Corporate Intelligence Brief

Advanced Micro Devices, Inc. (AMD)

(Report generated February 04, 2026)

Executive Summary

AMD has executed a fundamental corporate transformation, evolving from a traditional PC and console processor manufacturer into a diversified high-performance computing (HPC) and artificial intelligence infrastructure leader. This strategic pivot, characterized as a shift toward "Pervasive AI," was achieved through aggressive organic roadmap execution and transformative inorganic growth, most notably the acquisitions of Xilinx, Pensando, and ZT Systems.

The Data Center segment has supplanted Client and Gaming as the company's primary growth engine. Recognizing the convergence of HPC and AI, AMD challenged Intel's server CPU dominance with EPYC processors while opening a competitive front against Nvidia in AI acceleration. This shift structurally altered AMD's financial profile: while legacy segments faced severe cyclical volatility, the Data Center segment delivered exponential revenue growth and margin expansion. To support this, AMD radically restructured its capabilities, doubling R&D expenses in certain periods to fund headcount expansion and software ecosystem development.

However, this expansion introduces significant risks. The company operates in a complex geopolitical environment where U.S. export controls on AI silicon have triggered material inventory charges and revenue restrictions in China. Furthermore, the competitive landscape has shifted from a duopoly with Intel to a multi-front war involving Nvidiaâ€™s entrenched software moat and the internal silicon initiatives of AMD's own cloud customers. Despite these headwinds, AMD has successfully transitioned to a flexible, fabless manufacturing model, positioning itself as the primary alternative to Nvidia for end-to-end AI infrastructure.

Report: AMD_Intelligence_Brief_20260204
Generated: February 04, 2026
Source Filings: 86 SEC documents
Analysis Period: January 06, 2021 to February 04, 2026
System Version: WebGlyphs Analytics v4.01

Methodology and Limitations

What This Report Provides: This intelligence brief systematically extracts and synthesizes strategic disclosures from AMD 86 SEC filings (10-K, 10-Q, 8-K) published between January 06, 2021 and February 04, 2026. The system identifies strategic themes, competitive positioning, business model evolution, and management priorities as disclosed by management in regulatory filings. Every factual claim is traceable to source documents through links to specific filing excerpts and to the filings themselves. Users are encouraged to review source excerpts and independently verify material claims before relying on this analysis (See Audit Table);

What This Report Does NOT Provide: - Financial performance calculations, projections, or forecasts - Valuation analysis or price targets - Investment recommendations (buy/sell/hold) - Predictive modeling of future outcomes - Comparison to consensus estimates or peer benchmarks - Verification of management claims against external data sources

Analytical Approach: The analysis is fully automated using large language models with structured extraction protocols and quality assurance validation. The system synthesizes narrative patterns and strategic shifts across multiple years of filings without manual analyst interpretation. While rigorous quality assurance protocols are applied, AI systems can misinterpret ambiguous language, fail to capture unstated context, synthesize patterns that reflect correlation rather than causation, and reflect biases in training data or extraction algorithms. Users bear responsibility for verifying AI-generated analysis and management's claims before relying on them for investment decisions.

Known Limitations:

- Extraction is limited to narrative prose sections of SEC filings (e.g., Management's Discussion & Analysis, Business Description, Risk Factors, Strategy sections). Financial statements, GAAP data tables, performance metrics tables, charts, and structured data exhibits are not processed.
- Analysis reflects filing language as of publication dates; rapid market changes after filing dates are not incorporated
- Segment definitions, reporting structures, and terminology may change over time, affecting year-over-year comparability
- The selection of 'strategic themes' involves algorithmic judgment on materiality. Significant disclosures may be omitted if they do not align with the system's thematic extraction definitions
- Management tone and emphasis may reflect positioning rather than operational reality
- Automated extraction may miss subtle contextual signals that human analysts would detect

Note on monetary values: All monetary values are presented verbatim from source materials or LLM analysis without automated correction. We do not attempt to normalize apparent inconsistencies (e.g., $20,000 where $20M may be intended) as programmatic interpretation can introduce errors. In case of doubt, users must verify material amounts against original SEC filings using the provided hexid references.

Intended Use: This report is designed as a **starting point for investment research**, not a substitute for comprehensive due diligence. Users should:

- Verify material claims by reviewing hexid-linked source excerpts
- Supplement this analysis with financial data, industry research, and independent analysis
- Consult qualified investment professionals before making investment decisions

No Warranties: No guarantee of completeness, accuracy, timeliness, or fitness for any particular purpose is provided. This report is provided "as is" for informational purposes only and does not constitute investment, legal, tax, or financial advice.

Strategic Intelligence Report: AMD

Data Center & AI Infrastructure

Strategic Pivot to High-Performance Computing Reorienting its strategy around the belief that AI will become pervasive, AMD positioned the Data Center segment as a key growth driver [1]. This strategy addresses the blurring boundaries between HPC and machine learning, expanding GPU utility beyond graphics into parallel vector processing for deep learning [2].

To support this transition against cyclical declines in legacy segments, AMD shifted its focus to Data Center and AI [3]. R&D expenses increased by 25% to 97% across reported periods, targeting high-end silicon innovation and next-generation accelerators [4].

Evolution of the Heterogeneous Hardware Portfolio Moving beyond a CPU-centric approach, AMD developed a heterogeneous infrastructure stack integrating CPUs, GPUs, DPUs, and FPGAs for cloud and hyperscale environments [5].

- **Server Processors (EPYC):** The EPYC portfolio catalyzed cloud infrastructure expansion. Progressing from 2nd Gen to EPYC 7003 (Zen 3), AMD captured high-performance analytics workloads and major Azure/AWS deployments [6]. The roadmap segmented further with 4th Gen EPYC (Zen 4), introducing "Bergamo" (Zen 4c) for density and 3D V-Cache for technical computing [7]. By 2025, the 5th Gen EPYC (Turin) launched, solidifying this lead [8].
- **AI Accelerators (Instinct):** Challenging Nvidia, AMD scaled its Instinct GPU family via the CDNA architecture (MI100/MI200), utilizing High Bandwidth Memory (HBM) and vertical stacking [9]. The deployment of Instinct MI300 accelerators secured critical hyperscale commitments [10]. AMD subsequently established an annual release cadence, progressing to the MI350 series [11].

Software Ecosystem and Competitive Positioning Acknowledging software as the critical competitive vector against Nvidia's CUDA, AMD intensified investment in its comprehensive software ecosystem [12]. ROCm evolved to version 6, optimized specifically for AI and HPC [13].

To accelerate model deployment, AMD acquired Mipsology, Nod.ai, and Silo AI [14]. This strategy emphasizes a unified stack integrating CPUs, GPUs, and DPUs [15].

Financial Trajectory and Operational Scaling The Data Center pivot structurally altered AMD's financials. Segment revenue surged 45% to 115% year-over-year across periods, eventually doubling relative to prior years [16]. This growth drove gross margin and operating income expansion, attributed to a richer sales mix led by EPYC and Instinct products [17].

Corporate Development & Strategic M&A

Transformational M&A and Portfolio Expansion Beginning in late 2020, AMD pursued aggressive inorganic growth to anchor its HPC leadership. The cornerstone was the $48.8 billion acquisition of Xilinx, Inc. (completed Feb 2022), which expanded the strategic scope beyond CPUs/GPUs into FPGAs and Adaptive SoCs [18].

AMD further fortified its data center capabilities by acquiring Pensando Systems in May 2022 for ~$1.9 billion, integrating a distributed services platform for enterprise and edge markets [19].

The AI Pivot: Software Ecosystem and ZT Systems Building on the Xilinx foundation, AMD transitioned from a hardware-centric model to an end-to-end AI solutions provider. In 2023, the company addressed software gaps by acquiring Mipsology and Nod.ai to lower developer barriers [20], followed by the acquisition of Silo AI [21].

The most significant structural move was the acquisition of ZT Systems (completed March 2025; ~$4.4-$4.9 billion) [22]. Employing a "buy-and-divest" strategy, AMD retained the **ZT Design Business** to accelerate the design and deployment of AI infrastructure at scale [23] while classifying the capital-intensive **ZT Manufacturing Business** as "held for sale" [24]. The manufacturing assets were divested to Sanmina Corporation by October 2025, generating $1.3 billion in net cash [25].

Financial Impact and Capital Structure While Xilinx provided immediate revenue accretion and margin support [26], the transaction introduced substantial non-cash charges. In 2022, operating income declined due to $3.5 billion in amortization expenses from acquired intangibles [27]. The "All Other" segment consistently reports losses driven by these costs and integration-related stock-based compensation [28].

