Good afternoon everyone.

Q3 was a solid quarter where we navigated a challenging supply environment to deliver year-over-year growth on the top line while beating expectations on Gross Margin and EPS. We had record third-quarter revenue in DCG and Mobileye, while IoTG had an all-time record as it continued its recovery from COVID slowdowns.

Our focus on execution continued as we delivered on our initial IDM 2.0 commitments. We broke ground on new fabs, shared our accelerated path to regain process performance leadership, and made our most dramatic architecture announcements in a decade. We also announced major customer wins across every part of our business, including in the Datacenter with AWS and Google, new EVO designs in client, and exciting Mobileye partnerships with ZEEKR and Sixt SE.

The demand for semiconductors remained strong, and our factories performed exceptionally well in a highly dynamic environment where matched sets posed huge challenges for our customers, and overall industry supply remained very constrained. The resilience of our factory network was on display, delivering considerable upsides and reacting to rapid demand shifts reinforcing the unique and strategic value of IDM2.0.

While we are still in the early stages of our journey, we are getting better every day. It is clear that we have to move even faster, be even more nimble, and invest now to achieve our goals of undisputed leadership down the road. I can see the enormous potential that lies ahead, and I couldn’t be prouder of the Intel Team and the progress we are making towards it right now.

Let me begin with what we are seeing in the market.

Demand remains strong across all of our segments, and I continue to believe that we’re just starting a cycle of sustained growth, which we are well-positioned to capture.

The digitization of everything accelerated by the four superpowers of AI, pervasive connectivity, cloud to edge infrastructure, and ubiquitous compute are driving the sustained need for more semiconductors, and the market is expected to double to $1T by 2030. In that timeframe, the market for leading-edge nodes will rise to over 50% of the total, while the market for leading-edge foundry services will grow at twice the rate of the semi-industry overall. We are one of the few companies with both the technical and financial resources to win in a market that is increasingly leading edge and challenged by the extreme physics of rejuvenating and continuing Moore’s Law.

PC demand remains very strong, and we believe the 2021 TAM will grow double digits even as ecosystem shortages constrain our customer’s ability to ship finished systems. Dell, HP, Lenovo, along with other OEMs and ecosystem partners, agree that PCs are now a structurally larger and sustainably growing market. As we head into 2022, we expect the ecosystem supply situation to gradually improve, and the PC market will continue to grow as tailwinds from Win 11, hybrid work models, a larger install base, and compelling new platforms drive PC density, shorter replacement cycles, and penetration of new markets.
Against this backdrop, our products have strong momentum driven by compelling platforms, including 30 new Evo Tiger Lake designs with 13 of our OEMs. Tiger Lake has shipped more than 70M units this year, making it our fastest ramping notebook ever.

We are raising the bar again with Alder Lake, our first performance hybrid architecture product, which I am pleased to say began shipping in Q3 on Intel 7 and will start to launch next week at Innovation. The Alder Lake family will offer customers significant advancements across a range of workloads, including gaming, content creation, and AI acceleration. Alder Lake will scale from ultra-mobile to desktop and will go to market across our range of segments, form factors, and power envelopes faster than any new architecture in Intel’s history.

Turning to the datacenter market, new and existing workloads continue to move to the cloud, security and privacy requirements are driving Enterprise deployments, and the 5G buildout is powering networking. I remain confident about the long-term growth of the datacenter despite regulatory changes in China and short-term ecosystem supply constraints impacting some customers.

Customers continue to choose Intel for their datacenter needs, and our 3rd gen scalable Xeon processor Ice Lake has shipped over a million units since launching in April, and we expect to ship over 1Mu units again in Q4 alone. All of our OEMs are currently shipping systems, and we expect all our major cloud customers to have announced instances by the end of the year. This includes Google as well as AWS who has already launched their highest performing Xeon EC2 instance ever, a tremendous milestone resulting from our close collaboration of almost 15 years.

Looking ahead, customers remain very excited by Sapphire Rapids, which we expect to have in production in Q1. Sapphire Rapids sets the standard for next-generation data center processors and was recently selected by the US Department of Energy to power compute-intensive modeling supporting their stockpile stewardship program.

In core and mobile networks, Intel is powering the transformation to virtualized, cloud-native deployments. 50% of new core network deployments are now running on off-the-shelf servers, and we expect that to increase to over 80% by 2024. The next great transformation is the virtualization of the radio access network, known as vRAN. We’re working with service providers globally to enable this transition, including Verizon, Rakuten, Dish Networks, and others. Today, nearly all early commercial deployments are running on Xeon and our FlexRAN software reference architecture. We see tremendous opportunity in vRAN, and in Q3, we announced a collaboration with Juniper Networks to accelerate future deployments. Overall, we expect global vRAN base station deployments to move from hundreds to “hundreds of thousands,” and eventually millions with Private 5G over the next several years.

