AMD THIRD QUARTER 2014 FINANCIAL RESULTS

October 16, 2014

CAUTIONARY STATEMENT

This document contains forward-looking statements concerning Advanced Micro Devices, Inc. (“AMD” or the “Company”); its financial outlook for the fourth quarter of 2014 and fiscal 2014, including revenue, gross margin, non-GAAP operating expenses, restructuring and impairment charges, the total of interest expense, taxes and other expense, inventory, capital expenditures and non-GAAP free cash flow; its ability to non-GAAP profitable at the net income level in 2014; its targeted, minimum and optimal cash, cash equivalents and marketable securities balances; its restructuring plan, including the timing of actions implemented in connection with the plan and expected restructuring and impairment charges, cash payments and operational savings; expected benefits of its restructuring plan and transformation initiatives; its ability to build leadership IP; its ability to transition its revenue to high-growth adjacent markets; its ability to double its commercial design wins by the end of 2014; its estimates of the total addressable markets (TAM) for professional graphics and dense server; ARM’s estimated market share in the server market by 2019; and AMD’s ability to diversify its product portfolio, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are commonly identified by words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” “anticipates,” “projects,” “would” and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this document are based on current beliefs, assumptions and expectations, speak only as of the date of this document and involve risks and uncertainties that could cause actual results to differ materially from current expectations. Risks include the possibility that Intel Corporation's pricing, marketing and rebating programs, product bundling, standard setting, new product introductions or other activities may negatively impact AMD’s plans; that AMD will require additional funding and may be unable to raise sufficient capital on favorable terms, or at all; that customers stop buying AMD’s products or materially reduce their operations or demand for AMD’s products; that AMD may be unable to develop, launch and ramp new products and technologies in the volumes that are required by the market at mature yields on a timely basis; that AMD’s third-party foundry suppliers will be unable to transition AMD’s products to advanced manufacturing process technologies in a timely and effective way or to manufacture AMD’s products on a timely basis in sufficient quantities and using competitive process technologies; that AMD will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will not fully utilize its projected manufacturing capacity needs at GLOBALFOUNDRIES, Inc. (GF) microprocessor manufacturing facilities; that AMD’s requirements for wafers will be less than the fixed number of wafers that it agreed to purchase from GF or GF encounters problems that significantly reduce the number of functional die it receives from each wafer; that AMD is unable to successfully implement its long-term business strategy; that AMD inaccurately estimates the quantity or type of products that its customers will want in the future or will ultimately end up purchasing, resulting in excess or obsolete inventory; that AMD is unable to manage the risks related to the use of its third-party distributors and add-in-board (AIB) partners or offer the appropriate incentives to focus them on the sale of AMD’s products; that AMD may be unable to maintain the level of investment in research and development that is required to remain competitive; that there may be unexpected variations in market growth and demand for AMD’s products and technologies in light of the product mix that it may have available at any particular time; that global business and economic conditions will not improve or will worsen; that PC market conditions will not improve or will worsen; that demand for computers will be lower than currently expected; and the effect of political or economic instability, domestically or internationally, on AMD’s sales or supply chain. Investors are urged to review in detail the risks and uncertainties in AMD's Securities and Exchange Commission filings, including but not limited to the Quarterly Report Form 10-Q for the quarter ended June 28, 2014.

Q3’14 EXECUTIVE SUMMARY

- Q3’14 is first quarter reporting reorganized business segments:
  - **Computing and Graphics** primarily includes: desktop and notebook processors and chipsets, discrete GPUs and professional graphics
  - **Enterprise, Embedded and Semi-Custom** primarily includes: server and embedded processors, dense servers, semi-custom SoC products, engineering services and royalties
- Revenue of $1.429 billion
- Non-GAAP operating expenses of $428 million(1)
- Cash, cash equivalents and marketable securities at $938 million, within optimal range of $600 million to $1 billion
- Five consecutive quarters of non-GAAP operating profitability(1)
- Record semi-custom unit shipments
- Q4’14 restructuring plan and transformation initiatives
  - Identified incremental areas where we can reduce duplication and further simplify our business
  - The restructuring plan will be largely implemented in Q4 2014

1. See Appendices for GAAP to Non-GAAP operating expenses, operating income and net income reconciliations.

WE SET A CLEAR PATH TO SUCCESS

AMD

1. RESET & RESTRUCTURE
Q3 2012 – Q1 2013

- Hit $450M OPEX[1] target in Q3 2013
- Managed cash and working capital
  - Maintained cash above $1B
- Stabilized the business
- Reduced headcount by ~14%

COMPLETED

2. ACCELERATE & EXECUTE
2013

- Executed powerful 2013 roadmap
  - Client APUs
  - Next generation graphics
  - Embedded/Semi-custom
  - Accelerate dense server
- Delivered on our financial commitments
- Returned to profitability in 2H 2013
- Achieved positive free cash flow[1] in 2H 2013
- Derived more than 30% of revenue from semi-custom and embedded businesses in 2H 2013

