



INVESTOR MEETING

FEBRUARY 2017





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CHIEF EXECUTIVE OFFICER



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, 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.

AGENDA

2016 RESULTS

DATA: DRIVING GROWTH & INNOVATION

INTEL'S STRATEGY

AGENDA

2016 RESULTS

DATA: DRIVING GROWTH & INNOVATION

INTEL'S STRATEGY

2016 FINANCIAL RESULTS (NON-GAAP)

REVENUE

\$59.5B

GROSS MARGIN

63.2%

EPS

\$2.72

3 YEAR SHAREHOLDER RETURN





CCG BANNER YEAR IN CLIENT



DCG DATA CENTER GROUP



IoTG INTERNET OF THINGS GROUP

A close-up photograph of an Intel Stratix 10 FPGAs mounted on a green printed circuit board (PCB). The chip is a square, silver-colored component with the Intel logo and 'Stratix 10' printed on its top surface. Below the name, the part number '1SG280LN3F43E3VGS1' is visible. The PCB is populated with various other components, including smaller chips and gold-plated pins. The background is a solid blue gradient.

PSG PROGRAMMABLE SOLUTIONS GROUP

The background of the slide features a close-up, high-angle shot of an Intel Optane memory module. The module is a small, rectangular, silver-colored component with the Intel logo embossed on its top surface. It is resting on a dark, textured surface. To the right of the module, a black-handled screwdriver is partially visible, and a small metal screw lies on the surface. The overall lighting is dim, creating a professional and technical atmosphere.

NSG NON-VOLATILE MEMORY SOLUTIONS GROUP

A close-up photograph of an Intel Edison development board, which is a small blue printed circuit board (PCB) populated with various electronic components like resistors, capacitors, and integrated circuits. The board is shown at an angle, highlighting its compact size and the density of its components. It is placed on a dark, textured surface.

