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 July 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 July 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 July 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.
Strong Q2 results... customer preference for performance driving Xeon & Core ASPs up YoY... PC TAM improving

Continued focus on Expanded TAM, Product Leadership, Execution & Culture

Executing disciplined Big Bets framework... Mobileye EyeQ-equipped vehicles cross 40M mark... Selling smartphone modem business to Apple

Trade uncertainty driving pull-ins from 2H
Our game plan...

Expanded TAM

5G: Sharpened focus on Network Transformation
IOT: Record IOTG revenue, Mobileye REM adoption accelerating
Cloud/Al: Acquired Barefoot Networks; Baidu partnering on Nervana NNP-T

Accelerating Innovation

Announced special edition of world’s best gaming CPU for Holiday 2019
Optane gaining momentum... SAP partnership and >150 customer POCs
Anthos hybrid cloud design with Google

Execution & Culture

10nm Ice Lake Client shipping
10nm FPGAs shipping 2H’19
Announced 7nm on 2 year cadence
PC supply/demand balance in 2H’19
5G smartphone modem exit

1 IOT (Internet of Things) is comprised of IOTG and Mobileye operating segments.
2 For more complete information about performance and benchmark results, visit www.intel.com/benchmarks. Performance results are based on testing as of date specified in configuration and may not reflect all publicly available security updates. See configuration disclosure in Appendix for details.
• Apple acquiring majority of 5G smartphone modem business for $1B

• Anticipate a net gain of approximately $500M after tax, which will be excluded from non-GAAP results

• Approximately 2200 Intel employees will join Apple along with IP, equipment & leases

• Expect transaction to close in Q4 ’19 subject regulatory approvals and other customary conditions

• No impact to Intel's 4G smartphone modem business
Q2’19 FINANCIAL HIGHLIGHTS

Revenue down... Non-GAAP EPS up 2% in challenging environment

• Q2 Revenue $16.5B, down 3% YoY... Data-centric $7.7B... PC-centric $8.8B

• Q2 Non-GAAP Operating Margin 31%, down 2ppt... CPU ASP strength offset by platform volume declines & NAND pricing degradation

• Delivered Q2 Non-GAAP EPS of $1.06, up 2% YoY

• Year-to-date generated $5.7B of free cash flow... Returned $8.4B to shareholders... Paid dividends of $2.8B... Repurchased 117M shares
NON-GAAP EPS UP 2%

Platform ASP strength, lower costs & share count partially offset by demand softness & NAND pricing pressure

EPS Drivers Year-Over-Year

Platform Execution
- Volume weakness due to Cloud capacity absorption, E&G TAM decline, PRC deceleration
- PC supply constraints impacting small-core Client MSS
- ASP strength driven by Client and Xeon
- Lower 10nm start-up costs on product qualification

Adjacencies
- NAND pricing pressure

Disciplined Spending
- Divestitures partially offset by investment in adjacencies

Capital Allocation & Other
- Lower share count
- McAfee dividend ~$340M

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.
Revenue slightly ahead of expectations with Xeon ASPs up double digits YoY
Cloud capacity absorption... challenging E&G market, especially in China
Op margin down on 10nm transition & roadmap investment
PSG revenue declined 5% YoY as softness in Cloud and Enterprise demand more than offset growth in 5G/Wireless. Advanced products grew 15% YoY.

Operating income down on segment mix and roadmap investment on 10nm.

- Record IOTG revenue, up 23%¹ on strength across all segments... operating income up 21% YoY on mix shift to higher performance products
- Mobileye revenue up ~16% YoY on continued ADAS momentum

NSG revenue down 13% on continued pricing pressure, partially offset by NAND bit growth
- Operating income down on ASP weakness resulting in inventory revaluation charges, partially offset by cost improvements

- IOTG growth rate excludes Q2'18 $80M for Wind River revenue

PSG revenue declined 5% YoY as softness in Cloud and Enterprise demand more than offset growth in 5G/Wireless. Advanced products grew 15% YoY.
- Operating income down on segment mix and roadmap investment on 10nm

¹ IOTG growth rate excludes Q2’18 $80M for Wind River revenue
Revenue up on ASP strength due to richer product mix
Volume down on small-core constraint partially offset by strength in commercial & pull-ins
Op margin improvement with 10nm qualification
Operating cash flow of $12.5B... ramping 10nm capacity & investing in 7nm
Repurchased 117M shares YTD for $5.6B
OUTLOOK
**Full Year 2019 Outlook**

**Revenue**
- **$69.5B**
- Down ~2% YOY
- Data-centric down low single digits YoY
- PC-centric down low single digits YoY
- Up $0.5B vs April guide

**Operating Margin**
- **32%**
- Down <3ppt YOY
- GM down YoY on 10nm ramp, NAND pricing & lower revenue
- Partly offset by spending reductions ~$0.9B YoY
- Flat vs April guide