COMPLETED

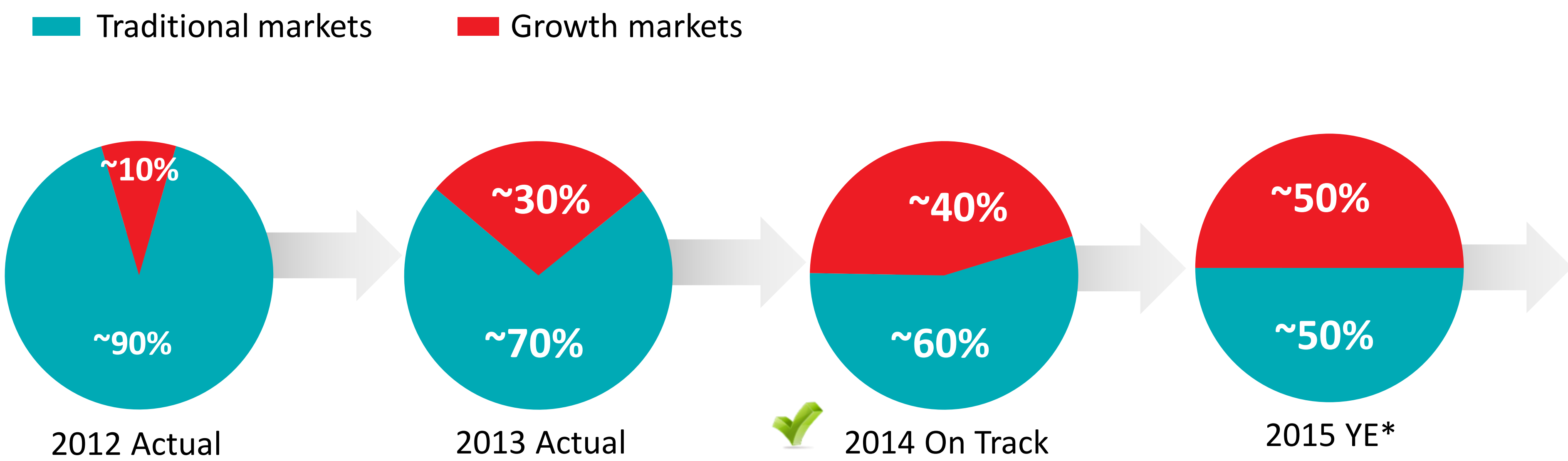
3. TRANSFORM AMD TO WIN
2014 – 2015

- Build leadership IP
  - Low power
  - Next generation x86 and ARM cores
  - Graphics
- Tailored, semi-custom design & integration capabilities
- Continue to diversify our portfolio
  - Move ~50% of our revenue to high-growth adjacent markets by the end of 2015
  - Ultra low-power client
  - Embedded
  - Professional graphics
  - Semi-custom
  - Dense servers

WE ARE HERE

1. See Appendices for GAAP to Non-GAAP OPEX and GAAP to Non-GAAP Free Cash Flow reconciliation

TRANSFORMING OUR BUSINESS TO HIGH-GROWTH AREAS



2014+ TRADITIONAL PC MARKET FOCUS

- Expand presence in under-represented areas
  - Grow commercial design wins by 2x by 2014 Y/E
  - Continue to improve notebook product mix
  - Improve desktop and graphics channels

2014+ GROWTH OPPORTUNITIES FOR AMD

- Professional graphics
- Semi-custom
- Dense server
- Embedded
- Ultra low-power client

* 2015 Year End Projection

PATH TO 2016

GROWTH OPPORTUNITIES TO REPRESENT ~50% OF REVENUE BY END OF 2015

PROFESSIONAL GRAPHICS

- $1.3B TAM[1]
- Focused on growing ~20% market share[2]
- Focused on top 3 OEMs (~90% of global market)
- Gross margin accretive business

SEMI-CUSTOM

- Leveraging strong IP and customer relationships to collaborate on next opportunities
- Strong pipeline, targeting 1-2 total new wins per year
  - Enterprise
  - Mobility
  - Consumer
  - Gaming

DENSE SERVER

- Total server TAM $8.5B by 2017[1]
- Expect ARM to account for 25% of server market by 2019[1]
- Focused on being a leader in this emerging market, offering both x86 and ARM

EMBEDDED

- $9B TAM[3]
- Introducing ARM to this space in 2014
- Focused on growing market share

ULTRA LOW POWER CLIENT

- Beema and Mullins shipping now
- Low power envelope on par with ARM and tablet offerings

1. According to AMD Internal Estimate
2. According to IDC Professional Graphics Pivot, Q1 2014
3. According to VDC Research, 2012