Embedded & Adaptive Computing

Strategic Transformation and the Xilinx Pivot The Embedded segment underwent a metamorphosis from niche x86 processors to a diversified adaptive computing leader via the Xilinx acquisition. This pivot expanded the portfolio to include FPGAs and Adaptive Compute Acceleration Platforms (ACAPs), establishing a footprint in long-lifecycle markets like Aerospace, Automotive, and Industrial [29].

Financially, this expansion was immediate, with operating income growing from $44 million (2021) to $2.3 billion (2022) [30]. This growth initially offset cyclical volatility in Client and Gaming.

Portfolio Expansion and Technological Convergence AMD integrated Xilinx's diverse portfolio (Zynq, Versal, Kria, Virtex) to differentiate at both chip and platform levels [31]. Post-acquisition, the company introduced the Versal HBM series [32]. By 2025-2026, the focus shifted to edge AI with Versal Series Gen 2, integrating preprocessing, inference, and postprocessing to outperform traditional FPGAs [33].

Financial Performance and Cyclical Headwinds Despite the initial surge, the segment faced severe headwinds in 2023-2024. Inventory corrections, particularly in the communications sector, drove a significant deterioration in performance [34]. By Q1 2024, Embedded revenue declined 46% year-over-year, reducing operating income from $798 million to $342 million [35].

Client, Gaming & Consumer Markets

Strategic Architecture and Platform Synergy AMD leveraged its IP to unify gaming and client architectures, creating a platform-level advantage. The **RDNA 2 architecture** spanned consoles to PCs, introducing Infinity Cache for enhanced fidelity [36]. The "AMD Advantage" program and Smart Access Memory further integrated CPU and GPU technologies to deliver incremental performance gains [37].

Client Market Evolution: Boom, Correction, and Recovery Following the pandemic boom, the Client segment suffered a severe downturn with revenue declining ~40% alongside operating losses. This contraction resulted from weak demand and aggressive inventory corrections [38].

A recovery emerged in late 2023, with the segment returning to profitability in early 2024 driven by increased shipments and ASPs [39]. To sustain momentum, AMD restructured around **pervasive AI integration**, positioning the NPU (Neural Processing Unit) as a key differentiator. AMD integrated a dedicated NPU on x86 SoCs, and launched the **Ryzen AI 300 Series** (Zen 5 + XDNA 2 NPU) for next-generation AI PCs [40].

Gaming and Semi-Custom Dynamics The Semi-Custom business anchored the segment through partnerships with Sony and Microsoft for the PlayStation 5 and Xbox Series X/S [41]. However, revenue contracted in 2023-2024 as the console generation matured [42]. AMD addressed this via mid-cycle refreshes like the **PlayStation 5 Pro**, featuring AI-driven upscaling [43].

Competitive Dynamics

Structural Asymmetry in the x86 Ecosystem AMD faces a "David vs. Goliath" dynamic against Intel, characterized by structural imbalance. Intel leverages vast resources and x86 instruction set control to drive de facto standards and delay AMDâ€™s technology access [44]. This dominance influences industry benchmarks and creates ecosystem lock-in through non-interoperable components [45].

The Battle for Graphics and AI Supremacy Competition in graphics and acceleration has shifted from a stable duopoly to a multi-front conflict. While leading in semi-custom console silicon [46], AMD faces a "pincer" threat in discrete graphics and AI. Nvidia is the principal competitor, bolstered by its proprietary CUDA platform which cements dominance in HPC and machine learning [47].

AMD describes competition from Nvidia as "intense," citing the latter's pricing power and ecosystem barriers [48]. By 2024, AMD noted Nvidia's use of "aggressive business practices"â€”including allocation strategies and bundlingâ€”that limit customer choice and threaten margins [49].

Ecosystem Evolution and New Frontiers A significant strategic shift involves the "frenemy" dynamic with major cloud customers. These providers are increasingly developing internal proprietary silicon for AI workloads, effectively transforming key customers into competitors that cannibalize AMD's addressable market [50].

Global Supply Chain & Strategic Partnerships

Manufacturing Strategy and Foundry Relationships AMDâ€™s manufacturing strategy evolved from a bifurcated model to a flexible, fabless approach. Initially relying on TSMC for advanced nodes and GlobalFoundries (GF) for mature nodes [51], AMD amended its Wafer

Supply Agreement with GF in 2022. This amendment **removed exclusivity commitments**, granting full flexibility to utilize any foundry across all nodes [52].

Capital Allocation and Supply Chain Commitments To secure capacity for the AI pivot, AMD shifted from standard inventory management to proactive capital allocation. By 2025, the company reported **$9.4 billion in unconditional purchase commitments**, with $5.5 billion allocated for the remainder of the fiscal year [53].

A recent $580 million inventory build specifically supported advanced node products for the AI market [54]. Management acknowledges that reliance on long-term purchase commitments exposes the company to risks of supply shortages or increased production costs. [55].

Equity-Linked AI Alliances AMD increasingly utilizes equity-linked instruments to secure volume commitments. The company formalized a partnership with OpenAI for full-stack solutions [56], underpinned by a warrant for up to 160 million shares [57]. Concurrently, AMD secured a **binding commitment for 1 gigawatt** of Instinct MI450 GPUs, also tied to warrant issuances [58].

Regulatory, Geopolitical & Macroeconomic Environment

Geopolitical Landscape and Export Controls In 2025, intensified U.S. export controls significantly impacted the Data Center segment. New license requirements for China and D5 countries restricted the AMD Instinct MI308 GPU [59], triggering ~$800 million in inventory charges during H1 2025 [60].

In January 2025, the BIS issued the 'AI Diffusion Rule,' which management noted could impose new restrictions and adversely impact market position. [61]. Securing licenses for specific China-based customers allowed the reversal of ~$360 million in charges, reducing the net inventory impact to ~$440 million [62].

Macroeconomic Evolution and Market Demand External pressures evolved from general uncertainty to specific cost structure headwinds. By 2025, rising tariffs increased hardware costs for data center customers, potentially delaying AI capital deployment [63]. Concurrently, higher borrowing costs constrained capital availability, complicating strategy execution [64].

Strategic Trajectory and Outlook

AMD has successfully navigated a multi-year transformation, shedding its identity as a cyclical PC component manufacturer to become a central pillar of the global AI infrastructure stack. The Xilinx acquisition provided essential IP diversity for heterogeneous computing, while the ZT Systems deal signals a strategic maturityâ€”moving from selling chips to delivering rack-scale solutions.

However, the company faces a critical juncture. The Data Center segment, now the undisputed valuation driver, faces a formidable incumbent in Nvidia and the rising threat of internal silicon from key customers. AMD's massive forward-looking inventory bets and equity-linked partnerships demonstrate high conviction in its "Pervasive AI" strategy. Success depends on navigating tightening export controls while executing the software roadmap to break Nvidia's ecosystem lock-in.

Audit Trail Table

Back to Methodology

Main Report Text (Top Section) - Strategic narrative with citation numbers in brackets: [1], [2], [3], etc. - Example: "Intel's manufacturing strategy transformed... [1]" - These numbers link to evidence below

In the Audit Trail Table, each numbered entry contains:

1. **Citation number** - [1], [2], [3]
2. **Claim being supported** - The specific statement from the main text (often slightly paraphrased/excerpted)
3. **Source entries** - One or more blocks showing:
    - **Document type & date**: "10-K::2021-01-22"
    - **Hexid**: "5388f3375ce4e512" (snippet unique hexadecimal identifier)
    - **Snippet text**: Extracted passage from SEC filing
    - **(More..)** link to Google search query derived from snippet

Forward reference (reading report):

- See [29] in main text ⇒ Jump to appendix entry [29] and check supporting snippets
    - Then either jump back to [29] location in text
    - Or use the "More.." Google Search Feature to get the source document and related context. In most cases, clicking on "Read more" on the Google entry for the original SEC document will return the exact original text of the snippet

Additional Formats:

- PDF version: Limited interactivity, better serves traditional document workflows and printing.
- Chronological audit trail: All evidence organized by filing date rather than thematic structure. Available as:
    - HTML for browsing
    - JSON for programmatic access and LLM integration (see example use cases)

Paragraph 1		
[1]		Reorienting its strategy around the belief that AI will become pervasive, AMD positioned the Data Center segment as a key growth driver
	; 10-K::2026-02-04 30a551a8c054122f	Our investments in technologies such as our custom ready chiplet platform and AMD Infinity Fabrictm switch position us to maintain our leadership as a custom design silicon provider of choice. Our Strategy We believe AI is shaping the next era of computing and its full potential will be realized when it becomes pervasive across cloud edge and endpoint devices. With our compute engines intellectual property software enablement and deep expertise AMD is positioned to lead in this next computing era. (More..)
	; 10-K::2025-02-05 69117e2df545771f	Our Strategy We believe that AI is defining the next era of computing and that the full potential of AI will be realized when the technology is pervasive across cloud edge and end devices. We believe AMD has the compute engines intellectual property software capabilities and expertise to be a leader in this next computing era with a broad portfolio of high performance compute engines spanning across supercomputing cloud edge embedded and end devices. (More..)
[2]		This strategy addresses the blurring boundaries between HPC and machine learning, expanding GPU utility beyond graphics into parallel vector processing for deep learning
	; 10-K::2021-01-29 16e20748830f04c9	Another important area of focus is on HPC. HPC has traditionally been synonymous with scientific computing and supercomputers but we are seeing a blurring of boundaries between HPC and machine learning along with high performance CPU and GPU deployments going into workstations and cloud computing data centers as well as supercomputers. We are also focusing on delivering a range of low power integrated platforms to serve key markets including commercial clients mobile computing and gaming. (More..)
	; 10-K::2021-01-29 24506caff44ed452	virtual reality VR and augmented reality AR. In addition to graphics processing GPUs are used to perform parallel operations on multiple sets of data and are increasingly used to perform vector processing for non graphics applications that require repetitive computations such as high performance computing HPC deep learning artificial and machine intelligence blockchain and various other applications e.g. cryptocurrency mining and autonomous driving. (More..)

