October 15, 2015

AMD and Nantong Fujitsu Microelectronics Co., Ltd to Establish Industry-Leading Semiconductor Assembly and Test Joint Venture

SUNNYVALE, CA -- (Marketwired) -- 10/15/15 -- AMD (NASDAQ: AMD) and Nantong Fujitsu Microelectronics Co., Ltd (NFME) (SZSE: TFWD)

$436 million agreement combines AMD's high-volume ATMP facilities with Nantong Fujitsu Microelectronics' OSAT expertise to service broad range of customers

- Latest step in AMD's strategic transformation further sharpens focus and operations on designing high-performance products
- AMD to contribute Penang and Suzhou assembly and test manufacturing facilities, including approximately 1,700 employees and management team
- Nantong Fujitsu Microelectronics to take 85% ownership and serve as controlling shareholder, paying AMD approximately $371 million in cash

AMD (NASDAQ: AMD) and Nantong Fujitsu Microelectronics Co., Ltd (NFME) (SZSE: TFWD) today announced the signing of a definitive agreement to create a joint venture combining AMD's high-volume assembly, test, mark, and pack (ATMP) facilities and experienced workforce in Penang, Malaysia and Suzhou, China with NFME's established outsourced semiconductor assembly and test (OSAT) expertise. Upon close, the new business will leverage the capabilities of 5 facilities and approximately 5,800 employees to offer differentiated ATMP capabilities and scale to service a broad range of customers. The transaction is expected to close in the first half of 2016, pending successful completion of regulatory approvals.

"We continue our strategic transformation by creating a joint venture combining AMD's high-volume assembly, test and packaging facilities and our experienced workforce with NFME's expertise in outsourced semiconductor assembly and testing," said AMD Senior Vice President, Chief Financial Officer and Treasurer Devinder Kumar. "NFME is an ideal partner with the vision and business plan to successfully lead the joint venture upon the close of the transaction. We continue to sharpen the focus of our ongoing investments on designing differentiated, high performance technologies and products that can drive long term profitable growth. The formation of this JV further strengthens our balance sheet with significant asset monetization."

Shi Lei, the general manager of NFME, said, "AMD has world-class advanced assembly and testing facilities and a rich history of high-volume production. AMD's technology and expertise is very complementary to our current capabilities. The newly-formed JV will improve NFME's R&D capability and enhance our corporate reputation worldwide. The JV will also strengthen our opportunities to further move into international markets and secure

additional customers as a part of our plans to become one of the world's leading assembly and testing companies."

The joint venture marks another step in AMD's strategic plan to sharpen its focus on building great products while enhancing the company's supply chain operations in the long run by providing additional scale and strengthening its balance sheet through a cash infusion and reduced capital expenditures aligned with a fabless business model.

The joint venture is well positioned to take advantage of the increasing demand for semiconductor assembly and test services (SATS). According to Gartner Research, the SATS market revenue is expected to be $27.4 billion for 2015, with growth of 1.1 percent. The 2014 through 2019 CAGR for the market is forecast to be 4.6 percent, leading to approximately $34 billion in total estimated market revenue by 2019[1].

Key highlights of the definitive agreement include:

- AMD will contribute to the joint venture:
  - ATMP facilities in Penang, Malaysia and Suzhou, China
  - Approximately 1,700 employees -- including the site leadership teams which will continue to provide management and oversight
- NFME will purchase an 85 percent share of AMD's Penang and Suzhou operations, and serve as controlling partner for the new combined business.
- As consideration for the transaction, at close AMD expects to receive approximately $371 million from NFME, record cash of $320 million, net of expenses, and retain 15 percent ownership of its Penang and Suzhou operations.
- Post close, AMD expects the transaction to be cost neutral with significantly reduced AMD capital expenditures.
- There are no planned workforce reductions at AMD's Penang or Suzhou facilities in conjunction with the creation of the joint venture.

J.P. Morgan Securities LLC served as exclusive financial advisor to AMD, and provided a fairness opinion to the board of directors of AMD.

