



AMD

# Personal Internet Communicator Launch

October 19, 2004

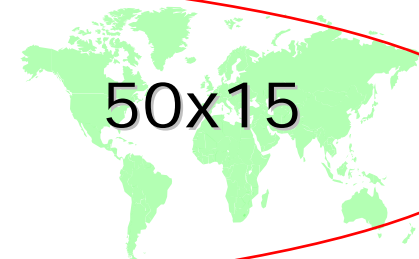
Lead the industry to pervasive  
64-bit computing



Establish MirrorBit™ technology as  
the next industry standard in Flash  
memory



Enable a new global population  
of tech-capable consumers



# Enabling a New Global Population of Tech-Capable Consumers



# 50x15

[www.amd.com/50x15](http://www.amd.com/50x15)

Deliver affordable, accessible Internet connectivity and computing capabilities to 50% of the world population to the Internet by the year 2015

90% of the world's population does not have Internet access due to affordability and infrastructure constraints. This presents a huge opportunity for AMD to address the needs of billions of people around the world

*Empowering a new, global generation of tech-enabled citizens*

# High-growth Markets Opportunity



<b>2004 Market Potential</b>	<b>India</b>	<b>Russia</b>	<b>China</b>	<b>Mexico</b>	<b>Brazil</b>
Total Population [M]	1,049.7	144.5	1,287.0	104.9	184.1
Households [M]	204.9	51.0	344.9	22.5	46.6
Share of Population with yearly income > \$1,000 [M of HH's]	20.5	35.7	138.0	20.3	28.0
Households with PC [M]	4.2	1.6	22.7	2.5	6.0
<b>Market Potential [M of HH's]</b>	<b>16.3</b>	<b>34.1</b>	<b>115.3</b>	<b>17.8</b>	<b>21.9</b>
(HH's with income >\$1K - HH's with PC's)					

Source: CIA Factbook (2003, 2004), World Bank, WMDS 2003

- 85% of the >240M households with sufficient income are not yet enabled with Internet access or computing capabilities
- AMD has developed an optimal solution for these markets

# The AMD Value Platform Initiative



- Personal Internet Communicator (PIC) is a new category of “value platforms” for global high-growth markets
  - Simple inexpensive technology available, which will empower people to improve their lives
  - Enable people with limited disposable income to participate in the technological revolution
- Target key high-growth markets with the PIC
  - China
  - Russia
  - India
  - Mexico
  - Brazil
- Encourage in-country manufacturing to build solutions
  - Create new jobs in the local economy
    - Allows for the utilization of non-traditional manufacturing
  - Provides an opportunity for increased exports
    - Improved GNP and balance of trade for the targeted markets

# Personal Internet Communicator

## A New Product Category



- **PIC is an affordable consumer device designed to provide managed Internet access for people in global, high-growth markets to enhance communications, education and entertainment opportunities**
- The PIC is designed to be a ***high-quality, affordable, easy-to-use, robust*** consumer device suitable for first-time technology users
- The PIC fosters communications, education and entertainment through Internet Service Providers (ISP) and Telcos as it brings the Internet to the masses
- The PIC is a ***consumer*** device:
  - Very low cost
    - Price point and functionality enables a new population of connected users
    - "I thought I would never be able to afford this for my family..."
  - Fixed functionality
  - Closed system – not upgradeable
  - Small form factor
  - Consumer friendly user experience
  - Sold to Telcos & Internet Service Providers (ISP) to expand their broadband Internet service and their value-added productivity software
  - Telcos & ISP provide service and support to consumers ("low touch to no touch")
- System Price
  - Final price to the consumer to be set by the service provider
  - Variety of microfinancing and bundling packages create different price points

# A Complete, User-Friendly Solution



- The PIC is a complete consumer solution:
  - Monitor
  - USB keyboard
  - USB mouse
  - All software preinstalled
  - Service/support
  - Microfinancing
- The PIC offers a suite of productivity tools that enables improved communications and opportunities for furthering education.
  - Microsoft® Windows® Powered OS
  - Applications include Internet browser, e-mail, instant messaging, media player, spreadsheet and word processor
  - Viewers for PowerPoint, Images and PDF
  - Print Drivers for HP, Canon and Epson
  - Macromedia Flash



# Designed for First-Time Technology Users

Product complexity has been removed

- Software interface is intuitive and easy to use
- Software is tailored to each market
- Users cannot delete program launch icons, start menu items, program files or preinstalled content
- File navigation has been made very intuitive and is limited to “My Documents”
- The folder structure for organizing the user’s data is predefined and cannot be changed, although users can add folders of their own





# Versatile, Fanless Design



## Features

- AMD Geode™ GX 500@1.0W processor
- 128MB DDRAM memory subsystem
- 3.5" hard disk drive with capacity of 10GB
- 56K ITU v.92 Fax/Modem
- AC'97 Audio
- Four (4) USB 1.1 ports (2 on front, 2 on rear)
- One VGA port
- Power on/off button
- Windows® Powered operating system



Branded and marketed by in-country service providers

Based on AMD x86 Roadmap: Not a point solution

# PIC Development Partners



- Microsoft – Operating System

The Microsoft logo, featuring the word "Microsoft" in a white, italicized, sans-serif font, centered within a solid blue rectangular background.

