INTEL NDQ-INTC

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	
34.42	14.9 (Trailing: 17.0 Median: 18.0)	0.84	2.6%	VALUE LINE

TIMELINESS 2 Lowered 9/12/14

SAFETY 1 Raised 4/10/09

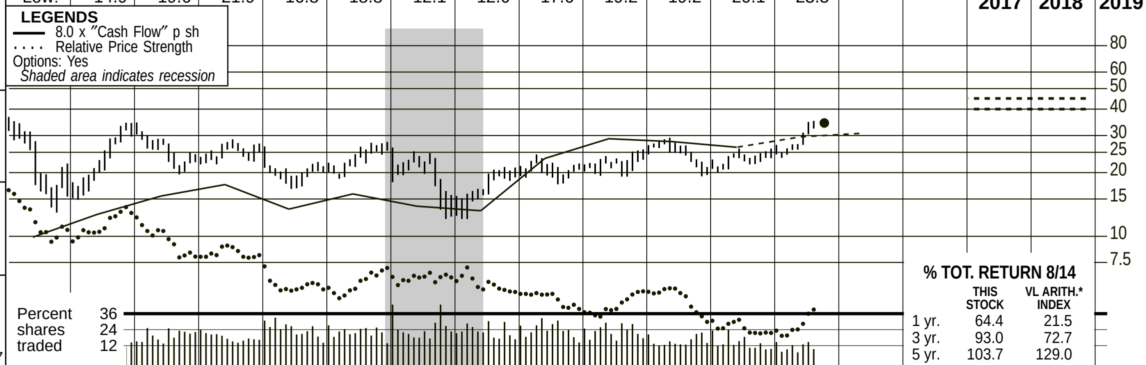
TECHNICAL 2 Raised 9/26/14

BETA .95 (1.00 = Market)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
High:	34.5	34.6	28.8	26.6	28.0	26.3	21.3	24.4	25.8	29.3	26.0	35.6
Low:	14.9	19.6	21.9	16.8	18.8	12.1	12.0	17.6	19.2	19.2	20.1	23.5

Target Price Range

2017	2018	2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+30%)	10%
Low	40	(+15%)	7%

Insider Decisions

	N	D	J	F	M	A	M	J	J
to Buy	0	0	0	0	0	0	0	0	0
Options	1	4	3	0	4	4	0	3	4
to Sell	2	5	8	3	5	6	1	3	6

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	838	713	719
to Sell	726	830	813
Hld's(000)	3197594	3228839	3222777

% TOT. RETURN 8/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	64.4	21.5
3 yr.	93.0	72.7
5 yr.	103.7	129.0

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
3.96	4.41	5.02	3.97	4.07	4.65	5.47	6.56	6.14	6.59	6.76	6.36	7.92	10.80	10.79	10.61	11.15	11.40	Sales per sh	13.50
1.36	1.68	2.07	1.16	1.24	1.59	1.94	2.20	1.68	1.98	1.74	1.65	2.92	3.62	3.51	3.30	3.70	3.85	"Cash Flow" per sh	5.05
.89	1.17	1.53	.53	.51	.86	1.16	1.40	.86	1.18	.92	.77	2.05	2.39	2.13	1.89	2.20	2.30	Earnings per sh A	3.25
.03	.05	.07	.08	.08	.08	.16	.32	.41	.45	.55	.56	.63	.78	.87	.90	.90	.94	Div'ds Decl'd per sh B ■	1.18
.54	.51	.99	1.09	.72	.56	.61	.98	1.00	.86	.93	.82	.94	2.15	2.23	2.16	2.25	2.60	Cap'l Spending per sh	4.00
3.53	4.88	5.55	5.36	5.40	5.83	6.17	6.11	6.37	7.35	7.03	7.55	8.97	9.18	10.36	11.73	12.75	13.75	Book Value per sh	16.00
6630.0	6668.0	6721.0	6690.0	6570.0	6487.0	6253.0	5919.0	5766.0	5818.0	5562.0	5523.0	5511.0	5000.0	4944.0	4967.0	4975.0	4985.0	Common Shs Outst'g C	5000.0
24.3	29.5	36.1	55.0	45.8	27.5	22.1	17.8	23.3	19.9	21.7	22.2	10.1	9.2	11.7	12.2	Bold figures are		Avg Ann'l P/E Ratio	13.0
1.26	1.68	2.35	2.82	2.50	1.57	1.17	.95	1.26	1.06	1.31	1.48	.64	.58	.74	.68	Value Line		Relative P/E Ratio	.80
.1%	.1%	.1%	.3%	.3%	.3%	.6%	1.3%	2.0%	1.9%	2.8%	3.3%	3.0%	3.5%	3.5%	3.9%	estimates		Avg Ann'l Div'd Yield	2.8%

