

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

January 30, 2024

Date of Report (Date of earliest event reported)



**ADVANCED MICRO DEVICES, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State of  
Incorporation)

001-07882  
(Commission  
File Number)

94-1692300  
(IRS Employer  
Identification Number)

2485 Augustine Drive  
Santa Clara, California 95054  
(Address of principal executive offices) (Zip Code)  
(408) 749-4000  
(Registrant's telephone number, including area code)

N/A  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	AMD	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 2.02 Results of Operations and Financial Condition.**

### **Item 7.01 Regulation FD Disclosure.**

On January 30, 2024, Advanced Micro Devices, Inc. (the "Company") announced its financial position and results of operations as of and for its fiscal quarter and fiscal year ended December 30, 2023 in a press release that is attached hereto as Exhibit 99.1. Attached hereto as Exhibit 99.2 is a presentation regarding the Company's fiscal quarter and fiscal year ended December 30, 2023.

The Company will hold a conference call on January 30, 2024 at 2:00 p.m. PT (5:00 p.m. ET) to discuss its fiscal quarter and fiscal year ended December 30, 2023 financial results and forward-looking financial guidance.

To supplement the Company's financial results presented on a U.S. Generally Accepted Accounting Principles ("GAAP") basis, the Company's earnings press release and presentation contains non-GAAP financial measures, including non-GAAP gross profit, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income, non-GAAP earnings per share, Adjusted EBITDA and free cash flow. The Company 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 2023, AMD used a non-GAAP tax rate of 13%, which excludes the tax impact of pre-tax non-GAAP adjustments. The Company believes this non-GAAP presentation makes it easier for investors to compare its operating results for current and historical periods and also because the Company believes it assists investors in comparing the Company'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 Company's non-GAAP financial measures should be viewed in addition to and not as a substitute for or superior to the Company'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 at the end of the earnings press release and presentation.

The information in this report furnished pursuant to Items 2.02 and 7.01, including Exhibits 99.1 and 99.2 attached hereto, shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. It may only be incorporated by reference in another filing under the Exchange Act or the Securities Act of 1933, as amended, if such subsequent filing specifically references the information furnished pursuant to Items 2.02 and 7.01 of this report.

## **Item 9.01 Financial Statements and Exhibits.**

### ***(d) Exhibits.***

#### EXHIBIT INDEX

Exhibit No.	Description
99.1	<a href="#">Press release dated January 30, 2024</a>
99.2	<a href="#">Fourth Quarter and FY 2023 Financial Results Presentation</a>
104	Inline XBRL for the cover page of this Current Report on Form 8-K

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**SIGNATURE**

Pursuant to the requirements of the Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 30, 2024

**ADVANCED MICRO DEVICES, INC.**

**By:**

*/s/ Jean Hu*

**Name:**

\_\_\_\_\_  
**Jean Hu**

**Title:**

**Executive Vice President, Chief Financial  
Officer & Treasurer**



## NEWS RELEASE

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### AMD Reports Fourth Quarter and Full Year 2023 Financial Results

**SANTA CLARA, Calif. — Jan. 30, 2024 —** AMD (NASDAQ:AMD) today announced revenue for the fourth quarter of 2023 of \$6.2 billion, gross margin of 47%, operating income of \$342 million, net income of \$667 million and diluted earnings per share of \$0.41. On a non-GAAP<sup>(\*)</sup> basis, gross margin was 51%, operating income was \$1.4 billion, net income was \$1.2 billion and diluted earnings per share was \$0.77.

For the full year 2023, the company reported revenue of \$22.7 billion, gross margin of 46%, operating income of \$401 million, net income of \$854 million and diluted earnings per share of \$0.53. On a non-GAAP<sup>(\*)</sup> basis, gross margin was 50%, operating income was \$4.9 billion, net income was \$4.3 billion and diluted earnings per share was \$2.65.

“We finished 2023 strong, with sequential and year-over-year revenue and earnings growth driven by record quarterly AMD Instinct GPU and EPYC CPU sales and higher AMD Ryzen processor sales,” said AMD Chair and CEO Dr. Lisa Su. “Demand for our high-performance data center product portfolio continues to accelerate, positioning us well to deliver strong annual growth in what is an incredibly exciting time as AI re-shapes virtually every part of the computing market.”

“AMD executed well in 2023 despite a mixed demand environment,” said AMD EVP, CFO and Treasurer Jean Hu. “We drove year-over-year revenue growth in our Data Center and Embedded segments and successfully launched our AMD Instinct MI300 GPUs positioning us for a strong product ramp in 2024.”

### GAAP Quarterly Financial Results

	Q4 2023	Q4 2022	Y/Y	Q3 2023	Q/Q
Revenue (\$M)	\$6,168	\$5,599	Up 10%	\$5,800	Up 6%
Gross profit (\$M)	\$2,911	\$2,403	Up 21%	\$2,747	Up 6%
Gross margin	47%	43%	Up 4 ppts	47%	Flat
Operating expenses (\$M)	\$2,575	\$2,557	Flat	\$2,533	Up 2%
Operating income (loss) (\$M)	\$342	\$(149)	Up 330%	\$224	Up 53%
Operating margin	6%	(3%)	Up 9 ppts	4%	Up 2 ppts
Net income (\$M)	\$667	\$21	Up 3,076%	\$299	Up 123%
Diluted earnings per share	\$0.41	\$0.01	Up 4,000%	\$0.18	Up 128%

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

	Q4 2023	Q4 2022	Y/Y	Q3 2023	Q/Q
Revenue (\$M)	\$6,168	\$5,599	Up 10%	\$5,800	Up 6%
Gross profit (\$M)	\$3,133	\$2,859	Up 10%	\$2,963	Up 6%
Gross margin	51%	51%	Flat	51%	Flat
Operating expenses (\$M)	\$1,727	\$1,602	Up 8%	\$1,697	Up 2%
Operating income (\$M)	\$1,412	\$1,262	Up 12%	\$1,276	Up 11%
Operating margin	23%	23%	Flat	22%	Up 1 ppt
Net income (\$M)	\$1,249	\$1,113	Up 12%	\$1,135	Up 10%
Diluted earnings per share	\$0.77	\$0.69	Up 12%	\$0.70	Up 10%

### Annual Financial Results

	GAAP			Non-GAAP(*)		
	2023	2022	Y/Y	2023	2022	Y/Y
Revenue (\$M)	\$22,680	\$23,601	Down 4%	\$22,680	\$23,601	Down 4%
Gross profit (\$M)	\$10,460	\$10,603	Down 1%	\$11,436	\$12,273	Down 7%
Gross margin %	46%	45%	Up 1 ppt	50%	52%	Down 2 ppts
Operating expenses (\$M)	\$10,093	\$9,441	Up 7%	\$6,616	\$6,030	Up 10%
Operating income (\$M)	\$401	\$1,264	Down 68%	\$4,854	\$6,345	Down 23%
Operating margin %	2%	5%	Down 3 ppts	21%	27%	Down 6 ppts
Net income (\$M)	\$854	\$1,320	Down 35%	\$4,302	\$5,504	Down 22%
Diluted earnings per share	\$0.53	\$0.84	Down 37%	\$2.65	\$3.50	Down 24%

### Segment Summary

- Data Center segment revenue in the quarter was \$2.3 billion, up 38% year-over-year and 43% sequentially driven by strong growth in AMD Instinct™ GPUs and 4<sup>th</sup> Gen AMD EPYC™ CPUs.
  - For 2023, Data Center segment revenue was \$6.5 billion, an increase of 7% compared to the prior year, driven by strong growth in AMD Instinct GPUs and 4<sup>th</sup> Gen AMD EPYC CPUs.
- Client segment revenue was \$1.5 billion, up 62% year-over-year driven primarily by an increase in AMD Ryzen™ 7000 Series CPU sales.
  - For 2023, Client segment revenue was \$4.7 billion, down 25% compared to the prior year, due to a decline in the PC market.

