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 17, 2014
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 Exhibits 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 17, 2014, Advanced Micro Devices, Inc. (the "Company") announced its financial position and results of operations as of and for its fiscal quarter ended March 29, 2014 in an earnings press release that is attached hereto as Exhibit 99.1. Attached hereto as Exhibit 99.2 is financial information and commentary by Devinder Kumar, Senior Vice President and Chief Financial Officer of the Company, regarding the Company's fiscal quarter ended March 29, 2014.

To supplement the Company's financial results presented on a U.S. Generally Accepted Accounting Principles ("GAAP") basis, the Company's earnings press release and CFO commentary contain non-GAAP financial measures, including non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss), non-GAAP earnings (loss) per share, Adjusted EBITDA and non-GAAP 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 operating expenses for the Company for the first fiscal quarter of 2014, the Company excluded workforce rebalancing severance charges and amortization of acquired intangible assets.

To derive non-GAAP operating expenses for the Company for the fourth fiscal quarter of 2013, the Company excluded the amortization of acquired intangible assets and net legal settlements.

To derive non-GAAP operating expenses for the Company for the third fiscal quarter of 2013, second fiscal quarter of 2013, first fiscal quarter of 2013 and fourth fiscal quarter of 2012, the Company excluded the amortization of acquired intangible assets and net restructuring and other special charges (gains).

To derive non-GAAP operating income for the Company for the first fiscal quarter of 2014, the Company excluded the workforce rebalancing severance charges and amortization of acquired intangible assets.

To derive non-GAAP operating income for the Company for the fourth fiscal quarter of 2013, the Company excluded the amortization of acquired intangible assets and net legal settlements.

To derive non-GAAP operating loss for the Company for the first fiscal quarter of 2013, the Company excluded the amortization of acquired intangible assets and net restructuring and other special charges.

To derive non-GAAP net income and non-GAAP earnings per share for the Company for the first fiscal quarter of 2014, the Company excluded workforce rebalancing severance charges, loss on debt redemption and amortization of acquired intangible assets.

To derive non-GAAP net income and non-GAAP earnings per share for the Company for the fourth fiscal quarter of 2013, the Company excluded the amortization of acquired intangible assets and net legal settlements.

To derive non-GAAP net loss and non-GAAP loss per share for the Company for the first fiscal quarter of 2013, the Company excluded the amortization of acquired intangible assets and net restructuring and other special charges.

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

Amortization of acquired intangible assets: Amortization of acquired intangible assets represents amortization expenses of acquired identifiable intangible assets in connection with the Company's acquisitions of ATI

Technologies Inc. and SeaMicro, Inc. The Company excluded this item from the Company's GAAP operating expenses, GAAP operating income (loss), GAAP net income (loss) and GAAP income (loss) per share for all periods presented because these expenses are not indicative of ongoing operating performance.

Restructuring and other special charges (gains), net: Net restructuring and other special charges (gains) were recorded for the following periods:

- For the third fiscal quarter of 2013, net gains primarily consisted of real estate transactions related to the Company's facilities in Singapore and Austin, Texas. The net gains primarily represented the difference between the sales proceeds and the carrying values of the properties sold.
- For the second fiscal quarter of 2013, net charges primarily consisted of costs the Company incurred from the exit of a portion of the Company's facility in Sunnyvale, California, partially offset by the release of employee severance costs that were either (i) estimated at the time of the employees' separation and subsequently settled, or (ii) attributable to the subsequent retention of the employees due to changes in the business environment.
- For the first fiscal quarter of 2013, net charges primarily consisted of a loss associated with the sale and leaseback of the Company's facility in Austin, Texas, partially offset by a gain on the sale and leaseback of one of the Company's buildings in Markham, Canada.
- For the fourth fiscal quarter of 2012, charges represented costs that the Company incurred from its restructuring plans implemented to reduce operating expenses and better position the Company competitively. The charges were primarily associated with a reduction of the Company's global workforce.

The Company excluded restructuring and other special charges (gains), net, from the Company's GAAP operating expenses for the third fiscal quarter of 2013, second fiscal quarter of 2013, first fiscal quarter of 2013 and fourth quarter of fiscal 2012 because they are not indicative of ongoing operating performance. The Company excluded restructuring and other special charges, net, from the Company's GAAP operating loss, GAAP net loss and GAAP loss per share for the first fiscal quarter of 2013 because they are not indicative of ongoing operating performance.

Workforce rebalancing severance charges: During the first fiscal quarter of 2014, the Company recorded employee severance costs associated with a reduction of the Company's global workforce as part of the ongoing transformation and diversification strategy. The Company excluded this item from the Company's GAAP operating expenses, GAAP operating income, GAAP net loss and GAAP loss per share for first fiscal quarter of 2014 because it is not indicative of ongoing operating performance.

Loss on debt redemption: This represents the loss that the Company recognized during the first fiscal quarter of 2014 from its partial repurchase of certain outstanding indebtedness. During the first fiscal quarter of 2014, the Company repurchased an aggregate of $487 million principal amount of its 6.00% Convertible Senior Notes due 2015 and $48 million aggregate principal amount of its 8.125% Senior Notes due 2017, resulting in a loss of $15 million. The Company excluded this item from the Company's GAAP net loss and GAAP loss per share for the first fiscal quarter of 2014 because it is not indicative of ongoing operating performance.

