHEET ITEMS

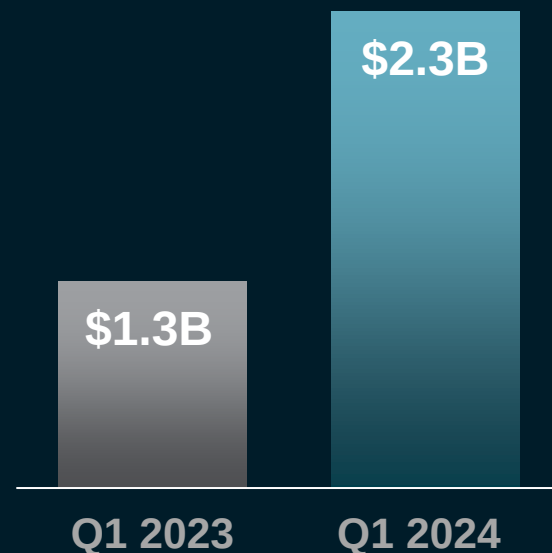
(\$ in millions)	Q1'24	Q4'23	Q/Q
Cash, Cash Equivalents and Short-term Investments	\$6,035	\$5,773	Up 5%
Accounts Receivable, Net	\$5,038	\$5,376	Down 6%
Inventories	\$4,652	\$4,351	Up 7%
Total Debt	\$2,468	\$2,468	Flat

Q1 2024 SEGMENT RESULTS

(\$ in millions)	Q1'24	Q1'23	Y/Y	Q4'23	Q/Q
Data Center					
Net Revenue	\$2,337	\$1,295	Up 80%	\$2,282	Up 2%
Operating Income	\$541	\$148	Up 266%	\$666	Down 19%
Client					
Net Revenue	\$1,368	\$739	Up 85%	\$1,461	Down 6%
Operating Income (Loss)	\$86	\$(172)	Up 150%	\$55	Up 56%
Gaming					
Net Revenue	\$922	\$1,757	Down 48%	\$1,368	Down 33%
Operating Income	\$151	\$314	Down 52%	\$224	Down 33%
Embedded					
Net Revenue	\$846	\$1,562	Down 46%	\$1,057	Down 20%
Operating Income	\$342	\$798	Down 57%	\$461	Down 26%

DATA CENTER SEGMENT Q1 2024

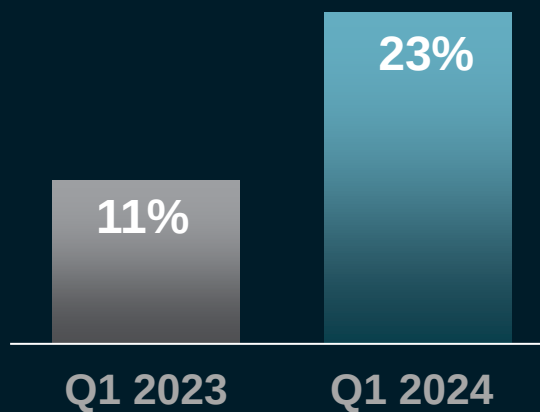
Revenue



Revenue
\$2.3 Billion
Up 80% y/y

Strong growth in both AMD Instinct GPUs and 4th Gen AMD EPYC CPU sales

Operating Margin



Operating Income
\$541 Million
vs. \$148 Million a year ago

Primarily due to operating leverage driven by higher revenue

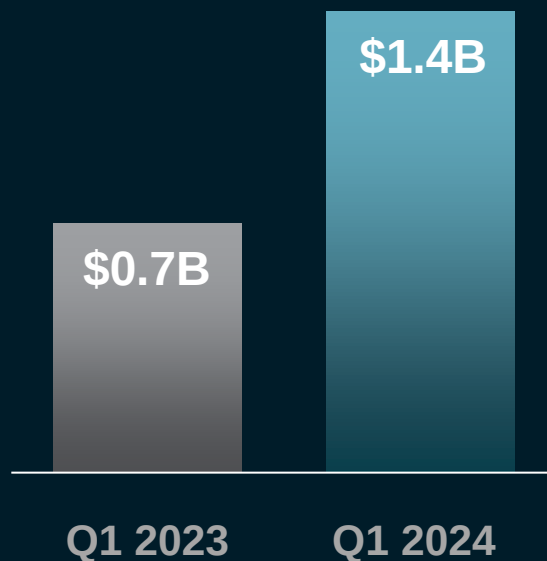
AMD EPYC AMD INSTINCT AMD XILINX AMD PENSANDO

