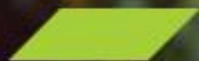




*Enabling today.
Inspiring tomorrow.*

AMD FIRST QUARTER 2015 FINANCIAL RESULTS

April 16, 2015



CAUTIONARY STATEMENT



This document contains forward-looking statements concerning Advanced Micro Devices, Inc. ("AMD" or the "Company"); the timing and amount of payments at maturity of the 6.00% Convertible Senior Notes due 2015; its financial outlook for the first quarter of 2015 and fiscal 2015, including revenue, non-GAAP gross margin, non-GAAP operating expenses, the total of interest expense, taxes and other, inventory and capital expenditures; its cash, cash equivalents and marketable securities balances; and AMD's strategy, 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 "would," "may," "expects," "believes," "plans," "intends," "projects" 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 that Intel Corporation's dominance of the microprocessor market and its aggressive business practices may limit AMD's ability to compete effectively; AMD relies on GF to manufacture most of its microprocessor and APU products and certain of its GPU and semi-custom products. If GF is not able to satisfy its manufacturing requirements, AMD's business could be adversely impacted; AMD relies on third parties to manufacture its products, and if they are unable to do so on a timely basis in sufficient quantities and using competitive technologies, AMD's business could be materially adversely affected; failure to achieve expected manufacturing yields for AMD's products could negatively impact its financial results; the success of its business is dependent upon its ability to introduce products on a timely basis with features and performance levels that provide value to its customers while supporting and coinciding with significant industry transitions; if AMD cannot generate sufficient revenue and operating cash flow or obtain external financing, it may face a cash shortfall and be unable to make all of its planned investments in research and development or other strategic investments; AMD may not be able to successfully implement its business strategy to refocus its business to address markets beyond AMD's core PC market to high-growth adjacent markets; the completion and impact of the 2014 restructuring plan and its transformation initiatives could adversely affect AMD; global economic uncertainty may adversely impact AMD's business and operating results; AMD may not be able to generate sufficient cash to service its debt obligations or meet its working capital requirements; AMD has a substantial amount of indebtedness which could adversely affect its financial position and prevent it from implementing its strategy or fulfilling its contractual obligations; the agreements governing AMD's notes and its amended and restated senior secured asset based line of credit for a principal amount up to \$500 million (Secured Revolving Line of Credit) impose restrictions on AMD that may adversely affect AMD's ability to operate its business; the markets in which AMD's products are sold are highly competitive; the loss of a significant customer may have a material adverse effect on it; AMD's receipt of revenue from its semi-custom SoC products is dependent upon AMD's technology being designed into third-party products and the success of those products; the demand for AMD's products depends in part on the market conditions in the industries into which they are sold. Fluctuations in demand for AMD's products or a market decline in any of these industries could have a material adverse effect on AMD's results of operations; AMD's ability to design and introduce new products in a timely manner is dependent upon third-party intellectual property; AMD depends on third-party companies for the design, manufacture and supply of motherboards, BIOS software and other computer platform components to support its business; if AMD loses Microsoft Corporation's support for its products or other software vendors do not design and develop software to run on AMD's products, its ability to sell AMD products could be materially adversely affected; AMD may incur future impairments of goodwill; uncertainties involving the ordering and shipment of AMD's products could materially adversely affect AMD: AMD's reliance on third-party distributors and AIB partners subjects AMD to certain risks; AMD's inability to continue to attract and retain qualified personnel may hinder its product development programs; in the event of a change of control, AMD may not be able to repurchase all of the outstanding debt as required by the applicable indentures and its Secured Revolving Line of Credit, which would result in a default under the indentures and its Secured Revolving Line of Credit; the semiconductor industry is highly cyclical and has experienced severe downturns that have materially adversely affected, and may continue to materially adversely affect, AMD's business in the future; AMD business is dependent upon the proper functioning of its internal business processes and information systems and modification or interruption of such systems may disrupt AMD's business, processes and internal controls; data breaches and cyber-attacks could compromise AMD's intellectual property or other sensitive information and cause significant damage to AMD's business and reputation; AMD's operating results are subject to quarterly and seasonal sales patterns; if essential equipment or materials are not available to manufacture AMD's products, AMD could be materially adversely affected; if AMD's products are not compatible with some or all industry-standard software and hardware, AMD could be materially adversely affected; costs related to defective products could have a material adverse effect on AMD; if AMD fails to maintain the efficiency of its supply chain as it responds to changes in customer demand for AMD's products, AMD's business could be materially adversely affected; AMD outsources to third parties certain supply-chain logistics functions, including portions of its product distribution, transportation management and information technology support services; acquisitions could disrupt its business, harm its financial condition and operating results or dilute, or adversely affect the price of, its common stock; AMD's worldwide operations are subject to political, legal and economic risks and natural disasters, which could have a material adverse effect on AMD; worldwide political conditions may adversely affect demand for AMD's products; unfavorable currency exchange rate fluctuations could adversely affect AMD; AMD's inability to effectively control the sales of its products on the gray market could have a material adverse effect on AMD; if AMD cannot adequately protect its technology or other intellectual property in the United States and abroad, through patents, copyrights, trade secrets, trademarks and other measures, AMD may lose a competitive advantage and incur significant expenses; AMD is party to litigation and may become a party to other claims or litigation that could cause it to incur substantial costs or pay substantial damages or prohibits AMD from selling its products; a variety of environmental laws that AMD are subject to could result in additional costs and liabilities; higher health care costs and labor costs could adversely affect AMD's business; and, AMD's business is subject to potential tax liabilities. Investors are urged to review in detail the risks and uncertainties in the Company's Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the fiscal year ended December 27, 2014.