Q3 2014: FIVE CONSECUTIVE QUARTERS(1) OF NON-GAAP PROFITABILITY

AMD

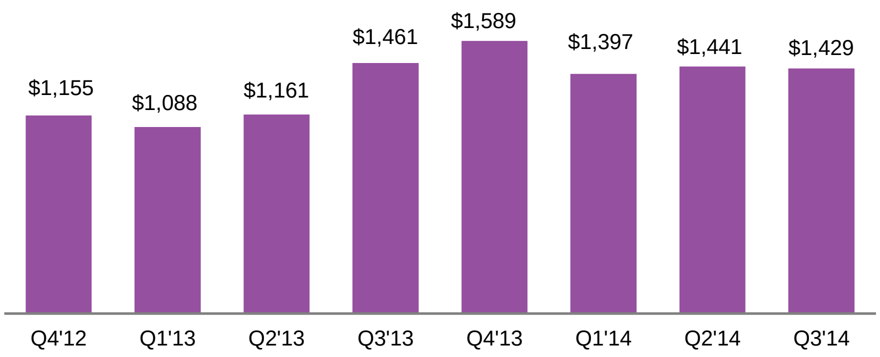
	Q1 2014	Q2 2014	Q3 2014	Q-to-Q Fav / (Unfav)
Revenue	**$1,397 M**	**$1,441 M**	**$1,429 M**	(1) %
Gross Margin(2)	**35 %**	**35 %**	**35 %**	-
Non-GAAP Operating Expenses(1)	**$421 M**	**$431 M**	**$428 M**	$3 M
Non-GAAP Operating Income(1)	**$66 M**	**$67 M**	**$66 M**	$(1) M
Non-GAAP Net Income(1)	**$12 M**	**$17 M**	**$20 M**	$3 M
Cash, Cash Equivalents and Marketable Securities	**$982 M**	**$948 M**	**$938 M**	$(10) M
Inventories, net	**$869 M**	**$960 M**	**$897 M**	$63 M
Total Debt(3)	**$2,138 M**	**$2,210 M**	**$2,208 M**	$2 M

1. See Appendices for GAAP to Non-GAAP operating expenses, operating income and net income reconciliations.
2. Q1 2014 35% gross margin includes a $4 million benefit from the sale of inventory reserved in Q3 2012 and Q2 2014 35% gross margin includes a similar $3 million benefit.
3. See Appendices for Total Debt reconciliation.

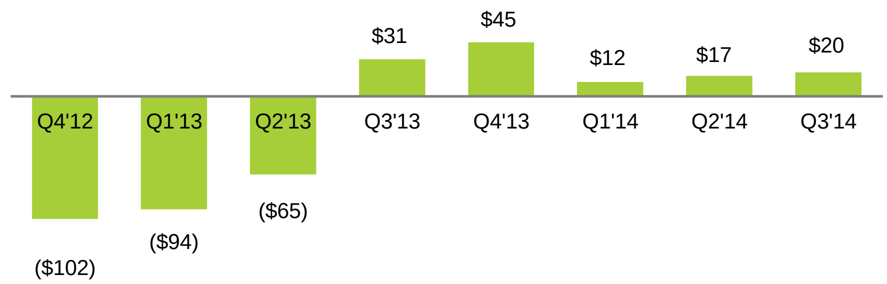
FINANCIAL RESULTS THROUGH TRANSFORMATION

$ in millions

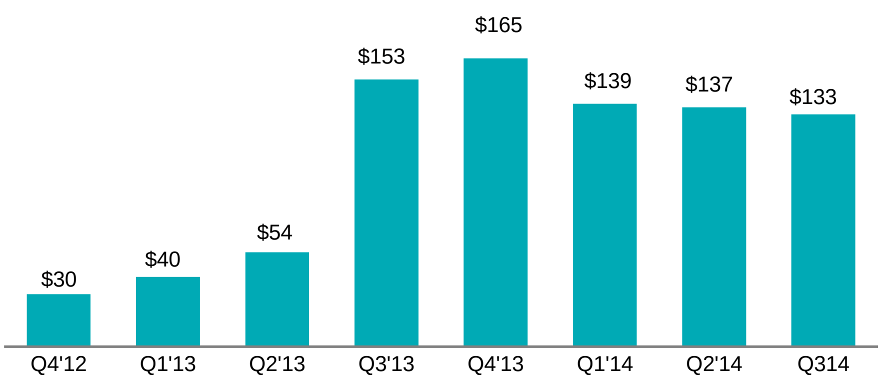
REVENUE



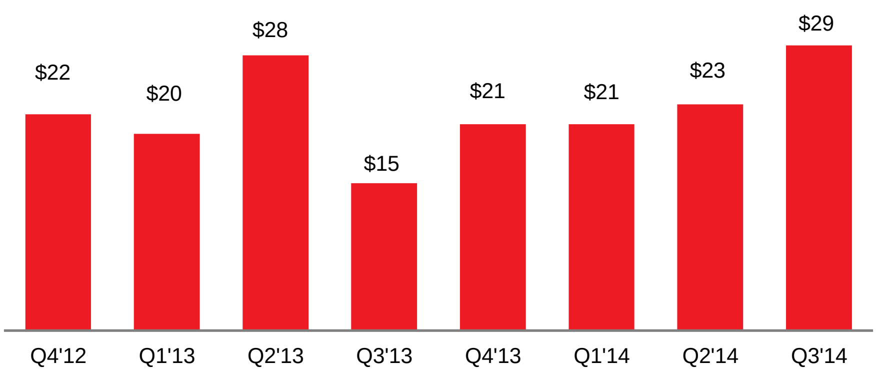
NON-GAAP NET INCOME (LOSS) (1)



