

**UNITED STATES
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

April 29, 2016

Date of Report (Date of earliest event reported)

ADVANCED MICRO DEVICES, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-07882

(Commission File Number)

94-1692300

(IRS Employer Identification No.)

One AMD Place

P.O. Box 3453

Sunnyvale, California 94088-3453

(Address of Principal Executive Offices) (Zip Code)

(408) 749-4000

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 2.01. Completion of Acquisition or Disposition of Assets.

On April 29, 2016, Advanced Micro Devices, Inc. (the “Company”) and certain of its subsidiaries completed the sale of a majority of the equity interests in AMD Technologies (China) Co., Ltd., a wholly-foreign owned enterprise incorporated as a limited liability company, and Advanced Micro Devices Export Sdn. Bhd., a Malaysian limited liability company, to affiliates of Nantong Fujitsu Microelectronics Co., Ltd., a Chinese joint stock company (“NFME”), to form two joint ventures (collectively, the “JVs”), pursuant to the terms of an Equity Interest Purchase Agreement, dated as of October 15, 2015 (the “Equity Interest Purchase Agreement”), between the Company and NFME.

As a result of the sale, NFME’s affiliates own 85% of the equity interests in each JV while certain of the Company’s subsidiaries own the remaining 15%. The transaction is valued at approximately \$436 million and the Company sold to NFME’s affiliates 85% of the equity interests in each JV for approximately \$371 million, excluding purchase price adjustments, with net cash proceeds to the Company of approximately \$320 million after payment of taxes and other customary expenses. The purchase price is subject to certain post-closing adjustments, as set forth in the Equity Interest Purchase Agreement.

The foregoing description of the Equity Interest Purchase Agreement is not complete and is qualified in its entirety by reference to the full text of the Equity Interest Purchase Agreement, a copy of which was filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K, filed by the Company on October 15, 2015.

Item 7.01. Regulation FD Disclosure.

On April 29, 2016, the Company issued a press release announcing the completion of the sale. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K. Also attached as Exhibit 99.2 is a document regarding AMD’s accounting treatment of the JVs subsequent to the completion of the sale to NFME.

The information in this Item 7.01 disclosure, including Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section. In addition, the information in this Item 7.01 disclosure, including Exhibit 99.1 and Exhibit 99.2, shall not be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Advanced Micro Devices, Inc., dated April 29, 2016
99.2	AMD's Accounting Treatment of the Sale of a Majority of the Equity Interests in AMD Technologies (China) Co., Ltd. and Advanced Micro Devices Export Sdn. Bhd, dated April 29, 2016

SIGNATURE

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.

Date: April 29, 2016

By: /s/ Devinder Kumar
Name: Devinder Kumar
Title: Senior Vice President, Chief Financial Officer and Treasurer

NEWS RELEASE

Contact:
Miriam Cox
AMD Communications
(512) 602-6541
miriam.cox@amd.com

Ruth Cotter
AMD Investor Relations
408-749-0375
ruth.cotter@amd.com

AMD and Nantong Fujitsu Microelectronics Co., Ltd. Close On Semiconductor Assembly and Test Joint Venture

— *NFME and AMD Close \$436M Transaction and Launch New JV to Expand the Customer Base for AMD's World-Class Suzhou and Penang Assembly and Test Facilities* —

— *NFME pays \$371M for 85% JV ownership* —

SUNNYVALE, Calif. — April 29, 2016 — [AMD](#) (NASDAQ: AMD) and [Nantong Fujitsu Microelectronics Co., Ltd.](#) (NFME) (SZSE: TFWD) today announced that they have closed the transaction to create a joint venture offering differentiated assembly, test, mark, and pack (ATMP) capabilities to both AMD and a broader range of customers.

“Combining AMD’s world-class teams and facilities in Penang and Suzhou with NFME’s expertise in the growing assembly and test market will create a new outsource assembly and test leader with the scale and capabilities to help us deliver our upcoming high-performance technologies and products that can re-shape the industry,” said [AMD President and CEO Dr. Lisa Su](#). “The creation of this joint venture marks another step in building a more focused AMD as we complete our transition to a fabless business model, enhance our supply chain operations, and further strengthen our financial position.”

