

Intel's First-Quarter of 2024 (Q1'24)

Financial Results

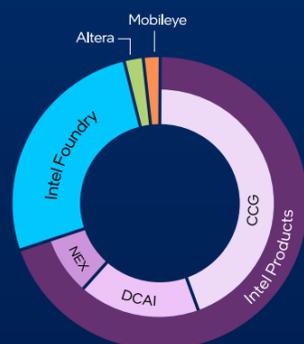
Total Intel Q1'24 Revenue

\$12.7B ▲ 9% YoY

Q1'24 Non-GAAP EPS

\$0.18 ▲ \$0.22 YoY

Q1'24 Segment Revenue



Intel Products Total

\$11.9B ▲ 17% YoY

- Client Computing (CCG) \$7.5B ▲ 31% YoY
- Data Center and AI (DCAI) \$3.0B ▲ 5% YoY
- Network and Edge (NEX) \$1.4B ▲ 8% YoY

- Intel Foundry \$4.4B ▲ 10% YoY
- Altera \$342M ▲ 58% YoY
- Mobileye \$239M ▲ 48% YoY

Q2'24 Outlook

Revenue	\$12.5B – \$13.5B
Gross Margin (non-GAAP)	43.5%
EPS (non-GAAP)	\$0.10

"We are making steady progress against our priorities and delivered a solid quarter. Strong innovation across our client, edge and data center portfolios drove double-digit revenue growth in Intel Products. With Intel 3 in high-volume production, leading-edge semiconductors are being manufactured in the U.S. for the first time in almost a decade and we are on track to regain process leadership next year as we grow Intel Foundry. We are confident in our plans to drive sequential growth throughout the year as we accelerate our AI solutions and maintain our relentless focus on execution, operational discipline and shareholder value creation in a dynamic market."

Pat Gelsinger, Intel CEO

"Q1 revenue was in-line with our expectations and we delivered non-GAAP EPS above our guidance, driven by better-than-expected gross margins and strong expense discipline. Our new foundry operating model, which provides greater transparency and accountability, is already driving better decision-making across the business. Looking ahead, we expect to deliver year-over-year revenue and non-GAAP EPS growth in fiscal year 2024, including roughly 200 basis points of full-year gross margin improvement."

David Zinsner, Intel CFO

Business Highlights



Process Leadership

Line of sight to completing 5 nodes in 4 years; unveiled process roadmap beyond 5N4Y

- Intel 7, Intel 4 and Intel 3: In high-volume manufacturing
- Intel 20A: Begins production ramp in 2H'24 with Arrow Lake
- Intel 18A: Expect to release 1.0 PDK in Q2'24, with production ramp of lead products, Clearwater Forest and Panther Lake in 1H'25
- Unveiled process technology roadmap beyond five-nodes-in-four-years, adding Intel 14A to leading-edge node lineup following Intel 18A
- Announced several specialized node evolutions for Intel 3, Intel 18A, and Intel 14A to enable customers to develop and deliver products tailored to their specific needs
- Engaged with nearly every foundry customer in the industry on advanced packaging, including 5 design awards



Execution Milestones

Established a world-class fab and fabless leader within Intel by standing up Intel Foundry and Intel Products

- Launched Intel Foundry, the world's first systems foundry for the AI era, offering full-stack optimization from the factory network to software
- At Intel Vision, the company introduced the Intel® Gaudi® 3 AI accelerator, projected to deliver on-average 50% faster inference and 40% greater inference power efficiency than Nvidia H100¹ on leading GenAI models.
- Shipped more than 5 million AI PCs since the December 2023 launch of Intel® Core™ Ultra processors
- Announced the Ultra Ethernet Consortium (UEC), the Intel-led open Ethernet networking for AI fabric
- Announced the Open Platform for Enterprise AI, which emphasizes enterprise data and Xeon plus Gaudi use cases like RAG
- Unveiled Intel Xeon 6, the new brand for Intel's next-generation processors for data centers, cloud and edge



Customer and Partner Wins

Microsoft and a major U.S. aerospace and defense company committed to Intel 18A, bringing Intel Foundry's external customer commitments on the node to six

