RISK FACTORS

Statements in this presentation that refer to 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 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 Oct 25, 2018, 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.
IOT FUELS INTEL’S DATA-CENTRIC TRANSFORMATION

INTEL TAM
>$300B

IOT TAM
~$30B
2022

Source: TAM – 2022F SI TAM is based on amalgamation of analyst data and Intel analysis
INTEL’S INTERNET OF THINGS GROUP

High performance compute solutions for targeted verticals along with historic embedded applications

Note: Based on reported revenues for 2013-2017, the ASP and Product Mix based on 2017 CPU revenue
OUR FUTURE IS EDGE COMPUTING

Drivers for Edge Computing:
- Latency
- Bandwidth
- Security
- Connectivity

Devices / Things
- Edge Compute Node
- Network Hub or Regional Data Center
- Core Network
- Cloud Data Center
EDGE COMPUTING EXAMPLE

INDUSTRIAL AUTOMATION AGGREGATION

FROM: MANY DISCRETE DEVICES

TO: FEW EXPANDABLE, HIGH PERFORMANCE COMPUTE WITH SOFTWARE DEFINED SYSTEMS

VALUE: LOWER COST, INCREASE SECURITY AND MANAGEABILITY
OPTIMIZED FOR IOT APPLICATIONS

SOFTWARE CAPABILITIES
SECURITY & MANAGEABILITY
REAL-TIME
FUNCTIONAL SAFETY
CONNECTIVITY

*Other names and brands may be claimed as the property of others.
Inference at the edge

Compute

Software Tools

OpenVINO™

Write Once
Leverage Common Algorithms
Deploy to CPU, GPU and AI Accelerators

Vision Accelerator Designs

By 2021
Of all IP traffic will be video

More video data is collected every day, making it critical for businesses to implement robust data analysis strategy

82%

INFERENC E AT THE EDGE WITH OPENVINO™

OPTIMIZED FOR SPEED

**XEON + CAFFE*** MKL

Caffe with MKL

36.60 fps | 50.0% CPU | Faces: 4

**XEON + OPENVINO™**

240+ FPS

**XEON + FPGA+ OPENVINO™**

760+ FPS

OPTIMIZED FOR SCALE

**XEON + FPGA+ OPENVINO™**

24 Camera Streams with 35+ FPS

FPS = Frames Per Seconds

For more complete information about performance and benchmark results, visit [www.intel.com/benchmarks](http://www.intel.com/benchmarks). Performance results are based on testing as of Sept 10th, 2018 and may not reflect all publicly available security updates. See configuration disclosure for detail end of the presentation. No product can be absolutely secure.

*Other names and brands may be claimed as the property of others.
VERTICAL BUSINESS MODEL

SOLVE KEY VERTICAL MARKET CHALLENGES

PARTNER WITH MARKET LEADERS IN VERTICAL SEGMENTS

DIFFERENTIATE WITH SILICON, SYSTEM DESIGN AND DEVELOPER EXPERIENCE

- RETAIL
- INDUSTRIAL
- SMART CITIES/VIDEO
- TRANSPORTATION
- PUBLIC SECTOR
- EDUCATION
- HEALTHCARE
- FINANCIAL SERVICES
- AUTOMOTIVE
UNMATCHED ECOSYSTEM

For End Users

INTEL® IOT MARKET READY SOLUTIONS

INTEL® IOT SOLUTION AGGREGATORS

For Integrators

DEVELOPER TOOL KITS

INTEL® IOT RFP READY KITS

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WINNING IN AN EXPANDING TAM

2022 IOT TAM ~ $30B

PRODUCTS

ECOSYSTEM

OUR STRATEGY

VERTICAL BUSINESSES

Source: TAM – 2022F Si TAM is based on amalgamation of analyst data and Intel analysis
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No computer system can be absolutely secure.

Tests document performance of components on a particular test, in specific systems. Differences in hardware, software, or configuration will affect actual performance. For more complete information about performance and benchmark results, visit http://www.intel.com/benchmarks.

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System Configuration for Slide 10

Testing by Intel as of Sept 10th, 2018,

Xeon: (for all scenarios)
1-node, 1x Intel Xeon CPU E3-1275 v6 @ 3.80GHz, AsRock Rack E3C236D4U, Total memory 32GB, 2 slots / 16GB /
2400MHz DDR4, Hyper Threading: Enable, Turbo: Enable, Storage: 1x Intel SSD 545s SATA 3.0 512GB, Network Devices: 2xRJ45 GLAN by Intel i210,
Network Speed: 1GbE, OS: Ubuntu 16.04.4 LTS, Kernel: 4.13.0-45-generic x86_64

Caffe with MKL
Caffe – public distribution of Caffe with Intel® MKL optimizations enabled, for more information visit http://caffe.berkeleyvision.org
MKL - Math Library for Intel®-Based Systems  for more information: https://software.intel.com/en-us/mkl

OpenVINO (Scenarios Xeon+ OpenVINO, Xeon+OpenVino+FPGA)

FPGA (Scenario Xeon+OpenVINO+FPGA)
Arria 1150GX DevKit™

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