ADJUSTED EBITDA (1)



CAPITAL EXPENDITURES

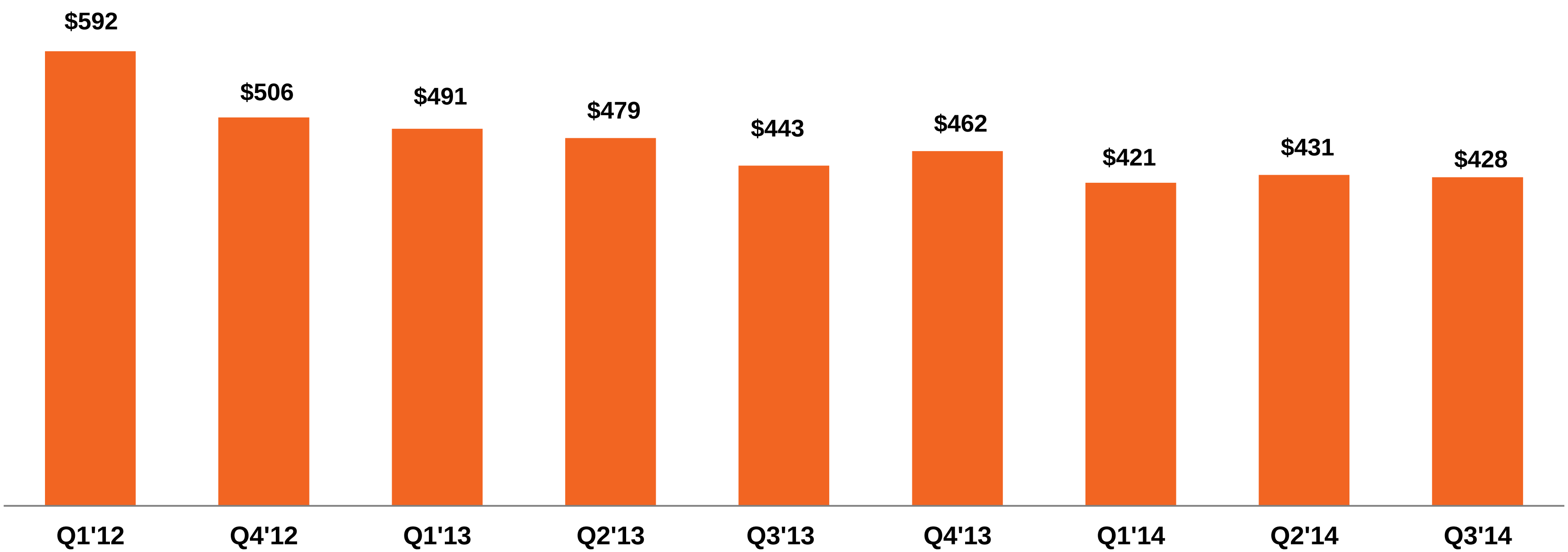


1. See Appendices for GAAP to Non-GAAP net income (loss) and adjusted EBITDA reconciliations.

CONTINUED OPERATING EXPENSE DISCIPLINE

AMD

NON GAAP OPEX[1](IN MILLIONS)



	Q1'12	Q2'12	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14
Non-GAAP E/R [1]	37%	39%	41%	44%	45%	41%	30%	29%	30%	30%	30%

1. See Appendices for GAAP to Non-GAAP operating expense and expense to revenue ratio (E/R) reconciliations.

NEW REPORTABLE SEGMENTS

Effective July 1, 2014, AMD reorganized into two business groups, one focused on the traditional PC market and the second focused on adjacent high-growth opportunities.

Accordingly, AMD has two reportable segments:

- **Computing and Graphics**, which primarily includes desktop and notebook processors and chipsets, discrete GPUs and professional graphics; and
- **Enterprise, Embedded and Semi-Custom,** which primarily includes server and embedded processors, dense servers, semi-custom SoC products, engineering services and royalties.