**EPS**
- **$4.40**
- Down ~4% YOY
- 2H Tax Rate ~13%
- Up $0.05 vs April guide

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

**FCF at ~$15B... unchanged vs April guide**

1. Presented on a non-GAAP basis. Refer to the Appendix for a reconciliation of these non-GAAP measures.
Q3’19 OUTLOOK

**REVENUE**

$18B  
Down 6% YOY

Data-centric down mid single digits YoY  
PC-centric down mid single digits YoY

**OPERATING MARGIN**¹

35%  
Down 5ppt YOY

Gross margin down YoY on 10nm ramp & adjacency businesses

**EPS**¹

$1.24  
Down 11% YOY

2H Tax Rate ~13%

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

#### Three Months Ended

<table>
<thead>
<tr>
<th></th>
<th>Jun 29, 2019</th>
<th>Jun 30, 2018</th>
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</thead>
<tbody>
<tr>
<td>GAAP OPERATING INCOME</td>
<td>$4,617</td>
<td>$5,273</td>
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<tr>
<td>Amortization of acquisition-related intangible assets</td>
<td>337</td>
<td>325</td>
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<td>Restructuring and other charges</td>
<td>184</td>
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<tr>
<td>NON-GAAP OPERATING INCOME</td>
<td>$5,138</td>
<td>$5,598</td>
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**GAAP DILUTED EARNINGS (LOSS) PER COMMON SHARE**

<table>
<thead>
<tr>
<th></th>
<th>Jun 29, 2019</th>
<th>Jun 30, 2018</th>
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<tbody>
<tr>
<td>$0.92</td>
<td>$1.05</td>
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<tr>
<td>Amortization of acquisition-related intangible assets</td>
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<td>0.07</td>
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<td>Restructuring and other charges</td>
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<td>(Gains) losses from divestitures</td>
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<td>(0.10)</td>
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<tr>
<td>Ongoing mark-to-market on marketable equity securities</td>
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<td>Tax Reform</td>
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<td>(0.04)</td>
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<tr>
<td>Income tax effect</td>
<td>(0.02)</td>
<td>0.01</td>
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<tr>
<td>NON-GAAP DILUTED EARNINGS PER COMMON SHARE</td>
<td>$1.06</td>
<td>$1.04</td>
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#### Six Months Ended

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<tr>
<td>GAAP CASH FROM OPERATIONS</td>
<td>$12.5</td>
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<tr>
<td>Additions to property, plant and equipment</td>
<td>(6.9)</td>
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<tr>
<td>FREE CASH FLOW</td>
<td>$5.7</td>
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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>GAAP CASH USED FOR INVESTING</td>
<td>$(6.0)</td>
</tr>
<tr>
<td>GAAP CASH USED FOR FINANCING</td>
<td>$(6.7)</td>
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## RECONCILIATION OF NON-GAAP OUTLOOK

<table>
<thead>
<tr>
<th></th>
<th>Q3 2019 Outlook</th>
<th>Full-year 2019 Outlook</th>
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<tbody>
<tr>
<td><strong>GAAP OPERATING MARGIN</strong></td>
<td>33%</td>
<td>30%</td>
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<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>35%</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>0.08</td>
<td>0.30</td>
</tr>
<tr>
<td>Restructuring and other charges</td>
<td>0.02</td>
<td>0.06</td>
</tr>
<tr>
<td>Ongoing mark-to-market on marketable equity securities</td>
<td>—</td>
<td>(0.02)</td>
</tr>
<tr>
<td>Income tax effect</td>
<td>(0.02)</td>
<td>(0.04)</td>
</tr>
<tr>
<td><strong>NON-GAAP EARNINGS PER SHARE</strong></td>
<td>$1.24</td>
<td>$4.40</td>
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<td><strong>FREE CASH FLOW</strong></td>
<td></td>
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<tr>
<td>(In Billions)</td>
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<tr>
<td>GAAP CASH FROM OPERATIONS</td>
<td></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></td>
<td>$15.0</td>
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</table>
Software and workloads used in performance tests may have been optimized for performance only on Intel microprocessors.

Performance tests, such as SYSmark and MobileMark, are measured using specific computer systems, components, software, operations and functions. Any change to any of those factors may cause the results to vary. You should consult other information and performance tests to assist you in fully evaluating your contemplated purchases, including the performance of that product when combined with other products. For more complete information visit [www.intel.com/benchmarks](http://www.intel.com/benchmarks).

Performance results are based on testing as of the date set forth in this Configuration and may not reflect all publicly available security updates. No product or component can be absolutely secure.

Altering clock frequency or voltage may damage or reduce the useful life of the processor and other system components, and may reduce system stability and performance. Product warranties may not apply if the processor is operated beyond its specifications. Check with the manufacturers of system and components for additional details.

**World's Best Gaming CPU:** As measured October 2018 by in-game benchmark mode performance where available, or highest median frames per second (FPS) where benchmark mode is unavailable. PC Gaming Processors Compared: 9th Gen Intel® Core™ i9-9900K, Intel® Core™ i9-9980XE Extreme Edition, and Intel® Core™ i9-9900X X-series; 8th Gen Intel® Core™ i7-8700K and i7-8086K; and AMD Ryzen™ 7 2700X, AMD Ryzen™ Threadripper 2990WX, and AMD Ryzen™ Threadripper 2950X. Prices of compared products may differ. Configurations: Graphics: NVIDIA GeForce GTX 1080 Ti, Memory: 4x16GB DDR4 (2666 or 2933 per highest speed of the corresponding processor), Storage: 1TB, OS: Windows® 10 RS4 Build 1803, Samsung 970 Pro SSD. Results: Intel® Core™ i9-9900K scored better on the majority of the 19 game titles tested. The Intel® Core™ i9-9900K scored the same as the Intel® Core™ i7-8700K and the Intel® Core™ i7-8086K on “Middle Earth: Shadow of War,” and scored less than the Intel® Core™ i9-9980XE Extreme Edition on “Rise of the Tomb Raider.” More detail on workloads, test methodology, and configurations available at [http://facts.pt/11u9e2](http://facts.pt/11u9e2).