



| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | © VALUE LINE PUB. LLC | 21-23 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------------------|--------|
| 4.07 | 4.65 | 5.47 | 6.56 | 6.14 | 6.59 | 6.76 | 6.36 | 7.92 | 10.80 | 10.79 | 10.61 | 11.77 | 11.72 | 12.56 | 13.39 | 14.85 | 15.45 | Sales per sh | 18.65 |
| 1.24 | 1.59 | 1.94 | 2.20 | 1.68 | 1.98 | 1.74 | 1.65 | 2.92 | 3.62 | 3.51 | 3.30 | 4.02 | 4.07 | 4.10 | 5.02 | 5.95 | 5.95 | "Cash Flow" per sh | 7.80 |
| .51 | .86 | 1.16 | 1.40 | .86 | 1.18 | .92 | .77 | 2.05 | 2.39 | 2.13 | 1.89 | 2.31 | 2.33 | 2.72 | 3.47 | 4.00 | 4.25 | Earnings per sh ^A | 5.75 |
| .08 | .08 | .16 | .32 | .41 | .45 | .55 | .56 | .63 | .78 | .87 | .90 | .90 | .96 | 1.04 | 1.08 | 1.20 | 1.24 | Div's Decl'd per sh ^B | 1.40 |
| .72 | .56 | .61 | .98 | 1.00 | .86 | .93 | .82 | .94 | 2.15 | 2.23 | 2.16 | 2.13 | 1.55 | 2.03 | 2.51 | 3.00 | 3.50 | Cap'l Spending per sh | 4.50 |
| 5.40 | 5.83 | 6.17 | 6.11 | 6.37 | 7.35 | 7.03 | 7.55 | 8.97 | 9.18 | 10.36 | 11.73 | 11.77 | 13.12 | 14.19 | 14.91 | 16.30 | 17.80 | Book Value per sh | 21.60 |
| 6570.0 | 6487.0 | 6253.0 | 5919.0 | 5766.0 | 5818.0 | 5562.0 | 5523.0 | 5511.0 | 5000.0 | 4944.0 | 4967.0 | 4748.0 | 4725.0 | 4730.0 | 4687.0 | 4600.0 | 4500.0 | Common Shs Outst'g ^C | 4400.0 |
| 45.8 | 27.5 | 22.1 | 17.8 | 23.3 | 19.9 | 21.7 | 22.2 | 10.1 | 9.2 | 11.7 | 12.2 | 13.2 | 13.8 | 12.3 | 10.9 | 10.9 | 10.9 | Avg Ann'l P/E Ratio | 15.0 |
| 2.50 | 1.57 | 1.17 | .95 | 1.26 | 1.06 | 1.31 | 1.48 | .64 | .58 | .74 | .69 | .69 | .69 | .65 | .55 | .55 | .55 | Relative P/E Ratio | .85 |
| .3% | .3% | .6% | 1.3% | 2.0% | 1.9% | 2.8% | 3.3% | 3.0% | 3.5% | 3.5% | 3.9% | 3.0% | 3.0% | 3.1% | 2.9% | 2.9% | 2.9% | Avg Ann'l Div'd Yield | 1.6% |

