UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

April 21, 2011
Date of Report (Date of earliest event reported)

ADVANCED MICRO DEVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-07882	94-1692300
(State of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

One AMD Place
P.O. Box 3453
Sunnyvale, California 94088-3453
(Address of principal executive offices) (Zip Code)

(408) 749-4000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

Item 7.01 Regulation FD Disclosure.

The information in this report furnished pursuant to Items 2.02 and 7.01, including Exhibit 99.1 and 99.2 attached hereto, shall not be deemed “filed” for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. It may only be incorporated by reference in another filing under the Exchange Act or the Securities Act of 1933, as amended, if such subsequent filing specifically references the information furnished pursuant to Items 2.02 and 7.01 of this report.

On April 21, 2011, Advanced Micro Devices, Inc. (the “Company”) announced its financial position and results of operations as of and for its fiscal quarter ended April 2, 2011 in a press release that is attached hereto as Exhibit 99.1. Attached hereto as Exhibit 99.2 is financial information and commentary by Thomas J. Seifert, Senior Vice President, Chief Financial Officer and Interim Chief Executive Officer of the Company regarding the Company’s fiscal quarter ended April 2, 2011.

From the first fiscal quarter of 2010 through December 25, 2010, the Company deconsolidated GLOBALFOUNDRIES Inc. (“GF”) results of operations and accounted for its investment in GF under the equity method of accounting. Beginning in the first fiscal quarter of 2011, the Company started accounting for its investment in GF under the cost method of accounting. To supplement the Company’s financial results presented on a U.S. GAAP (“GAAP”) basis, the Company’s earnings release contains non-GAAP financial measures, including non-GAAP net income excluding GF related items, non-GAAP net income, non-GAAP operating income, non-GAAP earnings per share, non-GAAP gross margin, Adjusted EBITDA, and non-GAAP adjusted free cash flow. The Company believes that this non-GAAP presentation makes it easier for investors to compare current and historical periods’ operating results and that it assists investors in comparing the Company’s performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance.

To derive non-GAAP net income for the Company for the first fiscal quarter of 2011, the Company excluded GF related items (the equity income (loss) and dilution gain in investee, net and a payment to GF). The Company further excluded the amortization of acquired intangible assets and charges related to legal settlement.

To derive non-GAAP net income for the Company for the fourth fiscal quarter of 2010, the Company excluded GF related items (the equity income (loss) and dilution gain in investee, net). The Company further excluded the amortization of acquired intangible assets, a gain from a legal settlement, income tax related to a legal settlement and a gain from the sale of marketable securities related to an investment.

To derive non-GAAP net income for the Company for the first fiscal quarter of 2010, the Company excluded GF related items (the gross margin benefits due to the deconsolidation of GF, the deconsolidation gain based on the fair value assessment of its investment in GF and the equity income (loss) and dilution gain in investee, net). The Company further excluded the amortization of acquired intangible assets.

To derive non-GAAP operating income for the Company for the first fiscal quarter of 2011, the Company excluded a payment to GF, the amortization of acquired intangible assets, and a charge related to a legal settlement.

To derive non-GAAP operating income for the Company for the fourth fiscal quarter of 2010, the Company excluded the amortization of acquired intangible assets, and a gain from a legal settlement.

To derive non-GAAP operating income for the Company for the first fiscal quarter of 2010, the Company excluded the gross margin benefits due to the deconsolidation of GF and the amortization of acquired intangible assets.

To derive non-GAAP gross margin for the Company for the first fiscal quarter of 2011, the Company excluded a charge related to a legal settlement and a payment to GF.

To derive non-GAAP gross margin for the Company for the first fiscal quarter of 2010, the Company excluded the gross margin benefits due to the deconsolidation of GF.

Specifically, these non-GAAP financial measures reflect adjustments based on the following:

Gross margin benefits due to the deconsolidation of GF: The deconsolidation of GF's results of operations from the Company's results of operations resulted in incremental gross margin benefit in the first fiscal quarter of 2010 when compared to AMD Product Company in prior periods. "AMD Product Company" refers to the results of operations of Advanced Micro Devices, Inc. on a stand-alone basis, which were derived by excluding from the Company's consolidated operating results the Company's former Foundry segment and Intersegment Eliminations consisting of revenues, cost of sales, and profits on inventory between AMD Product Company and the Foundry segment. This was partially attributable to the elimination of the mark-up charged by GF from the value of inventory as of the beginning of the first fiscal quarter of 2010. In addition, in the first fiscal quarter of 2010, the Company updated its inventory standard costs process with respect to inventory purchased from GF. The Company excluded this item from the Company's GAAP net income, GAAP operating income and GAAP gross margin for its first fiscal quarter of 2010 because it is not indicative of ongoing operating performance and because the Company believes exclusion of this item enables investors to better evaluate the Company's current operating performance compared with prior periods. The impact of this item for the fourth fiscal quarter of 2010 was not material.

Deconsolidation gain on the fair value assessment of investment in GF: Effective as of the first fiscal quarter of 2010, the Company deconsolidated the results of operations of GF and through December 25, 2010, accounted for its investment in GF under the equity method of accounting. Under the accounting guidelines pertaining to deconsolidation, the Company's opening investment in GF was required to be recorded at fair value as of the date of deconsolidation. The difference between this initial fair value of the investment in GF and the net carrying book value was recognized as a gain or loss in earnings. During the first fiscal quarter of 2010, the Company completed a valuation analysis to determine the initial fair value of its investment in GF. Based on this analysis, in the first fiscal quarter of 2010, the Company recognized a non-cash, one-time gain related to the deconsolidation of approximately $325 million. The Company excluded this gain from the Company's GAAP net income for the first fiscal quarter of 2010 because it is not indicative of ongoing operating performance.