Q3 2014 SEGMENT FINANCIAL RESULTS

AMD

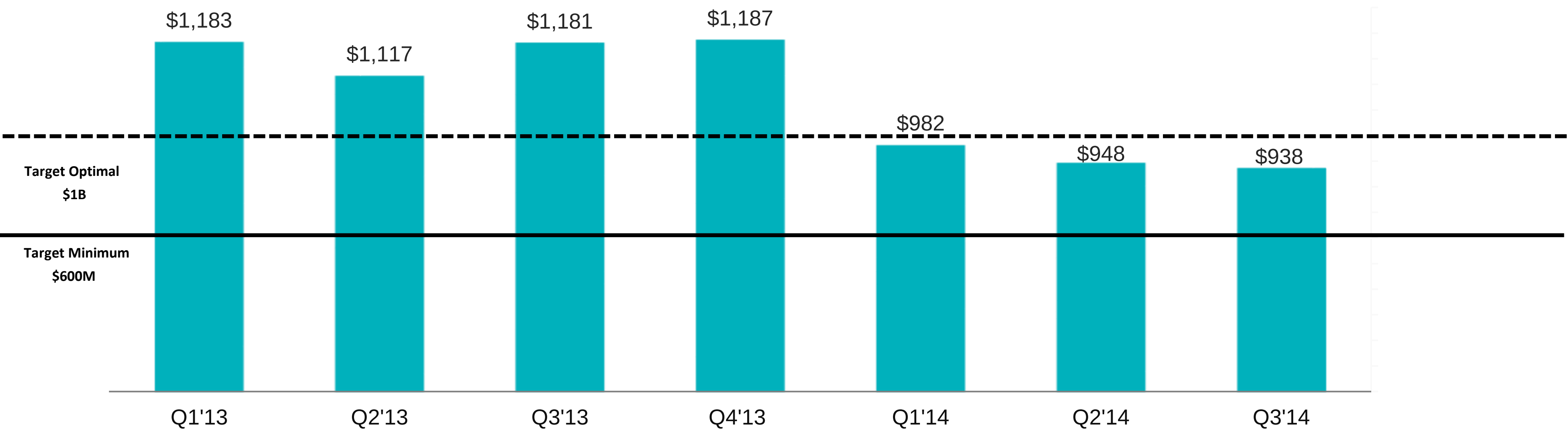
	Q3 2013	Q2 2014	**Q3 2014**	**Q-to-Q** **Fav / (Unfav)**
Computing and Graphics				
Net Revenue	$925M	$828 M	**$781 M**	**(6) %**
Operating Income (Loss)	$9 M	$(6) M	**$(17) M**	
Enterprise, Embedded and Semi-Custom				
Net Revenue	$536 M	$613M	**$648 M**	**6 %**
Operating Income	$92 M	$97 M	**$108 M**	
All Other Category				
Operating Loss	$(6) M	$(28) M	**$(28) M**	**-**
TOTAL				
Net Revenue	$1,461 M	$1,441 M	**$1,429 M**	**(1) %**
Operating Income	$95 M	$63 M	**$63 M**	

HISTORICAL NEW SEGMENT DATA: Q1 2013 TO Q3 2014

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Computing and Graphics							
Net Revenue	$913 M	$994 M	$925 M	$888 M	$861 M	$828 M	$781 M
Operating Income (Loss)	$(75) M	$(20) M	$9 M	$(15) M	$3 M	$(6) M	$(17) M
Enterprise, Embedded and Semi-Custom							
Net Revenue	$175 M	$167 M	$536 M	$699 M	$536 M	$613 M	$648 M
Operating Income	$52 M	$22 M	$92 M	$129 M	$85 M	$97 M	$108 M
All Other Category							
Net revenue	-	-	-	$2 M	-	-	-
Operating Income (Loss)	$(75) M	$(31) M	$(6) M	$21 M	$(39) M	$(28) M	$(28) M
TOTAL							
Net Revenue	$1,088 M	$1,161 M	$1,461 M	$1,589 M	$1,397 M	$1,441 M	$1,429 M
Operating Income (Loss)	$(98) M	$(29) M	$95 M	$135 M	$49 M	$63 M	$63 M

TARGET OPTIMAL AND MINIMUM CASH

CASH BALANCE(1) ($ IN MILLIONS)



- ~90% of cash held domestically
- Managed cash(1) between optimal ~$1B and minimum level of $600M
- Made $200M payment to GLOBALFOUNDRIES in Q1 2014 related to 2012 take or pay obligation

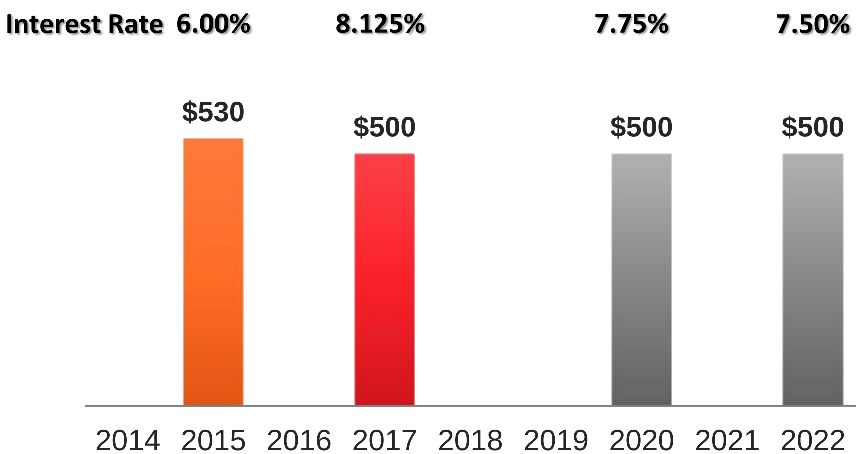
1. Cash balance includes: cash, cash equivalents and marketable securities

