

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 29, 2018.

Or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 000-06217



INTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

2200 Mission College Boulevard, Santa Clara, California

(Address of principal executive offices)

94-1672743

(I.R.S. Employer Identification No.)

95054-1549

(Zip Code)

(408) 765-8080

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Shares outstanding of the Registrant's common stock:

Class
Common stock, \$0.001 par value

Outstanding as of September 29, 2018
4,564 million

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THE ORGANIZATION OF OUR QUARTERLY REPORT ON FORM 10-Q

The order and presentation of content in our Quarterly Report on Form 10-Q (Form 10-Q) differs from the traditional U.S. Securities and Exchange Commission (SEC) Form 10-Q format. We believe this format improves readability and better presents how we organize and manage our business. See "Form 10-Q Cross-Reference Index" within Other Key Information for a cross-reference index to the traditional SEC Form 10-Q format.

We have included key metrics that we use to measure our business, some of which are non-GAAP measures. See these "Non-GAAP Financial Measures" within Other Key Information.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains 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. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, projected growth of markets relevant to our businesses, uncertain events or assumptions, and other characterizations of future events or circumstances are forward-looking statements. Such statements are based on management's expectations as of the date of this filing and involve many risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Such risks and uncertainties include those described throughout this report and our Annual Report on Form 10-K for the year ended December 30, 2017, particularly the "Risk Factors" sections of such reports. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Readers are urged to carefully review and consider the various disclosures made in this Form 10-Q and in other documents we file from time to time with the Securities and Exchange Commission that disclose risks and uncertainties that may affect our business. The forward-looking statements in this Form 10-Q do not reflect the potential impact of any divestitures, mergers, acquisitions, or other business combinations that had not been completed as of the date of this filing. In addition, the forward-looking statements in this Form 10-Q are made as of the date of this filing, including expectations based on third-party information and projections that management believes to be reputable, and Intel does not undertake, and expressly disclaims any duty, to update such statements, whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law.

INTEL UNIQUE TERMS

We use specific terms throughout this document to describe our business and results. Below are key terms and how we define them:

PLATFORM PRODUCTS	A microprocessor (processor or central processing unit (CPU)) and chipset, a stand-alone System-on-Chip (SoC), or a multichip package. Platform products, or platforms, are primarily used in solutions sold through Client Computing Group (CCG), Data Center Group (DCG), and Internet of Things Group (IOTG) segments.
ADJACENT PRODUCTS	All of our non-platform products, for CCG, DCG, and IOTG like modem, ethernet and silicon photonics, as well as Non-Volatile Memory Solutions Group (NSG), Programmable Solutions Group (PSG), and Mobileye products. Combined with our platform products, adjacent products form comprehensive platform solutions to meet customer needs.
PC-CENTRIC BUSINESS	Is made up of our CCG business, both platform and adjacent products.
DATA-CENTRIC BUSINESSES	Includes our DCG, IOTG, NSG, PSG, and all other businesses, which includes Mobileye

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

A QUARTER IN REVIEW

The third quarter was a record quarter in revenue, operating income, and net income, driven by strong customer demand for the performance of our leadership products across the business. Data Center Group (DCG), Client Computing Group (CCG), Internet of Things Group (IOTG), Non-Volatile Memory Solutions Group (NSG), and Mobileye each achieved record revenue. Strong business performance, operating margin leverage, and lower tax rate resulted in net income of \$6.4 billion in the third quarter. From a capital allocation perspective, in the first nine months we generated \$22.5 billion of cash flow from operations and returned \$12.6 billion to shareholders, including \$4.2 billion in dividends and \$8.5 billion in buybacks.

REVENUE	OPERATING INCOME	DILUTED EPS
\$19.2B	\$7.3B \$7.6B	\$1.38 \$1.40
GAAP	GAAP	GAAP
up \$3.0B or 19% from Q3 2017	up \$2.2B or 43% from Q3 2017	up \$0.44 or 47% from Q3 2017
	non-GAAP ¹	non-GAAP ¹
	up \$2.0B or 36% from Q3 2017	up \$0.39 or 39% from Q3 2017
Strong performance across all businesses and record revenue from DCG, CCG, IOTG, NSG, and Mobileye	Demand for leadership product and continued operating margin leverage while investing in key opportunities such as artificial intelligence and autonomous driving	Growing demand for higher performance products, growth in adjacent businesses, lower tax rate, and lower share outstanding



BUSINESS SUMMARY

- Five years ago, we set a course to transform to a data-centric company. Today our strategy, products, and employees are delivering on that ambition with strong growth, record results, and new opportunities. We are gaining share in an expanded total addressable market (TAM) opportunity, which is now expected to be over \$300 billion ² as our transformation accelerates.
- Our data-centric businesses collectively grew 22% led by the growth in the cloud and communication service provider market segments. To extend the growth momentum, we are now shipping Intel® Optane™ data center persistent memory, which combines the speed of traditional memory with the capacity and native persistence of storage.
- Our focus on performance leadership and differentiation in client computing is producing outstanding results. In addition, we expect modest PC TAM ² growth this year and continued share gain in modems. To extend product leadership and to deliver more value to customers, we launched new 9th Gen Intel® Core™ processors, targeting the growing gaming market segment.
- The return to PC TAM growth put pressure on our factory network. In addition to prioritizing production to serve server and high-performance PC market segments, we are investing additional capital expenditure to increase our supply, working with customers to align demand with available supply, and making good progress to improve 10nm yields.
- 30 years ago, in September, 1988, Gordon Moore helped establish the Intel Foundation, a public charity funded by our company. From investing in science, technology, engineering, and mathematics (STEM) programs, providing disaster relief, and amplifying the philanthropy of Intel employees, the Intel Foundation has been committed to improving lives around the world.

¹ See "Non-GAAP Financial Measures" within Other Key Information.

² Source: Intel calculated 2022 TAM and current year PC TAM derived from industry analyst reports and internal estimates.

INTEL CORPORATION

CONSOLIDATED CONDENSED STATEMENTS OF INCOME

	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
(In Millions, Except Per Share Amounts; Unaudited)				
Net revenue	\$ 19,163	\$ 16,149	\$ 52,191	\$ 45,708
Cost of sales	6,803	6,085	19,681	17,388
Gross margin	12,360	10,064	32,510	28,320
Research and development	3,428	3,209	10,110	9,782
Marketing, general and administrative	1,605	1,661	5,230	5,610
Restructuring and other charges	(72)	4	(72)	189
Amortization of acquisition-related intangibles	50	49	150	124
Operating expenses	5,011	4,923	15,418	15,705
Operating income	7,349	5,141	17,092	12,615
Gains (losses) on equity investments, net	(75)	846	365	1,440
Interest and other, net	(132)	(57)	225	262
Income before taxes	7,142	5,930	17,682	14,317
Provision for taxes	744	1,414	1,824	4,029
Net income	\$ 6,398	\$ 4,516	\$ 15,858	\$ 10,288
Earnings per share – Basic	\$ 1.40	\$ 0.96	\$ 3.42	\$ 2.19
Earnings per share – Diluted	\$ 1.38	\$ 0.94	\$ 3.35	\$ 2.12
Cash dividends declared per share of common stock	\$ 0.60	\$ 0.5450	\$ 1.20	\$ 1.0775
Weighted average shares of common stock outstanding:				
Basic	4,574	4,688	4,632	4,707
Diluted	4,648	4,821	4,728	4,849

See accompanying notes.

INTEL CORPORATION

CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

(In Millions; Unaudited)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Net income	\$ 6,398	\$ 4,516	\$ 15,858	\$ 10,288
Changes in other comprehensive income, net of tax:				
Net unrealized holding gains (losses) on available-for-sale equity investments	—	399	—	408
Net unrealized holding gains (losses) on derivatives	(25)	19	(199)	350
Actuarial valuation and other pension benefits (expenses), net	13	13	39	233
Translation adjustments and other	(2)	5	(15)	513
Other comprehensive income (loss)	(14)	436	(175)	1,504
Total comprehensive income	\$ 6,384	\$ 4,952	\$ 15,683	\$ 11,792

See accompanying notes.

INTEL CORPORATION

CONSOLIDATED CONDENSED BALANCE SHEETS

(In Millions)	Sep 29, 2018 (unaudited)	Dec 30, 2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,407	\$ 3,433
Short-term investments	2,641	1,814
Trading assets	7,138	8,755
Accounts receivable	5,457	5,607
Inventories	7,401	6,983
Other current assets	3,546	2,908
Total current assets	29,590	29,500
Property, plant and equipment, net of accumulated depreciation of \$63,684 (\$59,286 as of December 30, 2017)	47,071	41,109
Equity investments	7,551	8,579
Other long-term investments	3,562	3,712
Goodwill	24,506	24,389
Identified intangible assets, net	12,007	12,745
Other long-term assets	3,955	3,215
Total assets	\$ 128,242	\$ 123,249
Liabilities, temporary equity, and stockholders' equity		
Current liabilities:		
Short-term debt	\$ 3,051	\$ 1,776
Accounts payable	3,593	2,928
Accrued compensation and benefits	3,095	3,526
Deferred income	—	1,656
Other accrued liabilities	9,835	7,535
Total current liabilities	19,574	17,421
Debt	24,823	25,037
Contract liabilities	2,220	—
Income taxes payable, non-current	4,879	4,069
Deferred income taxes	1,485	3,046
Other long-term liabilities	3,263	3,791
Contingencies (Note 16)		
Temporary equity	515	866
Stockholders' equity:		
Preferred stock	—	—
Common stock and capital in excess of par value, 4,564 issued and outstanding (4,687 issued and outstanding as of December 30, 2017)	25,492	26,074
Accumulated other comprehensive income (loss)	(1,103)	862
Retained earnings	47,094	42,083
Total stockholders' equity	71,483	69,019
Total liabilities, temporary equity, and stockholders' equity	\$ 128,242	\$ 123,249

See accompanying notes.

INTEL CORPORATION

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(In Millions; Unaudited)	Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017
Cash and cash equivalents, beginning of period	\$ 3,433	\$ 5,560
Cash flows provided by (used for) operating activities:		
Net income	15,858	10,288
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	5,420	4,990
Share-based compensation	1,203	1,051
Amortization of intangibles	1,172	999
(Gains) losses on equity investments, net	(329)	(1,372)
(Gains) losses on divestitures	(497)	(387)
Loss on debt conversion and extinguishment	211	—
Deferred taxes	18	570
Changes in assets and liabilities:		
Accounts receivable	(449)	(1,128)
Inventories	(362)	(1,245)
Accounts payable	430	171
Accrued compensation and benefits	(801)	(362)
Customer deposits and prepaid supply agreements	1,472	—
Income taxes payable and receivable	(1,075)	979
Other assets and liabilities	261	315
Total adjustments	6,674	4,581
Net cash provided by operating activities	22,532	14,869
Cash flows provided by (used for) investing activities:		
Additions to property, plant and equipment	(11,291)	(7,709)
Acquisitions, net of cash acquired	(183)	(14,499)
Purchases of available-for-sale debt investments	(3,090)	(1,959)
Sales of available-for-sale debt investments	135	1,511
Maturities of available-for-sale debt investments	2,232	3,488
Purchases of trading assets	(8,316)	(9,792)
Maturities and sales of trading assets	9,705	11,806
Purchases of equity investments	(667)	(744)
Sales of equity investments	1,646	3,173
Proceeds from divestitures	548	3,124
Other investing	(138)	1,069
Net cash used for investing activities	(9,419)	(10,532)
Cash flows provided by (used for) financing activities:		
Increase (decrease) in short-term debt, net	1,707	(5)
Issuance of long-term debt, net of issuance costs	423	7,716
Repayment of debt and debt conversion	(1,928)	(1,502)
Proceeds from sales of common stock through employee equity incentive plans	545	637
Repurchase of common stock	(8,464)	(3,611)
Restricted stock unit withholdings	(492)	(424)
Payment of dividends to stockholders	(4,173)	(3,794)
Other financing	(757)	161
Net cash provided by (used for) financing activities	(13,139)	(822)
Net increase (decrease) in cash and cash equivalents	(26)	3,515
Cash and cash equivalents, end of period	\$ 3,407	\$ 9,075

Supplemental disclosures of noncash investing activities and cash flow information:

Acquisition of property, plant, and equipment included in accounts payable and accrued liabilities

\$	1,988	\$	1,736
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Non-marketable equity investment in McAfee from divestiture

\$	—	\$	1,078
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Cash paid during the period for:

Interest, net of capitalized interest

\$	316	\$	386
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Income taxes, net of refunds

\$	2,854	\$	2,328
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See accompanying notes.