CAPITAL STRUCTURE as of 6/28/14
Total Debt $13194 mill. **Due in 5 Yrs** $1070 mill.
LT Debt $13180 mill. **LT Interest** $130.0 mill. (18% of Cap'l)
Interest Coverage: NMF
Leases, Uncapitalized Annual rentals $208.0 mill.

Pension Assets-12/13 $649 mill. **Oblig.** $1137 mill.
Pfd Stock None

Common Stock 4,951,000,000 shs.
as of 7/18/14
MARKET CAP: $170 billion (Large Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
34209	38826	35382	38334	37586	35127	43623	53999	53341	52708	55420	56800	Sales ($mill)	67500
43.6%	42.7%	30.8%	34.7%	37.3%	29.8%	45.9%	42.4%	39.9%	36.2%	37.0%	38.0%	Operating Margin	40.0%
4590.0	4345.0	4654.0	4546.0	4360.0	4744.0	4398.0	5141.0	6357.0	6790.0	7400	7750	Depreciation ($mill) D	9000
7516.0	8664.0	5044.0	6976.0	5292.0	4369.0	11692	12942	11005	9620.0	10945	11465	Net Profit ($mill)	16250
27.8%	31.3%	28.6%	23.9%	31.1%	23.4%	28.7%	27.2%	26.0%	23.7%	28.0%	28.0%	Income Tax Rate	28.0%
22.0%	22.3%	14.3%	18.2%	14.1%	12.4%	26.8%	24.0%	20.6%	18.3%	19.7%	20.2%	Net Profit Margin	24.1%
16052	11960	9766.0	15314	12053	13566	22284	13844	18460	18516	17000	18500	Working Cap'l ($mill)	22500
703.0	2106.0	1848.0	1980.0	1886.0	2049.0	2077.0	7084.0	13136	13165	13175	12500	Long-Term Debt ($mill)	10000
38579	36182	36752	42762	39088	41704	49430	45911	51203	58256	63425	68500	Shr. Equity ($mill)	80000
19.2%	22.7%	13.1%	15.6%	12.9%	10.0%	22.8%	24.5%	17.2%	13.6%	14.5%	14.0%	Return on Total Cap'l	18.0%
19.5%	23.9%	13.7%	16.3%	13.5%	10.5%	23.7%	28.2%	21.5%	16.5%	17.5%	16.5%	Return on Shr. Equity	20.5%
16.8%	18.5%	7.4%	10.2%	5.6%	3.0%	16.6%	19.2%	13.0%	8.8%	10.0%	10.0%	Retained to Com Eq	13.0%
14%	23%	46%	38%	59%	71%	30%	32%	40%	47%	41%	41%	All Div'ds to Net Prof	36%

CURRENT POSITION ($MILL.)