Dr. Lisa Su
President and Chief Executive Officer

1

BUILD

GREAT
PRODUCTS

2

DRIVE

DEEPER CUSTOMER
RELATIONSHIPS

3

SIMPLIFY

THE
BUSINESS

Q1 2015: REVENUE IN GUIDED RANGE DESPITE PC MARKET PRESSURE



	Q1 2014	Q4 2014	Q1 2015	Q-to-Q Fav / (Unfav)
Revenue	\$1,397 M	\$1,239 M	\$1,030 M	(17%)
Gross Margin ⁽¹⁾	35 %	29 %	32%	3%
Non-GAAP Gross Margin ⁽²⁾	35 %	34 %	32%	(2%)
Non-GAAP Operating Expenses ⁽²⁾	\$399 M	\$366 M	\$357 M	\$9 M
Non-GAAP Operating Income (Loss) ⁽²⁾	\$89M	\$52 M	\$(30) M	\$(82) M
Non-GAAP Net Income(Loss) ⁽²⁾	\$35 M	\$18 M	\$(73) M	\$(91) M
Cash, Cash Equivalents and Marketable Securities	\$982 M	\$1,040 M	\$906 M	\$(134) M
Inventories, net	\$869 M	\$685 M	\$688 M	\$(3) M
Total Debt ⁽³⁾	\$2,138 M	\$2,212 M	\$2,268 M	\$(56) M

1. Q4 2014 gross margin includes \$58M lower of cost or market inventory adjustment.

2. See Appendices for GAAP to Non-GAAP gross margin, operating expenses, operating income (loss) and net income (loss) reconciliations.

