INTEL NDQ-INTC

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
57.30	12.4	(Trailing: 12.3 Median: 12.0)	0.68	2.2%	VALUE LINE

TIMELINESS 3 Raised 11/15/19
SAFETY 1 Raised 4/10/09
TECHNICAL 2 Raised 12/20/19
BETA 1.10 (1.00 = Market)

High:	26.3	21.3	24.4	25.8	29.3	26.0	37.9	37.5	38.4	47.6	57.6	59.6
Low:	12.1	12.0	17.6	19.2	19.2	20.1	23.5	24.9	27.7	33.2	42.0	42.9

Target Price Range
2022 | 2023 | 2024

LEGENDS
— 11.0 x "Cash Flow" p sh
.... Relative Price Strength
Options: Yes
Shaded area indicates recession

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$39-$69	$54 (-5%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+85%)	19%
Low	90	(+55%)	14%

Institutional Decisions

	1Q2019	2Q2019	3Q2019
to Buy	1072	965	1026
to Sell	1169	1232	1083
Hld's(0000)	2958	0952	9570252877960

% TOT. RETURN 11/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	20.7	6.5
3 yr.	80.7	24.6
5 yr.	79.1	38.9

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
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	15.69	*15.80*	*16.25*	Sales per sh	*19.30*
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	6.44	*6.40*	*6.60*	"Cash Flow" per sh	*8.65*
.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	4.59	*4.60*	*4.70*	Earnings per sh A	*6.50*
.08	.16	.32	.41	.45	.55	.56	.63	.78	.87	.90	.90	.96	1.04	1.08	1.20	*1.26*	*1.30*	Div'ds Decl'd per sh B ■	*1.50*
.56	.61	.98	1.00	.86	.93	.82	.94	2.15	2.23	2.16	2.13	1.55	2.03	2.51	3.36	*3.75*	*4.25*	Cap'l Spending per sh	*6.00*
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	16.60	*17.80*	*19.10*	Book Value per sh	*22.75*
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	4516.0	*4500.0*	*4450.0*	Common Shs Outst'g C	*4400.0*
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	10.7	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
1.57	1.17	.95	1.26	1.06	1.31	1.48	.64	.58	.74	.69	.69	.69	.65	.55	.58	*Value Line*		Relative P/E Ratio	*.85*
.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%	2.4%	*estimates*		Avg Ann'l Div'd Yield	*1.5%*

CAPITAL STRUCTURE as of 9/28/19
Total Debt $30,264 mill. **Due in 5 Yrs** $2,575 mill.
LT Debt $25,064 mill. **LT Interest** $250.0 mill.
(25% of Cap'l)
Interest Coverage: 52.2x
Leases, Uncapitalized Annual rentals $229.0 mill.

Pens. Assets-12/18 $2551 mill. **Oblig.** $3433 mill.
Pfd Stock None

Common Stock 4,350,000,000 shs.

MARKET CAP: $249 billion (Large Cap)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		22-24
35127	43623	53999	53341	52708	55870	55355	59387	62761	70848	*71000*	*72250*	Sales ($mill)	*85000*
29.8%	45.9%	42.4%	39.9%	36.2%	41.7%	40.5%	35.9%	40.2%	43.7%	*44.0%*	*45.0%*	Operating Margin	*48.0%*
4744.0	4398.0	5141.0	6357.0	6790.0	7380.0	7821.0	6266.0	6762.0	7520.0	*8000*	*8400*	Depreciation ($mill) D	*9500*
4369.0	11692	12942	11005	9620.0	11704	11420	13146	16756	21570	*20700*	*20915*	Net Profit ($mill)	*28600*
23.4%	28.7%	27.2%	26.0%	23.7%	25.9%	19.6%	24.0%	46.6%	10.0%	*10.0%*	*12.0%*	Income Tax Rate	*14.0%*
12.4%	26.8%	24.0%	20.6%	18.3%	20.9%	20.6%	22.1%	26.7%	30.4%	*29.2%*	*28.9%*	Net Profit Margin	*33.6%*
13566	22284	13844	18460	18516	11711	24689	15206	12079	12161	*13000*	*14000*	Working Cap'l ($mill)	*17000*
2049.0	2077.0	7084.0	13136	13165	12107	20036	20649	25037	25098	*25000*	*22000*	Long-Term Debt ($mill)	*20000*
41704	49430	45911	51203	58256	55865	61982	67108	69885	74982	*80000*	*85000*	Shr. Equity ($mill)	*100000*
10.0%	22.8%	24.5%	17.2%	13.6%	17.3%	14.1%	15.3%	18.0%	21.8%	*19.5%*	*19.5%*	Return on Total Cap'l	*24.0%*
10.5%	23.7%	28.2%	21.5%	16.5%	21.0%	18.4%	19.6%	24.0%	28.8%	*26.0%*	*24.5%*	Return on Shr. Equity	*28.5%*
3.0%	16.6%	19.2%	13.0%	8.8%	13.1%	11.1%	12.3%	16.7%	21.4%	*19.0%*	*18.0%*	Retained to Com Eq	*22.0%*
71%	30%	32%	40%	47%	38%	40%	37%	30%	26%	*27%*	*28%*	All Div'ds to Net Prof	*23%*