INTEL CORPORATION

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PRESENTATION

We prepared our interim consolidated condensed financial statements that accompany these notes in conformity with U.S. generally accepted accounting principles, consistent in all material respects with those applied in our Annual Report on Form 10-K for the fiscal year ended December 30, 2017 (2017 Form 10-K), except for changes associated with recent accounting standards for retirement benefits, revenue recognition, and financial instruments as detailed in " Note 2: Recent Accounting Standards and Accounting Policies ." We have reclassified certain prior period amounts to conform to current period presentation.

We have made estimates and judgments affecting the amounts reported in our consolidated condensed financial statements and the accompanying notes. The actual results that we experience may differ materially from our estimates. The interim financial information is unaudited, but reflects all normal adjustments that are, in our opinion, necessary to provide a fair statement of results for the interim periods presented. This report should be read in conjunction with the consolidated financial statements in our 2017 Form 10-K.

NOTE 2: RECENT ACCOUNTING STANDARDS AND ACCOUNTING POLICIES

We assess the adoption impacts of recently issued accounting standards by the Financial Accounting Standards Board on our financial statements. The sections below describe impacts from newly adopted standards as well as material updates to our previous assessments, if any, from our 2017 Form 10-K.

ACCOUNTING STANDARDS ADOPTED

Retirement Benefits - Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost

Standard/Description: This amended standard was issued to provide additional guidance on the presentation of net periodic benefit cost in the income statement and on the components eligible for capitalization in assets. In accordance with the revised standard, we have separated the different components of net periodic benefit cost, presenting service cost components within operating income and other non-service components separately outside of operating income on the income statement. In addition, only service costs are now eligible for inventory capitalization.

Effective Date and Adoption Considerations: Effective in the first quarter of 2018. Changes to the presentation of benefit costs were required to be adopted retrospectively, while changes to the capitalization of service costs into inventories were required to be adopted prospectively. The standard permits, as a practical expedient, use of the amounts disclosed in the Retirement Benefit Plans footnote for the prior comparative periods as the estimation basis for applying the retrospective presentation requirement.

Effect on Financial Statements or Other Significant Matters: Adoption of the amended standard resulted in the reclassification of approximately \$114 million of non-service net periodic benefit costs from line items within operating income to interest and other, net, for the year ended December 30, 2017 (\$259 million for the year ended December 31, 2016).

Revenue Recognition - Contracts with Customers

Standard/Description: This standard was issued to achieve a consistent application of revenue recognition within the U.S., resulting in a single revenue model to be applied by all companies. Under the new model, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new standard requires that companies disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

Effective Date and Adoption Considerations: Effective in the first quarter of 2018. This standard was adopted using a modified retrospective approach through a cumulative adjustment to retained earnings for the fiscal year beginning December 31, 2017 .

Effect on Financial Statements or Other Significant Matters: Our adoption assessments identified a change in revenue recognition timing on our component sales made to distributors. Under the new standard we now recognize revenue when we deliver to the distributor rather than deferring recognition until the distributor sells the components.

On the date of initial application, we removed the deferred income and related receivables on component sales made to distributors through a cumulative adjustment to retained earnings. The revenue deferral that was historically recognized in the following period is expected to be primarily offset by the acceleration of revenue recognition in the current period as control of the product transfers to our customer.

Our assessment also identified a change in expense recognition timing related to payments we make to our customers for distinct services they perform as part of cooperative advertising programs, which were previously recorded as operating expenses. We now recognize the expense for cooperative advertising in the period the marketing activities occur. Previously we recognized the expense in the period the customer was entitled to participate in the program, which coincided with the period of sale. On the date of initial adoption, we capitalized the expense of cooperative advertising not performed through a cumulative adjustment to retained earnings.

We have completed our adoption and implemented policies, processes, and controls to support the standard's measurement and disclosure requirements. Refer to the tables below, which summarize the impacts of the changes discussed above to our financial statements recorded as an adjustment to opening balances for the fiscal year beginning December 31, 2017, and also provide comparative reporting of the impacts of adopting the standard.

Accounting Policy Updates: We recognize net product revenue when we satisfy performance obligations as evidenced by the transfer of control of our products or services to customers. Substantially all of our revenue is derived from product sales. In accordance with contract terms, revenue for product sales is recognized at the time of product shipment from our facilities or delivery to the customer location, as determined by the agreed upon shipping terms. We include shipping charges billed to customers in net revenue, and include the related shipping costs in cost of sales.

We measure revenue based on the amount of consideration we expect to be entitled to in exchange for products or services. Any variable consideration is recognized as a reduction of net revenue at the time of revenue recognition. We determine variable consideration, which consists primarily of sales price concessions, by estimating the most likely amount of consideration we expect to receive from the customer based on historical analysis of customer purchase volumes. The impacts of distributor sales price reductions resulting from price protection agreements are also estimated based on historical analysis of such activity and are reflected as a reduction in net revenue.

We make payments to our customers through cooperative advertising programs, such as our Intel Inside® program, for marketing activities for certain of our products. We generally record the payment as a reduction in revenue in the period that the revenue is earned, unless the payment is for a distinct service, which we record as expense when the marketing activities occur.

Financial Instruments - Recognition and Measurement

Standard/Description: Requires changes to the accounting for financial instruments that primarily affect equity securities, financial liabilities measured using the fair value option, and the presentation and disclosure requirements for such instruments.

Effective Date and Adoption Considerations: Effective in the first quarter of 2018. Changes to our marketable equity securities were required to be adopted using a modified retrospective approach through a cumulative effect adjustment to retained earnings for the fiscal year beginning December 31, 2017. Since management has elected to apply the measurement alternative to non-marketable equity securities, changes to these securities were adopted prospectively.

Effect on Financial Statements or Other Significant Matters: Marketable equity securities previously classified as available-for-sale equity investments are now measured and recorded at fair value with changes in fair value recorded through the income statement.

All non-marketable equity securities formerly classified as cost method investments are measured and recorded using the measurement alternative. Equity securities measured and recorded using the measurement alternative are recorded at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes. Adjustments resulting from impairments and qualifying observable price changes are recorded in the income statement.

Beginning in the first quarter of 2018, in accordance with the standard, recurring fair value disclosures are no longer provided for equity securities measured using the measurement alternative. In addition, the existing impairment model has been replaced with a new one-step qualitative impairment model. No initial adoption adjustment was recorded for these instruments since the standard was required to be applied prospectively for securities measured using the measurement alternative.

We have completed our adoption and implemented policies, processes, and controls to support the standard's measurement and disclosure requirements. Refer to the table below, which summarizes impacts, net of tax, of the changes discussed above to our financial statements. This reflects an adjustment to opening balances for the fiscal year beginning December 31, 2017.

Accounting Policy Updates: We regularly invest in equity securities of public and private companies to promote business and strategic objectives. Equity investments are measured and recorded as follows:

- **Marketable equity securities** are equity securities with readily determinable fair value (RDFV) that are measured and recorded at fair value. Prior to fiscal 2018, these securities were measured and recorded at fair value and classified as available-for-sale securities.
- **Non-marketable equity securities** are equity securities without RDFV that are measured and recorded using a measurement alternative which measures the securities at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes. These securities were previously accounted for using the cost method of accounting, measured at cost less other-than-temporary impairment.
- **Equity method investments** are equity securities in investees we do not control but over which we have the ability to exercise significant influence. Equity method investments are measured at cost minus impairment, if any, plus or minus our share of equity method investee income or loss. Our proportionate share of the income or loss from equity method investments is recognized on a one-quarter lag.

Realized and unrealized gains or losses resulting from changes in value and sale of our equity investments are recorded in gains (losses) on equity investments, net. We previously recorded unrealized gains and losses through other comprehensive income (loss) and realized gains and losses on the sale, exchange or impairment of these equity investments through gains (losses) on equity investments, net.

The carrying value of our portfolio of non-marketable equity securities totaled \$2.9 billion as of September 29, 2018 (\$2.6 billion as of December 30, 2017). The carrying value of our non-marketable equity securities is adjusted for qualifying observable price changes resulting from the issuance of similar or identical securities by the same issuer. Determining whether an observed transaction is similar to a security within our portfolio requires judgment based on the rights and preferences of the securities. Recording upward and downward adjustments to the carrying value of our equity securities as a result of observable price changes requires quantitative assessments of the fair value of our securities using various valuation methodologies and involves the use of estimates.

Non-marketable equity securities and equity method investments are also subject to periodic impairment reviews. Our quarterly impairment analysis considers both qualitative and quantitative factors that may have a significant impact on the investee's fair value. Qualitative factors considered include industry and market conditions, the financial performance and near-term prospects of the investee, and other relevant events and factors affecting the investee. When indicators of impairment exist, we prepare quantitative assessments of the fair value of our equity investments using both the market and income approaches which require judgment and the use of estimates, including discount rates, investee revenues and costs, and comparable market data of private and public companies, among others. Prior to fiscal 2018, non-marketable equity securities were tested for impairment using the other-than-temporary impairment model which considered the severity and duration of a decline in fair value below cost and our ability and intent to hold the investment for a sufficient period of time to allow for recovery. Impairments of equity investments were \$372 million in the first nine months of 2018 and \$613 million in the first nine months of 2017.

Opening Balance Adjustments

The following table summarizes the effects of adopting *Revenue Recognition - Contracts with Customers* , *Financial Instruments - Recognition and Measurement* , and other accounting standards on our financial statements for the fiscal year beginning December 31, 2017 as an adjustment to the opening balance:

(In Millions)	Balance as of Dec 30, 2017	Adjustments from			Opening Balance as of Dec 31, 2017
		Revenue Standard	Financial Instruments Standard	Other ¹	
Assets:					
Accounts receivable	\$ 5,607	\$ (530)	\$ —	\$ —	\$ 5,077
Inventories	\$ 6,983	\$ 47	\$ —	\$ —	\$ 7,030
Other current assets	\$ 2,908	\$ 64	\$ —	\$ (8)	\$ 2,964
Equity investments	\$ —	\$ —	\$ 8,579	\$ —	\$ 8,579
Marketable equity securities	\$ 4,192	\$ —	\$ (4,192)	\$ —	\$ —
Other long-term assets	\$ 7,602	\$ —	\$ (4,387)	\$ (43)	\$ 3,172
Liabilities:					
Deferred income	\$ 1,656	\$ (1,356)	\$ —	\$ —	\$ 300
Other accrued liabilities	\$ 7,535	\$ 81	\$ —	\$ —	\$ 7,616
Deferred income taxes	\$ 3,046	\$ 191	\$ —	\$ (20)	\$ 3,217
Stockholders' equity:					
Accumulated other comprehensive income (loss)	\$ 862	\$ —	\$ (1,745)	\$ (45)	\$ (928)
Retained earnings	\$ 42,083	\$ 665	\$ 1,745	\$ 14	\$ 44,507

¹ Includes adjustments from adoption of "Income Taxes - Intra-Entity Transfers of Assets Other Than Inventory" and "Income Statement — Reporting Comprehensive Income - Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income."

