Q3'17
EARNINGS PRESENTATION

DISCLOSURES

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 projections, uncertain events or assumptions also identify forward-looking statements. Such statements are based on management's expectations as of October 26, 2017 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 in Intel's earnings release dated October 26, 2017, 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 October 26, 2017. 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.

CEO KEY MESSAGES

- **Strong Q3 Revenue & record EPS**, beating outlook with excellent performances across our business units in an increasingly competitive environment.
- Our transformation from PC-Centric to Data-Centric continues, with Data-Centric businesses (excluding McAfee) growing 15% and **now accounting for 45% of revenue, up from approximately 30% in 2012.**
- Closed Mobileye, announced design win with Waymo, reinforcing Intel+Mobileye's leadership in Autonomous Vehicles.
- Recently announced important AI advances… Microsoft Brainwave on 14nm Stratix10 FPGAs, Movidius Myriad X VPU, and collaboration with Facebook on Nervana Neural Processor.
- Accelerated product innovations… Xeon Scalable, 8^{th} Generation Core, 64-layer SSD for datacenter.
- Raising full-year revenue and non-GAAP EPS Outlook to $62.0B and $3.25, solidly on track to **another record year.**

CFO SUMMARY… THIRD QUARTER

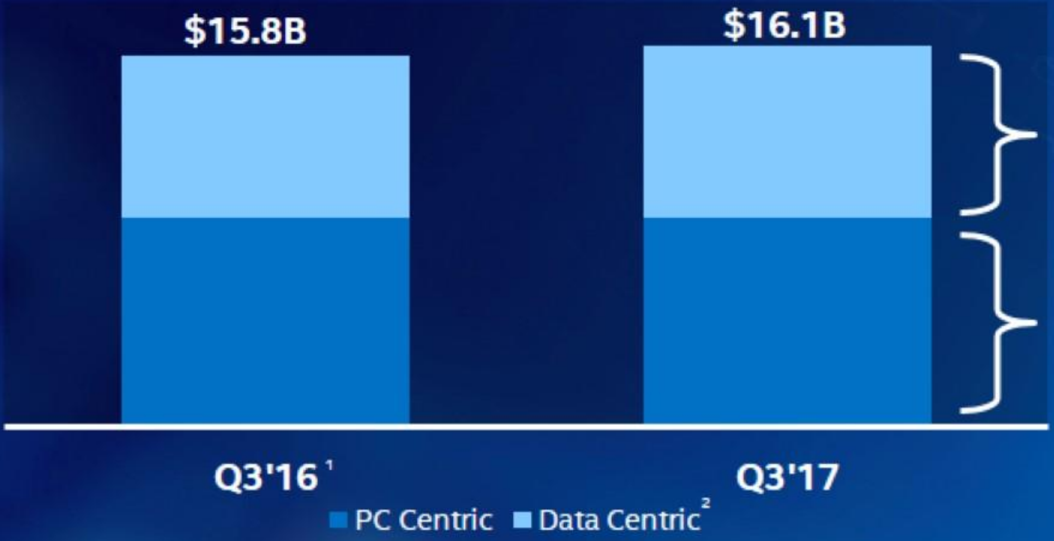
Excellent quarter vs. guidance… Revenue stronger… Margins Better… Spending Lower

- **Revenue of $16.1B up 6%** (excluding McAfee) with record Data Center, Memory and IOT revenue, and the closure of the Mobileye acquisition, partially offset by lower PC volume.
- **Non-GAAP EPS up 26%** driven by strong data-centric growth, Op Margin expansion and ICAP portfolio gains.
- Redeployed capital from non-core assets into strategic focus areas with better returns… ASML YTD proceeds (~$3B), McAfee sale/dividend (~$4B)… partially funded Mobileye acquisition $14.5B.
- Signed long-term NAND supply agreements providing more than $2B in prepayments through 2018 ($1B received in Q3'17).
- Generated $6.3B in cash flow from operations, returned $2.4B to shareholders.

STRONG GROWTH… THE TRANSFORMATION CONTINUES

From PC-Centric to Data-Centric

Revenue up 6% excluding McAfee



- Data-Centric (excluding McAfee) up 15%…Growth Engine with High Returns
- PC-Centric Flat…Significant source of profitability and cash flow

… With Data-Centric Businesses Comprising 45% of Total Revenue

NON-GAAP EPS UP ~26%... OP MARGIN UP ~2PPT[1]

EPS Drivers Year-Over-Year

Platform Execution

- 14nm product costs, higher ASPs, offset by 10nm transition costs

Adjacent Business Growth

- Growth in NSG(+37%), Modem (+37%) plus Mobileye

Spending

- Significant leverage while investing for growth... Spending down ~2 ppt vs. FY'16

Intel Capital, McAfee, Interest/Other

- Sold portion of ASML holdings $926M gain
- McAfee transaction reduced EPS by $0.03

1. EPS and 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 Growth include gross margin impact from non-platform products.

