

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Millions except per share amounts and percentages)

	Quarter Ended		
	Mar. 29, 2008 (Unaudited)	Dec. 29, 2007 (Unaudited)	Mar. 31, 2007 (Unaudited)
Net revenue	\$ 1,505	\$ 1,770	\$ 1,233
Cost of sales	877	985	886
Gross margin	628	785	347
Gross margin %	42%	44%	28%
Research and development	501	473	432
Marketing, general and administrative	341	321	335
Amortization of acquired intangible assets and integration charges	50	61	84
Impairment of goodwill and acquired intangible assets	-	1,608	-
Operating income (loss)	(264)	(1,678)	(504)
Interest income	15	19	16
Interest expense	(95)	(95)	(78)
Other income (expense), net	(1)	1	2
Income (loss) before minority interest, equity in net loss of Spansion Inc. and other and income taxes	(345)	(1,753)	(564)
Minority interest in consolidated subsidiaries	(13)	(9)	(8)
Equity in net loss of Spansion Inc. and other	-	(69)	(16)
Income (loss) before income taxes	(358)	(1,831)	(588)
Provision (benefit) for income taxes	-	(59)	23
Net income (loss)	\$ (358)	\$ (1,772)	\$ (611)
Net income (loss) per common share			
Basic	\$ (0.59)	\$ (3.06)	\$ (1.11)
Diluted	\$ (0.59)	\$ (3.06)	\$ (1.11)
Shares used in per share calculation			
Basic	606	579	549
Diluted	606	579	549

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED BALANCE SHEETS
(Millions)

	Mar. 29, 2008 (Unaudited)	Dec. 29, 2007*
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	\$ 1,753	\$ 1,889
Accounts receivable, net	538	640
Inventories	785	821
Prepaid expenses and other current assets	332	402
Deferred income taxes	105	64
Total current assets	3,513	3,816
Property, plant and equipment, net	4,765	4,720
Goodwill	1,907	1,907
Acquisition related intangible assets, net	536	587
Other assets	487	520
Total Assets	\$ 11,208	\$ 11,550
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 944	\$ 1,009
Accrued compensation and benefits	151	186
Accrued liabilities	946	821
Deferred income on shipments to distributors	92	101
Current portion of long-term debt and capital lease obligations	262	238
Other current liabilities	343	270
Total current liabilities	2,738	2,625
Deferred income taxes	4	6
Long-term debt and capital lease obligations, less current portion	5,025	5,031
Other long-term liabilities	615	633
Minority interest in consolidated subsidiaries	189	265
Stockholders' equity:		
Capital stock:		
Common stock, par value	6	6
Capital in excess of par value	5,941	5,921
Retained earnings (deficit)	(3,458)	(3,100)
Accumulated other comprehensive income	148	163
Total stockholders' equity	2,637	2,990
Total Liabilities and Stockholders' Equity	\$ 11,208	\$ 11,550

* Amounts for the year ended December 29, 2007 were derived from the December 29, 2007 audited financial statements.

ADVANCED MICRO DEVICES, INC.
SELECTED CORPORATE DATA
(Unaudited)
(Millions except headcount and percentages)

<u>Segment Information</u>	Quarter Ended		
	Mar. 29, 2008	Dec. 29, 2007	Mar. 31, 2007
Computing Solutions (1)			
Net revenue	\$ 1,194	\$ 1,402	\$ 918
Operating income (loss)	\$ (160)	\$ 21	\$ (321)
Graphics (2)			
Net revenue	230	259	197
Operating income (loss)	(11)	(12)	(35)
Consumer Electronics (3)			
Net revenue	81	109	118
Operating income (loss)	(8)	12	(4)
All Other (4)			
Net revenue	-	-	-
Operating income (loss)	(85)	(1,699)	(144)
Total AMD			
Net revenue	\$ 1,505	\$ 1,770	\$ 1,233
Operating income (loss)	\$ (264)	\$ (1,678)	\$ (504)
<u>Other Data</u>			
Depreciation & amortization (excluding amortization of acquired intangible assets)	\$ 267	\$ 273	\$ 243
Capital additions	\$ 323	\$ 267	\$ 586
Headcount	16,398	16,420	16,745
Adjusted EBITDA (5)	\$ 54	\$ 203	\$ (196)

- (1) Computing Solutions segment includes microprocessors, chipsets and embedded processors.
(2) Graphics segment includes graphics, video and multimedia products developed for use in desktop and notebook computers, including home media PCs, professional workstations and servers.
(3) Consumer Electronics segment includes products for and revenue related to mobile phones and PDAs, digital televisions and other consumer electronics and royalties received in connection with the sale of game console systems that incorporate the Company's technology.
(4) All Other category includes employee stock-based compensation expense and certain operating expenses and credits that are not allocated to the operating segments. Also included in this category are the ATI acquisition-related charges. Details of the ATI acquisition-related charges and employee stock-based compensation expense are shown below.

ATI acquisition-related charges:

	Quarter Ended		
	Q108	Q407	Q107
Amortization of acquired intangible assets	\$ 50	\$ 58	\$ 71
Integration charges	-	3	13
Subtotal	\$ 50	\$ 61	\$ 84
Impairment of goodwill and acquired intangible assets	-	1,608	-
Cost of fair value adjustment of acquired inventory	-	-	29
ATI acquisition-related charges	\$ 50	\$ 1,669	\$ 113

Employee stock-based compensation expense:

	Quarter Ended		
	Q108	Q407	Q107
Cost of sales	\$ 3	\$ 3	\$ 2
Research and development	16	12	14
Marketing, general and administrative	2	11	12
	<u>\$ 21</u>	<u>\$ 26</u>	<u>\$ 28</u>

(5) Reconciliation of Net income (loss) to Adjusted EBITDA*

	Quarter Ended		
	Q108	Q407	Q107
Net income (loss)	\$ (358)	\$ (1,772)	\$ (611)
Depreciation and amortization	267	273	243
Amortization of acquired intangible assets	50	58	71
Impairment of goodwill and acquired intangible assets	-	1,608	-
Interest expense	95	95	78
Provision (benefit) for income taxes	-	(59)	23
Adjusted EBITDA	<u>\$ 54</u>	<u>\$ 203</u>	<u>\$ (196)</u>

* The Company defines Adjusted EBITDA as net income (loss) adjusted for depreciation and amortization, amortization of acquired intangible assets, impairment of goodwill and acquired intangible assets, interest expense and taxes. The Company calculates and communicates Adjusted EBITDA because management believes it is of interest to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. 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 U.S. GAAP operating measure of net income or U.S. 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.