December 27, 2010

AMD Announces Change in Accounting Treatment for Its Investment in GLOBALFOUNDRIES

AMD, ATIC and GLOBALFOUNDRIES Amend and Restate Shareholders' and Funding Agreements

SUNNYVALE, CA -- (MARKET WIRE) -- 12/27/10 -- AMD (NYSE: AMD) today announced that starting the first fiscal quarter of 2011, the Company will begin accounting for its investment in GLOBALFOUNDRIES Inc. under the cost method and will no longer recognize any share of GLOBALFOUNDRIES' net income (loss) in its statements of operations. Details regarding this change in accounting treatment will be provided during AMD's earnings conference call to report its financial results for the fiscal quarter and fiscal year ended December 25, 2010, scheduled for January 20, 2011.

The transition to cost-based accounting was triggered by the contribution by ATIC International Investment Company LLC to GLOBALFOUNDRIES of all the outstanding ordinary shares of a private company formerly known as Chartered Semiconductor Manufacturing Ltd. effective as of December 27, 2010, in exchange for newly issued shares in GLOBALFOUNDRIES, as well as amendments to certain agreements among the parties.

The following agreements were amended:

- Amended and Restated Shareholders' Agreement dated as of December 27, 2010 by and among AMD, ATIC, ATIC International Investment Company LLC, and GLOBALFOUNDRIES; and
- Amended and Restated Funding Agreement dated as of December 27, 2010 by and among AMD, ATIC and GLOBALFOUNDRIES.

A summary of the material changes to these agreements is included in AMD's Form 8-K filed today with the SEC.

About AMD

Advanced Micro Devices (NYSE: AMD) is an innovative technology company dedicated to collaborating with customers and technology partners to ignite the next generation of computing and graphics solutions at work, home and play. For more information, visit AMD.

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