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

January 21, 2010
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 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 January 21, 2010, Advanced Micro Devices, Inc. (the “Company”) announced its financial position and results of operations as of and for its fiscal quarter ended December 26, 2009 and for the fiscal year then ended in a press release that is attached hereto as Exhibit 99.1.

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 of non-GAAP net income (loss) attributable to AMD common stockholders, non-GAAP operating income (loss), non-GAAP gross margin and Adjusted EBITDA. The Company believes this non-GAAP presentation makes it easier for investors to compare current and historical period operating results.

On March 2, 2009, the Company, Advanced Technology Investment Company LLC and West Coast Hitech G.P., Ltd. entered into a manufacturing joint venture pursuant to which GLOBALFOUNDRIES Inc. (“GF”), an exempted company incorporated under the laws of the Cayman Islands, was created to manufacture semiconductor products and provide certain foundry services to the Company. Although GF is not a majority owned subsidiary of the Company, the Company was required to consolidate the operations of GF from March 2, 2009 through December 26, 2009 for financial reporting purposes. The Company has provided non-GAAP financial measures for Advanced Micro Devices, Inc. on a stand-alone basis (referred to below as “AMD Product Company”) by excluding from the Company’s consolidated operating results the Company’s Foundry segment and Intersegment Eliminations consisting of revenues, cost of sales, and profits on inventory between AMD Product Company and the Foundry segment. The Company is providing non-GAAP financial measures for AMD Product Company because the Company believes it is important for investors to have visibility into the Company’s financial results excluding the Foundry segment and Intersegment Eliminations and to better understand the Company’s financial results absent the requirement to consolidate the financial results of GF.

To derive non-GAAP net income (loss) attributable to AMD common stockholders for the Company for the fourth fiscal quarter of 2009, the Company excluded the loss from discontinued operations, the amortization of acquired intangible assets, gains from legal settlements, and the net gain (loss) on debt redemption. To derive non-GAAP net income (loss) for AMD Product Company for the fourth fiscal quarter of 2009, the Company further excluded the net loss from the Foundry segment and the Intersegment Eliminations referenced above, the impact of net (income) loss attributable to noncontrolling interest and the Class B preferred accretion.

To derive non-GAAP net income (loss) attributable to AMD common stockholders for the Company for the third fiscal quarter of 2009, the Company excluded the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008, the amortization of acquired intangible assets, certain restructuring charges, and the gain recognized by the Company from the redemption of debt. To derive non-GAAP net income (loss) for AMD Product Company for the third fiscal quarter of 2009, the Company further excluded the net loss from the Foundry segment and the Intersegment Eliminations referenced above, the impact of net (income) loss attributable to noncontrolling interest and the Class B preferred accretion.

To derive non-GAAP net income (loss) attributable to AMD common stockholders for the Company for the fourth fiscal quarter of 2008, the Company excluded the loss from discontinued operations, the impairment of goodwill and acquired intangible assets related to the Company's acquisition of ATI Technologies, Inc. ("ATI") on October 24, 2006, an incremental write-down of inventory, investment net charges, the amortization of acquired intangible assets, certain restructuring charges, AMD Product Company formation costs associated with GF, and the gain recognized by the Company from the redemption of debt.

To derive non-GAAP net income (loss) attributable to AMD common stockholders for the Company for the fiscal year of 2009, the Company excluded the loss from discontinued operations, the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008, the amortization of acquired intangible assets, gains from legal settlements, certain restructuring charges, AMD Product Company formation costs associated with GF, investment net charges, the gain from the Company's sale of certain Handheld assets, the net gain (loss) on debt redemption and the effect of an incremental tax provision related to the formation of GF. To derive non-GAAP net income (loss) for AMD Product Company for the fiscal year of 2009, the Company further excluded the net loss from the Foundry segment and the Intersegment Eliminations referenced above, the effect of an incremental tax provision related to the formation of GF, the impact of net (income) loss attributable to noncontrolling interest and the Class B preferred accretion.

To derive non-GAAP net income (loss) attributable to AMD common stockholders for the Company for the fiscal year of 2008, the Company excluded the loss from discontinued operations, process technology license revenue, an incremental write-down of inventory, the amortization of acquired intangible assets, the impairment of goodwill and acquired intangible assets related to the ATI acquisition, certain restructuring charges, AMD Product Company formation costs associated with GF, a gain on the sale of 200 millimeter equipment, investment net charges, and the gain recognized by the Company from the redemption of debt.

To derive non-GAAP operating income (loss) for the Company for the fourth fiscal quarter of 2009, the Company excluded the amortization of acquired intangible assets and the gain from the Intel legal settlement. To derive non-GAAP operating income (loss) for AMD Product Company for the fourth fiscal quarter of 2009, the Company further excluded the operating loss from the Company's Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP operating income (loss) for the Company for the third fiscal quarter of 2009, the Company excluded the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008, the amortization of acquired intangible assets and certain restructuring charges. To derive non-GAAP operating income (loss) for AMD Product Company for the third fiscal quarter of 2009, the Company further excluded the operating loss from the Company's Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP operating income (loss) for the Company for the fourth fiscal quarter of 2008, the Company excluded the incremental write-down of inventory, the amortization of acquired intangible assets, the impairment of goodwill and acquired intangible assets related to the ATI acquisition, certain restructuring charges and AMD Product Company formation costs associated with GF.

