

## Special Report

# Major Growth: HPC and AI Market Results for First Quarter 2025 and the Outlook for the Year

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### HYPERION RESEARCH OPINION

The first quarter of 2025 showed continued high growth, driven primarily by large AI system sales. 1Q2025 generated \$6.7 billion US dollars in on-premises server sales, representing a 19.8% increase over the first quarter of 2024. The growth was focused on the higher end of the market with revenues for supercomputers that sold for \$10 million to \$150 million, growing by 52.2%, while server revenues that sold for under \$10 million grew by 7.8%.

Total units sold grew by 5.8%, showing that the revenue growth was due to substantial increases in system prices and not a major increase in the number of systems sold. In 1Q2025 19,928 HPC/AI servers were sold, while in 1Q2024 8,842 servers were sold. The resulting average selling prices (ASP) increased from \$295,000 in 1Q2024 to \$335,000 in 1Q2025.

Table 1 shows how the on-premises system purchases were divided by the competitive segments by revenues, units and ASP. Note that there were no Leadership Computers, those above \$150 million, accepted in 1Q2025.

**TABLE 1**

#### Worldwide HPC and AI On-premises Server Results in 1Q2025

Competitive Segments	Revenues (\$M)	Servers Sold	ASP (\$K)
Leadership Computers (>\$150M)	-	-	-
Supercomputers (\$10M-\$150M)	2,293	91	\$25,163
Large HPC (\$1M-\$10M)	1,810	388	\$4,662
Medium HPC (\$250K-\$1M)	1,057	2,272	\$465
Entry HPC (<\$250K)	1,510	17,176	\$88
<b>Totals</b>	<b>6,670</b>	<b>19,928</b>	<b>\$335</b>

Source: Hyperion Research July 2025

Table 2 shows the market share for the vendors in 1Q2025. HPE continues to be the market leader, followed by Dell Technologies and Lenovo. The non-traditional suppliers, as a group (mostly sales from Nvidia and from the custom accelerator companies), have become the largest vendor segment.

**TABLE 2**

**Worldwide HPC and AI On-premises Server Revenues 1Q2025**

Vendor	1Q2025 Server Revenues (\$ millions)	1Q2025 Market Share
HPE	1,501	22.5%
Dell Technologies	1,143	17.1%
Lenovo	597	9.0%
Inspur	273	4.1%
Sugon	151	2.3%
Atos	134	2.0%
Penguin	103	1.5%
IBM	84	1.3%
Fujitsu	59	0.9%
NEC	54	0.8%
Other Traditional HPC Suppliers	569	8.5%
Non-Traditional Suppliers	2,002	30.0%
<b>Totals</b>	<b>6,670</b>	<b>100.0%</b>

Source: Hyperion Research July 2025

Table 3 shows Hyperion Research's forecast for 2025 compared with 2024 by verticals. The expected revenue growth for on-premises servers is 15.1%, reaching an all-time high of over \$29 billion in server revenues.

**TABLE 3****2025 HPC and AI Forecasts by Verticals**

<b>Verticals</b>	<b>2024 (\$ millions)</b>	<b>2025 (\$ millions)</b>
Bio-Sciences	\$2,281	\$2,724
CAE	\$2,725	\$3,368
Chemical Engineering	\$302	\$340
DCC & Distribution	\$1,396	\$1,647
Economics/Financial	\$1,324	\$1,560
EDA / IT / ISV	\$1,485	\$1,766
Geosciences	\$1,536	\$1,816
Mechanical Design	\$61	\$62
Defense	\$2,568	\$3,266
Government Lab	\$6,104	\$6,369
University/Academic	\$4,012	\$4,457
Weather	\$1,126	\$1,306
Other	\$412	\$479
<b>Totals</b>	<b>\$25,333</b>	<b>\$29,159</b>
<b>2025/2024 Growth Rate</b>		<b>15.1%</b>

Source: Hyperion Research, June 2025

**FUTURE OUTLOOK**

The worldwide HPC and AI market is expected to continue growing at historically high rates, but there are some major forces at play that could factor in future gains. The on-premises HPC sector is in transition, marked by the rapid emergence of non-traditional players driven primarily by the intense interest in HPC/AI convergence. Only time will tell how much and how long this trend will last. Conversely, there are concerns around evolving US trade policies such as tariffs and export controls affecting global markets; there likely will be some complexities with major HPC vendors navigating the new reality of national sovereignty requirements.

## About Hyperion Research, LLC

Hyperion Research provides data-driven research, analysis and recommendations for technologies, applications, and markets in high performance computing and emerging technology areas to help organizations worldwide make effective decisions and seize growth opportunities. Research includes market sizing and forecasting, share tracking, segmentation, technology, and related trend analysis, and both user & vendor analysis for multi-user technical server technology used for HPC, AI and HPDA (high performance data analysis). We provide thought leadership and practical guidance for users, vendors, and other members of the HPC community by focusing on key market and technology trends across government, industry, commerce, and academia.

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