

AMD GPG Sweet Spot Strategy

The Proof is in the Numbers

Q3'08 Market Share Data



Q3'08 Highlights

Worldwide Graphics Market Highlights

- 112.4 million units of PC graphics shipped, including discrete and integrated, up 19.5 percent from Q2'08
- Slightly positive growth for desktop graphics market
- Explosive growth in notebook graphics in Q3 (41% growth QtoQ)

Source: Mercury Q3'08 Graphics Report



AMD GPG Q3'08 Growth Highlights

Total Discrete

- 40.6% Q/Q growth in AMD discrete
- 24.3% Y/Y growth in AMD discrete

Desktop Discrete

- 25.0% Q/Q growth in AMD desktop discrete
- AMD desktop discrete MS jumped 2.3% QtoQ, to 40.5%

Notebook Discrete

- 75.2% Q/Q growth in AMD notebook discrete
- AMD notebook discrete MS jumped 6.1% QtoQ, to 41.3%

Source: Mercury Q3'08 Graphics Report



AMD GPG Timeline

Q2'07

- AMD Desktop Discrete market share hits four year low

Q4'07

- Late in Q4'07, AMD introduces the market's first 55nm graphics part, the ATI Radeon™ HD 3800 series; this is the first product based on the sweet spot strategy

Q1'08

- The rest of the ATI Radeon™ HD 3000 series is rolled out, including the first dual-GPU, single card solution targeting the enthusiast market; the smaller, more efficient design allows almost immediate introduction of the ATI Mobility Radeon™ HD 3000 series
- The ATI Radeon™ HD 3000 series gains traction in the market and reverses downward trend in AMD discrete graphics market share

Q2'08

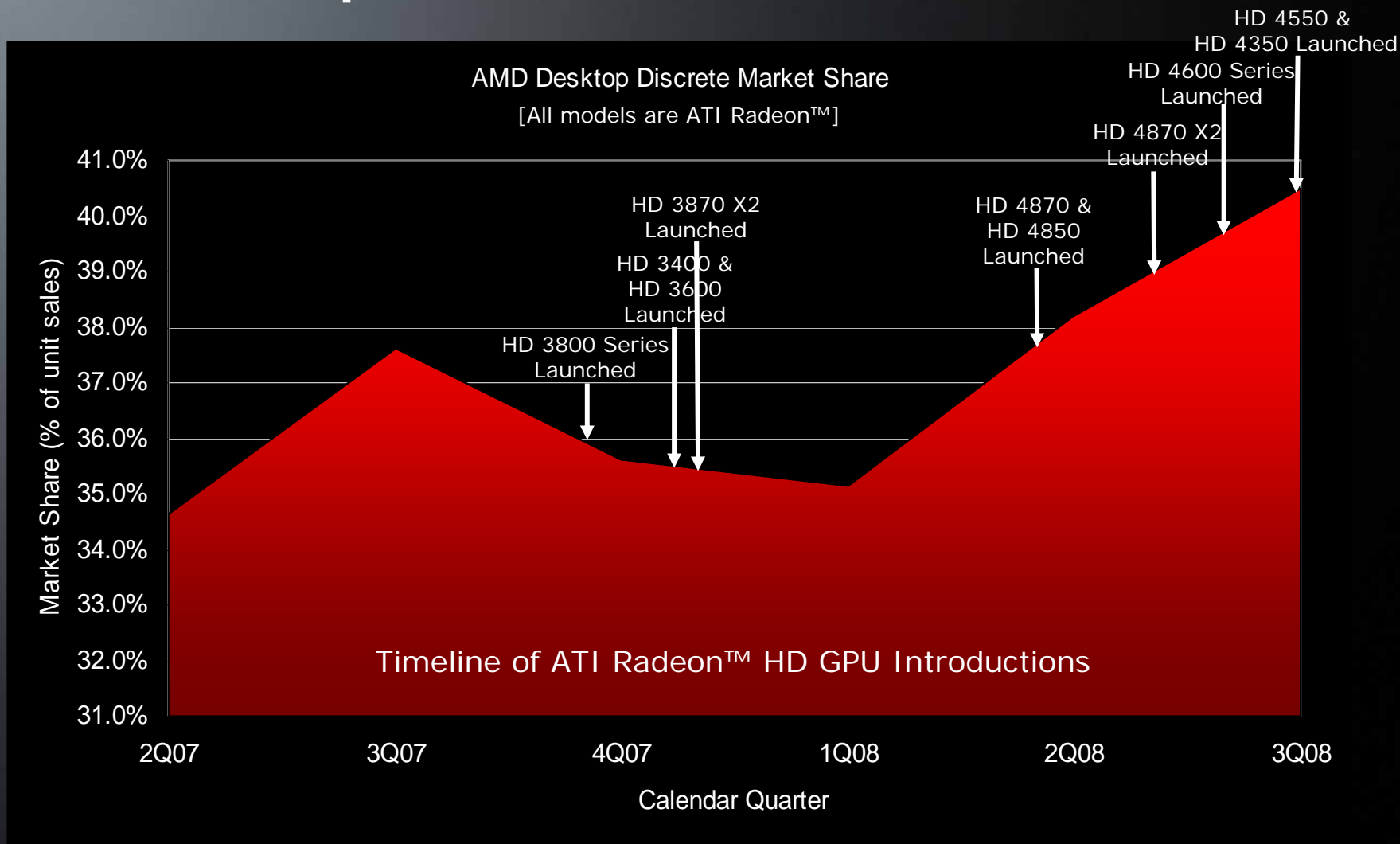
- Late in Q2'08, the next phase of the sweet spot strategy is rolled out with the introduction of the ATI Radeon™ HD 4850 and ATI Radeon™ HD 4870
- Incredible reception for both cards as they redefine performance per dollar and performance per watt expectations for graphics cards
- ATI Mobility Radeon™ HD 3800 introduced to notebook market

