

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 7, 1996

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 7, 1996, Advanced Micro Devices, Inc. (the "Company") announced its third quarter revenues. The Company reported a net loss of \$38,362,000 on sales of \$456,862,000. The loss amounted to \$0.28 per common share on a fully-diluted basis. The results include a charge of approximately \$6,000,000 for employee severance pay and benefits associated with a workforce reduction. 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 October 7, 1996

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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: October 11, 1996

By: /s/ Geoff Ribar

Geoff Ribar
Vice President
Corporate Controller

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Exhibit Index

Exhibit Number Exhibit

[LETTERHEAD OF AMD APPEARS HERE]

CONTACT:
TOM STITES
COMMUNICATIONS
(408) 749-2918

AMD REPORTS THIRD QUARTER RESULTS

SUNNYVALE, CA--OCTOBER 7, 1996--AMD today reported a net loss of \$38,362,000 on sales of \$456,862,000 for its third quarter, ended September 29, 1996. The loss amounted to \$0.28 per share on a fully-diluted basis. The results include a charge of approximately \$6,000,000 for employee severance pay and benefits associated with a work force reduction.

Sales for the like period of 1995 amounted to \$606,953,000, which resulted in net income of \$42,000,000, or \$0.30 per share fully diluted.

In the immediate-prior quarter, AMD reported sales of \$455,077,000, which resulted in a net loss of \$34,672,000, or a loss of \$0.26 per share fully diluted. The company's second-quarter results included a non-recurring, pre-tax gain of \$16.3 million resulting from a sale of securities.

For the first nine months of 1996, AMD reported total revenues of \$1,456,151,000, which resulted in a net loss applicable to common shareholders of \$47,707,000, or \$0.35 per common share fully diluted. For the first nine months of 1995, AMD reported revenues of \$1,873,201,000, which resulted in net income applicable to common shareholders of \$206,972,000 or \$1.51 per share fully diluted.

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"Overall, bookings improved significantly from the levels of the second quarter, but the book-to-bill ratio remained below 1:1," said W.J. Sanders III, chairman and chief executive officer, in commenting on the company's three major business segments.

"Revenues from our Programmable Logic Devices (PLD) business unit were down slightly from the immediate-prior quarter," Sanders continued. "Sales of AMD's MACH/(R)/ family of complex PLDs remained at near-record levels in a generally weak PLD market.

"Revenues from AMD's Communications and Components Group (CCG) also declined slightly from the second quarter," Sanders said. "Flash memory sales resumed growth, and AMD recorded higher revenues on record unit sales. Telephony products achieved record revenues during the quarter. These gains were offset, however, by sharply lower EPROM sales.

"Revenues from our Computation Products Group (CPG) -- primarily Microsoft/(R)/ Windows/(R)/-compatible microprocessors -- grew from the immediate-prior quarter. Shipments of AMD-K5/(TM)/ microprocessors more than doubled to 500,000 units, led by sales of the AMD-K5-PR100/(TM)/ microprocessor. With today's introduction of AMD-K5-PR133/(TM)/ and AMD-K5-PR120/(TM)/ devices, the AMD-K5 family now addresses 70 percent of the desktop market.

"The aggregate results from CCG and PLD were once again unable to offset the losses we are incurring in CPG, where revenues are currently insufficient to absorb the substantial fixed costs of maintaining our strategic commitment to the Microsoft Windows-compatible microprocessor market," Sanders concluded.

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Cautionary Statement

The forward looking statement in the above release concerning the Company's microprocessor products involves 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 ramping the production of higher-performance products; shifts in market demand; verification of compatibility with industry-standard software and hardware; 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 10Q.

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.

MICROSOFT AND WINDOWS ARE REGISTERED TRADEMARKS OF MICROSOFT CORPORATION. AMD-K5, AMD-K5-PR100/120/133, AMD, THE AMD LOGO AND COMBINATIONS THEREOF ARE TRADEMARKS OF ADVANCED MICRO DEVICES, INC.

ADVANCED MICRO DEVICES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(THOUSANDS EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

<TABLE>
<CAPTION>

	Quarter Ended			Nine Months Ended	
	Sept. 29, 1996	June 30, 1996	October 1, 1995 (Restated)*	Sept. 29, 1996	October 1, 1995 (Restated)*
<S>	<C>	<C>	<C>	<C>	<C>
NET SALES	\$456,862	\$455,077	\$606,953	\$1,456,151	\$1,873,201
Cost of sales	337,692	379,779	368,359	1,086,206	989,949
Research and development	105,656	92,768	106,237	293,204	308,806
Marketing, general and administrative	90,432	83,063	102,549	276,506	311,885
	533,780	555,610	577,145	1,655,916	1,610,640
Operating income (loss)	(76,918)	(100,533)	29,808	(199,765)	262,561
Interest income and other, net	4,214	23,039	10,408	55,312	24,441
Interest expense	(3,443)	(1,812)	(315)	(7,236)	(1,394)
Income (loss) before income taxes and equity in joint venture	(76,147)	(79,306)	39,901	(151,689)	285,608
Provision (credit) for income taxes	(30,459)	(31,723)	10,212	(62,182)	92,052
Income (loss) before equity in joint venture	(45,688)	(47,583)	29,689	(89,507)	193,556
Equity in net income of joint venture	7,326	12,911	12,311	41,800	13,426
NET INCOME (LOSS)	(38,362)	(34,672)	42,000	(47,707)	206,982
Preferred stock dividends	-	-	-	-	10
NET INCOME (LOSS) APPLICABLE TO COMMON STOCKHOLDERS	(\$38,362)	(\$34,672)	\$42,000	(\$47,707)	\$206,972
NET INCOME (LOSS) PER COMMON SHARE					
- - Primary	(\$0.28)	(\$0.26)	\$0.30	(\$0.35)	\$1.53
- - Fully diluted	(\$0.28)	(\$0.26)	\$0.30	(\$0.35)	\$1.51
Shares used in per share calculation					
- - Primary	136,082	135,266	139,288	135,019	135,451
- - Fully diluted	136,082	135,266	139,434	135,019	137,617

