

Microsoft Corporation Q3FY24 Report Overview

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Goals and Objectives of the Research

Research Objective: To perform a comparative analysis of the Q3FY24 quarterly report and those of previous periods.

Research Tasks:

- Gather comprehensive financial and corporate information pertaining to the company for Q3FY24;
- Analyze the collected information;
- Conduct a comparative assessment of the Q3FY24 report with the reports from previous quarters of the current fiscal year and Q3FY23;
- Formulate conclusions based on the analyzed data.

Disclaimers

The information collected in this report reflects data from the company's public reports and is not questioned or verified via other sources. In other words, information from the company's public reports is taken and used as is.

If additional information from other sources is used or if the data used is reflective of the researcher's personal opinion, this will be labeled accordingly.

The provided public company quarterly reports are unaudited.

Document Markup

- FY - Financial Year;
- MS - Microsoft Corporation;
- Q - Quarter;
- This report uses the American number format: a period is used as the decimal separator, while commas separate thousands;
- Year-over-year (YoY) calculations of relative values were not performed in cases where last year's profit changed to a loss in the current year and vice versa within the scope of the current report;
- Microsoft Corporation Annual Report Period is from July 1, 2023 to June 30, 2024.

Conclusions

General Information

Parameter	Microsoft Corporation
Website	microsoft.com
Country (location)	USA
Country (issuer)	USA *
Year of foundation	1975
Founder	Bill Gates
Sector	Technology
Type	Public
Year of IPO	1986
Stock market	NASDAQ
Ticker	MSFT
Previous Annual Report from Data40	Microsoft Corporation Full Fiscal Year 2023 Report Overview
Previous Quarterly Report from Data40	-

*Note: To access the registry, enter the company name in the "Business Name" field and click "Search." Then, select the company in the "Business Name" column.

About Company

MS is a technology company, founded in 1975. The company offers cloud-based solutions that provide customers with software, services, platforms, and content. MS provides solution support and consulting services and delivers online advertising to a global audience. MS's products include operating systems, cross-device productivity and collaboration applications, server applications, business solution applications, desktop and server management tools, software development tools, and video games.¹

¹ [MS Consolidated Annual Report 2023, p.4](#)

Conference Call Information

On April 25, 2024, Microsoft Corporation hosted its Q3FY24 [Earnings Call](#) at **02:30 PM PT** to discuss the company's Q3FY24. The Press Release and Webcast are accessible via the [link](#).²

Public Quarterly Reports Calendar FY24-25^{3 4}

Quarter	Period	Date
FY24		
Q1	July 1, 2023 to Sep 30, 2023	Oct 24, 2023
Q2	Oct 1, 2023 to Dec 31, 2023	Dec 7, 2023
Q3	Jan 1, 2024 to Mar 31, 2024	Apr 25, 2024
Q4 and FY24	Apr 1, 2024 to June 30, 2024	Jul 22, 2024 (Projected)
FY25		
Q1	July 1, 2024 to Sep 30, 2024	Oct 21, 2024 (Projected)
Q2	Oct 1, 2024 to Dec 31, 2024	Jan 28, 2025 (Projected)
Q3	Jan 1, 2025 to Mar 31, 2025	Apr 28, 2025 (Projected)
Q4 and FY25	Apr 1, 2025 to June 30, 2025	TBA

Follow the announcements of the release of new reports on the website [Data40.com](#) in the [Calendars by Financial reports section of DATA40.com](#).

