

# Press Releases

## O'Melveny Represents AMD in EU Antitrust Proceedings

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**Brussels, Belgium** - The Brussels office of O'Melveny & Myers LLP represented Advanced Micro Devices in the European Commission (EC) proceedings which ended today with a record fine of €1.06 billion (US\$1.44 billion) against Intel.

Partners Riccardo Celli and Christian Riis-Madsen led the O'Melveny Brussels team, which also included counsel Giovanni Cifelli, as well as associates Philippe Noguès and Paolo Fucile.

### About O'Melveny & Myers LLP

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*The following press release was distributed by Advanced Micro Devices.*

**AMD Comments on European Commission Ruling that Intel Violated EU Law and Harmed Consumers**

The European Commission today found Intel guilty of abusing its dominant position in the global x86 microprocessor market, saying that "Intel has harmed millions of European consumers by deliberately acting to keep competitors out of the market for computer chips for many years. Such a serious and sustained violation of the EU's antitrust rules cannot be tolerated." The Commission also stated that "there is evidence that Intel had sought to conceal the conditions associated with its payments." The EC decision requires Intel to change its business practices immediately and fines Intel a record EUR 1.06 billion (US \$1.45 billion).

"Today's ruling is an important step toward establishing a truly competitive market," said Dirk Meyer, AMD president and CEO. "AMD has consistently been a technology innovation leader and we are looking forward to the move from a world in which Intel ruled, to one which is ruled by customers."

"After an exhaustive investigation, the EU came to one conclusion – Intel broke the law and consumers were hurt," said Tom McCoy, AMD executive vice president for legal affairs. "With this ruling, the industry will benefit from an end to Intel's monopoly-inflated pricing and European consumers will enjoy greater choice, value and innovation."

The EC decision stated specifically that:

- "Intel gave wholly or partially hidden rebates to computer manufacturers on condition that they bought all, or almost all, their x86 CPUs from Intel."
- "Intel made payments to major retailer Media Saturn Holding from October 2002 to December 2007 on condition that it exclusively sold Intel-based PCs in all countries in which Media Saturn Holding is active."
- Intel "interfered directly in the relations between computer manufacturers and AMD. Intel awarded computer manufacturers payments - unrelated to any particular purchases from Intel - on condition that these computer manufacturers postponed or cancelled the launch of specific AMD-based products."

Intel has so far failed to convince any antitrust enforcement agency that its business practices are lawful and pro-consumer.

In 2008, the Korea Fair Trade Commission (KFTC) issued a 26 billion won fine (approximately \$25.4 million USD) saying that Intel's abuse of its dominant position included coercing and paying customers millions of dollars on the condition that they use only Intel chips, delay launches of AMD products, and/or not develop any new products with AMD chips. The KFTC also found that, "South Korean consumers had to buy PCs at higher prices as domestic PC makers were forced to

buy Intel's pricier CPU." In addition to a fine, the KFTC ordered Intel to stop the practice of offering payments to PC makers conditioned upon them not doing business with AMD. Intel is in the process of appealing the ruling.

In 2005, the Japan Fair Trade Commission (JFTC) ruled that Intel had violated the country's anti-monopoly laws by illegally forcing full or partial exclusivity with five Japanese PC makers. Intel did not appeal the ruling.

In the United States, the U.S. Federal Trade Commission (FTC) and New York Attorney General's office are investigating Intel for abuse of its monopoly position. In 2005, AMD filed private litigation in the US District Court of Delaware, which is scheduled for trial in spring 2010.

#### **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>.