

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

	Quarter Ended (Unaudited)			Six Months Ended (Unaudited)	
	July 1, 2001	Apr. 1, 2001	July 2, 2000	July 1, 2001	July 2, 2000
Net sales	\$ 985,264	\$ 1,188,747	\$ 1,170,437	\$ 2,174,011	\$ 2,262,466
Cost of sales	636,199	714,830	612,567	1,351,029	1,218,324
Research and development	171,114	157,760	155,651	328,874	316,948
Marketing, general and administrative	156,291	149,138	152,022	305,429	296,328
	963,604	1,021,728	920,240	1,985,332	1,831,600
Operating income	21,660	167,019	250,197	188,679	430,866
Interest income and other, net	12,308	18,823	19,935	31,131	41,063
Interest expense	(20,199)	(21,645)	(11,244)	(41,844)	(22,723)
Income before income taxes and equity in joint venture	13,769	164,197	258,888	177,966	449,206
Provision for income taxes	3,717	52,543	51,778	56,260	51,778
Income before equity in joint venture	10,052	111,654	207,110	121,706	397,428
Equity in net income (loss) in joint venture	7,300	13,183	32	20,483	(937)
Net income	\$ 17,352	\$ 124,837	\$ 207,142	\$ 142,189	\$ 396,491
Net income per common share					
Basic	\$ 0.05	\$ 0.40	\$ 0.67	\$ 0.44	\$ 1.30
Diluted	\$ 0.05	\$ 0.37	\$ 0.60	\$ 0.43	\$ 1.17
Shares used in per share calculation					
- Basic	330,120	314,347	309,116	322,234	305,438
- Diluted	340,533	351,785	352,437	332,183	348,160

AMD
Selected Corporate Data
(Unaudited)

<u>Segment Breakdown</u>	<u>Q2 '01</u>		<u>Q1 '01</u>		<u>Q2 '00</u>	
	<u>% of Sales</u>	<u>Revenue</u>	<u>% of Sales</u>	<u>Revenue</u>	<u>% of Sales</u>	<u>Revenue</u>
Core Products segment:						
PC Processor Products	60	\$588M	55	\$661M	50	\$583M
Memory Products (Flash)	32	316M	35	411M	31	362M
Other IC Products	5	51M	6	75M	12	138M
Voice Communications segment	0	0	0	0	5	63M
Foundry Services segment	3	30M	4	42M	2	24M
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<u>Other Data</u>	<u>Q2 '01</u>		<u>Q1 '01</u>		<u>Q2 '00</u>	
Depreciation and Amortization		\$159M		\$153M		\$148M
Capital Additions		\$215M		\$163M		\$161M
Headcount		15,088		14,838		13,784
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International Sales		61%		63%		61%
Research and Development		\$171M		\$158M		\$156M
EBITDA		\$181M		\$320M		\$398M

NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS**(Includes Pre-Tax FASL Investment Equity Income in Operating Income)*

(Thousands except per share amounts)

	Quarter Ended (Unaudited)			Six Months Ended (Unaudited)	
	July 1, 2001	Apr. 1, 2001	July 2, 2000	July 1, 2001	July 2, 2000
Net sales	\$ 985,264	\$ 1,188,747	\$ 1,170,437	\$ 2,174,011	\$ 2,262,466
Cost of sales	636,199	714,830	612,567	1,351,029	1,218,324
(Income) loss from equity investment in FASL	(12,521)	(22,612)	(54)	(35,133)	1,605
Research and development	171,114	157,760	155,651	328,874	316,948
Marketing, general and administrative	156,291	149,138	152,022	305,429	296,328
	951,083	999,116	920,186	1,950,199	1,833,205
Operating income	34,181	189,631	250,251	223,812	429,261
Interest income and other, net	12,308	18,823	19,935	31,131	41,063
Interest expense	(20,199)	(21,645)	(11,244)	(41,844)	(22,723)
Income before income taxes and equity in joint venture	26,290	186,809	258,942	213,099	447,601
Provision for income taxes	3,717	52,543	51,778	56,260	51,778
Provision (benefit) for taxes on equity income in FASL	5,221	9,429	22	14,650	(668)
Net income	\$ 17,352	\$ 124,837	\$ 207,142	\$ 142,189	\$ 396,491
Net income per common share					
Basic	\$ 0.05	\$ 0.40	\$ 0.67	\$ 0.44	\$ 1.30
Diluted	\$ 0.05	\$ 0.37	\$ 0.60	\$ 0.43	\$ 1.17
Shares used in per share calculation					
- Basic	330,120	314,347	309,116	322,234	305,438
- Diluted	340,533	351,785	352,437	332,183	348,160

* The above statements of operations are not in accordance with generally accepted accounting principles (GAAP) in that the pre-tax equity income of FASL has been reclassified and included in the determination of operating income. Net income and related net income per common share amounts are the same as those reported under GAAP.

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

	July 1, 2001	December 31, 2000*
	(unaudited)	
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 1,057,163	\$ 1,293,165
Accounts receivable, net	728,356	547,200
Inventories	400,849	343,541
Deferred income taxes	188,946	218,527
Prepaid expenses and other current assets	175,522	255,256
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Total current assets	2,550,836	2,657,689
Property, plant and equipment, net	2,668,271	2,636,467
Investment in joint venture	377,639	261,728
Other assets	234,207	211,851
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	\$ 5,830,953	\$ 5,767,735
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Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 314,606	\$ 477,369
Accrued compensation and benefits	121,523	172,815
Accrued liabilities	315,928	276,721
Income tax payable	38,184	74,806
Deferred income on shipments to distributors	67,407	92,828
Current portion of long-term debt, capital lease obligations and other	220,080	129,570
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Total current liabilities	1,077,728	1,224,109
Deferred income taxes	198,203	203,986
Long-term debt, capital lease obligations and other, less current portion	754,717	1,167,973
Stockholders' equity:		
Capital stock:		
Common stock, par value	3,464	3,141
Capital in excess of par value	1,955,498	1,406,290
Retained earnings	1,998,450	1,856,261
Accumulated other comprehensive loss	(157,107)	(94,025)
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Total stockholders' equity	3,800,305	3,171,667
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	\$ 5,830,953	\$ 5,767,735
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*Derived from the December 31, 2000 audited financial statements of Advanced Micro Devices, Inc.