| CAPITAL STRUCTURE as of 3/31/18 | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|------------------------------------|--|-------|
| Total Debt \$28.612 mill. Due in 5 Yrs \$2.430 mill. | | | | | | | | | | | | | | | | | | Sales (\$mill) | | 82000 |
| LT Debt \$24,770 mill. LT Interest \$245.0 mill. (26% of Cap'l) | | | | | | | | | | | | | | | | | | Operating Margin | | 45.0% |
| Interest Coverage: 24.6x | | | | | | | | | | | | | | | | | | Depreciation (\$mill) ^D | | 9000 |
| Leases, Uncapitalized Annual rentals \$215.0 mill. | | | | | | | | | | | | | | | | | | Net Profit (\$mill) | | 25300 |
| Pens. Assets-12/17 \$2287 mill. Oblig. \$3842 mill. | | | | | | | | | | | | | | | | | | Income Tax Rate | | 14.0% |
| Pfd Stock None | | | | | | | | | | | | | | | | | | Net Profit Margin | | 30.9% |
| Common Stock 4,660,000,000 shs. | | | | | | | | | | | | | | | | | | Working Cap'l (\$mill) | | 15000 |
| MARKET CAP: \$247 billion (Large Cap) | | | | | | | | | | | | | | | | | | Long-Term Debt (\$mill) | | 20000 |
| CURRENT POSITION (SMILL.) | | | | | | | | | | | | | | | | | | Shr. Equity (\$mill) | | 95000 |
| Cash Assets 17099 140002 16197 | | | | | | | | | | | | | | | | | | Return on Total Cap'l | | 22.0% |
| Receivables 4690 5607 4879 | | | | | | | | | | | | | | | | | | Return on Shr. Equity | | 26.5% |
| Inventory (FIFO) 5553 6983 7146 | | | | | | | | | | | | | | | | | | Retained to Com Eq | | 20.0% |
| Other 8166 2908 3408 | | | | | | | | | | | | | | | | | | All Div'ds to Net Prof | | 24% |
| Current Assets 35508 29500 31630 | | | | | | | | | | | | | | | | | | | | |
| Accts Payable 2475 2928 4415 | | | | | | | | | | | | | | | | | | | | |
| Debt Due 4634 1776 3842 | | | | | | | | | | | | | | | | | | | | |
| Other 13193 12717 11704 | | | | | | | | | | | | | | | | | | | | |
| Current Liab. 20302 17421 19961 | | | | | | | | | | | | | | | | | | | | |

BUSINESS: Intel 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 80% of '17 sales. R&D: 20.9% of sales. '17 dep. rate: 6.8%. Has 103,700 empl. Off./dir. own less than 1% of common shares; The Vanguard Group, 7.3%; BlackRock, 6.3%. (4/18 proxy). Chair.: Andy Bryant. Pres.: Venkata Renduchintala. Interim CEO: Robert Swan. Inc.: DE. Address: 2200 Mission College Blvd., Santa Clara, CA 95054. Tel.: 408-765-8080. Internet: www.intc.com.

Intel continues to shine. On point, during the March period, share net dialed in at \$0.87 on a non-GAAP basis (excludes nonrecurring items), a sharp advance over the previous year's \$0.66 tally. The chip behemoth's results continued to be fueled by data-centric businesses, which now account for nearly one-half of the top line. The Data Center group posted gains across all markets and experienced increased adoption of Xeon Scalable processors, including for artificial intelligence. **We believe the good times will continue at least through 2019.** Given a strong domestic economy, we look for healthy gains across most product groups over the 12 to 18 months ahead. Specifically, the Non-Volatile Memory Solutions division ought to continue to register double-digit top-line advances thanks to healthy storage demand. Furthermore, the Programmable Solutions group should reap the benefits of several recent design wins. Finally, the Client Computing segment is poised to benefit from a lineup of high-performance mobile processors. **Intel has done a fine job of diversifying beyond its personal computer business.** It appears that Intel's focus on the data-centric businesses is bearing fruit. Big data is very important in today's world, and having the ability to analyze and use that data could add meaningfully to profits. Another arena to keep an eye on is driverless cars. Intel entered the fray with the relatively recent acquisition of Mobileye. Though the mass production of autonomous cars may be several years away, Intel appears to have a strong entryway into this market. Overall, the company's stellar balance sheet provides for myriad options moving forward. **These shares are ranked 1 (Highest) for year-ahead price performance.** Despite their recent strong performance, INTC shares offer solid risk-adjusted total return potential over the pull to 2021-2023. Intel also pays a healthy dividend, which is well covered by earnings from operations. Of note, Brian Krzanich resigned as CEO due to a violation of Intel's non-fraternization policy. CFO Robert Swan was named Interim CEO immediately after the resignation. We expect no long term ill effects.

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| (A) Dil. egs. Excl. nonrecurr. gains (losses): '02, (5¢); '03, (1¢); '10, (4¢); '16, (60¢). Next egs. report due late July. | June, September, and December. ■ Dividend reinvestment plan available. (C) In millions. | Company's Financial Strength | A++ |
| (B) Dividends historically paid in early March. | (D) Excludes amortization of goodwill and other acquisition-related intangibles. | Stock's Price Stability | 75 |
| | | Price Growth Persistence | 55 |
| | | Earnings Predictability | 80 |