Finally, edge compute needs continue to grow, and our IoTG business had an all-time quarterly record in Q3. In mobility, the market for automotive silicon is expected to more than double to $115B by the end of the decade as AVs begin to move from the garage to the streets. Mobileye is helping to lead this charge, and we recently announced that we will begin offering driverless robotaxi service starting next year in collaboration with Sixt SE.

From PC to Datacenter to the network to the Edge, Q3 was full of examples of the increasing need for semiconductors and where customers continue to choose Intel.
Since my return, we’ve not only laid out our roadmap for success, but, more importantly, we’ve already started executing at what I like to say is a “torrid pace.”

Back in March, when we unveiled our powerful new IDM 2.0 strategy, I outlined our course for a new era of innovation at Intel, where I committed to:

1) Expand our internal and external manufacturing to address unprecedented global demand for semiconductors
2) Open our doors to be a world-class foundry.
3) Regain process leadership
4) And deliver leadership products in every category in which we compete.

We are driving progress in every area, so let me talk through each one, starting with how we are expanding our manufacturing capacity and our foundry business.

Our factories are executing superbly, and construction is on or ahead of schedule across all major sites. Last month, we broke ground on our two new fabs in Arizona – three months ahead of schedule.

As we expand capacity, we’re using a “smart capital” approach so that we can adjust quickly to opportunities in the market and to gain share while managing our margin structure and capital spending. There are three elements to smart capital:

First, we are focused on aggressively building out “shells,” which are the smaller portion of the overall cost of a fab but have the longest lead time. Having available shell space gives us flexibility in how and when we bring additional capacity online.

Second, we will make effective use of external foundries – leveraging some of their unique capabilities to ensure we’re delivering leadership products. We’re already one of the largest foundry customers, and this quarter we announced that key products such as Meteor Lake and Ponte Vecchio will leverage third parties for some of their tiles.

Finally, we expect our plans to benefit from investments from governments who understand that a healthy semiconductor industry is vital to their economic well-being and national security. With bipartisan support in both houses, we are hopeful the CHIPS Act will be passed by the end of this year, allowing us to accelerate decisions for our next US site. This will also enable a more level playing field with our competitors, who enjoy significant support from their governments. We’ve also seen considerable interest in the EU with the European Chips Act, and the process to select our next site in Europe is proceeding rapidly. Intel remains the only global company committed to building a leading-edge foundry in the US and Europe for customers around the world.

Together, IDM 2.0 with “smart capital” uniquely positions for an enormous and unique market opportunity – including our foundry ambitions. IFS will enable Intel to grow faster, expand monetization of our process and packaging capabilities, leverage our design IPs more broadly and provide sustainable superior cash flows from our assets. Since March, we have:

• shipped our first IFS packaging units for revenue
• engaged with well over 100 potential customers, including several large customers who are working with us on our leading-edge Intel 18A, and
• We have multiple customers planning test chips on Intel 16 that will be in our factories early next year.

We also had a significant win with the U.S. Government, which selected Intel to provide commercial foundry services in the first phase of its RAMP-C program. We are proud of this achievement and the confidence the US government has in us to deliver them a trusted foundry capability.

In July, at our Intel Accelerated event, the team and I shared the most detailed roadmap we’ve ever provided for process and packaging technologies – a roadmap that brings us to process performance parity in 2024 and clear leadership in 2025.

I am happy to share that Intel 7, Intel 4, Intel 3, Intel 20A, and Intel 18A are all on or ahead of the timelines we set out in July.

For example, on Intel 4, we said we had taped out our compute tile for Meteor Lake, and this quarter it came out of the fab and powered up within 30 minutes with outstanding performance right where we expected it to be. All told, this is one of the best lead product start-ups we have seen in recent memory, which speaks to the health of the process. In fact, we are using a pre-production release of Intel 4 in our newest neuromorphic computing chip, Loihi 2.

Finally, on the product front, we are intent on delivering leadership products in every category in which we compete. In August, at our Architecture Day, we started delivering on that promise as we made five major architecture announcements, our most dramatic updates in the last decade.

