

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): July 8, 1997

ADVANCED MICRO DEVICES, INC.  
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(Exact name of registrant as specified in its charter)

|  |  |  |
|--|--|--|
| DELAWARE<br>-----<br>(State or other jurisdiction<br>of incorporation) | 1-7882<br>-----<br>(Commission<br>File Number) | 94-1692300<br>-----<br>(I.R.S. Employer<br>Identification No.) |
|--|--|--|

|   |                                   |
|---|-----------------------------------|
| One AMD Place,<br>P.O. Box 3453<br>Sunnyvale, California<br>-----<br>(address of principal executive offices) | 94088-3453<br>-----<br>(Zip Code) |
|---|-----------------------------------|

Registrant's telephone number,  
including area code: (408) 732-2400  
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Item 5. Other Events.  
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On July 8, 1997, Advanced Micro Devices, Inc. (the Company) announced its second quarter revenues. The Company reported sales of \$594,561,000 for its second quarter, ended June 29, 1997. Net income amounted to \$9,968,000, or \$0.07 per common share, fully diluted. 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.  
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(c) Exhibits:

99 Press release dated July 8, 1997

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SIGNATURES  
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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: July 16, 1997 By: /s/ Geoff Ribar  
-----  
Geoff Ribar  
Vice President  
Corporate Controller

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Exhibit Index  
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Exhibit Number Exhibit  
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ADVANCED MICRO DEVICES, INC.  
 CONSOLIDATED STATEMENTS OF OPERATIONS  
 (THOUSANDS EXCEPT PER SHARE AMOUNTS)  
 <TABLE>  
 <CAPTION>

|  | Quarters Ended<br>(Unaudited) |                   |                  | Six Months Ended<br>(Unaudited) |                  |
|--|-------------------------------|-------------------|------------------|---------------------------------|------------------|
|  | June 29,<br>1997              | March 30,<br>1997 | June 30,<br>1996 | June 29,<br>1997                | June 30,<br>1996 |
| <S>  | <C>                           | <C>               | <C>              | <C>                             | <C>              |
| NET SALES  | \$594,561                     | \$551,999         | \$455,077        | \$1,146,560                     | \$ 999,289       |
| Cost of sales  | 372,266                       | 349,076           | 379,779          | 721,342                         | 748,514          |
| Research and development   | 110,021                       | 104,908           | 92,768           | 214,929                         | 187,548          |
| Marketing, general and<br>administrative                         | 102,983                       | 94,519            | 83,063           | 197,502                         | 186,074          |
|  | 585,270                       | 548,503           | 555,610          | 1,133,773                       | 1,122,136        |
| Operating income (loss)  | 9,291                         | 3,496             | (100,533)        | 12,787                          | (122,847)        |
| Interest income and other, net                                   | 9,718                         | 13,322            | 23,039           | 23,040                          | 51,098           |
| Interest expense   | (9,958)                       | (9,410)           | (1,812)          | (19,368)                        | (3,793)          |
| Income (loss) before income taxes<br>and equity in joint venture | 9,051                         | 7,408             | (79,306)         | 16,459                          | (75,542)         |
| Provision (benefit) for income<br>taxes                          | 2,630                         | 2,148             | (31,723)         | 4,778                           | (31,723)         |
| Income (loss) before equity<br>in joint venture                  | 6,421                         | 5,260             | (47,583)         | 11,681                          | (43,819)         |
| Equity in net income of<br>joint venture                         | 3,547                         | 7,691             | 12,911           | 11,238                          | 34,474           |
| NET INCOME (LOSS) APPLICABLE<br>TO COMMON STOCKHOLDERS           | \$ 9,968                      | \$ 12,951         | \$ (34,672)      | \$ 22,919                       | \$ (9,345)       |
| NET INCOME (LOSS) PER COMMON<br>SHARE                            |                               |                   |                  |                                 |                  |
| - - Primary  | \$ 0.07                       | \$ 0.09           | \$ (0.26)        | \$ 0.16                         | \$ (0.07)        |
| - - Fully diluted  | \$ 0.07                       | \$ 0.09           | \$ (0.26)        | \$ 0.16                         | \$ (0.07)        |
| Shares used in per share<br>calculation                          |                               |                   |                  |                                 |                  |
| - - Primary  | 147,919                       | 146,751           | 135,266          | 147,335                         | 134,487          |
| - - Fully diluted  | 147,919                       | 147,322           | 135,266          | 147,621                         | 134,487          |

&lt;/TABLE&gt;

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)

&lt;TABLE&gt;

