



AMD Third Quarter 2012 Results – Reconciliation of Non-GAAP Financial Measures to Most Directly Comparable GAAP Financial Measures

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Reconciliation of GAAP Net Income (Loss) to Non-GAAP Net Income (Loss)

(Millions except per share amounts)	Q3-12		Q2-12		Q3-11	
GAAP net income (loss) / Earnings (loss) per share	\$ (157)	\$ (0.21)	\$ 37	\$ 0.05	\$ 97	\$ 0.13
Amortization of acquired intangible assets	(4)	(0.01)	(4)	(0.01)	(8)	(0.01)
Legal settlement	-	-	(5)	(0.01)	-	-
Restructuring charges, net	(3)	-	-	-	-	-
Loss on debt repurchase	-	-	-	-	(5)	(0.01)
Non-GAAP net income (loss) / Earnings (loss) per share	\$ (150)	\$ (0.20)	\$ 46	\$ 0.06	\$ 110	\$ 0.15

Reconciliation of GAAP Operating Income (Loss) to Non-GAAP Operating Income (Loss)

(Millions)	Q3-12	Q2-12	Q3-11
GAAP operating income (loss)	\$ (131)	\$ 77	\$ 138
Amortization of acquired intangible assets	(4)	(4)	(8)
Legal settlement	-	(5)	-
Restructuring charges, net	(3)	-	-
Non-GAAP operating income (loss)	\$ (124)	\$ 86	\$ 146

Reconciliation of GAAP to Non-GAAP Operating Expenses

(Millions)	Q3-12	Q2-12	Q3-11
GAAP operating expenses	\$ 523	\$ 561	\$ 618
Amortization of acquired intangible assets	4	4	8
Restructuring charges, net	3	-	-
Non-GAAP operating expenses	\$ 516	\$ 557	\$ 610

Reconciliation of GAAP to Non-GAAP Gross Margin

(Millions except percentages)	Q3-12	Q2-12	Q3-11
GAAP Gross Margin	\$ 392	\$ 638	\$ 756
GAAP Gross Margin %	31%	45%	45%
Legal settlement	-	(5)	-
Non-GAAP Gross Margin	\$ 392	\$ 643	\$ 756
Non-GAAP Gross Margin %	31%	46%	45%

Reconciliation of GAAP Operating Income (Loss) to Adjusted EBITDA

(Millions)	Q3-12	Q2-12	Q3-11
GAAP operating income (loss)	\$ (131)	\$ 77	\$ 138
Legal settlement	-	5	-
Depreciation and amortization	62	61	71
Employee stock-based compensation expense	27	26	22
Amortization of acquired intangible assets	4	4	8
Restructuring charges, net	3	-	-
Adjusted EBITDA	\$ (35)	\$ 173	\$ 239

Non-GAAP free cash flow reconciliation

(Millions)	Q3-12	Q2-12	Q3-11
GAAP net cash provided by (used in) operating activities	\$ (240)	\$ 81	\$ 189
Purchases of property, plant and equipment	(32)	(39)	(58)
Non-GAAP free cash flow	\$ (272)	\$ 42	\$ 131