

Advanced Micro Devices, Inc.

PROFORMA NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS*(Includes Pre-Tax FASL Equity Investment (Income) loss in Operating Income (Loss))**(Thousands except per share amounts)*

	Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)	
	Sept. 29 2002	June 30, 2002	Sept. 30, 2001	Sept. 29 2002	Sept. 30, 2001
Net sales	\$ 508,227	\$ 600,299	\$ 765,870	\$ 2,010,599	\$ 2,939,881
Cost of sales	453,884	558,290	587,155	1,599,048	1,938,184
(Income) loss from equity investment in FASL	(10,100)	4,630	2,036	(10,546)	(33,097)
Research and development	220,959	178,425	161,185	571,266	490,059
Marketing, general and administrative	158,568	160,248	150,918	475,676	456,346
	823,311	901,593	901,294	2,635,444	2,851,492
Operating income (loss)	(315,084)	(301,294)	(135,424)	(624,845)	88,389
Interest and other income, net	12,941	8,661	10,749	31,140	41,880
Interest expense	(21,166)	(15,729)	(9,946)	(49,053)	(51,790)
Income (loss) before income taxes	(323,309)	(308,362)	(134,621)	(642,758)	78,479
Provision (benefit) for income taxes	(73,350)	(121,493)	(36,348)	(198,884)	19,912
Provision (benefit) for taxes on equity income (loss) in FASL	4,212	(1,931)	(849)	4,398	13,801
Net income (loss)	\$ (254,171)	\$ (184,938)	\$ (97,424)	\$ (448,272)	\$ 44,766
Net income (loss) per common share					
Basic	\$ (0.74)	\$ (0.54)	\$ (0.28)	\$ (1.31)	\$ 0.14
Diluted	\$ (0.74)	\$ (0.54)	\$ (0.28)	\$ (1.31)	\$ 0.13
Shares used in per share calculation					
- Basic	342,780	341,782	345,044	341,796	329,837
- Diluted	342,780	341,782	345,044	341,796	338,308

Advanced Micro Devices, Inc.

THE PROFORMA ADJUSTMENTS ARE AS FOLLOWS:

(Thousands)

	Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)	
	Sept. 29 2002	June 30, 2002	Sept. 30, 2001	Sept. 29 2002	Sept. 30, 2001
Additional inventory provision	\$ -	\$ -	\$ 6,901	\$ -	\$ 6,901
Restructuring and other special charges	-	-	89,305	-	89,305
Impaired investments	-	-	21,969	-	21,969
Total before income taxes and extraordinary item	-	-	(118,175)	-	(118,175)
Provision (benefit) for income taxes	-	-	(28,670)	-	(28,670)
Total	\$ -	\$ -	\$ (89,505)	\$ -	\$ (89,505)

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

	Sept. 29 2002 (unaudited)	June 30, 2002 (unaudited)	Dec. 30, 2001*
Assets			
Current assets:			
Cash, cash equivalents and short-term investments	\$ 865,824	\$ 1,099,943	\$ 869,997
Accounts receivable, net	428,653	534,929	659,783
Inventories	420,232	380,078	380,474
Deferred income taxes	177,321	236,152	155,898
Prepaid expenses and other current assets	253,616	264,663	286,957
Total current assets	2,145,646	2,515,765	2,353,109
Property, plant and equipment, net	2,929,792	2,934,877	2,739,138
Investment in joint venture	374,408	378,164	363,611
Deferred income taxes	85,996	-	-
Other assets	195,640	171,936	191,384
	\$ 5,731,482	\$ 6,000,742	\$ 5,647,242
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable	\$ 355,576	\$ 356,341	\$ 304,990
Accrued compensation and benefits	119,666	128,641	129,042
Accrued liabilities	389,861	343,289	443,995
Income taxes payable	38,088	37,824	56,234
Deferred income on shipments to distributors	34,151	38,381	47,978
Current portion of long-term debt, capital lease obligations and other	356,517	367,360	331,698
Total current liabilities	1,293,859	1,271,836	1,313,937
Deferred income taxes	-	75,438	105,305
Long-term debt, capital lease obligations and other, less current portion	1,196,531	1,141,060	672,945
Stockholders' equity:			
Capital stock:			
Common stock, par value	3,435	3,423	3,405
Capital in excess of par value	1,914,989	1,906,952	1,889,217
Retained earnings	1,347,408	1,601,580	1,795,680
Accumulated other comprehensive income (loss)	(24,740)	453	(133,247)
Total stockholders' equity	3,241,092	3,512,408	3,555,055
	\$ 5,731,482	\$ 6,000,742	\$ 5,647,242