Equity income (loss) and dilution gain in investee, net: Effective as of the first fiscal quarter of 2011, the Company began accounting for its investment in GF under the cost method of accounting. For the fiscal 2010, in conjunction with the deconsolidation of the results of operations of GF in the first fiscal quarter of 2010, the Company accounted for its investment in GF under the equity method of accounting. The equity income (loss) and dilution gain in investee, net primarily consists of the Company's proportionate share of GF's losses for the period based on the Company's ownership percentage of GF's Class A Preferred Shares, the Company's portion of the non-cash accretion on GF's Class B Preferred Shares, the elimination of intercompany profit, reflecting the mark-up on inventory that remains on the Company's balance sheet at the end of the period, the amortization of basis differences identified from the purchase price allocation process based on the fair value of GF upon deconsolidation, and, to the extent applicable, the gain or loss on dilution of the Company's ownership interest in GF as a result of capital infusions into GF by ATIC, and for the first fiscal quarter of 2011, the net gain on dilution of the Company's ownership interest in GF as a result of ATIC's contribution of Chartered Semiconductor to GF. The Company excluded this item from the Company's GAAP net income for all periods presented, because the Company believes it is important for investors to have visibility into the Company's financial results excluding the financial results of GF and GF related items that are not indicative of the Company's ongoing operating performance.

Payment to GLOBALFOUNDRIES: In the first fiscal quarter of 2011, the Company incurred a charge of $24 million in cost of sales related to a payment to GF in the form of cash and GF Class A Preferred Shares that the Company owned. This payment primarily related to certain manufacturing assets of GF, which do not benefit the Company. The Company excluded this item from the Company's GAAP net income, GAAP operating income, and GAAP gross margin for the first fiscal quarter of 2011 because it is not indicative of ongoing operating performance and because the Company believes exclusion of this item enables investors to better evaluate the Company's current operating performance compared with prior periods.

Amortization of acquired intangible assets: The Company incurred significant expenses in connection with the ATI acquisition, which it would not have otherwise incurred and which the Company believes are not indicative of ongoing performance. These expenses included the amortization expense of acquired intangible assets. The Company excluded this item from the Company's GAAP net income and GAAP operating income for all periods presented in order to enable investors to better evaluate its current operating performance compared with prior periods and because these expenses are not indicative of ongoing operating performance.

Legal settlements: On December 22, 2010, the Company entered into a settlement agreement with a third party. Pursuant to the settlement agreement, the Company will receive an aggregate of $283 million, less applicable withholding taxes. The Company recorded a gain of $283 million in connection with this agreement for the fourth fiscal quarter of 2010. In the first fiscal quarter of 2011, the Company recorded a charge of approximately $5 million to cost of sales related to a legal settlement. The Company excluded the $283 million gain from its GAAP net income and GAAP operating income for the fourth fiscal quarter of 2010 and the $5 million charge from its GAAP net income, GAAP operating income and GAAP gross margin for the first fiscal quarter of 2011 because they are not indicative of ongoing operating performance.

Income tax related to legal settlement: On December 22, 2010, the Company entered into a settlement agreement with a third party. Pursuant to the settlement agreement, the Company will receive an aggregate of $283 million, less applicable withholding taxes. The Company recorded a $47 million tax provision related to this legal settlement in the fourth fiscal quarter of 2010. The Company excluded this item from the Company's GAAP net income for the fourth fiscal quarter of 2010 because it is not indicative of ongoing operating performance.

Gain on investment sale: In the fourth fiscal quarter of 2010, the Company sold a portion of its marketable securities and recognized a gain on the sale. The Company excluded the effect of this item from its GAAP net income for the fourth fiscal quarter of 2010 because it is not indicative of ongoing operating performance.

In addition, the Company presented "Adjusted EBITDA" in the earnings release as a supplemental measure of its performance. Adjusted EBITDA for the Company is determined by adjusting operating income (loss) for depreciation and amortization, employee stock-based compensation expense and amortization of acquired intangible assets. In addition, for the first fiscal quarter of 2011 and the fourth fiscal quarter of 2010, the Company included adjustments related to the legal settlements with third parties, and for the first fiscal quarter of 2011, the Company also included an adjustment related to a payment to GF.

The Company calculates and communicates Adjusted EBITDA in the financial schedules because the Company's management believes it is of importance to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. In addition, the Company presents Adjusted EBITDA because it believes this measure assists investors in comparing its performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance.

The Company's calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the GAAP operating measure of operating income (loss) or GAAP liquidity measures of cash flows from operating, investing and financing activities. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows.

Starting in the first quarter of 2010, the Company also presents non-GAAP adjusted free cash flow in the earnings release as a supplemental measure of its performance. In 2008 and 2009, the Company and certain of its subsidiaries (collectively, the "AMD Parties") entered into supplier agreements with IBM Credit LLC and certain of its subsidiaries (collectively, the "IBM Parties"). Pursuant to these supplier agreements, the AMD Parties sold to the IBM Parties invoices of selected distributor customers. Because the Company does not recognize revenue until its distributors sell its products to their customers, under U.S. GAAP, the Company classifies funds received from the IBM Parties as debt on the balance sheet. Moreover, for cash flow purposes, these funds are classified as cash flows from financing activities. When a distributor pays the applicable IBM Party, the Company reduces the distributor's accounts receivable and the corresponding debt resulting in a non-cash accounting entry. Because the Company does not receive the cash from the distributor to reduce the accounts receivable, the distributor's payment is never reflected in the Company's cash flows from operating activities.

Non-GAAP adjusted free cash flow for the Company was determined by adding the distributors' payments to the IBM Parties to GAAP net cash provided by operating activities. This amount is then further adjusted by subtracting capital expenditures. Generally, under U.S. GAAP, the reduction in accounts receivable is assumed to be a source of operating cash flows. Therefore, the Company believes that treating the payments from its distributor customers to the IBM Parties as if the Company actually received the cash from the distributor and then used that cash to pay down the debt is more reflective of the economic substance of the transaction. On February 11, 2011, the

Company terminated its supplier agreements with IBM Parties. As a result, the Company expects that as of the third quarter of 2011, it will transition away from making the adjustment for the distributors' payments to the IBM Parties to its GAAP net cash provided by operating activities when calculating non-GAAP adjusted free cash flow.