Legal settlements, net: During the fourth fiscal quarter of 2013, the Company entered into various licenses and settlements regarding patent-related matters. Pursuant to these agreements, the Company received in aggregate $48 million in net cash, which the Company recorded under the legal settlements, net, line item. The Company excluded this amount from its GAAP operating expenses, GAAP operating income, GAAP net income and GAAP earnings per share for the fourth fiscal quarter of 2013 because it is not indicative of ongoing operating performance.

In addition to the above non-GAAP financial measures, the Company presented "Adjusted EBITDA" as a supplemental measure of its performance. The Company determines its Adjusted EBITDA by adjusting operating income (loss) for depreciation and amortization, employee stock-based compensation expense and amortization of acquired intangible assets. In addition, the Company also included the following adjustments for the applicable period:

- For the first fiscal quarter of 2014, the Company also included adjustments for workforce rebalancing severance charges.
- For the fourth fiscal quarter of 2013, the Company also included adjustments for net legal settlements.
- For the first fiscal quarter of 2013, the Company also included adjustments for net restructuring and other special charges.

The Company calculates and communicates Adjusted EBITDA in the financial tables to the earnings press release and the CFO commentary 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.

The Company also presents non-GAAP free cash flow in the financial tables to the earnings press release and the CFO commentary as a supplemental measure of its performance. Non-GAAP free cash flow for the Company was determined by adjusting GAAP net cash provided by (used in) operating activities for capital expenditures. The Company calculates and communicates non-GAAP free cash flow 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 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 free cash flow as an alternative to GAAP liquidity measures of cash flows from operating activities. The Company has provided reconciliations within the earnings press release, including its financial tables, and the CFO commentary of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated April 17, 2014
99.2	CFO Commentary on First Fiscal Quarter of 2014 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 17, 2014	ADVANCED MICRO DEVICES, INC.	
	By:	/s/ HARRY A. WOLIN
	Name:	**Harry A. Wolin**
	Title:	**Senior Vice President, General Counsel and Secretary**

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press release dated April 17, 2014
99.2	CFO Commentary on First Fiscal Quarter of 2014 Results

Exhibit 99.1

NEWS RELEASE

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AMD Reports 2014 First Quarter Results

- Delivering on its commitments and transforming to win -

Q1 2014 Results

- Revenue of $1.40 billion, decreased 12 percent sequentially and increased 28 percent year-over-year
- Gross margin of 35 percent
- Operating income of $49 million and non-GAAP(1) operating income of $66 million
- Net loss of $20 million, loss per share of $0.03 and non-GAAP(1) net income of $12 million, earnings per share of $0.02

SUNNYVALE, Calif. – April. 17, 2014 – AMD (NYSE:AMD) today announced revenue for the first quarter of 2014 of $1.40 billion, operating income of $49 million and net loss of $20 million, or $0.03 per share. The company reported non-GAAP operating income of $66 million and non-GAAP net income of $12 million, or $0.02 per share.

"AMD continued our momentum by building on the solid foundation we set in the second half of 2013, further transforming the company," said Rory Read, AMD president and CEO. "Backed by our powerful x86 processor cores and hands-down best graphics experiences, we achieved 28 percent revenue growth from the year-ago quarter. We are well positioned to continue to grow profitably as we diversify our business and enable our customers to drive change and win."

GAAP Financial Results

	Q1-14	Q4-13	Q1-13
Revenue	$1.40B	$1.59B	$1.09B
Operating income (loss)	$49M	$135M	$(98)M
Net income (loss) / Earnings (loss) per share	$(20)M/$(0.03)	$89M/$0.12	$(146)M/$(0.19)

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Non-GAAP Financial Results [1]

	Q1-14	Q4-13	Q1-13
Revenue	$1.40B	$1.59B	$1.09B
Operating income (loss)	$66M	$91M	$(46)M
Net income (loss) / Earnings (loss) per share	$12M/$0.02	$45M/$0.06	$(94)M/$(0.13)

Quarterly Financial Summary

- Gross margin was 35 percent in Q1 2014.
  - Gross margin was flat sequentially.
- Cash, cash equivalents and marketable securities, including long-term marketable securities, were $982 million at the end of the quarter, close to the optimal balance of $1 billion and well above the target minimum of $600 million.
  - In Q1 2014, AMD made the final $200 million cash payment to GLOBALFOUNDRIES related to the reduction of the “take or pay” wafer obligation commitments for 2012.
- Total debt, long-term and short-term, at the end of the quarter was $2.14 billion, up from $2.06 billion in Q4 2013.
  - During Q1 2014, AMD focused on re-profiling its near-term debt maturities. The company issued $600 million in aggregate principal value of 6.75% Senior Notes due 2019, utilizing proceeds to repurchase approximately $423 million aggregate principal amount of its 6.00% Convertible Senior Notes due 2015 and approximately $48 million aggregate principal amount of its 8.125% Senior Notes due 2017 during the quarter.
  - Additionally, AMD repurchased approximately $64 million aggregate principal amount of its 6.00% Convertible Senior Notes due 2015 in the open market utilizing cash balances in Q1 2014.
- Computing Solutions segment revenue decreased 8 percent sequentially and 12 percent year-over-year. The sequential and year-over-year declines were due to decreased client unit shipments.
  - Operating loss was $3 million, an improvement from an operating loss of $7 million in Q4 2013 and $39 million in Q1 2013 driven by lower operating expenses.
  - Microprocessor average selling price (ASP) was flat sequentially and decreased slightly year-over-year.
- Graphics and Visual Solutions segment revenue decreased 15 percent sequentially and increased 118 percent year-over-year driven largely by semi-custom SoCs. GPU revenue increased sequentially and year-over-year due to strong demand for the AMD Radeon™ R7 and R9 family of products.
  - Operating income was $91 million compared with $121 million in Q4 2013 and $16 million in Q1 2013. The sequential decline was primarily due to decreased revenue from semi-custom SoCs while the year-over-year increase was driven by higher sales of semi-custom SoCs.
  - GPU ASP increased sequentially and year-over-year driven by the Radeon™ R7 and R9 family of products.

