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 April 25, 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 April 25, 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 April 25, 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

Q1 results slightly above January expectations

Revising full year expectations based on customer feedback

Intensifying our focus in three key areas
EXPANDING TAM... ACCELERATING INNOVATION... IMPROVING EXECUTION & EVOLVING CULTURE

EXPANDED TAM

Data-centric portfolio launch
Mobileye REM wins N.A. OEM
Sharpened 5G focus

ACCELERATING INNOVATION

1st US exascale supercomputer
New 9th Gen mobile processors
Improved 10nm factory velocity

EXECUTION & CULTURE

Increasing 14nm capacity
Ice Lake 10nm qual Q2
Raising 2019 10nm volume

ONE INTEL
**FULL YEAR 2019 OUTLOOK**

**REVENUE**

$69B

DOWN ~3% YOY

Data-centric down low single digits YOY
DCG down mid single digits YOY
NSG down high single digits YOY
PC-centric down low single digits YOY

(DOWN $2.5B vs JAN GUIDE)

**OPERATING MARGIN**

32%

DOWN <3PPT YOY

GM down YoY on 10nm ramp,
NAND pricing & lower revenue
Partly offset by spending reductions ~$1B YoY

(DOWN 2 PPT vs JAN GUIDE)

**EPS**

$4.35

DOWN 5% YOY

Tax rate ~12%

(DOWN $0.25 vs JAN GUIDE)

**Gross Capex $15.5B... unchanged vs January guide**

**FCF at ~$15B... down $1B vs January guide on lower op income, partially offset by leaner working capital**

1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
Q1’19 RESULTS
Q1’19 Financial Highlights
Revenue flat... Non-GAAP EPS up 2%

- Q1 Revenue $16.1B, flat YoY... Data-centric $7.5B... PC-centric $8.6B
- Q1 Non-GAAP Operating Margin 28%, down 2ppt... lower spending & ASP strength offset by impact of 10nm ramp & NAND reserves
- Delivered Q1 Non-GAAP EPS of $0.89, up 2% YoY... McAfee dividends & lower share count partially offset by lower operating margin
- Year-to-date generated $1.6B of free cash flow... Returned $3.9B to shareholders... Paid dividends of $1.4B... Repurchased 49M shares
NON-GAAP EPS UP 2%

Strong mix, spending discipline & reduced share count partially offset by 10nm ramp costs

EPS Drivers Year-Over-Year

1. EPS & Operating Margin are presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
2. Platform includes CCG, DCG and IOTG microprocessors and chipsets.
3. Adjacent Business includes gross margin impact from non-platform products.
4. Capital Alloc. & Other includes impact of changes in share count, tax rate, gains/losses on equity investments, interest and other.

Operating Margin 29.8%  28.0%

Q1’18 Non-GAAP  $0.87
Platform Volume 2  -1.1pts
Platform ASP  +2.0pts
Platform Cost  -4.4pts
Adjacent Biz 3  -0.4pts
Spending  +2.1pts
Capital Alloc. & Other 4  
Q1’19 Non-GAAP  $0.89

EPS up $0.02

Platform Execution
• Enterprise & Government inventory correction
• PC supply constraints partially offset by strong mix
• Platform costs driven by 10nm ramp

Adjacencies
• NAND pricing pressure
• Modem and Mobileye revenue growth

Disciplined Spending
• Lower spending due to divestitures and SG&A leverage

Capital Allocation & Other
• Lower share count
• McAfee dividend
TOTAL SPENDING AS % OF REVENUE DOWN FROM 32.4% TO 30.3% YOY

Creating opex leverage while maintaining R&D

Spending as % of Revenue

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
<th>Q1'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG&amp;A</td>
<td>14.2%</td>
<td>11.8%</td>
<td>9.5%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>22.4%</td>
<td>20.6%</td>
<td>20.7%</td>
</tr>
</tbody>
</table>

Total Spending ($B)

<table>
<thead>
<tr>
<th></th>
<th>Q1'17</th>
<th>Q1'18</th>
<th>Q1'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG&amp;A</td>
<td>$2.1</td>
<td>$1.9</td>
<td>$1.5</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>$3.3</td>
<td>$3.3</td>
<td>$3.3</td>
</tr>
</tbody>
</table>

Down from 32.4% to 30.3% YoY
China weakness & inventory correction broadly impacting DCG... Cloud absorbing capacity 
Op margin down on lower revenue, initial 10nm costs and increased roadmap investments
IOTG revenue up 19%¹ on strength in video and industrial... operating income up 11% YoY on mix shift to higher performance products

Record Mobileye revenue, up 38% on continued customer momentum

NSG revenue down YoY on continued pricing pressure, offset by NAND bit growth

Operating income down on market weakness resulting in inventory revaluation, partially offset by cost improvements

Reducing 2019 NAND output

PSG revenue down 2% YoY on weakness in Cloud & Enterprise (-55%), partially offset by strength in Wireless (+30%)... Advanced node products (+30%)