The following table summarizes the impacts of adopting the new revenue standard on our consolidated condensed statements of income and balance sheets:

(In Millions)	Three Months Ended September 29, 2018			Nine Months Ended September 29, 2018		
	As reported	Adjustments	Without new revenue standard	As reported	Adjustments	Without new revenue standard
Income Statement						
Net revenue	\$ 19,163	\$ 118	\$ 19,281	\$ 52,191	\$ (266)	\$ 51,925
Cost of sales	6,803	46	6,849	19,681	(136)	19,545
Gross margin	12,360	72	12,432	32,510	(130)	32,380
Marketing, general and administrative	1,605	—	1,605	5,230	(70)	5,160
Operating income	7,349	72	7,421	17,092	(60)	17,032
Income before taxes	7,142	72	7,214	17,682	(60)	17,622
Provision for taxes	744	20	764	1,824	(4)	1,820
Net income	\$ 6,398	\$ 52	\$ 6,450	\$ 15,858	\$ (56)	\$ 15,802

(In Millions)	As of September 29, 2018		
	As reported	Adjustments	Without new revenue standard
Balance Sheet			
Assets:			
Accounts receivable	\$ 5,457	\$ 446	\$ 5,903
Inventories	\$ 7,401	\$ 23	\$ 7,424
Other current assets	\$ 3,546	\$ 4	\$ 3,550
Liabilities:			
Deferred income	\$ —	\$ 1,668	\$ 1,668
Other accrued liabilities	\$ 9,835	\$ (334)	\$ 9,501
Deferred income taxes	\$ 1,485	\$ (140)	\$ 1,345
Equity:			
Retained earnings	\$ 47,094	\$ (721)	\$ 46,373

ACCOUNTING STANDARDS NOT YET ADOPTED

Leases

Standard/Description: This new lease accounting standard requires that we recognize leased assets and corresponding liabilities on the balance sheet and provide enhanced disclosure of lease activity.

Effective Date and Adoption Considerations: Effective in the first quarter of 2019. The standard requires a modified retrospective adoption. We can choose to apply the provisions at the beginning of the earliest comparative period presented in the financial statements or at the beginning of the period of adoption. We have elected to apply the guidance at the beginning of the period of adoption.

Effect on Financial Statements or Other Significant Matters: We expect the valuation of our right-of-use assets and lease liabilities, previously described as operating leases, to approximate the present value of our forecasted future lease commitments. We are currently implementing processes to comply with the measurement and disclosure requirements.

Cloud Computing Implementation Costs

Standard/Description: The standard requires implementation costs incurred in cloud computing (i.e. hosting) arrangements that are service contracts to be assessed under existing guidance to determine which costs to capitalize as assets or expense as incurred.

Effective Date and Adoption Considerations: Effective in the first quarter of 2020. The standard requires adoption either retrospectively or prospectively.

Effect on Financial Statements or Other Significant Matters: We have not yet determined the impact of this standard on our financial statements.

NOTE 3: OPERATING SEGMENTS

We manage our business through the following operating segments:

- Client Computing Group (CCG)
- Data Center Group (DCG)
- Internet of Things Group (IOTG)
- Non-Volatile Memory Solutions Group (NSG)
- Programmable Solutions Group (PSG)
- All Other

During the third quarter of 2018, we made an organizational change to combine our artificial intelligence investments in edge computing with IOTG; accordingly, approximately \$480 million of goodwill was reallocated from "all other" to the IOTG operating segment.

We offer platform products that incorporate various components and technologies, including a microprocessor and chipset, a stand-alone System-on-Chip (SoC), or a multichip package. A platform product may be enhanced by additional hardware, software, and services offered by Intel. Platform products are used in various form factors across our CCG, DCG, and IOTG operating segments. We derive a substantial majority of our revenue from platform products, which are our principal products and considered as one class of product.

CCG and DCG are our reportable operating segments. IOTG, NSG, and PSG do not meet the quantitative thresholds to qualify as reportable operating segments; however, we have elected to disclose the results of these non-reportable operating segments.

The "all other" category includes revenue, expenses, and charges such as:

- results of operations from non-reportable segments not otherwise presented, including Mobileye results;
- historical results of operations from divested businesses, including Intel Security Group (ISecG) results;
- results of operations of start-up businesses that support our initiatives, including our foundry business;
- amounts included within restructuring and other charges;
- a portion of employee benefits, compensation, and other expenses not allocated to the operating segments; and
- acquisition-related costs, including amortization and any impairment of acquisition-related intangibles and goodwill.

The Chief Operating Decision Maker (CODM), which is our interim Chief Executive Officer, does not evaluate operating segments using discrete asset information. Operating segments do not record inter-segment revenue. We do not allocate gains and losses from equity investments, interest and other income, or taxes to operating segments. Although the CODM uses operating income to evaluate the segments, operating costs included in one segment may benefit other segments. Except for these differences, the accounting policies for segment reporting are the same as for Intel as a whole.

Net revenue and operating income (loss) for each period were as follows:

(In Millions)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Net revenue:				
Client Computing Group				
Platform	\$ 9,023	\$ 8,132	\$ 24,703	\$ 23,163
Adjacent	1,211	728	2,479	1,886
	10,234	8,860	27,182	25,049
Data Center Group				
Platform	5,637	4,439	15,561	12,344
Adjacent	502	439	1,361	1,138
	6,139	4,878	16,922	13,482
Internet of Things Group				
Platform	855	680	2,319	1,926
Adjacent	64	169	320	364
	919	849	2,639	2,290
Non-Volatile Memory Solutions Group	1,081	891	3,200	2,631
Programmable Solutions Group	496	469	1,511	1,334
All other	294	202	737	922
Total net revenue	\$ 19,163	\$ 16,149	\$ 52,191	\$ 45,708
Operating income (loss):				
Client Computing Group	\$ 4,532	\$ 3,600	\$ 10,557	\$ 9,656
Data Center Group	3,082	2,255	8,421	5,403
Internet of Things Group	321	146	791	390
Non-Volatile Memory Solutions Group	160	(52)	14	(291)
Programmable Solutions Group	106	113	304	302
All other	(852)	(921)	(2,995)	(2,845)
Total operating income	\$ 7,349	\$ 5,141	\$ 17,092	\$ 12,615

Disaggregated net revenue for each period was as follows:

(In Millions)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Platform revenue				
Desktop platform	\$ 3,225	\$ 2,967	\$ 9,087	\$ 8,598
Notebook platform	5,774	5,123	15,549	14,437
DCG platform	5,637	4,439	15,561	12,344
Other platform ¹	879	722	2,386	2,054
	15,515	13,251	42,583	37,433
Adjacent revenue ²	3,648	2,898	9,608	7,741
ISecG divested business	—	—	—	534
Total revenue	\$ 19,163	\$ 16,149	\$ 52,191	\$ 45,708

¹ Includes our tablet, service provider, and IOTG platform revenue.

² Includes all of our non-platform products for CCG, DCG, and IOTG like modem, ethernet, and silicon photonics, as well as NSG, PSG, and Mobileye products.

NOTE 4: EARNINGS PER SHARE

We computed basic earnings per share of common stock based on the weighted average number of shares of common stock outstanding during the period. We computed diluted earnings per share of common stock based on the weighted average number of shares of common stock outstanding plus potentially dilutive shares of common stock outstanding during the period.

(In Millions, Except Per Share Amounts)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Net income available to common stockholders	\$ 6,398	\$ 4,516	\$ 15,858	\$ 10,288
Weighted average shares of common stock outstanding – basic	4,574	4,688	4,632	4,707
Dilutive effect of employee equity incentive plans	40	34	52	43
Dilutive effect of convertible debt	34	99	44	99
Weighted average shares of common stock outstanding – diluted	4,648	4,821	4,728	4,849
Earnings per share – Basic	\$ 1.40	\$ 0.96	\$ 3.42	\$ 2.19
Earnings per share – Diluted	\$ 1.38	\$ 0.94	\$ 3.35	\$ 2.12

Potentially dilutive shares of common stock from employee equity incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options, the assumed vesting of outstanding restricted stock units (RSUs), and the assumed issuance of common stock under the stock purchase plan. In December 2017, we paid cash to satisfy the conversion of our 2035 debentures, which we excluded from our dilutive earnings per share computation starting in the fourth quarter of 2017 and are no longer dilutive. Our 2039 debentures require settlement of the principal amount of the debt in cash upon conversion. Since the conversion premium is paid in cash or stock at our option, we determined the potentially dilutive shares of common stock by applying the treasury stock method. For the nine months ended September 29, 2018, we paid cash to satisfy the conversion of a portion of our 2039 debentures. The potentially dilutive shares associated with the converted portion are excluded from our diluted earnings per share computation in 2018 as they are no longer dilutive.

In all periods presented, potentially dilutive outstanding securities which would have been antidilutive are insignificant and are excluded from the computation of diluted earnings per share. In all periods presented, we included our outstanding 2039 debentures in the calculation of diluted earnings per share of common stock because the average market price was above the conversion price. We could potentially exclude the 2039 debentures in the future if the average market price is below the conversion price.

NOTE 5: CONTRACT LIABILITIES

(In Millions)	Sep 29, 2018	Opening Balance as of Dec 31, 2017
Contract liabilities from prepaid supply agreements	\$ 2,692	\$ 105
Contract liabilities from software, services and other	93	195
Total contract liabilities	\$ 2,785	\$ 300

Contract liabilities are primarily related to partial prepayments received from customers on long-term supply agreements towards future NSG product delivery. As new prepaid supply agreements are entered into and performance obligations are negotiated, this component of the contract liability balance will increase, and as customers purchase product and utilize their prepaid balances, the balance will decrease. The short-term portion of prepayments from supply agreements is reported on the consolidated condensed balance sheets within other accrued liabilities.

The following table shows the changes in contract liability balances relating to prepaid supply agreements during the first nine months of 2018 :

(In Millions)	
Prepaid supply agreements balance as of December 31, 2017	\$ 105
Additions and adjustments	2,753
Revenue recognized	(166)
Prepaid supply agreements balance as of September 29, 2018	\$ 2,692

Additions and adjustments in the first nine months of 2018 include a \$1.0 billion reclassification from customer deposits previously included in other long-term liabilities. The long-term supply agreements represent \$4.8 billion in future anticipated revenues with 2% expected to be recognized during the fourth quarter of the year and the remainder ratably over the next five years.

NOTE 6: OTHER FINANCIAL STATEMENT DETAILS

INVENTORIES

(In Millions)	Sep 29, 2018	Dec 30, 2017
Raw materials	\$ 932	\$ 738
Work in process	4,507	4,213
Finished goods	1,962	2,032
Total inventories	\$ 7,401	\$ 6,983

INTEREST AND OTHER, NET

The components of interest and other, net for each period were as follows:

(In Millions)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Interest income	\$ 109	\$ 137	\$ 308	\$ 349
Interest expense	(109)	(191)	(337)	(493)
Other, net	(132)	(3)	254	406
Total interest and other, net	\$ (132)	\$ (57)	\$ 225	\$ 262

Interest expense in the preceding table is net of \$142 million of interest capitalized in the third quarter of 2018 and \$381 million in the first nine months of 2018 (\$77 million in the third quarter of 2017 and \$212 million in the first nine months of 2017).

