

## Advanced Micro Devices (AMD)

Price:	\$2.62	Price/Book:	1.23	Net Tang. Asset Yr. 5/Share:	\$1.92
Market Cap:	\$1,951,900,000	EV/FCF:	10.01	Avg. Year FCF/Share:	\$0.24
Cash:	\$1,300,000,000	<b>Net Tang. Asset/Share:</b>	<b>\$0.88</b>	Year 5 Disposition FCF Multipl:	3.0
Debt:	\$2,040,000,000	Avg. Year 1-5 FCF/Share:	\$0.24	<b>Year 5 Disposition Price:</b>	<b>\$2.65</b>
Net Cash:	-\$740,000,000	<b>5 Years of FCF:</b>	<b>\$1.22</b>	<b>Gain Year 5:</b>	<b>\$1.78</b>
Enterprise Value:	\$2,691,900,000	Net Tang. Asset+5 FCF:	\$2.10		
Target Market Cap:	\$2,887,942,289			<b>Net Tang. Asset+5 FCF+ Gain Disposition:</b>	<b>\$3.88</b>
Target Enterprise Value:	\$3,627,942,289			<b>IRR:</b>	<b>8.15%</b>

We believe AMD is at a critical juncture, as the company is undergoing a restructuring with a 15% layoff and writeoffs and legal settlements (\$1.2BB, \$300MM in 2009, 2010) Some investors are questioning whether a bankruptcy will fall into play, but on the other hand, if the co. isn't facing liquidity issues, the stock should bounce if the economy turns for the better in 2013.

On the liquidity front, the co. is generating positive free cash flow, in the tune of \$100 MM annually, assuming minimal cap ex investments of \$300 MM. Also, their debt obligations of \$2 BB does not confront the co. with liquidity issues. ~\$500MM matured in Aug. 2012, \$580 MM maturing in 2015, \$500 MM in 2017 and \$500 MM in 2020.

AMD is known for their graphic cards, specifically for desktop computers and as the secular, computer industry sales dip, so does AMD's revenue. The co. holds the IP for 1) microprocessors (19% market share for CPUs), 2) GPU (graphic processor). So AMD is facing 1) negative revenue growth from a slowdown in desktop computing, 2) on the flip side of the coin, smart phone sales may grow without AMD's products thereby giving foothold to competitors, 3) a lull period as the co. picks up the broken pieces meaning years before investors recoup their investment.

We feel the company has been hit by legacy legal settlements and subsequent financial issues along with the secular changes have sidelined the co. from taking market share in the key mobile, smartphone space. However, given the co.'s dwarfed duopoly of the CPU space, their large current asset/liquid assets, improving leverage ratio and consistent positive FCF, we believe in a couple year's time, the co. will generate a favorable return for investors.

<b>Company Name:</b>	<b>Advanced Micro Devices</b>
Ticker Symbol:	AMD
<b>Last Price:</b>	<b>\$2.62</b>
Net Cash/Share:	-\$0.99
Net Cash to Last Price:	-37.91%
Shares Outstanding:	745,000,000
Industry:	Semiconductors
Sector:	Technology
Institutional Ownership:	#VALUE!
Mutual Fund Ownership:	#VALUE!
Insider Ownership:	#VALUE!
Retail Ownership:	#VALUE!
Float:	#VALUE!

<b>Technicals</b>	
52 week low:	Error
Today from 52 week low:	#VALUE!
52 week high:	Error
Today from 52 week high:	#VALUE!
50 day Moving Average:	Error
200 day Moving Average:	Error

<b>Analyst/Consensus</b>	
Analyst Sales Growth FY1:	-14.60%
Analyst Sales Growth FY2:	-2.10%
SN Valuation Estimate FY1:	1.00%
SN Valuation Estimate FY2:	1.00%

Analyst Earnings Estimate FY1:	\$0.02
Analyst Earnings Estimate FY2:	\$0.12
SN Valuation Earnings Est. FY1:	\$0.40
SN Valuation Earnings Est. FY2:	\$0.47

<b>Multiples</b>	
Market Value to Book:	1.23
EV to Book:	1.69
Market Value to Tangible Net Assets:	-3.13
P/E Ratio:	-2.21
Trailing P/E Ratio:	N/A
Forward P/E Ratio:	18.17
Beta:	Error
Dividend:	0
Dividend Yield:	0.00%
Dividend Date:	N/A
Ex-Dividend Date:	N/A

<b>Competitors</b>	
Average EV to EBITDA:	N/A
Company EV to EBITDA:	5.39
Average EV to EBIT:	N/A
Company EV to EBITA:	17.59

Market Capitalization:	\$1,951,900,000.00
Total Debt:	\$2,040,000,000.00
Total Cash:	\$1,300,000,000.00
Net Cash/(Debt):	-\$740,000,000.00
Enterprise Value:	\$2,691,900,000.00
Current EV/Share:	\$3.61
EBITDA:	\$499,000,000.00
EV/EBITDA Multiple:	5.39
EV/EBITDA Multiple Average Year 1-5:	4.24
EV/FCF Multiple:	10.01
EV/FCF Multiple Average Year 1-5:	14.79