• We introduced hybrid computing with two new generations of x86 cores enabling power-efficient designs that are performant for the most demanding workloads.
• We unveiled our Intel Arc brand for discrete graphics starting with our Alchemist product which will be on shelf in Q1 of next year.
• We continued our central role in the evolving datacenter landscape with Mount Evans, our first ASIC-based infrastructure processing unit or IPU. Developed in close cooperation with a major cloud provider, our IPUs enable superior security capabilities and let our cloud customers move infrastructure tasks off the CPU, thereby allowing them to rent 100% of their CPU capacity to their customers.
• We also gave additional detail on Sapphire Rapids and its compelling AI and accelerator capabilities.
• And last but not least, we opened the curtain on Ponte Vecchio. With our highest ever compute density, the 100 billion-transistor device delivers industry-leading FLOPs to accelerate AI, HPC, and advanced analytics workloads. Early Ponte Vecchio silicon is already demonstrating leadership performance, setting an industry record in both inference and training throughput on popular AI benchmarks.

Next week, at our Intel Innovation event, we will take the next step forward, with a renewed commitment to developers and a host of new tools, technology, and product announcements. Announcements that really underscore how we are rapidly "bringing the geek back."

As I have said, we are repositioning this company for long-term growth and are analyzing the investment plans required to achieve our goals and provide attractive long-term results for our shareholders.
It is abundantly clear to us that we must invest in our future RIGHT NOW to accelerate past the rest of the industry and regain unquestioned leadership in what we do.

Our investment plan is aligned with our IDM2.0 strategy to rapidly build our manufacturing capacity in response to the expanding market, grow our share, and to accelerate innovation, enabling Intel to leap ahead with new businesses and capabilities in the future.

The recent reorganization around these businesses, along with the new leadership we have added, is already having an impact. However, our CFO, George Davis, recently advised us that he has decided to retire in the first half of next year. We are very grateful to George for his dedicated service and leadership with the company, and he will be working with us for a smooth transition. We are currently engaged in a search for George’s successor, and he is helping with the process.

I naturally want to give his successor an opportunity to participate in optimizing our long-range plan, and we would not want to hold a critical Investor Day without the new CFO being in place. As such, we have decided to move our event to February 17th of next year. This has the added benefit of hopefully being a more in-person event while giving us a better view of the government investments from which we expect to benefit.

We have made this decision for very practical reasons of George’s retirement. The company is running well. We are confident in our process technology and product roadmaps. Our business is healthy, and our markets remain strong. And above all, we are executing on our plan.

Given the new timing of our Investor Day, I do want to take this opportunity to paint a general picture of what our plan looks like, and George will share more details in a few minutes.

We have a huge opportunity with new businesses in graphics, networking, foundry, and mobility, all large and growing segments. When combined with the continued expansion of our current client and datacenter markets, we cannot and will not miss opportunity. Investing now will enable us to reposition the company to deliver double-digit revenue growth as those investments pay off.

While these investments will pressure free cash flow in the short term, our operating cash flow will remain strong, reflecting the high quality of our business, and we remain committed to a healthy and growing dividend. As with free cash flow, our gross margins will be below current levels for the next 2-3 years before recovering but will remain comfortably above 50% as we continue to exercise financial prudence.

We have the utmost confidence that our investment plans will ensure the company’s long-term success and deliver attractive returns for our shareholders. I look forward to sharing the details with you in Q1, and I am confident you will agree.

Before I turn it over to George, let me finish by saying that when I came into the company, I had three goals for the year --Create the strategy, build the team, and rebuild the culture and execution machine.

We are only eight months into the journey, but we have already achieved a lot. We now have a clear strategy. We’ve built the team by bringing in new leadership and adding over 6000 new engineers to bolster our incredibly talented team. We’ve reorganized our business units to focus on our key markets, and starting next year; we expect to begin breaking out our results to more closely align with these
changes and to drive increased visibility and accountability. And finally, as I outlined today, momentum is building as we drive a path back to our roots of execution and innovation.

The entire Intel team understands the work we have ahead of us, but we remain confident about our future. We have the right strategy, the right team, and we are motivated to win.

I remain convinced that our best days are still ahead of us.

With that, let me turn it over to George.

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**Wrap Up (Pat Gelsinger)**

Let me wrap up by saying again how proud I am of the talented and committed team here at Intel. From the teams running our factories to our product designers to our software developers, I can see the improving execution and desire to win. I also want to take the chance to personally thank George for his leadership and all of the things he’s done for our company.

We've taken the first successful steps of our journey....and I can’t wait to share more of our successes in the future.

Thanks for joining.