In the second quarter of 2018, we completed the divestiture of Wind River Systems, Inc. and recognized a pre-tax gain of \$494 million . For the first nine months of 2018 , we have settled conversion requests for our 2039 convertible debentures totaling \$793 million in principal, resulting in a cumulative loss of \$211 million

NOTE 7: INCOME TAXES

During the third quarter of 2018, we adjusted our provisional tax estimates related to the U.S. Tax Cuts and Jobs Act (Tax Reform) that we recorded in the fourth quarter of 2017 to reflect the impact of additional analysis related to the transition tax liability and the refinement of our measurement of deferred income taxes. Our estimated annual effective tax rate for the first nine months of 2018 includes provisional tax estimates for certain Tax Reform provisions related to foreign-derived intangible income and low-taxed intangible income. Our accounting remains incomplete as of the third quarter of 2018. We could receive additional data and regulatory guidance during the fourth quarter of 2018 that may impact our provisional estimates.

Our effective income tax rate was 10.3% in the first nine months of 2018 compared to 28.1% in the first nine months of 2017 . Tax Reform reduced the U.S. statutory federal tax rate from 35.0% to 21.0% , which favorably impacted our effective tax rate in the first nine months of 2018 by approximately nine percentage points. Further, the Tax Reform provisions related to foreign-derived intangible income favorably impacted our effective tax rate by approximately four percentage points, and the provision related to low-taxed intangible income and the repeal of the domestic manufacturing deduction each unfavorably impacted our effective tax rate by approximately one percentage point. The decrease in the first nine months of 2018 was also driven by non-recurring items, primarily our divestiture of ISecG in the second quarter of 2017, which increased our effective tax rate in the first nine months of 2017 by approximately five percentage points, and the adjustment to our provisional estimates for Tax Reform in the first nine months of 2018, which reduced our effective tax rate by approximately two percentage points.

NOTE 8: INVESTMENTS

DEBT INVESTMENTS

Trading Assets

Trading assets still held at the reporting date incurred net losses of \$4 million in the third quarter of 2018 and net losses of \$169 million in the first nine months of 2018 (net gains of \$81 million in the third quarter of 2017 and net gains of \$433 million in the first nine months of 2017). Related derivatives incurred net losses of \$11 million in the third quarter of 2018 and net gains of \$159 million in the first nine months of 2018 (net losses of \$75 million in the third quarter of 2017 and net losses of \$402 million in the first nine months of 2017).

Available-for-Sale Debt Investments

(In Millions)	September 29, 2018				December 30, 2017			
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate debt	\$ 2,647	\$ 2	\$ (29)	\$ 2,620	\$ 2,294	\$ 4	\$ (13)	\$ 2,285
Financial institution instruments	3,647	3	(18)	3,632	3,387	3	(9)	3,381
Government debt	940	—	(14)	926	961	—	(6)	955
Total available-for-sale debt investments	\$ 7,234	\$ 5	\$ (61)	\$ 7,178	\$ 6,642	\$ 7	\$ (28)	\$ 6,621

Government debt includes instruments such as non-U.S. government bonds and U.S. agency securities. Financial institution instruments include instruments issued or managed by financial institutions in various forms such as commercial paper, fixed and floating rate bonds, money market fund deposits, and time deposits. Substantially all time deposits were issued by institutions outside the U.S. as of September 29, 2018 and December 30, 2017 .

The fair value of available-for-sale debt investments, by contractual maturity, as of September 29, 2018 , was as follows:

(In Millions)	Fair Value
Due in 1 year or less	\$ 3,138
Due in 1–2 years	782
Due in 2–5 years	2,662
Due after 5 years	118
Instruments not due at a single maturity date	478
Total	\$ 7,178

EQUITY INVESTMENTS

(In Millions)	Sep 29, 2018	Dec 30, 2017
Marketable equity securities	\$ 3,039	\$ 4,192
Non-marketable equity securities	2,878	2,613
Equity method investments	1,634	1,774
Total	\$ 7,551	\$ 8,579

The components of gains (losses) on equity investments, net for each period were as follows:

(In Millions)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Initial mark to market adjustments on marketable equity securities ^{1 2}	\$ —	\$ —	\$ 46	\$ —
Ongoing mark to market adjustments on marketable equity securities ^{1 2}	8	—	379	—
Gains (losses) on sales ²	57	944	68	2,020
Observable price adjustments on non-marketable equity securities ²	43	—	191	—
Impairments	(328)	(10)	(372)	(613)
Share of equity method investee gains (losses)	—	(110)	(152)	(129)
Dividends	1	—	39	68
Other	144	22	166	94
Total gains (losses) on equity investments, net	\$ (75)	\$ 846	\$ 365	\$ 1,440

¹ Initial mark to market adjustments refers to the fair value adjustment recorded upon a security becoming marketable, generally as a result of an initial public offering (IPO), whereas ongoing mark to market adjustments refers to all post-IPO mark to market adjustments.

² Both initial and ongoing mark to market adjustments and observable price adjustments relate to the new financial instruments standard adopted in the first quarter of 2018, and are not applicable in prior periods. Gains (losses) on sales includes realized gains (losses) on sales of non-marketable equity securities and equity method investments, and in 2017 also includes realized gains (losses) on sales of available-for-sale equity securities which are now reflected in ongoing mark to market adjustments on marketable equity securities.

(In Millions)	Three Months Ended	Nine Months Ended
	Sep 29, 2018	Sep 29, 2018
Net gains (losses) recognized during the period on equity securities	\$ (75)	\$ 518
Less: Net (gains) losses recognized during the period on equity securities sold during the period	(225)	(463)
Unrealized gains (losses) recognized during the reporting period on equity securities still held at the reporting date	\$ (300)	\$ 55

Cloudera, Inc.

On April 28, 2017, Cloudera, Inc. (Cloudera) completed its initial public offering and we designated our previous equity and cost method investments in Cloudera as available-for-sale. During the second quarter of 2017, we determined we had an other-than-temporary decline in the fair value of our investment and recognized an impairment charge of \$278 million.

Beijing UniSpreadtrum Technology Ltd.

During 2014, we entered into a series of agreements with Tsinghua Unigroup Ltd. (Tsinghua Unigroup), an operating subsidiary of Tsinghua Holdings Co. Ltd., to, among other things, jointly develop Intel® architecture- and communications-based solutions for phones. We agreed to invest up to 9.0 billion Chinese yuan (approximately \$1.5 billion as of the date of the agreement) for a minority stake of approximately 20% of Beijing UniSpreadtrum Technology Ltd., a holding company under Tsinghua Unigroup. During 2015, we invested \$966 million to complete the first phase of the equity investment and accounted for our interest using the cost method of accounting. During 2017, we reduced our expectation of the company's future operating performance due to competitive pressures, which resulted in an impairment charge of \$308 million.

IM Flash Technologies, LLC

Intel-Micron Flash Technologies (IMFT) was formed in 2006 by Micron Technology, Inc. (Micron) and Intel to jointly develop NAND flash memory and 3D XPoint™ technology products. IMFT is an unconsolidated variable interest entity and all costs of IMFT are passed on to Micron and Intel through sale of products or services in proportional share of ownership. As of September 29, 2018, we own a 49% interest in IMFT. Our portion of IMFT costs was approximately \$97 million in the third quarter of 2018 and approximately \$324 million in the first nine months of 2018 (approximately \$115 million in the third quarter of 2017 and approximately \$350 million in the first nine months of 2017).

IMFT depends on Micron and Intel for any additional cash needs to be provided in the form of cash calls or member debt financing (MDF). The MDF balance may be converted to a capital contribution at our request, or may be repaid upon availability of funds. The IMFT operating agreement continues through 2024 unless terminated earlier, and provides for certain buy-sell rights of the joint venture. Intel has the right to cause Micron to buy our interest in IMFT and, if exercised, Micron could elect to receive financing from us for one to two years. Commencing in January 2019, Micron has the right to call our interest in IMFT.

On July 16, 2018, Intel and Micron announced that they agreed to complete joint development for the second generation of 3D XPoint technology, which is expected to occur in the first half of 2019. Technology development beyond the second generation of 3D XPoint technology will be pursued independently by the two companies in order to optimize the technology for their respective product and business needs. Intel continues to purchase jointly developed products from Micron under certain supply agreements.

On October 18, 2018, Micron publicly announced their intent to exercise the right to call our interest in IMFT. The timeline to close the transaction is between six and twelve months after the date Micron exercises the call. Following the closing date, we will continue to receive supply for a period of one year. We recognized an impairment charge of \$290 million during the third quarter of 2018. This reduced the carrying value of our equity method investment in IMFT to \$1.6 billion in line with our expectation of future cash flows and Micron exercising the call in January .

NOTE 9: IDENTIFIED INTANGIBLE ASSETS

(In Millions)	September 29, 2018		
	Gross Assets	Accumulated Amortization	Net
Acquisition-related developed technology	\$ 9,611	\$ (2,742)	\$ 6,869
Acquisition-related customer relationships	2,036	(433)	1,603
Acquisition-related brands	143	(44)	99
Licensed technology and patents	3,052	(1,505)	1,547
Identified intangible assets subject to amortization	14,842	(4,724)	10,118
In-process research and development	1,497	—	1,497
Other intangible assets	392	—	392
Identified intangible assets not subject to amortization	1,889	—	1,889
Total identified intangible assets	\$ 16,731	\$ (4,724)	\$ 12,007

(In Millions)	December 30, 2017		
	Gross Assets	Accumulated Amortization	Net
Acquisition-related developed technology	\$ 8,912	\$ (1,922)	\$ 6,990
Acquisition-related customer relationships	2,052	(313)	1,739
Acquisition-related brands	143	(29)	114
Licensed technology and patents	3,104	(1,370)	1,734
Identified intangible assets subject to amortization	14,211	(3,634)	10,577
In-process research and development	2,168	—	2,168
Identified intangible assets not subject to amortization	2,168	—	2,168
Total identified intangible assets	\$ 16,379	\$ (3,634)	\$ 12,745

Amortization expenses recorded in the consolidated condensed statements of income for each period were as follows:

(In Millions)	Location	Three Months Ended		Nine Months Ended	
		Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Acquisition-related developed technology	Cost of sales	\$ 276	\$ 243	\$ 826	\$ 650
Acquisition-related customer relationships	Amortization of acquisition-related intangibles	45	45	135	113
Acquisition-related brands	Amortization of acquisition-related intangibles	5	4	15	11
Licensed technology and patents	Cost of sales	64	73	196	225
Total amortization expenses		\$ 390	\$ 365	\$ 1,172	\$ 999

We expect future amortization expenses for the next five years to be as follows:

(In Millions)	Remainder of 2018	2019	2020	2021	2022
Acquisition-related developed technology	\$ 279	\$ 1,114	\$ 1,082	\$ 1,047	\$ 1,008
Acquisition-related customer relationships	45	180	179	179	171
Acquisition-related brands	5	20	20	20	6
Licensed technology and patents	64	241	210	198	193
Total future amortization expenses	\$ 393	\$ 1,555	\$ 1,491	\$ 1,444	\$ 1,378

NOTE 10: OTHER LONG-TERM ASSETS

(In Millions)	Sep 29, 2018	Dec 30, 2017
Non-current deferred tax assets	\$ 1,011	\$ 840
Pre-payments for property, plant and equipment	1,383	714
Loans receivable	544	860
Other	1,017	801
Total other long-term assets	\$ 3,955	\$ 3,215

NOTE 11: BORROWINGS

For the first nine months of 2018, we paid \$1.9 billion to satisfy conversion obligations for \$793 million of our \$2.0 billion 3.25% junior subordinated 2039 convertible debentures. We recognized a loss of \$211 million in interest and other, net and a reduction of \$1.3 billion in stockholders' equity related to the conversion feature.