</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)			Nine Months Ended (Unaudited)	
	September 29, 1996	June 30, 1996	October 1, 1995 **	September 29, 1996	October 1, 1995 **
<S>	<C>	<C>	<C>	<C>	<C>
NET SALES	\$456,862	\$455,077	\$606,953	\$1,456,151	\$1,873,201
Cost of sales	337,692	379,779	368,359	1,086,206	989,949

Net income from equity investment in FASL	(11,272)	(19,863)	(18,940)	(64,309)	(20,655)
Research and development	105,656	92,768	106,237	293,204	308,806
Marketing, general and administrative	90,432	83,063	102,549	276,506	311,885
	522,508	535,747	558,205	1,591,607	1,589,985
Operating income (loss)	(65,646)	(80,670)	48,748	(135,456)	283,216
Interest income and other, net	4,214	23,039	10,408	55,312	24,441
Interest expense	(3,443)	(1,812)	(315)	(7,236)	(1,394)
Income (loss) before income taxes and equity in joint venture	(64,875)	(59,443)	58,841	(87,380)	306,263
Provision (credit) for income taxes	(30,459)	(31,723)	10,212	(62,182)	92,052
Provision for taxes on equity in income of FASL	3,946	6,952	6,629	22,509	7,229
NET INCOME (LOSS)	(38,362)	(34,672)	42,000	(47,707)	206,982
Preferred stock dividends	-	-	-	-	10
NET INCOME (LOSS) APPLICABLE TO COMMON STOCKHOLDERS	(\$38,362)	(\$34,672)	\$42,000	(\$47,707)	\$206,972
NET INCOME (LOSS) PER COMMON SHARE					
- Primary	(\$0.28)	(\$0.26)	\$0.30	(\$0.35)	\$1.53
- Fully diluted	(\$0.28)	(\$0.26)	\$0.30	(\$0.35)	\$1.51
Shares used in per share calculation					
- Primary	136,082	135,266	139,288	135,019	135,451
- Fully diluted	136,082	135,266	139,434	135,019	137,617

</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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	September 29, 1996 (Unaudited)	December 31, 1995 (Audited) (Restated)*
ASSETS		
Current assets:		
<S>	<C>	<C>
Cash, cash equivalents, and short-term investments	\$ 361,344	\$ 509,665
Accounts receivable, net	234,242	284,238
Inventories	163,489	155,986
Deferred income taxes	149,289	147,489
Prepaid expenses and other current assets	95,287	40,564
Total current assets	1,003,651	1,137,942
Property, plant, and equipment, net	1,733,267	1,641,634
Investment in joint venture	192,128	176,821
Other assets	124,946	122,070
	\$3,053,992	\$3,078,467

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

<S>	<C>	<C>
Notes payable to banks	\$ 12,902	\$ 26,770
Accounts payable	166,791	241,916
Accrued compensation and benefits	73,333	106,347
Accrued liabilities	107,617	103,404
Income tax payable	148	56,297
Deferred income on shipments to distributors	85,936	100,057
Current portion of long-term debt and capital lease obligations	27,711	41,642

Total current liabilities	474,438	676,433
Deferred income taxes	97,407	84,607
Long-term debt and capital lease obligations, less current portion	445,489	214,965
Stockholders' equity:		
Capital stock:		
Common stock, par value	1,413	1,050
Capital in excess of par value	943,077	908,989
Retained earnings	1,092,168	1,192,423
Total stockholders' equity	2,036,658	2,102,462
	\$3,053,992	\$3,078,467

</TABLE>

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

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AMD
SELECTED CORPORATE DATA
(UNAUDITED)

PRODUCT LINE BREAKDOWN*	Q3 '96		Q2 '96		Q3 '95	
	% OF SALES	REVENUE	% OF SALES	REVENUE	% OF SALES	REVENUE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Communications and Components Group	62	\$ 284M	64	\$ 290M	54	\$ 324M
Programmable Logic Division (TBN)	13	58M	13	62M	11	68M
Computation Products Group	25	115M	23	103M	35	215M

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OTHER DATA	Q3 '96	Q2 '96	Q3 '95
<S>	<C>	<C>	<C>
Depreciation	\$ 85M	\$ 82M	\$ 66M
Capital Spending	143M	116M	169M
Headcount	12,388	12,535	12,594
International Sales	53%	53%	56%

</TABLE>

* Restated to include NEXGEN