NTG NEW TECHNOLOGY GROUP

2016: A YEAR OF TRANSFORMATION

EXECUTIVE LEADERSHIP CHANGES

RESTRUCTURING AND REINVESTMENT

FOCUSING OUR SALESFORCE

AGENDA

2016 RESULTS

DATA: DRIVING GROWTH & INNOVATION

INTEL'S STRATEGY



DATA: **DRIVING GROWTH AND INNOVATION**



INVESTOR MEETING
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BY 2020

AVG.
INTERNET USER **1.5 GB** OF TRAFFIC / DAY

AUTONOMOUS
VEHICLES **4 TB** OF DATA / DAY

CONNECTED
AIRPLANE **5 TB** OF DATA / DAY

SMART
FACTORY **1 PB** OF DATA / DAY

CLOUD
VIDEO PROVIDERS **750 PB** OF VIDEO / DAY

**THE COMING
FLOOD OF DATA**



**WE ARE A
DATA COMPANY**

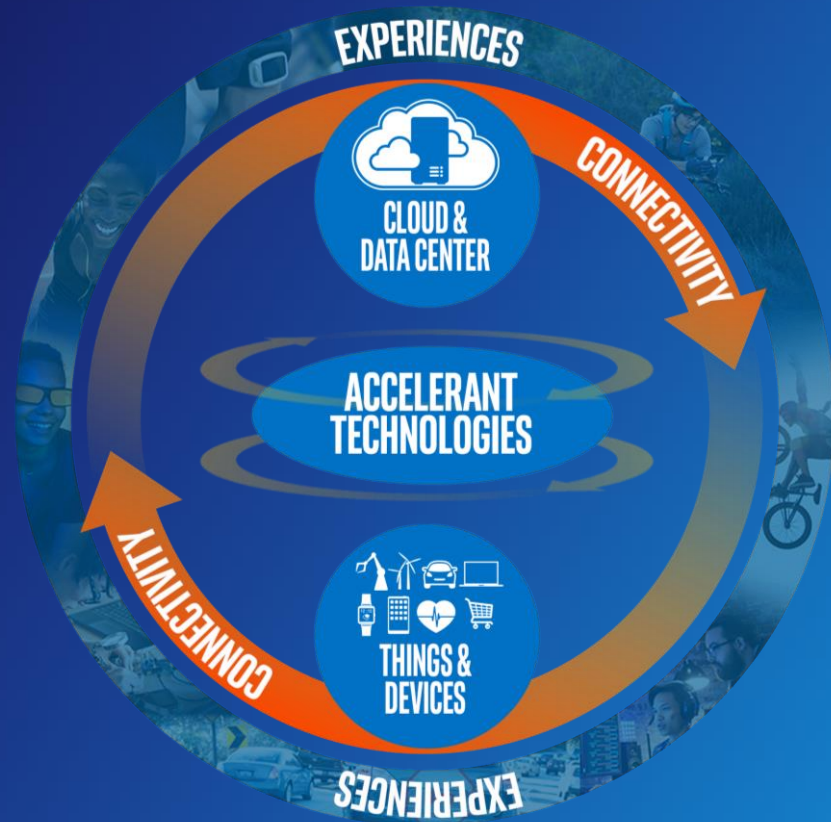
AGENDA

2016 RESULTS

DATA: DRIVING GROWTH & INNOVATION

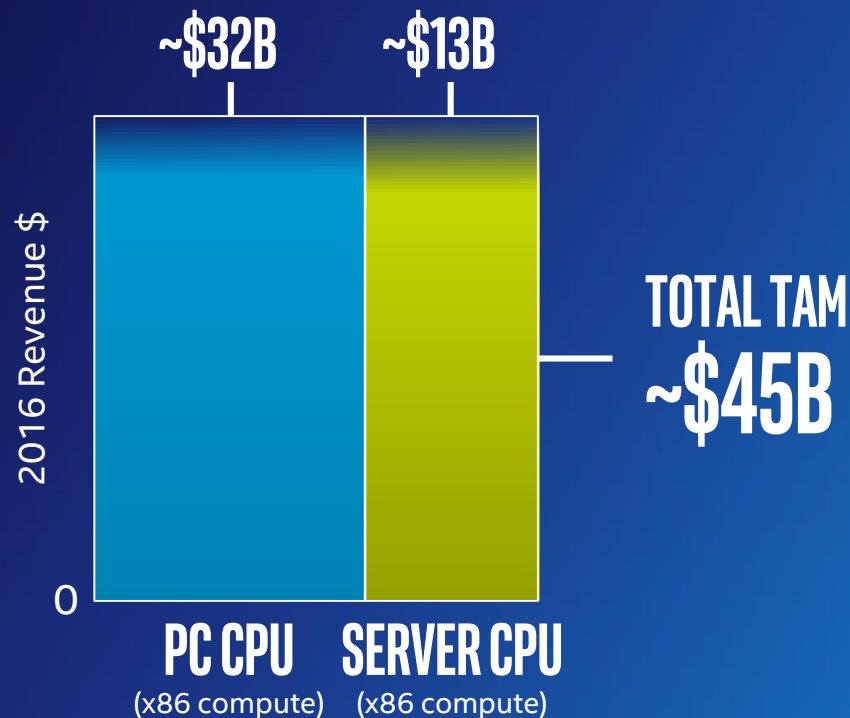
INTEL'S STRATEGY

INTEL'S DATA STRATEGY: VIRTUOUS CYCLE OF GROWTH



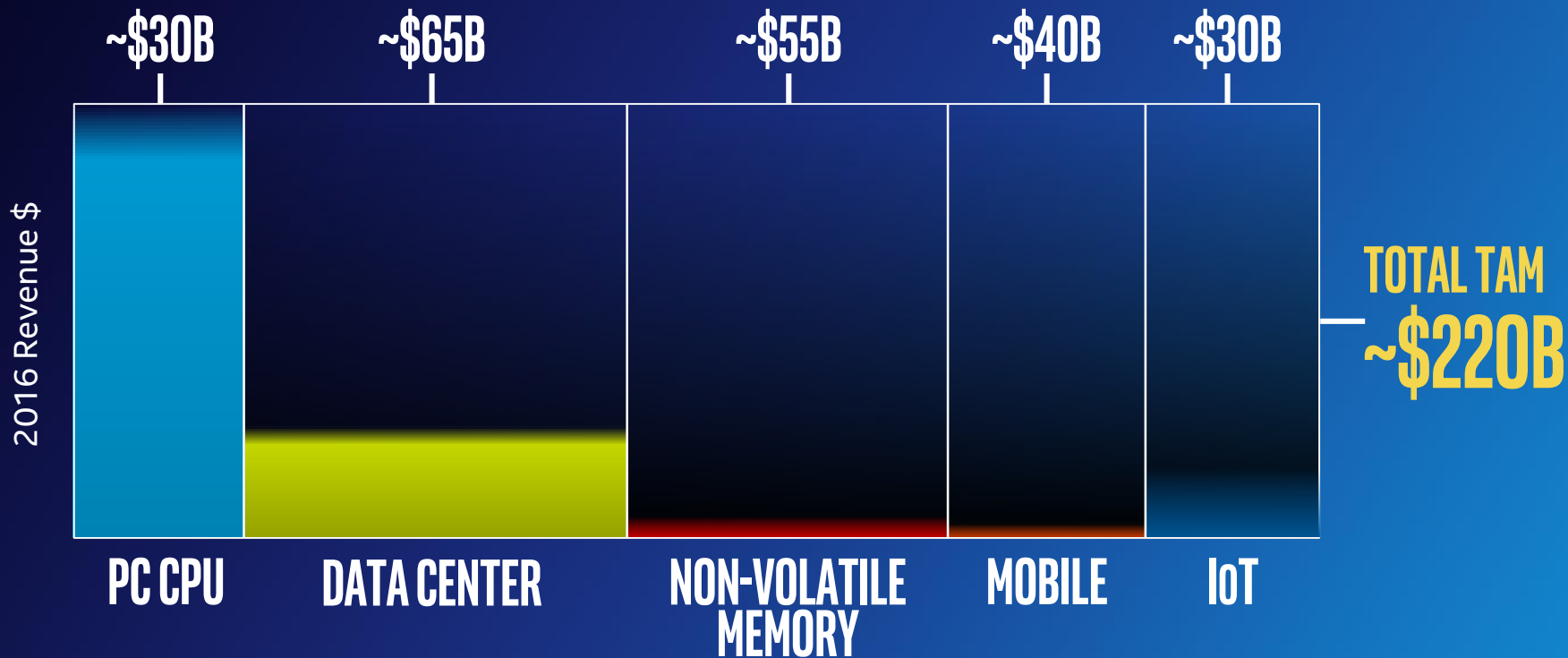
A TRADITIONAL MARKET VIEW

Intel traditional market segment 2016 Si TAM (\$B)