Recent Highlights

- Industry veterans Nora Denzel and Mike Inglis were appointed to AMD’s board of directors, each bringing a diverse set of management, technology, sales and marketing expertise.

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- AMD announced an amendment to the Wafer Supply Agreement with GLOBALFOUNDRIES that established fixed pricing and other terms which apply to products AMD will purchase in 2014. AMD expects to purchase approximately $1.2 billion of wafers from GLOBALFOUNDRIES in 2014, in line with the company's current market expectations.
- AMD expanded its latest industry-leading family of graphics chips with the introduction of the AMD Radeon™ R7 250X, R7 265 and R9 280 for mainstream users and the AMD Radeon™ R9 295X2, the world's fastest and most powerful graphics card powered by two AMD Radeon™ R9 Series GPUs on a single card.
- AMD launched the AMD FirePro™ W9100 professional graphics card for next generation workstations, delivering an industry-first 16GB DDR5 memory, more than 2 TFLOPS of double precision compute performance and 4K support on up to six displays.
- AMD's momentum as the hardware development platform of choice for the gaming community continued in the quarter.
  - The Mantle graphics API, designed to alleviate software inefficiencies that have historically stifled PC gaming performance and take advantage of AMD's Graphics Core Next (GCN) architecture to deliver console-like experiences, continues to see strong developer adoption. Since being announced late last year, support has been announced from seven developers spanning four game engines and more than 20 titles. New additions include developer Crytek and the eagerly anticipated title "Sid Meier's Civilization®: Beyond Earth™."
  - Rebellion Developments, Square Enix® and Xaviant are the latest developers to join the AMD Gaming Evolved program and will optimize their future PC games to make them look and run better on AMD hardware.
- AMD announced support for Microsoft® DirectX® 12, a new version of the graphics API, on all AMD Radeon™ GPUs that feature the GCN architecture.
- AMD announced further details of the AMD Opteron™ A1100 Series, the first 64-bit ARM-based server CPU at 28 nanometer. The company also displayed a comprehensive development platform which includes an evaluation board and a comprehensive software suite to enable a robust 64-bit software ecosystem for ARM-based server designs in advance of general availability planned for later this year. AMD also announced it would contribute a new micro-server design using the AMD Opteron A-Series to the Open Compute Project.
- AMD announced global availability of its new AM1 platform, bringing an unprecedented level of graphics and compute capabilities to the mainstream market at very attractive price-points. The socketed quad-core and dual-core variants of the AMD Athlon™ and AMD Sempron™ APUs are based on award-winning GCN architecture and "Jaguar" CPU core.
- AMD made a strong showing at Mobile World Congress with the debut of the company's 2014 Mobile APU line-up. AMD also earned a "Best of Mobile World Congress 2014" award for the Nano PC design concept, a full-feature Windows 8 PC reference design the size of a smart phone.
- AMD and Adobe announced numerous performance optimizations for video-based applications in Adobe® Creative Cloud™ on AMD's discrete GPUs and APUs. The work by both companies builds on the already impressive optimizations for Adobe® Premiere® Pro CC, Adobe SpeedGrade™ CC, and Adobe Media Encoder CC, made in recent months.
- AMD continued to expand its immersive graphics, bringing 3D and 4K graphics to embedded gaming machines, digital signage, medical imaging, commercial aerospace, conventional military and other embedded applications with the introduction of the AMD Embedded Radeon™ E8860 GPU.

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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.

For the second quarter of 2014, AMD expects revenue to increase 3 percent, plus or minus 3 percent, sequentially.

For additional details 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 2:30 p.m. PT (5:30 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 www.amd.com. The webcast will be available for 12 months after the conference call.

Reconciliation of GAAP to Non-GAAP Operating Income (Loss)[1]

(Millions)	Q1-14	Q4-13	Q4-13
GAAP operating income (loss)	**$ 49**	**$135**	**$ (98)**
Workforce rebalancing severance charges	14	—	—
Amortization of acquired intangible assets	3	4	5
Restructuring and other special charges, net	—	—	47
Legal settlements, net	—	(48)	—
Non-GAAP operating income (loss)	**$ 66**	**$ 91**	**$ (46)**

Reconciliation of GAAP to Non-GAAP Net Income (Loss)

