

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): October 5, 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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Item 5. Other Events.

On October 5, 2001, Advanced Micro Devices, Inc. (the "Company") said that sales for the quarter ended September 30, 2001, at approximately \$766 million, declined by 22 percent from second-quarter sales of \$985.3 million. On August 29, 2001, AMD said that it expected third-quarter revenues would decline by approximately 15 percent sequentially. 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 October 5, 2001.

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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.

Date: October 10, 2001

By: /s/ Robert J. Rivet

Robert J. Rivet
Senior Vice President, Chief Financial
Officer

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Exhibit Index

Number

Exhibit

99.1

Press release dated October 5, 2001.

NEWS RELEASE

Contacts:
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AMD SAYS THIRD-QUARTER PROCESSOR AVERAGE-SELLING PRICE

DECLINE WAS LARGER THAN EXPECTED

SUNNYVALE, CA - October 5, 2001 - AMD (NYSE:AMD) said today that sales for the quarter ended September 30, 2001, at approximately \$766 million, declined by 22 percent from second-quarter sales of \$985.3 million. On August 29 AMD said that it expected third-quarter revenues would decline by approximately 15 percent sequentially. The company also said it expects to report a pro-forma net loss of between \$90 million and \$110 million or \$0.26 and \$0.31 per share for the quarter. The pro-forma loss does not include restructuring and other one-time special charges previously estimated at between \$80 million and \$110 million.

Sales of flash memory devices declined by approximately \$100 million sequentially, in line with previously reported expectations, reflecting continued weakness in the communication sector and excess inventories in the hands of major customers. AMD also said unit sales of PC processors remained at the record level of the second quarter, when AMD sold more than 7.7 million PC processors. In the face of very aggressive competition, average-selling prices (ASPs) for PC processors declined sharply, which resulted in substantially lower revenues.

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"Our ability to maintain PC processor unit volumes under current market conditions is a strong testament to the architectural superiority of AMD Athlon(TM) and Duron(TM) processors," said W.J. Sanders III, chairman and chief executive officer. "With unit sales of our seventh-generation processors at record levels in an extremely difficult PC market, we believe we either held or gained market share. In an effort to make up for the performance deficiencies of computers based on its Pentium(R) 4 processors, Intel resorted to aggressive pricing and large, cash-backed marketing programs, which had the effect of driving down ASPs on PC processors in the market segments where we compete directly," Sanders concluded.

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, a Fortune 500 and Standard & Poor's 500 company, 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).

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are available at www.amd.com/news/news.html.

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