- Gaming segment revenue was \$1.4 billion, down 17% year-over-year and 9% sequentially, due to a decrease in semi-custom revenue, partially offset by an increase in AMD Radeon™ GPU sales.
  - For 2023, Gaming segment revenue was \$6.2 billion, down 9% compared to the prior year primarily due to lower semi-custom sales.
- Embedded segment revenue was \$1.1 billion, down 24% year-over-year and 15% sequentially primarily due to customers reducing their inventory levels.
  - For 2023, Embedded segment revenue was \$5.3 billion, up 17% compared to the prior year, primarily due to the inclusion of a full year of revenue related to the acquisition of Xilinx completed in February 2022.

### Recent PR Highlights

- AMD showcased growing momentum for advanced AMD technology-powered AI solutions from the data center to PCs:
  - AMD announced the general availability of AMD Instinct MI300X accelerators – with industry leading memory bandwidth performance for generative AI – as well as the AMD Instinct MI300A APU that combines AMD CDNA™ 3 and “Zen 4” chiplets to deliver breakthrough performance for HPC and AI workloads.
  - At the “Advancing AI” event, Microsoft, Meta, Oracle, Dell Technologies, HPE, Lenovo, Supermicro, Arista, Broadcom and Cisco showcased how they are leveraging AMD Instinct MI300X accelerators to power cloud and enterprise AI infrastructure.
  - AMD made significant progress expanding its AI software ecosystem, including unveiling the latest version of its open-source ROCm™ 6, software stack optimized for generative AI. AI ecosystem leaders including Databricks, Essential AI, Lamini and OpenAI are leveraging AMD Instinct accelerators to deliver differentiated AI solutions. AMD also extended support for ROCm software to include the AMD Radeon RX 7900 XT GPU, providing even more options for AI developers and researchers to use AMD hardware for their AI work.
  - AMD announced AMD Ryzen 8040 Series mobile processors with an integrated neural processing unit (NPU) on select models for AI. In 2022, AMD was the first company to introduce an x86 processor with an on-chip NPU to accelerate AI workloads with the AMD Ryzen 7040 series mobile processors. The updated NPU in the AMD Ryzen 8040 series delivers up to 1.6x more AI processing performance compared to AMD Ryzen 7040 Series mobile processors. Acer, ASUS, Lenovo, Razer and other PC OEMs introduced new laptops featuring AMD Ryzen 8040 Series processors, with the first systems on-track to go on sale this quarter.

- At CES 2024, AMD announced the AMD Ryzen 8000G Series desktop processors that are the first desktop PC processors in the industry to include a dedicated AI NPU to power AI capabilities on the PC.
- At Microsoft Ignite, AMD and Microsoft highlighted how AMD Instinct MI300X accelerators, AMD EPYC CPUs and AMD Ryzen CPUs with AI engines are enabling new services and compute capabilities across cloud and generative AI, confidential computing, cloud computing and AI-capable PCs.
- AMD showcased continued leadership in supercomputing:
  - Eni announced a new supercomputer, HPC6, powered by AMD EPYC CPUs and AMD Instinct GPUs. When completed, the HPC6 system will be one of the world's most powerful supercomputers dedicated to industrial applications.
  - AMD EPYC processors and AMD Instinct accelerators now power 140 supercomputers on the latest Top500 list of the world's fastest computers and eight of the top 10 most energy efficient supercomputers in the world based on the latest Green500 list. The Frontier supercomputer powered by AMD EPYC and AMD Instinct processors remains the fastest supercomputer in the world.
- AMD extended its 3<sup>rd</sup> Gen AMD EPYC processor lineup with six new CPUs that deliver excellent value, performance, energy efficiency and security features for mainstream applications.
- AMD introduced the AMD Radeon RX 7600 XT GPU, a high-performance graphics card designed to deliver immersive 1080P gaming experiences.
- AMD introduced the AMD Versal™ AI Edge XA Series and AMD Ryzen Embedded V2000A devices designed for automotive focus segments including infotainment, advanced driver safety and autonomous driving.
- AMD announced the AMD Ryzen Embedded 7000 Series processors, delivering leadership performance and advanced features for industrial and edge solutions. The launch was supported by a growing partner ecosystem, including integrated solutions from Advantech, ASRock and DFI.

### **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 2024, AMD expects revenue to be approximately \$5.4 billion, plus or minus \$300 million. Sequentially, AMD expects Data Center segment revenue to be flat, with a seasonal decline in server sales offset by a strong Data Center GPU ramp. Client, Embedded and Gaming

segment sales are expected to decline sequentially, with semi-custom revenue expected to decline by a significant double-digit percentage. Non-GAAP gross margin is expected to be approximately 52%.

**AMD Teleconference**

AMD will hold a conference call for the financial community at 2:00 p.m. PT (5:00 p.m. ET) today to discuss its fourth quarter and full-year 2023 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 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
<b>GAAP gross profit</b>	<b>\$ 2,911</b>	<b>\$ 2,747</b>	<b>\$ 2,403</b>	<b>\$ 10,460</b>	<b>\$ 10,603</b>
GAAP gross margin	47 %	47 %	43 %	46 %	45 %
Stock-based compensation	6	6	9	30	29
Amortization of acquisition-related intangibles	215	210	443	942	1,448
Acquisition-related and other costs <sup>(1)</sup>	1	—	4	4	193
<b>Non-GAAP gross profit</b>	<b>\$ 3,133</b>	<b>\$ 2,963</b>	<b>\$ 2,859</b>	<b>\$ 11,436</b>	<b>\$ 12,273</b>
Non-GAAP gross margin	51 %	51 %	51 %	50 %	52 %
<b>GAAP operating expenses</b>	<b>\$ 2,575</b>	<b>\$ 2,533</b>	<b>\$ 2,557</b>	<b>\$ 10,093</b>	<b>\$ 9,441</b>
GAAP operating expenses/revenue %	42 %	44 %	46 %	45 %	40 %
Stock-based compensation	368	347	301	1,350	983
Amortization of acquisition-related intangibles	420	450	601	1,869	2,100
Acquisition-related and other costs <sup>(1)</sup>	60	39	53	258	328
<b>Non-GAAP operating expenses</b>	<b>\$ 1,727</b>	<b>\$ 1,697</b>	<b>\$ 1,602</b>	<b>\$ 6,616</b>	<b>\$ 6,030</b>
Non-GAAP operating expenses/revenue %	28 %	29 %	29 %	29 %	26 %
<b>GAAP operating income (loss)</b>	<b>\$ 342</b>	<b>\$ 224</b>	<b>\$ (149)</b>	<b>\$ 401</b>	<b>\$ 1,264</b>
GAAP operating margin	6 %	4 %	(3)%	2 %	5 %
Stock-based compensation	374	353	310	1,380	1,012
Amortization of acquisition-related intangibles	635	660	1,044	2,811	3,548
Acquisition-related and other costs <sup>(1)</sup>	61	39	57	262	521
<b>Non-GAAP operating income</b>	<b>\$ 1,412</b>	<b>\$ 1,276</b>	<b>\$ 1,262</b>	<b>\$ 4,854</b>	<b>\$ 6,345</b>
Non-GAAP operating margin	23 %	22 %	23 %	21 %	27 %

