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Intel to Revise Financial Reporting Structure

SANTA CLARA, Calif.--(BUSINESS WIRE)-- Beginning with the publication of Intel Corporation’s first-quarter earnings report on April 19, 2016, the company will revise the presentation of its financial results to reflect changes to certain operating segments. The company is providing the revised financial reporting structure now, as shown below, in order to give visibility into the new model.

Intel's operating segments will be:

- Client Computing Group (CCG)
- Data Center Group (DCG)
- Internet of Things Group (IOTG)
- Non-Volatile Memory Solutions Group (NSG)
- Intel Security Group (ISecG)
- Programmable Solutions Group (PSG)
- All other
    - New Technology Group (NTG)

The company is electing to separately disclose the operating results of NSG, ISecG, and PSG, although none of these operating segments meets the quantitative thresholds to qualify as a reportable operating segment. Intel previously disclosed the results of NSG within the "all other" category and aggregated the results of ISecG and Software and Services Group (SSG) as the "software and services" operating segments.

PSG was formed as a result of our acquisition of Altera Corporation. Additionally, the company formed NTG, which includes Intel's perceptual computing efforts and products designed for wearables, drones and other market segments. Lastly, the company determined that SSG will no longer be an operating segment. SSG's historical results will be included in the "all other" category.

INTEL CORPORATION
SUPPLEMENTAL OPERATING SEGMENT RESULTS
(In millions)

	Three Months Ended				Twelve Months Ended	
	Apr 2,	Dec 26,	Sep 26,	Jun 27,	Mar 28,	Dec 26,	Dec 27,

	2016	2015	2015	2015	2015	2015	2014
Net revenue:							
Client Computing Group							
Platform							
Other							
Data Center Group							
Platform							
Other							
Internet of Things Group							
Platform							
Other							
Non-Volatile Memory Solutions Group							
Intel Security Group							
Programmable Solutions Group^							
All other							
TOTAL NET REVENUE							
Operating income (loss):							
Client Computing Group							
Data Center Group							
Internet of Things Group							
Non-Volatile Memory Solutions Group							
Intel Security Group							
Programmable Solutions Group^							
All other							
TOTAL OPERATING INCOME							

^Results for the Programmable Solutions Group will not include any results prior to the first quarter of 2016.

Revenue for our reportable and non-reportable operating segments is primarily related to the following product lines:

- **Client Computing Group**: Includes platforms designed for notebooks (including Ultrabook™ devices), 2 in 1 systems, desktops (including all-in-ones and high-end

enthusiast PCs), tablets, phones, wireless and wired connectivity products, and mobile communication components.

- **Data Center Group**: Includes platforms designed for enterprise, cloud, communications infrastructure, and technical computing segments.
- **Internet of Things Group**: Includes platforms designed for Internet of Things market segments, including retail, transportation, industrial, and buildings and home use, along with a broad range of other market segments.
- **Non-Volatile Memory Solutions Group:** Includes NAND flash memory products primarily used in solid-state drives.
- **Intel Security Group:** Includes security software products designed to deliver innovative solutions that secure computers, mobile devices, and networks around the world from the latest malware and emerging online threats.
- **Programmable Solutions Group:** Includes programmable semiconductors (primary field-programmable gate array) and related products for a broad range of market segments, including communications, networking and storage, industrial, military, and automotive.
- **All other** consists of the following:
  - Results of operations from our New Technology Group;
  - Corporate: Revenue, expenses, and charges such as:
    - Amounts included within restructuring and asset impairment charges;
    - A portion of employee benefits, compensation, and other expenses not allocated to the operating segments;
    - Divested businesses for which discrete operating results are not regularly reviewed by our chief executive officer;
    - Results of operations of startup businesses that support our initiatives, including our foundry business;
    - Acquisition-related costs, including amortization and any impairment of acquisition-related intangibles and goodwill.

About Intel

Intel (NASDAQ: INTC) expands the boundaries of technology to make the most amazing experiences possible. Information about Intel and the work of its more than 100,000 employees can be found at newsroom.intel.com and intel.com.

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