- Amazon Web Services, Lenovo, Red Hat, SAP, and Wipro supported the Intel Edge Platform launch at Mobile World Congress 2024
- Dell Technologies plans to integrate Gaudi 3 chips into its purpose-built AI system, the PowerEdge XE9680. The Gaudi 3 version of Dell's server will be accessible within Intel Developer Cloud prior to launch
- NAVER, Dell Technologies, Bosch and Supermicro, among many others committed to the Intel® Gaudi® 3 AI accelerator as customers and partners
- Seekr runs production workloads on Intel Gaudi 2, Intel® Data Center GPU Max Series and Intel® Xeon® processors in the Intel® Tiber™ Developer Cloud for LLM development and production deployment support
- Google Cloud announced its new general purpose virtual machine instances, C4 and N4, the first cloud virtual machines in the market to be powered by Intel 5th Gen Xeon processors
- Synopsys, Cadence, Siemens, Ansys, Lorentz and Keysight disclosed tool qualification and/or IP readiness to enable foundry customers to accelerate advanced chip designs on Intel 18A
- The U.S. Department of Defense awarded Intel Foundry phase three of its Rapid Assured Microelectronics Prototypes – Commercial (RAMP-C) program



Financial and Operational Achievements

- Announced single largest grant award to date from the U.S. CHIPS and Science Act, with up to \$8.5B in direct funding and \$11B in federal loan eligibility, in addition to more than \$25B in advanced manufacturing tax credits
- Implemented the foundry operating model, designed to drive greater transparency, accountability and focus on costs
- Hosted industry's first Sustainability Summit, underscoring our commitment to providing a geographically diverse, resilient, secure and sustainable supply of semiconductors
- Introduced the rebranded Altera, an Intel Company, formerly Intel's Programmable Solutions Group

intel. Abbreviations: Q1 (first quarter); YoY (year over year); GAAP (general accepted accounting principles); EPS (earnings per share).

¹ NV H100 comparison based on NVIDIA-published data as of March 28, 2024. Reported numbers are per GPU. Vs Intel® Gaudi® 3 projections for LLAMA2-7B, LLAMA2-70B & Falcon 180B. Power efficiency for both Nvidia and Gaudi 3 based on internal estimates. Results may vary. Q1'24 non-GAAP EPS attributable to Intel (\$0.18) is Q1'24 GAAP EPS attributable to Intel (\$-0.09) after adjustment for acquisition-related adjustments (\$+0.06), share-based compensation (\$+0.28), restructuring and other charges (\$+0.08), (gains) losses on equity investments, net (\$-0.05), (gains) losses from divestiture (\$-0.01), adjustments attributable to non-controlling interest (\$0.00) and income tax effects (\$-0.09).

Q2'24 non-GAAP Outlook EPS attributable to Intel (\$0.10) is Q2'24 GAAP Outlook EPS attributable to Intel (\$-0.05) after adjustment for acquisition-related adjustments (\$+0.06), share-based compensation (\$+0.22), (gains) losses from divestiture (\$-0.01), adjustments attributable to non-controlling interest (\$0.00) and income tax effects (\$-0.12).

Q2'24 non-GAAP Outlook Gross Margin (43.5%) is Q2'24 GAAP Outlook Gross Margin (40.2%) after adjustment for acquisition-related adjustments (1.7%) and share-based compensation (1.6%).

For a full explanation of these non-GAAP measures, see Intel's Q1'24 earnings release at [intc.com](https://www.intel.com).

Gross margin and EPS outlooks are based on the mid-point of the revenue range. Our Q1'24 and FY'24 outlooks and other statements about future plans, expectations, and opportunities, including with respect to future products and technologies, are forward-looking statements. They are based on current expectations as of April 25, 2024 but are subject to many risks and uncertainties that could cause actual results to differ materially from those anticipated, as described in Intel's Q1'24 earnings release and most recent reports on Forms 10-K and 10-Q, available at [intc.com](https://www.intel.com). Graphic on segment revenue omits Other revenue and intersegment eliminations.