During the third quarter of 2018, we remarketed \$ 423 million principal of bonds issued by the Industrial Development Authority of the City of Chandler, Arizona (the Arizona bonds) and the State of Oregon Business Development Commission (the Oregon bonds). The bonds are our unsecured general obligations in accordance with loan agreements we entered into with the Industrial Development Authority of the City of Chandler, Arizona and the State of Oregon Business Development Commission. The bonds mature between 2035 and 2040 and carry interest rates of 2.4% - 2.7%. Each series of the Arizona bonds and the Oregon bonds are subject to mandatory tender in August 2023, at which time we can re-market the bonds as either fixed-rate bonds for a specified period or as variable-rate bonds until another fixed rate period is selected or until their final maturity date.

NOTE 12: FAIR VALUE

For information about our fair value policies, and methods and assumptions used in estimating the fair value of our financial assets and liabilities, see "Note 2: Accounting Policies" and "Note 15: Fair Value" in our 2017 Form 10-K.

ASSETS AND LIABILITIES MEASURED AND RECORDED AT FAIR VALUE ON A RECURRING BASIS

(In Millions)	September 29, 2018				December 30, 2017			
	Fair Value Measured and Recorded at Reporting Date Using				Fair Value Measured and Recorded at Reporting Date Using			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents:								
Corporate debt	\$ —	\$ 179	\$ —	\$ 179	\$ —	\$ 30	\$ —	\$ 30
Financial institution instruments ¹	478	318	—	796	335	640	—	975
Government debt ²	—	—	—	—	—	90	—	90
Reverse repurchase agreements	—	1,949	—	1,949	—	1,399	—	1,399
Short-term investments:								
Corporate debt	—	573	—	573	—	672	3	675
Financial institution instruments ¹	—	1,740	—	1,740	—	1,009	—	1,009
Government debt ²	—	328	—	328	—	130	—	130
Trading assets:								
Asset-backed securities	—	—	—	—	—	2	—	2
Corporate debt	—	2,562	—	2,562	—	2,842	—	2,842
Financial institution instruments ¹	29	1,299	—	1,328	59	1,064	—	1,123
Government debt ²	28	3,220	—	3,248	30	4,758	—	4,788
Other current assets:								
Derivative assets	—	150	—	150	—	279	—	279
Loans receivable ³	—	304	—	304	—	30	—	30
Marketable equity securities	3,039	—	—	3,039	4,148	44	—	4,192
Other long-term investments:								
Corporate debt	—	1,868	—	1,868	—	1,576	4	1,580
Financial institution instruments ¹	—	1,096	—	1,096	—	1,397	—	1,397
Government debt ²	—	598	—	598	—	735	—	735
Other long-term assets:								
Derivative assets	—	47	—	47	—	77	7	84
Loans receivable ³	—	294	—	294	—	610	—	610
Total assets measured and recorded at fair value	3,574	16,525	—	20,099	4,572	17,384	14	21,970
Liabilities								
Other accrued liabilities:								
Derivative liabilities	—	464	—	464	—	454	—	454
Other long-term liabilities:								
Derivative liabilities	—	761	106	867	—	297	6	303
Total liabilities measured and recorded at fair value	\$ —	\$ 1,225	\$ 106	\$ 1,331	\$ —	\$ 751	\$ 6	\$ 757

¹ Level 1 investments consist of money market funds. Level 2 investments consist primarily of commercial paper, certificates of deposit, time deposits, and notes and bonds issued by financial institutions.

² Level 1 investments consist primarily of U.S. Treasury securities. Level 2 investments consist primarily of U.S. Agency notes and non-U.S. government debt.

³ The fair value of our loans receivable for which we elected the fair value option did not significantly differ from the contractual principal balance based on the contractual currency.

ASSETS MEASURED AND RECORDED AT FAIR VALUE ON A NON-RECURRING BASIS

Our non-marketable equity securities, equity method investments, and certain non-financial assets, such as intangible assets and property, plant and equipment, are recorded at fair value only if an impairment or observable price adjustment is recognized in the current period. If an observable price adjustment or impairment is recognized on our non-marketable equity securities during the period, we classify these assets as Level 3 within the fair value hierarchy based on the nature of the fair value inputs.

FINANCIAL INSTRUMENTS NOT RECORDED AT FAIR VALUE ON A RECURRING BASIS

Financial instruments not recorded at fair value on a recurring basis include non-marketable equity securities (that have not been re-measured or impaired in the current period), equity method investments, grants receivable, loans receivable, reverse repurchase agreements and our short-term and long-term debt.

Prior to the adoption of the new financial instrument standard, our non-marketable cost method investments were disclosed at fair value on a recurring basis and the carrying amount and fair value as of December 30, 2017 was \$2.6 billion and \$3.6 billion, respectively. These assets were classified as Level 3 within the fair value hierarchy based on the nature of the fair value inputs.

As of September 29, 2018, the aggregate carrying value of grants receivable, loans receivable, and reverse repurchase agreements was \$1.1 billion (the aggregate carrying amount as of December 30, 2017 was \$935 million). The estimated fair value of these financial instruments approximates their carrying value and is categorized as Level 2 within the fair value hierarchy based on the nature of the fair value inputs.

As of September 29, 2018, the fair value of short and long-term debt (excluding drafts payable) was \$29.3 billion (the fair value as of December 30, 2017 was \$29.4 billion). These liabilities are classified as Level 2 within the fair value hierarchy based on the nature of the fair value inputs.

NOTE 13: OTHER COMPREHENSIVE INCOME (LOSS)

The changes in accumulated other comprehensive income (loss) by component and related tax effects in the first nine months of 2018 were as follows:

(In Millions)	Unrealized Holding Gains (Losses) on Available-for-Sale Equity Investments	Unrealized Holding Gains (Losses) on Derivatives	Actuarial Valuation and Other Pension Expenses	Translation adjustments and other	Total
Balance as of December 30, 2017	\$ 1,745	\$ 106	\$ (963)	\$ (26)	\$ 862
Impact of change in accounting standards	(1,745)	24	(65)	(4)	(1,790)
Opening Balance as of December 31, 2017	\$ —	\$ 130	\$ (1,028)	\$ (30)	\$ (928)
Other comprehensive income (loss) before reclassifications	—	(203)	3	(31)	(231)
Amounts reclassified out of accumulated other comprehensive income (loss)	—	(55)	48	8	1
Tax effects	—	59	(12)	8	55
Other comprehensive income (loss)	—	(199)	39	(15)	(175)
Balance as of September 29, 2018	\$ —	\$ (69)	\$ (989)	\$ (45)	\$ (1,103)

The amounts reclassified out of accumulated other comprehensive income (loss) into the consolidated condensed statements of income for each period were as follows:

Comprehensive Income Components	Location	Income Before Taxes Impact (In Millions)			
		Three Months Ended		Nine Months Ended	
		Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Unrealized holding gains (losses) on available-for-sale equity investments:					
	Gains (losses) on equity investments, net	\$ —	\$ 916	\$ —	\$ 1,962
		—	916	—	1,962
Unrealized holding gains (losses) on derivatives:					
Foreign currency contracts	Cost of sales	(14)	(13)	5	(60)
	Research and development	(11)	24	60	10
	Marketing, general and administrative	(1)	4	31	(2)
	Gains (losses) on equity investments, net	—	12	—	28
	Interest and other, net	(6)	17	(41)	52
		(32)	44	55	28
Amortization of pension and postretirement benefit components:					
Actuarial valuation and other pension expenses		—	(18)	(48)	(46)
		—	(18)	(48)	(46)
Translation adjustments and other	Interest and other, net	(2)	—	(8)	(507)
Total amounts reclassified out of accumulated other comprehensive income (loss)		\$ (34)	\$ 942	\$ (1)	\$ 1,437

The amortization of pension and postretirement benefit components is included in the computation of net periodic benefit cost. For more information, see "Note 18: Retirement Benefit Plans" in our 2017 Form 10-K.

We estimate that we will reclassify approximately \$143 million (before taxes) of net derivative losses included in accumulated other comprehensive income (loss) into earnings within the next 12 months.

NOTE 14: DERIVATIVE FINANCIAL INSTRUMENTS

For further information on our derivative policies, see "Note 2: Accounting Policies" in our 2017 Form 10-K.

VOLUME OF DERIVATIVE ACTIVITY

Total gross notional amounts for outstanding derivatives (recorded at fair value) at the end of each period were as follows:

(In Millions)	Sep 29, 2018	Dec 30, 2017
Foreign currency contracts	\$ 19,179	\$ 19,958
Interest rate contracts	22,936	16,823
Other	1,539	1,636
Total	\$ 43,654	\$ 38,417

FAIR VALUE OF DERIVATIVE INSTRUMENTS

(In Millions)	September 29, 2018		December 30, 2017	
	Assets ¹	Liabilities ²	Assets ¹	Liabilities ²
Derivatives designated as hedging instruments:				
Foreign currency contracts ³	\$ 59	\$ 221	\$ 283	\$ 32
Interest rate contracts	—	853	1	254
Total derivatives designated as hedging instruments	59	1,074	284	286
Derivatives not designated as hedging instruments:				
Foreign currency contracts ³	105	236	52	447
Interest rate contracts	31	21	18	24
Other	2	—	9	—
Total derivatives not designated as hedging instruments	138	257	79	471
Total derivatives	\$ 197	\$ 1,331	\$ 363	\$ 757

¹ Derivative assets are recorded as other assets, current and non-current.

² Derivative liabilities are recorded as other liabilities, current and non-current.

³ The majority of these instruments mature within 12 months.

AMOUNTS OFFSET IN THE CONSOLIDATED CONDENSED BALANCE SHEETS

The gross amounts of our derivative instruments and reverse repurchase agreements subject to master netting arrangements with various counterparties, and cash and non-cash collateral posted under such agreements at the end of each period were as follows:

September 29, 2018						
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		
				Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
Assets:						
Derivative assets subject to master netting arrangements	\$ 193	\$ —	\$ 193	\$ (133)	\$ (60)	\$ —
Reverse repurchase agreements	2,199	—	2,199	—	(2,099)	100
Total assets	2,392	—	2,392	(133)	(2,159)	100
Liabilities:						
Derivative liabilities subject to master netting arrangements	1,315	—	1,315	(133)	(1,038)	144
Total liabilities	\$ 1,315	\$ —	\$ 1,315	\$ (133)	\$ (1,038)	\$ 144
December 30, 2017						
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		
				Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
Assets:						
Derivative assets subject to master netting arrangements	\$ 350	\$ —	\$ 350	\$ (206)	\$ (130)	\$ 14
Reverse repurchase agreements	1,649	—	1,649	—	(1,649)	—
Total assets	1,999	—	1,999	(206)	(1,779)	14
Liabilities:						
Derivative liabilities subject to master netting arrangements	745	—	745	(206)	(504)	35
Total liabilities	\$ 745	\$ —	\$ 745	\$ (206)	\$ (504)	\$ 35

We obtain and secure available collateral from counterparties against obligations, including securities lending transactions and reverse repurchase agreements, when we deem it appropriate .

DERIVATIVES IN CASH FLOW HEDGING RELATIONSHIPS

The before-tax net gains or losses attributed to the effective portion of cash flow hedges, recognized in other comprehensive income (loss), were \$69 million net losses in the third quarter of 2018 and were \$203 million net losses in the first nine months of 2018 (\$83 million net gains in the third quarter of 2017 and \$528 million net gains in the first nine months of 2017). Substantially all of our cash flow hedges were foreign currency contracts for all periods presented.

During the first nine months of 2018 and 2017, the amounts excluded from effectiveness testing were insignificant .

