

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 17, 2001

ADVANCED MICRO DEVICES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE ----- (State or other jurisdiction of incorporation)	1-7882 ----- (Commission File Number)	94-1692300 ----- (I.R.S. Employer Identification No.)
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One AMD Place, P.O. Box 3453 Sunnyvale, California ----- (address of principal executive offices)	94088-3453 ----- (Zip Code)
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Registrant's telephone number, including area code:	(408) 732-2400 -----
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Page 1 of 4

Item 5. Other Events.

On January 17, 2001, Advanced Micro Devices, Inc. (the "Company") announced its fourth quarter sales. The Company reported sales of \$1,175,172,000 and net income of \$177,968,000 for the quarter ended December 31, 2000. Net income amounted to \$0.53 per diluted share. The full text of the press release is set forth in Exhibit 99.1 attached hereto and is incorporated in this report as if fully set forth herein.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

Number -----	Exhibit -----
99.1	Press release dated January 17, 2001.

2

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.

Date: January 23, 2001

By: /s/ Robert J. Rivet

Robert J. Rivet
Senior Vice President, Chief Financial
Officer

3

Exhibit Index

Number

Exhibit

99.1

Press release dated January 17, 2001.

CONTACTS:
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Strategic Communications
(408) 749-3310

Toni Beckham
Investor Relations
(408) 749-3127

Exhibit 99.1

AMD REPORTS FOURTH QUARTER RESULTS

--AMD reports record annual sales of \$4.6 billion
with record net income of \$983 million--

SUNNYVALE, CA -- January 17, 2001 -- AMD today reported sales of \$1,175,172,000 and net income of \$177,968,000 for the quarter ended December 31, 2000. Net income amounted to \$0.53 per diluted share.

Aggregate sales of AMD flagship products - PC processors and flash memory devices - increased by 33 percent from the like period of 1999. Total company sales increased by 21 percent from the fourth quarter of 1999. In the fourth quarter of 1999, AMD reported total sales of \$968,710,000 and net income of \$65,080,000, which amounted to \$0.21 per diluted share.

Annual sales for 2000 set a new record at \$4,644,187,000 - 63 percent higher than 1999. Net income of \$983,026,000, or \$2.89 per diluted share, was also a record. Results for 2000 included a one-time net gain of \$189,203,000 from the sale of the company's voice communications business (Legerity) and the retirement of senior secured notes. Net income excluding the one-time net gain above amounted to \$793,823,000, or \$2.36 per diluted share. In 1999 AMD reported sales of \$2,857,604,000, which resulted in a net loss of \$88,936,000, or \$0.30 per share.

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2

"AMD had the best year in its history," said W.J. Sanders III, chairman and chief executive officer. "AMD had record sales, record operating income, record net income, and record earnings per share in 2000. Sales growth of approximately \$1.8 billion produced a favorable swing of \$1.2 billion in operating income. Net income was nearly \$1 billion.

"Our technology and manufacturing organizations distinguished themselves from the competition by executing nearly flawlessly. While the deterioration of the PC market late in the year impacted sales of PC processors in the fourth quarter, AMD substantially outperformed the semiconductor industry in a year of extraordinary growth. Despite the PC slowdown, AMD achieved record unit shipments of nearly 7 million PC processors during the quarter. AMD gained market share in the PC processor arena, with more than 26.5 million total units sold in 2000. We believe we gained three points of market share in units during the year, to approximately 17 percent of the worldwide market for PC processors.

"Demand for AMD Athlon(TM) processors remained strong in the fourth quarter," Sanders continued. "Unit and dollar sales of AMD Athlon and AMD Duron(TM) processors increased for both despite severe weakness in the North American retail sector of the PC market. Unit sales of AMD Duron processors were impacted by the unavailability of certain chipsets. Total PC processor average selling prices were negatively affected by end-of-life pricing of AMD-K6-2(R) family processors.

"During the quarter, AMD introduced a 1.2-gigahertz version of the AMD Athlon processor utilizing DDR memory," said Sanders. "This combination delivers unsurpassed PC performance on the most commonly used business applications. Last week, AMD introduced an 850-MHz AMD Duron processor, strengthening its performance leadership in the value space. No matter how little or how much PC users want to spend, they will continue to get more performance for their money with an AMD-powered system.