&lt;CAPTION&gt;

|  | Quarters Ended<br>(Unaudited) |                   |                  | Six Months Ended<br>(Unaudited) |                  |
|--|-------------------------------|-------------------|------------------|---------------------------------|------------------|
|  | June 29,<br>1997              | March 30,<br>1997 | June 30,<br>1996 | June 29,<br>1997                | June 30,<br>1996 |
| <S>                                      | <C>                           | <C>               | <C>              | <C>                             | <C>              |
| NET SALES                                | \$594,561                     | \$551,999         | \$455,077        | \$1,146,560                     | \$ 999,289       |
| Cost of sales                            | 372,266                       | 349,076           | 379,779          | 721,342                         | 748,514          |
| Income from equity<br>investment in FASL | (7,256)                       | (12,482)          | (19,863)         | (19,738)                        | (53,037)         |
| Research and development                 | 110,021                       | 104,908           | 92,768           | 214,929                         | 187,548          |
| Marketing, general and<br>administrative | 102,983                       | 94,519            | 83,063           | 197,502                         | 186,074          |
|  | 578,014                       | 536,021           | 535,747          | 1,114,035                       | 1,069,099        |

|   |          |           |             |           |            |
|---|----------|-----------|-------------|-----------|------------|
| Operating income (loss)                             | 16,547   | 15,978    | (80,670)    | 32,525    | (69,810)   |
| Interest income and other, net                      | 9,718    | 13,322    | 23,039      | 23,040    | 51,098     |
| Interest expense                                    | (9,958)  | (9,410)   | (1,812)     | (19,368)  | (3,793)    |
| Income (loss) before income taxes                   | 16,307   | 19,890    | (59,443)    | 36,197    | (22,505)   |
| Provision (benefit) for income taxes                | 2,630    | 2,148     | (31,723)    | 4,778     | (31,723)   |
| Provision for taxes on equity income in FASL        | 3,709    | 4,791     | 6,952       | 8,500     | 18,563     |
| NET INCOME (LOSS) APPLICABLE TO COMMON STOCKHOLDERS | \$ 9,968 | \$ 12,951 | \$ (34,672) | \$ 22,919 | \$ (9,345) |
| NET INCOME (LOSS) PER COMMON SHARE                  |          |           |             |           |            |
| - Primary   | \$ 0.07  | \$ 0.09   | \$ (0.26)   | \$ 0.16   | \$ (0.07)  |
| - Fully diluted                                     | \$ 0.07  | \$ 0.09   | \$ (0.26)   | \$ 0.16   | \$ (0.07)  |
| Shares used in per share calculation                |          |           |             |           |            |
| - Primary   | 147,919  | 146,751   | 135,266     | 147,335   | 134,487    |
| - Fully diluted                                     | 147,919  | 147,322   | 135,266     | 147,621   | 134,487    |

</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.

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ADVANCED MICRO DEVICES, INC.  
CONSOLIDATED BALANCE SHEETS  
(THOUSANDS)

<TABLE>

<CAPTION>

|  | June 29,<br>1997<br>(Unaudited) | December 29,<br>1996<br>(Audited) |
|--|---------------------------------|-----------------------------------|
| <b>ASSETS</b>  |                                 |                                   |
| Current assets:  |                                 |                                   |
| Cash, cash equivalents and short-term investments                  | \$ 543,015                      | \$ 386,198                        |
| Accounts receivable, net   | 314,101                         | 220,028                           |
| Inventories  | 162,614                         | 154,010                           |
| Deferred income taxes  | 139,014                         | 140,850                           |
| Prepaid expenses and other current assets                          | 50,358                          | 127,991                           |
| Total current assets   | 1,209,102                       | 1,029,077                         |
| Property, plant and equipment, net                                 | 1,908,676                       | 1,787,402                         |
| Investment in joint venture  | 207,410                         | 197,205                           |
| Other assets   | 146,543                         | 131,599                           |
|  | \$3,471,731                     | \$3,145,283                       |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                        |                                 |                                   |
| Current liabilities:   |                                 |                                   |
| Notes payable to banks   | \$ 12,000                       | \$ 14,692                         |
| Accounts payable   | 239,270                         | 224,139                           |
| Accrued compensation and benefits                                  | 76,877                          | 66,745                            |
| Accrued liabilities  | 114,216                         | 103,436                           |
| Income tax payable   | 34,341                          | 51,324                            |
| Deferred income on shipments to distributors                       | 90,897                          | 95,466                            |
| Current portion of long-term debt and capital lease obligations    | 31,847                          | 27,671                            |
| Total current liabilities  | 599,448                         | 583,473                           |
| Deferred income taxes  | 102,452                         | 95,102                            |
| Long-term debt and capital lease obligations, less current portion | 679,284                         | 444,830                           |
| Stockholders' equity:  |                                 |                                   |
| Capital stock:   |                                 |                                   |
| Common stock, par value  | 1,410                           | 1,380                             |
| Capital in excess of par value                                     | 1,009,344                       | 957,226                           |
| Retained earnings  | 1,079,793                       | 1,063,272                         |

|                            |             |             |
|----------------------------|-------------|-------------|
| Total stockholders' equity | 2,090,547   | 2,021,878   |
|                            | \$3,471,731 | \$3,145,283 |