For information on the unrealized holding gains (losses) on derivatives reclassified out of accumulated other comprehensive income into the consolidated condensed statements of income, see " Note 13: Other Comprehensive Income (Loss) ."

DERIVATIVES IN FAIR VALUE HEDGING RELATIONSHIPS

The effects of derivative instruments designated as fair value hedges, recognized in interest and other, net for each period were as follows:

(In Millions)	Three Months Ended		Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Interest rate contracts	\$ (230)	\$ (15)	\$ (601)	\$ 67
Hedged items	230	15	601	(67)
Total	\$ —	\$ —	\$ —	\$ —

The amounts recorded on the consolidated condensed balance sheets related to cumulative basis adjustments for fair value hedges for each period were as follows:

Line Item in the Consolidated Condensed Balance Sheet in Which the Hedged Item is Included	Carrying Amount of the Hedged Item Asset/(Liabilities)		Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount Assets/(Liabilities)	
Years Ended (In Millions)	Sep 29, 2018	Dec 30, 2017	Sep 29, 2018	Dec 30, 2017
Long-term debt	\$ (19,159)	\$ (12,653)	\$ 853	\$ 252

As of September 29, 2018 and December 30, 2017, the total notional amount of pay variable/receive fixed-interest rate swaps was \$20.0 billion and \$12.9 billion, respectively.

DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The effects of derivative instruments not designated as hedging instruments on the consolidated condensed statements of income for each period were as follows:

(In Millions)	Location of Gains (Losses) Recognized in Income on Derivatives	Three Months Ended		Nine Months Ended	
		Sep 29, 2018	Sep 30, 2017	Sep 29, 2018	Sep 30, 2017
Foreign currency contracts	Interest and other, net	\$ (1)	\$ (91)	\$ 268	\$ (521)
Interest rate contracts	Interest and other, net	3	(3)	22	(4)
Other	Various	53	40	49	135
Total		\$ 55	\$ (54)	\$ 339	\$ (390)

NOTE 15: EMPLOYEE EQUITY INCENTIVE PLANS

Our equity incentive plans are broad-based, long-term programs intended to attract and retain talented employees and align stockholder and employee interests. Our plans include our 2006 Equity Incentive Plan and our 2006 Stock Purchase Plan. The 2006 Equity Incentive Plan had 187 million shares of common stock available through June 2020 for future grants.

SHARE-BASED COMPENSATION

Share-based compensation expense recognized was \$383 million in the third quarter of 2018 and \$1.2 billion in the first nine months of 2018 (\$397 million in the third quarter of 2017 and \$1.1 billion in the first nine months of 2017).

RESTRICTED STOCK UNIT AWARDS

Restricted stock unit activity in the first nine months of 2018 was as follows:

	Number of RSUs (In Millions)	Weighted Average Grant-Date Fair Value
December 30, 2017	100.4	\$ 32.36
Granted	33.7	\$ 49.33
Vested	(36.4)	\$ 31.07
Forfeited	(6.2)	\$ 35.60
September 29, 2018	91.5	\$ 38.90

The aggregate fair value of awards that vested in the first nine months of 2018 was \$1.9 billion, which represents the market value of our common stock on the date that the RSUs vested. The grant-date fair value of awards that vested in the first nine months of 2018 was \$1.1 billion. The number of RSUs vested includes shares of common stock that we withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements.

STOCK PURCHASE PLAN

The 2006 Stock Purchase Plan allows eligible employees to purchase shares of our common stock at 85% of the value of our common stock on specific dates. Rights to purchase shares of common stock are granted during the first and third quarters of each year. The 2006 Stock Purchase Plan had 137 million shares of common stock remaining through August 2021 for issuance.

Employees purchased 14 million shares of common stock in the first nine months of 2018 for \$468 million (15 million shares of common stock in the first nine months of 2017 for \$432 million) under the 2006 Stock Purchase Plan.

NOTE 16: CONTINGENCIES

LEGAL PROCEEDINGS

We are a party to various legal proceedings, including those noted in this section. Although management at present believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations, cash flows, or overall trends, legal proceedings and related government investigations are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could include substantial monetary damages. In addition, in matters for which injunctive relief or other conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices, or requiring other remedies. An unfavorable outcome may result in a material adverse impact on our business, results of operations, financial position, and overall trends. We might also conclude that settling one or more such matters is in the best interests of our stockholders, employees, and customers, and any such settlement could include substantial payments. Except as specifically described below, we have not concluded that settlement of any of the legal proceedings noted in this section is appropriate at this time.

European Commission Competition Matter

In 2001, the European Commission (EC) commenced an investigation regarding claims by Advanced Micro Devices, Inc. (AMD) that we used unfair business practices to persuade customers to buy our microprocessors. We received numerous requests for information and documents from the EC and we responded to each of those requests. The EC issued a Statement of Objections in July 2007 and held a hearing on that Statement in March 2008. The EC issued a Supplemental Statement of Objections in July 2008. In May 2009, the EC issued a decision finding that we had violated Article 82 of the EC Treaty and Article 54 of the European Economic Area Agreement. In general, the EC found that we violated Article 82 (later renumbered as Article 102 by a new treaty) by offering alleged "conditional rebates and payments" that required our customers to purchase all or most of their x86 microprocessors from us. The EC also found that we violated Article 82 by making alleged "payments to prevent sales of specific rival products." The EC imposed a fine in the amount of €1.1 billion (\$1.4 billion as of May 2009), which we subsequently paid during the third quarter of 2009, and ordered us to "immediately bring to an end the infringement referred to in" the EC decision.

The EC decision contained no specific direction on whether or how we should modify our business practices. Instead, the decision stated that we should "cease and desist" from further conduct that, in the EC's opinion, would violate applicable law. We took steps, which are subject to the EC's ongoing review, to comply with that decision pending appeal. We had discussions with the EC to better understand the decision and to explain changes to our business practices.

We appealed the EC decision to the Court of First Instance (which has been renamed the General Court) in July 2009. The hearing of our appeal took place in July 2012. In June 2014, the General Court rejected our appeal in its entirety. In August 2014, we filed an appeal with the European Court of Justice. In November 2014, Intervener Association for Competitive Technologies filed comments in support of Intel's grounds of appeal. The EC and interveners filed briefs in November 2014, we filed a reply in February 2015, and the EC filed a rejoinder in April 2015. The Court of Justice held oral argument in June 2016. In October 2016, Advocate General Wahl, an advisor to the Court of Justice, issued a non-binding advisory opinion that favored Intel on a number of grounds. The Court of Justice issued its decision in September 2017, setting aside the judgment of the General Court and sending the case back to the General Court to examine whether the rebates at issue were capable of restricting competition. The General Court has appointed a panel of five judges to consider our appeal of the EC's 2009 decision in light of the Court of Justice's clarifications of the law. In November 2017, the parties filed initial "Observations" about the Court of Justice's decision and the appeal, and were invited by the General Court to offer supplemental comments to each other's "Observations," which the parties submitted in March 2018. Responses to other questions posed by the General Court were filed in May and June 2018. We are now awaiting notice whether the General Court will hold a management conference before it conducts oral argument, at some future date. Pending the final decision in this matter, the fine paid by Intel has been placed by the EC in commercial bank accounts where it accrues interest.

Shareholder Derivative Litigation regarding *In re High Tech Employee Antitrust Litigation*

In March 2014, the Police Retirement System of St. Louis (PRSSL) filed a shareholder derivative action in the Superior Court of California in Santa Clara County against Intel, certain current and former members of our Board of Directors, and former officers. The complaint alleges that the defendants breached their duties to the company by participating in, or allowing, purported antitrust violations that were alleged in a now-settled antitrust class action lawsuit captioned *In re High Tech Employee Antitrust Litigation* claiming that Intel, Adobe Systems Incorporated, Apple Inc., Google Inc., Intuit Inc., Lucasfilm Ltd., and Pixar conspired to suppress their employees' compensation. In March 2014, a second plaintiff, Barbara Templeton, filed a substantially similar derivative suit in the same court. In May 2014, a third shareholder, Robert Achermann, filed a substantially similar derivative action in the same court. The court consolidated the three actions into one, which is captioned *In re Intel Corporation Shareholder Derivative Litigation*. Plaintiffs filed a consolidated complaint in July 2014. In August 2015, the court granted our motion to dismiss the consolidated complaint. The plaintiffs thereafter filed a motion for reconsideration and a motion for new trial, both of which the court denied in October 2015. In November 2015, plaintiffs PRSSL and Templeton appealed the court's decision. The appeal was withdrawn in September 2018, and the case is over.

In June 2015, the International Brotherhood of Electrical Workers (IBEW) filed a shareholder derivative action in the Chancery Court in Delaware against Intel, certain current and former members of our Board of Directors, and former officers. The lawsuit makes allegations substantially similar to those in the California shareholder derivative litigation described above, but additionally alleges breach of the duty of disclosure with respect to *In re High Tech Employee Antitrust Litigation* and that Intel's 2013 and 2014 proxy statements misrepresented the effectiveness of the Board's oversight of compliance issues at Intel and the Board's compliance with Intel's Code of Conduct and Board of Director Guidelines on Significant Corporate Governance Issues. In October 2015, the court stayed the IBEW lawsuit for six months pending further developments in the California case. In March 2016, Intel and IBEW entered into a stipulated dismissal pursuant to which IBEW dismissed its complaint without prejudice.

McAfee, Inc. Shareholder Litigation

On August 19, 2010, we announced that we had agreed to acquire all of the common stock of McAfee, Inc. (McAfee) for \$48.00 per share. Four McAfee shareholders filed putative class-action lawsuits in Santa Clara County, California Superior Court challenging the proposed transaction. The cases were ordered consolidated in September 2010. Plaintiffs filed an amended complaint that named former McAfee board members, McAfee, and Intel as defendants, and alleged that the McAfee board members breached their fiduciary duties and that McAfee and Intel aided and abetted those breaches of duty. The complaint requested rescission of the merger agreement, such other equitable relief as the court may deem proper, and an award of damages in an unspecified amount. In June 2012, the plaintiffs' damages expert asserted that the value of a McAfee share for the purposes of assessing damages should be \$62.08.

In January 2012, the court certified the action as a class action, appointed the Central Pension Laborers' Fund to act as the class representative, and scheduled trial to begin in January 2013. In March 2012, defendants filed a petition with the California Court of Appeal for a writ of mandate to reverse the class certification order; the petition was denied in June 2012. In March 2012, at defendants' request, the court held that plaintiffs were not entitled to a jury trial and ordered a bench trial. In April 2012, plaintiffs filed a petition with the California Court of Appeal for a writ of mandate to reverse that order, which the court of appeal denied in July 2012. In August 2012, defendants filed a motion for summary judgment. The trial court granted that motion in November 2012, and entered final judgment in the case in February 2013. In April 2013, plaintiffs appealed the final judgment. The California Court of Appeal heard oral argument in October 2017, and in November 2017, affirmed the judgment as to McAfee's nine outside directors, reversed the judgment as to former McAfee director and chief executive officer David DeWalt, Intel, and McAfee, and affirmed the trial court's ruling that the plaintiffs are not entitled to a jury trial. At a June 2018 case management conference following remand, the Superior Court set an October hearing date for any additional summary judgment motions that may be filed, and set trial to begin in December 2018. In July 2018, plaintiffs filed a motion for leave to amend the complaint which the court denied in September 2018. Also in July 2018, McAfee and Intel filed a motion for summary judgment on the aiding and abetting claims asserted against them; in October 2018, the court granted the motion as to McAfee and denied the motion as to Intel. Because the resolution of pretrial motions may materially impact the scope and nature of the proceeding, and because of uncertainties regarding the disposition of theories that may be asserted at trial and the extent of Intel's responsibility, if any, with respect to such claims, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, arising from this matter. We dispute the class-action claims and intend to continue to defend the lawsuit vigorously.

