This presentation contains non-GAAP financial measures relating to our performance. You can find the reconciliation of these measures to the most directly comparable GAAP financial measure in the Appendix at the end of this presentation. The non-GAAP financial measures disclosed by Intel should not be considered a substitute for, or superior to, the financial measures prepared in accordance with GAAP. Please refer to “Explanation of Non-GAAP Measures” in Intel’s quarterly earnings release for a detailed explanation of the adjustments made to the comparable GAAP measures, the ways management uses the non-GAAP measures and the reasons why management believes the non-GAAP measures provide investors with useful supplemental information.

Statements in this presentation that refer to business outlook, future plans and expectations are forward-looking statements that involve a number of risks and uncertainties. Words such as “anticipates,” “expects,” “intends,” “goals,” “plans,” “believes,” “seeks,” “estimates,” “continues,” “may,” “will,” “would,” “should,” “could,” and variations of such words and similar expressions are intended to identify such forward-looking statements. Statements that refer to or are based on estimates, forecasts, projections, uncertain events or assumptions, including statements relating to total addressable market (TAM) or market opportunity, future products and the expected availability and benefits of such products, and anticipated trends in our businesses or the markets relevant to them, also identify forward-looking statements. Such statements are based on management’s expectations as of January 24, 2019 and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Important factors that could cause actual results to differ materially from the company’s expectations are set forth in Intel’s earnings release dated January 24, 2019, which is included as an exhibit to Intel’s Form 8-K furnished to the SEC on such date. Additional information regarding these and other factors that could affect Intel’s results is included in Intel’s SEC filings, including the company’s most recent reports on Forms 10-K and 10-Q. Copies of Intel's Form 10-K, 10-Q and 8-K reports may be obtained by visiting our Investor Relations website at www.intc.com or the SEC’s website at www.sec.gov.

All information in this presentation reflects management’s views as of January 24, 2019. Intel does not undertake, and expressly disclaims any duty, to update any statement made in this presentation, whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law.
EXECUTIVE SUMMARY

3rd consecutive record year... Growing share in >$300B TAM¹... Expect record ’19

- Record FY’18 revenue in every business segment... Data-centric up 20%²... PC-centric up 9%
- Q4 revenue up 9%, but below Oct’18 expectations... weaker modem demand, slowdown in China, cloud customers absorbing capacity, and weakening NAND environment
- Strong product and technology momentum... 9th Gen Intel core desktop launch, 10nm ICL client and server power-on... Cascade Lake shipping
- Delivering product leadership through 6 pillars of innovation... Process, Architecture, Memory, Interconnect, Security Features and Software... Foveros first 3D logic packaging... Gen 11 int. graphics >1 TFLOP
- Strong progress in AI, 5G, Autonomous Driving... Mobileye won 28 new designs, 78 vehicle launches in 2018
- Attained major diversity and inclusion milestones... reached full representation in its U.S. workforce... achieved gender pay equity across our global workforce
FINANCIAL HIGHLIGHTS

Record Year… Revenue up 13%… Non-GAAP EPS up 32%… FCF up 38% YoY

- Q4 Revenue $18.7B, up 9% YoY… Data-centric up 9%… PC-centric up 10%
- Q4 Non-GAAP Operating margin 35.1%… spending leverage, offset by 10nm costs and impact of adjacency growth
- Delivered Q4 Non-GAAP EPS of $1.28, up 18% YoY… strong revenue growth, excellent leverage, lower tax rate, lower shares outstanding
- Generated $14.3B of 2018 free cash flow… Returned $16.3B to shareholders… Paid dividends of $5.5B… Repurchased ~217M shares… Increased buyback authorization by $15B
- Exceeded Q4 EPS Guide… Lower spending and tax rate, partially offset by reduced modem demand, Cloud & Enterprise softness, and weaker NAND pricing

EXPECT RECORD 2019… RAISING DIVIDEND 5%
LEADERSHIP PRODUCTS WINNING IN AN EXPANDED TAM

Q4’18 Revenue up 9%

Q4’17: $17.1B
Q4’18: $18.7B

+9% YoY

+10% YoY

PC-Centric vs Data-Centric (excl. McAfee)

2012:
- PC-centric: 28%
- Data-centric: 72%

2014:
- PC-centric: 48%
- Data-centric: 52%

2016:
- PC-centric: +15% CAGR
- Data-centric: +0% CAGR

2018:
- PC-centric: 48%
- Data-centric: 52%

1. Data-Centric businesses include DCG, IOTG, NSG, PSG and All Other.
NON-GAAP EPS UP ~18%

Strong revenue growth, Opex leverage, and lower tax rate driving EPS growth

EPS Drivers Year-Over-Year

EPS up $0.20 (up $0.40 excl. Equity Adj.)