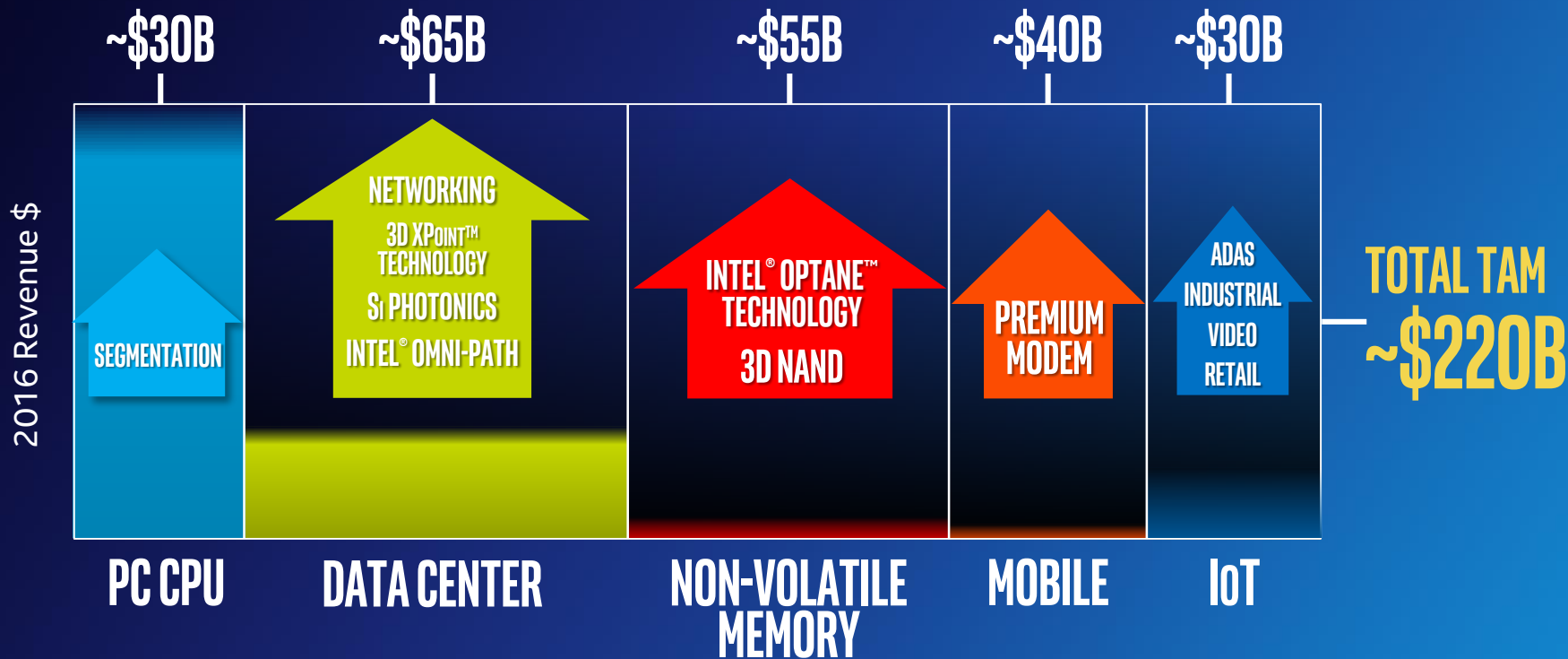
A BROADER MARKET SEGMENT VIEW

2021 Si TAM (\$B)

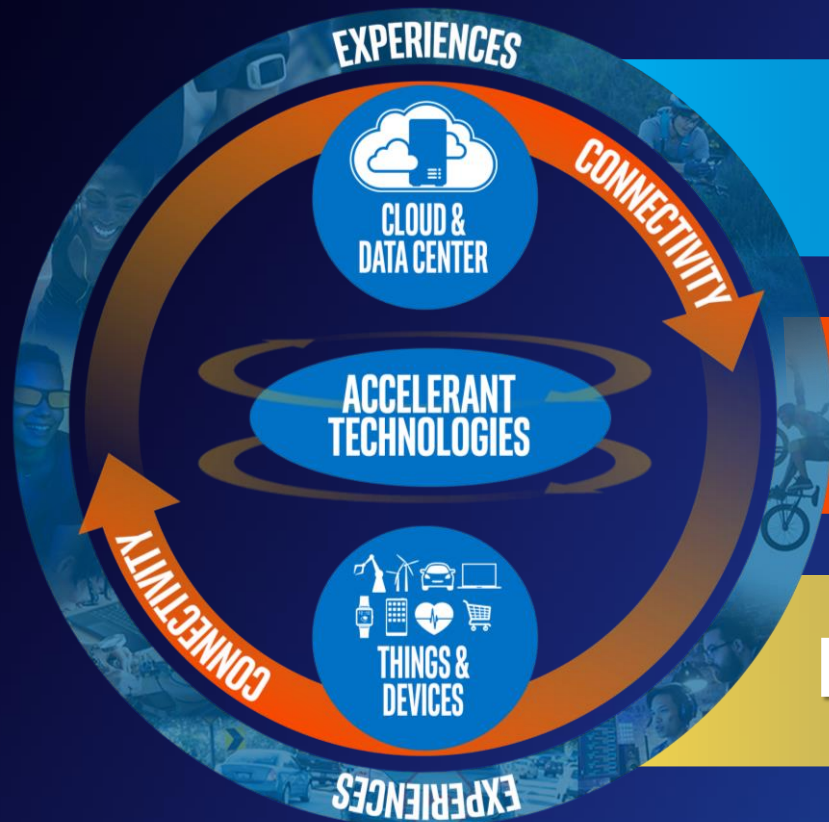


A BROADER MARKET SEGMENT VIEW

2021 Si TAM (\$B)



INVESTMENT PRIORITIES

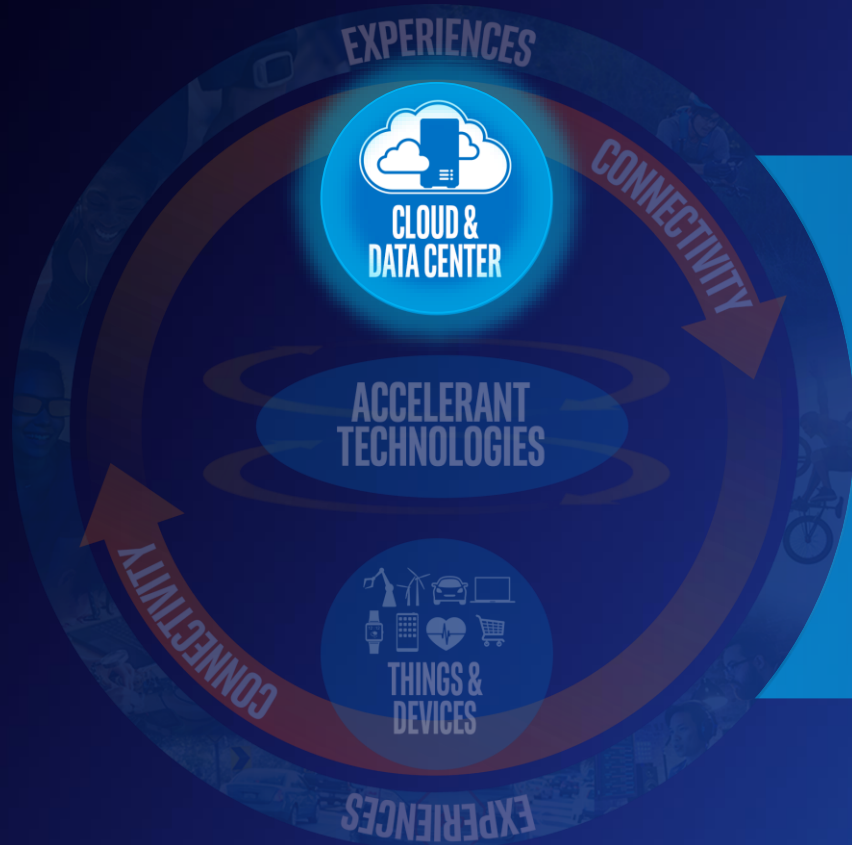


CLOUD, ARTIFICIAL INTELLIGENCE & NETWORK

MEMORY, FPGAs & 5G

DATA-RICH THINGS & DEVICES

INTEL'S STRATEGY: CLOUD, AI & NETWORK



CLOUD



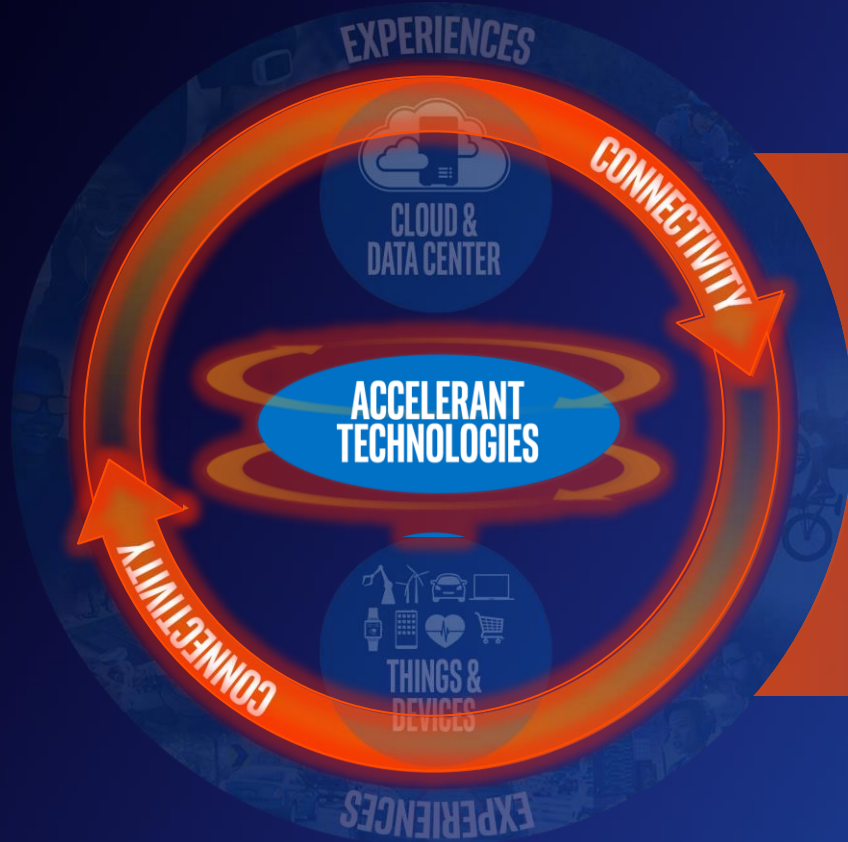
AI



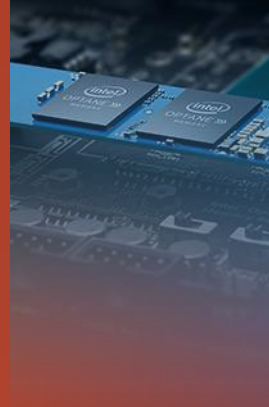
NETWORK



INTEL'S STRATEGY: MEMORY, FPGAS & 5G



INTEL® OPTANE™
TECHNOLOGY



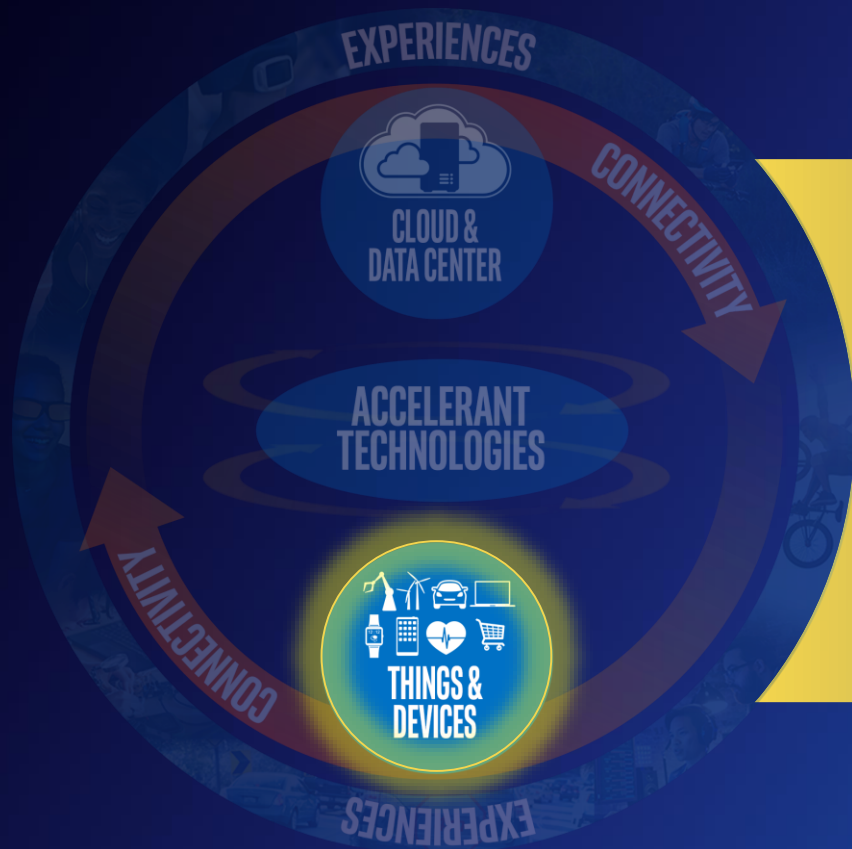
FPGA



5G



INTEL'S STRATEGY: DATA-RICH THINGS & DEVICES



EDGE DEVICES



RETAIL



ADAS



INTEL'S STRATEGY: HOW WE WIN

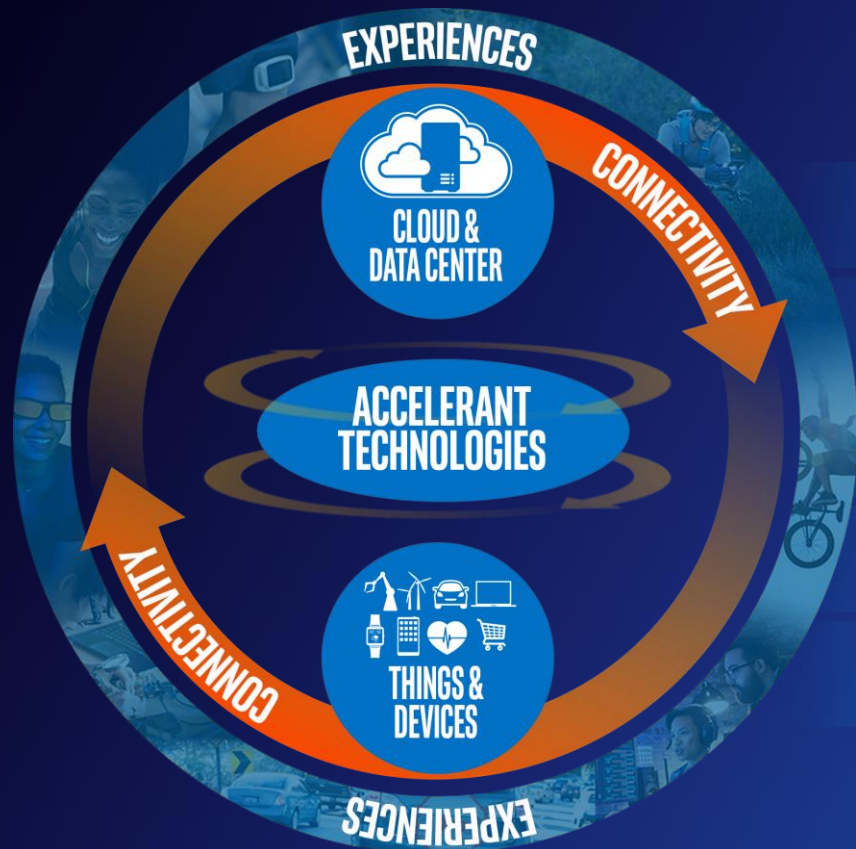
RIGHT MARKET, RIGHT TIMING

DOMAIN EXPERTISE

PARTNERSHIPS & M&A

END-TO-END SOLUTIONS

SI AND SW LEADERSHIP



