

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

	Quarter Ended			Nine Months Ended	
	Sept. 25, 2005 (Unaudited)	Jun. 26, 2005 (Unaudited)	Sept. 26, 2004 (Unaudited)	Sept. 25, 2005 (Unaudited)	Sept. 26, 2004 (Unaudited)
<b>Net sales</b>	\$ 1,522,755	\$ 1,259,918	\$ 1,239,459	\$ 4,009,301	\$ 3,737,729
Cost of sales	896,261	765,954	738,026	2,469,663	2,289,935
Research and development	289,018	272,584	230,896	814,724	681,807
Marketing, general and administrative	258,748	228,511	202,179	698,974	561,389
Restructuring and other special charges, net	-	-	-	-	2,514
	1,444,027	1,267,049	1,171,101	3,983,361	3,535,645
Operating income (loss)	78,728	(7,131)	68,358	25,940	202,084
Interest income and other, net	6,054	3,098	2,502	13,126	11,280
Interest expense	(30,615)	(25,653)	(25,148)	(80,513)	(83,258)
Income (loss) before minority interest and income taxes	54,167	(29,686)	45,712	(41,447)	130,106
Minority interest in loss of subsidiary	21,227	37,905	3,008	105,985	1,832
Provision (benefit) for income taxes	(606)	(3,100)	4,872	(5,358)	10,819
<b>Net income</b>	76,000	11,319	43,848	69,896	121,119
<b>Net income per common share</b>					
Basic	\$ 0.19	\$ 0.03	\$ 0.12	\$ 0.18	\$ 0.34
Diluted	\$ 0.18	\$ 0.03	\$ 0.12	\$ 0.17	\$ 0.32
Shares used in per share calculation					
- Basic	399,025	395,414	355,254	395,839	353,412
- Diluted	443,681	405,739	417,576	409,586	418,531

Advanced Micro Devices, Inc.

<b>RECONCILIATION OF NET INCOME TO EBITDA</b>					
(Thousands)					
	Quarter Ended			Nine Months Ended	
	Sept. 25, 2005 (Unaudited)	Jun. 26, 2005 (Unaudited)	Sept. 26, 2004 (Unaudited)	Sept. 25, 2005 (Unaudited)	Sept. 26, 2004 (Unaudited)
Net income	\$ 76,000	\$ 11,319	\$ 43,848	\$ 69,896	\$ 121,119
Depreciation and amortization	290,750	318,455	304,731	942,086	895,104
Interest income	(9,510)	(7,194)	(4,415)	(23,589)	(10,122)
Interest expense	30,615	25,653	25,148	80,513	83,258
Provision (benefit) for income taxes	(606)	(3,100)	4,872	(5,358)	10,819
<b>EBITDA</b>	<b>\$ 387,249</b>	<b>\$ 345,133</b>	<b>\$ 374,184</b>	<b>\$ 1,063,548</b>	<b>\$ 1,100,178</b>

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

	Sept. 25, 2005	Jun. 26, 2005	Dec. 26, 2004*
	(unaudited)	(unaudited)	
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and short-term investments	\$ 1,342,167	\$ 1,220,064	\$ 1,195,559
Accounts receivable, net	861,799	735,687	719,572
Inventories	931,763	911,163	874,790
Prepaid expenses and other current assets	272,442	309,491	350,240
Deferred income taxes	54,232	71,656	87,836
<b>Total current assets</b>	<b>3,462,403</b>	<b>3,248,061</b>	<b>3,227,997</b>
Property, plant and equipment, net	4,305,129	4,145,483	4,233,807
Other assets	376,169	379,018	382,406
<b>Total Assets</b>	<b>\$ 8,143,701</b>	<b>\$ 7,772,562</b>	<b>\$ 7,844,210</b>
<b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Notes payable	\$ 75,656	\$ 50,412	\$ -
Accounts payable	941,651	757,274	655,123
Accrued compensation and benefits	232,446	163,063	191,431
Accrued liabilities	402,895	461,651	445,341
Restructuring accruals	21,355	20,077	18,997
Income taxes payable	12,245	17,971	47,145
Deferred income on shipments to distributors	163,652	148,625	141,738
Current portion of long-term debt and capital lease obligations	224,024	254,233	230,828
Other current liabilities	137,583	124,378	115,773
<b>Total current liabilities</b>	<b>2,211,507</b>	<b>1,997,684</b>	<b>1,846,376</b>
Deferred income taxes	50,630	68,131	104,246
Long-term debt and capital lease obligations	1,693,465	1,591,584	1,628,268
Other long-term liabilities	436,802	462,314	414,626
Minority interest in subsidiary	777,052	806,240	840,641
Stockholders' equity:			
Capital stock:			
Common stock, par value	4,020	3,963	3,917
Capital in excess of par value	2,438,504	2,370,339	2,316,669
Retained earnings	378,067	302,206	308,497
Accumulated other comprehensive income	153,654	170,101	380,970
<b>Total stockholders' equity</b>	<b>2,974,245</b>	<b>2,846,609</b>	<b>3,010,053</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 8,143,701</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			Nine Months Ended	
	Sept. 25, 2005	Jun. 26, 2005	Sept. 26, 2004	Sept. 25, 2005	Sept. 26, 2004
Computation Products (1)					
Revenue	\$ 969 M	\$ 767 M	\$ 673 M	\$ 2,486 M	\$ 1,798 M
Operating Income (Loss)	209 M	110 M	89 M	410 M	214 M
Memory Products (2)					
Revenue	516 M	462 M	538 M	1,425 M	1,839 M
Operating Income (Loss)	(50) M	(90) M	15 M	(249) M	74 M
Personal Connectivity Solutions Products (3)(4)					
Revenue	35 M	30 M	29 M	95 M	101 M
Operating Income (Loss)	(14) M	(12) M	(19) M	(40) M	(33) M
All Other (4)					
Revenue	2 M	0 M	0 M	3 M	0 M
Operating Income (Loss)	(66) M	(16) M	(17) M	(95) M	(54) M
Total AMD					
Revenue	1,523 M	1,260 M	1,239 M	4,009 M	3,738 M
Operating Income (Loss)	79 M	(7) M	68 M	26 M	202 M
<u>Other Data</u>	Sept. 25, 2005	Jun. 26, 2005	Sept. 26, 2004	Sept. 25, 2005	Sept. 26, 2004
Depreciation & Amortization	\$ 291 M	\$ 318 M	\$ 305 M	\$ 942 M	\$ 895 M
Capital Additions	\$ 362 M	\$ 303 M	\$ 407 M	\$ 1,183 M	\$ 970 M
Headcount	17,682	16,694	15,451	17,682	15,451
International Sales	78%	76%	77%	78%	80%
Research and Development	\$ 289 M	\$ 273 M	\$ 231 M	\$ 815 M	\$ 682 M
EBITDA	\$ 387 M	\$ 345 M	\$ 374 M	\$ 1,064 M	\$ 1,100 M

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

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

(3) The Personal Connectivity Solution Products segment 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 and, starting Q3-05, includes Personal Internet Communicator(PIC) products. Prior period information has been restated to conform to the current period presentation.

Note: Figures may not foot due to rounding