

**Advanced Micro Devices, Inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Thousands except per share amounts)

	Quarter Ended			Twelve Months Ended	
	Dec. 26, 2004 (Unaudited)	Sept. 26, 2004 (Unaudited)	Dec. 28, 2003 (Unaudited)	Dec. 26, 2004 (Unaudited)	Dec. 28, 2003 (a)
<b>Net sales</b>	\$ 1,263,706	\$ 1,239,459	\$ 1,205,593	\$ 5,001,435	\$ 3,519,168
Cost of sales	742,650	738,026	778,508	3,032,585	2,327,063
Research and development	252,767	230,896	226,502	934,574	852,075
Marketing, general and administrative	245,622	202,179	162,807	807,011	587,307
Restructuring and other special charges, net	2,942	-	(8,039)	5,456	(13,893)
	1,243,981	1,171,101	1,159,778	4,779,626	3,752,552
Operating income (loss)	19,725	68,358	45,815	221,809	(233,384)
Interest income and other, net	(42,430)	2,502	8,913	(31,150)	21,116
Interest expense	(29,070)	(25,148)	(30,943)	(112,328)	(109,960)
Income (loss) before minority interest, income taxes, and equity in net income of joint venture	(51,775)	45,712	23,785	78,331	(322,228)
Minority interest in (income) loss of subsidiary	16,831	3,008	19,408	18,663	44,761
Provision (benefit) for income taxes	(4,981)	4,872	-	5,838	2,936
Equity in net income of joint venture	-	-	-	-	5,913
<b>Net income (loss)</b>	(29,963)	43,848	43,193	91,156	(274,490)
<b>Net income (loss) per common share</b>					
Basic	\$ (0.08)	\$ 0.12	\$ 0.12	\$ 0.25	\$ (0.79)
Diluted	\$ (0.08)	\$ 0.12	\$ 0.12	\$ 0.25	\$ (0.79)
Shares used in per share calculation					
- Basic	375,308	355,254	357,090	358,886	346,934
- Diluted	375,308	417,576	416,190	371,066	346,934

(a) Derived from the December 28, 2003 audited financial statements of Advanced Micro Devices, Inc.

Advanced Micro Devices, Inc.

<b>RECONCILIATION OF NET INCOME (LOSS) TO EBITDA</b>					
(Thousands)					
	Quarter Ended			Twelve Months Ended	
	Dec. 26, 2004 (Unaudited)	Sept. 26, 2004 (Unaudited)	Dec. 28, 2003 (Unaudited)	Dec. 26, 2004 (Unaudited)	Dec. 28, 2003 (Unaudited)
Net income (loss)	\$ (29,963)	\$ 43,848	\$ 43,193	\$ 91,156	\$ (274,490)
Depreciation and amortization	329,148	304,731	287,311	1,224,252	995,663
Interest income	(6,397)	(4,415)	(4,753)	(18,013)	(19,702)
Interest expense	29,070	25,148	30,943	112,328	109,960
Provision (benefit) for income taxes	(4,981)	4,872	-	5,838	2,936
<b>EBITDA</b>	<b>\$ 316,877</b>	<b>\$ 374,184</b>	<b>\$ 356,694</b>	<b>\$ 1,415,561</b>	<b>\$ 814,367</b>