Paragraph 2		
[3]		To support this transition against cyclical declines in legacy segments, AMD shifted its focus to Data Center and AI
	; 10-Q::2023-11-01 604748526aafec87	In our Data Center segment we offer products that are optimized for generative AI applications and demand for such products will depend on the extent to which our customers utilize generative AI solutions in a wide variety of applications. In the past revenues from the Client and Gaming segments have experienced a decline driven by among other factors the adoption of smaller and other form factors increased competition and changes in replacement cycles. (More..)
	; 10-Q::2024-10-30 396ed4242847cc12	The increase in net revenue was driven by an increase in Data Center segment revenue primarily driven by the strong ramp of AMD Instinctm GPU shipments and growth in AMD EPYCtm CPU sales and an increase in Client segment revenue primarily driven by strong demand for Zen 5 AMD Ryzentm processors partially offset by a decrease in Gaming segment revenue primarily due to lower semi custom revenue and a decrease in Embedded segment revenue as customers continued to normalize their inventory levels. (More..)
[4]		R&D expenses increased by 25% to 97% across reported periods, targeting high-end silicon innovation and next-generation accelerators
	; 10-Q::2021-07-28 503c72dac95bbb82	Gross margin was 47 and 45 for the six months ended June 26 2021 and June 27 2020 respectively. The increase for both periods was primarily driven by a richer mix of sales including high end Ryzen Radeon and EPYC processor sales. Expenses Research and Development Expenses Research and development expenses of $659M for the three months ended June 26 2021 increased by $199M or 43 compared to $460M for the prior year period. (More..)
	; 10-Q::2022-08-03 8d5cf06314c76087	The consistent gross margin was the result of a decrease in margin due to an increase in the amortization of acquisition related intangible assets associated with the Xilinx acquisition offset by an increase in margin driven by higher Data Center and Embedded revenue. Expenses Research and Development Expenses Research and development expenses of $1.3B for the three months ended June 25 2022 increased by $641M or 97 compared to $659M for the prior year period. (More..)
	; 10-K::2026-02-04 67001bd4a8dfa06a	Expenses Research and Development Expenses Research and development expenses of $8.1B in 2025 increased by $1.6B or 25 compared to $6.5B in 2024. The increase was primarily due to higher employee related costs from an increase in headcount in support of our continued focus on our AI strategy. Marketing General and Administrative Expenses Marketing general and administrative expenses of $4.1B in 2025 increased by $1.4B or 52 compared to $2.7B in 2024. (More..)

Paragraph 3		
[5]		Moving beyond a CPU-centric approach, AMD developed a heterogeneous infrastructure stack integrating CPUs, GPUs, DPUs, and FPGAs for cloud and hyperscale environments
	; 10-K::2023-02-27 5e1d0a88b4d02a70	To expand our data center presence we now offer the industry s strongest portfolio of data center computing solutions based on our CPUs high performance GPUs DPUs FPGAs and Adaptive SoCs. We have a broad technology roadmap and products targeting AI training and inference spanning cloud edge and intelligent endpoints. We achieve this through our family of CPUs GPUs FPGAs and Adaptive SoCs. We develop world class software platforms that are used to enable our high performance products. (More..)
	; 10-K::2021-01-29 48548b7ad5be6ba2	In addition computing devices with heterogeneous computing features can run intensive tasks more efficiently which we believe provides a superior application experience to the end user. Moreover heterogeneous computing allows for the elevation of the GPU to the same level as the CPU for memory access queuing and execution. (More..)

Paragraph 4

[6]		Server Processors (EPYC): The EPYC portfolio catalyzed cloud infrastructure expansion. Progressing from 2nd Gen to EPYC 7003 (Zen 3), AMD captured high-performance analytics workloads and major Azure/AWS deployments
	; 10-K::2021-01-29 2b1616caf91e645a	In April 2020 we announced the extension of the 2nd Gen AMD EPYC processor family with three new processors AMD EPYC 7F32 8 cores AMD EPYC 7F52 16 cores and AMD EPYC 7F72 24 cores. These new processors leverage up to 500 MHz of additional base frequency and large amounts of cache. In October 2020 we announced the AMD EPYCtm processor based Azure Dav4 Eav4 39 Easv4 and Lsv2 VMs for use to improve real time analysis on large volumes of data streaming from applications websites and more. (More..)
	; 10-Q::2021-04-28 10a679b4f610a15b	The EPYC 7003 series processors have up to 64 Zen 3 cores per processor and per core cache memory and also include security features through AMD Infinity Guard to help drive faster times to results and improve business outcomes. In March 2021 we also announced as part of our AMD Ryzen mobile processor family the AMD Ryzen PRO 5000 Series Mobile Processors with Zen 3 core architecture for business laptops. (More..)

[7]		The roadmap segmented further with 4th Gen EPYC (Zen 4), introducing "Bergamo" (Zen 4c) for density and 3D V-Cache for technical computing
	; 10-Q::2023-08-02 14013d966b5f9594	The decrease in operating and net income was primarily due to lower Client segment performance. We introduced a number of new products during the second quarter of 2023 including the 4th Gen EPYCtm 97X4 processors for cloud native computing and 4th Gen EPYC processors with AMD 3D V Cachetm technology for technical computing. (More..)
	; 10-K::2024-01-31 b1a664c1c3a19fd4	The AMD EPYC 97x4 cloud native optimized data center CPUs formerly codenamed Bergamo are built with our Zen 4c architecture core and further extend the EPYC 9004 Series of processors to deliver the thread density and scale needed for cloud native computing. (More..)

[8]		By 2025, the 5th Gen EPYC (Turin) launched, solidifying this lead
	; 10-K::2025-02-05 4e6832e722a9b075	To further expand our high performance server CPU portfolio we launched our 5th Gen AMD EPYCtm processors formerly codenamed Turin built with our latest Zen 5 core architecture designed to deliver leadership performance and efficiency. (More..)

Paragraph 5

[9]		AI Accelerators (Instinct): Challenging Nvidia, AMD scaled its Instinct GPU family via the CDNA architecture (MI100/MI200), utilizing High Bandwidth Memory (HBM) and vertical stacking
	; 10-K::2021-01-29 403d32215127d93d	Combined with our ROCmtm open software platform our customers can deliver differentiated acceleration platforms to address the next generation of computing challenges while minimizing power and space needs in the data center. In November 2020 we announced the AMD Instinct MI100 accelerator built on the new AMD CDNAtm architecture. The MI100 GPU is built to accelerate workloads in the scientific computing and AI markets. (More..)
	; 10-K::2022-02-03 d0b40d1207e2c0a7	HBM memory chips are vertically stacked like floors in a skyscraper to shorten the distance of the information being communicated. Another area of focus is machine intelligence which is the platform for the growing field of machine learning. Our CPUs GPUs accelerators and APUs offer the computation capability and flexibility required for various machine learning deployments. (More..)

[10]		The deployment of Instinct MI300 accelerators secured critical hyperscale commitments
	; 10-K::2024-01-31 9a9ac284abe4595e	In our Data Center GPU business demand for our Data Center GPUs products was very strong as we had large hyperscaler customers committed to deploy our next generation AMD Instinct MI300 accelerators. (More..)