To derive non-GAAP operating income (loss) for the Company for the fiscal year of 2009, the Company excluded the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008, the amortization of acquired intangible assets, a gain from the Intel legal settlement, certain restructuring charges and AMD Product Company formation costs associated with GF. To derive non-GAAP operating loss for AMD Product Company for the fiscal year of 2009, the Company further excluded the operating loss from the Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP operating loss for the Company for the fiscal year of 2008, the Company excluded process technology license revenue, an incremental write-down of inventory, the amortization of acquired intangible assets, the impairment of goodwill and acquired intangible assets related to the ATI acquisition, certain restructuring charges, AMD Product Company formation costs associated with GF and the gain on the sale of 200 millimeter equipment.

To derive non-GAAP gross margin for AMD Product Company for the fourth fiscal quarter of 2009, the Company excluded the gross margin from the Company's Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP gross margin for the Company for the third fiscal quarter of 2009, the Company excluded the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008. To derive non-GAAP gross margin for AMD Product Company for the third fiscal quarter of 2009, the Company further excluded the gross margin from the Company's Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP gross margin for the Company for the fourth fiscal quarter of 2008, the Company excluded the incremental write-down of inventory.

To derive non-GAAP gross margin for the Company for the fiscal year of 2009, the Company excluded the gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008. To derive non-GAAP gross margin for AMD Product Company for the fiscal year of 2009, the Company further excluded the gross margin from the Company's Foundry segment and the Intersegment Eliminations referenced above.

To derive non-GAAP gross margin for the Company for the fiscal year of 2008, the Company excluded process technology license revenue.

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

Discontinued operations: As part of the Company's strategy of evaluating the viability of its non-core business, the Company determined that its DTV business unit was not directly aligned with its computing and graphics opportunities. Therefore, the Company decided to divest this business unit and classify it as discontinued operations in the financial statements presented.

In the fourth fiscal quarter of 2008, AMD completed the sale of its DTV business unit to Broadcom Corporation for $141.5 million in cash. The Company excluded this item from the Company's GAAP net income (loss) attributable to AMD common stockholders because it is not indicative of ongoing operating performance.

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 (loss) attributable to AMD common stockholders and GAAP operating income (loss) because it enables investors to better evaluate its current operating performance compared with prior periods.

Gain from legal settlements: On November 11, 2009, the Company entered into a settlement agreement with Intel Corp. Pursuant to the settlement agreement, Intel paid the Company $1.25 billion in December 2009 and the Company recorded a $1.242 billion gain net of certain expenses. Also in the fourth fiscal quarter of 2009, the Company recorded a $25 million gain from a class action legal settlement with DRAM manufacturers related to DRAM pricing. The Company excluded these gains from the Company's GAAP net income (loss) attributable to AMD common stockholders, and the Intel gain from the Company's GAAP operating income (loss) because they are not indicative of ongoing operating performance.

Foundry segment and Intersegment Eliminations: The Company's Foundry segment includes the operating results attributable to the front end wafer manufacturing operations and related activities as of the beginning of the first quarter of 2009, which includes the operating results of GF from March 2, 2009 through December 26, 2009. Intersegment Eliminations consist of eliminations of revenues, cost of sales, and profits on inventory between AMD Product Company and the Foundry segment. The Company excluded this item for AMD Product Company because the Company believes it is important for investors to have visibility into the Company's financial results excluding the Foundry segment and Intersegment Eliminations and to better understand the Company's financial results absent the requirement to consolidate the financial results of GF.

Net (income) loss attributable to noncontrolling interest and Class B preferred accretion: These two items relate to GF, the operating results of which are included in the Company's Foundry segment. The net (income) loss attributable to noncontrolling interest represents the allocation of the operating results to the noncontrolling partner of GF, whereas the Class B preferred accretion represents the guaranteed rate of return that the noncontrolling partner earns on its ownership of GF Class B preferred stock. The Company excluded these items for AMD Product Company because the Company believes it is important for investors to have visibility into the Company's financial results excluding the financial results of GF.

Gross margin benefit from the sale of inventory written-down in the fourth fiscal quarter of 2008: In the fourth fiscal quarter of 2008, the Company recorded an incremental write-down of inventory of $227 million due to a weak economic outlook. In the first, second and third fiscal quarters of 2009, the Company sold a significant portion of this inventory. The Company excluded this activity from the Company's GAAP net income (loss) attributable to AMD common stockholders, GAAP operating income (loss) and GAAP gross margin because the Company believes that the exclusion of this activity enables investors to better evaluate the Company's current operating performance compared with prior periods.

Restructuring charges: The restructuring charges primarily relate to the restructuring plans implemented by the Company during the second and fourth fiscal quarters of 2008 to reduce its breakeven point. The restructuring charges for the restructuring plan implemented during the second fiscal quarter of 2008 represent primarily severance and costs related to the continuation of certain employee benefits and the costs related to the termination of a contract. The restructuring charges for the restructuring plan implemented during the fourth fiscal quarter of 2008 represent primarily severance and costs related to the continuation of certain employee benefits, contract or program termination costs, asset impairments and exit costs for facility site consolidations and closures. For the third fiscal quarter of 2009, these restructuring charges totaled $4 million. For the fourth quarter of fiscal 2008, these restructuring charges totaled $50 million. For the fiscal year of 2009, these restructuring charges were $65 million, and for the fiscal year of 2008, these restructuring charges were $90 million. The Company excluded the effect of this item from GAAP net income (loss) attributable to AMD common stockholders and GAAP operating income (loss) because it is not indicative of ongoing performance.