3. See Appendices for Total Debt reconciliation.

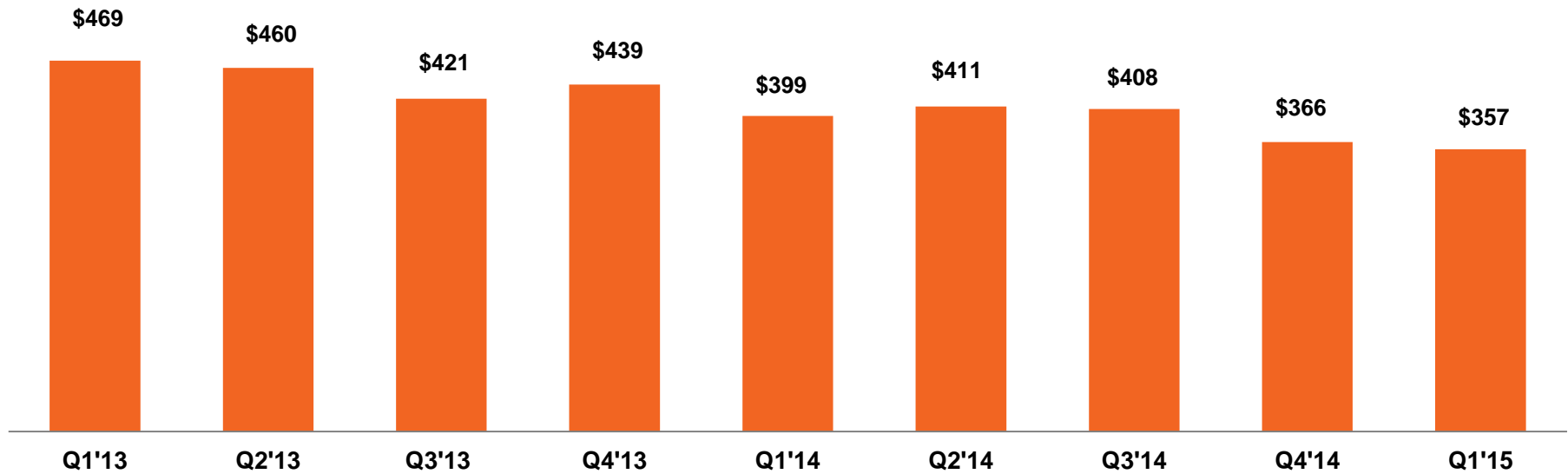
\$87M RESTRUCTURING AND OTHER SPECIAL CHARGES

- ▲ \$75M special charges related to the exiting of the dense server systems business, formerly SeaMicro (of which \$7M is cash)
- ▲ \$12M charges related to the 2014 Restructuring Plan (of which \$9M is cash):
 - \$7M real estate related activities
 - \$5M severance charges

CONTINUED OPERATING EXPENSE DISCIPLINE



NON-GAAP OPEX⁽¹⁾(IN MILLIONS)



