

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

Date of Report (date of earliest event reported): January 13, 1997

ADVANCED MICRO DEVICES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

1-7882

94-1692300

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

One AMD Place
P.O. Box 3453
Sunnyvale, California

94088-3453

(address of principal executive offices)

(Zip Code)

Registrant's telephone number,
including area code:

(408) 732-2400

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Item 5. Other Events.

On January 13, 1997, Advanced Micro Devices, Inc. (the Company) announced its fourth quarter revenues. The Company reported a net loss of \$21,243,000 on sales of \$496,868,000. The loss amounted to \$0.15 per common share. The full text of the press release is set forth in Exhibit 99 attached hereto and is incorporated in this report as if fully set forth herein.

Item 7. Financial Statements and Exhibits.

(c) Exhibits:

99 Press release dated January 13, 1997

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ADVANCED MICRO DEVICES, INC.
(Registrant)

Date: January 20, 1997

/s/ Geoff Ribar
By: _____
Geoff Ribar
Vice President
Corporate Controller

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Exhibit Index

Exhibit Number Exhibit

99 Press release dated January 13, 1997

[AMD LETTERHEAD]

CONTACT:
TOM STITES
COMMUNICATIONS
(408) 749-2918

AMD REPORTS FOURTH QUARTER RESULTS

SUNNYVALE, CA--JANUARY 13, 1997--AMD today reported a net loss of \$21,243,000 on sales of \$496,868,000 for its fourth quarter, ended December 29, 1996. The loss amounted to \$0.15 per share.

Sales for the like period of 1995 were \$595,178,000, which resulted in net income of \$9,344,000, or \$0.07 per share. In the immediate-prior quarter, AMD reported sales of \$456,862,000, which resulted in a loss of \$38,362,000, or \$0.28 per share.

Revenues for 1996 amounted to \$1,953,019,000, which resulted in a net loss of \$68,950,000, or \$0.51 per common share. In 1995 AMD reported revenues of \$2,468,379,000, and net income of \$216,326,000, or \$1.57 per common share on a fully diluted basis.

"An increase in sales over the immediate-prior quarter, coupled with effective expense controls and excellent operational performance, enabled AMD to substantially reduce its operating loss in the fourth quarter," said W.J. Sanders III, chairman and chief executive officer of AMD. "Bookings improved significantly during the fourth quarter of 1996, and our book-to-bill ratio exceeded 1:1 for the first time since the second quarter of 1995. Customers have worked through excess inventories and order patterns currently reflect normal consumption rates.

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"Our Computation Products Group (CPG) - primarily Microsoft(R) Windows(R)-compatible microprocessors - accounted for the majority of our revenue growth over the third quarter. Shipments of AMD-K5(TM) fifth-generation microprocessors again more than doubled over the immediate-prior quarter to 1.1 million units. A richer product mix, aided by strong demand for higher-performance AMD-K5-PR133 devices, contributed to higher average selling prices. With today's announcement of the AMD-K5-PR166 microprocessor, AMD's position in the mainstream of the desktop personal computer market continues to improve.

"We are now widely sampling our AMD-K6(TM) sixth-generation MMX processor to a broad customer base. We continue to expect to commence production in the current quarter and achieve initial revenues from K6 microprocessors in the second quarter," Sanders concluded.

The forward-looking statements in the above release concerning the Company's microprocessor products, and any implication from any other statement in the release about the future performance of the Company, involve a number of risks and uncertainties. Among the factors that could cause actual results to differ materially from presently anticipated results are the following: success in completing the design and verification of the AMD-K6 processor; success in ramping production of new fifth- and sixth-generation microprocessors; shifts in market demand and fluctuating customer inventory levels; and such other risks and uncertainties as are detailed in "Management's Discussion and Analysis of Results of Operations and Financial Condition" contained in the Company's most recently filed annual report on Form 10-K, and the Company's most recently filed quarterly report on Form 10-Q.

