AMD Acquires Xilinx

Creating the Industry’s High-Performance and Adaptive Computing Leader

February 14, 2022
Cautionary Statement

This presentation contains forward-looking statements concerning Advanced Micro Devices, Inc. (AMD) such as the anticipated benefits from the acquisition of Xilinx, Inc. (Xilinx) by AMD; the expectation that the acquisition will be accretive to non-GAAP margins, non-GAAP EPS and free cash flow generation; expected AMD total addressable market (TAM) in 2023; the anticipated benefits from AMD’s TAM; the anticipated benefits of the combined company’s R&D scale, complementary technology leadership and revenue synergy opportunities, 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 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; global economic uncertainty; 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; market conditions of the industries in which AMD products are sold; cyclical nature of the semiconductor industry; quarterly and seasonal sales patterns; AMD’s ability to adequately protect its technology or other intellectual property; unfavorable currency exchange rate fluctuations; ability of third party manufacturers to manufacture AMD’s products on a timely basis in sufficient quantities and using competitive technologies; availability of essential equipment, materials, substrates or manufacturing processes; ability to achieve expected manufacturing yields for AMD’s products; AMD’s ability to introduce products on a timely basis with expected features and performance levels; AMD’s ability to generate revenue from its semi-custom SoC products; potential security vulnerabilities; potential security incidents including IT outages, data loss, data breaches and cyberattacks; 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 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 administration 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, including the acquisition of Xilinx, and the ability to integrate Xilinx and other acquired businesses; impact of any impairment of the combined company’s assets on the combined company’s financial position and results of operations; restrictions imposed by agreements governing AMD’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, economic risks and natural disasters; future impairments of goodwill and technology license purchases; AMD’s ability to attract and retain qualified personnel; AMD’s stock price volatility; and worldwide political conditions. 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.
**AMD Acquires Xilinx**

**Create the Industry’s High-Performance and Adaptive Computing Leader**

- Industry’s strongest portfolio of high-performance and adaptive computing products
  - Leadership CPUs, GPUs, FPGAs and Adaptive SoCs
- World-class IP, design and software capabilities
- Increases AMD TAM to ~$135 billion in 2023 with significant revenue synergy opportunities
  - Differentiated solutions addressing growing demand for heterogeneous compute across data center, communications and embedded markets
- Strengthens AMD financial model
  - Diversified revenue streams across multiple, high-margin businesses
  - Accretive to AMD non-GAAP margins, non-GAAP EPS and free cash flow in first year
The High-Performance and Adaptive Computing Leader

Leadership Products | Ambitious Goals | Focused Execution | Profitable Growth
Innovation from the Data Center to the Edge

Leadership x86 CPU
Industry’s best x86 compute engines from enterprise to cloud to HPC

Compute-Optimized GPU Architecture
Leadership performance for HPC and AI

Adaptive Acceleration
Leadership FPGAs and adaptive SoCs accelerate evolving workloads including AI, smart networking and software-defined infrastructure
## Long-Term TAMs Present

### Enormous Opportunity

<table>
<thead>
<tr>
<th>Segment</th>
<th>TAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Center</td>
<td>$50B</td>
</tr>
<tr>
<td>PCs</td>
<td>$40B</td>
</tr>
<tr>
<td>Embedded</td>
<td>$29B</td>
</tr>
<tr>
<td>Gaming</td>
<td>$16B</td>
</tr>
</tbody>
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\[
\sim \$135B \text{ TAM}
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R&D Scale to **Accelerate Innovation**

**Boosting R&D Investment**
- **AMD**: $2.8B
- **Xilinx**: $1.0B
- **Combined**: $3.8B

**15K+ World-Class Engineers**

**Expanded Capabilities**
- Leadership roadmaps
- Best-in-class 2.5/3D die stacking and packaging technology
- Revolutionary chiplet and interconnect technology
- Leading AI engines and domain-specific architectures
- Best-of-breed software platforms
### Complementary Technology Leadership

<table>
<thead>
<tr>
<th>Multi-Generation Product Architectures</th>
<th>Advanced Process &amp; Packaging Technology</th>
<th>AI Engines</th>
<th>Software Enablement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry-leading CPUs, GPUs, FPGAs and adaptive SoCs</td>
<td>Leadership process, packaging, chiplet, 3D and interconnect technology</td>
<td>Meeting the compute demands of next-generation applications across dynamic and evolving markets, such as 5G cellular, data center, automotive and industrial</td>
<td>Open source software co-designed with hardware, and optimized for performance across heterogenous solutions</td>
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<tr>
<td>Well-aligned design methodology, foundry process and IP</td>
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AMD Strategic Acquisition of Xilinx | February 14, 2022
Significant **Revenue Synergy** Opportunities

**Data Center**

Leverage strong AMD relationships and AMD EPYC™ processor momentum
Offer leadership AI, SmartNIC and workload-specific accelerator solutions

**5G and Wired Communications**

Utilize Xilinx comms expertise and deep relationships
Drive adoption of AMD EPYC™ processors in wired and wireless infrastructure

**Embedded**

Enable differentiated solutions for Xilinx’s broad customer base and distribution platform with expanded portfolio of CPUs, GPUs, FPGAs and Adaptive SoCs
Xilinx Acquisition Creates Industry’s High-Performance and Adaptive Computing Leader

- Industry-Leading Products
- Diversified and Growing Markets
- Data Center Momentum
- Non-GAAP Margin Expansion
- Non-GAAP EPS and Free Cash Flow Accretive in 1st year
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