² [MS Web, Q3FY24 Earning Call](#)

³ [MS Web, Events](#)

⁴ [Marketscreener, MS Calendar](#)

Highlights and Metrics

Q3FY24 Highlights^{5 6 7}

- In March 2024, MS entered into **an agreement with Inflection AI, Inc.**, pursuant to which MS obtained a non-exclusive license to Inflection's intellectual property;
- **Net Revenue** of 61,858 million USD, an increase of 17.03%, compared to 52,857 million USD in Q3FY23;
- **Net Revenue in Productivity and Business Processes** of 19,570 million USD, an increase of 11.73%, compared to 17,516 million USD in Q3FY23;
- **Net Revenue in Intelligent Cloud** of 26,708 million USD, an increase of 20.95%, compared to 22,081 million USD in Q3FY23;
- **Net Revenue in More Personal Computing** of 15,580 million USD, a decrease of 17.50%, compared to 13,260 million USD in Q3FY23;
- **United States Net Revenue** of 31,437 million USD, an increase of 20.88%, compared to 13,260 million USD in Q3FY23;
- **Operating Income** of 27,581 million USD, an increase of 23.39%, compared to 22,352 million USD in Q3FY23;
- **Net Income** of 21,939 million USD, an increase of 19.89%, compared to 18,299 million USD in Q3FY23.

Acquisitions and Divestitures

In Q3FY24, the company did not make any acquisitions or divestitures.

Business Outlook⁸

"We will continue to make significant investments in research, development, and marketing for existing products, services, and technologies".

"We expect to continue making acquisitions and entering into joint ventures and strategic alliances as part of our long-term business strategy. In addition, we are focused on developing new AI platform services and incorporating AI into existing products and services".

"Our focus on cloud-based services presents execution and competitive risks. A growing part of our business involves cloud-based services available across the spectrum of computing devices. Our strategic vision is to compete and grow by building best-in-class platforms and productivity services that utilize ubiquitous computing and ambient intelligence to drive insights and productivity gains".

"We are investing in artificial intelligence ("AI") across the entire company and infusing generative AI capabilities into our consumer and commercial offerings. We expect AI technology and services to be a highly competitive and rapidly evolving market"

⁵ [MS Consolidated Q3FY24 Report, p.10](#)

⁶ [MS Consolidated Q3FY24 Report, p.3](#)

⁷ [MS Consolidated Q3FY24 Report, p.29](#)

⁸ In this chapter, quotes are used from the [MS Consolidated Q3FY24 Report, p.51-53](#)