**Upper Range**  
DCF: EV/EBITDA Terminal Value

Implied TV from 3 X EV/EBITDA Multiple	\$1,035,455,101.36
Enterprise Value	\$1,035,455,101.36
Cash at Year 5:	\$1,710,050,408.78
Debt at Year 5:	\$1,540,000,000.00
Equity Value Year 5:	\$1,205,505,510.14
<b>Equity/Share at Year 5:</b>	<b>\$1.62</b>
Annualized Return:	-9.19%

**Lower Range**  
DCF: Net Tangible Asset excluding Cash/Debt Terminal Value

Year 5 Net Tangible Assets excluding cash and debt	\$1,392,000,000.00
Enterprise Value	\$1,392,000,000.00
Cash at Year 5:	\$1,710,050,408.78
Debt at Year 5:	\$1,540,000,000.00
Equity Value Year 5:	\$1,562,050,408.78
<b>Equity/Share at Year 5:</b>	<b>\$2.10</b>
Annualized Return:	-4.36%

**EVA**

EVA today:	\$770,113,805.79
EVA in 5 Years:	\$2,448,080,881.30
EVA/Share:	\$3.29
Cash at Year 5:	\$1,710,050,408.78
Debt at Year 5:	\$1,540,000,000.00
Equity Value Year 5:	\$2,618,131,290.08
<b>Equity/Share at Year 5:</b>	<b>\$3.51</b>
<b>Annualized return</b>	<b>26.02%</b>

**Current Net Tangible Asset**

<b>Net Tangible Asset/Share:</b>	<b>\$0.74</b>
<b>Net Tangible Asset/Share in Year 5:</b>	<b>\$1.79</b>
Annualized return	19.13%

Current Equity Price:	\$2.62
Selling at Discount?	Premium
Appreciation Potential:	-71.57%

**Dividend Model**

<b>Next Year Dividend</b>	<b>\$0.00</b>
<b>WACC:</b>	<b>7.55%</b>
Dividend:	\$0.00
Net Income:	-\$883,000,000.00

**Income Statement**

Revenue:	\$5,960,000,000.00	100.0%
Cost of Goods Sold:	\$3,020,000,000.00	50.7%
Gross Profit:	\$2,940,000,000.00	49.3%
EBITDA:	-\$190,000,000.00	-3.2%
Net Income:	-\$883,000,000.00	-14.8%

**Balance Sheet**

Cash:	\$1,300,000,000.00
Short Term Investment:	\$0.00
A/R:	\$683,000,000.00
PP&E:	\$600,000,000.00
Assets:	\$4,527,000,000.00
A/P:	\$540,000,000.00
Deferred Tax:	\$0.00
Other Liabilities:	\$739,000,000.00
Short term Debt:	\$5,000,000.00
Long Term Debt:	\$2,035,000,000.00
Liabilities:	\$3,319,000,000.00
Retained Earnings:	-\$4,977,000,000.00
Paid-In Capital:	\$6,679,000,000.00
Treasury Stock:	-\$107,000,000.00
Stockholder's Equity:	\$1,590,000,000.00

**Cash Flow**

Net Income:	491,000,000.00
Depreciation/Amortization:	317,000,000.00
Change in Working capital:	-252,000,000.00
Cash from Operating Activities:	382,000,000.00
Capital Expenditures:	-250,000,000.00
Cash from Investing Activities:	-113,000,000.00
Total Cash Dividends Paid:	0.00
Issuance (Retirement) of Stock:	18,000,000.00
Issuance (Retirement) of Debt:	-39,000,000.00
Cash from Financing Activities:	-6,000,000.00

**Profitability Margins**

Debt to Equity:	128.30%
Return on Assets:	10.93%
Return on Capital:	13.64%
Return on Equity:	31.13%

# SN VALUATION

# LBO Analysis

WACC Terminal Value:	N/A	<b>Intrinsic Price in 5 Years:</b>	<b>2.44</b>	<b>Non-LBO Forecast</b>	<b>Non-LBO Forecast</b>	<b>Desired Return Rate</b>	<b>20.00%</b>
EV/EBITDA with 3X Multiple Terminal Value:	\$1.62	Market Price:	2.62	Year 1 Target	2.58	<b>Implied Today's Price</b>	<b>0.98</b>
Net Tangible Asset Terminal Value:	\$2.10	LBO Price:	<b>2.62</b>	Year 2 Target	2.55	Overvalued/(Undervalued)	166.81%
EV/EBITDA with Today's Multiple Terminal Value:	\$2.54	Premium to Market Price:	0.00%	Year 3 Target	2.51		
EVA Enterprise Value:	\$3.51	LBO Price/Intrinsic Price Target:	-1.39%	Year 4 Target	2.48		
Dividend Discount Model:	N/A	LBO Price/EV/EBIT Exit Price:	-13.73%	Year 5 Target	2.44		
Average (Excluding Dividend Discount):	<b>\$2.44</b>	Implied IRR at today's EV/EBITDA:	-0.58%	<b>Implied IRR (Market Price):</b>	<b>-1.39%</b>		
		5 Year Return:	-6.74%				