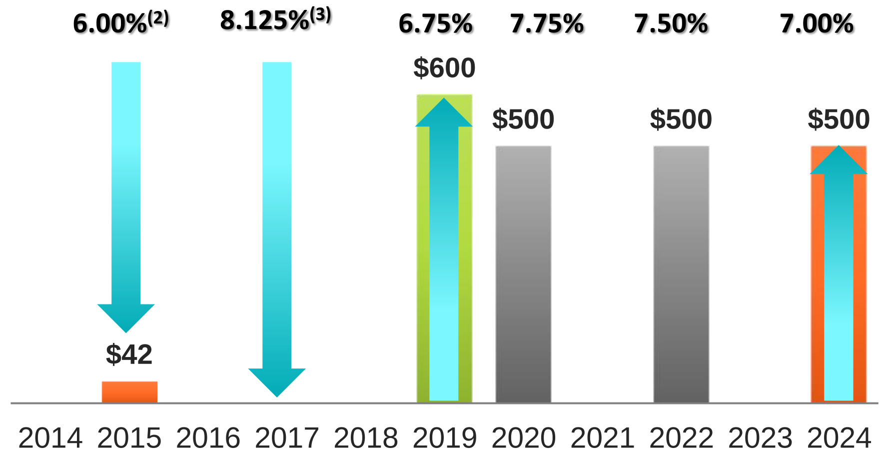
DEBT MATURITY PROFILE

AMD

December 28,2013 | **September 28,2014**

TERM DEBT[1] PROFILE/STRUCTURE ($M)





1. Represents aggregate par value of the term debt, without the effect of associated discounts.
2. 6.00% Notes: Amount reflects open market purchases of $64M principal amount and the completion of tender offer repurchases of $423M principal amount completed in Q1 2014.
3. 8.125% Notes: Amount reflects repurchases of $48M in principal amount in Q1 2014 and $452M in principal amount in Q2 2014.

RESTRUCTURING AND TRANSFORMATION INITIATIVES

- As a part of AMD's ongoing transformation work, the targeted restructuring plan is designed to better position the Company for profitability and long-term growth while aligning investments and resources with high-priority opportunities.

- The plan will be largely implemented in Q4 2014 and is expected to:
  - Reduce global headcount by 7%, expected to be largely completed by the end of Q4 2014
  - Align AMD's real estate footprint with reduced headcount

	2014	2015	
($ millions)	**Q4 2014**	**1H 2015**	**2H 2015**
Restructuring and impairment charge	~$57M	-	-
Real estate related restructuring charge	-	~$13M	-
Related cash payments	~$34M	~$20M	-
Operational savings	~$9M	~$85M	

- ~$57 million restructuring and impairment charge is expected to be largely comprised of severance.

Q4 2014 AND FY 2014 FINANCIAL GUIDANCE

	Q3 2014 Actual	Q4 2014 Guidance	2013 Actual	2014 Guidance
Revenue	$1,429 M	**Down 13 % +/- 3 %**	$5,299 M	**Y/Y Growth**
Gross Margin[1]	35 %	**~35 %**	37 %	**-**
Non-GAAP Operating Expenses[2]	$428 M	**~$385 M**	$1,875 M	**-**
Restructuring and impairment charge	-	**~$ 57 M**	-	**~$ 57 M**
Interest expense, taxes and other	$46 M	**~$46 M**	$186 M	**-**
Cash, Cash Equivalents and Marketable Securities	$938 M	**-**	$1,187 M	**$600M - $1B**
Inventories, net	$897 M	**Down Q/Q**	$884 M	**Down Y/Y**
Capital Expenditures	$29 M	**-**	$84 M	**~$100 M**
Non-GAAP Net Income[2]	$ 20 M	**-**	$ (83) M	**Profitable**
Non-GAAP Free Cash Flow[2]	$ (11) M	**Positive**	$(232) M	**Negative[3]**

1. 2013 37% gross margin includes a $57 million benefit from the sale of inventory reserved in Q3 2012.
2. See Appendices for GAAP to Non-GAAP operating expenses, GAAP to Non-GAAP free cash flow, and GAAP to Non-GAAP net income reconciliations.
3. Includes the impact of the $200 million special payment to GLOBALFOUNDRIES earlier this year.

KEY FINANCIAL MILESTONES IN TRANSFORMATION

AMD

OPEX	We expect Q4 2014 non-GAAP[(1)] operating expense to be ~$385M, below guided range of $420M to $450M per quarter for 2014
CASH BALANCE	Cash balances[(2)] near optimal balance of $1B and above minimum level of $600M for 2014
DEBT	Re-profiled debt and extinguished near-term maturities through 2018
PROFITABILITY	Non-GAAP net income[(1)] profitable for 5 quarters as of Q3 2014 and expect to continue to be non-GAAP net income[(1)] profitable for the full year
BUSINESS DIVERSIFICATION	Move ~50% of our revenue to high-growth adjacent markets by the end of 2015

1. See Appendices for GAAP to Non-GAAP net income and GAAP to non-GAAP free cash flow reconciliations
2. Cash balance includes: cash, cash equivalents and marketable securities

FOOTNOTES

Non-GAAP Measures:

To supplement the financial results of Advanced Micro Devices, Inc. (“AMD” or the “Company”) presented on a U.S. GAAP (“GAAP”) basis, this presentation contains non-GAAP financial measures, including non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss), non-GAAP earnings (loss) per share, non-GAAP expense to revenue ratio, Adjusted EBITDA and non-GAAP free cash flow. These non-GAAP financial measures reflect certain adjustments, and the Company has presented a reconciliation of GAAP to non-GAAP financial measures in the tables below.