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ABOUT AMD

AMD is a global supplier of integrated circuits for the personal and networked computer and communications markets. AMD produces processors, flash memories, programmable logic devices, and products for communications and networking applications. Founded in 1969 and based in Sunnyvale, CA, AMD had revenues of \$2.0 billion in 1996. (NYSE: AMD).

WORLD WIDE WEB: Press announcements and other information about AMD are

available on the Internet via the World Wide Web. Type <http://www.amd.com> at the URL prompt.

AMD-K6 AND AMD-K5 ARE TRADEMARKS OF ADVANCED MICRO DEVICES, INC.

AMD, THE AMD LOGO AND COMBINATIONS THEREOF ARE TRADEMARKS OF ADVANCED MICRO DEVICES, INC.

MICROSOFT AND WINDOWS ARE REGISTERED TRADEMARKS OF MICROSOFT CORPORATION.

#AMD9709

Advanced Micro Devices, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Thousands except per share amounts)

<TABLE>
<CAPTION>

	Quarter Ended (Unaudited)			Year Ended (Audited)	
	Dec. 29, 1996	Sep. 29, 1996	Dec. 31, 1995 (Restated)*	Dec. 29, 1996	Dec. 31, 1995 (Restated)*
<S>	<C>	<C>	<C>	<C>	<C>
Net sales	\$496,868	\$ 456,862	\$595,178	\$1,953,019	\$2,468,379
Cost of sales	354,622	337,692	427,058	1,440,828	1,417,007
Research and development	107,499	105,656	107,715	400,703	416,521
Marketing, general and administrative	88,292	90,432	100,766	364,798	412,651
	550,413	533,780	635,539	2,206,329	2,246,179
Operating income (loss)	(53,545)	(76,918)	(40,361)	(253,310)	222,200
Interest income and other, net	4,079	4,214	8,024	59,391	32,465
Interest expense	(7,601)	(3,443)	(1,665)	(14,837)	(3,059)
Income (loss) before income taxes and equity in joint venture	(57,067)	(76,147)	(34,002)	(208,756)	251,606
Provision (benefit) for income taxes	(22,826)	(30,459)	(21,846)	(85,008)	70,206
Income (loss) before equity in joint venture	(34,241)	(45,688)	(12,156)	(123,748)	181,400
Equity in net income of joint venture	12,998	7,326	21,500	54,798	34,926
Net income (loss)	\$ (21,243)	\$ (38,362)	\$ 9,344	\$ (68,950)	\$ 216,316
Preferred stock dividends	-	-	-	-	10
Net income (loss) applicable to common stockholders	\$ (21,243)	\$ (38,362)	\$ 9,344	\$ (68,950)	\$ 216,316
Net income (loss) per common share	\$ (0.15)	\$ (0.28)	\$ 0.07	\$ (0.51)	\$ 1.59
Shares used in per share calculation	137,693	136,082	138,941	135,687	136,208

</TABLE>

* Restated from previously released financial information as a result of the January 1996 merger with NexGen, Inc.

Advanced Micro Devices, Inc. INFORMATION ONLY

NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS*
(Includes Pre-Tax FASL Investment Equity Income in Operating Income (Loss))

(Thousands except per share amounts)

<TABLE>
<CAPTION>

	Quarter Ended (Unaudited)			Year Ended (Audited)	
	Dec. 29,	Sep. 29,	Dec. 31,	Dec. 29,	Dec. 31,