Current Evaluation				Exit Evaluation			
Current Market Price:	2.62	LBO Price:	2.62	Exit Price:	2.44	Exit Price:	2.54
Outstanding Shares:	745,000,000	Outstanding Shares:	745,000,000	Outstanding Shares:	745,000,000	Outstanding Shares:	745,000,000
<b>Market Capitalization:</b>	<b>1,951,900,000</b>	<b>Market Capitalization:</b>	<b>1,951,900,000</b>	<b>Market Capitalization:</b>	<b>1,820,374,030</b>	<b>Market Capitalization:</b>	<b>1,895,808,911</b>
Available Cash:	1,300,000,000	Available Cash:	1,300,000,000	Available Cash:	1,710,050,409	Available Cash:	1,710,050,409
Debt:	2,040,000,000	Debt:	2,040,000,000	Debt:	1,540,000,000	Debt:	1,540,000,000
Net Cash:	<b>-740,000,000</b>	Net Cash:	<b>-740,000,000</b>	Net Cash:	170,050,409	Net Cash:	170,050,409
<b>Enterprise Value:</b>	<b>2,691,900,000</b>	<b>Enterprise Value:</b>	<b>2,691,900,000</b>	<b>Enterprise Value:</b>	<b>1,650,323,621</b>	<b>Enterprise Value:</b>	<b>1,725,758,502</b>
Original EV/EBITDA:	17.59	EV/EBITDA:	17.59	EV/EBITDA at 5 Years:	5.24	EV/EBITDA at 5 Years:	<b>5.00</b>
Original EV/EBITDA:	5.39	EV/EBITDA:	5.73	EV/EBITDA at 5 Years:	3.30	EV/EBITDA at 5 Years:	2.66
Competitor Average EV/EBIT:	N/A						
Competitor Average EV/EBITDA:	N/A						

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	2.62	2.62	2.58	2.55	2.51	2.48	2.44
Shares Outstanding:	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000
<b>Market Capitalization:</b>	<b>1,951,900,000</b>	<b>1,951,900,000</b>	<b>1,924,855,700</b>	<b>1,898,186,109</b>	<b>1,871,886,035</b>	<b>1,845,950,358</b>	<b>1,820,374,030</b>
Available Cash:	1,300,000,000	1,300,000,000	1,364,687,100	1,437,981,846	1,519,937,814	1,610,609,118	1,710,050,409
Debt:	2,040,000,000	2,040,000,000	1,940,000,000	1,840,000,000	1,740,000,000	1,640,000,000	1,540,000,000
Net Cash:	<b>-740,000,000</b>	<b>-740,000,000</b>	<b>-575,312,900</b>	<b>-402,018,154</b>	<b>-220,062,186</b>	<b>-29,390,882</b>	<b>170,050,409</b>
<b>Enterprise Value:</b>	<b>2,691,900,000</b>	<b>2,691,900,000</b>	<b>2,500,168,600</b>	<b>2,300,204,263</b>	<b>2,091,948,221</b>	<b>1,875,341,241</b>	<b>1,650,323,621</b>
EBIT	153,000,000	153,000,000	301,684,000	305,000,840	308,350,848	311,734,357	315,151,700
EV/EBIT:	17.59	17.59	8.29	7.54	6.78	6.02	5.24
EBITDA	470,000,000	470,000,000	621,854,000	628,372,540	634,956,265	641,605,828	648,321,886
EV/EBITDA:	5.73	5.73	4.02	3.66	3.29	2.92	2.55

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	2.62	2.62	6.35	6.66	6.99	7.32	7.67
Shares Outstanding:	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000	745,000,000
<b>Market Capitalization:</b>	<b>1,951,900,000</b>	<b>1,951,900,000</b>	<b>4,732,550,888</b>	<b>4,964,202,507</b>	<b>5,205,098,918</b>	<b>5,455,300,067</b>	<b>5,714,866,503</b>
Available Cash:	1,300,000,000	1,300,000,000	1,364,687,100	1,437,981,846	1,519,937,814	1,610,609,118	1,710,050,409
Debt:	2,040,000,000	2,040,000,000	1,940,000,000	1,840,000,000	1,740,000,000	1,640,000,000	1,540,000,000
Net Cash:	<b>-740,000,000</b>	<b>-740,000,000</b>	<b>-575,312,900</b>	<b>-402,018,154</b>	<b>-220,062,186</b>	<b>-29,390,882</b>	<b>170,050,409</b>
<b>Enterprise Value:</b>	<b>2,691,900,000</b>	<b>2,691,900,000</b>	<b>5,307,863,788</b>	<b>5,366,220,661</b>	<b>5,425,161,103</b>	<b>5,484,690,950</b>	<b>5,544,816,094</b>
EBIT	153,000,000	153,000,000	301,684,000	305,000,840	308,350,848	311,734,357	315,151,700
EV/EBIT:	17.59	17.59	17.59	17.59	17.59	17.59	17.59
EBITDA	470,000,000	470,000,000	621,854,000	628,372,540	634,956,265	641,605,828	648,321,886
EV/EBITDA:	5.73	5.73	8.54	8.54	8.54	8.55	8.55