The Company calculates and communicates non-GAAP adjusted free cash flow in the financial schedules because the Company's management believes it is of importance to investors to understand the nature of these cash flows. The Company's calculation of non-GAAP adjusted free cash flow may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view non-GAAP adjusted free cash flow as an alternative to GAAP liquidity measures of cash flows from operating or financing activities. Pursuant to the requirements of Regulation G, the Company has provided reconciliations within the press release and financial schedules of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

Management does not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with GAAP. These non-GAAP measures should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated April 21, 2011.
99.2	Financial Information and Commentary on First Quarter of 2011 Results

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 21, 2011

ADVANCED MICRO DEVICES, INC.

By:	/S/ FAINA MEDZONSKY
Name:	**Faina Medzonsky**
Title:	**Assistant Secretary**

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press release dated April 21, 2011.
99.2	Financial Information and Commentary on First Quarter of Fiscal Year 2011 Results

Exhibit 99.1

NEWS RELEASE

Media Contact
Drew Prairie
512-602-4425
drew.prairie@amd.com

Investor Contact
Ruth Cotter
408-749-3887
ruth.cotter@amd.com

AMD Reports First Quarter Results

- AMD revenue $1.61 billion, 2 percent sequential decrease and 2 percent increase year-over-year
- Net income $510 million, earnings per share $0.68, operating income $54 million
- Non-GAAP[1,2] net income $56 million, earnings per share $0.08, operating income $92 million
- Gross margin 43 percent, non-GAAP gross margin 45 percent

SUNNYVALE, Calif. – Apr. 21, 2011 – AMD (NYSE:AMD) today announced revenue for the first quarter of 2011 of $1.61 billion, net income of $510 million, or $0.68 per share, and operating income of $54 million. The company reported non-GAAP net income of $56 million, or $0.08 per share, and non-GAAP operating income of $92 million.

"First quarter operating results were highlighted by strong demand for our first generation of AMD Fusion Accelerated Processing Units (APUs)," said Thomas Seifert, CFO and interim CEO. "APU unit shipments greatly exceeded our expectations, and we are excited to build on that momentum now that we are shipping our 'Llano' APU."

GAAP Financial Results

	Q1-11	Q4-10	Q1-10
Revenue	$ 1.61B	$ 1.65B	$ 1.57B
Operating income	$ 54M	$ 413M	$ 182M
Net income / Earnings per share	$510M/$0.68	$375M/$0.50	$257M/$0.35

Non-GAAP Financial Results[1]

	Q1-11	Q4-10	Q1-10
Revenue	$ 1.61B	$ 1.65B	$ 1.57B
Operating income	$ 92M	$ 141M	$ 130M
Net income / Earnings per share	$56M/$0.08	$106M/$0.14	$63M/$0.09

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Quarterly Summary

- Gross margin was 43 percent.
  - Non-GAAP gross margin was 45 percent, flat sequentially.
- Cash, cash equivalents and marketable securities balance at the end of the quarter was $1.75 billion.
- Computing Solutions segment revenue decreased 2 percent sequentially and increased 3 percent year-over-year. The sequential decrease was driven primarily by lower average selling price (ASP) partially offset by higher desktop microprocessor sales. The year-over-year increase was primarily driven by strong microprocessor unit sales in the channel.
  - Operating income was $100 million, compared with $91 million in Q410 and $146 million in Q110.
  - Microprocessor ASP decreased sequentially and year-over-year.
  - AMD commenced revenue shipments of AMD's first Fusion APU for mainstream notebooks (codenamed "Llano") that combines discrete-class graphics capabilities, personal supercomputing performance and AMD AllDay™ power.
  - Acer, Asus, Dell, Fujitsu, HP, Lenovo, MSI, Sony and Toshiba shipped sleek new thin-and-light notebooks based on AMD's low-power APUs capable of delivering high definition visual experiences and extended battery life.
  - More than 50 applications from software companies including Adobe, ArcSoft, Corel, CyberLink and Microsoft take advantage of the incredible compute power found in AMD's APUs and GPUs to dramatically improve application performance and power efficiency.
  - AMD launched the world's first APU specifically designed for embedded systems with a record number of embedded partners for the company. Fujitsu, Kontron, Quixant and Congatec announced APU-based solutions for graphics-intensive markets like digital signage, Internet-ready set top boxes, casino gaming machines and point-of-sale kiosks. Acer, Cray, Dell, HP, SGI and other server manufacturers launched new or updated systems based on five newly introduced AMD Opteron™ 6100 series processors.
  - In the high performance computing market (HPC), AMD Opteron-based solutions continue to gain traction based on their greater scalability. New customer wins include Lockheed Martin's cluster for the US Department of Defense and the University of Sao Paulo's cluster to enable advanced scientific astronomical research.
  - AMD expanded its enthusiast desktop offerings with the introduction of its fastest four-core processor, the AMD Phenom™ II X4 975 Black Edition.
- Graphics segment revenue decreased 3 percent sequentially and was flat year-over-year. The sequential decrease was driven primarily by a seasonal decline in royalties received in connection with the sale of game console systems.
  - Operating income was $19 million, compared with $68 million in Q410 and $47 million in Q110.
  - GPU ASP decreased sequentially and year-over-year.
  - AMD maintained its graphics performance leadership position with the launch of the world's fastest graphics card, the AMD Radeon™ HD 6990.
  - Apple refreshed its Macbook Pro line-up with the new AMD Radeon HD 6490M and HD 6750M graphics chips. AMD now provides discrete graphics solutions across Apple's iMac and Macbook Pro product lines.
  - Strong industry adoption of AMD's mobile graphics continued, as HP and Dell launched new designs powered by the new AMD Radeon™ HD6000M family of graphics processors.

Current Outlook

AMD's outlook statements are based on current expectations. The following statements are forward looking, and actual results could differ materially depending on market conditions and the factors set forth under "Cautionary Statement" below.

AMD expects revenue to be flat to slightly down sequentially for the second quarter of 2011.

For additional detail regarding AMD's results and outlook please see the CFO commentary posted at quarterlyearnings.amd.com.