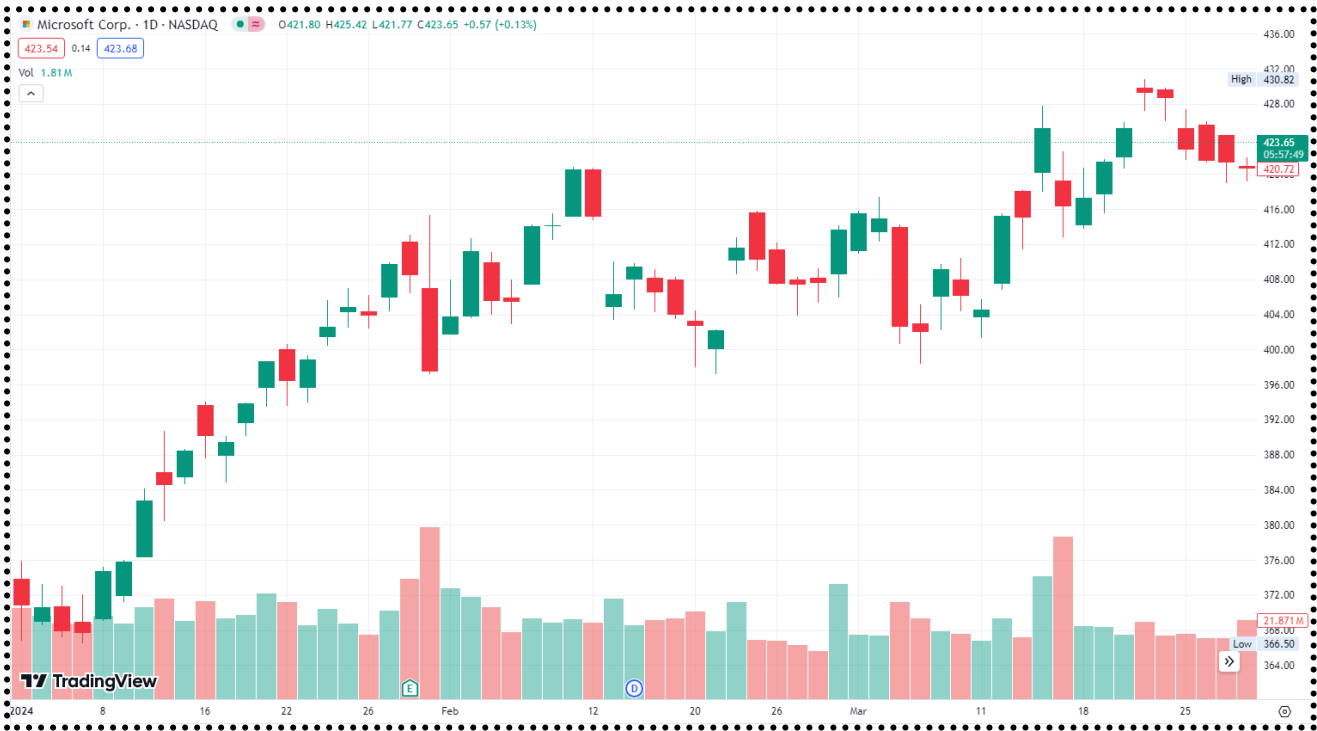
Stock Information

About Shares

Total Shares Outstanding ≈ 7,433,000,000 (as of March 31, 2024).⁹

Total Shares Outstanding - 7,432,305,794 (as of April 22, 2024).¹⁰

TradingView Retrospective Q3FY24¹¹



Date	Open Price, USD	Highest Price, USD	Lowest Price, USD	Close Price, USD
Jan 2, 2024	373.86	375.90	366.77	370.87
Mar 28, 2024	420.96	421.87	419.12	420.72

Q3FY24 Price MAX: 430.82 USD (as of March 21, 2024).

Q3FY24 Price MIN: 366.50 USD (as of January 5, 2024).

⁹ [MS Consolidated Q3FY24 Report, p.5](#)

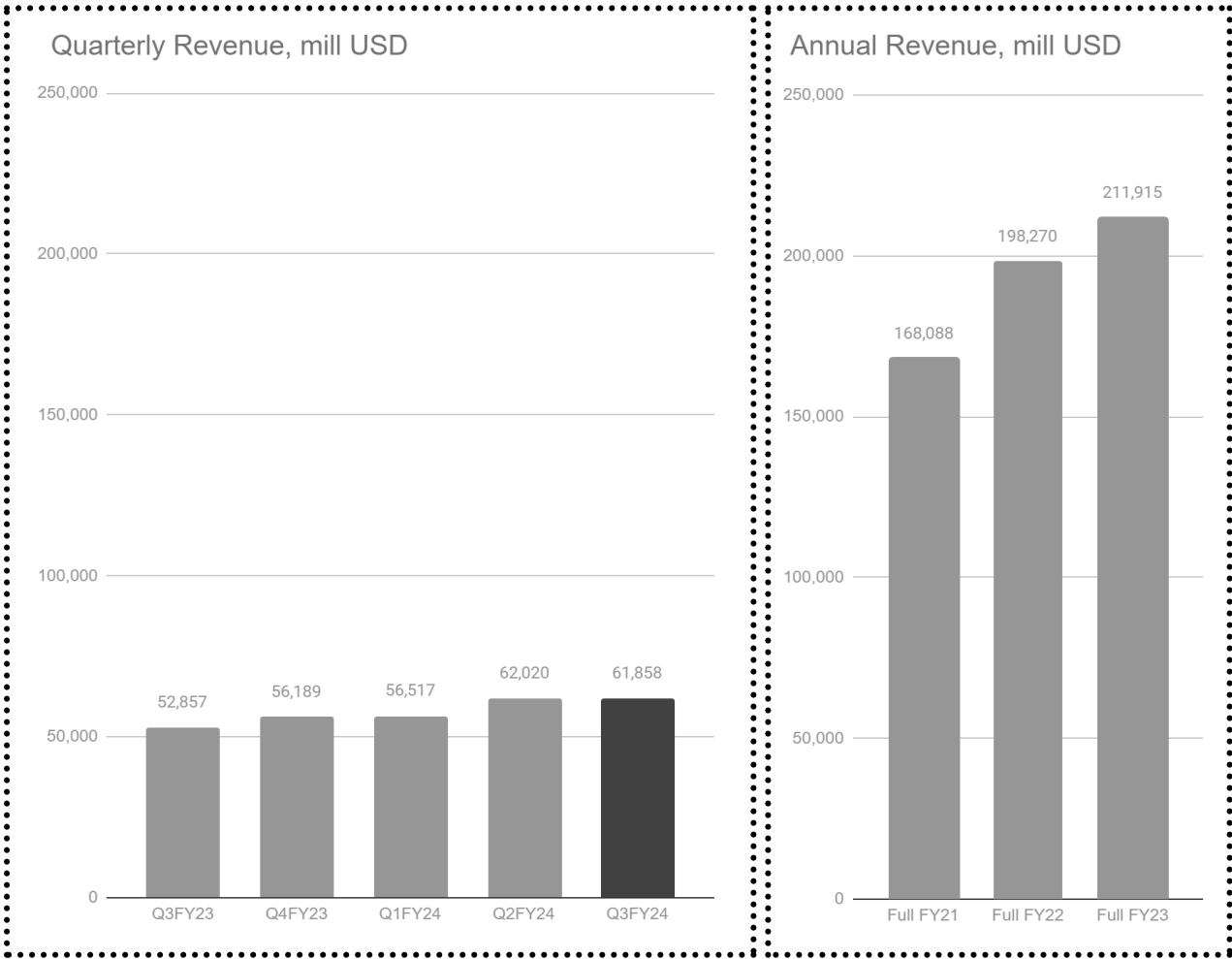
¹⁰ [MS Consolidated Q3FY24 Report, p.1](#)