LBO Price	2.62	Equity Partners:	3,967,900,000	Weighting	100.00%	<b>Annualized Return for Equity Partners: -13.73%</b>
Shares Outstanding	745,000,000	Debt Partners:	0		0.00%	
<b>Market Capitalization</b>	<b>1,951,900,000</b>	<b>Total Funds for LBO:</b>	<b>3,967,900,000</b>		100.00%	
Debt	2,016,000,000					
Cash	1,300,000,000					
<b>Enterprise Value</b>	<b>2,667,900,000</b>					
<b>Capital Investment</b>	<b>3,967,900,000</b>					

Book Value	Enterprise Value	Stock Valuation	Debt Reduction
Beginning Book Value	1,590.00	Current Market Price	Starting Debt
Year 5 Book Value	2,366.86	Year 5 Market Price	Debt Repayment
<b>Annualized Return</b>	<b>8.28%</b>	<b>Annualized Return</b>	<b>-0.58%</b>
			Year 5 Ending Debt
			<b>% of Starting Debt</b>
			<b>75.43%</b>

SN VALUATION

LBO Pro Forma Income Statement

Name:

Advanced Micro Devices

Ticker:

AMD

	Historical				Forecasted				
	52 weeks ending 2008-12-27	52 weeks ending 2009-12-26	52 weeks ending 2010-12-25	52 weeks ending 2011-12-31	2013	2014	2015	2016	2017
Revenue	5,808.00	5,403.00	6,494.00	6,568.00	6,633.68	6,700.02	6,767.02	6,834.69	6,903.03
COGS	3,488.00	3,131.00	3,533.00	3,628.00	3,714.86	3,752.01	3,789.53	3,827.42	3,865.70
Gross margin	2,320.00	2,272.00	2,961.00	2,940.00	2,918.82	2,948.01	2,977.49	3,007.26	3,037.33
SG&A	1,304.00	994.00	934.00	992.00	1,061.39	1,072.00	1,092.72	1,093.55	1,104.49
R&D	1,848.00	1,721.00	1,405.00	1,453.00	1,525.75	1,541.00	1,556.41	1,571.98	1,587.70
Unusual expense	1,006.00	-1,343.00	-263.00	313.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS	137.00	70.00	61.00	29.00	30.00	30.00	30.00	30.00	30.00
Operating Income (EBITA)	-1,975.00	830.00	824.00	153.00	301.68	305.00	308.35	311.73	315.15
Interest income/(expense)	-365.00	-422.00	-188.00	-170.00	-79.35	-74.35	-69.35	-64.35	-59.35
Gain (loss) on sale of asset	0.00	28.00	325.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	-4.00	-28.00	10.00	16.00	0.00	0.00	0.00	0.00	0.00
Income before tax	-2,344.00	408.00	971.00	-1.00	222.33	230.65	239.00	247.38	255.80
Tax	68.00	112.00	38.00	-4.00	77.82	80.73	83.65	86.58	89.53
Income after tax	-2,412.00	296.00	933.00	3.00	144.52	149.92	155.35	160.80	166.27
Minority Interest	-33.00	83.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	-462.00	492.00	156.57	197.78	218.46	209.05	213.92
Net income	-2,445.00	379.00	471.00	495.00	301.09	347.71	373.81	369.85	380.19
*Figures are in millions (\$)									
EPS (based off today's share count)	-\$3.28	\$0.51	\$0.63	\$0.66	\$0.40	\$0.47	\$0.50	\$0.50	\$0.51
P/E (historical today's price; forecasted intrinsic price)	-0.80	5.15	4.14	3.94	6.39	5.46	5.01	4.99	4.79
Revenue Growth	N/A	-6.97%	20.19%	1.14%	1.00%	1.00%	1.00%	1.00%	1.00%
Tax Rate	-2.90%	27.45%	3.91%	400.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-7.51%	-8.92%	-7.77%	-8.43%	-3.90%	-3.84%	-3.78%	-3.71%	-3.63%
Margins									
COGS	60.06%	57.95%	54.40%	55.24%	56.00%	56.00%	56.00%	56.00%	56.00%
Gross margin	39.94%	42.05%	45.60%	44.76%	44.00%	44.00%	44.00%	44.00%	44.00%
SG&A	22.45%	18.40%	14.38%	15.10%	16.00%	16.00%	16.00%	16.00%	16.00%
R&D	31.82%	31.85%	21.64%	22.12%	23.00%	23.00%	23.00%	23.00%	23.00%
Unusual expense	17.32%	-24.86%	-4.05%	4.77%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Included within COGS	2.36%	1.30%	0.94%	0.44%	0.45%	0.44%	0.44%	0.44%	0.43%
Operating Income (EBITA)	-34.00%	15.36%	12.68%	2.33%	4.55%	4.55%	4.56%	4.56%	4.57%
Interest income/(expense)	-6.28%	-7.81%	-2.89%	-2.59%	-1.20%	-1.11%	-1.02%	-0.94%	-0.86%
Gain (loss) on sale of asset	0.00%	0.52%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	-0.07%	-0.52%	0.15%	0.24%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	-40.36%	7.55%	14.95%	-0.02%	3.35%	3.44%	3.53%	3.62%	3.71%
Tax	1.17%	2.07%	0.59%	-0.06%	1.17%	1.20%	1.24%	1.27%	1.30%
Income after tax	-41.53%	5.48%	14.37%	0.05%	2.18%	2.26%	2.34%	2.42%	2.51%
Minority Interest	-0.57%	1.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	-7.11%	7.49%	2.36%	2.95%	3.23%	3.06%	3.10%
Net income	-42.10%	7.01%	7.25%	7.54%	4.54%	5.19%	5.52%	5.41%	5.51%