“AMD is a world class semiconductor provider with advanced flip chip packaging and test technologies. These capabilities are complementary with NFME’s advanced packaging and test technologies, such as its flip chip and bump technology for the computing, communication and consumer market. The establishment of this joint venture will elevate the competitiveness of NFME’s flip chip packaging and test technologies to a world-class level. With this joint venture, NFME’s advanced packaging and test capabilities will account for 70 percent of its total



revenue, leading the entire industry and ranking among the top packaging and test companies in the world,” said Chairman of Nantong Fujitsu Mr. Shi Mingda.

Key highlights of the deal include:

- NFME’s affiliates have purchased an 85 percent share of AMD’s Penang, Malaysia and Suzhou, China ATMP operations and act as controlling partner for the new joint venture business.
- AMD received from NFME approximately \$371 million, excluding purchase price adjustments, with net cash proceeds of approximately \$320 million after payment of taxes and other customary expenses. AMD retains a 15 percent ownership of the Penang and Suzhou operations.
- The transaction is expected to be cost neutral to AMD’s P&L while significantly reducing AMD’s capital expenditures. AMD will account for its 15 percent ownership stake in the joint venture and its results of operations under the equity method of accounting.
- Approximately 1,700 AMD employees transitioned to the joint venture.

J.P. Morgan Securities LLC served as exclusive financial advisor to AMD, and provided a fairness opinion to the board of directors of AMD.

Supporting Resources

- Find more information on the joint venture [here](#)
- Learn more about [AMD’s Long-term Strategy](#)
- Visit the [AMD Investor Relations site](#)

About AMD

For more than 45 years AMD has driven innovation in high-performance computing, graphics, and visualization technologies — the building blocks for gaming, immersive platforms, and the datacenter. Hundreds of millions of consumers, leading Fortune 500 businesses, and cutting-edge scientific research facilities around the world rely on AMD technology daily to improve how they live, work, and play. AMD employees around the world are focused on building great products that push the boundaries of what is possible. For more information about

how AMD is enabling today and inspiring tomorrow, visit the AMD (NASDAQ: AMD) [website](#), [blog](#), [Facebook](#) and [Twitter](#) pages.

About Nantong Fujitsu Microelectronics

Established in 1997 and headquartered in Nantong City of China's Jiangsu province, Nantong Fujitsu Microelectronics Co., Ltd. (NFME) stands at the forefront of industry science and technology development as one of the 3 largest IC assembly and testing companies in China. NFME services most of the top tier semiconductor manufacturers in the world. Current company offerings include advanced assembly technologies, such as WLCSP, FC, BGA, BUMPING, MEMS, traditional assembly technologies, such as QFN, QFP, TSSOP and automotive electronics assembly technologies. Besides, NFME has the capability of testing, including Wafer Probe, Final Test, and System Level Test. NFME is the first company, which realizes the turn-key of mass production of 12 inch 28 nm high-end mobile phone processor chip in China. The company is listed on the Shenzhen Stock Exchange under the Ticker name "TFWD" or "002156.SZ". Learn more at: <http://www.fujitsu-nt.com/>.

Cautionary Statement

This press release contains forward-looking statements concerning Advanced Micro Devices, Inc. ("AMD" or the "Company"), including AMD's expected benefits and synergies from the transaction and the joint ventures between AMD and NFME, including the JVs becoming an assembly and test leader, that the JVs have the scale and capabilities to help AMD deliver its upcoming high-performance technologies and products that can re-shape the industry; AMD's ability to successfully transition to a fabless business model, enhance AMD's supply chain operations, and further strengthen AMD's financial position; that the transaction is expected to be cost neutral to AMD's P&L while significantly reducing AMD's capital expenditures; and that AMD will account for the JVs under the equity method of accounting, which are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are commonly identified by words such as "would," "may," "expects," "believes," "plans," "intends," "projects" and other terms with similar meaning. Investors are cautioned that the forward-looking statements in this document are based on current beliefs, assumptions and expectations, speak only as of the date of this document and involve risks and uncertainties that could cause actual results to differ materially from current expectations. Such statements are subject to certain known and unknown risks and uncertainties, many of which are difficult to predict and generally beyond AMD's control, that could cause actual results and other future events to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Material factors that could cause actual results to differ materially from current expectations include, without limitation, the following: Intel Corporation's dominance of the microprocessor market and its aggressive business practices may limit AMD's ability to compete effectively; AMD relies on GLOBALFOUNDRIES Inc. (GF) to manufacture all of its microprocessor and APU products and a certain portion of its GPU products, with limited exceptions. If GF is not able to satisfy AMD's manufacturing requirements, its business could be adversely impacted; AMD relies on third parties to manufacture its products, and if they are unable to do so on a timely basis in sufficient quantities and using competitive technologies, AMD's business could be materially adversely affected; failure to achieve expected manufacturing yields for AMD's products could negatively impact its financial results; the success of AMD's business is dependent up



