

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

	Quarter Ended		
	March 30, 2003 (Unaudited)	Dec. 29, 2002 (Unaudited)	March 31, 2002 (Unaudited)
Net sales	\$ 714,555	\$ 686,430	\$ 902,073
Cost of sales	496,592	506,613	586,874
Research and development	203,062	244,848	171,882
Marketing, general and administrative	138,228	194,389	156,860
Restructuring and other special charges, net	2,146	330,575	-
	840,028	1,276,425	915,616
Operating loss	(125,473)	(589,995)	(13,543)
Interest and other income, net	6,740	992	9,538
Interest expense	(25,805)	(22,296)	(12,158)
Loss before income taxes and equity in net income of joint venture	(144,538)	(611,299)	(16,163)
Provision (benefit) for income taxes	2,936	243,470	(4,041)
Loss before equity in net income (loss) of joint venture	(147,474)	(854,769)	(12,122)
Equity in net income of joint venture	1,118	29	2,959
Net loss	\$ (146,356)	\$ (854,740)	\$ (9,163)
Net loss per common share			
Basic	\$ (0.42)	\$ (2.49)	\$ (0.03)
Diluted	\$ (0.42)	\$ (2.49)	\$ (0.03)
Shares used in per share calculation			
- Basic	345,012	343,949	340,806
- Diluted	345,012	343,949	340,806

RECONCILIATION OF GAAP TO PRO FORMA NON-GAAP CONSOLIDATED NET LOSS

(Thousands)

	Quarter Ended		
	March 30, 2003	Dec. 29, 2002	March 31, 2002
Net loss (GAAP)	\$ (146,356)	\$ (854,740)	\$ (9,163)
Adjustments:			
Restructuring and other special charges	2,146	330,575	-
Impaired investments	-	3,550	-
R&D expense	-	42,000	-
Net loss before income taxes	(144,210)	(478,615)	(9,163)
Deferred tax asset write-off	-	243,470	-
Net loss (Pro Forma Non-GAAP)	\$ (144,210)	\$ (235,145)	\$ (9,163)

RECONCILIATION OF EBITDA TO PRO FORMA EBITDA

(Thousands)

	Quarter Ended		
	March 30, 2003	Dec. 29, 2002	March 31, 2002
Operating loss	\$ (125,473)	\$ (589,995)	\$ (13,543)
Depreciation and amortization	209,754	199,618	174,108
EBITDA	84,281	(390,377)	160,565
Adjustments:			
Pro forma income from equity investment in FASL (NON-GAAP)	1,917	50	5,076
R&D expense	-	42,000	-
Restructuring and other special charges	2,146	330,575	-
Pro forma EBITDA	\$ 88,344	\$ (17,752)	\$ 165,641

Advanced Micro Devices, Inc.

PRO FORMA NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS

(Includes Pre-Tax FASL Investment Equity Income in Operating Loss and other pro forma adjustments)

(Thousands except per share amounts)

	Quarter Ended		
	March 30, 2003 (Unaudited)	Dec. 29, 2002 (Unaudited)	March 31, 2002 (Unaudited)
Net sales	\$ 714,555	\$ 686,430	\$ 902,073
Cost of sales	496,592	506,613	586,874
Income from equity investment in FASL	(1,917)	(50)	(5,076)
Research and development	203,062	202,848	171,882
Marketing, general and administrative	138,228	194,389	156,860
Restructuring and other special charges	-	-	-
	835,965	903,800	910,540
Operating loss	(121,410)	(217,370)	(8,467)
Interest and other income, net	6,740	4,542	9,538
Interest expense	(25,805)	(22,296)	(12,158)
Loss before income taxes	(140,475)	(235,124)	(11,087)
Provision (benefit) for income taxes	2,936	-	(4,041)
Provision (benefit) for taxes on equity income in FASL	799	21	2,117
Net loss	\$ (144,210)	\$ (235,145)	\$ (9,163)
Net loss per common share			
Basic	\$ (0.42)	\$ (0.68)	\$ (0.03)
Diluted	\$ (0.42)	\$ (0.68)	\$ (0.03)
Shares used in per share calculation			
- Basic	345,012	343,949	340,806
- Diluted	345,012	343,949	340,806

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

	March 30, 2003 (unaudited)	Dec. 29, 2002* (unaudited)
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 800,009	\$ 1,037,705
Accounts receivable, net	371,841	395,828
Inventories	440,049	432,603
Prepaid expenses and other current assets	183,091	153,542
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Total current assets	1,794,990	2,019,678
Property, plant and equipment, net	2,910,244	2,880,809
Investment in joint venture	385,503	382,942
Other assets	308,065	335,752
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	\$ 5,398,802	\$ 5,619,181
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Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 386,841	\$ 352,438
Accrued compensation and benefits	149,389	131,324
Accrued liabilities	270,966	435,657
Restructuring accruals	185,031	212,541
Income taxes payable	36,821	21,246
Deferred income on shipments to distributors	76,923	57,184
Current portion of long-term debt, capital lease obligations and other	163,911	161,689
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Total current liabilities	1,269,882	1,372,079
Long-term debt, capital lease obligations and other, less current portion	1,767,036	1,779,837
Stockholders' equity:		
Capital stock:		
Common stock, par value	3,457	3,445
Capital in excess of par value	1,926,820	1,921,247
Retained earnings	346,312	492,668
Accumulated other comprehensive income	85,295	49,905
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Total stockholders' equity	2,361,884	2,467,265
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	\$ 5,398,802	\$ 5,619,181
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**Derived from the December 29, 2002 audited financial statements of Advanced Micro Devices, Inc.*

AMD
Selected Corporate Data
(Unaudited)

<u>Segment Breakdown</u>	<u>Q1 '03</u>	<u>Q4 '02</u>	<u>Q1 '02</u>
	<u>% of Sales</u>	<u>Revenue</u>	<u>% of Sales</u>
	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
Core Products segment:			
PC Processor Products	65	\$468M	\$684M
Memory Products (Flash)	31	218M	160M
Other IC Products	4	29M	46M
Foundry Services segment	0	0M	12M
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<u>Other Data</u>	<u>Q1 '03</u>	<u>Q4 '02</u>	<u>Q1 '02</u>
Depreciation & Amortization	\$210M	\$200M	\$174M
Capital Additions	\$181M	\$138M	\$199M
Headcount	12,113	12,832	14,442
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International Sales	73%	76%	65%
Research and Development	\$203M	\$245M	\$172M
Research and Development (Non-GAAP in Q4'02)	\$203M	\$203M	\$172M
EBITDA	\$84M	\$(390)M	\$161M
EBITDA (Pro forma)	\$88M	\$(18)M	\$166M