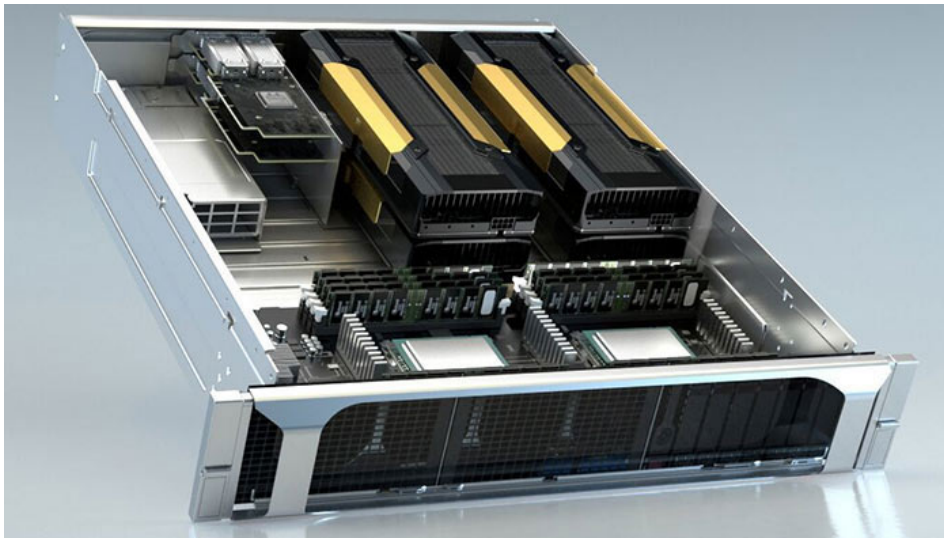## Better-Than-Expected Q3 Results for Nvidia

Written by Frederick Douglas
20 November 2019

Nvidia reports fiscal Q3 2020 (ending 27 October 2019) revenues reaching $3.014 billion-- a -5% Y-o-Y decline, but a slight increase compared to the $2.58bn of the previous quarter, making it better than the more pessimistic expectations of Wall Street.

"Our gaming business and demand from hyperscale customers powered Q3's results," the company says. "The realism of computer graphics is taking a giant leap forward with Nvidia RTX. This quarter, we have laid the foundation for where AI will ultimately make the greatest impact. We extended our reach beyond the cloud, to the edge, where GPU-accelerated 5G, AI and IoT will revolutionise the world's largest industries. We see strong data center growth ahead, driven by the rise of conversational AI and inference."

In fact, the revenue decline is the fourth on an annualised basis, at least according to MSNBC, even if the company managed to sell inventory previously written off in the quarter. Nvidia was hit by a number of issues in the past year, including the loss of revenue from the sale of cryptocurrency mining hardware and the pause in spending from datacentre operators.

Gaming remains the biggest Nvidia segment, even as it sees revenues decline by -6% Y-o-Y to $1.66bn, better than a previous analyst forecast of $1.54bn. Datacentre revenues are down by -8% Y-o-Y to $726 million, while the Professional Visualisation segment brings revenues of $324m, a 6% Y-o-Y increase. OEM and other revenues total $143m, a -5% Y-o-Y decline.

Looking on to the next quarter, Nvidia has predicts soft results with revenues reaching $2.95bn,

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plus or minus 2%, with improvements from the Datacentre business. However the company does not include the impact from Mellanox, since it the $6.9bn acquisition is still to close.

Go [Nvidia Announces Financial Results for Third Quarter Fiscal 2020](#)

Go [Nvidia Revenue Guidance Misses Expectations (MSNBC)](#)