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

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

	Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)	
	Sept. 29 2002	June 30, 2002	Sept. 30, 2001	Sept. 29 2002	Sept. 30, 2001
Net sales	\$ 508,227	\$ 600,299	\$ 765,870	\$ 2,010,599	\$ 2,939,881
Cost of sales	453,884	558,290	594,056	1,599,048	1,945,085
Research and development	220,959	178,425	161,185	571,266	490,059
Marketing, general and administrative	158,568	160,248	150,918	475,676	456,346
Restructuring and other special charges	-	-	89,305	-	89,305
	833,411	896,963	995,464	2,645,990	2,980,795
Operating loss	(325,184)	(296,664)	(229,594)	(635,391)	(40,914)
Interest and other income, net	12,941	8,661	(11,220)	31,140	19,911
Interest expense	(21,166)	(15,729)	(9,946)	(49,053)	(51,790)
Loss before income taxes and equity in net income (loss) of joint venture	(333,409)	(303,732)	(250,760)	(653,304)	(72,793)
Benefit for income taxes	(73,350)	(121,493)	(65,018)	(198,884)	(8,758)
Loss before equity in net income (loss) of joint venture	(260,059)	(182,239)	(185,742)	(454,420)	(64,035)
Equity in net income (loss) of joint venture	5,888	(2,699)	(1,187)	6,148	19,296
Net loss	\$ (254,171)	\$ (184,938)	\$ (186,929)	\$ (448,272)	\$ (44,739)
Net loss per common share					
Basic	\$ (0.74)	\$ (0.54)	\$ (0.54)	\$ (1.31)	\$ (0.14)
Diluted	\$ (0.74)	\$ (0.54)	\$ (0.54)	\$ (1.31)	\$ (0.14)
Shares used in per share calculation					
- Basic	342,780	341,782	345,044	341,796	329,837
- Diluted	342,780	341,782	345,044	341,796	329,837

AMD
Selected Corporate Data
(Unaudited)

Segment Breakdown	Q3 '02		Q2 '02		Q3 '01		2002		2001	
	% of Sales	Revenue	% of Sales	Revenue	% of Sales	Revenue	% of Sales	Revenue	% of Sales	Revenue
Core Products segment:										
PC Processor Products	52	\$262M	63	\$380M	61	\$467M	66	\$1,326M	58	\$1,716M
Memory Products (Flash)	37	189M	29	175M	28	210M	26	524M	32	937M
Other IC Products	8	43M	7	39M	8	64M	6	129M	7	191M
Foundry Services segment	3	14M	1	6M	3	25M	2	32M	3	96M
Other Data										
	Q3 '02		Q2 '02		Q3 '01		2002		2001	
Depreciation and Amortization	\$185M		\$183M		\$160M		\$542M		\$472M	
Capital Additions	\$196M		\$172M		\$164M		\$567M		\$542M	
Headcount	13,218		13,730		15,152		13,218		15,152	
International Sales	75%		72%		68%		69%		64%	
Research and Development	\$221M		\$178M		\$161M		\$571M		\$490M	
EBITDA	\$(140)M		\$(114)M		\$(70)M		\$(93)M		\$431M	
EBITDA (Non-GAAP)	\$(130)M		\$(118)M		\$25M		\$(83)M		\$560M	