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AMD Executes Purchase Agreement to Sell and Lease-Back Austin Campus, Expected to Generate Approximately $164 Million in Cash

SUNNYVALE, CA and AUSTIN, TX -- (Marketwire) -- 03/12/13 -- AMD (NYSE: AMD) today announced that it has entered into an agreement to sell and lease-back its "Lone Star Campus" located at 7171 Southwest Parkway in Austin, Texas to 7171 Southwest Parkway Holdings, LP, an affiliate entity of real estate investment company Spear Street Capital. Upon closing, net of all fees, the sale is expected to generate approximately $164 million in cash. The proceeds are expected to be reflected in the company's first quarter 2013 financial statements when reported on Apr. 18, 2013. At closing, AMD will enter into a 12-year lease with an extension option to continue its operations on the campus. The transaction is expected to close on or about Mar. 26, 2013.

The sale of AMD's Austin campus is in keeping with the company's strategy to reduce investments and capital in non-core parts of the business, including real estate. In 1998, the company sold and currently leases-back its headquarters in Sunnyvale, Calif. In 2008, it sold and currently leases-back its major site in Markham, Ontario, Canada. Recently, AMD also began marketing the sale of its Building 3 property located at 5900 East Ben White Boulevard in Austin, Texas. Building 3 is a largely unoccupied property whose operations and employees will be consolidated at other AMD sites.

"As we reset and restructure AMD for long-term success, we are taking a number of steps designed to optimize our business and monetize assets," said Devinder Kumar, chief financial officer of AMD. "The sale of our Austin campus will unlock a significant amount of capital, while the multi-year lease back of our Austin campus reconfirms our long-term commitment to the city that so many AMD employees have called home since 1979."

The company expects to record a special charge of approximately $50 million in the first quarter of 2013 primarily related to the difference between the sale proceeds and the carrying value of the property. AMD employs approximately 1,900 people in Austin.

About AMD
AMD (NYSE: AMD) is a semiconductor design innovator leading the next era of vivid digital experiences with its ground-breaking AMD 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 www.amd.com.

Cautionary Statement

This release contains forward-looking statements concerning AMD, the consummation of a sale- and lease-back transaction, the expected cash generated from the transaction, the special charge related to the transaction, and its strategy to reduce investments and capital in non-core parts of the business, including real estate, 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 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 29, 2012.

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