(Millions except per share amounts)	Q1-14		Q4-13		Q1-13	
GAAP net income (loss) / Earnings (loss) per share	**$ (20)**	**$(0.03)**	**$ 89**	**$ 0.12**	**$(146)**	**$(0.19)**
Workforce rebalancing severance charges	14	0.02	—	—	—	—
Loss on debt redemption	15	0.02	—	—	—	—
Amortization of acquired intangible assets	3	0.00	4	0.00	5	0.01
Restructuring and other special charges, net	—	—	—	—	47	0.06
Legal settlements, net	—	—	(48)	(0.06)	—	—
Non-GAAP net income (loss) / Earnings (loss) per share	**$ 12**	**$ 0.02**	**$ 45**	**$ 0.06**	**$ (94)**	**$(0.13)**

About AMD

AMD (NYSE: AMD) designs and integrates technology that powers millions of intelligent devices, including personal computers, tablets, game consoles and cloud servers that define the new era of surround computing. AMD solutions enable people everywhere to realize the full potential of their favorite devices and applications to push the boundaries of what is possible. For more information, visit www.amd.com.

Cautionary Statement

This release contains forward-looking statements concerning AMD, its ability to grow profitably; its ability to diversify its business; its targeted and optimal cash, cash equivalents and marketable securities, including long-term marketable securities, balances; its expected 2014 payments to GLOBALFOUNDRIES (GF); and its expected second quarter of 2014 revenue; 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 “believes, “expects,” “may,” “will,” “should,” “seeks,” “intends,” “pro forma,” “estimates,” “anticipates,” “plans,” “projects,” “would” 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 may negatively impact AMD’s plans, that AMD will require additional funding and may be unable to raise sufficient capital on favorable terms, or at all; that customers stop buying AMD’s products or materially reduce their operations or demand for AMD’s products; that AMD may be unable to develop, launch and ramp new products and technologies in the volumes that are required by the market at mature yields on a timely basis; that AMD’s third-party foundry suppliers will be unable to transition AMD’s products to advanced manufacturing process technologies in a timely and effective way or to manufacture AMD’s products on a timely basis in sufficient quantities and using competitive process technologies; that AMD will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will not fully utilize its projected manufacturing capacity needs at GF microprocessor manufacturing facilities; that AMD’s requirements for wafers will be less than the fixed number of wafers that it agreed to purchase from GF or GF encounters problems that significantly reduce the number of functional die it receives from each wafer; that AMD is unable to successfully implement its long-term business strategy; that AMD inaccurately estimates the quantity or type of products that its customers will want in the future or will ultimately end up purchasing, resulting in excess or obsolete inventory; that AMD is unable to manage the risks related to the use of its third-party distributors and add-in-board (AIB) partners or offer the appropriate incentives to focus them on the sale of AMD’s products; that AMD may be unable to maintain the level of investment in research and development that is required to remain competitive; that there may be unexpected variations in market growth and demand for AMD’s products and technologies in light of the product mix that it may have available at any particular time; that global business and economic conditions will not improve or worsen; that PC market conditions, will not improve or will worsen; that demand for computers will be lower than currently expected; and the effect of political or economic instability, domestically or internationally, on AMD’s sales or supply chain. Investors are urged to review in detail the risks and uncertainties in AMD’s Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 28, 2013.

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(1) In this release, in addition to GAAP financial results, AMD has provided non-GAAP financial measures, including non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP earnings (loss) per share. These non-GAAP financial measures reflect certain adjustments as presented in the data tables in this press release. AMD also provided Adjusted EBITDA and non-GAAP free cash flow as supplemental measures of its performance. These items are defined in the footnotes to the selected data tables provided at the end of this release. AMD 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 AMD believes it assists investors in comparing AMD’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. Refer to the data tables at the end of this release for additional AMD data.

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

	Quarter Ended		
	March 29, 2014	Dec 28, 2013	Mar. 30, 2013
Net revenue	$ 1,397	$1,589	$1,088
Cost of sales	910	1,036	643
Gross margin	487	553	445
Gross margin %	35%	35%	41%
Research and development	279	293	312
Marketing, general and administrative	156	169	179
Amortization of acquired intangible assets	3	4	5
Restructuring and other special charges, net	—	—	47
Legal settlements, net	—	(48)	—
Operating income (loss)	49	135	(98)
Interest income	1	1	1
Interest expense	(47)	(44)	(44)
Other expense, net	(21)	(2)	(3)
Income (loss) before income taxes	(18)	90	(144)
Provision for income taxes	2	1	2
Net income (loss)	$ (20)	$ 89	$ (146)
Net income (loss) per share			
Basic	$ (0.03)	$ 0.12	$ (0.19)
Diluted	$ (0.03)	$ 0.12	$ (0.19)
Shares used in per share calculation			
Basic	761	759	749
Diluted	761	766	749

ADVANCED MICRO DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Millions)

	Quarter Ended		
	March 29, 2014	Dec 28, 2013	Mar. 30, 2013
Total comprehensive income (loss)	$ (21)	$ 89	$ (147)