1. All amounts exclude stock-based compensation.

Q1 2015 SEGMENT FINANCIAL RESULTS

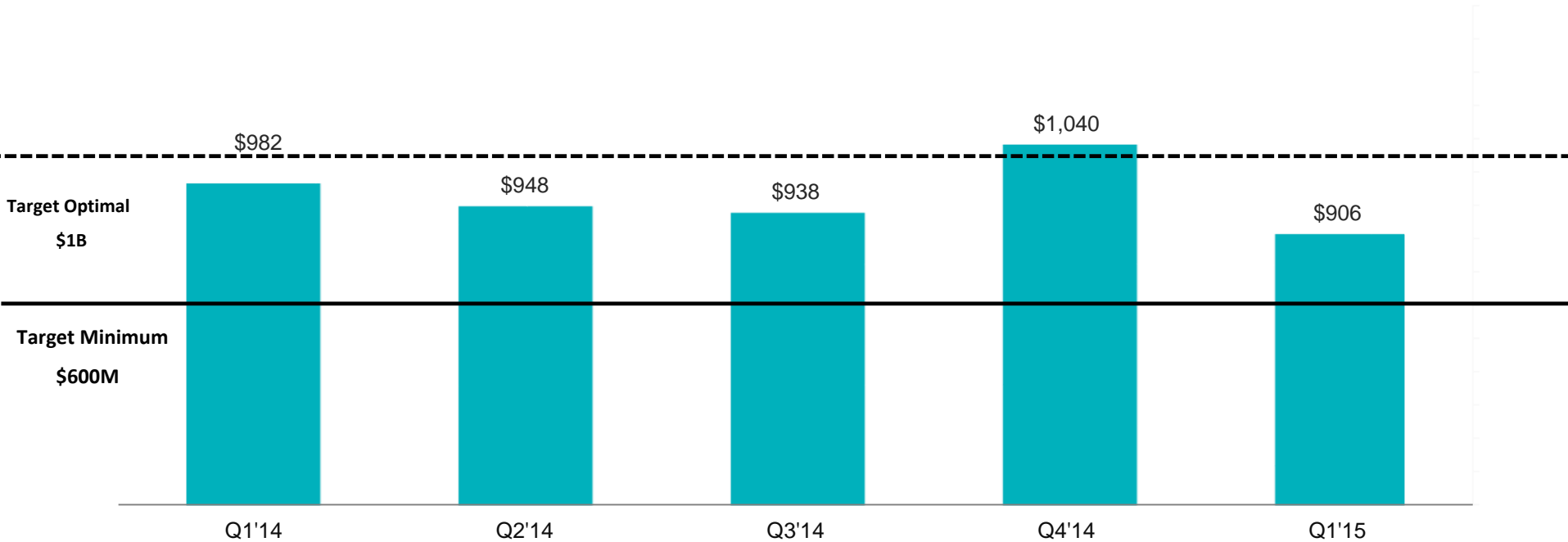


	Q1 2014	Q4 2014	Q1 2015	Q-to-Q Fav / (Unfav)
Computing and Graphics				
Net Revenue	\$861M	\$662 M	\$532 M	(20) %
Operating Income (Loss)	\$3 M	\$(56) M	\$(75) M	
Enterprise, Embedded and Semi-Custom				
Net Revenue	\$536 M	\$577 M	\$498 M	(14) %
Operating Income	\$85 M	\$109 M	\$45 M	
All Other Category				
Operating Loss	\$(39) M	\$(383) M	\$(107) M	-
TOTAL				
Net Revenue	\$1,397 M	\$1,239 M	\$1,030 M	(17) %
Operating Income	\$49 M	\$(330) M	\$(137) M	

TARGET OPTIMAL AND MINIMUM CASH



CASH BALANCE⁽¹⁾ (\$ IN MILLIONS)



- ▲ ~90% of cash held domestically
- ▲ Managed cash⁽¹⁾ significantly above target minimum in Q1 2015
- ▲ Amended and restated terms of \$500M asset-backed credit facility, resulting in the elimination of prior domestic cash requirement, reduced pricing and an extended maturity date to April 2020