[11]		AMD subsequently established an annual release cadence, progressing to the MI350 series
	; 10-K::2026-02-04 31a203dfb80c3740	A priority in 2025 was accelerating growth in the Data Center segment. Demand for our data center AI GPU products was strong as large hyperscale customers OEMs and ODMs deployed our AMD Instinct MI350X Series GPUs. We advanced our AMD AI GPU roadmap to deliver an annual cadence of leadership for AMD Instinct solutions beginning with the AMD Instinct MI350 Series GPUs in 2025. (More..)
	; 10-K::2026-02-04 4d855c376058e0ff	Our AMD Instincttm family of GPU products including AMD Instinct MI200 MI300 MI325 and MI350 series are based on AMD CDNAtm architecture and designed for AI training inference and exascale class scientific computing. We also announced next generation AMD Instinct MI355X GPUs for large scale AI deployments. Our visual cloud GPU offerings include products in the AMD Radeontm PRO V families. (More..)

Paragraph 6

[12]		Acknowledging software as the critical competitive vector against Nvidia's CUDA, AMD intensified investment in its comprehensive software ecosystem
	; 10-K::2021-01-29 19d59898f2c18565	In the data center our principal competitor is Nvidia as the adoption of its proprietary CUDA software platform established its market share in HPC and machine learning. Another competitor is Intel as it builds products for acceleration in the data center such as Intel Xe or Habana AI processors. Other competitors include numerous deep learning accelerator companies consisting mostly of early to late stage start ups. (More..)
	; 10-K::2024-01-31 58ec4e4c4a69ee85	To help execute our AI strategy and accelerate our AI business we brought together multiple AI teams across AMD to execute our end to end AI hardware strategy and drive development of a comprehensive software ecosystem that will span our full product portfolio. We strengthened our AI software capabilities with strategic acquisitions during the year. (More..)

[13]		ROCm evolved to version 6, optimized specifically for AI and HPC
	; 10-K::2024-01-31 92e5b0d913dafca7	We enhanced the performance and features of our AMD RoCmtm software by releasing our latest AMD ROCm 6 open software platform for AI and HPC workloads. We expanded our Embedded processor portfolio with powerful scalable offerings for a variety of embedded applications such as the AMD Ryzentm Embedded 7000 Series processor family. (More..)
	; 10-K::2021-01-29 403d32215127d93d	Combined with our ROCmtm open software platform our customers can deliver differentiated acceleration platforms to address the next generation of computing challenges while minimizing power and space needs in the data center. In November 2020 we announced the AMD Instinct MI100 accelerator built on the new AMD CDNAtm architecture. The MI100 GPU is built to accelerate workloads in the scientific computing and AI markets. (More..)

Paragraph 7

[14]		To accelerate model deployment, AMD acquired Mipsology, Nod.ai, and Silo AI
	; 10-K::2024-01-31 3b28e9d43cd70905	We achieve this through our family of CPUs GPUs FPGAs and Adaptive SoCs. With the acquisitions of Mipsology SAS and Nod Inc.in 2023 we expanded our AI software capabilities to accelerate our AI growth strategy centered on an open software ecosystem to help lower the barriers of entry for customers through developer tools libraries and models. We develop world class software platforms that are used to enable our high performance products. (More..)
	; 10-K::2025-02-05 4e143b9419ea630c	We also made strategic investments to further expand our AI software capabilities with the acquisition of Silo AI Oy Silo AI an AI lab based in Finland. The acquisition of Silo AI enables customers to accelerate development and deployment of AI models on AMD hardware. (More..)

[15]		This strategy emphasizes a unified stack integrating CPUs, GPUs, and DPUs
	; 10-K::2025-02-05 77e3e098d8a62924	Modern data centers require high performance energy efficient scalable and adaptable compute engines to meet the demand driven by the growing amount of data that needs to be stored accessed analyzed and managed. Different combinations of CPUs GPUs DPUs FPGAs SmartNICs and Adaptive SoCs enable the optimization of performance and power for a diverse set of workloads. (More..)
	; 10-K::2026-02-04 703af0647aaec485	AMD is uniquely positioned to deliver across this stack combining industry leading CPUs GPUs and adaptive SoCs with networking software and system integration expertise. We continue to invest in software capabilities and the open ecosystem through the AMD ROCmtm platform delivering new features for high performance AI training and inference. (More..)

Paragraph 8

[16]		The Data Center pivot structurally altered AMD's financials. Segment revenue surged 45% to 115% year-over-year across periods, eventually doubling relative to prior years
	; 10-Q::2022-11-02 51360253ea8aa5f1	Our operating results tend to vary seasonally. Historically our net revenue has been generally higher in the second half of the year than in the first half of the year although market conditions and product transitions could impact this trend.33 The following table provides a summary of net revenue and operating income loss by segment Data Center Data Center net revenue of $1.6B for the three months ended September 24 2022 increased by 45 compared to net revenue of $1.1B for the prior year period. (More..)
	; 10-Q::2024-07-31 1e20671c11d87836	The following table provides a summary of net revenue and operating income loss by segment Data Center Data Center net revenue of $2.8B for the three months ended June 29 2024 increased by 115 compared to net revenue of $1.3B for the prior year period. Data Center net revenue of $5.2B for the six months ended June 29 2024 increased by 98 compared to net revenue of $2.6B for the prior year period. (More..)

[17]		This growth drove gross margin and operating income expansion, attributed to a richer sales mix led by EPYC and Instinct products
	; 10-Q::2021-10-27 2b9eb5c153145c4a	Gross margin in the third quarter of 2021 improved compared to the third quarter of 2020. Gross margin for the three months ended September 25 2021 was 48 compared to gross margin of 44 for the prior year period. The increase in gross margin was primarily driven by a richer mix of EPYCtm Ryzentm and Radeontm processor sales. Our operating income for the three months ended September 25 2021 was $948M compared to operating income of $449M for the prior year period. (More..)
	; 10-Q::2021-10-27 7bde6177550c6c8b	Computing and Graphics net revenue of $6.7B for the nine months ended September 25 2021 increased by 51 compared to net revenue of $4.5B for the prior year period primarily as a result of a 56 increase in average selling price partially offset by a decrease in unit shipments of 3. The increase in average selling price for both periods was primarily driven by a richer mix of Ryzen Radeon and AMD Instinctm products. (More..)

Paragraph 9

[18]		Beginning in late 2020, AMD pursued aggressive inorganic growth to anchor its HPC leadership. The cornerstone was the $48.8 billion acquisition of Xilinx, Inc. (completed Feb 2022), which expanded the strategic scope beyond CPUs/GPUs into FPGAs and Adaptive SoCs
	; 10-Q::2022-08-03 0ba44e1f6fa874fb	Xilinx Acquisition On February 14 2022 the Company completed the acquisition of all issued and outstanding shares of Xilinx a leading provider of adaptive computing solutions for a total purchase consideration of $ 48.8B $ 46.4B net of cash acquired of $ 2.4B. The acquisition of Xilinx expands the Company s product portfolio to include adaptable hardware platforms that enable hardware acceleration and rapid innovation across a variety of technologies. (More..)
	; 10-K::2023-02-27 4a784acf63577323	Xilinx which expanded our technology and product portfolio to include adaptable hardware platforms that enable hardware acceleration and rapid innovation across a variety of technologies and established AMD in multiple embedded markets where we have traditionally not had a significant presence. We now offer Field Programmable Gate Arrays FPGAs Adaptive SoCs and Adaptive Compute Acceleration Platform ACAP products. (More..)

Paragraph 10

[19]		AMD further fortified its data center capabilities by acquiring Pensando Systems in May 2022 for ~$1.9 billion, integrating a distributed services platform for enterprise and edge markets
	; 10-Q::2022-08-03 4e28caf9998388ac	From time to time we may also sell or license portions of our intellectual property IP portfolio. On May 26 2022 we completed the acquisition of Pensando Systems Inc. Pensando for a transaction valued at approximately $1.9B. The recorded purchase consideration of $1.7B is net of deferred cash compensation requiring future services and other customary closing adjustments. (More..)
	; 10-Q::2022-08-03 6d870a684c67537f	The acquisition of Pensando and its leading distributed services platform expands the Company s ability to offer leadership solutions for cloud enterprise and edge customers. (More..)

Paragraph 11

[20]		Building on the Xilinx foundation, AMD transitioned from a hardware-centric model to an end-to-end AI solutions provider. In 2023, the company addressed software gaps by acquiring Mipsology and Nod.ai to lower developer barriers
	; 10-K::2024-01-31 3b28e9d43cd70905	We achieve this through our family of CPUs GPUs FPGAs and Adaptive SoCs. With the acquisitions of Mipsology SAS and Nod Inc.in 2023 we expanded our AI software capabilities to accelerate our AI growth strategy centered on an open software ecosystem to help lower the barriers of entry for customers through developer tools libraries and models. We develop world class software platforms that are used to enable our high performance products. (More..)
	; 10-K::2024-01-31 58ec4e4c4a69ee85	To help execute our AI strategy and accelerate our AI business we brought together multiple AI teams across AMD to execute our end to end AI hardware strategy and drive development of a comprehensive software ecosystem that will span our full product portfolio. We strengthened our AI software capabilities with strategic acquisitions during the year. (More..)

