

Intel's Third-Quarter 2024 (Q3'24)

Financial Results

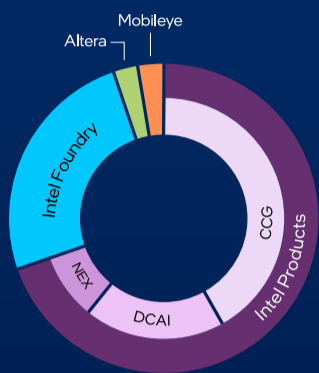
Total Intel Q3'24 Revenue¹

\$13.3B ▼ 6% YoY

Q3'24 Non-GAAP EPS \$(0.46) ▼ \$0.87 YoY

(Includes manufacturing and asset impairment charges, which impacted non-GAAP EPS by \$0.63)

Q3'24 Segment Revenue



Segment	Revenue	YoY Change
Intel Products Total	\$12.2B	▼ 2%
Client Computing (CCG)	\$7.3B	▼ 7%
Data Center and AI (DCAI)	\$3.3B	▲ 9%
Network and Edge (NEX)	\$1.5B	▲ 4%

Intel Foundry	\$4.4B	▼ 8%
Altera	\$412M	▼ 44%
Mobileye	\$485M	▼ 8%

¹Total net revenue includes intersegment eliminations of \$4.3 billion.

Q4'24 Outlook

Revenue	\$13.3B – \$14.3B
Gross Margin (non-GAAP)	39.5%
EPS (non-GAAP)	\$0.12

“Our Q3 results underscore the solid progress we are making against the plan we outlined last quarter to reduce costs, simplify our portfolio and improve organizational efficiency. We delivered revenue above the midpoint of our guidance, and are acting with urgency to position the business for sustainable value creation moving forward. The momentum we are building across our product portfolio to maximize the value of our x86 franchise, combined with the strong interest Intel 18A is attracting from foundry customers, reflects the impact of our actions and the opportunities ahead.”

Pat Gelsinger, Intel CEO

“Restructuring charges meaningfully impacted Q3 profitability as we took important steps toward our cost reduction goal. The actions we took this quarter position us for improved profitability and enhanced liquidity as we continue to execute our strategy. We are encouraged by improved underlying trends, reflected in our Q4 guidance.”

David Zinsner, Intel CFO

Business Highlights

Process Leadership

Launch of Intel 18A will be Intel's fifth node in four years

- Intel 18A is healthy and continues to progress well
- Lead Intel 18A products, Panther Lake for client and Clearwater Forest for servers, have met early milestones

- Announced plan to establish Intel Foundry as an independent subsidiary to provide clearer separation

Execution Milestones

Maximizing the value of x86 across client, edge and data center markets; seizing AI opportunity and continuing to deliver AI PC leadership

- Announced x86 Ecosystem Advisory Group with AMD, bringing together leaders from across the industry to help shape the future of x86
- Launched Intel® Core™ Ultra 200V series processors, code-named Lunar Lake, delivering competitive battery life with superior performance
- Launched Intel® Core™ Ultra 200S processors, code-named Arrow Lake, bringing the power of AI PC to the desktop and delivering performance per watt gains

- Remain on track to ship more than 100 million AI PCs accumulative by end of 2025
- Launched Intel® Xeon® 6, doubling performance of prior gen and solidifying position as head node of choice in AI servers
- Launched Intel® Gaudi® 3 AI accelerator, delivering twice the networking bandwidth and 1.5x the memory bandwidth of its predecessor for large language model efficiency

Customer and Partner Wins

Several new wins and collaborations across foundry and product

- Amazon Web Services (AWS) and Intel are finalizing a multi-year, multi-billion-dollar commitment to expand the companies' existing partnership to include a new custom Xeon 6 chip for AWS on Intel 3 and a new AI fabric chip for AWS on Intel 18A
- U.S. Department of Defense awarded Intel Foundry up to \$3 billion in direct funding under the Secure Enclave program to produce leading-edge semiconductors for the U.S. government

- Broadcom, Dell, Google, HPE, HP Inc., Lenovo, Meta, Microsoft, Oracle, and Red Hat signed on as founding members of x86 Ecosystem Advisory Group announced by Intel and AMD
- IBM and Intel announced a global collaboration to deploy Intel Gaudi 3 AI accelerators as a service on IBM Cloud
- KDDI, a major global telecom, has selected Samsung's vRAN 3.0 solution - powered by 4th Gen Intel Xeon Scalable processors with Intel vRAN Boost - to help expand its Open RAN deployment in Japan

Financial and Operational Updates

Taking necessary actions to create a stronger, more competitive Intel

- Delivered significant progress on \$10 billion cost reduction plan:
 - Completed vast majority of headcount actions and on track to achieve 15% workforce reduction by end of year
 - Reduced capital expenditures; well-positioned with “shell ahead” strategy; driving incremental efficiency in fabs
 - Simplifying and streamlining portfolio

- Recorded impairment charges of \$15.9 billion and restructuring charges of \$2.8 billion
- Kicked off process with potential investors in Altera to unlock shareholder value

intel. Abbreviations: Q3 (third quarter); Q4 (fourth quarter); YoY (year over year); GAAP (general accepted accounting principles); EPS (earnings per share attributable to Intel).

Q3'24 non-GAAP EPS attributable to Intel (\$-0.46) is Q3'24 GAAP EPS attributable to Intel (\$-3.88) after adjustment for acquisition-related adjustments (\$+0.06), share-based compensation (\$+0.19), restructuring and other charges (\$+1.31), losses on equity investments, net (\$+0.04), gains from divestiture (\$-0.01), adjustments attributable to non-controlling interest (\$-0.08), deferred tax assets valuation allowance (\$+2.31) and income tax effects (\$-0.40).

Q4'24 Outlook non-GAAP gross margin percentage (39.5%) is Q4'24 Outlook GAAP gross margin percentage (36.5%) after adjustment for acquisition-related adjustments (+1.6%) and share-based compensation (+1.4%).

Q4'24 Outlook non-GAAP EPS attributable to Intel (\$0.12) is Q4'24 Outlook GAAP EPS attributable to Intel (\$-0.24) after adjustment for acquisition-related adjustments (\$+0.06), share-based compensation (\$+0.17), restructuring and other charges (\$+0.08), gains from divestiture (\$-0.01), adjustments attributable to non-controlling interest (\$0.00) and income tax effects (\$0.06).

For a full explanation of these non-GAAP measures, see Intel's Q3'24 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 Q4'24 outlook 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 October 31, 2024 but are subject to many risks and uncertainties that could cause actual results to differ materially from those anticipated. Important factors that could cause actual results to differ materially are set forth in Intel's Q3'24 earnings release at [intc.com](https://www.intc.com), and our most recent reports on Forms 10-K and 10-Q, available at [intc.com](https://www.intc.com) and [sec.gov](https://www.sec.gov). Intel Q4'24 revenue outlook is presented on a GAAP basis. Graphic omits Other revenue and intersegment eliminations.