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

	March 29, 2014	Dec 28, 2013	Mar. 30, 2013
Assets			
Current assets:			
Cash and cash equivalents	$ 554	$ 869	$ 441
Marketable securities	348	228	562
Accounts receivable, net	840	832	645
Inventories, net	869	884	613
Prepaid expenses and other current assets	79	71	77
Total current assets	2,690	2,884	2,338
Long-term marketable securities	80	90	180
Property, plant and equipment, net	337	346	411
Acquisition related intangible assets, net	75	78	92
Goodwill	553	553	553
Other assets	373	386	223
Total Assets	$ 4,108	$ 4,337	$ 3,797
Liabilities and Stockholders' Equity			
Current liabilities:			
Short-term debt	$ 60	$ 60	$ 5
Accounts payable	483	519	301
Payable to GLOBALFOUNDRIES	213	364	379
Accrued and other current liabilities	482	530	504
Deferred income on shipments to distributors	146	145	132
Total current liabilities	1,384	1,618	1,321
Long-term debt	2,078	1,998	2,039
Other long-term liabilities	135	177	22
Stockholders' equity:			
Capital stock:			
Common stock, par value	8	7	7
Additional paid-in capital	6,883	6,894	6,827
Treasury stock, at cost	(114)	(112)	(109)
Accumulated deficit	(6,263)	(6,243)	(6,306)
Accumulated other comprehensive loss	(3)	(2)	(4)
Total stockholders' equity	511	544	415
Total Liabilities and Stockholders' Equity	$ 4,108	$ 4,337	$ 3,797

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

	Quarter Ended March 29, 2014
Cash flows from operating activities:	
Net loss	$ (20)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation and amortization	53
Employee stock-based compensation expense	23
Non-cash interest expense	6
Loss on debt redemption	15
Other	(4)
Changes in operating assets and liabilities:	
Accounts receivable	(8)
Inventories	14
Prepaid expenses and other assets	(8)
Payable to GLOBALFOUNDRIES	(151)
Accounts payable, accrued liabilities and other	(124)
Net cash used in operating activities	**$ (204)**
Cash flows from investing activities:	
Purchases of property, plant and equipment	(21)
Purchases of available-for-sale securities	(310)
Proceeds from sale and maturity of available-for-sale securities	200
Net cash used in investing activities	**$ (131)**
Cash flows from financing activities:	
Proceeds from issuance of common stock	1
Proceeds from borrowings, net	589
Repayments of long-term debt and capital lease obligations	(569)
Other	(1)
Net cash provided by financing activities	**$ 20**
Net decrease in cash and cash equivalents	(315)
Cash and cash equivalents at beginning of period	**$ 869**
Cash and cash equivalents at end of period	**$ 554**

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

	Quarter Ended		
	March 29, 2014	**Dec 28, 2013**	**Mar. 30, 2013**
Segment and Category Information			
Computing Solutions (1)			
Net revenue	$ 663	$ 722	$ 751
Operating loss	$ (3)	$ (7)	$ (39)
Graphics and Visual Solutions (2)			
Net revenue	734	865	337
Operating income	91	121	16
All Other (3)			
Net revenue	—	2	—
Operating income (loss)	(39)	21	(75)
Total			
Net revenue	**$ 1,397**	**$ 1,589**	**$ 1,088**
Operating income (loss)	**$ 49**	**$ 135**	**$ (98)**
Other Data			
Depreciation and amortization, excluding amortization of acquired intangible assets	$ 50	$ 50	$ 62
Capital additions	$ 21	$ 21	$ 20
Adjusted EBITDA (4)	$ 139	$ 165	$ 40
Cash, cash equivalents and marketable securities, including long-term marketable securities	$ 982	$ 1,187	$ 1,183
Non-GAAP free cash flow (5)	$ (225)	$ 0	$ (175)
Total assets	$ 4,108	$ 4,337	$ 3,797
Total debt	$ 2,138	$ 2,058	$ 2,044
Headcount	10,397	10,671	9,844

See footnotes on the next page

(1) Computing Solutions segment primarily includes x86 microprocessors, as standalone devices or as incorporated as an accelerated processing unit (APU), chipsets, embedded processors and dense servers.

(2) Graphics and Visual Solutions segment primarily includes graphics processing units (GPU), including professional graphics, semi-custom System-on-Chip (SOC) products, development services and technology for game consoles.

(3) All Other category primarily includes certain expenses and credits that are not allocated to any of the operating segments. Also included in this category are amortization of acquired intangible assets and employee stock-based compensation expense. In addition, the Company also included the following adjustments for the indicated periods: for the first quarter of 2014, the Company included workforce rebalancing severance charges; for the fourth quarter of 2013, the Company included net legal settlements; and for the first quarter of 2013, the Company included net restructuring and other special charges. The Company also reports the results of former businesses in the All Other category because the operating results were not material.

(4) **Reconciliation of GAAP operating income (loss) to Adjusted EBITDA***

	Quarter Ended		
	March 29, 2014	Dec 28, 2013	Mar. 30, 2013
GAAP operating income (loss)	$ 49	$ 135	$ (98)
Workforce rebalancing severance charges	14	—	—
Legal settlements, net	—	(48)	—
Depreciation and amortization	50	50	62
Employee stock-based compensation expense	23	24	24
Amortization of acquired intangible assets	3	4	5
Restructuring and other special charges, net	—	—	47
Adjusted EBITDA	$ 139	$ 165	$ 40

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

	Quarter Ended		
	March 29, 2014	Dec 28, 2013	Mar. 30, 2013
GAAP net cash provided by (used in) operating activities	$ (204)	$ 21	$ (155)
Purchases of property, plant and equipment	(21)	(21)	(20)
Non-GAAP free cash flow	$ (225)	$ 0	$ (175)

* The Company presents Adjusted EBITDA 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, the Company also included the following adjustments for the indicated periods: for the first quarter of 2014, the Company included an adjustment for workforce rebalancing severance charges; for the fourth quarter of 2013, the Company included an adjustment for net legal settlements; and for the first quarter of 2013, the Company included net restructuring and other special charges. The Company calculates and communicates Adjusted EBITDA in the earnings press release 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.