Supporting Resources

- Find more information on the joint venture here
- Learn more about AMD's Long-term Strategy
- Visit the AMD Investor Relations site

About AMD
For more than 45 years AMD has driven innovation in high-performance computing, graphics, and visualization technologies -- the building blocks for gaming, immersive platforms, and the datacenter. Hundreds of millions of consumers, leading Fortune 500 businesses, and cutting-edge scientific research facilities around the world rely on AMD technology daily to improve how they live, work, and play. AMD employees around the world are focused on building great products that push the boundaries of what is possible. For more information about how AMD is enabling today and inspiring tomorrow, visit the AMD (NASDAQ: AMD) website, blog, Facebook and Twitter pages.

About Nantong Fujitsu Microelectronics
Established in 1994 and headquartered in Nantong City of China's Jiangsu province, Nantong Fujitsu Microelectronics Co., Ltd. (NFME) stands at the forefront of industry science

and technology development as one of the 3 largest IC assembly and testing companies in China. NFME services more than half of the top 10 semiconductor manufacturers in the world, such as ST Microelectronics and Texas Instruments. Current company offerings include advanced assembly technologies, such as WLCSP, FC, BGA, BUMPING, MEMS, traditional assembly technologies, such as QFN, QFP, TSSOP and automotive electronics assembly technologies. Besides, NFME has the capability of testing technologies, including Wafer Probe Final Test, and System Level Test. NFME is the first company, which realizes the mass production of 12 inch 28 nm high-end mobile phone processor chip in China. The company is listed on the Shenzhen Stock Exchange under the Ticker name "TFWD" or "002156.SZ". Learn more at: http://www.fujitsu-nt.com/.

Cautionary Statement

This press release contains forward-looking statements concerning Advanced Micro Devices, Inc. ("AMD" or the "Company") including, but not limited to the proposed formation of the joint venture companies (the "JVs"), the ability of the JVs to function as an independent business, the ability of the JVs to leverage the capabilities of facilities and employees located in Penang, Malaysia and Suzhou, China; the ability of the JVs to scale service to a broad range of customers, reach international market and become a leading ATMP, the JVs' expected future performance (including expected results of operations and financial guidance), synergies from the proposed transaction; the JVs' future financial condition, operating results, strategy and plans, financial projections and estimates and their underlying assumptions; the anticipated benefits and growth opportunities of the JVs including the JV's ability to attract new customers, the impact of and the ability of the JVs to take advantage of the semiconductor assembly and test services market, the ability of the parties to obtain all required regulatory and other approvals and close the transaction, the timing of the closing of the transaction, the purchase price of the transaction and the cash received by AMD, AMD's anticipated benefits from the transaction including the expectation that the transaction will strengthen AMD's balance sheet and the transaction will be cost neutral for AMD with significantly reduced capital expenditures, and that there will be no workforce reductions, all of 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 including the negatives thereof. 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, many of which are difficult to predict and generally beyond AMD's or other parties' control, that could cause actual results to differ materially from current expectations. Material factors that could cause actual results to differ materially from current expectations include, without limitation, the following: Intel Corporation's dominance of the microprocessor market and its aggressive business practices may limit AMD's ability to compete effectively; AMD relies on GF to manufacture most of its microprocessor and APU products and certain of its GPU and semi-custom products. If GF is not able to satisfy AMD's manufacturing requirements, its business could be adversely impacted; AMD relies on third parties to manufacture its products, and if they are unable to do so on a timely basis in sufficient quantities and using competitive technologies, AMD's business could be materially adversely affected; failure to achieve expected manufacturing yields for AMD's products could negatively impact its financial results; the success of AMD's business is dependent upon its ability to introduce products on a timely basis with features and performance levels that provide value to its customers while supporting and coinciding with significant industry transitions; if AMD cannot generate sufficient revenue and operating cash flow or obtain external financing, it may face a cash shortfall and be unable to make all of its planned investments in research and development or other strategic investments; AMD may not be

