Statements in this presentation that refer to Business Outlook, forecast, 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 February 9, 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 January 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.
Devices that connect to the Internet integrating greater compute capabilities using data analytics to extract information.
**EMBEDDED VS. IOT**

**EMBEDDED**
- Edge Devices
- Stand-alone, isolated
- Dedicated function
- Primarily Headless
- Proprietary/Embedded OS

**IOT**
- Connected
- Open Platforms
- Data analytics
- Services

A BROADER MARKET VIEW
2021 Si TAM ($B)

PC CPU
DATA CENTER
NON-VOLATILE MEMORY
MOBILE
IoT

$30B
$65B
$55B
$40B
$30B

TOTAL TAM
$220B

Source: 2016 Intel Revenue is based on Intel financials. 2021F Si TAM is based on amalgamation of analyst data and Intel analysis, based upon current expectations and available information and are subject to change without notice. PC CPU includes CPU and Chipsets. Data Center includes Server, Storage, & Network computing, Ethernet/OPA, Silicon Photonics and Memory. Non-Volatile Memory includes NAND and 3D XPoint™ technology. Mobile includes Phone and Tablet compute and Modems. IOT includes 32bit and above addressable compute.
IOT REVENUE GROWTH

Record DWs in 2016

Connected = +12%
Unconnected = -5%
MSS = 14%

* Source: Intel
** Source: Competition Average includes the following revenues, weighted by size:
QCOM = QCOM QTL + Freescale + NXP
TXN = TXN Embedded Processing Segment
AMD = Enterprise, Embedded and Semi Segment
INTC = IOTG Segment Only
MCHP, NVDA: based on total company revenues
3 PHASES OF IOT

CONNECTED

SMART

AUTONOMOUS

Creates the Architecture for IOT and Artificial Intelligence
WE EXPECT TO GROW FASTER THAN THE MARKET

Source: CAGR 2017-2021 forecasts are Intel estimates, with input from Intel Custom Report provided by IDC 10/27/16. These forecasts are based upon current expectations given available information and is subject to change without notice.
INVESTING FOR OUR FUTURE

CRITICAL TECHNOLOGIES
- 5G
- Deep Learning
- FUSAS
- Artificial Intelligence

STANDARDS AND CONSORTIA CONSOLIDATING
- OpenFog
- Edge Computing Consortium

CONSOLIDATION / PARTNERING
- SoftBank + ARM
- GE + Intel
- BMW + Atmel

SILICON
- Intel XEON
- Intel CORE
- Intel ATOM
- Intel QUARK

MEMORY AND COMMS
- 3D XPoint
- Optane

SOFTWARE AND TECHNOLOGY
- Wind
- Yocto
- Linux

INVESTMENTS
- Nervana Systems
- Movidius
- Itseez
- Cloudera
- YOGITECH
- ROS

Other names and brands may be claimed as the property of others.
SOLVING RETAILERS BUSINESS PROBLEMS

TODAY
LIMITED
INTEROPERABILITY

STATIC
EXPERIENCES

$1T

INVENTORY
ACCURACY

CUSTOMER
ENGAGEMENT

MANAGING
HUMAN CAPITAL

2021
HIGH AUTOMATION

IMMERSIVE
& RESPONSIVE

2021 IOTG RETAIL MARKET

~$7B

Digital signage, interactive kiosks, and point-of sales

Si TAMs OPPORTUNITY GROWS

Source: Forecast is Intel estimate, with input from Intel Worldwide Embedded and Intelligent Systems Market Model provided by IDC 10/27/16. This forecast is based upon current expectations and available information and is subject to change without notice.
TRANSFORMING INDUSTRIAL SYSTEMS

TODAY
LIMITED INTEROPERABILITY

CLOSED,
PROPRIETARY,
MONOLITHIC
SYSTEMS

X2

CONSUMPTION
DOUBLING

INDUSTRIE 4.0
CHINA 2020

ENERGY
EFFICIENCY

2021
CONVERGED AUTOMATION
& CONTROL

SMART AND
CONNECTED

2021 IOTG INDUSTRIAL MARKET

~$8B
Industrial devices (IPCs, HMIs, robotics, etc.)

Si TAMs OPPORTUNITY GROWS

Source: Forecast is Intel estimate, with input from Intel Worldwide Embedded and Intelligent Systems Market Model provided by IDC 10/27/16. This forecast is based upon current expectations and available information and is subject to change without notice.
VIDEO: THE EYE OF IOT

TODAY

VIDEO GATEWAY / IP CAMERA CONNECTED

SMART CAMERAS

VIDEO GATEWAYS

DATACENTER / CLOUD

2021

E2E ARCHITECTURE

SOME AUTONOMY

INTEGRATED VISION PLATFORM

2021 IOTG CAMERA / GATEWAY

~$6B

Cameras, NVR, and video gateways

Si TAMs OPPORTUNITY GROWS

Source: Forecast is Intel estimate, with input from IHS™ Technology Video Surveillance Intelligence Service 12/2015. This forecast is based upon current expectations and available information and is subject to change without notice.
AUTONOMOUS DRIVING: COMPUTE GROWS

2025 ADG IN VEHICLE MARKET*
~$10B
L3+ Automated Driving solutions

2025 ADG IN VEHICLE MARKET**
~$65B
L3+ Automated Driving solution

TODAY
PARTIAL AUTOMATION

~ $100-200
in Intel Addressable Si BOM*

2025
HIGH AUTOMATION

~10-15X
Growth in L5*

* Source: Forecasts are Intel estimates, based upon current expectations and available information and are subject to change without notice.

Si TAM opportunity based on input from BMO Capital Markets 07/13/16 and IHS Light Vehicle Production Base Global 01/2017.

** Source: Amalgamation of analyst data Intel analysis
INTEL GO™ – SCALABLE & FLEXIBLE PLATFORM

INTEL IS THE ONLY SUPPLIER WITH THE END-TO-END ARCHITECTURE AND ASSETS TO MEET THE MARKET NEEDS
What drives server needs?

- **250 CAMERAS** = 1 SERVER
- **225 SMART PHONES** = 1 SERVER
- **7 MEDIA PLAYERS** = 1 SERVER
- **40 AUTOMATED VEHICLES** = 1 SERVER
- **2 RFID EQUIPPED STORES** = 1 SERVER

Source: Forecasts are Intel estimates with input from Bain. These forecasts are based upon current expectations and available information and is subject to change without notice.
- Unmatched End to End assets
- Disciplined focus on key verticals
- AI demands significant aggregation, storage and analytics
- Highly profitable & growing $2.6B+ business
- $32B 2021 Si TAMs Opportunity

Sources: Intel estimates, based upon current expectations and available information and are subject to change without notice