Gain (loss) on debt redemption, net: During the first fiscal quarter of 2009, the Company repurchased $158 million face value of its 6.00% Convertible Senior Notes due 2015 resulting in a gain on the debt redemption of $108 million. During the second fiscal quarter of 2009, the Company repurchased $15 million face value of its 5.75% Convertible Senior Notes due 2012 resulting in a gain on the debt redemption of $6 million. During the third fiscal quarter of 2009, the Company repurchased $186 million face value of its 6.00% Convertible Senior Notes due 2015 resulting in a gain on the debt redemption of $66 million. During the fourth fiscal quarter of 2009, the Company redeemed the remaining outstanding principal amount of its 7.75% Senior Notes due 2012 for $400 million, which was the redemption price of 101.938% of the principal amount outstanding plus accrued and unpaid interest, and also repurchased $1 billion of its 5.75% Convertible Senior Notes due 2012 resulting in a net loss of $11 million. During the fourth fiscal quarter of 2008, the Company repurchased $60 million of its 6.00% Convertible Senior Notes due 2015, resulting in a gain on the debt redemption of $33 million. The Company excluded these net gains and losses from GAAP net income (loss) attributable to AMD common stockholders for the third and fourth fiscal quarters of 2009, the fourth fiscal quarter of 2008 and for the fiscal years of 2009 and 2008 because it is not indicative of ongoing operating performance.

Impairment of goodwill and acquired intangible assets related to the Company’s acquisition of ATI: In the second fiscal quarter of 2008, the Company performed an interim goodwill impairment analysis and the analysis of impairment on acquired intangible assets associated with the Handheld business unit. The Company concluded that a portion of its carrying values were impaired and recorded an impairment charge in the second fiscal quarter of 2008. In the fourth quarter of 2008, the Company performed a goodwill impairment analysis and an analysis of impairment on acquired intangible assets. As a result, the Company concluded that a portion of their carrying values were impaired and recorded an impairment charge in the fourth fiscal quarter of 2008. The Company believes these charges are not indicative of ongoing performance and consequently excluded the effect of these charges from GAAP net income (loss) attributable to AMD common stockholders and GAAP operating income (loss) for the fourth fiscal quarter of 2008 and the fiscal year of 2008.

Incremental write-down of inventory: During the fourth fiscal quarter of 2008, the Company recorded a $227 million incremental write-down of inventory due to weak market conditions. The Company excluded this write-down from GAAP net income (loss) attributable to AMD common stockholders, GAAP operating income (loss) and GAAP gross margin for the fourth fiscal quarter of 2008 and the fiscal year of 2008 due to the challenging market conditions.

Investment net charges: For the fourth fiscal quarter of 2008, these charges consisted of a $21 million charge primarily related to the Company's investment in Spansion Inc. For the fiscal year of 2009, the Company incurred investment-related impairments and gains. For the fiscal year of 2008, these charges primarily consisted of $53 million in charges that the Company recorded on its investment in Spansion Inc. and $12 million in charges that the Company recorded on its auction rate securities. The Company excluded the effect of these items from its GAAP net income (loss) attributable to AMD common stockholders because it is not indicative of ongoing performance.

AMD Product Company formation costs associated with GF: The Company incurred certain costs to execute its asset smart strategy to form GF. The Company excluded the effect of these costs from GAAP net income (loss) attributable to AMD common stockholders and GAAP operating income (loss) for the fourth fiscal quarter of 2008, the first quarter of 2009 and the fiscal years of 2008 and 2009 because these costs are not indicative of ongoing operating performance.

Gain on sale of certain Handheld assets: In the first fiscal quarter of 2009, the Company completed the sale of certain technology assets, intellectual property and resources of its Handheld business unit to Qualcomm for $65 million in cash. The Company excluded this gain from GAAP net income (loss) attributable to AMD common stockholders for the fiscal year of 2009 because it is not indicative of ongoing operating performance.

Incremental tax provision related to formation of GF: During the first fiscal quarter of 2009, the Company recorded an incremental tax provision related to the formation of GF from the write-off of deferred tax assets resulting from the formation of GF. The Company excluded this item from the Company's GAAP net income (loss) attributable to AMD common stockholders for the fiscal year of 2009 because it is not indicative of ongoing operating performance.

Process technology license revenue: In the third fiscal quarter of 2008, the Company recognized revenue of $191 million in connection with the license of certain process technology. The Company excluded the effect of this item from GAAP net income (loss) attributable to AMD common stockholders, GAAP operating income (loss) and GAAP gross margin for the fiscal year of 2008 because it is not indicative of ongoing operating performance.

Gain on sale of 200 millimeter equipment: In the second fiscal quarter of 2008, the Company recognized a gain of $193 million in connection with sales of certain 200 millimeter wafer fabrication tools. The Company excluded the effect of this item from its GAAP net income (loss) and operating income (loss) for the fiscal year of 2008 because it is not indicative of ongoing operating performance.

In addition, the Company presented "Adjusted EBITDA" in the earnings release. Adjusted EBITDA for the Company was determined by adjusting operating income (loss) for a gain related to the Intel legal settlement, impairment of goodwill and acquired intangible assets, depreciation and amortization, employee stock-based compensation expense, amortization of acquired intangible assets, restructuring charges and AMD Product Company formation costs associated with GF. Adjusted EBITDA for AMD Product Company was determined by also adjusting for the Foundry segment and Intersegment Eliminations operating loss.

The Company calculated and communicated 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.

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.