The Company presented “Adjusted EBITDA” in this presentation as a supplemental measure of its performance. Adjusted EBITDA for the Company is determined by adjusting operating income (loss) for depreciation and amortization, employee stock-based compensation expense and amortization of acquired intangible assets. In addition, the Company also included the following adjustments for the indicated periods: for the first quarter of 2014, the Company included an adjustment for workforce rebalancing severance charges; for the fourth quarter of 2013, the Company included an adjustment for net legal settlements; and for the third quarter of 2013, second quarter of 2013, first quarter of 2013, fourth quarter of 2012 and third quarter of 2012, the Company included net restructuring and other special charges; for the fourth quarter of 2012, the Company included a lower of cost or market charge related to GF take-or-pay obligation, for the fourth quarter of 2012 the Company included an adjustment for an impairment charge of certain marketable securities and for the first quarter of 2012 the Company included an adjustment for SeaMicro acquisition costs. The Company calculates and communicates Adjusted EBITDA because the Company’s management believes it is of importance to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. In addition, the Company presents Adjusted EBITDA because it believes this measure assists investors in comparing its performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. The Company’s calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the GAAP operating measure of operating income (loss) or GAAP liquidity measures of cash flows from operating, investing and financing activities. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows.

The Company also presents non-GAAP free cash flow in this presentation as a supplemental measure of its performance. Non-GAAP free cash flow for the Company was determined by adjusting GAAP net cash provided by (used in) operating activities less capital expenditures. The Company calculates and communicates non-GAAP free cash flow because the Company’s management believes it is important to investors to understand the nature of this cash flow. The Company’s calculation of non-GAAP free cash flow may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view non-GAAP free cash flow as an alternative to GAAP liquidity measures of cash flows from operating activities. The Company has provided reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures. The Company is providing these financial measures because it believes this non-GAAP presentation makes it easier for investors to compare its operating results for current and historical periods and also because the Company believes it assists investors in comparing the Company’s performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance and for the other reasons described in the footnotes to the selected data tables.

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ATTRIBUTION

APPENDICES

Reconciliation of GAAP Operating Income (Loss) to Adjusted EBITDA

(Millions)	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13	Q4-12
GAAP operating income (loss)	**$ 63**	**$ 63**	**$ 49**	**$ 135**	**$ 95**	**$ (29)**	**$ (98)**	**$ (422)**
Lower of cost or market charge related to GF take-or-pay obligation	-	-	-	-	-	-	-	273
Workforce rebalancing severance charges	-	-	14	-	-	-	-	-
Legal settlements, net	-	-	-	(48)	-	-	-	-
Depreciation and amortization	46	49	50	50	52	54	62	62
Employee stock-based compensation expense	21	21	23	24	23	20	24	23
Amortization of acquired intangible assets	3	4	3	4	5	4	5	4
Restructuring and other special charges (gains), net	-	-	-	-	(22)	5	47	90
Adjusted EBITDA	**$ 133**	**$ 137**	**$ 139**	**$ 165**	**$ 153**	**$ 54**	**$ 40**	**$ 30**

Reconciliation of GAAP to Non-GAAP Operating Expenses

(Millions)	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13	Q4-12	Q3-12	Q2-12	Q1-12
GAAP operating expenses	**431**	**$ 435**	**$ 438**	**$ 418**	**$ 426**	**$ 488**	**$ 543**	**$ 600**	**$ 523**	**$ 561**	**$ 607**
Workforce rebalancing severance charges	-	-	14	-	-	-	-	-	-	-	-
Amortization of acquired intangible assets	3	4	3	4	5	4	5	4	4	4	1
Restructuring and other special charges (gains), net	-	-	-	-	(22)	5	47	90	3	-	8
Legal settlements, net	-	-	-	(48)	-	-	-	-	-	-	-
SeaMicro acquisition costs	-	-	-	-	-	-	-	-	-	-	6
Non-GAAP operating expenses	**428**	**$ 431**	**$ 421**	**$ 462**	**$ 443**	**$ 479**	**$ 491**	**$ 506**	**$ 516**	**$ 557**	**$ 592**

Reconciliation of GAAP to Non-GAAP Operating Income

(Millions)	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13
GAAP operating income	**$ 63**	**$ 63**	**$ 49**	**$ 135**	**$ 95**
Workforce rebalancing severance charges	-	-	14	-	-
Amortization of acquired intangible assets	3	4	3	4	5
Restructuring and other special charges (gains), net	-	-	-	-	(22)
Legal settlements, net	-	-	-	(48)	-
Non-GAAP operating income	**$ 66**	**$ 67**	**$ 66**	**$ 91**	**$ 78**