Platform Execution
- Server: Growth led by Cloud and Comms SP
- Client: PC up on strong mix

Expanded Adjacencies TAM
- NSG +25%, Modem +68% and Mobileye +43%

Disciplined Spending
- Increased data-centric investment, including big bets; offset by divestitures (Wind River, Saffron, Wearables)

Capital Allocation & Other
- Lower 2018 tax rate and lower share count

Operating Margin 35.0%

$1.08

Q4'17 Non-GAAP

Equity Adj.

$0.20

Q4'17 EPS less Equity Adj.

$0.88

Platform Volume

$0.05

Platform ASP

$0.12

Platform Cost

($0.08)

Adjacent Biz.

($0.01)

Spending

$0.02

Capital Alloc. & Other

$0.30

Q4'18 Non-GAAP

$1.28
DRIVING OPERATIONAL EFFICIENCIES...

Opex as % of Revenue

- 36.2%
- 28.6%
- Q4'18: 26.5%

2015 2018

...WHILE INCREASING R&D SPENDING

R&D Spending ($B)

- $12.1
- $12.7
- $13.0
- $13.5

2015 2016 2017 2018

- Significant operating leverage... >25% increase in revenue per employee
- Thoughtful tradeoffs and divestitures (McAfee, Wind River, Saffron, Wearables), investing to accelerate growth & profitability
- Investing in higher growth segments of the market...expanded TAM
- R&D up $1.4B or 12% since 2015 due to increasing data-centric investments
Strong rev. growth on tough comparison... below expectations on softer China demand & cloud deceleration
Platform ASP up 1%... Xeon ASP up 5% YoY, up ~2% QoQ, offset by higher SoC mix
IOTG, NSG & PSG BUSINESS SEGMENTS... REVENUE UP 9%

**IOTG + Mobileye ($M)**

- **Revenue**:
  - Q4'17: $128M
  - Q4'18: $183M
- **Op Income**:
  - Q4'17: $879M
  - Q4'18: $816M

**Mobileye**:

- **Revenue**:
  - Q4'17: $260M
  - Q4'18: $189M
- **Op Income**:
  - Q4'17: $12M
  - Q4'18: $37M

**NSG ($M)**

- **Revenue**:
  - Q4'17: $889M
  - Q4'18: $1,107M
- **Op Income**:
  - Q4'17: $31M
  - Q4'18: $(19)M

**PSG ($M)**

- **Revenue**:
  - Q4'17: $568M
  - Q4'18: $612M
- **Op Income**:
  - Q4'17: $156M
  - Q4'18: $162M

**Key Points**

- **IOTG Revenue up 4% YoY** (excl. Wind River) limited primarily due to supply tightness.
- Mobileye revenue, up 43% on ramping designs and increasing ADAS adoption.
- **NSG revenue up 25% YoY** driven by Datacenter growth & Optane adoption... below expectations on weaker NAND pricing environment.
- 64T conversion continues in both DC and Client with volume mix >75%.
- Full year NSG approx. break-even.
- **Revenue up 8% YoY** driven by strength in Datacenter and Comms, Advanced node products, partially offset by higher Q4'17 last-time buys.
- Continued momentum in Data Center business, up ~50%.
- Advanced Products (28nm, 20nm, 14nm) up ~70%.

---

1. Mobileye is not part of IOTG segment.
2. Mobileye non-GAAP operating income excludes $28M negative impact from acquisition-related inventory valuation adjustments.
3. IOTG revenue growth rate excludes Q4'17 ~$634M for Wind River revenue.
**CLIENT COMPUTING GROUP... CONTINUED EXECUTION**

- **Re revenue ($B) up 10%**
  - Q4'17: $8.1
  - Q4'18: $9.8

- **Operating Income ($B) up 12%**
  - Q4'17: $3.3 (Op Margin 36%)
  - Q4'18: $3.7 (Op Margin 37%)

<table>
<thead>
<tr>
<th>Platform</th>
<th>Modern/Adjacencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.9</td>
<td>$1.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q4'17 to Q4'18</th>
<th>YoY Revenue ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platform</td>
<td>6%</td>
</tr>
<tr>
<td>Modem/Adjacencies¹</td>
<td>45%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market Segments</th>
<th>YoY Revenue ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notebook</td>
<td>8%</td>
</tr>
<tr>
<td>Desktop</td>
<td>3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CCG Platform</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>PC Volumes</td>
<td>(2%)</td>
</tr>
<tr>
<td>Notebook ASP</td>
<td>6%</td>
</tr>
<tr>
<td>Desktop ASP</td>
<td>13%</td>
</tr>
</tbody>
</table>

**Strength in Commercial & Gaming, focused investments & segmentation strategy driving results**

Modem share gains driving adjacency growth, but revenue ~$200M lower than expectations.

¹: CCG adjacencies include modem, connected home products, wireless communications and wired connectivity.
Data-centric growth and PC-centric execution produced record operating cash flow of ~$29.4B.