AMD Teleconference

AMD will hold a conference call for the financial community at 2:00 p.m. PT (5:00 p.m. ET) today to discuss its first quarter financial results. AMD will provide a real-time audio broadcast of the teleconference on the Investor Relations page of its Web site at AMD. The webcast will be available for 10 days after the conference call.

Reconciliation of GAAP to Non-GAAP Net Income [1,3]

(Millions except per share amounts)	Q1-11		Q4-10		Q1-10	
GAAP net income / Earnings per share	**$510**	**$ 0.68**	**$375**	**$ 0.50**	**$ 257**	**$ 0.35**
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	—	—	69	0.09
Gain on the fair value assessment of investment in GLOBALFOUNDRIES	—	—	—	—	325	0.45
Equity income (loss) and dilution gain in investee, net	492	0.66	27	0.05	(183)	(0.25)
Payment to GLOBALFOUNDRIES	(24)	(0.03)	—	—	—	—
Non-GAAP net income excluding GLOBALFOUNDRIES related items	**42**	**0.06**	**348**	**0.47**	**46**	**0.06**
Amortization of acquired intangible assets	(9)	(0.01)	(11)	(0.01)	(17)	(0.02)
Legal settlements	(5)	(0.01)	283	0.39	—	—
Income tax related to legal settlements	—	—	(47)	(0.06)	—	—
Gain on investment sale	—	—	17	0.02	—	—
Non-GAAP net income / Earnings per share	**$ 56**	**$ 0.08**	**$106**	**$ 0.14**	**$ 63**	**$ 0.09**

Reconciliation of GAAP to Non-GAAP Operating Income [1,3]

(Millions)	Q1-11	Q4-10	Q1-10
GAAP operating income	**$ 54**	**$413**	**$182**
Payment to GLOBALFOUNDRIES	(24)	—	—
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	69
Amortization of acquired intangible assets	(9)	(11)	(17)
Legal settlements	(5)	283	—
Non-GAAP operating income	**$ 92**	**$141**	**$130**

Reconciliation of GAAP to Non-GAAP Gross Margin [1,3]

(Millions except percentages)	Q1-11	Q4-10	Q1-10
GAAP Gross Margin	**$691**	**$743**	**$741**
GAAP Gross Margin %	**43%**	**45%**	**47%**
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	69
Legal settlements	(5)	—	—
Payment to GLOBALFOUNDRIES	(24)	—	—
Non-GAAP Gross Margin	**$720**	**$743**	**$672**
Non-GAAP Gross Margin %	**45%**	**45%**	**43%**

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About AMD

AMD (NYSE: AMD) is a semiconductor design innovator leading the next era of vivid digital experiences with its groundbreaking AMD Fusion Accelerated Processing Units (APUs) that power a wide range of computing devices. AMD's server computing products are focused on driving industry-leading cloud computing and virtualization environments. AMD's superior graphics technologies are found in a variety of solutions ranging from game consoles, PCs to supercomputers. For more information, visit http://www.amd.com.

Cautionary Statement

This release contains forward-looking statements concerning AMD, its second quarter 2011 revenue and demand for the Company's products, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are commonly identified by words such as "would," "may," "expects," "believes," "plans," "intends," "projects," and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this release are based on current beliefs, assumptions and expectations, speak only as of the date of this release and involve risks and uncertainties that could cause actual results to differ materially from current expectations. Risks include the possibility that Intel Corporation's pricing, marketing and rebating programs, product bundling, standard setting, new product introductions or other activities targeting the company's business will prevent attainment of the company's current plans; the company will be unable to develop, launch and ramp new products and technologies in the volumes and mix required by the market and at mature yields on a timely basis; GLOBALFOUNDRIES will be unable to manufacture the company's products on a timely basis in sufficient quantities and using competitive technologies; the company will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will under-utilize its commitment with respect to GLOBALFOUNDRIES' microprocessor manufacturing facilities; the recent earthquake and tsunami in Japan may have significant impacts on the company's supply chain or its customers; the company will be unable to transition its products to advanced manufacturing process technologies in a timely and effective way; global business and economic conditions will not continue to improve or will worsen resulting in lower than currently expected demand; demand for computers and consumer electronics products and, in turn, demand for the company's products will be lower than currently expected; customers stop buying the company's products or materially reduce their demand for its products; the company will require additional funding and may not be able to raise funds on favorable terms or at all; there will be unexpected variations in market growth and demand for the company's products and technologies in light of the product mix that it may have available at any particular time or a decline in demand; and the company will be unable to maintain the level of investment in research and development that is required to remain competitive. Investors are urged to review in detail the risks and uncertainties in the company's Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 25, 2010.

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AMD, the AMD Arrow logo, AMD Opteron, AMD Radeon, and combinations thereof, and are trademarks of Advanced Micro Devices, Inc. Other names are for informational purposes only and used to identify companies and products and may be trademarks of their respective owner.

[1] In this press release, in addition to GAAP financial results, the Company has provided non-GAAP financial measures, including for non-GAAP net income excluding GLOBALFOUNDRIES related items, non-GAAP net income, non-GAAP operating income, non-GAAP earnings per share and non-GAAP

gross margin. These non-GAAP financial measures reflect certain adjustments as presented in the tables in this press release. The Company also provided Adjusted EBITDA and non-GAAP Adjusted free cash flow as supplemental measures of its performance. These items are defined in the footnotes to the selected corporate data tables provided at the end of this press release. The Company is providing these financial measures because it believes this non-GAAP presentation makes it easier for investors to compare its operating results for current and historical periods and also because the Company believes it assists investors in comparing the Company's performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance and for the other reasons described in the footnotes to the selected data tables.

[2] For the year 2010, the Company accounted for its investment in GLOBALFOUNDRIES under the equity method of accounting. Starting in the first quarter of 2011, the Company started accounting for its investment in GLOBALFOUNDRIES under the cost method of accounting.

[3] Refer to corresponding tables at the end of this press release for additional AMD data.