Litigation related to Security Vulnerabilities

In June 2017, a Google research team notified us and other companies that it had identified security vulnerabilities (now commonly referred to as “Spectre” and “Meltdown”) that affect many types of microprocessors, including our products. As is standard when findings like these are presented, we worked together with other companies in the industry to verify the research and develop and validate software and firmware updates for impacted technologies. On January 3, 2018, information on the security vulnerabilities was publicly reported, before software and firmware updates to address the vulnerabilities were made widely available. Numerous lawsuits have been filed against Intel and, in certain cases, our executives and directors, in U.S. federal and state courts and in certain courts in other countries relating to the Spectre and Meltdown security vulnerabilities, as well as another variant of these vulnerabilities (“Foreshadow”) that has since been identified.

As of October 24, 2018, 47 consumer class action lawsuits and three securities class action lawsuits have been filed. The consumer class action plaintiffs, who purport to represent various classes of end users of our products, generally claim to have been harmed by Intel's actions and/or omissions in connection with the security vulnerabilities and assert a variety of common law and statutory claims seeking monetary damages and equitable relief. Of the consumer class action lawsuits, 43 have been filed in the United States, two in Canada, and two in Israel. In April 2018, the United States Judicial Panel on Multidistrict Litigation ordered the U.S. consumer class action lawsuits consolidated for pretrial proceedings in the United States District Court for the District of Oregon. Intel filed a motion to dismiss that consolidated action in October 2018, and a hearing on that motion has been scheduled for February 2019. There has been no activity in the case pending in the Superior Court of Justice of Ontario, and in October 2018 the Superior Court of Justice of Quebec entered an order staying the case pending in that court for one year. In Israel, both consumer class action lawsuits were filed in the District Court of Haifa. The Supreme Court of Israel stayed the first case pending disposition of an appeal by one of Intel's co-defendants of an order by the District Court of Haifa. Intel filed a motion to stay the second case, which is scheduled for hearing in November 2018. In the securities class action litigation, the lead securities class action plaintiffs, who purport to represent classes of acquirers of Intel stock between October 27, 2017 and January 9, 2018, generally allege that Intel and certain officers violated securities laws by making statements about Intel's products that were revealed to be false or misleading by the disclosure of the security vulnerabilities. The securities class actions have been consolidated and are pending in the United States District Court for the Northern District of California. Defendants moved to dismiss those actions on various grounds, and a hearing on that motion has been scheduled for November 2018. Additional lawsuits and claims may be asserted on behalf of customers and shareholders seeking monetary damages or other related relief. We dispute the claims described above and intend to defend the lawsuits vigorously. Given the procedural posture and the nature of these cases, including that the proceedings are in the early stages, that alleged damages have not been specified, that uncertainty exists as to the likelihood of a class or classes being certified or the ultimate size of any class or classes if certified, and that there are significant factual and legal issues to be resolved, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, that might arise from these matters.

In addition to these lawsuits, Intel stockholders have filed seven shareholder derivative lawsuits since January 2018 against certain current and former members of our Board of Directors and certain current and former officers, alleging that the defendants breached their duties to Intel in connection with the disclosure of the security vulnerabilities and the failure to take action in relation to alleged insider trading. The complaints seek to recover damages from the defendants on behalf of Intel. Three of the derivative actions were filed in the United States District Court for the Northern District of California and have been consolidated, and the other four were filed in the Superior Court of the State of California in San Mateo County and have been consolidated. In August 2018, the federal court granted defendants' motion to dismiss the consolidated complaint on the ground that plaintiffs failed to plead facts sufficient to show they were excused from making a pre-lawsuit demand on the Board. The federal court granted plaintiffs leave to amend their complaint, but in September 2018, plaintiffs instead requested that the action be voluntarily dismissed. Defendants and plaintiffs disagree whether the dismissal should be with or without prejudice, and are awaiting the court's decision on that issue. In August 2018, the California Superior Court granted defendants' motion to dismiss the consolidated complaint in the action on the ground that plaintiffs failed to plead facts sufficient to show they were excused from making a pre-lawsuit demand on the Board. The state court granted plaintiffs leave to amend their complaint, and the parties have stipulated that plaintiffs must file any amended complaint by February 2019. The state court plaintiffs have also moved to intervene in the federal action to argue against the dismissal of the federal case with prejudice; defendants are opposing that motion.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) - RESULTS OF OPERATIONS

The third quarter was a record quarter in revenue, operating income, and net income, driven by strong customer demand for the performance of our leadership products across the business. Data Center Group (DCG), Client Computing Group (CCG), Internet of Things Group (IOTG), Non-Volatile Memory Solutions Group (NSG), and Mobileye each achieved record revenue. Strong business performance, operating margin leverage, and lower tax rate resulted in net income of \$6.4 billion in the third quarter. From a capital allocation perspective, in the first nine months we generated \$22.5 billion of cash flow from operations and returned \$12.6 billion to shareholders, including \$4.2 billion in dividends and \$8.5 billion in buybacks. For a more comprehensive overview of the results of our operations, see "A Quarter in Review."

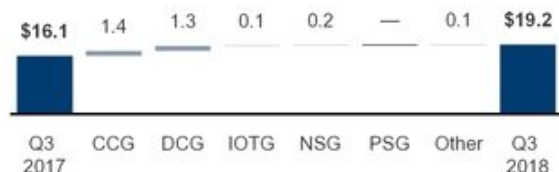
(Dollars in Millions, Except Per Share Amounts)	Three Months Ended				Nine Months Ended			
	Q3 2018		Q3 2017		YTD 2018		YTD 2017	
	Dollars	% of Net Revenue	Dollars	% of Net Revenue	Dollars	% of Net Revenue	Dollars	% of Net Revenue
Net revenue	\$ 19,163	100.0 %	\$ 16,149	100.0 %	\$ 52,191	100.0 %	\$ 45,708	100.0%
Cost of sales	6,803	35.5 %	6,085	37.7 %	19,681	37.7 %	17,388	38.0%
Gross margin	12,360	64.5 %	10,064	62.3 %	32,510	62.3 %	28,320	62.0%
Research and development	3,428	17.9 %	3,209	19.9 %	10,110	19.4 %	9,782	21.4%
Marketing, general and administrative	1,605	8.4 %	1,661	10.3 %	5,230	10.0 %	5,610	12.3%
Restructuring and other charges	(72)	(0.4)%	4	— %	(72)	(0.1)%	189	0.4%
Amortization of acquisition-related intangibles	50	0.3 %	49	0.3 %	150	0.3 %	124	0.3%
Operating income	7,349	38.3 %	5,141	31.8 %	17,092	32.7 %	12,615	27.6%
Gains (losses) on equity investments, net	(75)	(0.4)%	846	5.2 %	365	0.7 %	1,440	3.2%
Interest and other, net	(132)	(0.7)%	(57)	(0.4)%	225	0.4 %	262	0.6%
Income before taxes	7,142	37.3 %	5,930	36.7 %	17,682	33.9 %	14,317	31.3%
Provision for taxes	744	3.9 %	1,414	8.8 %	1,824	3.5 %	4,029	8.8%
Net income	\$ 6,398	33.4 %	\$ 4,516	28.0 %	\$ 15,858	30.4 %	\$ 10,288	22.5%
Earnings per share – Diluted	\$ 1.38		\$ 0.94		\$ 3.35		\$ 2.12	

REVENUE

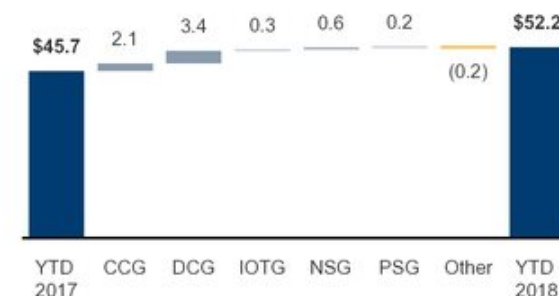
(Dollars in charts are shown in billions)

SEGMENT REVENUE WALKS

Q3 2018 vs. Q3 2017



YTD 2018 vs. YTD 2017



Q3 2018 vs. Q3 2017

Our Q3 2018 revenue was \$19.2 billion, up \$3.0 billion, or 19%, from Q3 2017. The increase in revenue was driven by strong performance across all businesses. Our data-centric businesses collectively grew 22% year over year and our PC-centric business also grew 16%.

YTD 2018 vs. YTD 2017

Our YTD 2018 revenue was \$52.2 billion, up \$6.5 billion, or 14% from YTD 2017. We are executing to our strategy of growing data-centric businesses, which collectively grew revenue by 21% in the first nine months of 2018 compared to the first nine months of 2017. Our PC-centric business also grew 9%.

GROSS MARGIN

(Dollars in chart are shown in billions; percentages indicate gross margin as a percentage of total revenue)

GROSS MARGIN



We derived most of our overall gross margin dollars from the sale of platform products in the CCG and DCG operating segments. Our overall gross margin dollars in Q3 2018 increased by \$2.3 billion compared to Q3 2017. In the first nine months of 2018, our gross margin percentage was slightly up as the gross margin increase from platform products was substantially offset by the growth from lower margin adjacent businesses, which negatively impacted our gross margin percentage but favorably impacted gross margin dollars.

(In Millions)		Gross Margin Walk
\$	12,360	Q3 2018 Gross Margin
2,100		Higher gross margin from platform revenue
315		Higher gross margin from adjacent businesses primarily from memory and modem
305		Higher margin primarily from sell-through of previously reserved and non-qualified platform products
(390)		Higher platform unit costs, primarily from increased mix to performance products
(34)		Other
\$	10,064	Q3 2017 Gross Margin
\$	32,510	YTD 2018 Gross Margin
4,800		Higher gross margin from platform revenue
230		Higher margin primarily from sell-through of previously reserved and non-qualified platform products
(835)		Higher platform unit cost primarily from increased mix to performance products
(5)		Other
\$	28,320	YTD 2017 Gross Margin

OPERATING EXPENSES

(Dollars in charts are shown in billions; percentages indicate expenses as a percentage of total revenue)

RESEARCH AND DEVELOPMENT



MARKETING, GENERAL AND ADMINISTRATIVE



Total research and development (R&D) and marketing, general and administrative (MG&A) expenses for Q3 2018 were \$5.0 billion, up 3% from Q3 2017, and were \$15.3 billion for YTD 2018, flat from YTD 2017. These expenses represent 26.3% of revenue for Q3 2018 and 30.2% of revenue for Q3 2017, and 29.4% of revenue in the first nine months of 2018 and 33.7% of revenue in the first nine months of 2017.

Research and Development

Q3 2018 vs. Q3 2017

R&D increased by \$219 million, or 6.8%, in Q3 2018 compared to Q3 2017, driven by the following:

- + Higher investments in data-centric businesses
- + Higher profit-dependent compensation due to an increase in net income
- Lower expenses due to the Wind River Systems, Inc. (Wind River) divestiture

YTD 2018 vs. YTD 2017

R&D increased by \$328 million, or 3.4%, in the first nine months of 2018 compared to the first nine months of 2017, driven by the following:

- + Higher investments in data-centric businesses
- + Higher investments in 10nm process technology
- + Higher profit-dependent compensation due to an increase in net income
- Lower expenses due to the Intel Security Group (ISecG) divestiture

Marketing, General and Administrative

Q3 2018 vs. Q3 2017

MG&A decreased by \$56 million, or 3.4%, in Q3 2018 compared to Q3 2017, driven by the following:

- Lower acquisition costs due to Q3 2017 Mobileye acquisition
- Lower expenses due to the Wind River divestiture
- + Higher profit-dependent compensation due to an increase in net income

YTD 2018 vs. YTD 2017

MG&A decreased by \$380 million, or 6.8%, in the first nine months of 2018 compared to the first nine months of 2017, driven by the following:

- Lower acquisition costs due to Q3 2017 Mobileye acquisition
- Lower expenses due to the ISecG divestiture
- Change to the Intel Inside program
- + Higher profit-dependent compensation due to an increase in net income

CLIENT COMPUTING GROUP (CCG)

(Dollars in charts are shown in billions)

Overview

CCG is responsible for all aspects of the client computing continuum, which includes platforms designed for end-user form factors, focusing on high growth segments of 2-in-1, thin-and-light, commercial and gaming, and growing adjacencies as well as connectivity technologies.

