

AMD Drops SeaMicro Business

Written by Marco Attard
17 April 2015

Bigger-than-expected losses and falling Q1 2015 sales lead to AMD dropping the SeaMicro dense server business in order to "simplify and sharpen the company's investment focus."



[AMD acquired microserver specialist SeaMicro](#) a little more than 3 years ago. It builds space- and energy-saving server with hundreds of ultra-low-power processors dubbed "wimpy cores," which are tied together using "supercompute" fabric technology.

One SeaMicro product sold by AMD is the [SM15000](#), a 10RU server pushing compute, networking and storage through 64 "compute card" slots carrying either AMD Octal-core Opteron or Intel quad-core Xeon processors.

AMD will retain SeaMicro's fabric technology, but gives no hint as to what it will do with the rest of the business.

But how bad is AMD's Q1 2015? Revenues are down by 26.2% Y-o-Y to \$1.03 billion (missing analyst estimates of \$1.05bn), with declines across all divisions. The Computing and Graphics division is the worst hit, with sales falling by 38.2% Y-o-Y to \$532 million, while the Enterprise, Embedded and Semi-Custom division sees revenues worth \$498m with 7.1% Y-o-Y declines.

Overall Q1 2015 income reaches \$45m, a 47.1% Y-o-Y drop, while net losses for the quarter reach \$180m, far worse than the \$20m loss posted back in Q1 2014. As for the next quarter, the

AMD Drops SeaMicro Business

Written by Marco Attard
17 April 2015

company expects nothing better than flat results.

Go [AMD Reports Q1 2015 Results](#)