	Three Months Ended				Year Ended					
	December 30, 2023		September 30, 2023		December 31, 2022		December 30, 2023		December 31, 2022	
<b>GAAP net income / earnings per share</b>	<b>\$ 667</b>	<b>\$ 0.41</b>	<b>\$ 299</b>	<b>\$ 0.18</b>	<b>\$ 21</b>	<b>\$ 0.01</b>	<b>\$ 854</b>	<b>\$ 0.53</b>	<b>\$ 1,320</b>	<b>\$ 0.84</b>
(Gains) losses on equity investments, net	1	—	(4)	—	5	—	(1)	—	62	0.04
Stock-based compensation	374	0.23	353	0.22	310	0.19	1,380	0.85	1,012	0.64
Equity income in investee	(6)	—	(3)	—	(3)	—	(16)	(0.01)	(14)	(0.01)
Amortization of acquisition-related intangibles	635	0.39	660	0.41	1,044	0.65	2,811	1.73	3,548	2.26
Acquisition-related and other costs <sup>(1)</sup>	61	0.04	39	0.02	57	0.04	262	0.16	521	0.33
Income tax provision	(483)	(0.30)	(209)	(0.13)	(321)	(0.20)	(988)	(0.61)	(945)	(0.60)
<b>Non-GAAP net income / earnings per share</b>	<b>\$ 1,249</b>	<b>\$ 0.77</b>	<b>\$ 1,135</b>	<b>\$ 0.70</b>	<b>\$ 1,113</b>	<b>\$ 0.69</b>	<b>\$ 4,302</b>	<b>\$ 2.65</b>	<b>\$ 5,504</b>	<b>\$ 3.50</b>

(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.

## 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](#), [Facebook](#) and [X](#) pages.

## Cautionary Statement

This press release contains forward-looking statements concerning Advanced Micro Devices, Inc. (AMD) such as AMD's expectations regarding the demand for its high-performance data center product portfolio and AMD's ability to deliver strong annual growth in 2024; expected future AI technology trends and developments; expected AMD Instinct™ MI 300 GPU demand and product ramp in 2024; the features, functionality, performance, availability, timing and expected benefits of AMD products; and AMD's expected first quarter 2024 financial outlook, including revenue and non-GAAP gross margin and expected drivers based on current expectations, 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; economic uncertainty; cyclical nature of the semiconductor industry; market conditions of the industries in which AMD products are sold; loss of a significant customer; impact of the COVID-19 pandemic on AMD's business, financial condition and results of operations; 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 cyber-attacks; 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; 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; 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.

(\*) 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 operating expenses, non-GAAP operating income, non-GAAP net income, 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 2023, 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 and free cash flow 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 January 30, 2024, 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.

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*AMD, the AMD Arrow logo, EPYC, Radeon, Ryzen, Instinct, Versal, Alveo, Kria, FidelityFX, 3D V-Cache, Ultrascale+, Zynq, Threadripper and combinations thereof, are trademarks of Advanced Micro Devices, Inc.*

ADVANCED MICRO DEVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended			Year Ended	
	December 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
Net revenue	\$ 6,168	\$ 5,800	\$ 5,599	\$ 22,680	\$ 23,601
Cost of sales	3,042	2,843	2,753	11,278	11,550
Amortization of acquisition-related intangibles	215	210	443	942	1,448
Total cost of sales	3,257	3,053	3,196	12,220	12,998
Gross profit	2,911	2,747	2,403	10,460	10,603
Gross margin	47 %	47 %	43 %	46 %	45 %
Research and development	1,511	1,507	1,366	5,872	5,005
Marketing, general and administrative	644	576	590	2,352	2,336
Amortization of acquisition-related intangibles	420	450	601	1,869	2,100
Licensing gain	(6)	(10)	(5)	(34)	(102)
Operating income (loss)	342	224	(149)	401	1,264
Interest expense	(27)	(26)	(19)	(106)	(88)
Other income (expense), net	49	59	32	197	8
Income (loss) before income taxes and equity income	364	257	(136)	492	1,184
Income tax benefit	(297)	(39)	(154)	(346)	(122)
Equity income in investee	6	3	3	16	14
Net income	\$ 667	\$ 299	\$ 21	\$ 854	\$ 1,320
Earnings per share					
Basic	\$ 0.41	\$ 0.18	\$ 0.01	\$ 0.53	\$ 0.85
Diluted	\$ 0.41	\$ 0.18	\$ 0.01	\$ 0.53	\$ 0.84
Shares used in per share calculation					
Basic	1,616	1,616	1,613	1,614	1,561
Diluted	1,628	1,629	1,618	1,625	1,571

**ADVANCED MICRO DEVICES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Millions)

	December 30, 2023 (Unaudited)	December 31, 2022
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,933	\$ 4,835
Short-term investments	1,840	1,020
Accounts receivable, net	5,376	4,126
Inventories	4,351	3,771
Receivables from related parties	9	2
Prepaid expenses and other current assets	1,259	1,265
<b>Total current assets</b>	<b>16,768</b>	<b>15,019</b>
Property and equipment, net	1,589	1,513
Operating lease right-of-use assets	633	460
Goodwill	24,262	24,177
Acquisition-related intangibles, net	21,363	24,118
Investment: equity method	99	83
Deferred tax assets	366	58
Other non-current assets	2,805	2,152
<b>Total Assets</b>	<b>\$ 67,885</b>	<b>\$ 67,580</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 2,055	\$ 2,493
Payables to related parties	363	463
Accrued liabilities	3,082	3,077
Current portion of long-term debt, net	751	—
Other current liabilities	438	336
<b>Total current liabilities</b>	<b>6,689</b>	<b>6,369</b>
Long-term debt, net of current portion	1,717	2,467
Long-term operating lease liabilities	535	396
Deferred tax liabilities	1,202	1,934
Other long-term liabilities	1,850	1,664
<b>Stockholders' equity:</b>		
Capital stock:		
Common stock, par value	17	16
Additional paid-in capital	59,676	58,005
Treasury stock, at cost	(4,514)	(3,099)
Retained earnings (Accumulated deficit)	723	(131)
Accumulated other comprehensive loss	(10)	(41)
<b>Total stockholders' equity</b>	<b>\$ 55,892</b>	<b>\$ 54,750</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 67,885</b>	<b>\$ 67,580</b>