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

(Millions except per share amounts)	Q3-14		Q2-14		Q1-14	
GAAP net Income (loss) / Earnings (loss) per share	**$ 17**	**$ 0.02**	**$ (36)**	**$ (0.05)**	**$ (20)**	**$ (0.03)**
Workforce rebalancing severance charges	-	-	-	-	14	0.02
Loss on debt redemption	-	-	49	0.06	15	0.02
Amortization of acquired intangible assets	3	0.00	4	0.00	3	0.00
Non-GAAP net income / Earnings per share	**$ 20**	**$ 0.03**	**$ 17**	**$ 0.02**	**$ 12**	**$ 0.02**

(Millions except per share amounts)	Q4-13		Q3-13		Q2-13		Q1-13		Q4-12	
GAAP net income (loss) / Earnings (loss) per share	**$ 89**	**$ 0.12**	**$ 48**	**$ 0.06**	**$ (74)**	**$ (0.10)**	**$ (146)**	**$ (0.19)**	**$ (473)**	**$ (0.63)**
Amortization of acquired intangible assets	4	0.00	5	0.01	4	0.01	5	0.01	4	0.01
Restructuring and other special charges (gains), net	-	-	(22)	(0.03)	5	0.01	47	0.06	90	0.12
Legal settlements, net	(48)	(0.06)	-	-	-	-	-	-	-	-
Lower of cost or market charge related to GF take-or-pay obligation	-	-	-	-	-	-	-	-	273	0.37
Impairment charge on certain marketable securities	-	-	-	-	-	-	-	-	4	0.00
Non-GAAP net income (loss) / Earnings (loss) per share	**$ 45**	**$ 0.06**	**$ 31**	**$ 0.04**	**$ (65)**	**$ (0.09)**	**$ (94)**	**$ (0.13)**	**$ (102)**	**$ (0.14)**

Non-GAAP Expense to Revenue (E/R) Ratio

(Millions)	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13	Q4-12	Q3-12	Q2-12	Q1-12
Net Revenue	**$ 1,429**	**$ 1,441**	**$ 1,397**	**$ 1,589**	**$ 1,461**	**$ 1,161**	**$ 1,088**	**$ 1,155**	**$ 1,269**	**$ 1,413**	**$ 1,585**
GAAP operating expenses	$ 431	$ 435	$ 438	$ 418	$ 426	$ 488	$ 543	$ 600	$ 523	$ 561	$ 607
GAAP E/R Ratio	30%	30%	31%	26%	29%	42%	50%	52%	41%	40%	38%
Non-GAAP operating expenses	$ 428	$ 431	$ 421	$ 462	$ 443	$ 479	$ 491	$ 506	$ 516	$ 557	$ 592
Non-GAAP E/R Ratio	30%	30%	30%	29%	30%	41%	45%	44%	41%	39%	37%

APPENDICES

AMD

Total Debt

(Millions)	Q3-14 Gross	Q3-14 Discount	Q3-14 Net	Q2-14 Gross	Q2-14 Discount	Q2-14 Net	Q1-14 Gross	Q1-14 Discount	Q1-14 Net	Q4-13 Gross	Q4-13 Discount	Q4-13 Net
6.00% Convertible Senior Notes due 2015	$ 42	$ -	$ 42	$ 42	$ (1)	$ 41	$ 42	$ (1)	$ 41	$ 530	$ (13)	$ 517
8.125% Senior Notes due 2017	-	-	-	-	-	-	452	(25)	427	500	(30)	470
6.75% Senior Notes due 2019	599	-	599	600	-	600	600	-	600	-	-	-
7.75% Senior Notes due 2020	500	-	500	500	-	500	500	-	500	500	-	500
7.50% Senior Notes due 2022	500	-	500	500	-	500	500	-	500	500	-	500
7.00% Senior Notes due 2024	500	-	500	500	-	500	-	-	-	-	-	-
Capital lease obligations	12	-	12	14	-	14	15	-	15	16	-	16
Borrowings from secured revolving line of credit, net	55	-	55	55	-	55	55	-	55	55	-	55
Total Debt	**$ 2,208**	**$ -**	**$ 2,208**	**$ 2,211**	**$ (1)**	**$ 2,210**	**$ 2,164**	**$ (26)**	**$ 2,138**	**$ 2,101**	**$ (43)**	**$ 2,058**

Non-GAAP Free Cash Flow Reconciliation

(Millions)	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13	2013
GAAP net cash provided by (used in) operating activities	**$ 18**	**$ (28)**	**$ (204)**	**21**	**$ 21**	**$ (35)**	**$ (155)**	**$ (148)**
Purchases of property, plant and equipment	(29)	(23)	(21)	(21)	(15)	(28)	(20)	(84)
Non-GAAP free cash flow	**$ (11)**	**$ (51)**	**$ (225)**	**$ 0**	**$ 6**	**$ (63)**	**$ (175)**	**$ (232)**