Strategic Highlights

- Record data center GPU sales with MI300 surpassing \$1B in cumulative sales since Q4'23 launch
- Nearly 900 public cloud instances powered by AMD EPYC processors now available from AWS, Google, Oracle Cloud, Microsoft Azure and others
- Enterprise adoption of EPYC CPUs accelerating with key deployments at American Airlines, DBS, Emirates Bank, Shell and ST Micro
- Released ROCm 6.1 with expanded open-source libraries and frameworks and significantly increasing generative AI performance
- Next-gen "Turin" EPYC processors, based on "Zen 5" core, on track to launch later this year

CLIENT SEGMENT Q1 2024

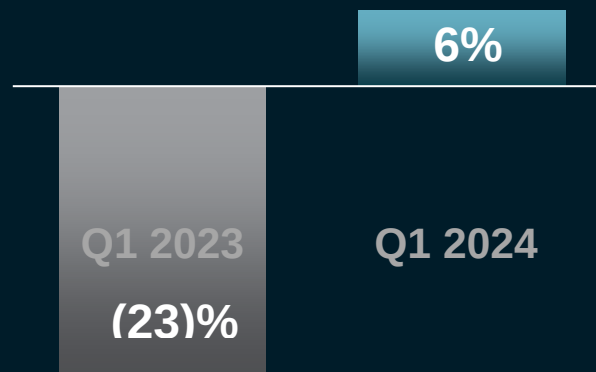
Revenue



Revenue
\$1.4 Billion
Up 85% y/y

Primarily driven by AMD Ryzen
8000 Series processor sales

Operating Margin



Operating Income
\$86 Million
vs. \$172 Million Loss
a year ago

Primarily driven by higher revenue

AMD
RYZEN

AMD
RYZEN
PRO

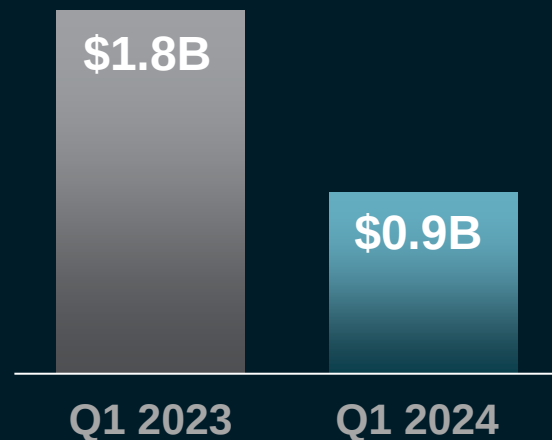
AMD
THREADRIPPER
PRO

Strategic Highlights

- HP and Lenovo announced new high-performance laptops powered by the latest Ryzen PRO 8040 Series CPUs
- Launched Ryzen PRO 8000 Series desktop CPUs, the first processors with dedicated, on-chip AI accelerators for commercial desktop PCs
- 150 ISVs on track to be developing for AMD AI PCs by the end of 2024
- Next-gen “Strix Point” processors on track to launch second half 2024