**ADVANCED MICRO DEVICES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Millions) (Unaudited)

	Three Months Ended		Year Ended	
	December 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
Cash flows from operating activities:				
Net income	\$ 667	\$ 21	\$ 854	\$ 1,320
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	799	1,220	3,453	4,174
Stock-based compensation	374	315	1,384	1,081
Amortization of operating lease right-of-use assets	25	25	98	88
Amortization of inventory fair value adjustment	—	2	3	189
Loss on sale or disposal of property and equipment	1	1	11	16
Deferred income taxes	(219)	(177)	(1,019)	(1,505)
(Gains) losses on equity investments, net	—	5	(1)	62
Other	(24)	(5)	(67)	(14)
Changes in operating assets and liabilities				
Accounts receivable, net	(321)	210	(1,250)	(1,091)
Inventories	94	(404)	(580)	(1,401)
Receivables from related parties	(8)	(12)	(7)	(13)
Prepaid expenses and other assets	(92)	(372)	(472)	(1,197)
Payables to related parties	37	66	(100)	379
Accounts payable	(181)	120	(419)	931
Accrued and other liabilities	(771)	(448)	(221)	546
Net cash provided by operating activities	381	567	1,667	3,565
Cash flows from investing activities:				
Purchases of property and equipment	(139)	(124)	(546)	(450)
Purchases of short-term investments	(410)	(268)	(3,722)	(2,667)
Proceeds from maturity of short-term investments	770	1,446	2,687	4,310
Proceeds from sale of short-term investments	52	—	300	—
Cash received from acquisition of Xilinx	—	—	—	2,366
Acquisitions, net of cash acquired	(117)	14	(131)	(1,544)
Other	(6)	(1)	(11)	(16)
Net cash provided by (used in) investing activities	150	1,067	(1,423)	1,999
Cash flows from financing activities:				
Proceeds from debt, net of issuance costs	—	—	—	991
Repayment of debt	—	—	—	(312)
Proceeds from sales of common stock through employee equity plans	120	88	268	167
Repurchases of common stock	(233)	(250)	(985)	(3,702)
Common stock repurchases for tax withholding on employee equity plans	(45)	(35)	(427)	(406)
Other	(1)	—	(2)	(2)
Net cash used in financing activities	(159)	(197)	(1,146)	(3,264)
Net increase (decrease) in cash and cash equivalents	372	1,437	(902)	2,300
Cash and cash equivalents at beginning of period	3,561	3,398	4,835	2,535
Cash and cash equivalents at end of period	\$ 3,933	\$ 4,835	\$ 3,933	\$ 4,835

**ADVANCED MICRO DEVICES, INC.**  
**SELECTED CORPORATE DATA**  
(Millions) (Unaudited)

	Three Months Ended			Year Ended	
	December 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
<b>Segment and Category Information<sup>(1)</sup></b>					
Data Center					
Net revenue	\$ 2,282	\$ 1,598	\$ 1,655	\$ 6,496	\$ 6,043
Operating income	\$ 666	\$ 306	\$ 444	\$ 1,267	\$ 1,848
Client					
Net revenue	\$ 1,461	\$ 1,453	\$ 903	\$ 4,651	\$ 6,201
Operating income (loss)	\$ 55	\$ 140	\$ (152)	\$ (46)	\$ 1,190
Gaming					
Net revenue	\$ 1,368	\$ 1,506	\$ 1,644	\$ 6,212	\$ 6,805
Operating income	\$ 224	\$ 208	\$ 266	\$ 971	\$ 953
Embedded					
Net revenue	\$ 1,057	\$ 1,243	\$ 1,397	\$ 5,321	\$ 4,552
Operating income	\$ 461	\$ 612	\$ 699	\$ 2,628	\$ 2,252
All Other					
Net revenue	\$ —	\$ —	\$ —	\$ —	\$ —
Operating loss	\$ (1,064)	\$ (1,042)	\$ (1,406)	\$ (4,419)	\$ (4,979)
<b>Total</b>					
<b>Net revenue</b>	<b>\$ 6,168</b>	<b>\$ 5,800</b>	<b>\$ 5,599</b>	<b>\$ 22,680</b>	<b>\$ 23,601</b>
<b>Operating income (loss)</b>	<b>\$ 342</b>	<b>\$ 224</b>	<b>\$ (149)</b>	<b>\$ 401</b>	<b>\$ 1,264</b>
<b>Other Data</b>					
Capital expenditures	\$ 139	\$ 124	\$ 124	\$ 546	\$ 450
Adjusted EBITDA <sup>(2)</sup>	\$ 1,576	\$ 1,439	\$ 1,438	\$ 5,496	\$ 6,971
Cash, cash equivalents and short-term investments	\$ 5,773	\$ 5,785	\$ 5,855	\$ 5,773	\$ 5,855
Free cash flow <sup>(3)</sup>	\$ 242	\$ 297	\$ 443	\$ 1,121	\$ 3,115
Total assets	\$ 67,885	\$ 67,626	\$ 67,580	\$ 67,885	\$ 67,580
Total debt	\$ 2,468	\$ 2,467	\$ 2,467	\$ 2,468	\$ 2,467

- (1) The Data Center segment primarily includes 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), Artificial Intelligence (AI) accelerators and Adaptive System-on-Chip (SoC) products for data centers.

The Client segment primarily includes CPUs, APUs, and chipsets for desktop, notebook and handheld personal computers.

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, and licensing gain.

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

	Three Months Ended			Year Ended	
	December 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
GAAP net income	\$ 667	\$ 299	\$ 21	\$ 854	\$ 1,320
Interest expense	27	26	19	106	88
Other (income) expense, net	(49)	(59)	(32)	(197)	(8)
Income tax benefit	(297)	(39)	(154)	(346)	(122)
Equity income in investee	(6)	(3)	(3)	(16)	(14)
Stock-based compensation	374	353	310	1,380	1,012
Depreciation and amortization	164	163	176	642	626
Amortization of acquisition-related intangibles	635	660	1,044	2,811	3,548
Acquisition-related and other costs	61	39	57	262	521
Adjusted EBITDA	\$ 1,576	\$ 1,439	\$ 1,438	\$ 5,496	\$ 6,971

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 benefit, equity income in investee, stock-based compensation, depreciation and amortization expense (including amortization of acquisition-related intangibles), acquisition-related and other costs. 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**

	Three Months Ended			Year Ended	
	December 30, 2023	September 30, 2023	December 31, 2022	December 30, 2023	December 31, 2022
GAAP net cash provided by operating activities	\$ 381	\$ 421	\$ 567	\$ 1,667	\$ 3,565
Operating cash flow margin %	6 %	7 %	10 %	7 %	15 %
Purchases of property and equipment	(139)	(124)	(124)	(546)	(450)
Free cash flow	\$ 242	\$ 297	\$ 443	\$ 1,121	\$ 3,115
Free cash flow margin %	4 %	5 %	8 %	5 %	13 %

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.