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 January 21, 2010.

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: January 21, 2010	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 January 21, 2010.

AMD ***News Release***

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AMD Reports Fourth Quarter and Annual Results

SUNNYVALE, Calif. — Jan. 21, 2010 — AMD[1] (NYSE:AMD) today reported revenue for the fourth quarter of 2009 of $1.646 billion, an increase of 18 percent compared to the previous quarter and 42 percent compared to the fourth quarter of 2008.

In the fourth quarter of 2009, AMD reported net income attributable to AMD common stockholders of $1.178 billion, or $1.52 per share, which includes a net favorable impact of $1.238 billion, or $1.57 per share. AMD reported operating income of $1.288 billion in the quarter, including a net favorable impact of $1.224 billion. The net favorable impacts were primarily from a legal settlement with Intel Corp.[2]

For the year ended Dec. 26, 2009, AMD reported revenue of $5.403 billion. Fiscal 2009 net income attributable to AMD common stockholders was $304 million. AMD reported revenue of $5.808 billion and a net loss attributable to AMD common stockholders of $3.129 billion for fiscal 2008.

As of the first quarter of 2010, AMD will report operating results for what was formerly referred to as AMD Product Company only and will no longer consolidate the financial results of GLOBALFOUNDRIES. AMD's investment in GLOBALFOUNDRIES will be accounted for using the equity method.

"AMD's quarter marks another milestone in our transformation and underscores our growing momentum," said Dirk Meyer, AMD president and CEO. "We enter 2010 having completed the transition to a fabless business model, reached a historic antitrust settlement, and made significant progress strengthening our balance sheet. Our innovative strategy for designing the world's most vivid digital experiences continues to generate demand."

In the third quarter of 2009, AMD had revenue of $1.396 billion, a net loss attributable to AMD common stockholders of $128 million and an operating loss of $77 million. In the fourth quarter of 2008, AMD had revenue of $1.162 billion, a net loss attributable to AMD common stockholders of $1.436 billion and an operating loss of $1.274 billion.

In the fourth quarter of 2009, AMD Product Company reported non-GAAP net income of $80 million and non-GAAP operating income of $169 million. In the third quarter of 2009, AMD Product Company reported non-GAAP net income of $2 million and a non-GAAP operating income of $47 million[3]. AMD Product Company adjusted EBITDA for the fourth quarter was $282 million, up from $169 million in the prior quarter [3].

Fourth quarter 2009 AMD gross margin was 45 percent compared to 42 percent in the prior quarter. Fourth quarter 2009 AMD Product Company non-GAAP gross margin was 41 percent compared to 38 percent in the prior quarter[3].

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 the "Cautionary Statement" below.

AMD expects revenue to be down seasonally for the first quarter of 2010.

Additional Highlights

- Intel and AMD announced a comprehensive agreement to end all outstanding legal disputes. Both companies obtained patent rights under a new cross-license agreement, Intel agreed to abide by a set of fair business practice provisions, and Intel paid AMD $1.25 billion.
- AMD redeemed the remaining amount outstanding of its 7.75% Senior Notes due 2012 (approximately $390 million), reduced the aggregate amount outstanding of its 5.75% Convertible Senior Notes due 2012 by approximately $1 billion and issued $500 million of 8.125% Senior Notes due 2017. In the fourth quarter, AMD decreased its debt due in 2012 by nearly $1.4 billion, to $485 million.
- Lenovo announced its first AMD-powered notebooks, including the Lenovo ThinkPad Edge and Lenovo ThinkPad X100e commercial notebooks based on VISION Pro Technology from AMD.

- Acer, Dell, HP and Lenovo began selling consumer PCs based on the latest AMD Athlon™ II mainstream processors that offer low energy consumption and reduced heat and noise.
- AMD powers four of the top five supercomputers in the world, including the world's highest-performing supercomputer. AMD GPUs also power the world's highest-performing supercomputer featuring graphics processors.
- AMD extended its next-generation ATI Radeon™ HD 5000 graphics cards, bringing the industry's only DirectX 11-capable cards to additional market segments and enabling new levels of graphics performance for the mobile market. AMD shipped more than two million DirectX 11 GPUs within three months of the launch of the initial products.

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 fourth 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 10 days after the conference call.

Reconciliation of GAAP Net Income (Loss) Attributable to AMD Common Stockholders to AMD Product Company Non-GAAP Net Income (Loss)[1,2,3,4]