on its ability to introduce products on a timely basis with features and performance levels that provide value to its customers while supporting and coinciding with significant industry transitions; if AMD cannot generate sufficient revenue and operating cash flow or obtain external financing, it may face a cash shortfall and be unable to make all of its planned investments in research and development or other strategic investments; the loss of a significant customer may have a material adverse effect on AMD; global economic uncertainty may adversely impact AMD's business and operating results; AMD may not be able to generate sufficient cash to service its debt obligations or meet its working capital requirements; AMD has a substantial amount of indebtedness which could adversely affect its financial position and prevent it from implementing its strategy or fulfilling its contractual obligations; the agreements governing AMD's notes and the secured revolving line of credit for a principal amount up to \$500 million (Secured Revolving Line of Credit) impose restrictions on AMD that may adversely affect its ability to operate its business; the completion and impact of its 2015 restructuring plan, its transformation initiatives and any future restructuring actions could adversely affect it; the markets in which AMD's products are sold are highly competitive; uncertainties involving the ordering and shipment of AMD's products could materially adversely affect it; AMD's receipt of revenue from its semi-custom SoC products is dependent upon its technology being designed into third-party products and the success of those products; the demand for AMD's products depends in part on the market conditions in the industries into which they are sold. Fluctuations in demand for AMD's products or a market decline in any of these industries could have a material adverse effect on its results of operations; AMD's ability to design and introduce new products in a timely manner is dependent upon third-party intellectual property; AMD depends on third-party companies for the design, manufacture and supply of motherboards, software and other computer platform components to support its business; if AMD loses Microsoft Corporation's support for its products or other software vendors do not design and develop software to run on AMD's products, its ability to sell its products could be materially adversely affected; AMD's reliance on third-party distributors and AIB partners subjects it to certain risks; AMD's inability to continue to attract and retain qualified personnel may hinder its product development programs; in the event of a change of control, AMD may not be able to repurchase its outstanding debt as required by the applicable indentures and its Secured Revolving Line of Credit, which would result in a default under the indentures and its Secured Revolving Line of Credit; the semiconductor industry is highly cyclical and has experienced severe downturns that have materially adversely affected, and may continue to materially adversely affect its business in the future; acquisitions, divestitures and/or joint ventures could disrupt its business, harm its financial condition and operating results or dilute, or adversely affect the price of, its common stock; AMD's business is dependent upon the proper functioning of its internal business processes and information systems and modification or interruption of such systems may disrupt its business, processes and internal controls; data breaches and cyber-attacks could compromise AMD's intellectual property or other sensitive information, be costly to remediate and cause significant damage to its business and reputation; AMD's operating results are subject to quarterly and seasonal sales patterns; if essential equipment, materials or manufacturing processes are not available to manufacture its products, AMD could be materially adversely affected; if AMD's products are not compatible with some or all industry-standard software and hardware, it could be materially adversely affected; costs related to defective products could have a material adverse effect on AMD; if AMD fails to maintain the efficiency of its supply chain as it responds to changes in customer demand for its products, its business could be materially adversely affected; AMD outsources to third parties certain supply-chain logistics functions, including portions of its product distribution, transportation management and information technology support services; AMD may incur future impairments of goodwill; AMD's worldwide operations are subject to political, legal and economic risks and natural disasters, which could have a material adverse effect on it; worldwide political conditions may adversely affect demand for AMD's products; unfavorable currency exchange rate fluctuations could adversely affect AMD; AMD's inability to effectively control the sales of its products on the gray market could have a material adverse effect on it; if AMD cannot adequately protect its technology or other intellectual property in the United States and abroad, through patents, copyrights, trade secrets, trademarks and other measures, it may lose a competitive advantage and incur significant expenses; AMD is a party to litigation and may become a party to other claims or litigation that could cause it to incur substantial costs or pay substantial damages or prohibit it from selling its products; AMD's business is subject to potential tax liabilities; and a variety of environmental laws that AMD is subject to

Id result in additional costs and liabilities. Investors are urged to review in detail the risks and uncertainties in AMD's Securities and Exchange Commission filings, including but not limited to AMD's Quarterly Report on Form 10-Q for the year ended March 26, 2016.