AMD  
FINANCIAL  
RESULTS

# Fourth Quarter and Full Year 2023

January 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 being uniquely positioned in AI; AMD's expected first quarter 2024 financial outlook, including revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP tax rate and diluted share count; expected AMD Instinct™ GPU demand and 2024 product ramp in the AI market; 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 uncertainty; cyclical nature of the semiconductor industry; market conditions of the industries in which AMD products are sold; loss of a significant customer; impact of the COVID-19 pandemic on AMD's business, financial condition and results of operations; 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 cyber-attacks; 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; 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; 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 MEASURES

In this presentation, in addition to GAAP financial results, AMD has provided non-GAAP financial measures including non-GAAP gross profit, 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 year 2023, AMD used a 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 January 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

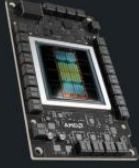
Top-to-bottom desktop and notebook GPUs, game console and semi-custom SoCs



## 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

Embedded  
Versal™ AI Edge  
Zynq™ MPSoC

Adaptive SoC + AI  
for Embedded

## ADVANCING END-TO-END AI INFRASTRUCTURE

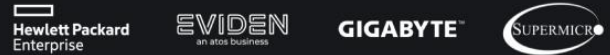
# LEADERSHIP DATA CENTER ACCELERATORS

AMD Instinct™  
**MI300X** In Volume Production

Broad AI Solutions Ecosystem



AMD Instinct™  
**MI300A** In Volume Production



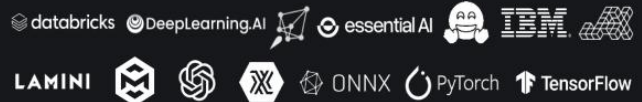
Powering LLNL  
**El Capitan**



**AMD**  
**ROCm**

**ROCm™ 6**  
 Open Software  
 Ecosystem for AI and  
 HPC

AI Software Ecosystem and Innovators



# REVENUE FY 2023

- Revenue of \$22.7 billion decreased 4% y/y
- Growth in Embedded and Data Center segment revenue was more than offset by lower Client and Gaming segment revenue





## REVENUE Q4 2023

- Revenue of \$6.2 billion increased 10% y/y
- Growth in Data Center and Client segment revenue was partially offset by lower Embedded and Gaming segment revenue



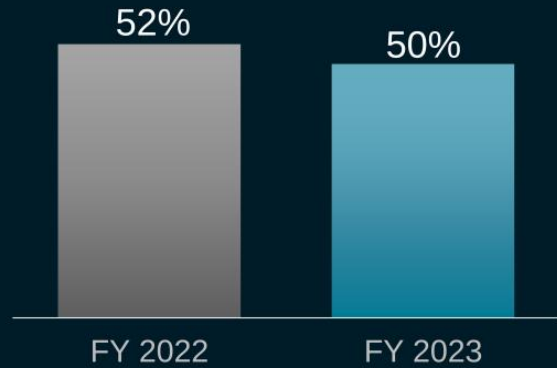
# GROSS MARGIN FY 2023

## GAAP



- GAAP gross margin increase primarily driven by higher Embedded segment revenue, lower amortization of acquisition-related intangible assets, partially offset by lower Client segment revenue and product mix

## Non-GAAP<sup>1</sup>

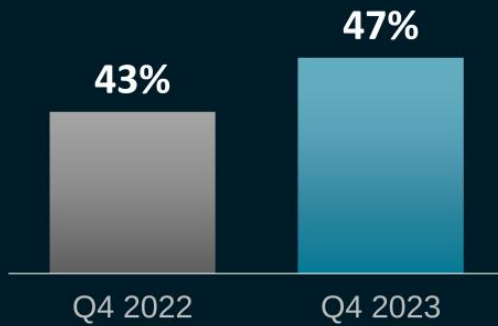


- Non-GAAP gross margin decrease primarily due to lower Client segment revenue and product mix, partially offset by higher Embedded segment revenue

1. See Appendices for GAAP to Non-GAAP reconciliation

# GROSS MARGIN Q4 2023

## GAAP



- GAAP gross margin increase driven by higher revenue contribution from Data Center and Client segment revenue, lower amortization of acquisition-related intangible assets, partially offset by lower Embedded segment revenue

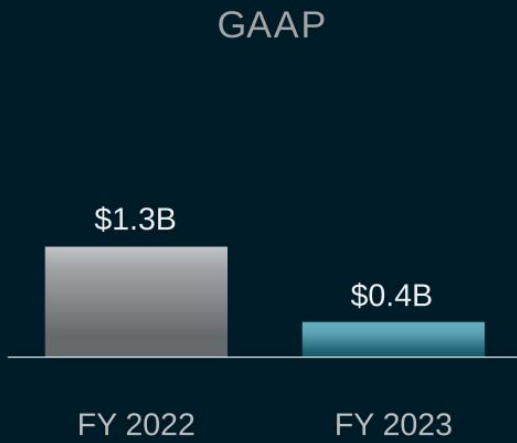
## Non-GAAP<sup>1</sup>



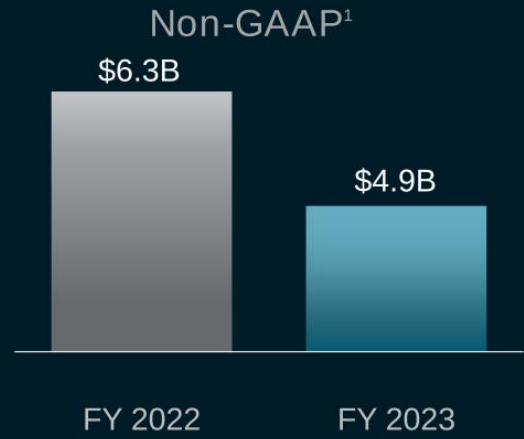
- Non-GAAP gross margin flat with higher revenue contribution from Data Center and Client segments offset by lower Embedded segment revenue

1. See Appendices for GAAP to Non-GAAP reconciliation

# OPERATING INCOME FY 2023



- GAAP operating income decreased y/y primarily due to lower Client segment performance, increased R&D investments, partially offset by lower amortization of acquisition-related intangible assets

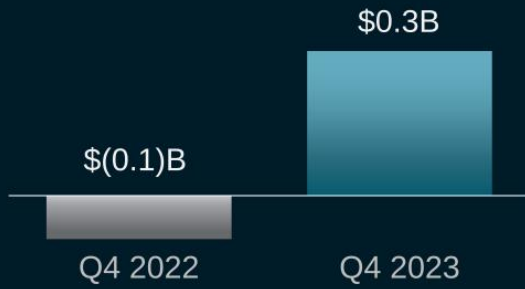


- Non-GAAP operating income decreased primarily due to lower Client segment performance and increased R&D investments

1. See Appendices for GAAP to Non-GAAP reconciliation

# OPERATING INCOME (LOSS) Q4 2023

## GAAP



- GAAP operating income driven by higher Data Center and Client segment revenue and lower amortization of acquisition-related intangible assets, partially offset by increased R&D and marketing investments

