

NEWS RELEASE

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AMD Reports Record First Quarter Revenue

- AMD^{1,2} revenue \$1.57 billion
- Net income \$257 million, EPS \$0.35, operating income \$182 million
- Non-GAAP net income \$63 million, EPS \$0.09, operating income \$130 million
- Gross margin 47% and non-GAAP gross margin 43%
- First quarter 2010 results reflect the deconsolidation of GLOBALFOUNDRIES

SUNNYVALE, Calif. – April 15, 2010 – AMD (NYSE:AMD) today announced revenue for the first quarter of 2010 of \$1.57 billion, net income of \$257 million, or \$0.35 per share, and operating income of \$182 million. The company reported non-GAAP net income of \$63 million, or \$0.09 per share, and non-GAAP operating income of \$130 million.

“Strong product offerings and solid operating performance resulted in record first quarter revenue,” said [Dirk Meyer](#), AMD President and CEO. “We continue to strengthen our product offerings. We launched our latest generation of server platforms, expanded our family of DirectX 11-compatible graphics offerings, and commenced shipments of our next-generation notebook platforms to customers.”

GAAP Financial Results

	Q1-10	Q4-09	Q1-09
Revenue	\$1.57B	\$1.65B	\$1.18B
Net income (loss) attributable to AMD common stockholders/EPS	\$257M/\$0.35	\$1.18B/\$1.52	\$(416)M/\$(0.66)
Operating income (loss)	\$182M	\$1.29B	\$(298)M

Non-GAAP Financial Results¹

	Q1-10	Q4-09	Q1-09
Revenue	\$1.57B	\$1.65B	\$1.18B
Net income(loss)/EPS	\$63M/\$0.09	\$80M/\$0.11	\$(189)M/\$(0.30)
Operating income (loss)	\$130M	\$169M	\$(123)M

Quarterly Summary

- Gross margin was 47% in the first quarter.
 - Non-GAAP gross margin was 43%, a sequential increase of two percentage points. This excludes a benefit of \$69 million, or four percentage points, related to an inventory adjustment resulting from the deconsolidation of GLOBALFOUNDRIES as compared to Q4-09.
- Cash, cash equivalents and marketable securities balance at the end of the quarter was \$1.93 billion, a sequential increase from \$1.77 billion for AMD excluding GLOBALFOUNDRIES.
- Computing Solutions segment revenue decreased 5% sequentially and increased 23% year-over-year. The sequential decrease was driven by lower microprocessor unit shipments, partially offset by an increase in microprocessor average selling price (ASP). The year-over-year increase was driven by an increase in microprocessor unit shipments.
 - Operating income was \$146 million, compared with \$161 million in Q4-09 and a loss of \$34 million in Q1-09.
 - Acer, Asus, Dell, HP, Lenovo and Toshiba broadened their AMD-based client offerings with the expanded AMD Athlon™ II and Phenom™ II desktop processors and latest [AMD Turion](#) mobile processors.
 - [HP](#), [Dell](#), [Acer Group](#), [Cray](#) and [SGI](#) and other leading computer manufacturers announced plans for more than 25 new platforms based on the [AMD Opteron™ 6000 Series](#) server platform, featuring the world's first 8- and 12-core x86 processor for the high-volume 2P and value 4P server market.
- Graphics segment revenue decreased 3% sequentially and increased 88% year-over-year. The sequential decrease was driven primarily by a seasonal decline in royalties received in connection with the sale of game console systems, largely offset by an increase in graphics processor unit (GPU) revenue. The year-over-year increase was driven primarily by an increase in GPU shipments.
 - Operating income was \$47 million, compared with \$50 million in Q4-09 and breakeven in Q1-09.
 - GPU shipments increased sequentially, primarily driven by record mobile discrete graphics unit shipments.
 - GPU ASP increased sequentially and decreased year-over-year.
 - AMD expanded the industry-leading [ATI Radeon™ HD 5000 family of graphics](#) cards with seven product introductions. AMD is the only company shipping Microsoft DirectX® 11 capable graphics cards with [ATI Eyefinity technology](#) spanning the desktop, notebook and workstation markets. New products introduced include:
 - The [ATI Radeon HD 5870 Eyefinity 6 Edition](#), the world's first graphics card capable of enabling up to 12 times HD resolution across six monitors,
 - The [ATI FirePro™ V8800](#), the industry's most powerful professional graphics card ever created for the professional workstation market,
 - The [ATI Mobility Radeon™ HD 5870](#), the first graphics solution that supports Microsoft DirectX 11 technology.

- As a result of deconsolidating [GLOBALFOUNDRIES](#), AMD recognized a non-cash, one-time gain of \$325 million in Other income (expense), net in AMD's Consolidated Statement of Operations.
- AMD entered into an agreement with the Ontario Ministry of Economic Development and Trade to receive up to \$56.4 million CAD grant award under Ontario's [Next Generation of Jobs Fund](#) to bolster R&D spend for AMD Fusion™ processors.
- AMD was named to *Corporate Responsibility Officer Magazine's* 2010 list of [100 Best Corporate Citizens](#) and a Top 10 leader on the inaugural [Maplecroft Climate Innovation Index](#).

Current Outlook

AMD's outlook statements are based on current expectations. The following statements are forward looking, and actual results could differ materially depending on market conditions and the factors set forth under "Cautionary Statement" below. AMD expects revenue to be down seasonally for the second quarter of 2010.

AMD Teleconference

AMD will hold a conference call for the financial community at 2:00 p.m. PT (5:00 p.m. ET) today to discuss its first quarter financial results. AMD will provide a real-time audio broadcast of the teleconference on the [Investor Relations](#) page of its Web site at [AMD](#). The webcast will be available for 10 days after the conference call.