CURRENT POSITION ($MILL.)	2017	2018	9/28/19
Cash Assets	140002	11650	12025
Receivables	5607	6722	6880
Inventory (FIFO)	6983	7253	8638
Other	2908	3162	2414
Current Assets	29500	28787	29957
Accts Payable	2928	3824	4809
Debt Due	1776	1251	5200
Other	12717	11541	15055
Current Liab.	17421	16626	25064

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Sales	8.0%	5.5%	*5.5%*
"Cash Flow"	11.0%	8.5%	*9.0%*
Earnings	14.0%	11.0%	*10.5%*
Dividends	9.0%	5.5%	*5.0%*
Book Value	8.0%	8.0%	*7.0%*

Cal-endar	QUARTERLY SALES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	13702	13533	15778	16374	59387
2017	14796	14763	16149	17053	62761
2018	16066	16962	19163	18657	70848
2019	16061	16505	19190	*19244*	*71000*
2020	*16900*	*17200*	*18500*	*19650*	*72250*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.54	.59	.80	.79	2.72
2017	.66	.72	1.01	1.08	3.47
2018	.87	1.04	1.40	1.28	4.59
2019	.89	1.06	1.42	*1.23*	*4.60*
2020	*.98*	*1.00*	*1.33*	*1.39*	*4.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.24	.24	.24	.24	.96
2016	.26	.26	.26	.26	1.04
2017	.26	.273	.273	.273	1.08
2018	.30	.30	.30	.30	1.20
2019	.315	.315	.315	.315	

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 '18 sales. R&D: 19.1% of sales. '18 deprec. rate: 6.6%. Has 107,400 empl. Off./dir. own less than 1% of common shares; The Vanguard Group, 8.0%; BlackRock, 6.6%. (4/19 proxy). Chair.: Andy Bryant. Pres.: Venkata Renduchintala. CEO: Robert Swan. Inc.: DE. Addr.: 2200 Mission College Blvd., Santa Clara, CA 95054. Tel.: 408-765-8080. Internet: www.intc.com.

Intel reported fairly strong results during the third quarter. Share net dialed in at $1.42, which was a modest improvement over the year before tally. The PC-Centric business decreased 5% on a year-over-year basis. However, we aren't overly concerned as this business is mature, and the company has made a conscious effort to move toward faster-growing segments of the semiconductor market. With that in mind, the Data-Centric group climbed 4% from last year. Growth was strong across the board, with the Internet of Things increasing 9%, Mobileye advancing 20%, NSG (its nonvolatile memory solutions group) improving 19%, while the PSG (programmable solutions group) unit chipped in with a 2% increase.

We look for full-year results to be roughly flat on a year-over-year basis. We believe bottom-line results declined slightly against a fairly difficult comparison during the December quarter. Overall, Intel's full-year 2019 results were likely pretty good, given that it was up against tough 2018 comparisons. Global economic headwinds, most notably the trade spat between the United States and China, was also a considerable challenge.

Earnings may trend modestly higher in 2020, assuming the economy holds its own. The friction between the United States and China has shown signs of easing, perhaps, as the nations enter phase one of their trade deal. Also, a few recent rate cuts by the Federal Reserve should help the domestic economy.

We look for the bottom line to increase at a solid annual clip over the 3 to 5 years ahead. The company's increased focus on faster-growing segments of the chip market, most notably data centers, Internet of Things, and autonomous cars, should provide plenty of things for investors to cheer about over the long run.

These shares continue to trend higher, as Wall Street has been kind to the industry bellwether. Despite the sharp price ascent over the past three months, these shares have ample room to run over the 3 to 5 years ahead. Conservative accounts seeking a tech holding to round out their otherwise diversified portfolios would do well to consider these shares.

Alan G. House *December 27, 2019*

(A) Dil. egs. Excl. nonrecurr. gains (losses): '03, (1¢); '10, (4¢); '16, (60¢). Next egs. report due late Jan.
(B) Dividends historically paid late Feb., May, Aug., and Nov. ■ Dividend reinvestment plan available. (C) In millions.
(D) Excludes amortization of goodwill and other acquisition-related intangibles.

Company's Financial Strength	A++
Stock's Price Stability	70
Price Growth Persistence	70
Earnings Predictability	80

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