## Non-GAAP<sup>1</sup>

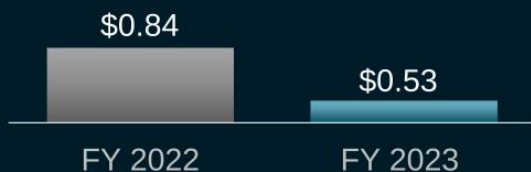


- Non-GAAP operating income up y/y with higher Data Center and Client segment revenue, partially offset by increased R&D and marketing investments

1. See Appendices for GAAP to Non-GAAP reconciliation

# EARNINGS PER SHARE<sup>1</sup> FY 2023

## GAAP



- GAAP net income of \$854 million, down 35% y/y
- GAAP EPS of \$0.53, down 37% y/y, primarily due to lower Client segment performance, increased R&D investments, partially offset by lower amortization of acquisition-related intangible assets

## Non-GAAP

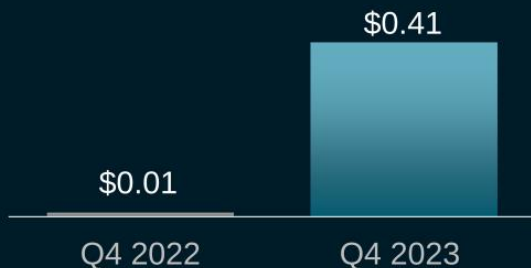


- Non-GAAP net income of \$4.3 billion, down 22% y/y
- Non-GAAP EPS of \$2.65, down 24% y/y, primarily due to lower Client segment performance and increased R&D investments

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation

# EARNINGS PER SHARE<sup>1</sup> Q4 2023

## GAAP



- GAAP net income of \$667 million
- GAAP EPS of \$0.41 driven by higher Data Center and Client segment revenue and lower amortization of acquisition-related intangible assets, partially offset by increased R&D and marketing investments

## Non-GAAP



- Non-GAAP net income of \$1.2 billion, up 12% y/y
- Non-GAAP EPS of \$0.77, up 12% y/y, primarily driven by higher Data Center and Client segment revenue, partially offset by increased R&D and marketing investments

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation

# FY 2023 SUMMARY P&L | GAAP

(\$ in millions, except per share data)	2023	2022	Y/Y
Revenue	\$22,680	\$23,601	Down 4%
Gross Profit	\$10,460	\$10,603	Down 1%
Gross Margin	46%	45%	Up 1 ppt
Operating Expenses	\$10,093	\$9,441	Up 7%
Operating Expense/Revenue %	45%	40%	Up 5 ppts
Operating Income	\$401	\$1,264	Down 68%
Operating Margin	2%	5%	Down 3 ppts
Net Income	\$854	\$1,320	Down 35%
Earnings Per Share <sup>1</sup>	\$0.53	\$0.84	Down 37%

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation



# FY 2023 SUMMARY P&L | NON-GAAP<sup>1</sup>

(\$ in millions, except per share data)	2023	2022	Y/Y
Revenue	\$22,680	\$23,601	Down 4%
Gross Profit	\$11,436	\$12,273	Down 7%
Gross Margin	50%	52%	Down 2 pts
Operating Expenses	\$6,616	\$6,030	Up 10%
Operating Expense/Revenue %	29%	26%	Up 3 pts
Operating Income	\$4,854	\$6,345	Down 23%
Operating Margin	21%	27%	Down 6 pts
Net Income	\$4,302	\$5,504	Down 22%
Earnings Per Share <sup>1</sup>	\$2.65	\$3.50	Down 24%

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation

## Q4 2023 SUMMARY P&L | GAAP

(\$ in millions, except per share data)	Q4'23	Q4'22	Y/Y	Q3'23	Q/Q
Revenue	\$6,168	\$5,599	Up 10%	\$5,800	Up 6%
Gross Profit	\$2,911	\$2,403	Up 21%	\$2,747	Up 6%
Gross Margin	47%	43%	Up 4 pts	47%	Flat
Operating Expenses	\$2,575	\$2,557	Flat	\$2,533	Up 2%
Operating Expense/Revenue %	42%	46%	Down 4 pts	44%	Down 2 pts
Operating Income (Loss)	\$342	\$(149)	Up 330%	\$224	Up 53%
Operating Margin	6%	(3)%	Up 9 pts	4%	Up 2 pts
Net Income	\$667	\$21	Up 3,076%	\$299	Up 123%
Earnings Per Share <sup>1</sup>	\$0.41	\$0.01	Up 4,000%	\$0.18	Up 128%

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation

# Q4 2023 SUMMARY P&L | NON-GAAP<sup>1</sup>

(\$ in millions, except per share data)	Q4'23	Q4'22	Y/Y	Q3'23	Q/Q
Revenue	\$6,168	\$5,599	Up 10%	\$5,800	Up 6%
Gross Profit	\$3,133	\$2,859	Up 10%	\$2,963	Up 6%
Gross Margin	51%	51%	Flat	51%	Flat
Operating Expenses	\$1,727	\$1,602	Up 8%	\$1,697	Up 2%
Operating Expense/Revenue %	28%	29%	Down 1 ppt	29%	Down 1 ppt
Operating Income	\$1,412	\$1,262	Up 12%	\$1,276	Up 11%
Operating Margin	23%	23%	Flat	22%	Up 1 ppt
Net Income	\$1,249	\$1,113	Up 12%	\$1,135	Up 10%
Earnings Per Share <sup>1</sup>	\$0.77	\$0.69	Up 12%	\$0.70	Up 10%

1. Earnings Per Share (EPS) = Diluted earnings per share; see Appendices for GAAP to Non-GAAP reconciliation

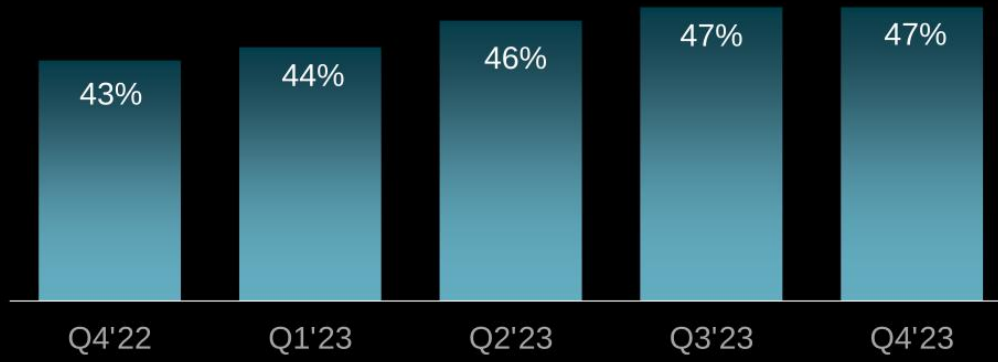
# REVENUE

(\$ in Billions)



