Semiconductor Co-Investment Program Announcement

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- **Non-GAAP Measure.** This presentation includes the non-GAAP measure adjusted free cash flow. We believe this non-GAAP financial measure is helpful in understanding our capital requirements and sources of liquidity by providing an additional means to evaluate the cash flow trends of our business. We are unable to provide a full reconciliation of this measure to the corresponding GAAP measure without unreasonable efforts, as the amount and timing of related adjustments on a long-term basis are subject to considerable uncertainty, depend on various factors, and could be material to our results computed in accordance with GAAP. We believe such a reconciliation would also imply a degree of precision that is inappropriate for these forward-looking measures. This non-GAAP financial measure should not be considered a substitute for, or superior to, financial measures prepared in accordance with GAAP.

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Smart Capital Strategy: Putting Points on the Board

- Shell First Strategy
- Effective Use of 3rd Party Foundry
- Customer Commitments
- Government Incentives
- Semi Co-Invest Program

Offsets:
Conservative 10% assumption but pursuing 20-30%
Over the next 5 years
Brookfield Infrastructure’s Partnership Experience
Semiconductor Co-Investment Program (SCIP)

**Details**

- First-of-its-kind program in semiconductors
  - Brookfield is our initial partner
  - Investing up to $30B for 2 new factories

**Project Benefits**

- Accelerate our IDM 2.0 strategy and factory scale-out
  - Intel to maintain full control of the factory construction, operations, and IP
SCIP Financial Impacts

**Financial Benefits**
- Intel shares costs with Brookfield
- Better aligns our cash inflows and outflows
- Adjusted FCF accretive during our transformation with an earlier breakeven

**Financial Accounting**
- Intel will fully consolidate the new entity financials
- Net Income to exclude income attributable to the non-controlling interest

*Adjusted free cash flow is operating cash flow adjusted for 1) additions to property, plant and equipment, net of proceeds from capital grants and partner contributions, 2) payments on finance leases, and 3) proceeds from the McAfee equity sale

Note: For illustrative purposes only
Reaffirming our Investor Meeting Guardrails

**Long-term capital intensity to ~25%**

Net Capital Intensity %
(Net Capex / Revenue)

- Investment period to support growth and accelerate leadership
- Committed to active management of P&L and Balance Sheet

**Strong balance sheet**

- Modest Financial Leverage
- Healthy Liquidity
- Strong Investment Grade
Capital Allocation

Sources of Funding:
- Customer Commits
- Government Incentives
- Cash from Operations
- Equity Partners
- Debt

Uses of Funding:
- Capacity & Technology Development
- Product R&D, Software R&D, Other Human Capital
- Dividend & Acquisitions
# Accounting Impact of Smart Capital

<table>
<thead>
<tr>
<th>Income Statement</th>
<th>Balance Sheet</th>
<th>Cash Flow Statement</th>
<th>Adjusted Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government Capital Grants</strong></td>
<td><strong>Cash</strong></td>
<td><strong>CFI: Additions to PP&amp;E</strong></td>
<td>** Proceeds from government grants offset against additions to PP&amp;E**</td>
</tr>
<tr>
<td><strong>Contra Depreciation</strong></td>
<td><strong>Contra PP&amp;E</strong></td>
<td><strong>CFI/CFF: Proceeds from government grants</strong></td>
<td><strong>No impact</strong></td>
</tr>
<tr>
<td><strong>Customer Prepayments</strong></td>
<td><strong>Cash</strong></td>
<td><strong>CFO: Changes in other assets and liabilities or changes in prepaid customer supply agreements</strong></td>
<td><strong>Included via Operating cash flows</strong></td>
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<td><strong>Semiconductor Co-Investment Program</strong></td>
<td><strong>Consolidate 100% of assets/liabilities</strong></td>
<td><strong>CFI: Additions to PP&amp;E</strong></td>
<td><strong>Partner contributions/(distributions) offset against additions to PP&amp;E</strong></td>
</tr>
<tr>
<td><strong>Consolidated net income/(loss) reduced/(increased) by &quot;below-the-line&quot; adjustment for net income/(loss) attributable to non-controlling interest share of equity</strong></td>
<td><strong>Non-controlling interest is a component of equity</strong></td>
<td><strong>CFF: Contributions/(Distributions) from/(to) partners</strong></td>
<td><strong>Partner contributions/(distributions) offset against additions to PP&amp;E</strong></td>
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