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

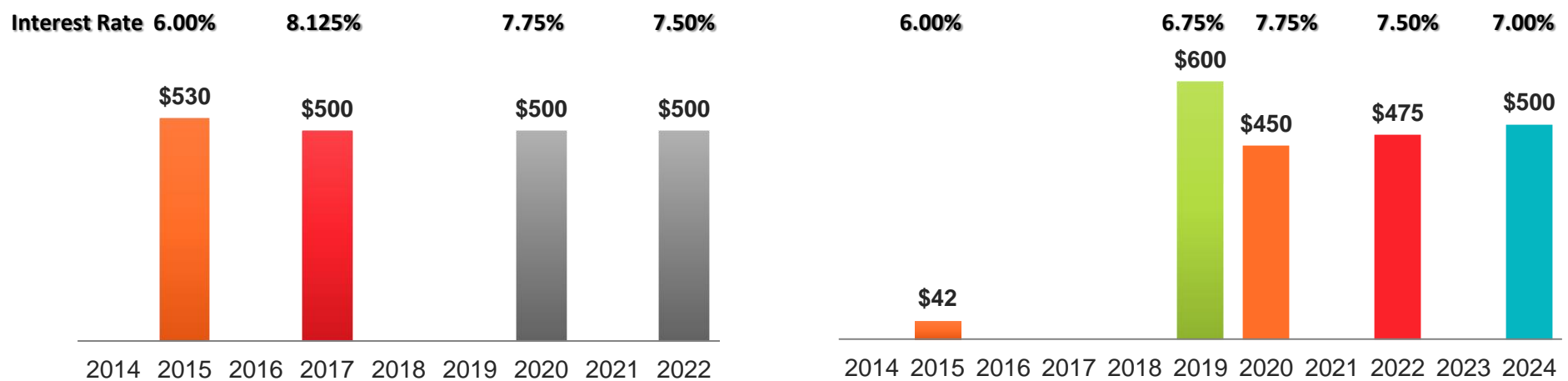
DEBT MATURITY PROFILE



December 28, 2013

March 28, 2015

TERM DEBT PROFILE/STRUCTURE (\$M)



- ▲ No significant term debt due until March 2019
- ▲ Weighted average interest rate of term debt is 7.2% as of March 28, 2015
- ▲ Plan to pay off \$42M of 6.00% Notes maturing May 1, 2015

Q2 2015 AND FY 2015 FINANCIAL GUIDANCE



	Q1 2015 Actual	Q2 2015 Guidance	2014 Actual	2015 Guidance
Revenue	\$1,030 M	Down 3% +/- 3%	\$5,506 M	-
Non-GAAP Gross Margin ⁽¹⁾	32 %	~32%	34%	-
Non-GAAP Operating Expenses ⁽¹⁾⁽²⁾	\$357 M	~\$355 M	\$1,584 M	\$340 - \$370 M
Interest expense, taxes and other	\$ 43 M	~\$45 M	\$248 M	-
Cash, Cash Equivalents and Marketable Securities	\$906 M	-	\$1,040 M	\$600 M - \$1 B
Inventories, net	\$688 M	~Up \$100 M q/q	\$685 M	~Flat
Capital Expenditures	\$22 M	-	\$95 M	~\$100 M

1. See Appendices for GAAP to Non-GAAP gross margin and operating expense reconciliations.

2. Includes the impact of the \$200 million special payment to GLOBALFOUNDRIES in 2014.



BUSINESS DIVERSIFICATION

Derived 40% of 2014 revenues from growth businesses.

OPEX DISCIPLINE

Reduced non-GAAP operating expenses by 11% to \$357 million in Q1 2015 from Q1 2014.⁽¹⁾

INTEREST EXPENSE AND LIQUIDITY

Reduced Interest Expense for past six quarters. Amended our \$500M asset-backed credit facility with more favorable terms in April 2015.

CASH BALANCE

Cash, cash equivalents and marketable securities at \$906M in Q1 2015, above target minimum.

DEBT

Re-profiled debt in 2014, pushing the majority of term debt maturities out 4 years to 2019 and beyond.

1. See Appendices for GAAP to Non-GAAP operating expenses for reconciliations

LONG-TERM POSITIONING
FOR PROFITABILITY AND GROWTH

STRONGER,
MORE NIMBLE,
MORE EFFICIENT

SIMPLER
PROCESSES
AND DECISION
MAKING

THE PARTNER OF
CHOICE FOR
INNOVATIVE
SOLUTIONS

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 commentary contains non-GAAP financial measures, including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss), and non-GAAP earnings (loss) per share. 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.

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APPENDICES



Reconciliation of GAAP to Non-GAAP Gross Margin

(Millions except percentages)

	Q1-15	Q4-14	Q1-14
GAAP gross margin	\$ 326	\$ 360	\$ 487
GAAP gross margin %	32%	29%	35%
Lower of cost or market inventory adjustment	-	58	-
Stock-based compensation	1	-	1
Non-GAAP gross margin	\$ 327	\$ 418	\$ 488
Non-GAAP gross margin %	32%	34%	35%

Reconciliation of GAAP to Non-GAAP Operating Expenses

(Millions)