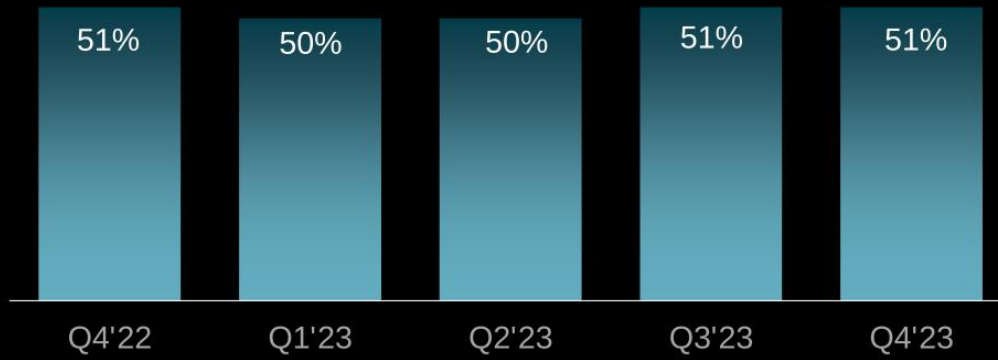
# GROSS MARGIN

(GAAP)



# GROSS MARGIN

(Non-GAAP)<sup>1</sup>



# EARNINGS (LOSS) PER SHARE<sup>1</sup>

(GAAP)



1. Earnings Per Share (EPS) = Diluted earnings per share except for Q1'23 for which basic shares were used

# EARNINGS PER SHARE

(Non-GAAP)<sup>1</sup>



1. See Appendices for GAAP to Non-GAAP reconciliation; Earnings Per Share (EPS) = Diluted earnings per share



## Q4 2023 SUMMARY BALANCE SHEET ITEMS

(\$ in millions)	Q4'23	Q3'23	Q/Q
Cash, Cash Equivalents and Short-term Investments	\$5,773	\$5,785	Flat
Accounts Receivable, Net	\$5,376	\$5,054	Up 6%
Inventories	\$4,351	\$4,445	Down 2%
Total Debt	\$2,468	\$2,467	Flat

# FY 2023 SEGMENT RESULTS

(\$ in millions)	2023	2022	Y/Y
<b>Data Center</b>			
Net Revenue	\$6,496	\$6,043	Up 7%
Operating Income	\$1,267	\$1,848	Down 31%
<b>Client</b>			
Net Revenue	\$4,651	\$6,201	Down 25%
Operating Income (Loss)	(\$46)	\$1,190	Down 104%
<b>Gaming</b>			
Net Revenue	\$6,212	\$6,805	Down 9%
Operating Income	\$971	\$953	Up 2%
<b>Embedded</b>			
Net Revenue	\$5,321	\$4,552	Up 17%
Operating Income	\$2,628	\$2,252	Up 17%

# Q4 2023 SEGMENT RESULTS

(\$ in millions)	Q4'23	Q4'22	Y/Y	Q3'23	Q/Q
<b>Data Center</b>					
Net Revenue	\$2,282	\$1,655	Up 38%	\$1,598	Up 43%
Operating Income	\$666	\$444	Up 50%	\$306	Up 118%
<b>Client</b>					
Net Revenue	\$1,461	\$903	Up 62%	\$1,453	Flat
Operating Income (Loss)	\$55	(\$152)	Up 136%	\$140	Down 61%
<b>Gaming</b>					
Net Revenue	\$1,368	\$1,644	Down 17%	\$1,506	Down 9%
Operating Income	\$224	\$266	Down 16%	\$208	Up 8%
<b>Embedded</b>					
Net Revenue	\$1,057	\$1,397	Down 24%	\$1,243	Down 15%
Operating Income	\$461	\$699	Down 34%	\$612	Down 25%

# DATA CENTER SEGMENT Q4 2023

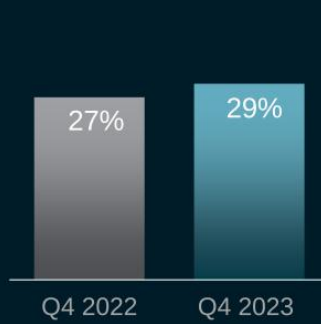
## Revenue



Revenue  
**\$2.3 Billion**  
Up 38% y/y

Strong growth in both AMD Instinct GPUs and 4<sup>th</sup> Gen AMD EPYC CPU sales

## Operating Margin



Operating Income  
**\$666 Million**  
vs. \$444 Million a year ago

Primarily due to operating leverage driven by higher revenue

AMD EPYC INSTINCT XILINX AMD PENSANDO

## Strategic Highlights

- Announced availability of AMD Instinct MI300X GPU with leadership generative AI performance and AMD Instinct MI300A APU for HPC
- Microsoft, Meta, Oracle, and other cloud providers announced MI300X deployments; Dell Technologies, HPE, Lenovo, Supermicro and others announced new AMD Instinct MI300 enterprise and HPC platforms
- Unveiled open-source ROCm™ 6 software stack optimized for generative AI
- Over 800 AMD EPYC CPU-based public cloud instances now available
- AMD processors power 140 supercomputers in Top500 supercomputer list, and 8 of top 10 in Green500 list of most energy-efficient supercomputers

# CLIENT SEGMENT Q4 2023

## Revenue



Revenue  
**\$1.5 Billion**  
Up 62% y/y

Primarily driven by increase in  
AMD Ryzen 7000 Series CPU sales

## Operating Margin



Operating Income  
**\$55 Million**  
vs. \$152 Million Loss  
a year ago

Primarily driven by higher revenue



## Strategic Highlights

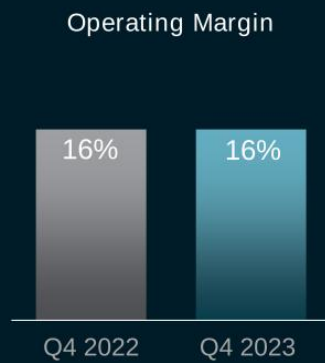
- Announced Ryzen 8040 Series mobile processors with an AI NPU delivering up to 60% more AI performance than Ryzen 7040
- Millions of Ryzen AI-enabled PCs have shipped from all the leading PC OEMs with Ryzen CPUs now powering more than 90% of AI-enabled PCs currently in market
- Launched AMD Ryzen 8000G CPUs, the world's first desktop PC processors with a dedicated AI NPU
- Announced next generation "Strix" processors with second generation XDNA NPU expected to deliver 3x more AI performance than Ryzen 7040 series processors

# GAMING SEGMENT Q4 2023



Revenue  
**\$1.4 Billion**  
Down 17% y/y

Lower semi-custom revenue, partially offset by increased Radeon GPU sales



Operating Income  
**\$224 Million**  
vs. \$266 Million a year ago

Primarily due to lower revenue



## Strategic Highlights

- Introduced Radeon RX 7600 XT GPU, a high-performance graphics card for immersive 1080P gaming experiences
- Launched new open source FidelityFX Super Resolution 3 software that delivers significantly higher gaming frame rates on virtually all modern GPUs and APUs