SN VALUATION

LBO Adjusted Proforma Balance Sheet

	As of 2008-12-27	As of 2009-12-26	As of 2010-12-25	As of 2011-12-31	As of 2012-09-29	Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
						+	-						
Cash	933.00	1,657.00	606.00	869.00	1,300.00			1,300.00	1,364.69	1,437.98	1,519.94	1,610.61	1,710.05
Short term investment	163.00	1,019.00	1,183.00	896.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and Short term</b>	<b>1,096.00</b>	<b>2,676.00</b>	<b>1,789.00</b>	<b>1,765.00</b>	<b>1,300.00</b>			<b>1,300.00</b>	<b>1,364.69</b>	<b>1,437.98</b>	<b>1,519.94</b>	<b>1,610.61</b>	<b>1,710.05</b>
Accounts Receivable	320.00	745.00	968.00	919.00	683.00			683.00	683.00	683.00	683.00	683.00	683.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>320.00</b>	<b>745.00</b>	<b>968.00</b>	<b>919.00</b>	<b>683.00</b>			<b>683.00</b>	<b>683.00</b>	<b>683.00</b>	<b>683.00</b>	<b>683.00</b>	<b>683.00</b>
Total Inventory	656.00	567.00	632.00	476.00	744.00			744.00	744.00	744.00	744.00	744.00	744.00
Prepaid Expenses	279.00	278.00	205.00	69.00	88.00			88.00	88.00	88.00	88.00	88.00	88.00
Other Current Assets	28.00	9.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Current Assets</b>	<b>2,379.00</b>	<b>4,275.00</b>	<b>3,594.00</b>	<b>3,229.00</b>	<b>2,815.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,815.00</b>	<b>2,879.69</b>	<b>2,952.98</b>	<b>3,034.94</b>	<b>3,125.61</b>	<b>3,225.05</b>
PP&E, Gross	7,158.00	7,495.00	2,079.00	2,100.00	2,100.00			2,100.00	2,400.00	2,700.00	3,000.00	3,300.00	3,600.00
Change in Depreciation		1,128.00	383.00	317.00	317.00			317.00	320.17	323.37	326.61	329.87	333.17
Accumulated Depreciation	2,862.00	3,686.00	1,379.00	1,500.00	1,500.00			1,500.00	1,820.17	2,143.54	2,470.15	2,800.02	3,133.19
<b>PP&amp;E, Net</b>	<b>4,296.00</b>	<b>3,809.00</b>	<b>700.00</b>	<b>600.00</b>	<b>600.00</b>			<b>600.00</b>	<b>579.83</b>	<b>556.46</b>	<b>529.85</b>	<b>499.98</b>	<b>466.81</b>
Goodwill	323.00	323.00	323.00	323.00	553.00	0.00		553.00	553.00	553.00	553.00	553.00	553.00
Intangibles	168.00	98.00	37.00	0.00	100.00			100.00	100.00	100.00	100.00	100.00	100.00
Long term investments	0.00	0.00	0.00	427.00	180.00			180.00	180.00	180.00	180.00	180.00	180.00
Other long term assets	506.00	573.00	310.00	249.00	279.00			279.00	279.00	279.00	279.00	279.00	279.00
<b>Long Term Assets</b>	<b>5,293.00</b>	<b>4,803.00</b>	<b>1,370.00</b>	<b>1,599.00</b>	<b>1,712.00</b>			<b>1,712.00</b>	<b>1,691.83</b>	<b>1,668.46</b>	<b>1,641.85</b>	<b>1,611.98</b>	<b>1,578.81</b>
<b>Total Assets</b>	<b>7,672.00</b>	<b>9,078.00</b>	<b>4,964.00</b>	<b>4,828.00</b>	<b>4,527.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,527.00</b>	<b>4,571.52</b>	<b>4,621.44</b>	<b>4,676.79</b>	<b>4,737.59</b>	<b>4,803.86</b>
Accounts Payable	631.00	647.00	581.00	540.00	540.00			540.00	540.00	540.00	540.00	540.00	540.00
Accrued Expense	970.00	795.00	698.00	550.00	550.00			550.00	550.00	550.00	550.00	550.00	550.00
Other current Liabilities	253.00	289.00	162.00	195.00	156.00			156.00	156.00	156.00	156.00	156.00	156.00
<b>Total Current Liabilities</b>	<b>1,854.00</b>	<b>1,731.00</b>	<b>1,441.00</b>	<b>1,285.00</b>	<b>1,246.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,246.00</b>	<b>1,246.00</b>	<b>1,246.00</b>	<b>1,246.00</b>	<b>1,246.00</b>	<b>1,246.00</b>