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Millions except per share amounts and percentages)

	Quarter Ended		
	Apr. 2, 2011	Dec. 25, 2010	Mar. 27, 2010
Net revenue	$1,613	$1,649	$1,574
Cost of sales	922	906	833
Gross margin	691	743	741
Gross margin %	43%	45%	47%
Research and development	367	352	323
Marketing, general and administrative	261	250	219
Legal settlement	—	(283)	—
Amortization of acquired intangible assets	9	11	17
Operating income	54	413	182
Interest income	3	2	3
Interest expense	(48)	(39)	(49)
Other income (expense), net	11	14	304
Income before equity income (loss) and dilution gain in investee and income taxes	20	390	440
Provision for income taxes	2	42	—
Equity income (loss) and dilution gain in investee, net	492	27	(183)
Net income	$ 510	$ 375	$ 257
Net income per common share			
Basic	$ 0.71	$ 0.52	$ 0.36
Diluted	$ 0.68	$ 0.50	$ 0.35
Shares used in per share calculation			
Basic	720	717	707
Diluted	764	758	754

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED BALANCE SHEETS
(Millions)

	Apr. 2, 2011	Dec. 25, 2010
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 1,745	$ 1,789
Accounts receivable, net	797	968
Inventories, net	648	632
Prepaid expenses and other current assets	221	205
Total current assets	3,411	3,594
Property, plant and equipment, net	676	700
Investment in GLOBALFOUNDRIES	486	—
Acquisition related intangible assets, net	28	37
Goodwill	323	323
Other assets	285	310
Total Assets	$ 5,209	$ 4,964
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 411	$ 376
Accounts payable to GLOBALFOUNDRIES	127	205
Accrued liabilities	605	698
Deferred income on shipments to distributors	165	143
Other short-term obligations	34	229
Current portion of long-term debt and capital lease obligations	4	4
Other current liabilities	29	19
Total current liabilities	1,375	1,674
Long-term debt and capital lease obligations, less current portion	2,192	2,188
Other long-term liabilities	84	82
Accumulated loss in excess of investment in GLOBALFOUNDRIES	—	7
Stockholders' equity:		
Capital stock:		
Common stock, par value	7	7
Additional paid-in capital	6,611	6,575
Treasury stock, at cost	(104)	(102)
Accumulated deficit	(4,958)	(5,468)
Accumulated other comprehensive income	2	1
Total stockholders' equity	1,558	1,013
Total Liabilities and Stockholders' Equity	$ 5,209	$ 4,964

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Millions)

	Quarter Ended Apr. 2, 2011
Cash flows from operating activities:	
Net income	$ 510
Adjustments to reconcile net income to net cash used in operating activities:	
Equity income (loss) and dilution gain in investee	(492)
Depreciation and amortization	88
Compensation recognized under employee stock plans	27
Non-cash interest expense	5
Provision (benefit) for deferred income taxes	9
Other	11
Changes in operating assets and liabilities:	
Accounts receivable	(195)
Inventories	(16)
Prepaid expenses and other current assets	(11)
Other assets	10
Accounts payable to GLOBALFOUNDRIES	(78)
Accounts payable, accrued liabilities and other	(36)
Net cash used in operating activities	(168)
Cash flows from investing activities:	
Purchases of property, plant and equipment	(38)
Purchases of available-for-sale securities	(393)
Proceeds from sale and maturity of available-for-sale securities	434
Other	(17)
Net cash used in investing activities	(14)
Cash flows from financing activities:	
Proceeds from borrowings, net of issuance cost	165
Net proceeds from foreign grants	7
Proceeds from issuance of common stock	9
Repayments of debt and capital lease obligations	(1)
Other	(2)
Net cash provided by financing activities	178
Net decrease in cash and cash equivalents	(4)
Cash and cash equivalents at beginning of period	606
Cash and cash equivalents at end of period	$ 602

ADVANCED MICRO DEVICES, INC.
SELECTED CORPORATE DATA
(Millions except headcount)

Segment and Category Information	Quarter Ended Apr. 2, 2011	Dec. 25, 2010	Mar. 27, 2010
Computing Solutions (1)			
Net revenue	$ 1,200	$ 1,219	$ 1,160
Operating income	$ 100	$ 91	$ 146
Graphics (2)			
Net revenue	413	424	409
Operating income	19	68	47
All Other (3)			
Net revenue	—	6	5
Operating income (loss)	(65)	254	(11)
Total			
Net revenue	**$ 1,613**	**$ 1,649**	**$ 1,574**
Operating income	**$ 54**	**$ 413**	**$ 182**
Other Data			
Depreciation and amortization (excluding amortization of acquired intangible assets)	$ 79	$ 78	$ 83
Capital additions	$ 38	$ 38	$ 48
Adjusted EBITDA (4)	$ 198	$ 241	$ 302
Cash, cash equivalents and marketable securities	$ 1,745	$ 1,789	$ 1,932
Adjusted free cash flow (5)	$ 154	$ 11	$ 177
Total assets	$ 5,209	$ 4,964	$ 5,232
Long-term debt and capital lease obligations, including the current portion	$ 2,196	$ 2,192	$ 2,604
Headcount	11,256	11,068	10,365

See footnotes on the next page

(1) Computing Solutions segment includes microprocessors, chipsets and embedded processors.

(2) Graphics segment includes graphics, video and multimedia products developed for use in desktop and notebook computers, including home media PCs, professional workstations, servers and also includes royalties received in connection with the sale of game console systems that incorporate the Company's graphics technology.

(3) All Other category includes certain operating expenses and credits that are not allocated to the operating segments. Also included in this category are amortization of acquired intangible assets and restructuring charges. It also includes the results of the Handheld business unit because the operating results of this business unit were not material.