	Q1-15	Q4-14	Q3-14	Q2-14	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13
GAAP operating expenses	\$ 463	\$ 690	\$ 431	\$ 435	\$ 438	\$ 418	\$ 426	\$ 488	\$ 543
Goodwill impairment	-	233	-	-	-	-	-	-	-
Restructuring and other special charges (gains), net	87	71	-	-	-	-	(22)	5	47
Amortization of acquired intangible assets	3	4	3	4	3	4	5	4	5
Workforce rebalancing severance charges	-	-	-	-	14	-	-	-	-
Legal settlements, net	-	-	-	-	-	(48)	-	-	-
Stock-based compensation*	16	16	20	20	22	23	22	19	22
Non-GAAP operating expenses	\$ 357	\$ 366	\$ 408	\$ 411	\$ 399	\$ 439	\$ 421	\$ 460	\$ 469

*Beginning in Q1 2015, AMD started excluding the impact of stock-based compensation from non-GAAP results. Prior periods have been adjusted accordingly.

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

(Millions)

	Q1-15	Q4-14	Q1-14
GAAP operating income (loss)	\$ (137)	\$ (330)	\$ 49
Goodwill impairment	-	233	-
Restructuring and other special charges (gains), net	87	71	-
Lower of cost or market inventory adjustment	-	58	-
Amortization of acquired intangible assets	3	4	3
Workforce rebalancing severance charges	-	-	14
Stock-based compensation	17	16	23
Non-GAAP operating income (loss)	\$ (30)	\$ 52	\$ 89

APPENDICES



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

(Millions except per share amounts)

	Q1-15		Q4-14		Q1-14	
GAAP net loss / Loss per share	\$ (180)	\$ (0.23)	\$ (364)	\$ (0.47)	\$ (20)	\$ (0.03)
Goodwill Impairment	-	-	233	0.30	-	-
Restructuring and other special charges, net	87	0.11	71	0.09	-	-
Lower of cost or market inventory adjustment	-	-	58	0.07	-	-
Amortization of acquired intangible assets	3	0.00	4	0.00	3	0.00
Workforce rebalancing severance charges	-	-	-	-	14	0.02
Loss on debt redemption	-	-	-	-	15	0.02
Stock-based compensation	17	0.02	16	0.02	23	0.03
Non-GAAP net income (loss) / Earnings (loss) per share	\$ (73)	\$ (0.09)	\$ 18	\$ 0.02	\$ 35	\$ 0.05

Total Debt

(Millions)	Q1-15			Q4-14			Q3-14			Q2-14			Q1-14			Q4-13		
	Gross	Discount	Net	Gross	Discount	Net	Gross	Discount	Net	Gross	Discount	Net	Gross	Discount	Net	Gross	Discount	Net
6.00% Convertible Senior Notes due 2015	\$ 42	\$ -	\$ 42	\$ 42	\$ -	\$ 42	\$ 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	600	-	600	600	-	600	600	-	600	600	-	600	600	-	600	-	-	-
6.75% Senior Notes due 2019 - Interest Rate Swap	3	-	3	3	-	3	(1)	-	(1)	-	-	-	-	-	-	-	-	-
7.75% Senior Notes due 2020	450	-	450	450	-	450	500	-	500	500	-	500	500	-	500	500	-	500
7.50% Senior Notes due 2022	475	-	475	475	-	475	500	-	500	500	-	500	500	-	500	500	-	500
7.00% Senior Notes due 2024	500	-	500	500	-	500	500	-	500	500	-	500	-	-	-	-	-	-
Capital lease obligations	10	-	10	12	-	12	12	-	12	14	-	14	15	-	15	16	-	16
Borrowings from secured revolving line of credit, net	188	-	188	130	-	130	55	-	55	55	-	55	55	-	55	55	-	55
Total Debt	\$ 2,268	\$ -	\$ 2,268	\$ 2,212	\$ -	\$ 2,212	\$ 2,208	\$ -	\$ 2,208	\$ 2,211	\$ (1)	\$ 2,210	\$ 2,164	\$ (26)	\$ 2,138	\$ 2,101	\$ (43)	\$ 2,058