AMD, the AMD Arrow logo, and combinations thereof, are trademarks of Advanced Micro Devices, Inc. Other names are for informational purposes only and may be trademarks of their respective owners.

**AMD'S ACCOUNTING TREATMENT OF THE SALE OF A MAJORITY OF THE EQUITY INTERESTS
IN AMD TECHNOLOGIES (CHINA) CO. LTD. AND ADVANCED MICRO DEVICES EXPORT SDN.
BHD.**

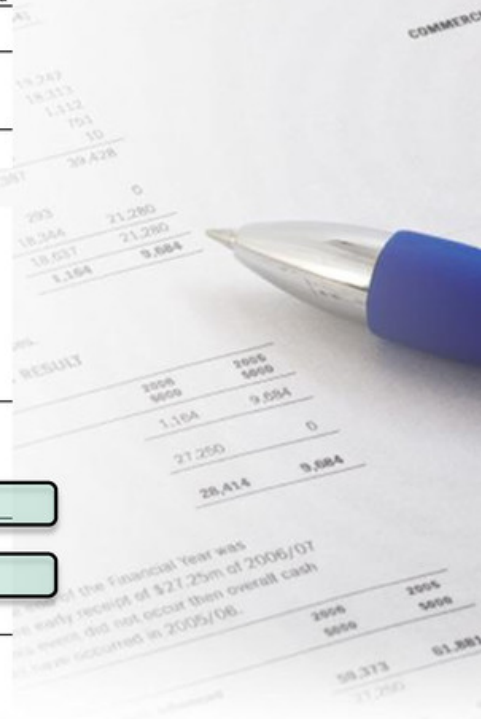


- ▲ The ATMP JV will be accounted for under the equity method of accounting after close.
- ▲ AMD's investment in the ATMP JV will be initially recorded at fair value on the balance sheet and going forward will be adjusted upwards or downwards based on our equity income or loss under the equity method of accounting.
- ▲ Income Statement: A one-time gain will be recorded on AMD's income statement related to the JV in Q2 2016.
 - The gain recorded will represent excess of cash received over the net book value of the net assets disposed of, the excess of the fair value of retained interest in the JV over the net book value of the retained interest and net of transaction expenses.
 - Such gain will be recorded below Operating Income (Loss), in the Other Income (Expense), net, line of our income statement.
- ▲ Income Statement: Equity income (loss) of investee
 - AMD's share of 15% in the ATMP JV's net income or loss will be recognized as part of the "Equity income (loss) of investee" line item in AMD's income statement.
- ▲ Balance Sheet
 - Upon close, all accounts related to the ATMP JV on AMD's consolidated balance sheet will be collapsed into one line called "Investment in ATMP Joint Venture," a non-current asset.
 - Assets and Liabilities held for sale will be reduced to zero.

AMD STATEMENT OF OPERATIONS

ADVANCED MICRO DEVICES, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (Millions except per share amounts and percentages)

	Three Months Ended
	June 25, 2016
Net revenue	
Cost of sales	
Gross margin	
Gross margin %	
Research and development	
Marketing, general and administrative	
Amortization of acquired intangible assets	
Restructuring and other special charges, net	
Licensing gain	
Operating income (loss)	
Interest expense	
Other income (expense), net	
Income (loss) before equity income (loss) and income taxes	
Equity income (loss) of investee	
Provision for income taxes	
Net income (loss)	
Net earnings (loss) per share	



AMD BALANCE SHEET

ADVANCED MICRO DEVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Millions)

June 25,
2016

Assets

Current assets:

Cash and cash equivalents
Accounts receivable, net
Inventories, net
Prepayment and other - GLOBALFOUNDRIES
Prepaid expenses
Other current assets

Total current assets

Property, plant and equipment, net

Investment in ATMP Joint Venture

Goodwill

Other assets

Total Assets

Liabilities and Stockholders' Equity (Deficit)

Current liabilities:

Short-term debt
Accounts payable
Payable to GLOBALFOUNDRIES
Accrued liabilities
Other current liabilities
Deferred income on shipments to distributors

Total current liabilities

Long-term debt

Other long-term liabilities

Stockholders' equity (deficit):

Capital stock:
Common stock, par value
Additional paid-in capital
Treasury stock, at cost
Accumulated deficit
Accumulated other comprehensive loss

Total Stockholders' equity (deficit)

Total Liabilities and Stockholders' Equity (Deficit)