(4) **AMD reconciliation of GAAP operating income to Adjusted EBITDA***

	Quarter Ended		
	Apr. 2, 2011	Dec. 25, 2010	Mar. 27, 2010
GAAP operating income	$ 54	$ 413	$ 182
Payment to GLOBALFOUNDRIES	24	—	—
Legal settlement	5	(283)	—
Depreciation and amortization	79	78	83
Employee stock-based compensation expense	27	22	20
Amortization of acquired intangible assets	9	11	17
Adjusted EBITDA	$ 198	$ 241	$ 302

(5) **Non-GAAP adjusted free cash flow reconciliation****

	Quarter Ended		
	Apr. 2, 2011	Dec. 25, 2010	Mar. 27, 2010
GAAP net cash provided by (used in) operating activities	$(168)	$ (213)	$ 23
Non-GAAP adjustment	360	262	202
Non-GAAP net cash provided by operating activities	192	49	225
Purchases of property, plant and equipment	(38)	(38)	(48)
Non-GAAP adjusted free Cash Flow	$ 154	$ 11	$ 177

* Starting with the quarter ended December 26, 2009, the Company presented "Adjusted EBITDA" as a supplemental measure of its performance. Adjusted EBITDA for the Company was determined by adjusting operating income (loss) for depreciation and amortization, employee stock-based compensation expense and amortization of acquired intangible assets. In addition, for the first quarter of 2011, the Company included an adjustment related to a payment to GLOBALFOUNDRIES and a legal settlement with a third party; and for the fourth quarter of 2010, the Company included an adjustment related to its legal settlement with a third party. The Company calculates and communicates Adjusted EBITDA in the financial schedules because the Company's management believes it is of importance to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. In addition, the Company presents Adjusted EBITDA because it believes this measure assists investors in comparing its performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. The Company's calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the GAAP operating measure of operating income (loss) or GAAP liquidity measures of cash flows from operating, investing and financing activities. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows.

** Starting in the first quarter of 2010, the Company presents non-GAAP adjusted free cash flow as a supplemental measure of its performance. In 2008 and 2009 the Company and certain of its subsidiaries (collectively, the "AMD Parties") entered into supplier agreements with IBM Credit LLC and certain of its subsidiaries, (collectively, the "IBM Parties"). Pursuant to these supplier agreements, the AMD Parties sold to the IBM Parties invoices of selected distributor customers. Because the Company does not recognize revenue until its distributors sell its products to their customers, under U.S. GAAP, the Company classifies funds received from the IBM Parties as debt on the balance sheet. Moreover, for cash flow purposes, these funds are classified as cash flows from financing activities. When a distributor pays the applicable IBM Party, the Company reduces the distributor's accounts receivable and the corresponding debt resulting in a non-cash accounting entry. Because the Company does not receive the cash from the distributor to reduce the accounts receivable, the distributor's payment is never reflected in the Company's cash flows from operating activities. Non-GAAP adjusted free cash flow for the Company was determined by adjusting GAAP net cash provided by (used in) operating activities by adding the distributors' payments to the IBM Parties to GAAP net cash provided by (used in) operating activities. This amount is then further adjusted by subtracting capital expenditures. Generally, under U.S. GAAP, the reduction in accounts receivable is assumed to be a source of operating cash flows. Therefore, the Company believes that treating the payments from its distributor customers to the IBM Parties as if the Company actually received the cash from the distributor and then used that cash to pay down the debt is more reflective of the economic substance of the transaction. On February 11, 2011, the Company terminated its supplier agreements with the IBM Parties. The Company calculates and communicates non-GAAP adjusted free cash flow in the financial schedules because the Company's management believes it is of importance to investors to understand the nature of these cash flows. The Company's calculation of non-GAAP Adjusted free cash flow may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view non-GAAP Adjusted Free Cash Flow as an alternative to GAAP liquidity measures of cash flows from operating or financing activities.

AMD Reports First Quarter 2011 Results – CFO Commentary

April 21, 2011

A reconciliation for all non-GAAP financial measures discussed in this commentary to the most directly comparable GAAP financial measures is included below and in our financial tables that accompany our earnings press release available on quarterlyearnings.amd.com

First Quarter 2011 Results

- AMD revenue $1.61 billion, 2% sequential decline; 2% increase year-over-year
- Net income $510 million, EPS $0.68, operating income $54 million
- Non-GAAP net income $56 million, EPS $0.08, operating income $92 million
- Gross margin 43%
- Non-GAAP gross margin 45%

Q1 2011 Commentary

Revenue was $1.61 billion, down 2% compared to the fourth quarter of 2010 and up 2% compared to the first quarter of 2010.

The quarter-over-quarter decline was primarily due to:

- a seasonally driven decline in game console revenue
- lower server and notebook microprocessor sales driven by ASP declines

Non-GAAP gross margin was 45%, flat quarter-over-quarter due to:

- a seasonally driven decline in game console revenue
- a weaker mix in legacy MPU products offset by higher volume in new, lower-cost, margin accretive APUs (Brazos platform) and lower than anticipated 32nm manufacturing costs

Operating expenses were $628 million, significantly less than the guided $650 million due to tight expense management.

- **R&D** was $367 million
- **SG&A** was $261 million, which includes a separation payment to AMD's former CEO

Non-GAAP operating income was $92 million, which excludes the impact of:

- $24 million in cost of sales related to a payment to GLOBALFOUNDRIES (GF) primarily related to certain manufacturing assets of GF which do not benefit AMD
- a charge related to a legal settlement and amortization of acquired intangible assets

Non-GAAP net income was $56 million, which excludes:

- a noncash gain of $492 million related to the dilution of our equity interest in GF in Q1'11 as a result of the combination of Chartered Semiconductor and GF
- $24 million in cost of sales related to a payment to GF primarily related to certain manufacturing assets of GF which do not benefit AMD
- a charge related to a legal settlement and amortization of acquired intangible assets

Non-GAAP diluted EPS was 8 cents in the first quarter of 2011, calculated using 740 million fully diluted shares. The shares used to calculate AMD's first quarter GAAP EPS is 764 million on a fully diluted basis. The GAAP diluted share count is higher than the non-GAAP diluted share count due to the inclusion of common shares issuable upon conversion of the 5.75% convertible notes, which become dilutive above 30 cents EPS, and were therefore dilutive to first quarter GAAP EPS of 68 cents.

Adjusted EBITDA was $198 million, down $43 million from the prior quarter primarily due to the decline in revenue and an increase in operating expenses.