Notes Payables/Short Term Debt	86.00	171.00	229.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	286.00	308.00	4.00	489.00	5.00			5.00	5.00	5.00	5.00	5.00	5.00
Long term Debt	4,490.00	4,252.00	2,158.00	1,501.00	2,035.00	0.00	0.00	2,035.00	1,935.00	1,835.00	1,735.00	1,635.00	1,535.00
Capital Lease Obligations	0.00	0.00	30.00	26.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Interest Earning Debt</b>	<b>4,862.00</b>	<b>4,731.00</b>	<b>2,421.00</b>	<b>2,016.00</b>	<b>2,040.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,040.00</b>	<b>1,940.00</b>	<b>1,840.00</b>	<b>1,740.00</b>	<b>1,640.00</b>	<b>1,540.00</b>
Deferred Income tax	91.00	197.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	169.00	1,076.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	569.00	695.00	89.00	63.00	33.00			33.00	33.00	33.00	33.00	33.00	33.00
<b>Total Liabilities</b>	<b>7,545.00</b>	<b>8,430.00</b>	<b>3,951.00</b>	<b>3,364.00</b>	<b>3,319.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,319.00</b>	<b>3,219.00</b>	<b>3,119.00</b>	<b>3,019.00</b>	<b>2,919.00</b>	<b>2,819.00</b>
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	6.00	7.00	7.00	7.00	7.00		0.00	7.00	7.00	7.00	7.00	7.00	7.00
Additional Paid-in capital	6,354.00	6,524.00	6,575.00	6,672.00	6,672.00	0.00	0.00	6,672.00	6,672.00	6,672.00	6,672.00	6,672.00	6,672.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	-6,244.00	-5,939.00	-5,468.00	-4,977.00	-4,977.00		0.00	-4,977.00	-4,832.48	-4,682.56	-4,527.21	-4,366.41	-4,200.14
Treasury Stock	-97.00	-98.00	-102.00	-107.00	-107.00			-107.00	-107.00	-107.00	-107.00	-107.00	-107.00
Other Equity	108.00	154.00	1.00	-5.00	-5.00		0.00	-5.00	-5.00	-5.00	-5.00	-5.00	-5.00
<b>Total Equity</b>	<b>127.00</b>	<b>648.00</b>	<b>1,013.00</b>	<b>1,590.00</b>	<b>1,590.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,590.00</b>	<b>1,734.52</b>	<b>1,884.44</b>	<b>2,039.79</b>	<b>2,200.59</b>	<b>2,366.86</b>
<b>Liability + Equity</b>	<b>7,672.00</b>	<b>9,078.00</b>	<b>4,964.00</b>	<b>4,954.00</b>	<b>4,909.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,909.00</b>	<b>4,953.52</b>	<b>5,003.44</b>	<b>5,058.79</b>	<b>5,119.59</b>	<b>5,185.86</b>
<b>Variance</b>	0.00	0.00	0.00	-126.00	-382.00			-382.00	-382.00	-382.00	-382.00	-382.00	-382.00
<b>Debt/Equity</b>	38.28	7.30	2.39	1.27	1.28			1.28	1.12	0.98	0.85	0.75	0.65
Inventory Turnover	8.85	9.53	10.28	13.80	8.92			8.83	8.92	9.01	9.10	9.19	9.28
Inventory Turnover Days	41.23	38.30	35.52	26.45	40.94			41.35	40.94	40.53	40.13	39.73	39.34
Days Inventory Outstanding	68.65	66.10	65.29	47.89	73.10			74.85	73.10	72.38	71.66	70.95	70.25
Accounts Receivable Turnover	18.15	7.25	6.71	7.15	9.71			9.62	9.71	9.81	9.91	10.01	10.11
Accounts Receivable Turnover Days	20.11	50.33	54.41	51.07	37.58			37.96	37.58	37.21	36.84	36.47	36.11
Days Payable Outstanding	66.03	75.42	60.02	54.33	53.06			54.33	53.06	52.53	52.01	51.50	50.99
Days Sales Outstanding	20.11	50.33	54.41	51.07	37.58			51.07	37.96	37.58	37.21	36.84	36.47
Cash Conversion Cycle	22.73	41.00	59.68	44.63	57.62			71.59	58.00	57.43	56.86	56.29	55.74
Net tangible assets/share	(\$0.26)	\$0.44	\$0.93	\$1.53	\$0.88				\$1.07	\$1.27	\$1.48	\$1.70	\$1.92