(Millions except per share amounts)	Q4-09		Q3-09		Q4-08		2009		2008	
GAAP net income (loss) attributable to AMD common stockholders / EPS	$1,178	$ 1.52	$(128)	$(0.18)	$(1,436)	$(2.36)	$ 304	$ 0.45	$(3,129)	$(5.17)
Loss from discontinued operations	(3)	—	—	—	(10)	(0.02)	(3)	—	(684)	(1.12)
Income (loss) attributable to AMD stockholders from continuing operations	$1,181	$ 1.52	$(128)	$(0.18)	$(1,426)	$(2.34)	$ 307	$ 0.45	$(2,445)	$(4.03)
Process technology license revenue	—	—	—	—	—	—	—	—	191	0.31
Incremental write-down of inventory	—	—	—	—	(227)	(0.37)	—	—	(227)	(0.37)
Gross margin benefit from sales of inventory written down in Q4-08	—	—	9	0.01	—	—	171	0.25	—	—
Amortization of acquired intangibles	(18)	(0.02)	(17)	(0.02)	(30)	(0.05)	(70)	(0.10)	(137)	(0.23)
ATI impairment of goodwill and acquired intangible assets	—	—	—	—	(684)	(1.12)	—	—	(1,089)	(1.79)
Legal settlements	1,267	1.60	—	—	—	—	1,267	1.87	—	
Restructuring charges	—	—	(4)	(0.01)	(50)	(0.08)	(65)	(0.10)	(90)	(0.15)
AMD Product Company formation costs associated with GLOBALFOUNDRIES	—	—	—	—	(23)	(0.04)	(21)	(0.03)	(23)	(0.04)
Gain on sale of 200 millimeter equipment	—	—	—	—	—	—	—	—	193	0.32
Investment net charges	—	—	—	—	(21)	(0.03)	(9)	(0.01)	(66)	(0.11)
Gain (loss) on debt redemption, net	(11)	(0.01)	66	0.10	33	0.05	169	0.25	33	0.05
Gain on sale of Handheld assets	—	—	—	—	—	—	28	0.04	—	—
Incremental tax provision related to the formation of GLOBALFOUNDRIES	—	—	—	—	—	—	(114)	(0.17)	—	—
Net favorable (unfavorable) impact subtotal	$1,238	$ 1.57	$ 54	$ 0.08	$(1,002)	$(1.65)	$ 1,356	$ 2.00	$(1,215)	$(2.00)
Non-GAAP net income (loss) attributable to AMD common stockholders	$ (57)		$(182)		$ (424)		$(1,049)		$(1,230)	
Net income (loss) from Foundry segment and intersegment eliminations	(138)	(0.17)	(191)	(0.28)			(823)	(1.21)		
Incremental tax provision related to the formation of GLOBALFOUNDRIES	—	—	—	—			114	0.17		
Net (income) loss attributable to noncontrolling interest	23	0.03	29	0.04			83	0.12		
Class B preferred accretion	(22)	(0.03)	(22)	(0.03)			(72)	(0.11)		
AMD Product Company non-GAAP net income (loss)	$ 80		$ 2				$ (351)			

Reconciliation of GAAP to AMD Product Company Non-GAAP Operating Income (Loss)[1,2,3,4]

(Millions)	Q4-09	Q3-09	Q4-08	2009	2008
GAAP operating income (loss)	$1,288	$ (77)	$(1,274)	$ 664	$(1,955)
Process technology license revenue	—	—	—	—	191
Incremental write-down of inventory	—	—	(227)	—	(227)
Gross margin benefit from sales of inventory written down in Q4-08	—	9	—	171	—
Amortization of acquired intangibles	(18)	(17)	(30)	(70)	(137)
ATI impairment of goodwill and acquired intangible assets	—	—	(684)	—	(1,089)
Legal settlement (Intel)	1,242	—	—	1,242	—
Restructuring charges	—	(4)	(50)	(65)	(90)
AMD Product Company formation costs associated with GLOBALFOUNDRIES	—	—	(23)	(21)	(23)
Gain on sale of 200 millimeter equipment	—	—	—	—	193
Non-GAAP operating income (loss)	$ 64	$ (65)	$ (260)	$ (593)	$ (773)
Operating income (loss) from Foundry segment and intersegment eliminations	(105)	(112)		(481)	
AMD Product Company non-GAAP operating income (loss)	$ 169	$ 47		$ (112)	

Reconciliation of GAAP to AMD Product Company Non-GAAP Gross Margin[1,2,3,4]

(Millions, except percentages)	Q4-09	Q3-09	Q4-08	2009	2008
GAAP Gross Margin	$735	$585	$ 272	$2,272	$2,320
GAAP Gross Margin %	45%	42%	23%	42%	40%
Process technology license revenue	—	—	—	—	191
Incremental write-down of inventory	—	—	(227)	—	—
Gross margin benefit from sales of inventory written down in Q4-08	—	9	—	171	—
Non-GAAP Gross Margin	$735	$576	$ 499	$2,101	$2,129
Non-GAAP Gross Margin %	45%	41%	43%	39%	38%
Gross margin from Foundry segment and intersegment eliminations	56	49		159	
AMD Product Company non-GAAP Gross Margin	$679	$527		$1,942	
AMD Product Company non-GAAP Gross Margin %	41%	38%		36%	

Select Segment Information[4]

(Millions, except percentages)	Q4-09	vs Q3-09	vs Q4-08	2009	vs 2008
Computing Solutions					
Revenue	$1,214	14%	39%	$4,131	-9%
Microprocessor Units		up	up		up
Microprocessor Average Selling Prices (ASP)		up	down		down
Graphics					
Revenue	$ 427	40%	58%	$1,206	4%
Graphic Processor Units		up	up		up
Graphic Processor Average Selling Prices (ASP)		up	down		down

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 http://www.amd.com

Cautionary Statement

This release contains forward-looking statements concerning AMD, including its first quarter 2010 revenue and anticipated future demand for its 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; global business and economic conditions will worsen resulting in lower than currently expected revenue in the first quarter of 2010 and beyond; 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; 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; 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; the company will be unable to transition its products to advanced manufacturing process technologies in a timely and effective way; the company will be unable to maintain the level of investment in research and development and capacity that is required to remain competitive; and 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. 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 Quarterly Report on Form 10-Q for the quarter ended September 26, 2009.