TOP PRIORITIES FOR 2017

GROWTH IN DATA CENTER & ADJACENCIES



STRONG & HEALTHY CLIENT BUSINESS



GROWTH IN IOT & DEVICES



FLAWLESSLY EXECUTE IN MEMORY & FPGAS





Dan McNamara
Programmable Solutions
Group



Wendell Brooks
Intel Capital &
Strategic Transactions
Group



Diane Bryant
Data Center
Group



Rob Crooke
Non-Volatile Memory
Solutions Group



Doug Davis
Automated
Driving Group



Ann Kelleher
Technology and
Manufacturing Group



Sohail U. Ahmed
Technology and
Manufacturing Group



Tom Lantzsch
Internet of Things
Group



Richard Taylor
Human Resources



Leslie Culbertson
Human Resources



Mike Mayberry
Intel Labs



Chris Young
Intel Security Group



Brian Krzanich
Chief Executive Officer



Venkata Renduchintala
Client & Internet of Things
Businesses & Systems Architecture
Group



Doug Fisher
Software and
Services Group



Steven Fund
Global Marketing
& Communications



Aicha Evans
Communication
and Devices Group



Bob Swan
Chief Financial
Officer



Joshua Walden
New Technology
Group



Amir Faintuch
Platform Engineering
Group



Stacy Smith
Sales, Manufacturing
and Operations



Navin Shenoy
Client Computing Group



Steve Rodgers
Law & Policy Group



Greg Pearson
Sales and
Marketing Group



Paula Tolliver
Information Technology



INVESTOR MEETING

FEBRUARY 2017



APPENDIX

APPENDIX: 2016 NON-GAAP RECONCILIATION

	Twelve Months Ended		Twelve Months Ended
(\$ in Millions, except per share amounts)	Dec 31, 2016		Dec 31, 2016
GAAP NET REVENUE	\$59,387	GAAP NET INCOME	\$10,316
Deferred revenue write-down	99	Deferred revenue write-down, net of cost of sales	64
NON-GAAP NET REVENUE	\$59,486	Inventory valuation	387
		Amortization of acquisition-related intangibles	1,231
GAAP GROSS MARGIN PERCENTAGE	60.90%	Restructuring and other charges	1,886
Deferred revenue write-down, net of cost of sales	—%	Other acquisition-related charges	100
Inventory valuation	0.70%	Income tax effect	(745)
Amortization of acquisition-related intangibles	1.60%	NON-GAAP NET INCOME	\$13,239
NON-GAAP GROSS MARGIN PERCENTAGE	63.20%		
		GAAP DILUTED EARNINGS PER COMMON SHARE	\$2.12
GAAP OPERATING INCOME	\$12,874	Deferred revenue write-down, net of cost of sales	0.01
Deferred revenue write-down, net of cost of sales	64	Inventory valuation	0.08
Inventory valuation	387	Amortization of acquisition-related intangibles	0.25
Amortization of acquisition-related intangibles	1,231	Restructuring and other charges	0.39
Restructuring and other charges	1,886	Other acquisition-related charges	0.02
Other acquisition-related charges	100	Income tax effect	(0.15)
NON-GAAP OPERATING INCOME	\$16,542	NON-GAAP DILUTED EARNINGS PER COMMON SHARE	\$2.72