TOTAL SPENDING AS A % OF REVENUE DOWN FROM 32.2% TO 29.6%

... Committed to 30% by 2020 at the latest

R&D...~Flat

- Driving Moore's Law forward
- Investments in AI, ADAS and NSG
- Continued progress on R&D efficiencies & roadmap rationalization

SG&A... Down ~3 ppt[1]

- Further aligned sales force to growth priorities
- Marketing program changes drive efficiencies
- Eliminated redundancies and streamlined management layers

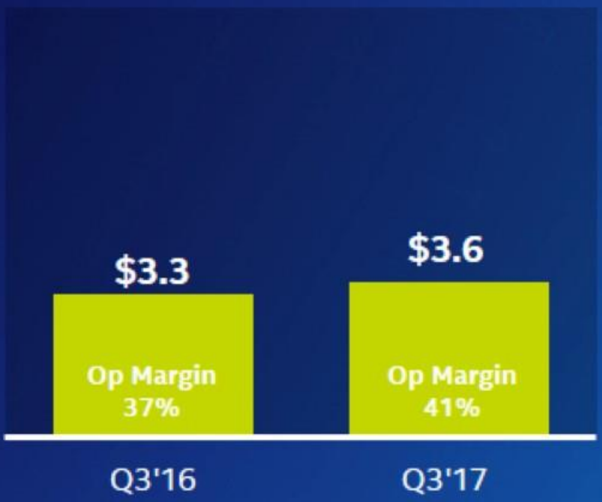
1. Includes ~1 ppt driven by McAfee divestiture.

All numbers presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.

CLIENT COMPUTING GROUP… STRONG EXECUTION

Revenue ($B) flat

Operating Income ($B) up 8%



Q3'16 to Q3'17	YoY Revenue ($)
Platform	(2%)
Modem/Adjacencies	15%

Market Segments	YoY Revenue ($)
Notebook	2%
Desktop	(6%)

CCG Platform	YoY Growth
Unit Volumes	(7%)
Average Selling Prices	7%

Effects of declining PC TAM partially offset by growing adjacent TAM opportunity

Excellent Op Margin execution (+3 ppt) from lower unit cost

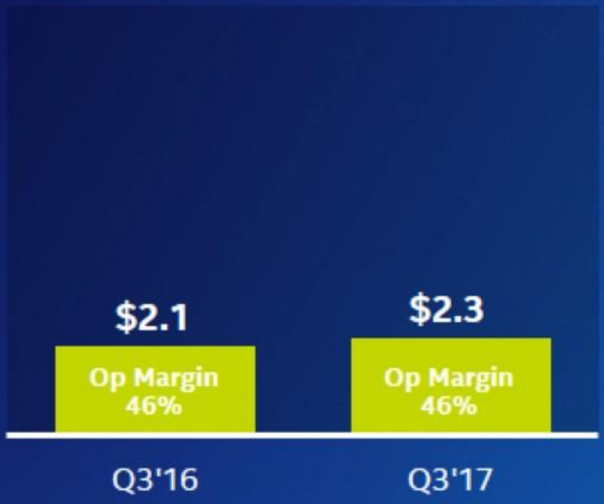
Launched latest 8th Generation Core products

CCG adjacencies include modem, home gateway products and set-top box components.

DATA CENTER GROUP… GROWTH FUELED BY THE CLOUD

Revenue ($B) up 7%

Operating Income ($B) up 7%



Q3'16 to Q3'17	YoY Revenue ($)
Platform	7%
Adjacencies	16%

Market Segments	YoY Revenue ($)
Cloud SP	24%
Enterprise & Gov.	(6%)
Comms SP	9%

DCG Platform	YoY Growth
Unit Volumes	4%
Average Selling Prices	2%

Cloud/Comms Service Providers now ~60% of revenue… up from ~35% in 2013

Operating Income growth driven by revenue scale from leadership products and spending leverage/efficiency

Launched Skylake… shipping >200 OEM systems

On track to full-year guide of high single digit revenue growth and >40% operating margin

IOTG, NSG & PSG BUSINESS SEGMENTS… REVENUE UP 25%

Expanded TAM… BUs increasingly relevant in size

IOTG + Mobileye ($M)

- IOTG record revenue up 23% on strength in Retail, Industrial and Video
- Op Margin down 24% from higher investments…
- Mobileye closed 4 months earlier than expected... Q3 closed ahead of expectations
- Key autonomous design wins… Waymo, BMW, Fiat-Chrysler

NSG ($M)

- Record revenue up 37%; 61% Op Margin improvement; Core NAND business remains profitable
- Signed LT supply agreements
- Shipped industry's first 64-Layer datacenter SSD

PSG ($M)

- PSG revenue up 10% driven by Datacenter, Industrial and Military, partially offset by Wireless and Wireline; Op Margin up 45%
- Largest design win quarter in over 3 years

1. Mobileye non-GAAP operating income excludes $27M negative impact from acquisition-related inventory valuation adjustments. Mobileye is not part of IOTG operating segment.

