

Advanced Micro Devices, Inc.

NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS

(Includes Pre-Tax FASL Investment Equity Income in Operating Income)

(Thousands except per share amounts)

	Quarter Ended (Unaudited)		
	March 31, 2002	Dec. 30, 2001	Apr. 1, 2001
Net sales	\$ 902,073	\$ 951,873	\$ 1,188,747
Cost of sales	586,874	644,662	714,830
(Income) loss from equity investment in FASL	(5,076)	715	(22,612)
Research and development	171,882	160,871	157,760
Marketing, general and administrative	156,860	163,684	149,138
	910,540	969,932	999,116
Operating income (loss)	(8,467)	(18,059)	189,631
Interest and other income, net	9,538	5,784	18,823
Interest expense	(12,158)	(9,570)	(21,645)
Income (loss) before income taxes	(11,087)	(21,845)	186,809
Provision (benefit) for income taxes	(4,041)	(5,705)	52,543
Provision (benefit) for taxes on equity income in FASL	2,117	(298)	9,429
Net income (loss)	\$ (9,163)	\$ (15,842)	\$ 124,837
Net income (loss) per common share			
Basic	\$ (0.03)	\$ (0.05)	\$ 0.40
Diluted	\$ (0.03)	\$ (0.05)	\$ 0.37
Shares used in per share calculation			
- Basic	340,806	340,119	314,347
- Diluted	340,806	340,119	351,785

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

	Quarter Ended (Unaudited)		
	March 31, 2002	Dec. 30, 2001	Apr. 1, 2001
Net sales	\$ 902,073	\$ 951,873	\$ 1,188,747
Cost of sales	586,874	644,662	714,830
Research and development	171,882	160,871	157,760
Marketing, general and administrative	156,860	163,684	149,138
	915,616	969,217	1,021,728
Operating income (loss)	(13,543)	(17,344)	167,019
Interest and other income, net	9,538	5,784	18,823
Interest expense	(12,158)	(9,570)	(21,645)
Income (loss) before income taxes and equity in net income (loss) of joint venture	(16,163)	(21,130)	164,197
Provision (benefit) for income taxes	(4,041)	(5,705)	52,543
Income (loss) before equity in net income (loss) of joint venture	(12,122)	(15,425)	111,654
Equity in net income (loss) of joint venture	2,959	(417)	13,183
Net income (loss)	\$ (9,163)	\$ (15,842)	\$ 124,837
Net income (loss) per common share			
Basic:			
Net income (loss)	\$ (0.03)	\$ (0.05)	\$ 0.40
Diluted:			
Net income (loss)	\$ (0.03)	\$ (0.05)	\$ 0.37
Shares used in per share calculation			
- Basic	340,806	340,119	314,347
- Diluted	340,806	340,119	351,785

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

	March 31, 2002	Dec. 30, 2001*
	(unaudited)	
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 1,276,723	\$ 869,997
Accounts receivable, net	692,165	659,783
Inventories	376,795	380,474
Deferred income taxes	162,820	155,898
Prepaid expenses and other current assets	151,377	286,957
<hr/>		
Total current assets	2,659,880	2,353,109
Property, plant and equipment, net	2,769,234	2,739,138
Investment in joint venture	353,352	363,611
Other assets	182,476	191,384
<hr/>		
	\$ 5,964,942	\$ 5,647,242
<hr/>		
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 383,495	\$ 304,990
Accrued compensation and benefits	133,401	129,042
Accrued liabilities	321,953	443,995
Income taxes payable	56,113	56,234
Deferred income on shipments to distributors	68,016	47,978
Current portion of long-term debt, capital lease obligations and other	264,029	331,698
<hr/>		
Total current liabilities	1,227,007	1,313,937
Deferred income taxes	104,661	105,305
Long-term debt, capital lease obligations and other, less current portion	1,123,671	672,945
Stockholders' equity:		
Capital stock:		
Common stock, par value	3,414	3,405
Capital in excess of par value	1,898,349	1,889,217
Retained earnings	1,786,517	1,795,680
Accumulated other comprehensive loss	(178,677)	(133,247)
<hr/>		
Total stockholders' equity	3,509,603	3,555,055
<hr/>		
	\$ 5,964,942	\$ 5,647,242
<hr/>		

*Derived from the December 30, 2001 audited financial statements of Advanced Micro Devices, Inc.

AMD
Selected Corporate Data
(Unaudited)

<u>Segment Breakdown</u>	<u>Q1 '02</u>	<u>Q4 '01</u>	<u>Q1 '01</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	76 \$684M	74 \$703M	55 \$661M
Memory Products (Flash)	18 160M	21 196M	35 411M
Other IC Products	5 46M	5 51M	6 75M
Foundry Services segment	1 12M	0 2M	4 42M
<hr/>			
<u>Other Data</u>	<u>Q1 '02</u>	<u>Q4 '01</u>	<u>Q1 '01</u>
Depreciation and Amortization	\$174M	\$150M	\$153M
Capital Additions	\$199M	\$161M	\$163M
Headcount	14,442	14,757	14,838
<hr/>			
International Sales	65%	73%	63%
Research and Development	\$172M	\$161M	\$158M
EBITDA	\$161M	\$133M	\$320M
EBITDA (Non-GAAP)	\$166M	\$132M	\$343M