Reconciliation of GAAP Net Income (Loss) Attributable to AMD Common Stockholders to Non-GAAP Net Income (Loss) ^{1,3}

(Millions except per share amounts)	Q1-10		Q4-09		Q1-09	
GAAP net income (loss) attributable to AMD common stockholders / EPS	\$ 257	\$ 0.35	\$ 1,178	1.52	\$ (416)	(0.66)
Net impact of GF/Foundry segment related items*	211	0.28	(138)	(0.17)	(317)	(0.51)
Net (income) loss attributable to noncontrolling interest	-	-	23	0.03	6	0.01
Class B preferred accretion	-	-	(22)	(0.03)	(8)	(0.01)
Non-GAAP net income (loss) excluding GF/Foundry segment related items	46	0.06	1,315	1.69	(97)	(0.15)
Gross margin benefit from sales of inventory written down in Q4-08	-	-	-	-	64	0.10
GF formation costs	-	-	-	-	(21)	(0.03)
Amortization of acquired intangible assets	(17)	(0.02)	(18)	(0.02)	(18)	(0.03)
Legal settlement	-	-	1,267	1.60	-	-
Restructuring charges	-	-	-	-	(60)	(0.10)
Investment net charges	-	-	-	-	(9)	(0.01)
Gain (loss) on debt redemption	-	-	(11)	(0.01)	108	0.17
Gain on sale of Handheld assets	-	-	-	-	28	0.04
Loss from discontinued operations	-	-	(3)	-	-	-
Non-GAAP net income (loss)	\$ 63	0.09	\$ 80	0.11	\$ (189)	(0.30)

*Q1-10 consists of \$69M gross margin benefit related to the deconsolidation of GF in Q1-10, a \$325 million gain on the fair value assessment of our investment in GF, and \$183 million equity loss related to GF. Q4-09 and Q1-09 consist of the Foundry segment and Intersegment Eliminations loss.

Reconciliation of GAAP to Non-GAAP Operating Income (Loss) ^{1,3}

(Millions)	Q1-10	Q4-09	Q1-09
GAAP operating income (loss)	\$ 182	\$ 1,288	\$ (298)
Gross margin benefit due to the deconsolidation of GF	69	-	-
Gross margin benefit from sales of inventory written down in Q4-08	-	-	64
Amortization of acquired intangible assets	(17)	(18)	(18)
Legal settlement	-	1,242	-
Restructuring charges	-	-	(60)
GF formation costs	-	-	(21)
Operating income (loss) from Foundry segment and Intersegment Eliminations	-	(105)	(140)
Non-GAAP operating income (loss)	\$ 130	\$ 169	\$ (123)

Reconciliation of GAAP to Non-GAAP Gross Margin ^{1,3}

(Millions, except percentages)	Q1-10	Q4-09	Q1-09
GAAP Gross Margin	\$ 741	\$ 735	\$ 511
GAAP Gross Margin %	47%	45%	43%
Gross margin benefit due to the deconsolidation of GF	69	-	-
Gross margin benefit from sales of inventory written down in Q4-08	-	-	64
Gross margin from Foundry segment and Intersegment Eliminations	-	56	34
Non-GAAP Gross Margin	\$ 672	\$ 679	\$ 413
Non-GAAP Gross Margin %	43%	41%	35%

About AMD

Advanced Micro Devices (NYSE: AMD) is an innovative technology company dedicated to collaborating with customers and technology partners to ignite the next generation of computing and graphics solutions at work, home and play. For more information, visit AMD.

Cautionary Statement

This release contains forward-looking statements concerning AMD, its second quarter 2010 revenue, the global economic environment, demand for the company's products, the planned availability of its future products, operating expenses and capital expenditures, 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 release are based on current beliefs, assumptions and expectations, speak only as of the date of this release 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 targeting the company's business will prevent attainment of the company's current plans; global business and economic conditions will not continue to improve or will worsen resulting in

lower than currently expected revenue in the second quarter of 2010 and beyond; demand for computers and consumer electronics products and, in turn, demand for the company's products will be lower than currently expected; customers stop buying the company's products or materially reduce their demand for its products; the company will require additional funding and may not be able to raise funds on favorable terms or at all; the company will be unable to develop, launch and ramp new products and technologies in the volumes and mix required by the market and at mature yields on a timely basis; there will be unexpected variations in market growth and demand for the company's products and technologies in light of the product mix that it may have available at any particular time or a decline in demand; the company will be unable to transition its products to advanced manufacturing process technologies in a timely and effective way; the company will be unable to maintain the level of investment in research and development and capacity that is required to remain competitive; and the company will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will under-utilize its commitment with respect to GLOBALFOUNDRIES' microprocessor manufacturing facilities. 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 26, 2009.

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¹ In this press release, in addition to GAAP financial results, the Company has provided non-GAAP financial measures, including for non-GAAP net income (loss) excluding GF/Foundry segment related items, non-GAAP net income (loss), non-GAAP operating income (loss), non-GAAP earnings per share and non-GAAP gross margin. These non-GAAP financial measures reflect certain adjustments as presented in the tables in this press release. The Company also provided Adjusted EBITDA and non-GAAP Adjusted free cash flow as supplemental measures of its performance. These items are defined in the footnotes to the selected corporate data tables provided at the end of this press release. The Company is providing these financial measures because it believes this non-GAAP presentation makes it easier for investors to compare current and historical period operating results and also because the Company believes it assists investors in comparing the Company's performance across reporting period 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.

² Starting in the first quarter of 2010 the Company accounted for its investment in GLOBALFOUNDRIES (GF) under the equity method of accounting.

³ Refer to corresponding tables at the end of this press release for additional AMD data.