able to successfully implement its business strategy to refocus its business to address markets beyond its core PC market to high-growth adjacent markets; the loss of a significant customer may have a material adverse effect on us; global economic uncertainty may adversely impact AMD's business and operating results; AMD may not be able to generate sufficient cash to service its debt obligations or meet its working capital requirements; AMD has a substantial amount of indebtedness which could adversely affect its financial position and prevent it from implementing its strategy or fulfilling its contractual obligations; the agreements governing AMD's notes and its Secured Revolving Line of Credit for a principal amount up to $500 million (Secured Revolving Line of Credit) impose restrictions on AMD that may adversely affect its ability to operate its business; the markets in which AMD's products are sold are highly competitive; uncertainties involving the ordering and shipment of AMD's products could materially adversely affect it; the completion and impact of the 2015 Restructuring Plan, its transformation initiatives and any future restructuring actions could adversely affect it; AMD's receipt of revenue from its semi-custom SoC products is dependent upon its technology being designed into third-party products and the success of those products; the demand for AMD's products depends in part on the market conditions in the industries into which they are sold. Fluctuations in demand for AMD's products or a market decline in any of these industries could have a material adverse effect on its results of operations; AMD's ability to design and introduce new products in a timely manner is dependent upon third-party intellectual property; AMD depends on third-party companies for the design, manufacture and supply of motherboards and other computer platform components to support its business; if AMD loses Microsoft Corporations support for its products or other software vendors do not design and develop software to run on AMD's products, its ability to sell its products could be materially adversely affected; AMD may incur future impairments of goodwill; AMD's reliance on third-party distributors and AIB partners subjects it to certain risks; AMD's inability to continue to attract and retain qualified personnel may hinder its product development programs; in the event of a change of control, AMD may not be able to repurchase its outstanding debt as required by the applicable indentures and its Secured Revolving Line of Credit, which would result in a default under the indentures and its Secured Revolving Line of Credit; the semiconductor industry is highly cyclical and has experienced severe downturns that have materially adversely affected, and may continue to materially adversely affect, its business in the future; AMD's business is dependent upon the proper functioning of its internal business processes and information systems and modification or interruption of such systems may disrupt its business, processes and internal controls; data breaches and cyber-attacks could compromise AMD's intellectual property or other confidential, sensitive information and cause significant damage to its business, competitive position and reputation while subjecting it to potential litigation; AMD's operating results are subject to quarterly and seasonal sales patterns; if essential equipment or materials are not available to manufacture its products, AMD could be materially adversely affected; if AMD's products are not compatible with some or all industry-standard software and hardware, it could be materially adversely affected; costs related to defective products could have a material adverse effect on AMD; if AMD fails to maintain the efficiency of its supply chain as it responds to changes in customer demand for its products, its business could be materially adversely affected; AMD outsources to third parties certain supply-chain logistics functions, including portions of its product distribution, transportation management and information technology support services; acquisitions could disrupt its business, harm its financial condition and operating results or dilute, or adversely affect the price of its common stock; AMD's worldwide operations are subject to political, legal and economic risks and natural disasters, which could have a material adverse effect on it; worldwide political conditions may adversely affect demand for AMD's products; unfavorable currency exchange rate fluctuations could adversely affect AMD; AMD's inability to effectively control the sales of its products on the gray market could have a material adverse

effect on it; if AMD cannot adequately protect its technology or other intellectual property in the United States and abroad, through patents, copyrights, trade secrets, trademarks and other measures, it may lose a competitive advantage and incur significant expenses; AMD is a party to litigation and may become a party to other claims or litigation that could cause it to incur substantial costs or pay substantial damages or prohibit it from selling its products; AMD's business is subject to potential tax liabilities; a variety of environmental laws including conflict mineral rules that AMD is subject to could result in additional costs and liabilities; and higher health care costs and labor costs could adversely affect AMD's business. Investors are urged to review in detail the risks and uncertainties in AMD's Securities and Exchange Commission filings, including but not limited to AMD's Quarterly Report on Form 10-Q for the quarter ended June 27, 2015.

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FOOTNOTES:
1. Gartner Research Forecast: Semiconductor Assembly and Test Services, Worldwide, 3Q15 Update 06 October 2015 G00272330.

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Source: Advanced Micro Devices