-more-

3

"A major factor in our excellent results was the continuing success of the world's first 1-gigahertz PC processor, the AMD Athlon processor. The innovative AMD Athlon processor established AMD as a leader in high-performance PCs. We continue to be the volume provider for PCs featuring speeds of one gigahertz and greater. Indeed, by the end of the current quarter, all AMD Athlon processors will be manufactured with clock speeds of one gigahertz or higher," Sanders continued.

"Sales of flash memory products remained strong, with fourth-quarter sales growing by nearly 10 percent sequentially, as demand remained strong and broad-based during the quarter. Sales of AMD flash memory products more than doubled in 2000. We aggressively ramped production capacity during the year to support our customers, and in the face of continuing strong demand for flash memory products, we are continuing to add production capacity.

"Going forward, new versions of the AMD Athlon and AMD Duron processors should enable us to participate in the performance mobile, server, and workstation markets. These new products, coupled with continuing strength in demand for our flash memory products, should ameliorate somewhat the impact of the current slowdown as excess PC inventories work their way through the channels of distribution.

"While current economic conditions make it difficult to forecast demand, we believe our prospects are excellent for gaining market share, growing faster than the industry, and increasing our operating profit in 2001," Sanders concluded.

Current Outlook

The company's outlook statements are based on current expectations. The following statements are forward-looking, and actual results could differ materially. The company's current outlook is based on the following projections for its flagship products.

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4

The company expects that normal seasonal weakness in first-quarter demand for PC processors coupled with the effects of excess PC inventories in the distribution channels will impact PC processor sales in the first quarter of 2001. The company currently expects to sell between 6 and 6.5 million PC processors in the first quarter. Accordingly, PC processor revenues are expected to be modestly lower. The company expects that unit growth for the PC market will be in the mid-teens for 2001 as a whole.

The company currently projects that sales of its flash memory products will grow modestly in the first quarter from the levels of the fourth quarter of 2000, with substantial growth for the year as a whole.

Accordingly, the company expects that total first-quarter sales for AMD will be up year-on-year, but no better than flat sequentially from the fourth quarter of 2000.

With some analysts currently reducing their forecasts for semiconductor industry growth to the range of 7 to 15 percent for 2001, AMD expects its sales to grow at the high end of these forecasts. The company believes that industry growth in this range would likely result in pricing pressures and resultant lower margins. The company believes that aggregate growth in the range of 15 percent in this environment would result in net income of \$2.00 per diluted share, plus-or-minus a few percentage points, assuming a 32 percent tax rate, for 2001.

AMD Teleconference

AMD will hold a teleconference for the financial community at 2:30 PM Pacific Standard Time today to discuss fourth-quarter financial results. AMD will provide a real-time audio broadcast of the teleconference on the Investor Relations page of its web site at <http://www.amd.com> or

<http://www.streetfusion.com>. The webcast will be available for two weeks after
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the teleconference.

-more-

5

Cautionary Statement

This release contains forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of

1995. Investors are cautioned that forward-looking statements in this release involve risks and uncertainty that could cause actual results to differ materially from current expectations. There can be no assurance that demand for the company's products will continue at current or greater levels, or that the company will continue to grow revenues, operating profit, or earnings.

Risks also include the possibility that demand for personal computers and, in turn, demand for the company's PC processors will be lower than currently expected; that the company will not be able to produce the AMD Athlon and AMD Duron processors in the volume, speed mix or with the feature set necessary to meet customer requirements and the company's current plans and goals; that Intel Corporation pricing, marketing programs, new product introductions or other activities targeting the company's processor business will prevent attainment of the company's current processor sales plans; that third parties may not provide timely or adequate infrastructure solutions to support the AMD Athlon and AMD Duron processors; and that uncertain political and economic conditions will cause lower than expected demand for the company's products. In addition, the company's flash memory products capacity expansion plans are based on current forecasts of demand that are subject to change depending on evolving general industry conditions, changes in customer needs, and the product introductions and capacity expansion of competitors. While demand currently exceeds production capacity, there can be no assurance that demand for the company's flash memory products will continue at current or greater levels.

We urge investors to review in detail the risks and uncertainties in the company's Securities and Exchange Commission filings, including but not limited to the report on Form 10-K for the year ended December 26, 1999, and the report on Form 10-Q for the quarter ended October 2, 2000.

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About AMD

AMD is a global supplier of integrated circuits for the personal and networked computer and communications markets with manufacturing facilities in the United States, Europe, Japan, and Asia. AMD produces microprocessors, flash memory devices, and support circuitry for communications and networking applications. Founded in 1969 and based in Sunnyvale, California, AMD had revenues of \$4.6 billion in 2000. (NYSE: AMD).