¹¹ [TradingView, MS Chart](#)

Financial Statements

Revenue Retrospective

Microsoft Corporation Revenue Retrospective^{12 13 14 15}



¹² [MS Consolidated Q3FY24 Report, p.3](#)

¹³ [MS Consolidated Q2FY24 Report, p.3](#)

¹⁴ [MS Consolidated Q1FY24 Report, p.3](#)

¹⁵ [MS Consolidated Annual Report 2023, p.58](#)

Sales per Business

Net Revenue Structure^{16 17 18 19}

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Product	17,080	-9.83	18,941	21.92	15,535	-7.82	16,853	8.12	15,588	9.57
Service and other	44,778	3.94	43,079	5.12	40,982	4.18	39,336	5.55	37,269	20.15
Total Consolidated Revenue	61,858	-0.26	62,020	9.74	56,517	0.58	56,189	6.30	52,857	17.03

Net Revenue Structure Percentages

Parameter	Q3FY24, %	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %
Product	27.61	30.54	27.49	29.99	29.49
Service and other	72.39	69.46	72.51	70.01	70.51

¹⁶ [MS Consolidated Q3FY24 Report, p.3](#)

¹⁷ [MS Consolidated Q2FY24 Report, p.3](#)

¹⁸ [MS Consolidated Q1FY24 Report, p.3](#)

¹⁹ [MS Consolidated Annual Report 2023, p.58](#)

Sales per Segment

Sales Volume by Segment^{20 21 22 23}

(In million, except Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Productivity and Business Processes	19,570	1.67	19,249	3.53	18,592	1.65	18,291	4.42	17,516	11.73
Intelligent Cloud	26,708	3.20	25,880	6.68	24,259	1.11	23,993	8.66	22,081	20.95
More Personal Computing	15,580	-7.76	16,891	23.60	13,666	-1.72	13,905	4.86	13,260	17.50
Total Consolidated Revenue	61,858	-0.26	62,020	9.74	56,517	0.58	56,189	6.30	52,857	17.03

Sales Volume by Segment Percentages

Parameter	Q3FY24, %	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %
Productivity and Business Processes	31.64	31.04	32.90	32.55	33.14
Intelligent Cloud	43.18	41.73	42.92	42.70	41.77
More Personal Computing	25.19	27.23	24.18	24.75	25.09