[21]		followed by the acquisition of Silo AI
	; 10-K::2025-02-05 4e143b9419ea630c	We also made strategic investments to further expand our AI software capabilities with the acquisition of Silo AI Oy Silo AI an AI lab based in Finland. The acquisition of Silo AI enables customers to accelerate development and deployment of AI models on AMD hardware. (More..)

Paragraph 12

[22]		The most significant structural move was the acquisition of ZT Systems (completed March 2025; ~$4.4-$4.9 billion)
	; 10-Q::2025-11-05 456e3741f33c5a60	NOTE 5 Acquisitions and Divestitures ZT Systems Acquisition On March 31 2025 the Acquisition Date the Company completed the acquisition of all issued and outstanding shares of ZT Systems for a total purchase consideration of $ 4.4B. ZT Systems is a provider of AI and general purpose compute infrastructure for hyperscale computing companies. (More..)
	; 10-Q::2024-10-30 056d2a6a0934635a	On August 17 2024 we entered into an agreement to acquire ZT Systems a provider of AI and general purpose compute infrastructure for hyperscale computing companies in a cash and stock transaction valued at approximately $4.9B the Acquisition. (More..)

[23]		Employing a "buy-and-divest" strategy, AMD retained the ZT Design Business to accelerate the design and deployment of AI infrastructure at scale
	; 10-K::2026-02-04 17c888c7b24ee684	In March 2025 we acquired ZT Group Int l Inc. ZT Systems where we retained certain intellectual property and employees associated with the design operations ZT Design Business. This acquisition enables us to deliver end to end AI solutions and accelerate the design and deployment of AMD powered AI infrastructure at scale optimized for the cloud. In October 2025 we sold the ZT data center infrastructure manufacturing business ZT Manufacturing Business to Sanmina Corporation Sanmina. (More..)

[24]		while classifying the capital-intensive ZT Manufacturing Business as "held for sale"
	; 10-Q::2025-08-06 aa86a887fb4c09a8	Transaction costs of $ 36M and $ 47M were recorded within Marketing general and administrative expenses during the three and six months ended June 28 2025. The following summarizes carrying amounts of major classes of ZT Manufacturing Business assets and liabilities held for sale as of June 28 2025 in millions Assets and liabilities held for sale are recorded using the lower of carrying values or fair values less estimated costs to sell. (More..)

[25]		The manufacturing assets were divested to Sanmina Corporation by October 2025, generating $1.3 billion in net cash
	; 10-K::2026-02-04 217dd0b8e54e7551	Net cash provided by investing activities of discontinued operations in 2025 was $1.3B primarily from the sale of the ZT Manufacturing Business. (More..)
	; 10-K::2026-02-04 75c606bbc5486730	Following the close of the sale of the ZT Manufacturing Business to Sanmina we retained certain intellectual property and former employees of ZT Systems ZT Design Business and settled the contingent consideration liability with the former ZT shareholders and warrant holders. In October 2025 we entered into a product purchase agreement with OpenAI OpCo LLC OpenAI to deploy 6 gigawatts of AMD GPUs with the deployment of the first gigawatt of capacity powered by our AMD Instinct MI450 series products. (More..)

Paragraph 13

[26]		While Xilinx provided immediate revenue accretion and margin support
	; 10-Q::2022-05-04 162544f18c883856	Net revenue for the three months ended March 26 2022 was $5.9B a 71 increase compared to the prior year period. The increase was due to a 33 increase in Computing and Graphics net revenue an 88 increase in Enterprise Embedded and Semi Custom net revenue and $559M of net revenue from Xilinx for the period from February 14 2022 the date of acquisition to March 26 2022. The increase in Computing and Graphics segment net revenue was primarily due to higher sales of our Ryzentm and Radeontm processors. (More..)
	; 10-Q::2022-08-03 8d5cf06314c76087	The consistent gross margin was the result of a decrease in margin due to an increase in the amortization of acquisition related intangible assets associated with the Xilinx acquisition offset by an increase in margin driven by higher Data Center and Embedded revenue. Expenses Research and Development Expenses Research and development expenses of $1.3B for the three months ended June 25 2022 increased by $641M or 97 compared to $659M for the prior year period. (More..)

[27]		the transaction introduced substantial non-cash charges. In 2022, operating income declined due to $3.5 billion in amortization expenses from acquired intangibles
	; 10-K::2023-02-27 37cfb418a76895d8	Amortization of Acquisition Related Intangibles In 2022 cost of sales and operating expense included $1.4B and $2.1B respectively of amortization expense from intangible assets acquired as a result of the acquisitions of Xilinx and Pensando. Licensing Gain During 2022 we recognized $102M of licensing gain from milestone achievement and royalty income associated with the licensed IP to the THATIC JV our two joint ventures with Higon Information Technology Co. (More..)
	; 10-K::2023-02-27 0db2ded1c6cdd9e7	Operating income for 2022 was $1.3B compared to operating income of $3.6B for 2021. The decrease in operating income was primarily driven by amortization of intangible assets associated with the Xilinx acquisition. Net income for 2022 was $1.3B compared to $3.2B in the prior year. The decrease in net income was primarily driven by lower operating income. Cash cash equivalents and short term investments as of December 31 2022 were $5.9B compared to $3.6B at the end of 2021. (More..)

[28]		The "All Other" segment consistently reports losses driven by these costs and integration-related stock-based compensation
	; 10-Q::2024-07-31 c542e29c00a9e834	All Other operating loss of $2.1B for the six months ended June 29 2024 primarily consisted of $1.2B of amortization of acquisition related intangibles and $717M of stock based compensation expense. All Other operating loss of $2.3B for the prior year period primarily consisted of $1.5B of amortization of acquisition related intangibles and $657M of stock based compensation expense. (More..)
	; 10-Q::2024-05-01 4c72057431c56d08	This category primarily includes amortization of acquisition related intangibles employee stock based compensation expense inventory loss at contract manufacturer acquisition related and other costs and licensing gain. Acquisition related and other costs primarily include transaction costs purchase price adjustments for inventory certain compensation charges contract termination and workforce rebalancing charges. (More..)

Paragraph 14

[29]		The Embedded segment underwent a metamorphosis from niche x86 processors to a diversified adaptive computing leader via the Xilinx acquisition. This pivot expanded the portfolio to include FPGAs and Adaptive Compute Acceleration Platforms (ACAPs), establishing a footprint in long-lifecycle markets like Aerospace, Automotive, and Industrial
	; 10-K::2023-02-27 4a784acf63577323	Xilinx which expanded our technology and product portfolio to include adaptable hardware platforms that enable hardware acceleration and rapid innovation across a variety of technologies and established AMD in multiple embedded markets where we have traditionally not had a significant presence. We now offer Field Programmable Gate Arrays FPGAs Adaptive SoCs and Adaptive Compute Acceleration Platform ACAP products. (More..)
	; 10-K::2023-02-27 4860c4a95af6a7d6	Our FPGA and Adaptive SOC products are sold to customers in a very wide range of markets such as Aerospace and Defense Test and Measurement Industrial Automotive Consumers Broadcast Communication Infrastructure and Data Center. For these products we either sell directly to our customers or through a network of distributors and OEM partners. We are also developing a network of Value Added Resellers VARs and Integrated Solution Vendors ISVs for our Alveo products. (More..)

Paragraph 15

[30]		Financially, this expansion was immediate, with operating income growing from $44 million (2021) to $2.3 billion (2022)
	; 10-K::2023-02-27 2886547a9e784b0c	Embedded operating income was $2.3B in 2022 compared to operating income of $44M in 2021. The significant increase in operating income was primarily driven by the inclusion of Xilinx embedded product revenue. (More..)

Paragraph 16

[31]		AMD integrated Xilinx's diverse portfolio (Zynq, Versal, Kria, Virtex) to differentiate at both chip and platform levels
	; 10-K::2024-01-31 4bbb2fca4c37632e	Our product brands for Adaptive SoCs are Zynq 7000 Zynq UltraScale MPSoC Zynq UltraScale RFSoCs Versal HBM Versal Premium Versal Prime Versal AI Core Versal AI Edge Vitis and Vivado. Our product brand for System on Module SOM is Kria. Our compute and network acceleration board products are sold under the Alveo and Pensando brands. We market our products through direct marketing and co marketing programs. (More..)
	; 10-K::2024-01-31 00fd5ad01b7100fd	With our high performance product portfolios we deliver solutions that are differentiated at the chip level such as our semi custom SoCs Adaptive SoCs and APUs and at the platform level such as in our customers client computing devices embedded platforms and servers. (More..)
	; 10-K::2026-02-04 0f26f3152dc12d65	Our FPGA products are Virtexтm 6 Virtex 7 Virtex UltraScale Kintextm 7 Kintex UltraScaletm Kintex UltraScale Artixtm 7 Artix UltraScale Spartantm 6 and Spartan 7 brands.7 Table of Conten t s Our product brands for adaptive SoCs are Zynqtm 7000 Zynq UltraScale tm MPSoC Zynq UltraScale RFSoCs Versaltm HBM Versal Premium Versal Prime Versaltm AI Core and Versal AI Edge. The software tools for our programmable devices are Vitistm Vitis AItm and Vivadotm tools. (More..)