Q3'08

- Introduce ATI Radeon™ HD 4870 X2 and regain the performance crown
- Launch the ATI Radeon™ HD 4600 series, delivering great performance at a mainstream segment price
- Launch the ATI Radeon™ HD 4550 and HD 4350 on the last day of Q3, delivering HD 4000 series features at value segment pricing



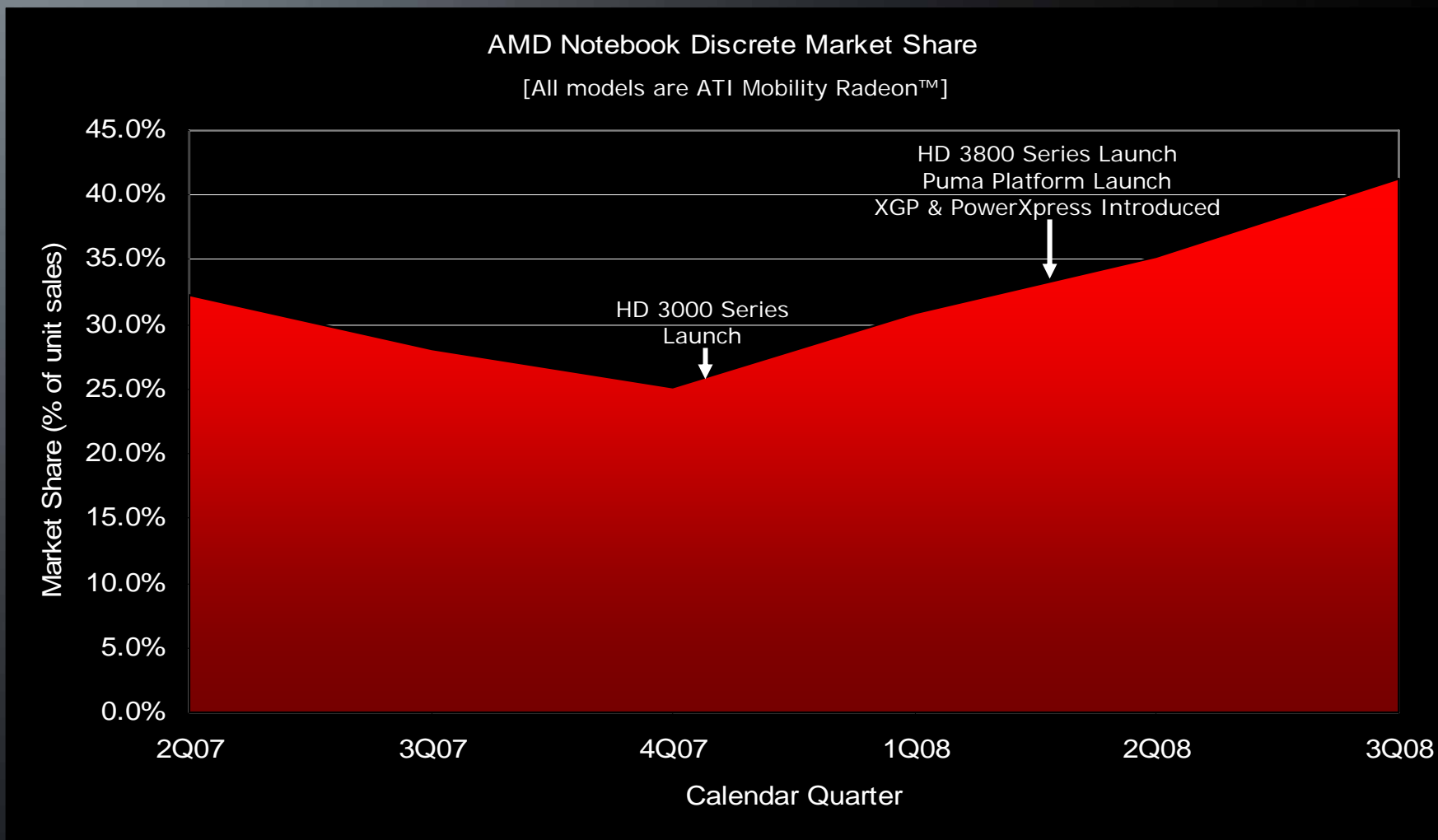
AMD Desktop Discrete Market Share to Q3'08



Source: Mercury Research Q3'08 Graphics Report



AMD Notebook Discrete Marketshare to Q3'08



Source: Mercury Research Q3'08 Graphics Report



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