** The Company also presents non-GAAP free cash flow in the earnings press release as a supplemental measure of its performance. Non-GAAP free cash flow is determined by adjusting GAAP net cash provided by (used in) operating activities for capital expenditures. The Company calculates and communicates non-GAAP free cash flow in the earnings press release 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 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 free cash flow as an alternative to GAAP liquidity measures of cash flows from operating activities. The Company has provided reconciliations within the earnings press release and financial tables of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

AMD Reports First Quarter 2014 Results – CFO Commentary

April 17, 2014

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.

Q1 2014 Results

- Revenue of $1.4 billion, down 12% sequentially and up 28% year-over-year
- Gross margin of 35%, flat sequentially
- Operating income of $49 million and non-GAAP[(1)] operating income of $66 million, compared to operating income of $135 million and non-GAAP operating income of $91 million in Q4 2013
- Net loss of $20 million, loss per share of $0.03 and non-GAAP[(1)] net income of $12 million, earnings per share of $0.02, compared to net income of $89 million, earnings per share of $0.12 and non-GAAP net income of $45 million, earnings per share of $0.06 in Q4 2013

Q1 2014 Commentary

Revenue was $1.4 billion, down 12% sequentially. Graphics and Visual Solutions (GVS) segment revenue was down 15% from Q4 2013 primarily due to decreased revenue from sales of our semi-custom SoCs, partially offset by increased graphics processing unit (GPU) revenue. Computing Solutions segment revenue was down 8% sequentially, in line with seasonal trends and primarily due to decreased desktop and chipset revenue, partially offset by increased notebook revenue.

Gross margin was 35% in Q1 2014, flat sequentially, and included a $4 million benefit from the sale of inventory reserved in Q3 2012, as compared to a similar $7 million benefit in Q4 2013.

Operating expenses were $438 million, including $14 million of workforce rebalancing severance charges.

- **R&D** was $279 million, 20% of revenue
- **SG&A** was $156 million, 11% of revenue

Non-GAAP[(1)] operating expenses were $421 million or 30% of revenue.

To derive non-GAAP operating expenses for Q1 2014, we excluded the impact of:

- Workforce rebalancing severance charges of $14 million, and
- Amortization of acquired intangible assets of $3 million.

Operating expenses:

	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
GAAP	$600M	$543M	$488M	$426M	$418M	$438M
Non-GAAP[(1)]	$506M	$491M	$479M	$443M	$462M	$421M

Non-GAAP operating income was $66 million.

To derive non-GAAP operating income for Q1 2014, we excluded the impact of:

- Workforce rebalancing severance charges of $14 million, and
- Amortization of acquired intangible assets of $3 million.

Non-GAAP net income was $12 million.

To derive non-GAAP net income for Q1 2014, we excluded the impact of:

- Loss on debt redemption of $15 million,
- Workforce rebalancing severance charges of $14 million, and
- Amortization of acquired intangible assets of $3 million.

Depreciation and amortization, excluding amortization of acquired intangible assets, was $50 million, flat from the prior quarter.

Interest expense was $47 million, up $3 million from the prior quarter, largely due to the timing of issuance of new debt and debt repurchases in the quarter.

Tax provision was $2 million in the quarter, up from $1 million in the prior quarter.

Non-GAAP net income per share was $0.02, calculated using 761 million diluted shares. This includes the $4 million benefit in Q1 2014 from sales of inventory reserved in Q3 2012.

Adjusted EBITDA was $139 million, down $26 million from the prior quarter.

Q1 2014 Segment Results

Computing Solutions segment revenue was $663 million, down 8% sequentially, in line with seasonal trends and due to decreased desktop and chipset unit shipments, partially offset by increased notebook unit shipments.

- Client product revenue decreased sequentially primarily due to lower desktop microprocessor sales in the quarter.
- Microprocessor ASP was flat sequentially.

Computing Solutions operating loss was $3 million, a slight improvement from an operating loss of $7 million in Q4 2013 driven primarily due to lower operating expenses despite lower revenue in the quarter. Q1 2014 operating loss included the impact of a $4 million benefit from sales of inventory reserved in Q3 2012 as compared to a similar $7 million benefit in Q4 2013.

GVS segment revenue was $734 million, down 15% compared to the prior quarter, driven primarily by a decrease in sales of our semi-custom SoCs.

- GPU revenue increased sequentially due to strength in our leadership Radeon™ R7 and R9 family of products.
- GPU ASP increased sequentially.

GVS segment operating income was $91 million, down from operating income of $121 million in the prior quarter primarily due to decreased revenue from our semi-custom SoCs.

GLOBALFOUNDRIES (GF) Wafer Supply Agreement (WSA)

On March 30, 2014, we entered into a fourth amendment to our WSA with GF. Under the terms of the agreement, AMD expects wafer purchases from GF to be approximately $1.2 billion in 2014 on a take-or-pay basis. The 2014 purchases contemplate AMD's current PC market expectations and the manufacturing of certain GPUs and semi-custom game console products at GF in 2014. The 2014 WSA amendment does not contain any special payment triggers. In Q1 2014, we spent approximately $250 million on wafer purchases from GLOBALFOUNDRIES.