<u>Q1 2011 Segment Results – Computing Solutions</u>

Computing Solutions segment revenue was $1.2 billion, down 2% compared to the fourth quarter of 2010, primarily due to:

- lower server and notebook microprocessor sales driven by ASP declines, partially offset by higher desktop microprocessor sales
- weak demand in mature markets partially offset by moderate growth in demand in emerging economies

APU platforms are gaining traction in the market as evidenced by a faster than anticipated ramp as unit shipments tripled over the prior quarter. Adding to this momentum, we started shipping Llano, our high-end APU, late in the first quarter of 2011.

Computing Solutions operating income was $100 million, up $9 million from the previous quarter, primarily due to improved gross margins from a higher mix of APU sales compared to the prior quarter.

Q1 2011 Segment Results – Graphics

Graphics segment revenue was $413 million, down 3% compared to the fourth quarter of 2010 mainly due to:

- a seasonally driven decline in game console revenue and lower ASPs of GPUs sold into the AIB and retail channel
- partially offset by double digit growth in mobile GPU sales

Graphics segment operating income was $19 million, down $49 million from the fourth quarter of 2010 primarily due to seasonally lower game console revenue.

Balance Sheet

Our cash, cash equivalents and marketable securities balance at the end of the quarter was $1.75 billion, down $44 million compared to the end of the fourth quarter of 2010.

Accounts Receivable at the end of the quarter was $797 million, down $171 million compared to the end of the fourth quarter of 2010, primarily due to timing of sales.

Inventory was $648 million exiting the quarter.

Long term debt as of the end of the quarter was $2.2 billion.

Non-GAAP Adjusted free cash flow was $154 million, up $143 million from the fourth quarter of 2010 due to higher non-GAAP net cash provided by operating activities.

- Starting with the first quarter of 2010, AMD began presenting non-GAAP adjusted free cash flow as a supplemental measure of its performance to adjust for the impact of our receivable funding arrangement with IBM Credit. In February 11, 2011 we terminated this funding program. We expect to transition away from making adjustments related to this program to our GAAP net cash provided by operating activities. As a result, we expect that as of the third quarter of 2011, free cash flow will be calculated traditionally in accordance with industry standards.

Outlook

The following statements concerning AMD are forward-looking, and actual results could differ materially from current expectations.

Q2 2011:

- AMD expects second quarter revenue to be flat to slightly down
- Operating expenses are expected to be approximately $620 million

Wafer Supply Agreement (WSA) – as amended in Q1 2011

In the first quarter of 2011, AMD amended its WSA with GF. The financial impact of the WSA amendment is outlined below:

- In 2011: AMD expects to pay GF between $1.1 and $1.5B for wafer purchases.*
- In 2012: AMD expects to pay GF between $1.5 and $1.9B for wafer purchases.* AMD will resume compensating GF on a cost-plus basis to manufacture wafers for our MPU and APU products.
- Beyond 2012: AMD expects future purchases from GF will continue to be material under the WSA.

(These costs could increase or decrease as a result of variations in yields and several other factors, including our current expectations regarding demand for our products.)*

AMD held a conference call on April 4, 2011 related to the WSA amendment. Further details about the WSA amendment and access to the replay of the conference call and webcast can be accessed at http://ir.amd.com.

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For more information, contact:

Media Contact:
Drew Prairie
512-602-4425
drew.prairie@amd.com

Investor Contacts:
Ruth Cotter
408-749-3887
ruth.cotter@amd.com

Irmina Blaszczyk
408-749-3398
irmina.blaszczyk@amd.com

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Non-GAAP Measures:

To supplement the Company's financial results calculated in accordance with United States generally accepted accounting principles (GAAP), this commentary contains non-GAAP financial measures, including for non-GAAP net income (loss) excluding GF related items, non-GAAP net income (loss), non-GAAP operating income (loss), non-GAAP earnings per share and non-GAAP gross margin. These non-GAAP financial measures reflect certain adjustments, and the Company has presented a reconciliation of GAAP to non-GAAP financial measures in the tables below.

The Company also provided Adjusted EBITDA and non-GAAP Adjusted free cash flow as supplemental measures of its performance.

Adjusted EBITDA for the Company is determined by adjusting operating income (loss) for depreciation and amortization, employee stock-based compensation expense and amortization of acquired intangible assets. In addition, for the first quarter of 2011, the Company included an adjustment related to a payment to GLOBALFOUNDRIES and a legal settlement with a third party; and for the fourth quarter of 2010, the Company included an adjustment related to its legal settlement with a third party. The Company calculates and communicates Adjusted EBITDA in the financial schedules because the Company's management believes it is of importance to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. In addition, the Company presents Adjusted EBITDA because it believes this measure assists investors in comparing its performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. The Company's calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the GAAP operating measure of operating income (loss) or GAAP liquidity measures of cash flows from operating, investing and financing activities. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows.

Starting in the first quarter of 2010, the Company presents non-GAAP adjusted free cash flow as a supplemental measure of its performance. In 2008 and 2009, the Company and certain of its subsidiaries (collectively, the "AMD Parties") entered into supplier agreements with IBM Credit LLC and certain of its subsidiaries, (collectively, the "IBM Parties"). Pursuant to these supplier agreements, the AMD Parties sold to the IBM Parties invoices of selected distributor customers. Because the Company does not recognize revenue until its distributors sell its products to their customers, under U.S. GAAP, the Company classifies funds received from the IBM Parties as debt on the balance sheet. Moreover, for cash flow purposes, these funds are classified as cash flows from financing activities. When a distributor pays the applicable IBM Party, the Company reduces the distributor's accounts receivable and the corresponding debt resulting in a non-cash accounting entry. Because the Company does not receive the cash from the distributor to reduce the accounts receivable, the distributor's payment is never reflected in the Company's cash flows from operating activities. Non-GAAP adjusted free cash flow for the Company was determined by adjusting GAAP net cash provided by (used in) operating activities by adding the distributors' payments to the IBM Parties to GAAP net cash provided by (used in) operating activities. This amount is then further adjusted by subtracting capital expenditures. Generally, under U.S. GAAP, the reduction in accounts receivable is assumed to be a source of operating cash flows. Therefore, the Company believes that treating the payments from its distributor customers to the IBM Parties as if the Company actually received the cash from the distributor and then used that cash to pay down the debt is more reflective of the economic substance of the transaction. On February 11, 2011, the Company terminated its supplier agreements with the IBM Parties. The Company calculates and communicates non-GAAP adjusted free cash flow in the financial schedules because the Company's management believes it is of importance to investors to understand the nature of these cash flows. The Company's calculation of non-GAAP Adjusted free cash flow may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view non-GAAP Adjusted Free Cash Flow as an alternative to GAAP liquidity measures of cash flows from operating or financing activities.