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1 For financial reporting purposes, AMD consolidated the operating results of GLOBALFOUNDRIES Inc. in its results from March 2, 2009 through December 26, 2009 and created the Foundry segment as of the start of fiscal 2009. References to "AMD" in this announcement include these consolidated operating results which are reported for GAAP purposes. "AMD Product Company" refers to AMD, excluding the operating results of the Foundry segment and Intersegment eliminations. Foundry segment includes the operating results attributable to the front end wafer manufacturing operations and related activities as of the beginning of the first quarter of 2009, which includes the operating results of GLOBALFOUNDRIES from March 2, 2009 through December 26, 2009. Intersegment eliminations consist of revenues, cost of sales and profits on inventory between AMD Product Company and the Foundry segment.

2 In this press release, in addition to GAAP financial results, the Company has provided non-GAAP financial measures for AMD net income (loss) attributable to AMD common stockholders and operating income (loss). These non-GAAP financial measures reflect certain adjustments as presented in the tables in this press release. Management believes this non-GAAP presentation makes it easier for investors to compare current and historical period operating results by, among other things, excluding items that are not indicative of ongoing operating performance.

3 The Company is providing non-GAAP financial measures for AMD Product Company such as a statement of operations and selected balance sheet items as reflected in this press release. In addition, for AMD Product Company, the Company is providing non-GAAP financial measures such as net income (loss), operating income (loss) and gross margin which exclude certain adjustments as reflected in the tables above. Adjusted EBITIDA is also provided as a non-GAAP financial measure and is defined in the selected corporate data tables. AMD is providing these financial measures because it believes it is important for investors to have visibility into AMD's financial results excluding the Foundry segment, intersegment eliminations and certain adjustments as reflected in the tables in this press release and to better understand the Company's financial results absent the requirement to consolidate the financial results of GLOBALFOUNDRIES.

4 Refer to corresponding tables at the end of this press release for additional AMD and AMD Product Company data.

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

	Quarter Ended			Year Ended	
	Dec. 26, 2009 (Unaudited)	Sept. 26, 2009 (Unaudited)	Dec. 27, 2008(1) (Unaudited)	Dec. 26, 2009 (Unaudited)	Dec. 27, 2008(1)
Net revenue	$ 1,646	$ 1,396	$ 1,162	$ 5,403	$ 5,808
Cost of sales	911	811	890	3,131	3,488
Gross margin	735	585	272	2,272	2,320
Gross margin %	45%	42%	23%	42%	40%
Research and development	432	420	465	1,721	1,848
Marketing, general and administrative	239	221	317	994	1,304
Legal settlement	(1,242)	—	—	(1,242)	—
Amortization of acquired intangible assets	18	17	30	70	137
Impairment of goodwill and acquired intangible assets	—	—	684	—	1,089
Restructuring charges	—	4	50	65	90
Gain on sale of 200 millimeter equipment	—	—	—	—	(193)
Operating income (loss)	1,288	(77)	(1,274)	664	(1,955)
Interest income	3	4	7	16	39
Interest expense	(119)	(114)	(95)	(438)	(391)
Other income (expense), net	19	47	11	166	(37)
Income (loss) before income taxes	1,191	(140)	(1,351)	408	(2,344)
Provision (benefit) for income taxes	11	(5)	69	112	68
Income (loss) from continuing operations	1,180	(135)	(1,420)	296	(2,412)
Income (loss) from discontinued operations, net of tax	(3)	—	(10)	(3)	(684)
Net income (loss)	$ 1,177	$ (135)	$ (1,430)	$ 293	$(3,096)
Net (income) loss attributable to noncontrolling interest	23	29	(6)	83	(33)
Class B preferred accretion	(22)	(22)	—	(72)	—
Net Income (loss) attributable to AMD common stockholders	$ 1,178	$ (128)	$ (1,436)	$ 304	$(3,129)
Net income (loss) attributable to AMD common stockholders per common share					
Basic					
Continuing operations	$ 1.68	$ (0.18)	$ (2.34)	$ 0.46	$ (4.03)
Discontinued operations	—	—	(0.02)	—	(1.12)
Basic net income (loss) attributable to AMD common stockholders per common share	$ 1.68	$ (0.18)	$ (2.36)	$ 0.46	$ (5.15)
Diluted					
Continuing operations	$ 1.52	$ (0.18)	$ (2.34)	$ 0.45	$ (4.03)
Discontinued operations	—	—	(0.02)	—	$ (1.12)
Diluted net income (loss) attributable to AMD common stockholders per common share	$ 1.52	$ (0.18)	$ (2.36)	$ 0.45	$ (5.15)
Shares used in per share calculation					
Basic	705	694	609	673	607
Diluted	791	694	609	678	607

(1) Includes retrospective adoption of FASB Staff Position Accounting Principles Board No. 14-1, *Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement) (FSP APB 14-1)* codified principally in Accounting Standards Codification (ASC) Topic 470, Debt (ASC 470) and FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements - An Amendment of ARB No. 51 (SFAS 160)* now codified in ASC Topic 810, Consolidation (ASC 810) in the first quarter of 2009.