--30--

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.

NOTE TO EDITOR: Readers may obtain additional information by calling 1-800-222-9323 or 408-749-3060. Technical Support Email: hw.support@amd.com

AMD, the AMD logo, AMD Athlon, AMD Duron, and combinations thereof are trademarks, and AMD-K6 is a registered trademark of Advanced Micro Devices, Inc. in the United States and other jurisdictions.

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

<TABLE>
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Ended	Quarter Ended (Unaudited)			Year
	Dec. 31, 2000	Oct. 1, 2000	Dec. 26, 1999	Dec. 31, 2000
Net sales	\$1,175,172	\$1,206,549	\$ 968,710	\$4,644,187
\$ 2,857,604				
Cost of sales	657,303	639,010	581,545	2,514,637
1,964,434				
Research and development	162,088	162,764	150,936	641,799

635,786				
Marketing, general and administrative	160,753	141,931	158,803	599,015
540,070				
Restructuring and other special charges	-	-	5,700	-
38,230				

	980,144	943,705	896,984	3,755,451
3,178,520				

Operating income (loss)	195,028	262,844	71,726	888,736
(320,916)				
Gain on sale of Legerity	-	336,899	-	336,899
-				
Gain on sale of Vantis	-	-	-	-
432,059				
Interest income and other, net	25,449	19,789	6,958	86,301
31,735				
Interest expense	(19,933)	(17,382)	(12,370)	(60,037)
(69,253)				

Income before income taxes, equity in joint venture and extraordinary item	200,544	602,150	66,314	1,251,899
73,625				
Provision for income taxes	30,082	175,009	-	256,868
167,350				

Income (loss) before equity in joint venture and extraordinary item	170,462	427,141	66,314	995,031
(93,725)				
Equity in joint venture	7,570	4,406	(1,234)	11,039
4,789				

Income (loss) before extraordinary item	178,032	431,547	65,080	1,006,070
(88,936)				
Extraordinary item - debt retirement, net of tax benefit	64	22,980	-	23,044
-				

Net income (loss)	\$ 177,968	\$ 408,567	\$ 65,080	\$ 983,026
\$ (88,936)				

Net income (loss) per common share				
Basic				
Income (loss) before extraordinary item	\$ 0.57	\$ 1.38	\$ 0.22	\$ 3.25
\$ (0.30)				
Net income (loss)	\$ 0.57	\$ 1.31	\$ 0.22	\$ 3.18
\$ (0.30)				
Diluted				
Income (loss) before extraordinary item	\$ 0.53	\$ 1.24	\$ 0.21	\$ 2.95
\$ (0.30)				
Net income (loss)	\$ 0.53	\$ 1.18	\$ 0.21	\$ 2.89
\$ (0.30)				

Shares used in per share calculation

- Basic	313,501	311,943	296,506	309,331
294,577				
- Diluted	349,782	352,893	308,275	350,000
294,577				

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

<TABLE>
<CAPTION>

	December 31, 2000	December 26, 1999
Assets		
<S>	<C>	<C>
Current assets:		
Cash, cash equivalents and short-term investments	\$ 1,293,165	\$ 596,511
Accounts receivable, net	547,200	429,809
Inventories	343,541	198,213
Deferred income taxes	218,527	55,956
Prepaid expenses and other current assets	255,256	129,389
Total current assets	2,657,689	1,409,878
Property, plant and equipment, net	2,636,467	2,523,236
Investment in joint venture	261,728	273,608
Other assets	211,851	170,976
	\$ 5,767,735	\$ 4,377,698
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Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 477,369	\$ 387,193
Accrued compensation and benefits	172,815	91,900
Accrued liabilities	276,721	273,689
Income tax payable	74,806	17,327
Deferred income on shipments to distributors	92,828	92,917
Current portion of long-term debt, capital lease obligations and other	88,636	47,626
Total current liabilities	1,183,175	910,652
Deferred income taxes	203,986	60,491
Long-term debt, capital lease obligations and other, less current portion	1,208,907	1,427,282
Stockholders' equity:		
Capital stock:		
Common stock, par value	3,151	2,992
Capital in excess of par value	1,406,280	1,120,460
Retained earnings	1,856,261	873,235
Accumulated other comprehensive loss	(94,025)	(17,414)
Total stockholders' equity	3,171,667	1,979,273
	\$ 5,767,735	\$ 4,377,698
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</TABLE>