

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

	Quarter Ended			Six Months Ended	
	Jun. 26	Mar. 27	Jun. 27	Jun. 26	Jun. 27
	2005	2005	2004	2005	2004
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Net sales</b>	\$ 1,259,918	\$ 1,226,628	\$ 1,261,837	\$ 2,486,546	\$ 2,498,270
Cost of sales	765,954	807,449	783,069	1,573,403	1,551,909
Research and development	272,584	253,122	224,821	525,706	450,911
Marketing, general and administrative	228,511	211,714	178,993	440,225	359,210
Restructuring and other special charges, net	-	-	2,514	-	2,514
	1,267,049	1,272,285	1,189,397	2,539,334	2,364,544
Operating income (loss)	(7,131)	(45,657)	72,440	(52,788)	133,726
Interest income and other, net	3,098	3,974	(2,203)	7,072	8,778
Interest expense	(25,653)	(24,245)	(27,956)	(49,898)	(58,110)
Income (loss) before minority interest and income taxes	(29,686)	(65,928)	42,281	(95,614)	84,394
Minority interest in (income) loss of subsidiaries	37,905	46,853	(6,527)	84,758	(1,176)
Provision (benefit) for income taxes	(3,100)	(1,652)	3,574	(4,752)	5,947
<b>Net income (loss)</b>	11,319	(17,423)	32,180	(6,104)	77,271
<b>Net income (loss) per common share</b>					
Basic	\$ 0.03	\$ (0.04)	\$ 0.09	\$ (0.02)	\$ 0.22
Diluted	\$ 0.03	\$ (0.04)	\$ 0.09	\$ (0.02)	\$ 0.21
Shares used in per share calculation					
- Basic	395,414	393,077	353,655	394,245	352,491
- Diluted	405,739	393,077	420,053	394,245	419,008

Advanced Micro Devices, Inc.

<b>RECONCILIATION OF NET INCOME (LOSS) TO EBITDA</b>					
(Thousands)					
	Quarter Ended			Six Months Ended	
	Jun. 26, 2005 (Unaudited)	Mar. 27, 2005 (Unaudited)	Jun. 27, 2004 (Unaudited)	Jun. 26, 2005 (Unaudited)	Jun. 27, 2004 (Unaudited)
Net income (loss)	\$ 11,319	\$ (17,423)	\$ 32,180	\$ (6,104)	\$ 77,271
Depreciation and amortization	318,455	332,881	292,393	651,336	590,373
Interest income	(7,194)	(6,885)	(3,531)	(14,079)	(7,205)
Interest expense	25,653	24,245	27,956	49,898	58,110
Provision (benefit) for income taxes	(3,100)	(1,652)	3,574	(4,752)	5,947
<b>EBITDA</b>	<b>\$ 345,133</b>	<b>\$ 331,166</b>	<b>\$ 352,572</b>	<b>\$ 676,299</b>	<b>\$ 724,496</b>

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

	Jun. 26, 2005	Dec. 26, 2004*
	(unaudited)	
<b>Assets</b>		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 1,220,064	\$ 1,195,559
Accounts receivable, net	735,687	719,572
Inventories	911,163	874,790
Prepaid expenses and other current assets	309,491	350,240
Deferred income taxes	71,656	87,836
Total current assets	3,248,061	3,227,997
Property, plant and equipment, net	4,145,483	4,233,807
Other assets	379,018	382,406
<b>Total Assets</b>	<b>\$ 7,772,562</b>	<b>\$ 7,844,210</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Notes payable	\$ 50,412	\$ -
Accounts payable	757,274	655,123
Accrued compensation and benefits	163,063	191,431
Accrued liabilities	461,651	445,341
Restructuring accruals	20,077	18,997
Income taxes payable	17,971	47,145
Deferred income on shipments to distributors	148,625	141,738
Current portion of long-term debt and capital lease obligations	254,233	230,828
Other current liabilities	124,378	115,773
Total current liabilities	1,997,684	1,846,376
Deferred income taxes	68,131	104,246
Long-term debt and capital lease obligations	1,591,584	1,628,268
Other long-term liabilities	462,314	414,626
Minority interest in subsidiaries	806,240	840,641
Stockholders' equity:		
Capital stock:		
Common stock, par value	3,963	3,917
Capital in excess of par value	2,370,339	2,316,669
Retained earnings	302,206	308,497
Accumulated other comprehensive income	170,101	380,970
Total stockholders' equity	2,846,609	3,010,053
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 7,772,562</b>	<b>\$ 7,844,210</b>

\*Derived from the December 26, 2004 audited financial statements of Advanced Micro Devices, Inc.

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

<u>Segment Information</u>	Quarter Ended			Six Months Ended	
	Jun. 26, 2005	Mar. 27, 2005	Jun. 27, 2004	Jun. 26, 2005	Jun. 27, 2004
Computation Products Group (1)					
Revenue	\$ 767 M	\$ 750 M	\$ 554 M	\$1,517 M	\$ 1,125 M
Operating Income	110 M	92 M	58 M	202 M	125 M
Memory Products Group (2)					
Revenue	462 M	447 M	673 M	910 M	1,301 M
Operating Income (Loss)	(90) M	(110) M	45 M	(199) M	59 M
Personal Connectivity Solutions Group (3)					
Revenue	30 M	30 M	34 M	60 M	72 M
Operating Loss	(14) M	(17) M	(14) M	(31) M	(21) M
All Other (4)					
Revenue	0 M	0 M	0 M	0 M	0 M
Operating Loss	(13) M	(10) M	(16) M	(24) M	(29) M
Total AMD					
Revenue	1,260 M	1,227 M	1,262 M	2,487 M	2,498 M
Operating Income (Loss)	(7) M	(46) M	72 M	(53) M	134 M
<u>Other Data</u>	<b>Jun. 26, 2005</b>	<b>Mar. 27, 2005</b>	<b>Jun. 27, 2004</b>	<b>Jun. 26, 2005</b>	<b>Jun. 27, 2004</b>
Depreciation & Amortization	\$ 318 M	\$ 333 M	\$ 292 M	\$ 651 M	\$ 590 M
Capital Additions	\$ 303 M	\$ 518 M	\$ 361 M	\$ 822 M	\$ 563 M
Headcount	16,694	16,144	14,690	16,694	14,690
International Sales	76%	78%	80%	77%	81%
Research and Development	\$ 273 M	\$ 253 M	\$ 225 M	\$ 526 M	\$ 451 M
EBITDA	\$ 345 M	\$ 331 M	\$ 353 M	\$ 676 M	\$ 724 M

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

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

(3) The Personal Connectivity Solutions Group 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.

Note: Figures may not foot due to rounding