- Samsung – Memory



- Macromedia – Media Player



- Seagate – Hard Drive



- Solectron - Manufacturing

# PIC Productivity Tools Features and Benefits

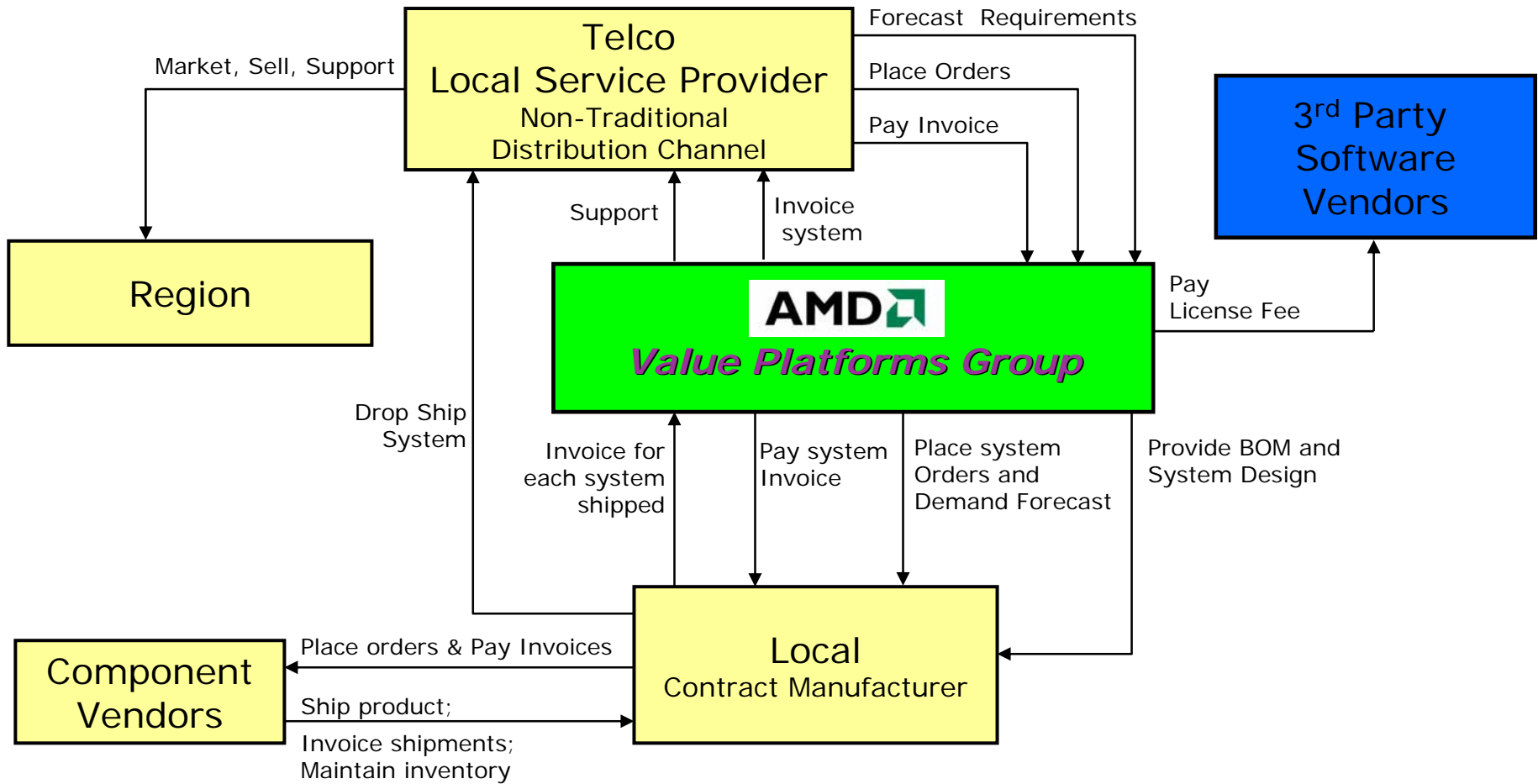


<b>If I have....</b>	<b>I will be able to...</b>
E-mail	Stay in touch with friends and family across the globe
An Internet Browser	Gather information for school, work and entertainment without leaving home
Productivity Tools (spreadsheet and word processor)	Manage personal and business activities as well as complete school assignments and projects
The ability to view standard documents (PPT, image and PDF viewers)	Efficiently view and share maps, instructions and picture from a variety of sources
The ability to view multimedia	Watch news clips, play games and other entertainment options

- The PIC business model helps eliminate the financial barrier to entry by removing the requirement for a large initial capital investment
  - Affordable price point and microfinancing help enable people with limited disposable income
- The PIC is a managed device that helps eliminate worries about obsolescence and the burden associated with maintenance and repairs
  - Service provider handles all of the support
  - The consumer pays for a service and the company providing the service is responsible for ensuring the service meets the consumer's needs
- Image recovery technology is designed to quickly restore system to full health
- The PIC platform's identity is indistinguishable from the service it enables
  - Positioning is focused on a differentiated service at an incremental cost provided by a Telco or ISP
  - PIC is branded and marketed by the service provider

- Utilize local service providers
  - Indigenous telephone companies and ISPs
    - Existing customer base
    - Existing credit channels
    - Existing distribution and service channels
    - Local brand recognition
- Benefits to the service provider
  - Increased revenue stream
    - PIC system sales
    - Service bundling opportunities
    - Up-sells
  - Increased subscriber base
  - Increased ISP advertising revenues
  - Improved brand awareness
  - Increased customer loyalty and retention (“stickiness”)
- Improved socio-economic impact
  - Ultimately utilize regional manufacturers
  - Minimizes shipping costs and creates business opportunities

# Geo-Sensitive Ecosystem





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