²⁰ [MS Consolidated Q3FY24 Report, p.29](#)

²¹ [MS Consolidated Q2FY24 Report, p.28](#)

²² [MS Consolidated Q1FY24 Report, p.27](#)

²³ [MS Consolidated Annual Report 2023, p.94](#)

Sales Per Products and Services

Sales by Products and Services^{24 25 26 27}

(In million, except Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Server products and cloud services	24,832	3.67	23,953	7.37	22,308	1.57	21,963	9.68	20,025	24.00
Office products and cloud services	13,911	3.22	13,477	2.56	13,140	2.53	12,816	2.79	12,468	11.57
Windows	5,929	-16.62	7,111	27.73	5,567	-8.10	6,058	13.70	5,328	11.28
Gaming	5,451	3.59	5,262	34.27	3,919	12.26	3,491	-3.22	3,607	51.12
LinkedIn	4,013	-4.34	4,195	7.21	3,913	-2.78	4,025	10.00	3,659	9.67
Search and news advertising	3,134	-2.67	3,220	5.47	3,053	0.10	3,050	0.46	3,036	3.23
Enterprise Services	1,861	-2.92	1,917	-1.39	1,944	5.71	1,839	-10.16	2,047	-9.09
Devices	1,646	4.44	1,576	2.34	1,540	-1.91	1,570	13.03	1,389	18.50
Dynamics	1,067	-17.80	1,298	15.38	1,125	-11.90	1,277	-0.39	1,282	-16.77

²⁴ [MS Consolidated Q3FY24 Report, p.30](#)

²⁵ [MS Consolidated Q2FY24 Report, p.29](#)

²⁶ [MS Consolidated Q1FY24 Report, p.27](#)

²⁷ [MS Consolidated Annual Report 2023, p.95](#)

Other	14	27.27	11	37.50	8	-92.00	100	525.00	16	-12.50
Total Consolidated Revenue	61,858	-0.26	62,020	9.74	56,517	0.58	56,189	6.30	52,857	17.03

Sales by Products and Services Percentages

Parameter	Q3FY24, %	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %
Server products and cloud services	40.14	38.62	39.47	39.09	37.89
Office products and cloud services	22.49	21.73	23.25	22.81	23.59
Windows	9.58	11.47	9.85	10.78	10.08
Gaming	8.81	8.48	6.93	6.21	6.82
LinkedIn	6.49	6.76	6.92	7.16	6.92
Search and news advertising	5.07	5.19	5.40	5.43	5.74
Enterprise Services	3.01	3.09	3.44	3.27	3.87
Devices	2.66	2.54	2.72	2.79	2.63
Dynamics	1.72	2.09	1.99	2.27	2.43
Other	0.02	0.02	0.01	0.18	0.03

Sales per Region

Sales by Region^{28 29 30 31}

(In million, except Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
United States	31,437	-2.66	32,295	12.09	28,812	3.29	27,894	7.26	26,007	20.88
Other countries	30,421	2.34	29,725	7.29	27,705	-2.09	28,295	5.38	26,850	13.30
Total Consolidated Revenue	61,858	-0.26	62,020	9.74	56,517	0.58	56,189	6.30	52,857	17.03

Sales by Region Percentages

Parameter	Q3FY24, %	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %
United States	50.82	52.07	50.98	49.64	49.20
Other countries	49.18	47.93	49.02	50.36	50.80

²⁸ [MS Consolidated Q3FY24 Report, p.29](#)

²⁹ [MS Consolidated Q2FY24 Report, p.28](#)

³⁰ [MS Consolidated Q1FY24 Report, p.27](#)

³¹ [MS Consolidated Annual Report 2023, p.94](#)

Dividend Information^{32 33 34 35 36}

(In million, except Per share data and Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Per share	0.75 USD	-	0.75 USD	-	0.75 USD	10.29	0.68 USD	-	0.68 USD	10.29
Cash dividends declared	5,574	-	5,574	0.02	5,573	10.27	5,054	-0.06	5,057	10.22

On March 12, 2024, MS declared a quarterly dividend of 0.75 USD per common share, which will be paid on June 13, 2024.