GAMING SEGMENT Q1 2024

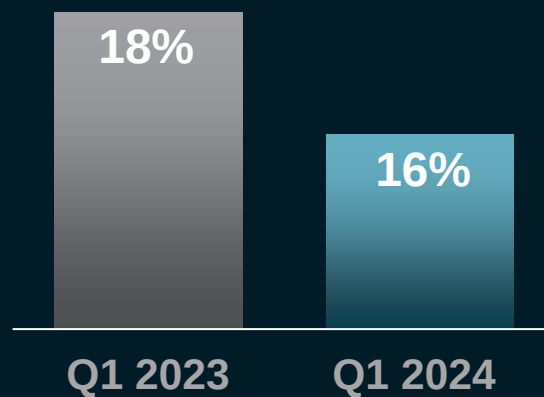
Revenue



Revenue
\$922 Million
Down 48% y/y

Due to lower semi-custom
and Radeon GPU sales

Operating Margin



Operating Income
\$151 Million
vs. \$314 Million a year ago

Primarily due to lower revenue

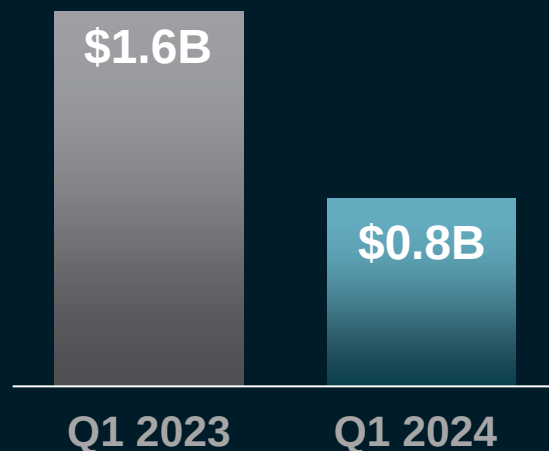


Strategic Highlights

- Global availability of the Radeon™ RX 7900 GRE graphics card providing 1440p/4K performance
- Released FidelityFX™ Super Resolution 3.1 offering significant image quality improvements for gamers
- Launched AMD Fluid Motion Frames enabling frame generation and increased performance on Radeon RX 6000 and Radeon RX 7000 Series graphics cards

EMBEDDED SEGMENT Q1 2024

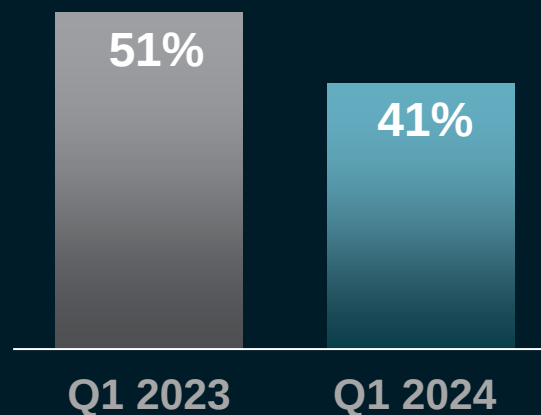
Revenue



Revenue
\$846 Million
Down 46% y/y

Primarily due to customers continuing to manage their inventory levels

Operating Margin



Operating Income
\$342 Million
vs. \$798 Million a year ago

Primarily due to lower revenue

AMD ALVEO AMD VERSAL AMD ZYNQ AMD EPYC Embedded AMD RYZEN Embedded

Strategic Highlights

- Launched Versal AI Edge Series Gen 2 SoCs that combine multiple compute engines on a single chip for AI-driven embedded systems
- Subaru adopted Versal AI Edge Series Gen 2 devices to power their next-gen EyeSight ADAS vision system
- Sony Semiconductor Solutions selected Artix™-7 FPGA and Zynq™ UltraScale+™ MPSoC for its LiDAR automotive reference designs

FINANCIAL OUTLOOK – NON-GAAP¹

(\$ in millions)	Q2'24
Revenue	~\$5.7 Billion, +/- \$300 Million
Gross Margin	~53%
Operating Expenses	~\$1.8 Billion
Effective Tax Rate	~13% of pre-tax income
Diluted Share Count ²	~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 April 30, 2024, 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. Refer to Diluted Share Count overview in the Appendices

Q1 2024 SUMMARY¹

Revenue
\$5.5B
Up 2% y/y

Data Center Segment
Revenue \$2.3B
Up 80% y/y

Gross Margin 47%
Non-GAAP
Gross Margin 52%

EPS \$0.07
Non-GAAP EPS \$0.62

RECORD DATA CENTER SEGMENT REVENUE
DRIVEN BY STRONG AMD INSTINCT GPU RAMP

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



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)	Q1'24	Q1'23	Q4'23
GAAP gross profit	\$2,560	\$ 2,359	\$ 2,911
GAAP gross margin	47%	44%	47%
Stock-based compensation	6	8	6
Amortization of acquisition-related intangibles	230	305	215
Acquisition-related and other costs ⁽¹⁾	-	3	1
Inventory loss at contract manufacturer ⁽²⁾	65	-	-
Non-GAAP gross profit	\$2,861	\$ 2,675	\$ 3,133
Non-GAAP gross margin	52%	50%	51%

RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSES

(\$ in millions, except %) (Unaudited)	Q1'24	Q1'23	Q4'23
GAAP operating expenses	\$2,537	\$ 2,514	\$ 2,575
GAAP operating expenses/revenue %	46%	47%	42%
Stock-based compensation	365	297	368
Amortization of acquisition-related intangibles	392	518	420
Acquisition-related and other costs ⁽¹⁾	39	112	60
Non-GAAP operating expenses	\$1,741	\$ 1,587	\$ 1,727
Non-GAAP operating expenses/revenue %	32%	30%	28%

(1) Acquisition-related and other costs primarily comprised of transaction costs, purchase price adjustments for inventory, certain compensation charges, contract termination and workforce rebalancing charges.

(2) Inventory loss at contract manufacturer is related to an incident at a third-party contract manufacturing facility.

APPENDICES

RECONCILIATION OF GAAP OPERATING INCOME (LOSS) TO NON-GAAP OPERATING INCOME

(\$ in millions, except %) (Unaudited)	Q1'24	Q1'23	Q4'23
GAAP operating income (loss)	\$ 36	\$ (145)	\$ 342
GAAP operating margin	1%	(3%)	6%
Stock-based compensation	371	305	374
Amortization of acquisition-related intangibles	622	823	635
Acquisition-related and other costs ⁽¹⁾	39	115	61
Inventory loss at contract manufacturer ⁽²⁾	65	-	-
Non-GAAP operating income	\$ 1,133	\$ 1,098	\$ 1,412
Non-GAAP operating margin	21%	21%	23%

(1) Acquisition-related and other costs primarily comprised of transaction costs, purchase price adjustments for inventory, certain compensation charges, contract termination and workforce rebalancing charges.

(2) Inventory loss at contract manufacturer is related to an incident at a third-party contract manufacturing facility.

APPENDICES

RECONCILIATION OF GAAP TO NON-GAAP NET INCOME (LOSS) / EARNINGS (LOSS) PER SHARE

(Millions, except per share data) (Unaudited)	Q1'24		Q1'23		Q4'23	
GAAP net income (loss) / earnings (loss) per share	\$ 123	\$ 0.07	\$ (139)	\$ (0.09)	\$ 667	\$ 0.41
(Gains) losses on equity investments, net	3	–	(1)	–	1	–
Stock-based compensation	371	0.23	305	0.19	374	0.23
Equity income in investee	(7)	–	(1)	–	(6)	–
Amortization of acquisition-related intangibles	622	0.38	823	0.51	635	0.39
Acquisition-related and other costs ⁽¹⁾	39	0.02	115	0.07	61	0.04
Inventory loss at contract manufacturer ⁽²⁾	65	0.04	–	–	–	–
Income tax provision	(203)	(0.12)	(132)	(0.08)	(483)	(0.30)
Non-GAAP net income / earnings per share	\$1,013	\$ 0.62	\$970	\$ 0.60	\$1,249	\$ 0.77
Shares used in earnings per share calculation						
Shares used in per share calculation (GAAP)	1,639		1,611		1,628	
Shares used in per share calculation (Non-GAAP)	1,639		1,618		1,628	

(1) Acquisition-related and other costs primarily comprised of transaction costs, purchase price adjustments for inventory, certain compensation charges, contract termination and workforce rebalancing charges.

(2) Inventory loss at contract manufacturer is related to an incident at a third-party contract manufacturing facility.

APPENDICES

SHARE COUNT OVERVIEW

Shares (millions) ⁽¹⁾	Q1'24	Q2'24
	Actual	Estimate
Basic shares	1,617	1,619
Dilutive impact from employee equity grants ⁽²⁾	22	22
Diluted shares	1,639	1,641

The table above provides actual share count for Q1'24 and an estimate of share count to use when calculating GAAP and non-GAAP diluted earnings per share for Q2'24.

(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 Q1'24 average stock price was \$174.81. The Q1'24 average stock price of \$174.81 was assumed for Q2'24 average stock price estimates.



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