Balance Sheet

Cash, cash equivalents and marketable securities, including long term marketable securities, were $982 million at the end of Q1 2014, down from $1.2 billion in the prior quarter, close to our optimal balance of $1 billion and well above our target minimum of $600 million. During Q1 2014, we made the final $200 million cash payment to GF related to the reduction of the take or pay wafer obligation commitments for 2012.

Cash, cash equivalents and marketable securities, including long-term marketable securities, at the end of:

Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
$ 1,183M	$ 1,183M	$ 1,117M	$ 1,181M	$ 1,187M	$ 982M

Accounts Receivable at the end of the quarter was $840 million, up $8 million compared to the end of Q4 2013.

Inventory was $869 million exiting the quarter, down $15 million compared to the end of Q4 2013, as we reduced graphics inventory.

Accounts Payable was $483 million, down from $519 million in the prior quarter mainly due to the timing of payments and purchases.

Payable to GLOBALFOUNDRIES line item on the Balance Sheet of $213 million includes amounts due to GF for wafer purchases.

Total debt, long-term and short-term, at the end of the quarter was $2.14 billion, up from $2.06 billion in Q4 2013. During Q1 2014, we focused on re-profiling our near-term debt maturities. We repurchased approximately $64 million aggregate principal amount of our 6.00% Convertible

Senior Notes due 2015 (6.00% Notes) in the open market, funded utilizing cash on-hand. We issued $600 million in aggregate principal value of 6.75% Senior Notes due 2019, utilizing the proceeds to repurchase approximately $423 million aggregate principal amount of our 6.00% Notes and approximately $48 million aggregate principal amount of our 8.125% Senior Notes due 2017. The remaining net proceeds of approximately $80 million borrowed under the new debt issuance will be used to pay down or repurchase outstanding debt.

Total debt, long-term and short-term:

	Q1-14			Q4-13		
(Millions)	Gross	Discount	Net	Gross	Discount	Net
6.00% Convertible Senior Notes due 2015	$ 42	$ (1)	$ 41	$ 530	$ (13)	$ 517
8.125% Senior Notes due 2017	452	(25)	427	500	(30)	470
6.75% Senior Notes due 2019	600	—	600	—	—	—
7.75% Senior Notes due 2020	500	—	500	500	—	500
7.50% Senior Notes due 2022	500		500	500	—	500
Capital lease obligations, including short-term portion	15	—	15	16	—	16
Borrowings from secured revolving line of credit, net	55	—	55	55	—	55
Total Debt	**$2,164**	**$ (26)**	**$2,138**	**$2,101**	**$ (43)**	**$2,058**

Non-GAAP free cash flow was negative $225 million, inclusive of the $200 million payment to GF in Q1 2014 with **net cash used by operations** of $204 million and **capital expenditures** of $21 million, flat from the prior quarter.

Outlook

The following statements concerning AMD are forward-looking and actual results could differ materially from current expectations. Investors are urged to review in detail the risks and uncertainties in AMD's Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 28, 2013.

For Q2 2014 we expect:

- Revenue to increase 3% sequentially, +/-3%.
- Gross margin to be approximately 35%.
- Non-GAAP operating expenses to be approximately $435 million, within the range of $420 to $450 million as previously guided.
- Inventory to increase slightly from Q1 2014 levels, driven by semi-custom SoCs.
- Cash, cash equivalents and marketable securities, including long-term marketable securities balances of approximately $1 billion.

For 2014 we expect:

- To grow revenue year-over-year.
- Non-GAAP operating expenses to be in the quarterly range of approximately $420 to $450 million, depending on the timing of R&D expenses and the revenue profile.
- Interest expense to be neutral year-over-year excluding any future debt-related activities.
- Taxes of approximately $3 million per quarter.
- To be profitable at the net income level for the year.
- Inventory to be flat to down year-over-year.
- To generate positive free cash flow for the year.
- To maintain cash, cash equivalents and marketable securities, including long-term marketable securities balances close to our optimal balance of $1 billion and above our target minimum of $600 million.
- Capital expenditures of approximately $120 million for the year.

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(1) Non-GAAP Measures

To supplement the financial results of Advanced Micro Devices, Inc. (“AMD” or the “Company”) presented on a U.S. GAAP (“GAAP”) basis, this commentary contains non-GAAP financial measures, including non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss), non-GAAP earnings (loss) per share, Adjusted EBITDA, and non-GAAP free cash flow. 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 presented “Adjusted EBITDA” in this commentary 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, the Company also included the following adjustments for the indicated periods: for the first quarter of 2014, the Company included an adjustment for workforce rebalancing severance charges; for the fourth quarter of 2013, the Company included an adjustment for net legal settlements; and for the first quarter of 2013, the Company included net restructuring and other special charges. The Company calculates and communicates Adjusted EBITDA 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.

The Company also presents non-GAAP free cash flow in this commentary as a supplemental measure of its performance. Non-GAAP free cash flow for the Company was determined by adjusting GAAP net cash provided by (used in) operating activities less capital expenditures. The Company calculates and communicates non-GAAP free cash flow because the Company’s management believes it is important to investors to understand the nature of this cash flow. The Company’s calculation of non-GAAP 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 free cash flow as an alternative to GAAP liquidity measures of cash flows from operating activities. The Company has provided reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures. 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.

