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Intel CEO: Fostering an Innovation Economy

Unveils Global Programs and Investments in Entrepreneurship, Education

NEWS HIGHLIGHTS

- Intel CEO Paul Otellini issued the 2010 Intel Challenge to attract the finest university student research and technology ideas and fund them into new businesses.
- Intel is committed to reach 100 countries with Intel education programs and expand the market to service 100 million new students and teachers with PCs annually by 2014.
- Otellini outlined investments by Intel since 2006 in education, new business ventures and access to high-speed Internet connectivity.

AMSTERDAM--(BUSINESS WIRE)-- WORLD CONGRESS ON INFORMATION TECHNOLOGY -- Intel Corporation President and CEO Paul Otellini today said that innovation and investments in information and communications technology (ICT) will accelerate economic recovery and jobs growth worldwide. He made these comments during a speech at the World Congress on IT in Amsterdam. Otellini also unveiled new Intel investments in education, and announced the 2010 Intel Challenge for a new generation of entrepreneurs-in-training.

"Returning to sustained economic growth means taking a long-term view with a mindset of investment," Otellini said. "Innovation results from combining people who have good ideas with investment. These are the guiding forces that lead to ideas which spawn new businesses that create new jobs, and ultimately lead to wealth creation and higher standards of living."

To feed the world's innovation pipeline and prepare the next generation of entrepreneurs, Otellini announced the 2010 Intel Challenge, a competition that will provide prize money for the best business plans submitted by university students to help turn their ideas into entrepreneurial ventures. Business plans will be judged on their potential for positive societal impact and return to investors through the commercialization of new technologies in areas such as semiconductors, mobile and wireless, nanotechnology and life sciences.

The Intel Challenge currently reaches Europe, Asia, North America and South America. For 2010, the competition will be expanded in Europe with new partner institutions and participants from France, Germany and the United Kingdom. Information on the Intel Challenge can be found here at www.intel.com/education/highered/entrepreneur.

"In the next decade, another half billion people will enter the workforce, and we will need to create the conditions to generate meaningful jobs for them and for the existing workforce," said Otellini. "Intel has been in the business of delivering amazing innovations for more than

four decades and we know that some of the best ideas are yet to come. The right investments today to create the innovators and industries of the future will put the world on the path toward economic growth."

Entries are drawn from a network of universities, including more than 150 colleges offering entrepreneurship classes led by professors trained by Intel through an innovation-focused curriculum. Participants will compete for $150,000 in prize money, and will receive mentoring throughout the competition from leaders in the entrepreneur community. Intel expects that the annual competition will receive more than 10,000 business plan entries over the next 3 years.

Winners will compete in the Intel + Berkeley Technology Entrepreneurship Challenge at the University of California in November. The winner will also be selected to attend Intel Capital's Annual CEO Summit for networking and learning opportunities with nearly 600 portfolio company CEOs and executives from Global 2000 companies.

Extending commitments to education

Otellini described how education is the foundation for developing people and economies around the world. As an example, he highlighted the Intel-powered classmate PC, a netbook that is changing how 2 million students in 30 countries are learning. He also described the economic impact of the Portuguese government's Magellan Initiative, which gives every primary school student a locally manufactured PC based on the classmate PC design.

Otellini also pledged to extend Intel's investments in education and technology literacy with a new goal to reach 100 countries with Intel education programs and technology tools while also expanding the PC market to service 100 million new students and teachers with PCs annually by 2014.

This "100x100" effort is part of Intel's World Ahead program. Launched at the World Congress on IT in 2006, the program is committed to bringing sustainable and affordable computing and connectivity to the next billion users in emerging economies around the globe. Since the program's launch, Intel has accelerated the availability of 40 million new PCs through government-sponsored programs, and invested $2.5 billion in broadband and WiMAX-enabled Internet access. Intel has also trained over 7 million teachers in more than 60 countries on the use of technology in the classroom, according to Otellini.

Technology serving environmental benefits

Recent studies have estimated that while the ICT industry currently represents 2 percent of total carbon emissions, the implementation of ICT can contribute to an estimated 15 percent reduction in carbon emissions for all industries through energy and productivity efficiencies[1] . Underscoring the potential of energy-efficient computing alone, Otellini outlined the impact of expected improvements in Intel microprocessors. The company estimates that as the number of PCs in use today increases to 2 billion, the yearly power consumption will decrease by half while delivering a 17-fold improvement in computing performance[2].

ICT can also empower individuals to make more informed decisions about their own energy use. Research has shown that annual electricity usage could be reduced by 31 percent through regular use of a home energy meter[3]. Otellini demonstrated Intel's Home Dashboard

concept, which lets consumers see how much energy their appliances use, and provides recommendations gain energy-efficiency in daily routines.

About Intel

Intel (NASDAQ: INTC) is a world leader in computing innovation. The company designs and builds the essential technologies that serve as the foundation for the world's computing devices. Additional information about Intel is available at www.intel.com/pressroom and blogs.intel.com.

1. McKinsey, March 2008. Impact of ICT on Global Emissions.
2. Calculated using Intel's historical microprocessor shipment data, product mix and refresh rates for installed base of first billion PCs combined with power consumption rates. Future projections based upon expected future shipments and expected future power consumption rates.
3. Wipro, September 2009. Next Generation Home Energy Management Systems.

Source: Intel Corporation