

The 1–Minute Brief

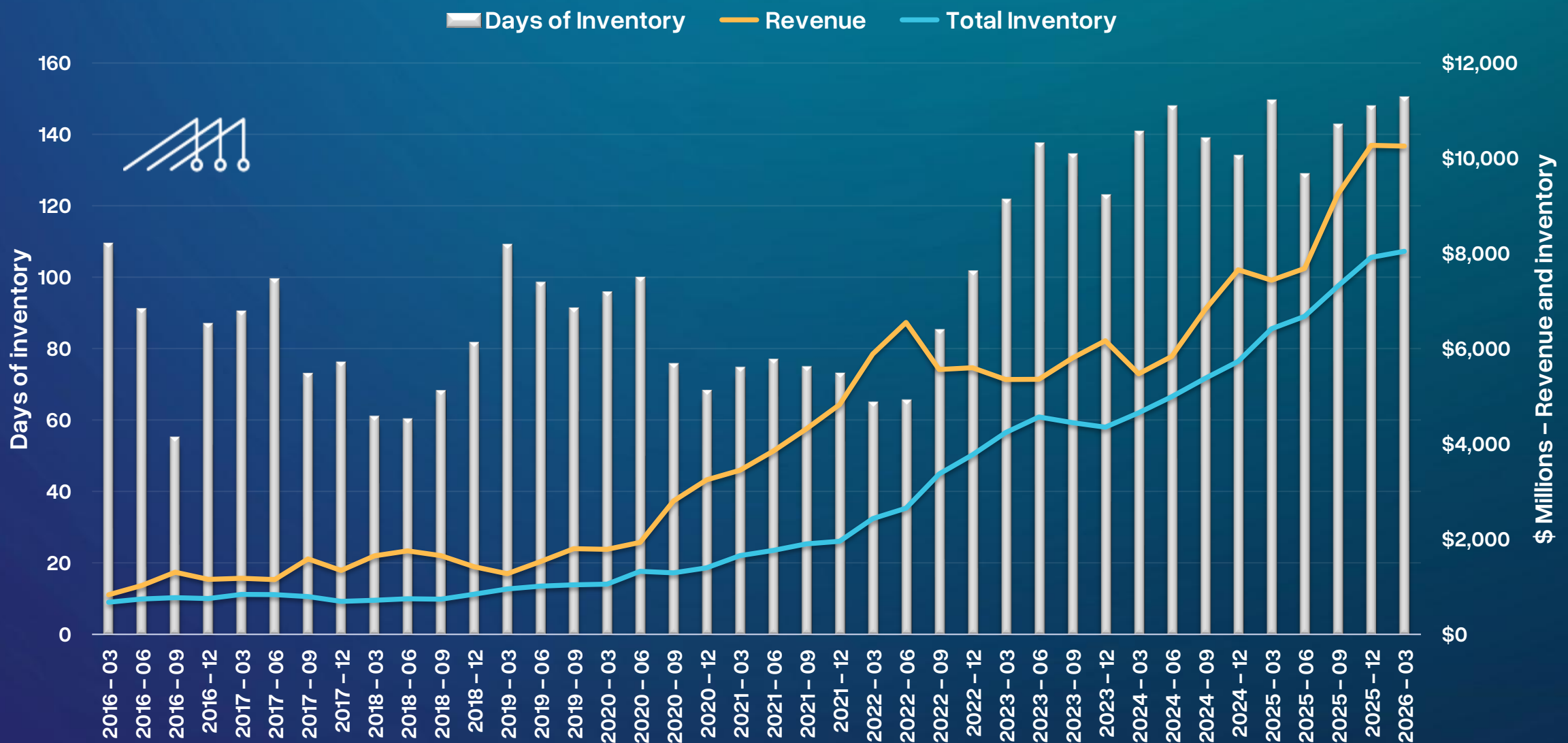
AMD

CY Q1'26 Earnings

Announced on 05, May'26

Key Takeaways

- CY Q1'26 revenue came in at \$10.3B, up 38% YoY and flat QoQ, driven by record EPYC, Ryzen, and Instinct processor sales
- Inventory was strategically elevated to support accelerating AI and server demand
- Gross margin was up YoY, driven by a favorable product mix and a higher Data Center revenue
- AMD lifted its 2030 server CPU TAM from \$60B to more than \$120B, with growth now seen at >35% CAGR