Operating income down 8% on lower revenue

1. IOTG growth rate excludes Q1’18 $74M for Wind River revenue.
Client Computing Group

Revenue ($B) up 4%

Q1'18: $7.6
Q1'19: $7.8

Operating Income ($B) up 10%

Q1'18: $2.8
Q1'19: $3.1

Op Margin:
Q1'18: 34%
Q1'19: 36%

Q1'18 to Q1'19 YoY Revenue ($)

- Platform: 3%
- Modem/Adjacencies: 26%

Market Segments YoY Revenue ($)

- Notebook: 5%
- Desktop: (1%)

CCG Platform YoY Growth

- PC Volumes: (7%)
- Notebook ASP: 13%
- Desktop ASP: 7%

Revenue growth on richer product mix... strength in gaming, large commercial & modem
Op margin up on revenue, lower spending, partially offset by 10nm ramp

1. CCG adjacencies include modem, connected home products, wireless communications and wired connectivity.
Q1’19 SOURCES & USES OF CASH

Financial Flexibility... Returning Cash to Shareholders

Operating cash flow of $5B... Investing to expand 14nm capacity & ramp 10nm
Dividend up 5%... Repurchased 49M shares for $2.5B

1. Total cash investments include cash and cash equivalents, short-term investments and trading assets.
2. Total debt includes short-term and long-term debt.
Q2’19 OUTLOOK

**REVENUE**

- **$15.6B** DOWN 8% YOY
  - Data-centric down high single digits YoY
  - DCG ~flat QoQ
  - PC-centric down high single digits YoY

**OPERATING MARGIN**

- **29%** DOWN 4 PPT YOY
  - Lower platform revenue, NAND pricing and ramping modem

**EPS**

- **$0.89** DOWN 14% YOY
  - Tax rate ~11.5%

---

1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
### RECONCILIATION OF NON-GAAP ACTUALS

(In Millions, Except Per Share Amounts)

<table>
<thead>
<tr>
<th></th>
<th>Mar 30, 2019</th>
<th>Mar 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP OPERATING INCOME</strong></td>
<td>$4,174</td>
<td>$4,470</td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>$331</td>
<td>$325</td>
</tr>
<tr>
<td><strong>NON-GAAP OPERATING INCOME</strong></td>
<td>$4,505</td>
<td>$4,795</td>
</tr>
<tr>
<td><strong>GAAP DILUTED EARNINGS (LOSS) PER COMMON SHARE</strong></td>
<td>$0.87</td>
<td>$0.93</td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>0.07</td>
<td>0.07</td>
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<tr>
<td>Ongoing mark-to-market on marketable equity securities</td>
<td>(0.05)</td>
<td>(0.13)</td>
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<tr>
<td>Income tax effect</td>
<td>—</td>
<td>—</td>
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<tr>
<td><strong>NON-GAAP DILUTED EARNINGS PER COMMON SHARE</strong></td>
<td>$0.89</td>
<td>$0.87</td>
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#### FREE CASH FLOW (In Billions)

<table>
<thead>
<tr>
<th></th>
<th>Mar 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP CASH FROM OPERATIONS</strong></td>
<td>$5.0</td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(3.3)</td>
</tr>
<tr>
<td><strong>FREE CASH FLOW</strong></td>
<td>$1.6</td>
</tr>
<tr>
<td><strong>GAAP CASH USED FOR INVESTING</strong></td>
<td>$(2.7)</td>
</tr>
<tr>
<td><strong>GAAP CASH USED FOR FINANCING</strong></td>
<td>$(2.1)</td>
</tr>
</tbody>
</table>
# RECONCILIATION OF NON-GAAP OUTLOOK

<table>
<thead>
<tr>
<th></th>
<th>Q2 2019 Outlook</th>
<th>Full-year 2019 Outlook</th>
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</thead>
<tbody>
<tr>
<td><strong>GAAP OPERATING MARGIN</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>2%</td>
<td>2%</td>
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<tr>
<td><strong>NON-GAAP OPERATING MARGIN</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>29%</td>
<td>32%</td>
</tr>
<tr>
<td><strong>GAAP EARNINGS PER SHARE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>0.07</td>
<td>0.29</td>
</tr>
<tr>
<td>Ongoing mark-to-market on marketable equity securities</td>
<td>—</td>
<td>(0.06)</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>(0.01)</td>
<td>(0.02)</td>
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<tr>
<td><strong>NON-GAAP EARNINGS PER SHARE</strong></td>
<td>$0.89</td>
<td>$4.35</td>
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**FREE CASH FLOW**

(In Billions)

<table>
<thead>
<tr>
<th></th>
<th>Full-year 2019 Outlook</th>
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</thead>
<tbody>
<tr>
<td><strong>GAAP CASH FROM OPERATIONS</strong></td>
<td>$30.5</td>
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<tr>
<td>Additions to property, plant and equipment</td>
<td>(15.5)</td>
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<tr>
<td><strong>FREE CASH FLOW</strong></td>
<td>$15.0</td>
</tr>
</tbody>
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