[32]		Post-acquisition, the company introduced the Versal HBM series
	; 10-K::2024-01-31 4bbb2fca4c37632e	Our product brands for Adaptive SoCs are Zynq 7000 Zynq UltraScale MPSoC Zynq UltraScale RFSoCs Versal HBM Versal Premium Versal Prime Versal AI Core Versal AI Edge Vitis and Vivado. Our product brand for System on Module SOM is Kria. Our compute and network acceleration board products are sold under the Alveo and Pensando brands. We market our products through direct marketing and co marketing programs. (More..)

[33]		By 2025-2026, the focus shifted to edge AI with Versal Series Gen 2, integrating preprocessing, inference, and postprocessing to outperform traditional FPGAs
	; 10-K::2025-02-05 3d5c257d4ccf9241	We expanded our adaptive computing portfolio with differentiated solutions with the launch of the new Versaltm Series Gen 2 devices including the new Versal AI Edge Series Gen 2 and Versal Prime Series Gen 2 adaptive SoCs which bring preprocessing AI inference and postprocessing together in a single device for end to end acceleration of AI driven embedded systems. (More..)
	; 10-K::2026-02-04 4860989d1426cab5	The Versal devices achieve dramatic system level performance improvements over today s fastest FPGA competitors solutions and accelerate applications in a wide variety of markets including aerospace and defense automotive industrial vision and healthcare communications infrastructure test and measurement emulation and prototyping audio video and broadcasting and data center. Our Versal RF Series delivers compute performance for aerospace and defense applications. (More..)

Paragraph 17

[34]		Despite the initial surge, the segment faced severe headwinds in 2023-2024. Inventory corrections, particularly in the communications sector, drove a significant deterioration in performance
	; 10-Q::2024-07-31 15c97853717e765	In addition our customers may change their inventory practices on short notice for any reason. For example our Client segment revenue decreased due to a decline in the PC market in the first half of 2023 and our Embedded segment revenue decreased as a result of an inventory correction in several end markets in the second half of 2023 and the first half of 2024. (More..)
	; 10-Q::2023-11-01 2d7ce8ffd5170a2f	The increase in net revenue was driven mainly by a 42 increase in Client segment revenue primarily due to higher Ryzen mobile processor sales as PC market conditions improved partially offset by an 8 decrease in Gaming segment revenue primarily due to lower semi custom product revenue and a 5 decrease in Embedded segment revenue primarily due to lower sales in the communications market. (More..)

[35]		By Q1 2024, Embedded revenue declined 46% year-over-year, reducing operating income from $798 million to $342 million
	; 10-Q::2024-05-01 c8b2130a42252f3e	Gaming operating income was $151M for the three months ended March 30 2024 compared to operating income of $314M for the prior year period. The decrease in operating income was primarily due to a decrease in semi custom revenue and lower Radeon GPU sales. Embedded Embedded net revenue of $846M for the three months ended March 30 2024 decreased by 46 compared to net revenue of $1.6B for the prior year period as customers continued to manage their inventory levels. (More..)
	; 10-Q::2024-05-01 280c8b09121a1d40	Embedded operating income was $342M for the three months ended March 30 2024 compared to operating income of $798M for the prior year period. The decrease in operating income was primarily due to lower revenue. (More..)

Paragraph 18

[36]		AMD leveraged its IP to unify gaming and client architectures, creating a platform-level advantage. The RDNA 2 architecture spanned consoles to PCs, introducing Infinity Cache for enhanced fidelity
	; 10-K::2021-01-29 675e363ab7e1b3d4	The AMD Radeon RX 6000 series includes the AMD Radeon RX 6800 and Radeon RX 6800 XT graphics cards as well as the Radeon RX 6900 XT built upon the AMD RDNA 2 gaming architecture that spans from game consoles to PCs. The AMD RDNA 2 GPUs feature enhancements in the compute unit advancements in the visual pipeline and the introduction of a new high speed cache called AMD Infinity Cache. These architecture enhancements enable ultra high performance and ultra high fidelity in the latest games. (More..)
	; 10-K::2022-02-03 406276f7d7d6e06b	With each of our graphics products we have available drivers and supporting software packages that enable the effective use of these products under a variety of operating systems and applications. We have developed RDNAtm 2 a high performing and power efficient graphics architecture which is the foundation for next generation PC gaming graphics the PlayStation 5 and Xbox Series S and X consoles. (More..)

[37]		The "AMD Advantage" program and Smart Access Memory further integrated CPU and GPU technologies to deliver incremental performance gains
	; 10-K::2021-01-29 b4095f767bd92759	Complimenting the introduction of the new AMD RX 6000 Series graphics cards AMD introduced AMD Smart Access Memory which when combined with an AMD Ryzen 5000 series processor offers an incremental performance boost in many games. (More..)
	; 10-Q::2021-07-28 0a67ec8b944f50dd	AMD Advantage systems combine AMD Radeon RX 6000M Series Mobile Graphics AMD Radeon Software and AMD Ryzen 5000 Series Mobile Processors with AMD smart technologies. We also introduced our AMD FidelityFX Super Resolution software for game developers to help deliver a high quality high resolution gaming experience. (More..)

Paragraph 19

[38]		Following the pandemic boom, the Client segment suffered a severe downturn with revenue declining ~40% alongside operating losses. This contraction resulted from weak demand and aggressive inventory corrections
	; 10-Q::2022-11-02 70d26bcc90b99e97	These increases were partially offset by a 40 decrease in Client segment revenue primarily due to lower processor shipments driven by a weak PC market and significant inventory correction actions across the PC supply chain. Gross margin for the three months ended September 24 2022 was 42 compared to gross margin of 48 for the prior year period. The decrease in gross margin was primarily due to the amortization of acquisition related intangible assets associated with the Xilinx acquisition. (More..)
	; 10-Q::2023-08-02 39622f4d4f03ad77	Client operating loss was $69M for the three months ended July 1 2023 compared to operating income of $676M for the prior year period. Client operating loss was $241M for the six months ended July 1 2023 compared to operating income of $1.4B for the prior year period. The decrease in operating income in both periods was primarily due to lower revenue. Gaming Gaming net revenue of $1.6B for the three months ended July 1 2023 decreased by 4 compared to net revenue of $1.7B for the prior year period. (More..)

Paragraph 20

[39]		A recovery emerged in late 2023, with the segment returning to profitability in early 2024 driven by increased shipments and ASPs
	; 10-Q::2024-05-01 ceed49b93d341fb6	The increase in operating income was primarily driven by higher revenue. Client Client net revenue of $1.4B for the three months ended March 30 2024 increased by 85 compared to net revenue of $739M for the prior year period primarily driven by a 58 increase in unit shipments and a 16 increase in average selling price of Ryzen processors resulting from a recovery of weak PC market conditions and inventory corrections across the PC supply chain experienced in the first half of fiscal year 2023. (More..)
	; 10-Q::2023-11-01 2d7ce8ffd5170a2f	The increase in net revenue was driven mainly by a 42 increase in Client segment revenue primarily due to higher Ryzen mobile processor sales as PC market conditions improved partially offset by an 8 decrease in Gaming segment revenue primarily due to lower semi custom product revenue and a 5 decrease in Embedded segment revenue primarily due to lower sales in the communications market. (More..)

[40]		To sustain momentum, AMD restructured around pervasive AI integration, positioning the NPU (Neural Processing Unit) as a key differentiator. AMD integrated a dedicated NPU on x86 SoCs, and launched the Ryzen AI 300 Series (Zen 5 + XDNA 2 NPU) for next-generation AI PCs
	; 10-K::2025-02-05 0aabe8a55eed1dd4	We took a major step in our AI PC roadmap with the launch of AMD Ryzen AI 300 Series processors that combine leadership compute capabilities based on our Zen 5 architecture and an industry leading neural processing unit NPU powered by our XDNA 2 architecture for next generation AI PCs. We added to our Ryzen family of desktop CPUs with the Ryzen 9000 series processors for laptop and desktop PCs that deliver leadership performance in gaming productivity and content creation. (More..)
	; 10-K::2026-02-04 3839cf4c7f0db92a	We also offer data center rack scale platform designs that incorporate AMD data center products to meet the growing performance demands of AI supercomputers and machine learning workloads. In client computing our CPUs APUs and chipsets for desktops and notebooks deliver performance efficiency AI capabilities and modern security features for gamers creators consumers and enterprises. AMD was the first company to integrate a dedicated neural processing unit NPU on the same SoC as an x86 CPU for AI PCs. (More..)

