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Intel Announces Multi-Billion-Dollar Investment in Next-Generation Manufacturing in U.S.

NEWS HIGHLIGHTS

- Intel will spend $6-8 billion in manufacturing to support future technology advancements in Arizona and Oregon.
- The investment supports the creation of 6,000-8,000 construction jobs and 800-1,000 permanent high-tech jobs, and also allows Intel to maintain its current manufacturing employment base at these U.S. sites.
- The investment will fund a new development fab in Oregon, as well as upgrades to four existing fabs to manufacture the next-generation 22-nanometer (nm) process technology.
- Intel's next-generation, 22nm microprocessors will enable sleeker device designs, higher performance and longer battery life at lower costs.

SANTA CLARA, Calif.--(BUSINESS WIRE)-- Intel Corporation announced today that the company will invest between $6 billion and $8 billion on future generations of manufacturing technology in its American facilities. The action will fund deployment of Intel's next-generation 22-nanometer (nm) manufacturing process across several existing U.S. factories, along with construction of a new development fabrication plant (commonly called a "fab") in Oregon. The projects will support 6,000 to 8,000 construction jobs and result in 800 to 1,000 new permanent high-tech jobs.

"Today's announcement reflects the next tranche of the continued advancement of Moore's Law and a further commitment to invest in the future of Intel and America," said Intel President and CEO Paul Otellini. "The most immediate impact of our multi-billion-dollar investment will be the thousands of jobs associated with building a new fab and upgrading four others, and the high-wage, high-tech manufacturing jobs that follow."

The PC industry is achieving a significant milestone this year with 1 million PCs shipping per day. The upgraded fabs create the capacity for the continued growth of the PC market segment and additional computing markets Intel is addressing, such as mobile and embedded computing.

The new investments reinforce Intel's leadership in the most advanced semiconductor manufacturing in the world. Intel's brand-new development fab in Oregon - to be called "D1X" - is scheduled for R&D startup in 2013. Upgrades are also planned for a total of four existing factories in Arizona (known as Fab 12 and Fab 32) and Oregon (known as D1C and D1D).

"Intel makes approximately 10 billion transistors per second. Our factories produce the most advanced computer technology in the world and these investments will create capacity for

innovation we haven't yet imagined," said Brian Krzanich, senior vice president and general manager of Intel's Manufacturing and Supply Chain. "Intel and the world of technology lie at the heart of this future. Contrary to conventional wisdom, we can retain a vibrant manufacturing economy here in the United States by focusing on the industries of the future."

While Intel generates approximately three-fourths of its revenues overseas, it maintains three-fourths of its microprocessor manufacturing in the United States. This new investment commitment also allows the company to maintain its existing manufacturing employment base at these sites.

This new capital expenditure follows a U.S. investment announcement made in February 2009 to support state-of-the-art upgrades to its manufacturing process. Those upgrades resulted in 32nm process technology which has already produced computer chips being used today in PCs, servers, embedded and mobile devices around the world. Intel's first 22nm microprocessors, codenamed "Ivy Bridge," will be in production in late 2011 and will boost further levels of performance and power efficiency. By continuing to advance manufacturing process technology, additional features and functions can be integrated and enable devices with sleeker designs, higher performance and longer battery life at lower costs for users.

Intel (NASDAQ: INTC) is a world leader in computing innovation. The company designs and builds the essential technologies that serve as the foundation for the world's computing devices. Additional information about Intel is available at www.intel.com/pressroom and blogs.intel.com.

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Source: Intel Corporation