Reconciliation of GAAP to Non-GAAP Operating Expenses

(Millions)	Q1-14	Q4-13	Q3-13	Q2-13	Q1-13	Q4-12
GAAP operating expenses	**$438**	**$418**	**$426**	**$488**	**$543**	**$600**
Workforce rebalancing severance charges	14	—	—	—	—	—
Amortization of acquired intangible assets	3	4	5	4	5	4
Restructuring and other special charges (gains), net	—	—	(22)	5	47	90
Legal settlements, net	—	(48)	—	—	—	—
Non-GAAP operating expenses	**$421**	**$462**	**$443**	**$479**	**$491**	**$506**

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

(Millions)	Q1-14	Q4-13	Q1-13
GAAP operating income (loss)	**$ 49**	**$135**	**$ (98)**
Workforce rebalancing severance charges	14	—	—
Amortization of acquired intangible assets	3	4	5
Restructuring and other special charges, net	—	—	47
Legal settlements, net	—	(48)	—
Non-GAAP operating income (loss)	**$ 66**	**$ 91**	**$ (46)**

Reconciliation of GAAP to Non-GAAP Net Income (Loss)

(Millions except per share amounts)	Q1-14		Q4-13		Q1-13	
GAAP net income (loss) / Earnings (loss) per share	**$ (20)**	**$(0.03)**	**$ 89**	**$ 0.12**	**$(146)**	**$(0.19)**
Workforce rebalancing severance charges	14	0.02	—	—	—	—
Loss on debt redemption	15	0.02	—	—	—	—
Amortization of acquired intangible assets	3	0.00	4	0.00	5	0.01
Restructuring and other special charges, net	—	—	—	—	47	0.06
Legal settlements, net	—	—	(48)	(0.06)	—	—
Non-GAAP net income (loss) / Earnings (loss) per share	**$ 12**	**$ 0.02**	**$ 45**	**$ 0.06**	**$ (94)**	**$(0.13)**

Reconciliation of GAAP Operating Income (Loss) to Adjusted EBITDA

(Millions)	Q1-14	Q4-13	Q1-13
GAAP operating income (loss)	**$ 49**	**$135**	**$ (98)**
Workforce rebalancing severance charges	14	—	—
Legal settlements, net	—	(48)	—
Depreciation and amortization	50	50	62
Employee stock-based compensation expense	23	24	24
Amortization of acquired intangible assets	3	4	5
Restructuring and other special charges (gains), net	—	—	47
Adjusted EBITDA	**$139**	**$165**	**$ 40**

Non-GAAP Free Cash Flow Reconciliation

(Millions)	Q1-14	Q4-13	Q1-13
GAAP net cash provided by (used in) operating activities	$(204)	$ 21	$(155)
Purchases of property, plant and equipment	(21)	(21)	(20)
Non-GAAP free cash flow	**$(225)**	**$ 0**	**$(175)**

Cautionary Statement

This commentary contains forward-looking statements concerning AMD, its expected 2014 payments to GLOBALFOUNDRIES (GF); its financial outlook for the second quarter of 2014 and fiscal 2014, including revenue, gross margin, non-GAAP operating expenses, inventory, interest expense, taxes, and capital expenditures; its targeted and optimal cash, cash equivalents and marketable securities, including long-term marketable securities, balances; and its ability to generate positive free cash flow and net income profitability in 2014; 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 “believes,” “expects,” “may,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” “anticipates,” “projects,” “would” and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this commentary are based on current beliefs, assumptions and expectations, speak only as of the date of this commentary 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 may negatively impact AMD’s plans, that AMD will require additional funding and may be unable to raise sufficient capital on favorable terms, or at all; that customers stop buying AMD’s products or materially reduce their operations or demand for AMD’s products; that AMD may be unable to develop, launch and ramp new products and technologies in the volumes that are required by the market at mature yields on a timely basis; that AMD’s third-party foundry suppliers will be unable to transition AMD’s products to advanced manufacturing process technologies in a timely and effective way or to manufacture AMD’s products on a timely basis in sufficient quantities and using competitive process technologies; that AMD will be unable to obtain sufficient manufacturing capacity or components to meet demand for its products or will not fully utilize its projected manufacturing capacity needs at GF microprocessor manufacturing facilities; that AMD’s requirements for wafers will be less than the fixed number of wafers that it agreed to purchase from GF or GF encounters problems that significantly reduce the number of functional die it receives from each wafer; that AMD is unable to successfully implement its long-term business strategy; that AMD inaccurately estimates the quantity or type of products that its customers will want in the future or will ultimately end up purchasing, resulting in excess or obsolete inventory; that AMD is unable to manage the risks related to the use of its third-party distributors and add-in-board (AIB) partners or offer the appropriate incentives to focus them on the sale of AMD’s products; that AMD may be unable to maintain the level of investment in research and development that is required to remain competitive; that there may be unexpected variations in market growth and demand for AMD’s products and technologies in light of the product mix that it may have available at any particular time; that global business and economic conditions will not improve or will worsen; that PC market conditions will not improve or will worsen; that demand for computers will be lower than currently expected; and the effect of political or economic instability, domestically or internationally, on AMD’s sales or supply chain. Investors are urged to review in detail the risks and uncertainties in AMD’s Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 28, 2013.