

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): April 14, 1999

ADVANCED MICRO DEVICES, INC.  
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(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.  
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On April 14, 1999, Advanced Micro Devices, Inc. announced a net loss of \$128,367,000 on revenues of \$631,593,000 for its first quarter, ended March 28, 1999. The loss amounted to \$0.88 per share. 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 April 14, 1999.

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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: April 22, 1999	By: /s/ Francis P. Barton ----- Francis P. Barton Senior Vice President and Chief Financial Officer
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Exhibit Index  
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Exhibit Number Exhibit  
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99 Press release dated April 14, 1999.



[AMD Letterhead and Logo]

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AMD REPORTS FIRST QUARTER RESULTS

SUNNYVALE, CA-APRIL 14, 1999-Advanced Micro Devices today reported a net loss of \$128,367,000 on revenues of \$631,593,000 for its first quarter, ended March 28, 1999. The loss amounted to \$0.88 per share. The results for the first quarter include a charge of \$15,016,000 for restructuring and other special charges. Without the restructuring and other special charges, the net loss would have been \$0.81 per share.

Revenues declined by 20 percent from the \$788,820,000 achieved in the quarter ended December 27, 1998, which resulted in net income of \$22,321,000, or \$0.15 per share. Revenues increased by 17 percent from the \$540,856,000 reported for the quarter ended March 29, 1998, which resulted in a net loss of \$62,727,000, or \$0.44 per share.

"The best thing that can be said about the first quarter is that it's over," said W.J. Sanders III, chairman and chief executive officer. "The significant decline in revenues reported by AMD in the first quarter was almost entirely due to previously reported AMD-K6-2 microprocessor yield issues. The large revenue decline in the face of high fixed costs and record spending on research and development of \$160 million in the quarter precipitated the unprecedented loss. Improvements in production yields in March and in the current quarter to date presage a sharp increase in unit production in the current quarter. The last seven weeks' production results increase our confidence in achieving our previously stated goal of shipping five million units in the current quarter.

"We are seeing improving order patterns in our non-processor product lines in the aggregate, with flash memories leading the way," 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 \$2.5 billion in 1998. (NYSE: AMD)

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. Forward-looking statements are generally preceded by words such as "expects," "plans," "believes," "anticipates," or "intends." Investors are cautioned that all forward-looking statements in this release involve risks and uncertainty that could cause actual results to differ materially from current expectations. Forward-looking statements in this release involve the risk that the company will not be able to maintain or increase processor yields; that design or production problems will prevent the company from meeting its unit production and shipment goals; and, that customer demand for processors and other products will not continue at current or greater levels. We urge investors to review in detail the risks and uncertainties detailed in the company's Securities and Exchange Commission filings, including the most recently filed Form-10K.

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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 and the AMD logo, and combinations thereof, are trademarks, and AMD-K6 is a registered trademark of Advanced Micro Devices, Inc.

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

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	Quarter Ended (Unaudited)		
	Mar. 28, 1999	Dec. 27, 1998	Mar. 29, 1998
<S>	<C>	<C>	<C>
Net sales	\$ 631,593	\$ 788,820	\$ 540,856
Cost of sales	450,431	481,987	423,591
Research and development	159,946	156,459	128,120
Marketing, general and administrative	127,310	120,498	88,214
Restructuring and other special charges	15,016	-	-
	752,703	758,944	639,925
Operating income (loss)	(121,110)	29,876	(99,069)
Litigation settlement	-	-	(11,500)
Interest income and other, net	10,768	10,037	5,581
Interest expense	(20,763)	(15,177)	(12,472)
Income (loss) before income taxes and equity in joint venture	(131,105)	24,736	(117,460)
Benefit for income taxes	(5,473)	(136)	(46,997)
Income (loss) before equity in joint venture	(125,632)	24,872	(70,463)
Equity in net income (loss) of joint venture	(2,735)	(2,551)	7,736
Net income (loss)	\$ (128,367)	\$ 22,321	\$ (62,727)
Net income (loss) per common share			
- Basic	\$ (0.88)	\$ 0.15	\$ (0.44)
- Diluted	\$ (0.88)	\$ 0.15	\$ (0.44)
Shares used in per share calculation			
- Basic	145,909	144,926	142,503
- Diluted	145,909	149,949	142,503