SN VALUATION

LBO Adjusted Proforma Cash Flow

	52 weeks ending 2008-12-27	52 weeks ending 2009-12-26	52 weeks ending 2010-12-25	52 weeks ending 2011-12-31	2011	2012	2013	2014	2015
Net Income	-3,096.00	293.00	471.00	491.00	144.52	149.92	155.35	160.80	166.27
Depreciation	1,223.00	1,128.00	383.00	317.00	320.17	323.37	326.61	329.87	333.17
<b>Net Income + Depreciation</b>	<b>-1,873.00</b>	<b>1,421.00</b>	<b>854.00</b>	<b>808.00</b>	<b>464.69</b>	<b>473.29</b>	<b>481.96</b>	<b>490.67</b>	<b>499.44</b>
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	82.00	130.00	-5.00	-6.00	0.00	0.00	0.00	0.00	0.00
Non Cash Items	1,499.00	-39.00	234.00	-168.00	0.00	0.00	0.00	0.00	0.00
Change in Working capital	-400.00	-1,039.00	-1,495.00	-252.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-425.00	-223.00	-49.00	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	89.00	-65.00	156.00	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	1.00	73.00	136.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	16.00	-66.00	-41.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Operating Activities</b>	<b>-692.00</b>	<b>473.00</b>	<b>-412.00</b>	<b>382.00</b>	<b>464.69</b>	<b>473.29</b>	<b>481.96</b>	<b>490.67</b>	<b>499.44</b>
Capital Expenditures Expenditures	-624.00	-466.00	-148.00	-250.00	-300.00	-300.00	-300.00	-300.00	-300.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	597.00	-807.00	-975.00	137.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Investing Activities</b>	<b>-27.00</b>	<b>-1,273.00</b>	<b>-1,123.00</b>	<b>-113.00</b>	<b>-300.00</b>	<b>-300.00</b>	<b>-300.00</b>	<b>-300.00</b>	<b>-300.00</b>
Financing Cash flow items	78.00	-203.00	23.00	15.00	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	0.00	1,218.00	15.00	18.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	142.00	599.00	446.00	-39.00	-100.00	-100.00	-100.00	-100.00	-100.00
<b>Cash from Financing Activities</b>	<b>220.00</b>	<b>1,524.00</b>	<b>484.00</b>	<b>-6.00</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>
Foreign Exchange effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	1,432.00	933.00	1,657.00	606.00	1,300.00	1,364.69	1,437.98	1,519.94	1,610.61
<b>Net Change in Cash</b>	<b>-499.00</b>	<b>724.00</b>	<b>-1,051.00</b>	<b>263.00</b>	<b>64.69</b>	<b>73.29</b>	<b>81.96</b>	<b>90.67</b>	<b>99.44</b>
Ending Cash Balance	933.00	1,657.00	606.00	869.00	1,364.69	1,437.98	1,519.94	1,610.61	1,710.05
Capex to Revenue	10.74%	8.62%	2.28%	3.81%	4.52%	4.48%	4.43%	4.39%	4.35%
Depreciation to Sales	21.06%	20.88%	5.90%	4.83%	4.83%	4.83%	4.83%	4.83%	4.83%
Amortization to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A/R to Sales	5.51%	13.79%	14.91%	13.99%	13.85%	13.72%	13.58%	13.45%	13.31%
Distributable FCF Yield	-26.71%	-29.72%	-57.02%	9.99%	6.12%	6.44%	6.76%	7.08%	7.41%
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>FCF (Ops-Investing-Dividends)</b>	<b>-719.00</b>	<b>-800.00</b>	<b>-1,535.00</b>	<b>269.00</b>	<b>164.69</b>	<b>173.29</b>	<b>181.96</b>	<b>190.67</b>	<b>199.44</b>