Paragraph 21

[41]		The Semi-Custom business anchored the segment through partnerships with Sony and Microsoft for the PlayStation 5 and Xbox Series X/S
	; 10-K::2022-02-03 1c2236dc3cf72618	Our semi custom products are tailored co developed high performance customer specific solutions based on AMD CPU GPU and multi media technologies. We work closely with our customers to define solutions to precisely match the requirements of the device or application. We developed the semi custom SoC products that power both the Sony PlayStation r 5 as well as the Microsoft r Xbox Series Xtm and Microsoft r Xbox Series Stm game consoles. (More..)
	; 10-K::2023-02-27 c935dc60ed7f53a7	With respect to integrated graphics higher unit shipments of our APUs and Intel s integrated graphics may drive computer manufacturers to reduce the number of systems they build paired with discrete graphics components particularly for notebooks because they may offer satisfactory graphics performance for most mainstream PC users at a lower cost. We are the market share leader in semi custom game console products where graphics performance is critical. (More..)

[42]		However, revenue contracted in 2023-2024 as the console generation matured
	; 10-K::2024-01-31 48f355088e6cfd41	Against the backdrop of a mixed demand environment net revenue for 2023 was $22.7B a decrease of 4 compared to 2022 net revenue of $23.6B. The decrease in net revenue was primarily due to a 25 decrease in Client segment revenue primarily due to lower processor sales and a 9 decrease in Gaming segment revenue primarily due to lower semi custom product sales. (More..)
	; 10-Q::2024-05-01 c8b2130a42252f3e	Gaming operating income was $151M for the three months ended March 30 2024 compared to operating income of $314M for the prior year period. The decrease in operating income was primarily due to a decrease in semi custom revenue and lower Radeon GPU sales. Embedded Embedded net revenue of $846M for the three months ended March 30 2024 decreased by 46 compared to net revenue of $1.6B for the prior year period as customers continued to manage their inventory levels. (More..)

[43]		AMD addressed this via mid-cycle refreshes like the PlayStation 5 Pro, featuring AI-driven upscaling
	; 10-K::2025-02-05 b1fcbf08dfa5a901	In our Gaming segment we extended our partnership with Sony as they introduced the PlayStation r 5 Pro which features a new AMD semi custom SoC designed to deliver increases in graphics and ray tracing performance to enable AI driven upscaling. (More..)

Paragraph 22

[44]		AMD faces a "David vs. Goliath" dynamic against Intel, characterized by structural imbalance. Intel leverages vast resources and x86 instruction set control to drive de facto standards and delay AMDâ€™s technology access
	; 10-Q::2021-04-28 35eaa9e7ec13f492	Intel also dominates the computer system platform which includes core logic chipsets graphics chips networking devices wired and wireless non volatile storage and other components necessary to assemble a computer system. Additionally Intel is able to drive de facto standards and specifications for x86 that could cause us and other companies to have delayed access to such standards. (More..)
	; 10-Q::2022-08-03 122b877aa9f1fcab	Intel exerts substantial influence over computer manufacturers and their channels of distribution through various brand and other marketing programs. As a result of Intel s position in the microprocessor market Intel has been able to control x86 microprocessor and computer system standards and benchmarks and to dictate the type of products the microprocessor market requires of us. (More..)

[45]		This dominance influences industry benchmarks and creates ecosystem lock-in through non-interoperable components
	; 10-Q::2022-08-03 122b877aa9f1fcab	Intel exerts substantial influence over computer manufacturers and their channels of distribution through various brand and other marketing programs. As a result of Intel s position in the microprocessor market Intel has been able to control x86 microprocessor and computer system standards and benchmarks and to dictate the type of products the microprocessor market requires of us. (More..)
	; 10-K::2023-02-27 d62cb60d8df7d732	We also rely on our AIB partners to support our products. In addition our are not designed to function with motherboards and chipsets designed to work with Intel. (More..)

Paragraph 23

[46]		Competition in graphics and acceleration has shifted from a stable duopoly to a multi-front conflict. While leading in semi-custom console silicon
	; 10-K::2021-01-29 10fe03f192ed44af	Large cloud service providers have also shown interest in building their own products to accelerate AI. We are the market share leader in semi custom game console products where graphics performance is critical and where we compete primarily against Nvidia. Research and Development We focus our research and development activities on improving product performance and enhancing product design. (More..)

[47]		AMD faces a "pincer" threat in discrete graphics and AI. Nvidia is the principal competitor, bolstered by its proprietary CUDA platform which cements dominance in HPC and machine learning
	; 10-K::2021-01-29 19d59898f2c18565	In the data center our principal competitor is Nvidia as the adoption of its proprietary CUDA software platform established its market share in HPC and machine learning. Another competitor is Intel as it builds products for acceleration in the data center such as Intel Xe or Habana AI processors. Other competitors include numerous deep learning accelerator companies consisting mostly of early to late stage start ups. (More..)
	; 10-K::2021-01-29 7c8255e1c3842862	Intel could take actions that place our discrete GPUs and IGP chipsets at a competitive disadvantage such as providing preferential access to its proprietary graphics interface or other useful information to our competitors in the graphics market or restricting access to external companies while developing its own high end discrete GPUs for both consumer and commercial applications. Our principal competitor in the discrete graphics market is Nvidia and they are considered the market share leader. (More..)

Paragraph 24

[48]		AMD describes competition from Nvidia as "intense," citing the latter's pricing power and ecosystem barriers
	; 10-Q::2023-08-02 ce2e8e1228d28b9f	While we see significant opportunity in AI we expect intense competition from companies such as Nvidia in the supply of GPUs and other accelerators for AI. In addition we are entering markets with current and new competitors who may be able to adapt more quickly to customer requirements and emerging technologies. (More..)
	; 10-Q::2024-07-31 6e32b96988ae9614	Nvidia s Data Center GPU market share position significant financial resources introduction of competitive new products and proprietary software ecosystem have enabled it to market and price its products in a manner to encourage the selection of Nvidia based systems and to influence customers who do business with us. (More..)

[49]		By 2024, AMD noted Nvidia's use of "aggressive business practices"â€"including allocation strategies and bundlingâ€"that limit customer choice and threaten margins
	; 10-Q::2024-07-31 2722205d59f2acf0	Economic and Strategic Risks Intel Corporation s dominance of the microprocessor market and its aggressive business practices may limit our ability to compete effectively on a level playing field. Nvidia s dominance in the graphics processing unit market and its aggressive business practices may limit our ability to compete effectively on a level playing field. The markets in which our products are sold are highly competitive and rapidly evolving. (More..)
	; 10-Q::2024-07-31 06796b790a8c2fd4	We may be materially adversely affected by Nvidia s business practices including allocation strategies and pricing actions product mix and introduction schedules and product bundling strategies. Nvidia s practices can limit customers ability to choose non Nvidia products including our products and in turn may limit our market share and decrease our margins and profitability which could have a material adverse effect on our business. (More..)

Paragraph 25

[50]		A significant strategic shift involves the "frenemy" dynamic with major cloud customers. These providers are increasingly developing internal proprietary silicon for AI workloads, effectively transforming key customers into competitors that cannibalize AMD's addressable market
	; 10-K::2021-01-29 10fe03f192ed44af	Large cloud service providers have also shown interest in building their own products to accelerate AI. We are the market share leader in semi custom game console products where graphics performance is critical and where we compete primarily against Nvidia. Research and Development We focus our research and development activities on improving product performance and enhancing product design. (More..)
	; 10-K::2026-02-04 32e2cbcfb226e5b6	A variety of smaller fabless silicon companies offer proprietary accelerator solutions and Arm r based CPUs targeting data center use cases. In addition some of our customers are internally developing their own data center microprocessor products and accelerator products which could impact the available market for our products. Competition in Client and Gaming Segment Our primary competitor in the supply of CPUs and APUs is Intel. (More..)

