
UNITED STATES
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

January 16, 2009
Date of Report (Date of earliest event reported)

ADVANCED MICRO DEVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

001-07882
(Commission File Number)

94-1692300
(IRS Employer
Identification Number)

One AMD Place
P.O. Box 3453
Sunnyvale, California 94088-3453
(Address of principal executive offices) (Zip Code)

(408) 749-4000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 16, 2009, the Compensation Committee of the Board of Directors of Advanced Micro Devices, Inc. (the "Company") approved across-the-board reductions to annual base salaries, including the annual base salaries of all named executive officers, effective as of February 1, 2009. The reductions and new annual base salaries of the named executive officers are as follows: (i) Dr. Hector de J. Ruiz, the Company's Executive Chairman, 20% reduction to \$899,200; (ii) Mr. Derrick Meyer, the Company's President and Chief Executive Officer, 20% reduction to \$720,000; (iii) Mr. Robert Rivet, the Company's Executive Vice President, Chief Operations and Administrative Officer and Chief Financial Officer, 15% reduction to \$552,500; and (iv) Mr. Thomas McCoy, the Company's Executive Vice President, Legal, Corporate and Public Affairs, 15% reduction to \$462,400. Because annual bonus targets are a percentage of annual base salary, the across-the-board reductions, in effect, will also result in a reduction of fiscal 2009 annual bonus payments, if any.

Dr. Ruiz and Mr. Meyer each signed amendments to their respective employment agreements to effect the reduction. A copy of the amendment agreement between the Company and Dr. Hector de J. Ruiz is attached hereto as Exhibit 10.1 and incorporated herein by reference. A copy of the amendment agreement between the Company and Mr. Derrick Meyer is attached hereto as Exhibit 10.2 and incorporated herein by reference. The foregoing descriptions of the amendment agreements are qualified in their entirety by reference to the full text of the agreements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment 2 to Amended and Restated Employment Agreement between Advanced Micro Devices, Inc. and Hector de J. Ruiz, dated as of January 20, 2009.
10.2	Amendment to Employment Agreement between Advanced Micro Devices, Inc. and Derrick Meyer, dated as of January 20, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 21, 2009

ADVANCED MICRO DEVICES, INC.

By: /s/ Faina Medzonsky

Name: Faina Medzonsky

Title: Assistant Secretary

INDEX TO EXHIBITS

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ADVANCED MICRO DEVICES, INC.

AMENDMENT 2 TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amendment 2 to Amended and Restated Employment Agreement (the "Amendment") is entered into as of January 20, 2009, between Hector de J. Ruiz (the "Executive") and Advanced Micro Devices, Inc. (the "Company").

RECITALS

WHEREAS, on January 31, 2002, the Executive and the Company entered into an Employment Agreement (the "Agreement") which sets forth the terms of the Executive's employment with the Company;

WHEREAS, on December 12, 2007, an amendment and restatement to the Agreement was made and entered into by and between the Executive and the Company;

WHEREAS, on July 17, 2008, an amendment to the Agreement was made and entered into by and between the Executive and the Company;

WHEREAS, the parties wish to further amend certain provisions of the Agreement regarding the annual base salary of the Executive pursuant to the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein and intending to be legally bound hereby, the parties hereby agree that the Agreement shall be amended effective as of the February 2, 2009 to the extent necessary to give effect to this Amendment as follows:

1. Section 3 of the Agreement shall be replaced in its entirety with the following language:

"During the Employment Period, you shall receive an annual base salary (the "Annual Base Salary") of at least \$950,000, payable in accordance with AMD's normal payroll practices. Your Annual Base Salary will be reviewed on an annual basis by the Compensation Committee of the Board (the "Compensation Committee") and may be increased from time to time, in the discretion of the Compensation Committee. As of the date of this amended Agreement, your Annual Base Salary is \$1,124,000. Effective as of February 2, 2009, your Annual Base Salary is \$899,200. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to you under this Agreement. Annual Base Salary shall not be reduced at any time (including after any such increase), other than as part of an across-the-board salary reduction applicable to other senior officers of AMD. The term Annual Base Salary as utilized in this Agreement shall refer to Annual Base Salary as adjusted from time to time."

2. Executive acknowledges and agrees that the salary reduction in this Amendment, effective February 2, 2009, shall not constitute Good Reason, as defined in the Agreement, and Executive shall not be entitled to invoke any rights to a Good Reason termination of employment from the Company solely on account of such reduction.

3. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

4. This Amendment will be governed by and construed in accordance with the laws of the State of California without reference to conflict of laws provisions.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

ADVANCED MICRO DEVICES, INC.

By: /s/ Bruce L. Claflin
Bruce L. Claflin
Chairman, Compensation Committee of the Board of Directors

EXECUTIVE

Signature: /s/ Hector de J. Ruiz
Hector de J. Ruiz

ADVANCED MICRO DEVICES, INC.

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement (the "Amendment") is entered into as of January 20, 2009, between Derrick Meyer (the "Executive") and Advanced Micro Devices, Inc. (the "Company").

RECITALS

WHEREAS, on July 17, 2008, the Executive and the Company entered into an Employment Agreement (the "Agreement") which sets forth the terms of the Executive's employment with the Company;

WHEREAS, the parties wish to amend certain provisions of the Agreement regarding the annual base salary of the Executive pursuant to the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein and intending to be legally bound hereby, the parties hereby agree that the Agreement shall be amended effective as of the February 2, 2009 to the extent necessary to give effect to this Amendment as follows:

1. Section 3(a) of the Agreement shall be replaced in its entirety with the following language:

"Executive shall receive an annual salary of nine hundred thousand dollars (\$900,000) (as may be adjusted from time to time, the "Base Salary"). Executive's Base Salary will be payable pursuant to the Company's normal payroll practices. Notwithstanding the foregoing, the Board shall, no less frequently than annually, review and may adjust Executive's Base Salary from time to time. Effective as of February 2, 2009, Executive's Base Salary is seven hundred and twenty thousand dollars (\$720,000)."

2. Executive hereby waives his right to terminate his employment for Good Reason, as defined in the Agreement, and for Constructive Termination, as defined in the Agreement, as a result of this salary reduction; and, Executive agrees and acknowledges that he shall not be entitled to invoke any rights to a Good Reason termination of employment or Constructive Termination from the Company as a result of this salary reduction.

3. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

4. This Amendment will be governed by and construed in accordance with the laws of the State of Texas without reference to conflict of laws provisions.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

ADVANCED MICRO DEVICES, INC.

By: /s/ Bruce L. Claflin
Bruce L. Claflin
Chairman, Compensation Committee of the Board of Directors

EXECUTIVE

Signature: /s/ Derrick R. Meyer
Derrick R. Meyer