# SN VALUATION

# LBO Debt Schedule

	Proforma	2013	2014	2015	2016	2017
<b>Net Change in Cash</b>	<b>263.00</b>	<b>64.69</b>	<b>73.29</b>	<b>81.96</b>	<b>90.67</b>	<b>99.44</b>
Current Portion Debt Repayment						
Long Term Debt Repayment		100.00	100.00	100.00	100.00	100.00
<b>Outstanding Debt</b>	<b>2040.00</b>	<b>1940.00</b>	<b>1840.00</b>	<b>1740.00</b>	<b>1640.00</b>	<b>1540.00</b>
Current Portion Debt Balance	5.00	5.00	5.00	5.00	5.00	5.00
Long Term Debt Balance	2035.00	1935.00	1835.00	1735.00	1635.00	1535.00
Forward Libor Curve		1.00%	1.00%	1.00%	1.00%	1.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
<b>Interest Rate</b>		<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<b>Interest Expense</b>		<b>97.00</b>	<b>92.00</b>	<b>87.00</b>	<b>82.00</b>	<b>77.00</b>
Cash Balance		1765.00				
Interest @ 1.0%		17.65	17.65	17.65	17.65	17.65
<b>Net Interest Expense/(Income)</b>		<b>79.35</b>	<b>74.35</b>	<b>69.35</b>	<b>64.35</b>	<b>59.35</b>
<b>Net Interest Rate</b>		<b>3.90%</b>	<b>3.84%</b>	<b>3.78%</b>	<b>3.71%</b>	<b>3.63%</b>
EBITDA		301.68	305.00	308.35	311.73	315.15
<b>EBITDA/Interest Expense Coverage</b>		<b>3.11</b>	<b>3.32</b>	<b>3.54</b>	<b>3.80</b>	<b>4.09</b>

Interest Rate Coverage Table

Debt Rating					
AAA					
AA					
A+					
A					
A-					
BBB					BBB
BB+			BB+	BB+	
BB	BB	BB			
B+					
B					
B-					
CCC					
CC					
C					
D					

\*Source: NYU; Professor Damodaran

# Altman Z Score

Company Name:

Advanced Micro Devices

Ticker:

AMD

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	525.00	2,544.00	2,153.00	1,569.00	1,633.69	1,706.98	1,788.94	1,879.61	1,979.05
Total Assets	7,672.00	9,078.00	4,964.00	4,527.00	4,571.52	4,621.44	4,676.79	4,737.59	4,803.86
<b>X1</b>	<b>0.07</b>	<b>0.28</b>	<b>0.43</b>	<b>0.35</b>	<b>0.36</b>	<b>0.37</b>	<b>0.38</b>	<b>0.40</b>	<b>0.41</b>
Retained Earnings	-6,244.00	-5,939.00	-5,468.00	-4,977.00	-4,832.48	-4,682.56	-4,527.21	-4,366.41	-4,200.14
Total Assets	7,672.00	9,078.00	4,964.00	4,527.00	4,571.52	4,621.44	4,676.79	4,737.59	4,803.86
<b>X2</b>	<b>-0.81</b>	<b>-0.65</b>	<b>-1.10</b>	<b>-1.10</b>	<b>-1.06</b>	<b>-1.01</b>	<b>-0.97</b>	<b>-0.92</b>	<b>-0.87</b>
EBITDA	-1,838.00	900.00	885.00	182.00	331.68	335.00	338.35	341.73	345.15
Total Assets	7,672.00	9,078.00	4,964.00	4,527.00	4,571.52	4,621.44	4,676.79	4,737.59	4,803.86
<b>X3</b>	<b>-0.24</b>	<b>0.10</b>	<b>0.18</b>	<b>0.04</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>
Market Value of Equity	1,951.90	1,951.90	1,951.90	1,951.90	1,924.86	1,898.19	1,871.89	1,845.95	1,820.37
Total Liabilities	7,545.00	8,430.00	3,951.00	3,319.00	3,219.00	3,119.00	3,019.00	2,919.00	2,819.00
<b>X4</b>	<b>0.26</b>	<b>0.23</b>	<b>0.49</b>	<b>0.59</b>	<b>0.60</b>	<b>0.61</b>	<b>0.62</b>	<b>0.63</b>	<b>0.65</b>
Net Sales	5,808.00	5,403.00	6,494.00	6,568.00	6,633.68	6,700.02	6,767.02	6,834.69	6,903.03
Total Assets	7,672.00	9,078.00	4,964.00	4,527.00	4,571.52	4,621.44	4,676.79	4,737.59	4,803.86
<b>X5</b>	<b>0.76</b>	<b>0.60</b>	<b>1.31</b>	<b>1.45</b>	<b>1.45</b>	<b>1.45</b>	<b>1.45</b>	<b>1.44</b>	<b>1.44</b>
<b>Altman Z Score</b>	<b>-0.94</b>	<b>0.48</b>	<b>1.17</b>	<b>0.81</b>	<b>1.00</b>	<b>1.08</b>	<b>1.16</b>	<b>1.25</b>	<b>1.33</b>

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red