

INTEL CORPORATION
CONSOLIDATED SUMMARY STATEMENT OF INCOME DATA
(In millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	Sep 28, 2013	Sep 29, 2012	Sep 28, 2013	Sep 29, 2012
NET REVENUE	\$ 13,483	\$ 13,457	\$ 38,874	\$ 39,864
Cost of sales	5,069	4,942	15,924	14,530
GROSS MARGIN	8,414	8,515	22,950	25,334
Research and development	2,742	2,605	7,785	7,519
Marketing, general and administrative	1,970	1,995	6,082	6,099
R&D AND MG&A	4,712	4,600	13,867	13,618
Restructuring and asset impairment charges	124	—	124	—
Amortization of acquisition-related intangibles	74	74	217	233
OPERATING EXPENSES	4,910	4,674	14,208	13,851
OPERATING INCOME	3,504	3,841	8,742	11,483
Gains (losses) on equity investments, net	452	53	437	81
Interest and other, net	(32)	27	(119)	105
INCOME BEFORE TAXES	3,924	3,921	9,060	11,669
Provision for taxes	974	949	2,065	3,132
NET INCOME	\$ 2,950	\$ 2,972	\$ 6,995	\$ 8,537
BASIC EARNINGS PER COMMON SHARE	\$ 0.59	\$ 0.59	\$ 1.41	\$ 1.71
DILUTED EARNINGS PER COMMON SHARE	\$ 0.58	\$ 0.58	\$ 1.37	\$ 1.65
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
BASIC	4,981	4,996	4,969	5,006
DILUTED	5,100	5,153	5,095	5,181

INTEL CORPORATION
CONSOLIDATED SUMMARY BALANCE SHEET DATA

(In millions)

	Sep 28, 2013	Jun 29, 2013	Dec 29, 2012
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,881	\$ 3,778	\$ 8,478
Short-term investments	6,492	6,214	3,999
Trading assets	7,773	7,358	5,685
Accounts receivable, net	3,719	3,474	3,833
Inventories:			
Raw materials	505	487	478
Work in process	2,259	2,220	2,219
Finished goods	1,769	1,835	2,037
	<u>4,533</u>	<u>4,542</u>	<u>4,734</u>
Deferred tax assets	2,435	2,121	2,117
Other current assets	1,517	1,561	2,512
TOTAL CURRENT ASSETS	<u><u>31,350</u></u>	<u><u>29,048</u></u>	<u><u>31,358</u></u>
Property, plant and equipment, net	30,346	29,345	27,983
Marketable equity securities	6,514	5,361	4,424
Other long-term investments	1,583	1,642	493
Goodwill	10,467	10,005	9,710
Identified intangible assets, net	5,434	5,620	6,235
Other long-term assets	4,857	4,640	4,148
TOTAL ASSETS	<u><u>\$ 90,551</u></u>	<u><u>\$ 85,661</u></u>	<u><u>\$ 84,351</u></u>
CURRENT LIABILITIES			
Short-term debt	\$ 350	\$ 263	\$ 312
Accounts payable	2,996	2,864	3,023
Accrued compensation and benefits	2,530	1,981	2,972
Accrued advertising	1,012	1,060	1,015
Deferred income	2,093	1,971	1,932
Other accrued liabilities	4,894	3,250	3,644
TOTAL CURRENT LIABILITIES	<u><u>13,875</u></u>	<u><u>11,389</u></u>	<u><u>12,898</u></u>
Long-term debt	13,157	13,150	13,136
Long-term deferred tax liabilities	4,384	3,709	3,412
Other long-term liabilities	3,683	3,573	3,702
Stockholders' equity:			
Preferred stock	—	—	—
Common stock and capital in excess of par value	21,113	20,678	19,464
Accumulated other comprehensive income (loss)	1,048	145	(399)
Retained earnings	<u>33,291</u>	<u>33,017</u>	<u>32,138</u>

TOTAL STOCKHOLDERS' EQUITY	55,452	53,840	51,203
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 90,551	\$ 85,661	\$ 84,351

INTEL CORPORATION
SUPPLEMENTAL FINANCIAL AND OTHER INFORMATION

(In millions)

	<u>Q3 2013</u>	<u>Q2 2013</u>	<u>Q3 2012</u>
CASH INVESTMENTS:			
Cash and short-term investments	\$ 11,373	\$ 9,992	\$ 6,003
Trading assets - marketable debt securities	7,773	7,358	4,462
Total cash investments	\$ 19,146	\$ 17,350	\$ 10,465
CURRENT DEFERRED INCOME:			
Deferred income on shipments of components to distributors	\$ 891	\$ 770	\$ 791
Deferred income from software and services group	1,202	1,201	1,163
Total current deferred income	\$ 2,093	\$ 1,971	\$ 1,954
SELECTED CASH FLOW INFORMATION:			
Depreciation	\$ 1,729	\$ 1,712	\$ 1,625
Share-based compensation	\$ 268	\$ 292	\$ 276
Amortization of intangibles	\$ 292	\$ 279	\$ 268
Capital spending	\$ (2,866)	\$ (2,723)	\$ (2,887)
Net cash (used)/received for acquisitions/divestitures	\$ (498)	\$ (286)	\$ (110)
Investments in non-marketable equity instruments	\$ (133)	\$ (90)	\$ (163)
Equity investment in ASML Holding N.V	\$ —	\$ —	\$ (3,218)
Stock repurchase program	\$ (536)	\$ (550)	\$ (1,165)
Proceeds from sales of shares to employees & excess tax benefit	\$ 272	\$ 612	\$ 299
Dividends paid	\$ (1,121)	\$ (1,123)	\$ (1,125)
EARNINGS PER COMMON SHARE INFORMATION:			
Weighted average common shares outstanding - basic	4,981	4,978	4,996
Dilutive effect of employee equity incentive plans	60	67	93
Dilutive effect of convertible debt	59	61	64
Weighted average common shares outstanding - diluted	5,100	5,106	5,153

STOCK BUYBACK:

Shares repurchased	24	23	46
Cumulative shares repurchased (in billions)	4.3	4.3	4.2
Remaining dollars authorized for buyback (in billions)	\$ 3.7	\$ 4.2	\$ 6.3

OTHER INFORMATION:

Employees (in thousands)	107.2	106.0	104.7
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INTEL CORPORATION
SUPPLEMENTAL OPERATING SEGMENT RESULTS
(In millions)

	Three Months Ended		Nine Months Ended	
	Sep 28, 2013	Sep 29, 2012	Sep 28, 2013	Sep 29, 2012
Net Revenue				
PC Client Group	\$ 8,387	\$ 8,691	\$ 24,479	\$ 25,944
Data Center Group	2,912	2,596	8,240	7,735
Other Intel architecture operating segments	1,067	1,177	2,987	3,360
Software and services operating segments	621	588	1,819	1,745
All other	496	405	1,349	1,080
TOTAL NET REVENUE	\$ 13,483	\$13,457	\$ 38,874	\$ 39,864
Operating income (loss)				
PC Client Group	\$ 3,260	\$ 3,346	\$ 8,432	\$ 10,277
Data Center Group	1,393	1,203	3,702	3,703
Other Intel architecture operating segments	(606)	(235)	(1,825)	(882)
Software and services operating segments	(5)	4	(37)	25
All other	(538)	(477)	(1,530)	(1,640)
TOTAL OPERATING INCOME	\$ 3,504	\$ 3,841	\$ 8,742	\$ 11,483