³² [MS Consolidated Q3FY24 Report, p.64](#)

³³ [MS Consolidated Q2FY24 Report, p.63](#)

³⁴ [MS Consolidated Q1FY24 Report, p.58](#)

³⁵ [MS Consolidated Annual Report 2023, p.38](#)

³⁶ [MS Consolidated Q3FY23 Report, p.66](#)

Balance Sheet^{37 38 39 40}

(In million, except Percentages)

Parameter	at Mar 31, 2024, USD	QoQ, %	at Dec 31, 2023, USD	QoQ, %	at Sep 30, 2023, USD	QoQ, %	at Jun 30, 2023, USD	QoQ, %	at Mar 31, 2023, USD	YoY, %
Assets										
Total Current Assets	147,180	-0.14	147,393	-29.00	207,586	12.66	184,257	12.43	163,889	-10.20
Total Non-Current Assets	337,095	4.31	323,165	35.67	238,199	4.60	227,719	5.33	216,199	55.92
Total Assets	484,275	2.92	470,558	5.56	445,785	8.21	411,976	8.39	380,088	27.41
Liabilities										
Total Current Liabilities	118,525	-2.06	121,016	-3.03	124,792	19.82	104,149	21.54	85,691	38.32
Total Non-Current Liabilities	112,598	1.19	111,274	10.96	100,279	-1.30	101,604	1.90	99,714	12.92
Total Liabilities	231,123	-0.50	232,290	3.21	225,071	9.39	205,753	10.97	185,405	24.66
Total Equity	253,152	6.25	238,268	7.95	220,714	7.03	206,223	5.93	194,683	30.03

³⁷ [MS Consolidated Q3FY24 Report, p.5](#)

³⁸ [MS Consolidated Q2FY24 Report, p.5](#)

³⁹ [MS Consolidated Q1FY24 Report, p.5](#)

⁴⁰ [MS Consolidated Q3FY23 Report, p.5](#)

Income Statement^{41 42 43 44}

(In million, except EPS data and Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Revenue	61,858	-0.26	62,020	9.74	56,517	0.58	56,189	6.30	52,857	17.03
Gross margin	43,353	2.25	42,397	5.43	40,215	2.08	39,394	7.26	36,729	18.03
Operating Income	27,581	2.03	27,032	0.51	26,895	10.89	24,254	8.51	22,352	23.39
Net Income	21,939	0.32	21,870	-1.89	22,291	11.01	20,081	9.74	18,299	19.89
EPS Basic	2.95	0.34	2.94	-2.00	3.00	11.11	2.70	9.76	2.46	19.92

⁴¹ [MS Consolidated Q3FY24 Report, p.3](#)

⁴² [MS Consolidated Q2FY24 Report, p.3](#)

⁴³ [MS Consolidated Q1FY24 Report, p.3](#)

⁴⁴ [MS Consolidated Annual Report 2023, p.58](#)

Cashflow Statement^{45 46 47 48}

(In million, except Percentages)

Parameter	Q3FY24, USD	QoQ, %	Q2FY24, USD	QoQ, %	Q1FY24, USD	QoQ, %	Q4FY23, USD	QoQ, %	Q3FY23, USD	YoY, %
Cash flows from operating activities	31,917	69.29	18,853	-38.35	30,583	6.30	28,770	17.71	24,441	30.59
Cash flows from investing activities	(10,700)	-85.12	(71,925)	-	503	-	(9,134)	179.84	(3,264)	227.82
Cash flows from financing activities	(18,808)	85.36	(10,147)	-	14,761	-	(11,413)	10.91	(10,290)	82.78

⁴⁵ [MS Consolidated Q3FY24 Report, p.6](#)

⁴⁶ [MS Consolidated Q2FY24 Report, p.6](#)

⁴⁷ [MS Consolidated Q1FY24 Report, p.6](#)