Paragraph 26

[51]		AMDâ€™s manufacturing strategy evolved from a bifurcated model to a flexible, fabless approach. Initially relying on TSMC for advanced nodes and GlobalFoundries (GF) for mature nodes
	; 10-K::2021-01-29 1a24551bc2f2debc	For the production of wafers for certain products including the production of all our 7 nanometer nm products we use Taiwan Semiconductor Manufacturing Company Limited TSMC. We purchase wafers for all our CPU and APU products and wafers for a certain portion of our GPU products manufactured at process nodes larger than 7 nm with limited exceptions from Inc. GF. We also rely on third party manufacturers to assemble test mark and pack ATMP our products. (More..)
	; 10-Q::2021-07-28 307d014d30232c66	The repurchase program does not obligate us to acquire any common stock has no termination date and may be suspended or discontinued at any time. Also in May 2021 we entered into an amendment the A R Seventh Amendment to the Wafer Supply Agreement WSA with Inc. GF to extend GF s capacity commitment and pricing for wafers purchased at the 12 nm and 14 nm technology nodes by us through December 31 2024. (More..)

[52]		AMD amended its Wafer Supply Agreement with GF in 2022. This amendment removed exclusivity commitments, granting full flexibility to utilize any foundry across all nodes
	; 10-Q::2022-05-04 06bbf4bc814feaa4	AMD and GF also have agreed to wafer pricing through 2025 and AMD is obligated to pre pay GF certain amounts for those wafers in 2022 and 2023. The Amendment no longer includes any exclusivity commitments and provides us with full flexibility to contract with any wafer foundry with respect to all products manufactured at any technology node. (More..)

Paragraph 27

[53]		To secure capacity for the AI pivot, AMD shifted from standard inventory management to proactive capital allocation. By 2025, the company reported $9.4 billion in unconditional purchase commitments, with $5.5 billion allocated for the remainder of the fiscal year
	; 10-Q::2025-08-06 280731b1a28153c5	We have $3.0B available under an unsecured revolving credit facility that expires on April 29 2027. No funds were drawn from this credit facility during the three months ended June 28 2025. As of June 28 2025 we had unconditional purchase commitments of approximately $9.4B of which $5.5B are for the remainder of fiscal year 2025. We work continually with our suppliers and partners on the timing of payments and deliveries of purchase commitments taking into account business conditions. (More..)

Paragraph 28

[54]		A recent $580 million inventory build specifically supported advanced node products for the AI market
	; 10-K::2025-02-05 6020291be4f7b0c2	The primary drivers of the changes in operating assets and liabilities included a $1.3B increase in accounts receivable driven primarily by higher revenue in the last month of 2023 compared to the last month of 2022 and a $580M increase in inventories driven primarily by a build of inventory to support the ramp of new products in advanced process nodes. (More..)

[55]		Management acknowledges that reliance on long-term purchase commitments exposes the company to risks of supply shortages or increased production costs
	; 10-Q::2023-08-02 e3ee170159b2b2de	If we are unable to procure a stable supply of memory equipment materials or substrates on an ongoing basis and at reasonable costs to meet our production requirements we could experience a shortage in memory equipment materials or substrate supply or an increase in production costs which could have a material adverse effect on our business. We have long term purchase commitments and prepayment arrangements with some of our suppliers. (More..)

Paragraph 29

[56]		AMD increasingly utilizes equity-linked instruments to secure volume commitments. The company formalized a partnership with OpenAI for full-stack solutions
	; 10-K::2026-02-04 53f0133963b7d2c0	This multiyear strategic partnership with OpenAI demonstrates our continued execution of hardware software and full stack solutions roadmaps. Our Business Beginning in the first quarter of fiscal year 2025 we combined the Client and Gaming segments into one reportable segment to align with how we manage our business. All prior period segment data were adjusted. (More..)

[57]		underpinned by a warrant for up to 160 million shares
	; 10-K::2026-02-04 52a5ad9c193d7ded	Concurrent with the agreement we issued to OpenAI a warrant to purchase up to an aggregate of 160M shares of AMD s common stock at an exercise price of $0.01 per share. The warrant shares will vest in tranches based on certain AMD Instinct GPU purchase milestones by OpenAI or its affiliates or indirectly through third parties and achievement of specified AMD stock price targets and stock performance. (More..)

[58]		Concurrently, AMD secured a binding commitment for 1 gigawatt of Instinct MI450 GPUs, also tied to warrant issuances
	; 8-K::2025-10-06 4a7866d891b07705	The Warrant was issued in connection with and concurrent with the entry into that certain product purchase agreement the Agreement by and between the Company and Warrantholder which govern the purchase of AMD Instinct GPU products from the Company. Concurrent with signing Warrantholder agreed to a binding commitment to purchase directly or through its affiliates or Authorized Purchasers the initial one 1 gigawatt of AMD Instinct MI450 Series GPU products. (More..)

Paragraph 30

[59]		In 2025, intensified U.S. export controls significantly impacted the Data Center segment. New license requirements for China and D5 countries restricted the AMD Instinct MI308 GPU
	; 10-Q::2025-08-06 9c1a5dcd9a4902f3	In April 2025 the U.S. government implemented a new license requirement for the export of certain semiconductor products to China including Hong Kong and Macau and D5 countries or to companies headquartered in or with an ultimate parent located in such countries. This restriction impacts our AMD Instincttm MI308 product. There is no assurance that the licenses needed to export such product will be granted in a timely fashion or at all by the U.S. government. (More..)
	; 10-Q::2025-05-07 92b1f781c17c2d7d	The Company is actively seeking a strategic partner to acquire ZT Systems manufacturing business. Export Restrictions On April 15 2025 the Company completed its initial assessment of a new license requirement implemented by the U.S. government for the export of certain semiconductor products to China including Hong Kong and Macau and D 5 countries or to companies headquartered or with an ultimate parent in such countries the Export Control. The Export Control applies to the Company s MI308 products. (More..)

[60]		triggering ~$800 million in inventory charges during H1 2025
	; 10-Q::2025-08-06 260536c6ac4c0811	Gross margin was 45 and 48 for the six months ended June 28 2025 and June 29 2024 respectively. The decrease in gross margin in both periods was primarily due to approximately $800M of inventory and related charges associated with the U.S. government export control on AMD Instinct MI308 Data Center GPU products. (More..)
	; 10-Q::2025-08-06 3826e4882b8b1cce	Data Center operating income was $777M for the six months ended June 28 2025 compared to operating income of $1.3B for the prior year period. The decrease in operating income in both periods was primarily due to approximately $800M of inventory and related charges associated with the U.S. government export control on AMD Instinct MI308 GPU products and higher R D expense. (More..)

Paragraph 31

[61]		In January 2025, the BIS issued the 'AI Diffusion Rule,' which management noted could impose new restrictions and adversely impact market position
	; 10-K::2026-02-04 6e9b3c2b62160b43	As such we could lose market position and our business operating results and financial condition would be adversely impacted. In January 2025 BIS issued a final rule commonly referred to as the AI Diffusion Rule that would have imposed new restrictions on the export reexport and in country transfer of certain advanced semiconductor devices and technology. (More..)

[62]		Securing licenses for specific China-based customers allowed the reversal of ~$360 million in charges, reducing the net inventory impact to ~$440 million
	; 10-K::2026-02-04 02a3a6a1e911d6e7	We applied for and were granted some licenses by the U.S. government that allow us to ship our MI308 products to certain China based customers. During the fourth quarter of fiscal year 2025 we began shipping products and reversed approximately $360M of the charges recorded earlier in the year. Sales of our MI308 products into China depend on customer demand China s import control rules and our ability to obtain licenses. (More..)
	; 10-K::2026-02-04 c141046123463237	Gross margin of 50 increased by 1 compared to 49 in 2024 primarily due to product mix partially offset by approximately $440M of net inventory and related charges associated with the U.S. government export control on AMD Instincttm MI308 Data Center GPU products. Cash cash equivalents and short term investments as of December 27 2025 were $10.6B compared to $5.1B at the end of 2024. Our aggregate principal amount of total debt as of December 27 2025 was $3.3B compared to $1.8B as of December 28 2024. (More..)

Paragraph 32

[63]		External pressures evolved from general uncertainty to specific cost structure headwinds. By 2025, rising tariffs increased hardware costs for data center customers, potentially delaying AI capital deployment
	; 10-Q::2025-11-05 8ae37d0c7ef2ea34	Our customers costs of doing business may increase or their sales may be negatively affected. As such customer demand for our products may decline which could adversely impact our ability to generate revenue and result in inventory impairment changes. For example data centers require hardware infrastructure that may increase in costs for our customers due to tariffs and thus our customers may delay or halt investments in AI infrastructure. (More..)

[64]		Concurrently, higher borrowing costs constrained capital availability, complicating strategy execution
	; 10-Q::2025-11-05 847f5f2153d7e67d	Our ability to forecast our operating results make business decisions and execute our business strategy could be adversely impacted by challenging macroeconomic conditions. In addition uncertain economic conditions could lead to higher borrowing costs and reduced availability of capital and credit markets making it more difficult for us to raise funds through borrowings or private or public sales of debt or equity securities. (More..)