	1996	1996	1995 **	1996	1995 **
<S>	<C>	<C>	<C>	<C>	<C>
Net sales	\$496,868	\$ 456,862	\$ 595,178	\$1,953,019	\$2,468,379
Cost of sales	354,622	337,692	427,058	1,440,828	1,417,007
Net income from equity investment in FASL	(19,996)	(11,272)	(33,077)	(84,305)	(53,732)
Research and development	107,499	105,656	107,715	400,703	416,521
Marketing, general and administrative	88,292	90,432	100,766	364,798	412,651
	530,417	522,508	602,462	2,122,024	2,192,447
Operating income (loss)	(33,549)	(65,646)	(7,284)	(169,005)	275,932
Interest income and other, net	4,079	4,214	8,024	59,391	32,465
Interest expense	(7,601)	(3,443)	(1,665)	(14,837)	(3,059)
Income (loss) before income taxes	(37,071)	(64,875)	(925)	(124,451)	305,338
Provision (benefit) for income taxes	(22,826)	(30,459)	(21,846)	(85,008)	70,206
Provision for taxes on equity income in FASL	6,998	3,946	11,577	29,507	18,806
Net income (loss)	(21,243)	(38,362)	9,344	(68,950)	216,326
Preferred stock dividends	-	-	-	-	10
Net income (loss) applicable to common stockholders	\$ (21,243)	\$ (38,362)	\$ 9,344	\$ (68,950)	\$216,316
Net income (loss) per common share	\$ (0.15)	\$ (0.28)	\$ 0.07	\$ (0.51)	\$ 1.59
Shares used in per share calculation	137,693	136,082	138,941	135,687	136,208

</TABLE>

* The above statements of operations are not in accordance with generally accepted accounting principles (GAAP) in that the pre-tax equity income of FASL has been reclassified and included in the determination of operating income (loss). Net income (loss) and related net income (loss) per common share amounts are the same as those reported under GAAP.

** Financial results for 1995 have been restated to include the historical financial information of NexGen, Inc.

Advanced Micro Devices, Inc.
CONSOLIDATED BALANCE SHEETS
(Thousands)

<TABLE>
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	December 29, 1996 (Audited)	December 31, 1995 (Audited) (Restated)*
<S>	<C>	<C>
Assets		
Current assets:		
Cash, cash equivalents, and short-term investments	\$ 386,198	\$ 509,665
Accounts receivable, net	220,028	284,238
Inventories	154,010	155,986
Deferred income taxes	140,850	147,489
Prepaid expenses and other current assets	127,991	40,564
Total current assets	1,029,077	1,137,942
Property, plant, and equipment, net	1,787,402	1,641,634
Investment in joint venture	197,205	176,821
Other assets	131,599	122,070
	\$3,145,283	\$3,078,467

Liabilities and Stockholders' Equity

Current liabilities:		
Notes payable to banks	\$ 14,692	\$ 26,770
Accounts payable	224,139	241,916
Accrued compensation and benefits	66,745	106,347
Accrued liabilities	103,436	103,404

Income tax payable	51,324	56,297
Deferred income on shipments to distributors	95,466	100,057
Current portion of long-term debt and capital lease obligations	27,671	41,642

Total current liabilities	583,473	676,433
Deferred income taxes	95,102	84,607
Long-term debt and capital lease obligations, less current portion	444,830	214,965
Stockholders' equity:		
Capital stock:		
Common stock, par value	1,428	1,050
Capital in excess of par value	957,178	908,989
Retained earnings	1,063,272	1,192,423

Total stockholders' equity	2,021,878	2,102,462

	\$3,145,283	\$3,078,467
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</TABLE>

* Restated from previously released financial information as a result of the January 1996 merger with NexGen, Inc.

AMD
SELECTED CORPORATE DATA
(UNAUDITED)

<TABLE>

<CAPTION>

PRODUCT LINE BREAKDOWN*	Q4 '96		Q3 '96		Q4 '95	
	% OF SALES	REVENUE	% OF SALES	REVENUE	% OF SALES	REVENUE
	<C>	<C>	<C>	<C>	<C>	<C>
Communications and Components Group	66	\$ 328M	69	\$ 317M	69	\$ 413M
Programmable Logic Division (TBN)	12	59M	13	58M	12	69M
Computation Products Group	22	110M	18	82M	19	113M
<CAPTION>						
OTHER DATA	Q4 '96		Q3 '96		Q4 '95	
	<C>	<C>	<C>	<C>	<C>	<C>
Depreciation		\$ 84M		\$ 85M		\$ 84M
Capital Spending		144M		143M		139M
Headcount		12,181		12,388		12,730
International Sales		55%		53%		53%

</TABLE>

* Restated to include NEXGEN