ADVANCED MICRO DEVICES, INC.
AMD NON-GAAP AND RECONCILIATIONS TO CONSOLIDATED STATEMENTS OF OPERATIONS(2)
(Millions except per share amounts and percentages)

	Quarter Ended						Year Ended		
	Dec. 26, 2009			Sept. 26, 2009			Dec. 26, 2009		
	AMD Product Company (3)	Foundry segment and Intersegment Eliminations (4)	AMD	AMD Product Company (3)	Foundry segment and Intersegment Eliminations (4)	AMD	AMD Product Company (3)	Foundry segment and Intersegment Eliminations (4)	AMD
Net revenue	$ 1,646	$ —	$ 1,646	$ 1,396	$ —	$1,396	$ 5,403	$ —	$ 5,403
Cost of sales	967	(56)	911	860	(49)	811	3,290	(159)	3,131
Gross margin	679	56	735	536	49	585	2,113	159	2,272
Gross margin %	41%		45%	38%		42%	39%		42%
Research and development	301	131	432	285	135	420	1,197	524	1,721
Marketing, general and administrative	209	30	239	195	26	221	878	116	994
Legal settlement	(1,242)	—	(1,242)	—	—	—	(1,242)	—	(1,242)
Amortization of acquired intangible assets	18	—	18	17	—	17	70	—	70
Restructuring charges	—	—	—	4	—	4	65	—	65
Operating income (loss)	1,393	(105)	1,288	35	(112)	(77)	1,145	(481)	664
Interest income	3	—	3	3	1	4	15	1	16
Interest expense	(71)	(48)	(119)	(70)	(44)	(114)	(286)	(152)	(438)
Other income (expense), net	13	6	19	64	(17)	47	221	(55)	166
Income (loss) before income taxes	1,338	(147)	1,191	32	(172)	(140)	1,095	(687)	408
Provision (benefit) for income taxes	20	(9)	11	(24)	19	(5)	(24)	136	112
Income (loss) from continuing operations	1,318	(138)	1,180	56	(191)	(135)	1,119	(823)	296
Income (loss) from discontinued operations, net of tax	(3)	—	(3)	—	—	—	(3)	—	(3)
Net income (loss)	$ 1,315	$ (138)	$ 1,177	$ 56	$ (191)	$ (135)	$ 1,116	$ (823)	$ 293
Net (income) loss attributable to noncontrolling interest			23			29			83
Class B preferred accretion			(22)			(22)			(72)
Net income (loss) attributable to AMD common stockholders			$ 1,178			$ (128)			$ 304

(2) *The Company believes this non-GAAP presentation makes it easier for investors to understand what AMD financial results would be if it were not required to consolidate the operations of GLOBALFOUNDRIES.*

(3) *Consists of the results of the Computing Solutions and Graphics segments and the All other category.*

(4) *See footnotes 3 and 5 in Selected Corporate Data*

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

	Dec. 26, 2009 (Unaudited)	Dec. 27, 2008[(5)]
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 2,676	$ 1,096
Accounts receivable, net	745	320
Inventories	567	656
Deferred income taxes	9	28
Prepaid expenses and other current assets	278	279
Total current assets	4,275	2,379
Property, plant and equipment, net	3,809	4,296
Acquisition related intangible assets, net	98	168
Goodwill	323	323
Other assets	573	506
Total Assets	$ 9,078	$ 7,672
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 647	$ 631
Accrued compensation and benefits	179	162
Accrued liabilities	612	785
Deferred income on shipments to distributors	138	50
Other short-term obligations	171	86
Current portion of long-term debt and capital lease obligations	308	286
Other current liabilities	155	226
Total current liabilities	2,210	2,226
Deferred income taxes	197	91
Long-term debt and capital lease obligations, less current portion	4,252	4,490
Other long-term liabilities	695	569
Noncontrolling interest	1,076	169
Stockholders' equity:		
Capital stock:		
Common stock, par value	7	6
Capital in excess of par value	6,426	6,257
Retained earnings (deficit)	(5,939)	(6,244)
Accumulated other comprehensive income	154	108
Total stockholders' equity	648	127
Total Liabilities and Stockholders' Equity	$ 9,078	$ 7,672

(5) *Amounts for the year ended December 27, 2008 were derived from the December 27, 2008 audited financial statements, including retrospective adoption of FSP APB 14-1 (now codified in ASC 470) and SFAS 160 (now codified in ASC 810) implemented in the first quarter of 2009.*

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

Segment and Category Information from Continuing Operations	Quarter Ended Dec. 26, 2009	Quarter Ended Sept. 26, 2009	Quarter Ended Dec. 27, 2008	Year Ended Dec. 26, 2009	Year Ended Dec. 27, 2008
Computing Solutions (1)					
Net revenue	$ 1,214	$ 1,069	$ 873	$ 4,131	$ 4,559
Operating income (loss)	$ 158	$ 76	$ (431)	$ 127	$ (461)
Graphics (2)					
Net revenue	427	306	270	1,206	1,165
Operating income (loss)	53	8	(10)	50	12
Foundry (3)					
Net revenue	309	256		1,101	
Operating income (loss)	(99)	(101)		(433)	
All Other (4)					
Net revenue	5	21	19	66	84
Operating income (loss)	1,182	(49)	(833)	968	(1,506)
Intersegment Eliminations (5)					
Net revenue	(309)	(256)		(1,101)	
Operating income (loss)	(6)	(11)		(48)	
Total from Continuing Operations					
Net revenue	**$ 1,646**	**$ 1,396**	**$ 1,162**	**$ 5,403**	**$ 5,808**
Operating income (loss)	**$ 1,288**	**$ (77)**	**$ (1,274)**	**$ 664**	**$ (1,955)**
Other Data					
AMD Product Company (excludes Foundry segment and Intersegment Eliminations)					
Depreciation and amortization (excluding amortization of acquired intangible assets)	$ 95	$ 96		$ 398	
Capital additions	$ 37	$ 19		$ 88	
Adjusted EBITDA (6)	$ 282	$ 169		$ 527	
Cash, cash equivalents and marketable securities (7)	$ 1,772	$ 1,536		$ 1,772	
Total assets (7)	$ 4,846	$ 4,376		$ 4,846	
Long-term debt (7)	$ 2,607	$ 3,541		$ 2,607	
Headcount	10,352	10,412		10,352	
AMD					
Depreciation and amortization (excluding amortization of acquired intangible assets)	$ 266	$ 265	$ 271	$ 1,058	$ 1,068
Capital additions	$ 173	$ 97	$ 112	$ 466	$ 621
Adjusted EBITDA (6)	$ 348	$ 227	$ (219)	$ 711	$ 531
Headcount	13,395	13,379	14,652	13,395	14,652