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<S> Advanced Micro Devices, Inc. <C> INFORMATION ONLY

NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS\*  
(Includes Pre-Tax FASL Investment Equity Loss (Income) in Operating Income (Loss))

(Thousands except per share amounts)

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	Quarter Ended (Unaudited)		
	Mar. 28,	Dec. 27,	Mar. 29,

	1999	1998	1998
<S>	<C>	<C>	<C>
Net sales	\$ 631,593	\$ 788,820	\$540,856
Cost of sales	450,431	481,987	423,591
Loss (income) from equity investment in FASL	4,636	4,814	(15,988)
Research and development	159,946	156,459	128,120
Marketing, general and administrative	127,310	120,498	88,214
Restructuring and other special charges	15,016	-	-
	757,339	763,758	623,937
Operating income (loss)	(125,746)	25,062	(83,081)
Litigation settlement	-	-	(11,500)
Interest income and other, net	10,768	10,037	5,581
Interest expense	(20,763)	(15,177)	(12,472)
Income (loss) before income taxes	(135,741)	19,922	(101,472)
Benefit for income taxes	(5,473)	(136)	(46,997)
Provision (benefit) for taxes on equity loss (income) in FASL	(1,901)	(2,263)	8,252
Net income (loss)	\$ (128,367)	\$22,321	\$ (62,727)
Net income (loss) per common share			
share			
- Basic	\$ (0.88)	\$ 0.15	\$ (0.44)
- Diluted	\$ (0.88)	\$ 0.15	\$ (0.44)
Shares used in per share calculation			
- Basic	145,909	144,926	142,503
- Diluted	145,909	149,949	142,503

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\* The above statements of operations are not in accordance with generally accepted accounting principles (GAAP) in that the pre-tax equity loss (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.

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

	Mar. 28, 1999 (Unaudited)	Dec. 27, 1998 (Audited)
<S>	<C>	<C>
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 489,145	\$ 697,025
Accounts receivable, net	376,360	415,557
Inventories	182,670	175,075
Deferred income taxes	206,745	205,959
Prepaid expenses and other current assets	73,701	68,411
Total current assets	1,328,621	1,562,027

Property, plant and equipment, net	2,573,491	2,268,468
Investment in joint venture	232,313	236,820
Other assets	171,068	185,653

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\$ 4,305,493                      \$ 4,252,968  
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Liabilities and Stockholders' Equity

Current liabilities:

Notes payable to banks	\$ 5,941	\$ 6,017
Accounts payable	343,980	333,975
Accrued compensation and benefits	81,451	80,334
Accrued liabilities	133,468	168,280
Income tax payable	21,610	22,026
Deferred income on shipments to distributors	102,503	84,523
Current portion of long-term debt, capital lease obligations and other	174,663	145,564

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Total current liabilities                      863,616                      840,719

Deferred income taxes	28,226	34,784
Long-term debt, capital lease obligations and other, less current portion	1,539,957	1,372,416

Stockholders' equity:

Capital stock:		
Common stock, par value	1,478	1,465
Capital in excess of par value	1,080,729	1,071,591
Retained earnings	833,804	962,171
Accumulated other comprehensive loss	(42,317)	(30,178)

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Total stockholders' equity                      1,873,694                      2,005,049

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\$ 4,305,493                      \$ 4,252,968  
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AMD  
Selected Corporate Data  
(Unaudited)

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Segment Breakdown	Q1	'99	Q4	'98	Q1	'98
-----	% of Sales	Revenue	% of Sales	Revenue	% of Sales	Revenue
Revenue	-----	-----	-----	-----	-----	-----
-						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
AMD segment:						
Computation Products Group	63	\$395M	69	\$546M	43	\$230M
Memory Group	20	126M	17	132M	31	167M
Communications Group	10	64M	8	64M	16	88M
Vantis segment:						
Vantis	7	47M	6	47M	10	56M

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Other Data                      Q1 '99                      Q4 '98                      Q1 '98  
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----- Depreciation and Amortization \$117M	\$127M	\$125M
Capital Additions 193M	200M	180M
Headcount 12,936	13,803	13,597

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----- International Sales 55%	58%	60%
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