

Microsoft reports boost in profits, revenue, as it pushes AI

April 26 2023



In this July 3, 2014, file photo, the Microsoft Corp. logo is displayed outside the Microsoft Visitor Center in Redmond, Wash. Microsoft reports earnings on Tuesday, April 25, 2023. Credit: AP Photo/Ted S. Warren, File

Microsoft on Tuesday reported a 9% increase in profit for the January-

March quarter, as growth in cloud computing sales helped bolster its plans to expand its use of artificial intelligence.

The company reported [quarterly profit](#) of \$18.3 billion, or \$2.45 per share, beating Wall Street expectations for earnings of \$2.24 a share.

The [software maker](#) posted revenue of \$52.9 billion in the period, its third fiscal quarter, up 7% from the same period a year ago. Analysts polled by FactSet expected Microsoft to post revenue of \$51.02 billion for the quarter.

The quarter marked an ambitious push by Microsoft to capitalize on its investments in artificial intelligence and close partnership with San Francisco-based startup OpenAI with the February release of a new AI chatbot feature on its search engine Bing.

Microsoft is also integrating similar AI tools into the [cloud computing](#) and [software products](#) it sells to big businesses and organizations, though it's not immediately apparent to what extent the AI features are playing a role in overall sales.

Microsoft's personal computing business, centered on its Windows software, was widely expected to continue a deterioration that began last year due to economic uncertainties and crimped demand. Quarterly sales from that segment dropped 9% to \$13.3 billion, the company said Tuesday.

Making up for that decline was a 16% increase in revenue from Microsoft's cloud-based business segment, to \$22.1 billion for the quarter. Revenue also grew 11% to \$17.5 billion from Microsoft's productivity software segment centered around its Office suite of workplace products such as email.

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Citation: Microsoft reports boost in profits, revenue, as it pushes AI (2023, April 26) retrieved 20 April 2024 from

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