Repurchased 217M shares (~51M shares in Q4) for $10.7B... Settled $2.4B convertible debt reducing shares ~23M

Returned ~114% of FCF... Reduced FCF to earnings gap by ~4.5 ppts... Increased buyback authorization by $15B
FULL YEAR 2018... ANOTHER RECORD YEAR

Revenue up 13%

$62.8B

2017

$70.8B

2018

Expanding EPS\textsuperscript{1} ... up 32% (up 51% excl. Equity Adj.)

$3.46

2017

$4.58

2018

Transformation Continues... Growing in an expanded \textgreater$300B TAM

Record Revenue, EPS & Cash from Ops

1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures
<table>
<thead>
<tr>
<th>OCTOBER ‘18 ASSESSMENT</th>
<th>CURRENT ASSESSMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue headwinds &amp; tailwinds balanced</td>
<td>Trade &amp; macro concerns intensifying... esp. in China; CSPs absorbing capacity; NAND pricing deteriorating</td>
</tr>
<tr>
<td>Gross Margin % down slightly from Q4’18 but remains in upper half of historical 55 to 65% range</td>
<td>~Consistent with October assessment</td>
</tr>
<tr>
<td>Operating Margin % ~flat YoY</td>
<td>Operating Margin % down &lt;1 ppt YoY</td>
</tr>
<tr>
<td>Tax rate up a couple points YoY</td>
<td>~Consistent with October assessment</td>
</tr>
<tr>
<td>Capex: logic slightly up, memory a little lower</td>
<td>~Consistent with October assessment</td>
</tr>
</tbody>
</table>
FULL YEAR 2019 OUTLOOK

**REVENUE**
- **$71.5B**
- **UP ~1% YOY**
  - Data-centric up mid-single digits YOY
  - PC-centric down low single digits YOY

**OPERATING MARGIN**
- **34%**
- **DOWN <1 PPT YOY**
  - Modest YoY declines in GM (10nm ramp, growth of adjacencies) partly offset by increased spending leverage

**EPS**
- **$4.60**
- **UP $0.02 YOY**
  - Tax rate ~13.5%
  - Raising Quarterly Dividend by 5% to $1.26

Gross Capex $15.5B... logic up, memory down... no customer pre-payments

FCF at ~$16.0B... investing to increase capacity and advance 10nm and 7nm

---
1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
Q1 2019 OUTLOOK

**REVENUE**

$16B

Data-centric down low single digits YoY
PC-centric up low single digits YoY

**OPERATING MARGIN**

29%

Modest YoY declines in GM
(10nm ramp, growth of adjacencies)
partly offset by increased spending leverage

**EPS**

$0.87

Tax rate ~14%

---

1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
APPENDIX
# Reconciliation of Non-GAAP Actuals

<table>
<thead>
<tr>
<th>(In Millions, Except Per Share Amounts)</th>
<th>Dec 29, 2018</th>
<th>Dec 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Operating Income</strong></td>
<td>$6,224</td>
<td>$5,435</td>
</tr>
<tr>
<td>Inventory valuation adjustments</td>
<td>—</td>
<td>28</td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>329</td>
<td>315</td>
</tr>
<tr>
<td>Restructuring and other charges</td>
<td>—</td>
<td>195</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Income</strong></td>
<td><strong>$6,553</strong></td>
<td><strong>$5,973</strong></td>
</tr>
</tbody>
</table>

| **GAAP Diluted Earnings (Loss) per Common Share** | $1.12 | $(0.15) |
| Inventory valuation adjustments        | —     | 0.01     |
| Amortization of acquisition-related intangible assets | 0.07       | 0.06      |
| Restructuring and other charges        | —     | 0.04     |
| Ongoing mark-to-market on marketable equity securities | 0.11      | —         |
| Tax Reform                             | —     | 1.14     |
| Income tax effect                      | (0.02) | (0.02)   |
| **Non-GAAP Diluted Earnings per Common Share** | **$1.28** | **$1.08** |

<table>
<thead>
<tr>
<th><strong>Free Cash Flow (In Billions)</strong></th>
<th>Dec 29, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Cash from Operations</td>
<td>$29.4</td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(15.2)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$14.3</strong></td>
</tr>
</tbody>
</table>

| GAAP Cash Used for Investing      | $(11.2)     |
| GAAP Cash Used for Financing      | $(18.6)     |
# Reconciliation of Non-GAAP Outlook

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019 Outlook</th>
<th>Full-year 2019 Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Operating Margin</strong></td>
<td>Approximately 27%</td>
<td>Approximately 32%</td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Margin</strong></td>
<td>29%</td>
<td>34%</td>
</tr>
<tr>
<td><strong>GAAP Earnings Per Share</strong></td>
<td>$0.81</td>
<td>$4.35</td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>0.07</td>
<td>0.29</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>(0.01)</td>
<td>(0.04)</td>
</tr>
<tr>
<td><strong>Non-GAAP Earnings Per Share</strong></td>
<td>$0.87</td>
<td>$4.60</td>
</tr>
</tbody>
</table>

## Free Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Full-year 2019 Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Cash From Operations</strong></td>
<td>$31.5</td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(15.5)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>$16.0</td>
</tr>
</tbody>
</table>