</TABLE>

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AMD  
 SELECTED CORPORATE DATA  
 (UNAUDITED)

<TABLE>  
 <CAPTION>

| PRODUCT LINE BREAKDOWN                        | Q2 '97     |         | Q1 '97     |         | Q2 '96     |         |
|---|------------|---------|------------|---------|------------|---------|
|   | % OF SALES | REVENUE | % OF SALES | REVENUE | % OF SALES | REVENUE |
| <S>   | <C>        | <C>     | <C>        | <C>     | <C>        | <C>     |
| Communications Group<br>(CPD, LPD, NPD)       | 31         | \$ 183M | 31         | \$ 171M | 35         | \$ 159M |
| Vantis (PLD)                                  | 10         | 57M     | 13         | 69M     | 13         | 62M     |
| Memory Group (MG)                             | 30         | 181M    | 33         | 184M    | 37         | 167M    |
| Computation Products Group<br>(CMD, PPD, TMD) | 29         | 174M    | 23         | 128M    | 15         | 67M     |

<CAPTION>

| OTHER DATA                       | Q2 '97 | Q1 '97  | Q2 '96 |
|----------------------------------|--------|---------|--------|
| <S>                              | <C>    | <C>     | <C>    |
| Depreciation<br>and Amortization | \$ 94M | \$ 89M* | \$ 91M |
| Capital Additions                | 160M   | 151M*   | 110M   |
| Headcount                        | 12,355 | 12,025  | 12,535 |
| International Sales              | 54%    | 56%     | 53%    |

</TABLE>

\* Restated from Q1 '97

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CONTACT:  
SCOTT ALLEN  
PUBLIC RELATIONS  
(408) 749-3311

AMD REPORTS SECOND QUARTER RESULTS

SUNNYVALE, CA --- JULY 8, 1997 -- AMD today reported sales of \$594,561,000 for its second quarter, ended June 29, 1997. Net income amounted to \$9,968,000, or \$0.07 per common share, fully diluted.

Sales rose by 31 percent over the second quarter of 1996, when the company reported revenues of \$455,077,000, and a net loss of \$34,672,000, or \$0.26 per common share.

Sales grew by 8 percent over the immediate-prior quarter, when AMD reported sales of \$551,999,000 and net income of \$12,951,000, or \$0.09 per common share, fully diluted.

For the first six months of 1997, the company reported total revenues of \$1,146,560,000, and net income of \$22,919,000, or \$0.16 per common share. For the same period a year ago, AMD reported revenues of \$999,289,000 and a net loss of \$9,345,000, or \$0.07 per common share.

"Our Computation Products Group's sales grew by 36 percent over the immediate-prior quarter, driven by \$100 million in sales of AMD-K6/(TM)/MMX/(TM)/ enhanced processors," said W.J. Sanders III, chairman and chief executive officer. "We shipped more than 350,000 AMD-K6 processors since our launch on April 2, 1997. We also shipped our first companion microprocessor chipsets in volume during the quarter.

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"The combined revenues of our Communications Group, our Memory Group, and Vantis/(TM)/, our programmable logic business unit, were essentially flat with the immediate-prior quarter and up 8 percent from the comparable period of 1996," said Sanders.

"The marketplace is rapidly moving to MMX enhanced processors. The industry has acknowledged the excellence of the AMD-K6 MMX enhanced processor, and we are pleased with customer acceptance worldwide.

"We have converted all of our Microsoft/(R)/ Windows/(R)/-compatible microprocessor production to AMD-K6 MMX enhanced processors. We are executing well on our production ramp toward our goal of shipping millions of units in the second half of 1997. Our overall book-to-bill ratio was greater than parity, resulting from strong bookings for the AMD-K6 MMX enhanced processor," Sanders concluded.

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, California, AMD had revenues of \$2 billion in 1996. (NYSE: AMD).

CAUTIONARY STATEMENT

This press release contains forward-looking statements about management's expectations of future performance. Investors are cautioned that all forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from current expectations.

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The forward-looking statements about the AMD-K6 MMX enhanced processor involve risks and uncertainties that the company's production ramp will fall short of expectations, that customer demand for the product will fall short of available production capacity, that new wafer fabrication process technologies

will not be developed as rapidly as customers need or demand, and that economic conditions will change and affect demand for microprocessors and other integrated circuits. Investors are urged to consult the risks and uncertainties detailed in the company's reports filed with the Securities and Exchange Commission.

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 VANTIS ARE TRADEMARKS OF ADVANCED MICRO DEVICES, INC.

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

MMX IS A TRADEMARK OF INTEL CORPORATION.

MICROSOFT AND WINDOWS ARE REGISTERED TRADEMARKS OF MICROSOFT CORPORATION.