The Company is providing these financial measures because it believes this non-GAAP presentation makes it easier for investors to compare its operating results for current and historical periods and also because the Company believes it assists investors in comparing the Company's performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance and for the other reasons described in the footnotes to the selected data tables.

Non-GAAP Reconciliation:

Reconciliation of GAAP to Non-GAAP Net Income
(Millions except per share amounts)

	Q1-11		Q4-10		Q1-10	
GAAP net income / Earnings per share	**$ 510**	**$ 0.68**	**$ 375**	**$ 0.50**	**$ 257**	**$ 0.35**
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	—	—	69	0.09
Gain on the fair value assessment of investment in GLOBALFOUNDRIES	—	—	—	—	325	0.45
Equity income (loss) and dilution gain in investee, net	492	0.66	27	0.05	(183)	(0.25)
Payment to GLOBALFOUNDRIES	(24)	(0.03)	—	—	—	—
Non-GAAP net income excluding GLOBALFOUNDRIES related items	**42**	**0.06**	**348**	**0.47**	**46**	**0.06**
Amortization of acquired intangible assets	(9)	(0.01)	(11)	(0.01)	(17)	(0.02)
Legal settlements	(5)	(0.01)	283	0.39	—	—
Income tax related to legal settlements	—	—	(47)	(0.06)	—	—
Gain on investment sale	—	—	17	0.02	—	—
Non-GAAP net income / Earnings per share	**$ 56**	**$ 0.08**	**$ 106**	**$ 0.14**	**$ 63**	**$ 0.09**

Reconciliation of GAAP to Non-GAAP Operating Income
(Millions)

	Q1-11	Q4-10	Q1-10
GAAP operating income	**$ 54**	**$ 413**	**$ 182**
Payment to GLOBALFOUNDRIES	(24)	—	—
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	69
Amortization of acquired intangible assets	(9)	(11)	(17)
Legal settlements	(5)	283	—
Non-GAAP operating income	**$ 92**	**$ 141**	**$ 130**

Reconciliation of GAAP to Non-GAAP Gross Margin
(Millions except percentages)

	Q1-11	Q4-10	Q1-10
GAAP Gross Margin	**$691**	**$ 743**	**$ 741**
GAAP Gross Margin %	**43%**	**45%**	**47%**
Gross margin benefit due to deconsolidation of GLOBALFOUNDRIES	—	—	69
Legal settlements	(5)	—	—
Payment to GLOBALFOUNDRIES	(24)	—	—
Non-GAAP Gross Margin	**$720**	**$ 743**	**$ 672**
Non-GAAP Gross Margin %	**45%**	**45%**	**43%**

AMD reconciliation of GAAP operating income to Adjusted EBITDA
(Millions)

	Q1-11	Q4-10	Q1-10
GAAP operating income	**$ 54**	**$ 413**	**$ 182**
Payment to GLOBALFOUNDRIES	24	—	—
Legal settlements	5	(283)	—
Depreciation and amortization	79	78	83
Employee stock-based compensation expense	27	22	20
Amortization of acquired intangible assets	9	11	17
Adjusted EBITDA	**$198**	**$ 241**	**$ 302**

Non-GAAP adjusted free cash flow reconciliation
(Millions)

	Q1-11	Q4-10	Q1-10
GAAP net cash provided by (used in) operating activities	**$(168)**	**$ (213)**	**$ 23**
Non-GAAP Adjustment	360	262	202
Non-GAAP net cash provided by operating activities	192	49	225
Purchases of property, plant and equipment	(38)	(38)	(48)
Non-GAAP adjusted free cash flow	**$ 154**	**$ 11**	**$177**

Cautionary Statement

This document contains forward-looking statements concerning AMD, our financial outlook for the second quarter of 2011, including our second quarter 2011 revenue and operating expenses, the impact of the termination of our receivable funding arrangement with IBM Credit and our expected future payments to GLOBALFOUNDRIES under the Wafer Supply Agreement, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are commonly identified by words such as “would,” “may,” “expects,” “believes,” “plans,” “intends,” “projects,” and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this release are based on current beliefs, assumptions and expectations, speak only as of the date of this release and involve risks and uncertainties that could cause actual results to differ materially from current expectations. Risks include the possibility that Intel Corporation’s pricing, marketing and rebating programs, product bundling, standard setting, new product introductions or other activities targeting the company’s business will prevent attainment of the company’s current plans; the company will be unable to develop, launch and ramp new products and technologies in the volumes and mix required by the market and at mature yields on a timely basis; GLOBALFOUNDRIES will be unable to manufacture the company’s products on a timely basis in sufficient quantities and using competitive technologies; the company will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will under-utilize its commitment with respect to GLOBALFOUNDRIES’ microprocessor manufacturing facilities; the recent earthquake and tsunami in Japan may have significant impacts on the company’s supply chain or its customers; the company will be unable to transition its products to advanced manufacturing process technologies in a timely and effective way; global business and economic conditions will not continue to improve or will worsen resulting in lower than currently expected demand; demand for computers and consumer electronics products and, in turn, demand for the company’s products will be lower than currently expected; customers stop buying the company’s products or materially reduce their demand for its products; the company will require additional funding and may not be able to raise funds on favorable terms or at all; there will be unexpected variations in market growth and demand for the company’s products and technologies in light of the product mix that it may have available at any particular time or a decline in demand; and the company will be unable to maintain the level of investment in research and development that is required to remain competitive. Investors are urged to review in detail the risks and uncertainties in the company’s Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 25, 2010.