⁴⁸ [MS Consolidated Annual Report 2023, p.61](#)

News⁴⁹

January 11, 2024 - [Microsoft unveils new generative AI and data solutions across the shopper journey, offering copilot experiences through Microsoft Cloud for Retail.](#)

January 15, 2024 - [Vodafone and Microsoft sign 10-year strategic partnership to bring generative AI, digital services and the cloud to more than 300 million businesses and consumers.](#)

January 16, 2024 - [Microsoft announces quarterly earnings release date.](#)

January 30, 2024 - [Microsoft Cloud strength drives second quarter results.](#)

January 30, 2024 - [Microsoft earnings press release available on Investor Relations website.](#)

February 29, 2024 - [Microsoft celebrates suppliers' bold ambitions empowering communities.](#)

March 11, 2024 - [New consortium of healthcare leaders announces formation of Trustworthy & Responsible AI Network \(TRAIN\), making safe and fair AI accessible to every healthcare organization.](#)

March 12, 2024 - [Microsoft announces quarterly dividend.](#)

March 14, 2024 - [Microsoft and Oracle expand partnership to satisfy global demand for Oracle Database@Azure.](#)

March 18, 2024 - [Microsoft and NVIDIA announce major integrations to accelerate generative AI for enterprises everywhere.](#)

March 18, 2024 - [Microsoft announces collaboration with NVIDIA to accelerate healthcare and life sciences innovation with advanced cloud, AI and accelerated computing capabilities.](#)

March 26, 2024 - [Adobe and Microsoft partner to bring new generative AI capabilities to marketers as they work in Microsoft 365 applications.](#)

⁴⁹ [MS Web, Press Releases](#)

Analyst's Opinion

Summary

MS is a technology company, founded in 1975. The company offers cloud-based solutions that provide customers with software, services, platforms, and content. MS provides solution support and consulting services and delivers online advertising to a global audience. MS's products include operating systems, cross-device productivity and collaboration applications, server applications, business solution applications, desktop and server management tools, software development tools, and video games.

Total Shares Outstanding \approx 7,433,000,000 as of March 31, 2024. The range in which the company's shares were traded on NASDAQ for Q3FY24 was from 366.50 USD to 430.82 USD. The opening price on January 2, 2024, was 373.86 USD. The closing price on March 28, 2024, was 420.72 USD. On March 12, 2024, MS declared a quarterly dividend of 0.75 USD per common share, which will be paid on June 13, 2024.

In March 2024, MS entered into an agreement with Inflection AI, Inc., pursuant to which MS obtained a non-exclusive license to Inflection's intellectual property.

In Q3FY24, Net Revenue was 61,858 million USD versus 52,857 million USD in Q3FY23, an increase of 17.03%, and a decrease of 0.26% compared to 62,020 million USD in Q2FY24.

Net Revenue Structure by Segment in Q3FY24: 43.18% from the Intelligent Cloud segment at 26,708 million USD, 31.64% from the Productivity and Business Processes segment at 19,570 million USD, and 25.19% from the More Personal Computing Segment at 15,580 million USD.

Total Equity as of March 31, 2024, amounted to 253,152 million USD, which is 6.25% higher than the Total Equity as of December 31, 2023, which stood at 238,268 million USD, and 30.03% higher than the Total Equity as of March 31, 2023, which was 194,683 million USD.

In Q3FY24, the company did not make any acquisitions or divestitures.

Follow the announcements of the release of new reports on the website Data40.com in the [Calendars by section DATA40.com](#).

Sources List

- [Microsoft Corporation Web](#)
- [MarketScreener](#)
- [Nasdaq](#)
- [SEC.gov](#)
- [WA.Gov](#)
- [Wikipedia](#)
- [TradingView](#)
- [MS Consolidated Q3FY24 Report](#)
- [MS Consolidated Q2FY24 Report](#)
- [MS Consolidated Q1FY24 Report](#)
- [MS Consolidated Q3FY23 Report](#)
- [MS Consolidated Annual Report 2023](#)
- [Data40](#)

META



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