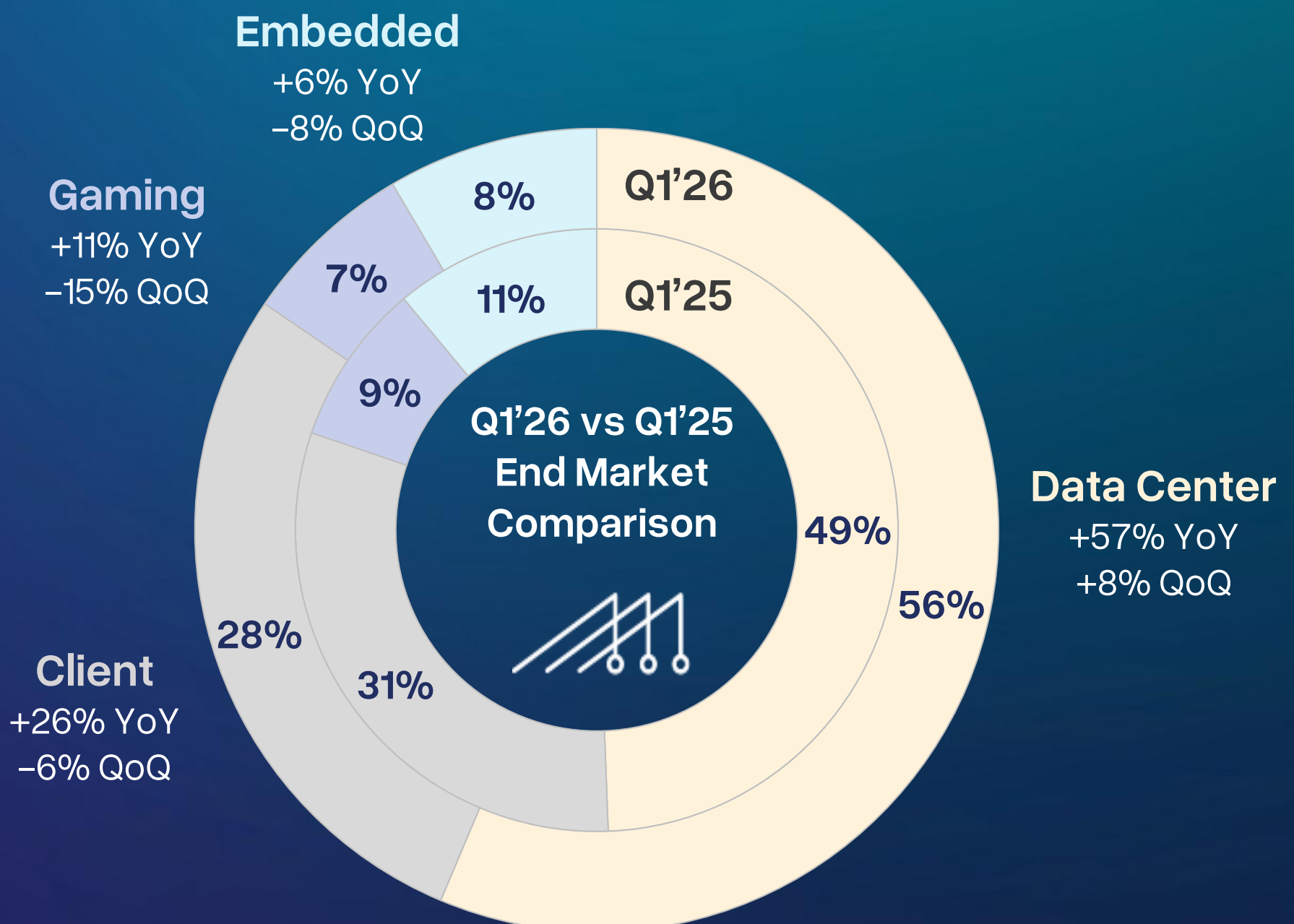


Gross Margin Trend



Performance by Segment

- **Data center:** Record quarterly revenue, driven by strong demand for EPYC CPUs and Instinct GPUs
- **Client and gaming:** Combined segment revenue increased 23% YoY to \$3.6B
 - **Client:** YoY growth, led by strong sales of latest Ryzen processors and continued share gains across consumer and commercial markets
 - **Gaming:** Semi-custom game console SoC revenue declined, offset by strong demand for Radeon 9000 gaming GPUs
- **Embedded:** Strong momentum in Aerospace & defense, Communications, Test & measurement



Outlook

- **Q2'26 midpoint guidance:**
+46% YoY (vs. Q2'25) and +9% QoQ (vs. Q1'26)
- Gross margin is expected to grow ~56%, driven by strong EPYC mix, embedded recovery and premium client products

Segment Outlook:

- **Data Center–Server CPU:** Revenue up 70% YoY in Q2; EPYC Turin and Venice launches drive growth into FY2027
- **Data Center–AI GPU:** Strong double–digit QoQ growth with bigger AI deployments ahead
- **Client:** Ryzen AI PCs lift YoY sales, but PC demand faces cost pressures in H2'26
- **Gaming:** H2'26 gaming revenue to decline more than 20% vs H1'26, driven by console softness and higher costs, while Radeon GPUs stay strong
- **Embedded:** Double–digit Q2 growth from industrial, aerospace, and comms recovery



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