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) Foundry segment includes the operating results attributable to the front end wafer manufacturing operations and related activities as of the beginning of the first quarter of 2009, which includes the operating results of GLOBALFOUNDRIES from March 2, 2009 onward. Prior periods have not been recast.
(4) All Other category includes non-Foundry segment employee stock-based compensation expense and certain operating expenses and credits that are not allocated to the operating segments. Also included in this category is a gain for a legal settlement, charges for the impairment of goodwill and acquired intangible assets, amortization of acquired intangible assets, restructuring and AMD Product Company formation costs associated with GLOBALFOUNDRIES. Details of these significant items are shown below. The All Other category also includes the results of our Handheld business unit.

Legal settlement gain, employee stock-based compensation expense, ATI acquisition-related charges, restructuring charges and AMD Product Company formation costs associated with GLOBALFOUNDRIES:

	Quarter Ended			Year Ended	
	Q409	Q309	Q408	2009	2008
Legal settlement	$(1,242)	$—	$—	$(1,242)	$ —
Employee stock-based compensation expense	18	17	20	70	79
Impairment of goodwill and acquired intangible assets	—	—	684	—	1,089
Amortization of acquired intangible assets	18	17	30	70	137
Restructuring charges	—	4	50	65	90
AMD Product Company formation costs associated with GLOBALFOUNDRIES	—	—	23	21	23
	$(1,206)	$ 38	$807	$(1,016)	$1,418

(5) Represents intersegment eliminations in revenue and in cost of sales and profits on inventory between AMD Product Company and the Foundry segment. For the quarters ended December 26, 2009 and September 26, 2009, and year ended December 26, 2009, intersegment eliminations of revenue was $309 million, $256 million and $1,101 million, respectively. For the quarters ended December 26, 2009 and September 26, 2009, and year ended December 26, 2009, intersegment eliminations of cost of sales and profits on inventory was $303 million, $245 million and $1,053 million, respectively.
(6) **AMD reconciliation of operating income (loss) to AMD Product Company (excluding Foundry segment and Intersegment Eliminations) Adjusted EBITDA***

	Quarter Ended		Year Ended
	Q409	Q309	2009
Operating income (loss)	$ 1,288	$ (77)	$ 664
Foundry segment and Intersegment Eliminations operating loss	105	112	481
AMD Product Company net income (loss)	$ 1,393	$ 35	$ 1,145
Legal settlement	(1,242)	—	(1,242)
Depreciation and amortization	95	96	398
Employee stock-based compensation expense	18	17	70
Amortization of acquired intangible assets	18	17	70
Restructuring charges	—	4	65
AMD Product Company formation costs associated with GLOBALFOUNDRIES	—	—	21
Adjusted EBITDA	$ 282	$169	$ 527

AMD reconciliation of operating income (loss) to Adjusted EBITDA*

	Quarter Ended			Year Ended	
	Q409	Q309	Q408	2009	2008
Operating income (loss)	$ 1,288	$ (77)	$(1,274)	$ 664	$(1,955)
Legal settlement	(1,242)	—	—	(1,242)	—
Impairment of goodwill and acquired intangible assets	—	—	684	—	1,089
Depreciation and amortization	266	265	271	1,058	1,068
Employee stock-based compensation expense	18	18	20	75	79
Amortization of acquired intangible assets	18	17	30	70	137
Restructuring charges	—	4	50	65	90
AMD Product Company formation costs associated with GLOBALFOUNDRIES	—	—	—	21	23
Adjusted EBITDA	$ 348	$227	$ (219)	$ 711	$ 531

(7) **Reconciliation of select balance sheet items**

	Q409			Q309		
	Cash, cash equivalents and marketable securities	Total Assets	Long-term debt**	Cash, cash equivalents and marketable securities	Total Assets	Long-term debt**
AMD Product Company	$ 1,772	$ 4,846	$ 2,607	$ 1,536	$ 4,376	$ 3,541
Foundry segment and intersegment eliminations	904	4,232	1,953	975	4,371	2,029
AMD	$ 2,676	$ 9,078	$ 4,560	$ 2,511	$ 8,747	$ 5,570

* Starting with the quarter ended December 26, 2009, the Company defines Adjusted EBITDA as operating income (loss) adjusted for a legal settlement gain, impairment of goodwill and acquired intangible assets, depreciation & amortization, employee stock-based compensation expense, amortization of acquired intangible assets, restructuring charges, and AMD Product Company formation costs associated with GLOBALFOUDNRIES. The Company calculates and communicates Adjusted EBITDA because management believes it is of interest to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds. 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 U.S. GAAP operating measure of operating income or U.S. 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.
** Long-term debt also includes the current portion of long-term debt and capital lease obligations.