	2012	2013	6/28/14
Cash Assets	18162	20087	17311
Receivables	3833	3582	3489
Inventory (FIFO)	4734	4172	3943
Other	4629	4243	4263
Current Assets	31358	32084	29006
Accts Payable	3023	2969	2960
Debt Due	312	281	14
Other	9563	10318	9277
Current Liab.	12898	13568	12251

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Sales	10.0%	10.5%	4.0%
"Cash Flow"	10.0%	14.0%	6.5%
Earnings	13.0%	16.5%	7.0%
Dividends	26.5%	12.5%	5.5%
Book Value	6.5%	8.5%	6.5%

Cal-endar	QUARTERLY SALES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	12847	13032	14233	13887	53999
2012	12906	13501	13457	13477	53341
2013	12580	12811	13483	13834	52708
2014	12764	13831	14410	14415	55420
2015	13650	14150	14650	14350	56800

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.56	.54	.65	.64	2.39
2012	.53	.54	.58	.48	2.13
2013	.41	.39	.58	.51	1.89
2014	.38	.55	.65	.62	2.20
2015	.49	.52	.67	.62	2.30

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.158	.158	.158	.158	.63
2011	.181	.181	.21	.21	.78
2012	.21	.21	.225	.225	.87
2013	.225	.225	.225	.225	.90
2014	.225	.225	.225		

BUSINESS: Intel Corp. is a leading manufacturer of integrated circuits. Markets served: primarily makers of personal computers; also communications, industrial automation, military, and other electronic equipment. Main products: microprocessors (notably, the Pentium series), microcontrollers, and memory chips. Also sells computer modules and boards, and network products. Foreign business: about 83% of '13 sales. R&D: 20% of sales. '13 dep. rate: 9.2%. Has 107,600 employees. Off./dir. own less than 1% of common shares; BlackRock, 5.9; The Vanguard Group, 5% (4/14 proxy). Chair.: Andy Bryant. Pres.: Renee James. CEO: Brian Krzanich. Incorp.: DE. Add.: 2200 Mission College Blvd., Santa Clara, CA 95054. Tele.: 408-765-8080. Internet: www.intc.com.

Intel stock has been on a roll of late, climbing nearly 15% since our July review. We attribute the stock's solid performance to better-than-expected second-quarter results and a rosy outlook moving ahead.

Management provided good news during its June-quarter conference call. Earnings per share were $0.55, which was sharply above our $0.44 expectation and the prior-year result of $0.39. The company prospered from its strategy to broaden the reach of its silicon content from data centers to PCs to the Internet of Things. It appears on track to reach its objective of 40 million tablets sold, while the ramp of its Baytrail SoC (system on a chip) is another reason for optimism. Overall, positive momentum in the PC Client Group and Data Center division helped to offset a decrease in the Communications segment. Going forward, we are increasingly optimistic regarding our view for 2014 and 2015. We now look for revenues of $55.42 billion and $56.8 billion for the next two years, respectively. (This is a notable increase from our $54.12 billion and $55.15 billion estimates at the time of our July review.) Furthermore, we look for margins to increase moderately for both this year and 2015, which has prompted us to raise our share-net estimates to $2.20 and $2.30, respectively, a $0.20 increase for each year compared to our view three months ago.

Building momentum in the lucrative mobile space is vital to long-term profit growth. Management remains committed to boosting its presence in the mobile market through partnerships and other collaborating means. We view this as a key earnings driver over the longer term, as the personal computer market, though currently rebounding from its recent nadir, will likely remain a mature market going forward.

These timely shares are worthy of consideration for conservative investors seeking a technology presence. Despite the aforementioned price increase, INTC stock still has worthwhile long-term risk-adjusted total return potential. The solid dividend yield, which is not commonplace in the semiconductor industry, adds to its appeal.

Alan G. House *October 3, 2014*

(A) Dil. egs. Excl. nonrecurr. gains (losses): '98, (3¢); '99, (11¢); '00, (2¢); '01, (34¢); '02, (5¢); '03, (1¢); '10, (4¢). Next egs. report mid-Oct.
(B) Dividends historically paid in early March, June, September, and December. ■ Dividend reinvestment plan available. (C) In millions, adjusted for stock splits.
(D) Excludes amortization of goodwill and other acquisition-related intangibles.

Company's Financial Strength	A++
Stock's Price Stability	80
Price Growth Persistence	40
Earnings Predictability	45