**Advanced Micro Devices, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
(Thousands)

	Dec. 26, 2004	Sept. 26, 2004	Dec. 28 2003*
	(unaudited)	(unaudited)	
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and short-term investments	\$ 1,195,559	\$ 1,185,177	\$ 1,313,367
Accounts receivable, net	719,572	790,750	564,884
Inventories	874,790	807,233	697,658
Prepaid expenses and other current assets	350,240	156,628	177,145
Deferred income taxes	87,836	111,452	102,651
<b>Total current assets</b>	<b>3,227,997</b>	<b>3,051,240</b>	<b>2,855,705</b>
Property, plant and equipment, net	4,233,807	3,877,897	3,848,492
Other assets	382,406	353,302	345,575
<b>Total Assets</b>	<b>\$ 7,844,210</b>	<b>\$ 7,282,439</b>	<b>\$ 7,049,772</b>
<b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Accounts payable	\$ 655,123	\$ 600,908	\$ 492,616
Accrued compensation and benefits	191,431	190,625	160,644
Accrued liabilities	445,341	303,802	327,122
Restructuring accruals	18,997	18,641	29,770
Income taxes payable	47,145	23,715	41,370
Deferred income on shipments to distributors	141,738	128,061	72,376
Current portion of long-term debt and capital lease obligations	214,587	216,027	193,266
Other current liabilities	115,773	102,147	90,533
<b>Total current liabilities</b>	<b>1,830,135</b>	<b>1,583,926</b>	<b>1,407,697</b>
Deferred income taxes	104,246	147,514	157,690
Long-term debt and capital lease obligations	1,644,509	1,827,017	1,899,674
Other long-term liabilities	414,626	353,137	428,761
Minority interest in subsidiary	840,641	799,403	717,640
Stockholders' equity:			
Capital stock:			
Common stock, par value	3,915	3,556	3,502
Capital in excess of par value	2,316,669	2,017,784	1,958,833
Retained earnings	308,497	338,684	217,891
Accumulated other comprehensive income	380,972	211,418	258,084
<b>Total stockholders' equity</b>	<b>3,010,053</b>	<b>2,571,442</b>	<b>2,438,310</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 7,844,210</b>	<b>\$ 7,282,439</b>	<b>\$ 7,049,772</b>

\*Derived from the December 28, 2003 audited financial statements of Advanced Micro Devices, Inc.

**AMD**  
**Selected Corporate Data**  
**(Unaudited)**

<u>Segment Information</u>	Quarter Ended			Twelve Months Ended	
	Dec. 26, 2004	Sept. 26, 2004	Dec. 28, 2003	Dec. 26, 2004	Dec. 28, 2003*
Computation Products (1)					
Revenue	\$ 730 M	\$ 673 M	\$ 581 M	\$ 2,528 M	\$ 1,960 M
Operating Income (Loss)	89 M	89 M	63 M	303 M	(23) M
Memory Products (2)					
Revenue	504 M	538 M	566 M	2,343 M	1,419 M
Operating Income (Loss)	(39) M	15 M	(3) M	35 M	(190) M
Personal Connectivity Solutions Products (3)					
Revenue	30 M	29 M	59 M	131 M	140 M
Operating Income (Loss)	(20) M	(30) M	(2) M	(72) M	(14) M
All Other (4)					
Revenue	0 M	0 M	0 M	0 M	0 M
Operating Income (Loss)	(9) M	(6) M	(12) M	(44) M	(6) M
Total AMD					
Revenue	1,264 M	1,239 M	1,206 M	5,001 M	3,519 M
Operating Income (Loss)	20 M	68 M	46 M	222 M	(233) M
<u>Other Data</u>	Dec. 26, 2004	Sept. 26, 2004	Dec. 28, 2003	Dec. 26, 2004	Dec. 28, 2003*
Depreciation & Amortization	\$ 329 M	\$ 305 M	\$ 287 M	\$ 1,224 M	\$ 996 M
Capital Additions	\$ 470 M	\$ 407 M	\$ 164 M	\$ 1,440 M	\$ 570 M
Headcount	15,894	15,451	14,353	15,894	14,353
International Sales (5)	78%	77%	83%	79%	80%
Research and Development	\$ 253 M	\$ 231 M	\$ 227 M	\$ 935 M	\$ 852 M
EBITDA	\$ 317 M	\$ 374 M	\$ 357 M	\$ 1,416 M	\$ 814 M

\* Numbers do not include first six months of 2003 results for Spansion LLC as the information is not available.

(1) Computation Products segment includes PC processors and Chipsets.

(2) Memory Products segment includes Flash memory products of AMD and Spansion LLC.

(3) The Personal Connectivity Solution Products segment includes Embedded Processors and Products for global commercial and consumer markets.

(4) The All Other category includes certain operating expenses and credits that are not allocated to the operating segments.

(5) For quarter and twelve months ended December 28, 2003, percentages were adjusted for sales to Latin America, which were previously reflected as U.S. sales.

Note: Figures may not foot due to rounding