SOURCES & USES OF CASH

Q3'2017 YTD ($B)

$5.6	GAAP Cash and Cash Equivalents	$9.1
$17.1	Total Cash Investments[2]	$17.5
$25.3	Total Debt[3]	$31.6

1. **Strong free cash flows… fund shareholder returns**
2. **Redeployed proceeds from non-core asset dispositions into strategic investments (Mobileye)**
3. **Expect '17 free cash flows to be $1.5-$2.0B above Jan estimates**

1. Cash from operations includes LT supply agreements.
2. Total cash investments include cash and cash equivalents, short-term investments, and trading assets.
3. Total debt includes short-term and longer-term debt.

OUTLOOK

FULL YEAR 2017 OUTLOOK… RAISE EPS OUTLOOK… ANOTHER RECORD YEAR

REVENUE	OPERATING INCOME*	EPS*
$62.0B	$18.8B	$3.25
(UP $0.7B VS. PRIOR)	(UP $0.9B VS. PRIOR)	(UP $0.25 VS. PRIOR)
Improved PC results	Higher revenue and lower spending	Improved PC results, lower spending and ICAP gains of $0.06

PRIOR EPS GUIDANCE	INCREASED OPERATING INCOME	ALL OTHER	2017 EPS GUIDANCE
$3.00	+$0.14	+$0.11	$3.25

*Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.

Q4' 2017 OUTLOOK*

REVENUE	OPERATING INCOME	EPS
$16.3B	$5.2B	$0.86
FLAT (up 3% excl. McAfee) FROM Q4'16	UP 6% FROM Q4'16	UP 9% FROM Q4'16

*Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.

intel®

Q&A

RECONCILIATION OF NON-GAAP ACTUALS

(In Millions, Except Per Share Amounts)	Three Months Ended		
	Sep 30, 2017	Dec 31, 2016	Oct 1, 2016
GAAP NET REVENUE	$16,149	$16,374	$15,778
Deferred revenue write-down	—	—	—
NON-GAAP NET REVENUE	16,149	$16,374	$15,778
ISecG (McAfee) net revenue	—	550	537
NON-GAAP NET REVENUE EXCLUDING ISecG (McAfee)	$16,149	$15,824	$15,241
GAAP R&D plus MG&A SPENDING	$4,889	$5,438	$5,075
Other acquisition-related charges	(113)	—	—
NON-GAAP R&D plus MG&A SPENDING	$4,776	$5,438	$5,075
GAAP OPERATING INCOME	$5,115	$4,526	$4,462
Inventory valuation	27	—	—
Amortization of acquisition-related intangibles	292	273	309
Restructuring and other charges	4	100	372
Other acquisition-related charges	113	—	—
NON-GAAP OPERATING INCOME	$5,551	$4,899	$5,143
ISecG (McAfee) operating income	—	103	115
NON-GAAP OPERATING INCOME EXCLUDING ISecG (McAfee)	$5,551	$4,796	$5,028
GAAP DILUTED EARNINGS PER COMMON SHARE	$0.94	$0.73	$0.69
Inventory valuation	0.01	—	—
Amortization of acquisition-related intangibles	0.06	0.06	0.06
Restructuring and other charges	—	0.02	0.08
Other acquisition-related charges	0.02	—	—
Income tax effect	(0.02)	(0.02)	(0.03)
NON-GAAP DILUTED EARNINGS PER COMMON SHARE	$1.01	$0.79	$0.80

RECONCILIATION OF NON-GAAP CASH

(In Millions)	Sep 30, 2017	Dec 31, 2016
GAAP CASH AND CASH EQUIVALENTS	$9,075	$5,560
Short-term investments	1,446	3,225
Trading assets	6,983	8,314
Total cash investments	17,504	17,099
GAAP OTHER LONG-TERM INVESTMENTS	3,844	4,716
Loans receivable and other	894	996
Reverse repurchase agreements with original maturities greater than approximately three months	250	250
NON-GAAP OTHER LONGER TERM INVESTMENTS	$4,988	$5,962
NON-GAAP GROSS CASH	$22,492	$23,061

FREE CASH FLOW (In Millions)	Nine Months Ended Sep 30, 2017
GAAP CASH FROM OPERATIONS	$14,869
Additions to property, plant and equipment	(7,709)
FREE CASH FLOW	$7,160

RECONCILIATION OF NON-GAAP OUTLOOK

(In Billions, Except Per Share Amounts)	Q4 2017 Outlook	Full-year 2017 Outlook
GAAP OPERATING INCOME	$4.8 approximately	$17.3 approximately
Inventory valuation	--	0.1
Amortization of acquisition-related intangibles	0.3	1.1
Restructuring and other charges	--	0.2
Other acquisition-related charges	--	0.1
NON-GAAP OPERATING INCOME	$5.2 approximately	$18.8 approximately
GAAP EARNINGS PER SHARE	$0.80 +/- 5 cents	$2.93 +/- 5 cents
Inventory valuation	0.01	0.01
Amortization of acquisition-related intangibles	0.07	0.23
Restructuring and other charges	--	0.04
Other acquisition-related charges	--	0.02
(Gains) Losses from divestiture	--	(0.08)
Income tax effect	(0.02)	0.10
NON-GAAP EARNINGS PER SHARE	$0.86 +/- 5 cents	$3.25 +/- 5 cents