# EMBEDDED SEGMENT Q4 2023



Revenue  
**\$1.1 Billion**  
Down 24% y/y

Primarily due to customers reducing their inventory levels



Operating Income  
**\$461 Million**  
vs. \$699 Million a year ago

Primarily due to lower revenue

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

## Strategic Highlights

- Launched Versal Prime Adaptive SoCs with industry-first support for DDR5 memory and increased DSP capability compared to prior generation
- Launched new Versal SoC solutions bringing industry-leading AI compute capabilities and advanced safety and security features to next generation vehicles
- Launched Ryzen embedded processors for industrial automation, machine vision, robotics and edge server applications

# FINANCIAL OUTLOOK – NON-GAAP<sup>1</sup>

(\$ in millions)	Q1'24
Revenue	~\$5.4 Billion, +/- \$300 Million
Gross Margin	~52%
Operating Expenses	~\$1.73 Billion
Effective Tax Rate	~13% of pre-tax income
Diluted Share Count <sup>2</sup>	~1.63 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 January 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



# FY 2023 SUMMARY<sup>1</sup>

Revenue  
\$22.7B  
Down 4% y/y

Data Center Segment  
Revenue Up 7% y/y,  
Embedded Up 17% y/y

Gross Margin 46%  
Non-GAAP  
Gross Margin 50%

EPS \$0.53  
Non-GAAP EPS \$2.65

## RECORD 2023 DATA CENTER AND EMBEDDED SEGMENT REVENUE

# Q4 2023 SUMMARY<sup>1</sup>

Revenue  
\$6.2B  
Up 10% y/y

Data Center Segment  
Revenue \$2.3B  
Up 38% y/y

Gross Margin 47%  
Non-GAAP  
Gross Margin 51%

EPS \$0.41  
Non-GAAP EPS \$0.77

LAUNCHED AMD INSTINCT GPU<sub>s</sub>  
POSITIONED FOR STRONG 2024 RAMP IN THE AI MARKET

# AMD COMMITMENT TO ESG



## 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

TOGETHER WE ADVANCE CORPORATE RESPONSIBILITY

# 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

(Millions) (Unaudited)	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	2023	2022
GAAP gross profit	\$ 2,403	\$ 2,359	\$ 2,443	\$ 2,747	\$ 2,911	\$ 10,460	\$ 10,603
GAAP gross margin	43%	44%	46%	47%	47%	46%	45%
Stock-based compensation	9	8	10	6	6	30	29
Amortization of acquisition-related intangibles	443	305	212	210	215	942	1,448
Acquisition-related and other costs <sup>(1)</sup>	4	3	-	-	1	4	193
Non-GAAP gross profit	\$ 2,859	\$ 2,675	\$ 2,665	\$ 2,963	\$ 3,133	\$ 11,436	\$ 12,273
Non-GAAP gross margin	51%	50%	50%	51%	51%	50%	52%

## RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSES

(Millions) (Unaudited)	Q4'23	Q4'22	Q3'23	2023	2022
GAAP operating expenses	\$ 2,575	\$ 2,557	\$ 2,533	\$ 10,093	\$ 9,441
GAAP operating expenses/revenue %	42%	46%	44%	45%	40%
Stock-based compensation	368	301	347	1,350	983
Amortization of acquisition-related intangibles	420	601	450	1,869	2,100
Acquisition-related and other costs <sup>(1)</sup>	60	53	39	258	328
Non-GAAP operating expenses	\$ 1,727	\$ 1,602	\$ 1,697	\$ 6,616	\$ 6,030
Non-GAAP operating expenses/revenue %	28%	29%	29%	29%	26%

(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.

# APPENDICES

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

(Millions) (Unaudited)	Q4'23	Q4'22	Q3'23	2023	2022
GAAP operating income (loss)	\$ 342	\$ (149)	\$ 224	\$ 401	\$ 1,264
GAAP operating margin	6%	(3%)	4%	2%	5%
Stock-based compensation	374	310	353	1,380	1,012
Amortization of acquisition-related intangibles	635	1,044	660	2,811	3,548
Acquisition-related and other costs <sup>(1)</sup>	61	57	39	262	521
Non-GAAP operating income	\$ 1,412	\$ 1,262	\$ 1,276	\$ 4,854	\$ 6,345
Non-GAAP operating margin	23%	23%	22%	21%	27%

(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.

# APPENDICES

## RECONCILIATION OF GAAP TO NON-GAAP NET INCOME (LOSS) / EARNINGS (LOSS) PER SHARE<sup>(2)</sup>

(Millions, except per share data) (Unaudited)	Q4'22		Q1'23		Q2'23		Q3'23		Q4'23		2023		2022	
GAAP net income (loss) / earnings (loss) per share <sup>(2)</sup>	\$ 21	\$ 0.01	\$ (139)	\$ (0.09)	\$ 27	\$ 0.02	\$ 299	\$ 0.18	\$ 667	\$ 0.41	\$854	\$ 0.53	\$ 1,320	\$ 0.84
(Gains) losses on equity investments, net	5	–	(1)	–	3	–	(4)	–	1	–	(1)	–	62	0.04
Stock-based compensation	310	0.19	305	0.19	348	0.21	353	0.22	374	0.23	1,380	0.85	1,012	0.64
Equity income in investee	(3)	–	(1)	–	(6)	–	(3)	–	(6)	–	(16)	(0.01)	(14)	(0.01)
Amortization of acquisition-related intangibles	1,044	0.65	823	0.51	693	0.42	660	0.41	635	0.39	2,811	1.73	3,548	2.26
Acquisition-related and other costs <sup>(1)</sup>	57	0.04	115	0.07	47	0.03	39	0.02	61	0.04	262	0.16	521	0.33
Income tax provision	(321)	(0.20)	(132)	(0.08)	(164)	(0.10)	(209)	(0.13)	(483)	(0.30)	(988)	(0.61)	(945)	(0.60)
Non-GAAP net income / earnings per share <sup>(2)</sup>	\$1,113	\$ 0.69	\$970	\$ 0.60	\$948	\$ 0.58	\$1,135	\$ 0.70	\$1,249	\$ 0.77	\$4,302	\$ 2.65	\$5,504	\$ 3.50
Shares used in earnings per share calculation														
Shares used in per share calculation (GAAP)		1,618		1,611		1,627		1,629		1,628		1,625		1,571
Shares used in per share calculation (Non-GAAP)		1,618		1,618		1,627		1,629		1,628		1,625		1,571

(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) Earnings Per Share (EPS) = Diluted earnings per share except for Q1'23 for which basic shares were used.

# APPENDICES

## SHARE COUNT OVERVIEW

Shares (millions) <sup>(1)</sup>	Q4'23	Q1'24
	Actual	Estimate
Basic shares	1,616	1,617
Dilutive impact from employee equity grants <sup>(2)</sup>	12	14
Diluted shares	1,628	1,631

The table above provides actual share count for Q4'23 and an estimate of share count to use when calculating GAAP and non-GAAP diluted earnings per share for Q1'24.

(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 Q4'23 average stock price was \$117.86. The Q4'23 average stock price of \$117.86 was assumed for Q1'24 average stock price estimates.



**AMD**   
together we advance\_

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