CCG REVENUE



CCG OPERATING INCOME



CCG Revenue Summary

Our revenue in Q3 2018 and in YTD 2018 increased due to strong demand in commercial and gaming market segments, and higher demand for our high-performance processors in desktop which more than offset the volume decline. Overall market conditions continued to improve in the quarter and we expect modest growth in the PC total addressable market (TAM) this year for the first time since 2011 ¹.

(In Millions)		CCG Revenue Walk
\$	10,234	Q3 2018 CCG Revenue
483		Higher adjacent revenue, primarily from modem products
430		Higher notebook platform volume
300		Higher desktop platform ASP
221		Higher notebook platform ASP
(60)		Other
\$	8,860	Q3 2017 CCG Revenue
\$	27,182	YTD 2018 CCG Revenue
805		Higher desktop platform ASP
755		Higher notebook platform volume
593		Higher adjacent revenue, primarily from modem products
357		Higher notebook platform ASP
(316)		Lower desktop platform volume
(60)		Other
\$	25,049	YTD 2017 CCG Revenue

¹ Source: Intel calculated PC TAM derived from industry analyst reports and internal estimates.

Key Revenue Metrics

	Q3 2018 vs. Q3 2017	YTD 2018 vs. YTD 2017
Desktop Platform		
Volume	up 1%	down (5)%
ASP	up 10%	up 10%
Notebook Platform		
Volume	up 8%	up 5%
ASP	up 4%	up 2%
Adjacent Products		
Revenue	up 66%	up 31%

(In Millions)	CCG Operating Income Walk	
\$ 4,532	Q3 2018 CCG Operating Income	
840	Higher gross margin from CCG platform revenue	
240	Higher margin primarily from sell-through of previously reserved and non-qualified platform products	
205	Higher CCG adjacent product margin, primarily from sell-through of previously non-qualified modem	
(215)	Higher CCG platform unit cost primarily from increased mix to performance products	
(140)	Higher period charges primarily associated with factory startup costs as we continue to ramp 10nm process technology	
2	Other	
\$ 3,600	Q3 2017 CCG Operating Income	
\$ 10,557	YTD 2018 CCG Operating Income	
1,540	Higher gross margin from CCG platform revenue	
(505)	Higher CCG platform unit cost due to increased mix to performance products	
(400)	Higher period charges primarily associated with factory startup costs and engineering samples as we continue to ramp 10nm process technology	
266	Other	
\$ 9,656	YTD 2017 CCG Operating Income	

DATA CENTER GROUP (DCG)

(Dollars in charts are shown in billions)

Overview

DCG develops workload-optimized platforms for compute, storage, network, and related functions, which are designed for and sold into the enterprise and government, cloud, and communications service providers market segments.



DCG Revenue Summary

Our revenue grew in Q3 2018 and in YTD 2018 due to strength from cloud and communication service provider market segments and adoption of 14nm Intel® Xeon® Scalable processors, which drove ASP up. We had heightened demand for data intensive workloads and macroeconomic momentum in cloud, improved market conditions in enterprise and government, and increased market segment share with communication service providers.

(In Millions)	DCG Revenue Walk
\$ 6,139	Q3 2018 DCG Revenue
673	Higher DCG platform volume
525	Higher DCG platform ASP
63	Adjacent revenue
\$ 4,878	Q3 2017 DCG Revenue
\$ 16,922	YTD 2018 DCG Revenue
1,854	Higher DCG platform volume
1,363	Higher DCG platform ASP
223	Adjacent revenue
\$ 13,482	YTD 2017 DCG Revenue

Markets Segment Revenue Growth ¹	Q3 2018 vs. Q3 2017	Key Revenue Metrics	Q3 2018 vs. Q3 2017	YTD 2018 vs. YTD 2017
Cloud service provider	up 50%	DCG Platform		
Enterprise and government	up 1%	Volume	up 15%	up 15%
Communication service provider	up 30%	ASP	up 10%	up 10%
		Adjacent Products		
		Revenue	up 14%	up 20%

¹ DCG platform products are sold across all three market segments.

(In Millions)	DCG Operating Income Walk
\$ 3,082	Q3 2018 DCG Operating Income
1,120	Higher gross margin from DCG platform revenue
(145)	Higher DCG platform unit cost
(130)	Higher DCG operating expenses
(18)	Other
\$ 2,255	Q3 2017 DCG Operating Income
\$ 8,421	YTD 2018 DCG Operating Income
2,995	Higher gross margin from DCG platform revenue
230	Lower factory start-up costs, primarily associated with our 10nm process technology
(320)	Higher DCG platform unit cost
113	Other
\$ 5,403	YTD 2017 DCG Operating Income

INTERNET OF THINGS GROUP (IOTG)

(Dollars in charts are shown in billions)

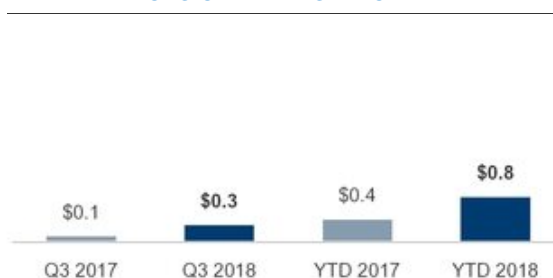
Overview

IOTG develops and sells high-performance Internet of Things compute solutions for retail, automotive, industrial, and video surveillance market segments, along with a broad range of other embedded applications. These market-driven solutions utilize silicon and software assets from our data center and client businesses to expand our compute footprint into Internet of Things market segments.

IOTG REVENUE



IOTG OPERATING INCOME



■ Platform ■ Adjacent

Revenue and Operating Income Summary

Q3 2018 vs. Q3 2017

Net revenue was \$919 million , up \$70 million , driven primarily by \$167 million higher IOTG platform unit sales due to broad business strength. The increase in revenue was partially offset by \$105 million lower adjacent revenue primarily due to our divestiture of Wind River in Q2 2018, which negatively impacted the revenue comparison by approximately \$75 million. Operating income was \$321 million , up \$175 million , primarily driven by higher revenue.

YTD 2018 vs. YTD 2017

Net revenue was \$2.6 billion , up \$349 million , driven primarily by \$612 million higher IOTG platform unit sales, partially offset by \$219 million lower IOTG platform ASPs. Revenue grew due to strength across the retail, industrial, and other market segments. Operating income was \$791 million , up \$401 million driven by higher revenue and lower spending as autonomous driving investment shifted to other businesses.

NON-VOLATILE MEMORY SOLUTIONS GROUP (NSG)

(Dollars in charts are shown in billions)

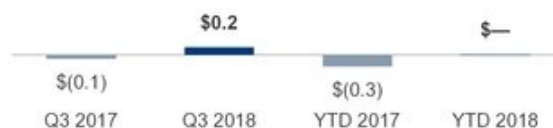
Overview

NSG offers Intel® Optane™ and Intel® 3D NAND technologies, which drive innovation in solid-state drives (SSDs) and other memory products. The primary customers are enterprise and cloud-based data centers, users of business and consumer desktops and laptops, and a variety of embedded and Internet of Things application providers.

NSG REVENUE



NSG OPERATING INCOME



Revenue and Operating Income Summary

Q3 2018 vs. Q3 2017

Net revenue was \$1.1 billion, up \$190 million, driven by \$686 million higher unit sales due to strong demand in data center and the growth of component and Intel Optane technology products, offset by \$497 million lower ASP due to market condition and mix of products. NSG had operating income of \$160 million in Q3 2018, up \$212 million, due to the continued ramp of our triple-level cell (TLC) NAND and 64-Layer product lines, which drove higher unit sales and lower unit cost more than offsetting the decline in ASP, and a total of \$160 million earned government grants benefiting Q3 2018.

YTD 2018 vs. YTD 2017

Net revenue was \$3.2 billion, up \$569 million, driven by \$1.9 billion higher unit sales due to continued demand in data center and the growth of component and Intel Optane technology products, offset by \$1.4 billion lower ASP due to market condition and mix of products. Operating income was \$14 million, up \$305 million, as our triple-level cell (TLC) NAND and 64-Layer product lines continued to ramp, driving higher unit sales and lower unit cost, which more than offset the decline in ASP. In addition, we had a total of \$160 million earned government grants benefiting Q3 2018. We now expect NSG operating income to be approximately break-even for the full year.

PROGRAMMABLE SOLUTIONS GROUP (PSG)

(Dollars in charts are shown in billions)

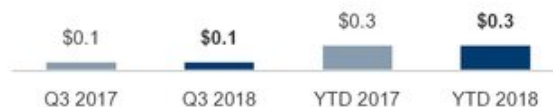
Overview

PSG offers programmable semiconductors, primarily field-programmable gate arrays (FPGAs) and related products for a broad range of market segments, including communications, data center, industrial, military, and automotive.

PSG REVENUE



PSG OPERATING INCOME



Revenue and Operating Income Summary

Q3 2018 vs. Q3 2017

PSG revenue was \$496 million , up \$27 million , driven by strength in the data center and communications market segments and growth of our advanced products (28nm, 20nm, and 14nm process technologies), which collectively grew roughly 55% in the quarter. Operating income was \$106 million , down \$7 million .

YTD 2018 vs. YTD 2017

PSG revenue was \$1.5 billion , up \$177 million , driven by strength in the data center and embedded market segments as well as last-time buys of our legacy products and growth of our advanced products. Operating income was \$304 million , roughly flat year over year.

GAINS (LOSSES) ON EQUITY INVESTMENTS AND INTEREST AND OTHER, NET

(In Millions)	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Gains (losses) on equity investments, net	\$ (75)	\$ 846	\$ 365	\$ 1,440
Interest and other, net	\$ (132)	\$ (57)	\$ 225	\$ 262

Gains (losses) on equity investments, net

We recognized ongoing mark to market net gains on our marketable equity securities of \$8 million in Q3 2018 and \$379 million in the first nine months of 2018 , primarily related to changes in value of our interests in ASML Holding N.V. (ASML) and Cloudera, Inc. Gains and losses on equity investments, net in Q3 2018 were primarily driven by an impairment charge of \$290 million to our equity method investment in Intel-Micron Flash Technologies (IMFT) . We recognized \$944 million of net realized gains on sales in Q3 2017 and \$2.0 billion in the first nine months of 2017 , primarily related to sales of a portion of our interest in ASML. The net realized gains were partially offset by \$613 million of impairment charges and our share of equity method investee losses for the first nine months of 2017 .

Interest and other, net

We recognized a net gain for the first nine months of 2018 primarily due to a \$494 million gain on the divestiture of Wind River in Q2 2018. We recognized a net gain for the first nine months of 2017 primarily due to a \$387 million gain on the divestiture of ISecG in Q2 2017.

We recognized a loss of \$211 million in interest and other, net in the first nine months of 2018 as a result of satisfying conversion obligations for a portion of our \$2.0 billion 3.25% junior subordinated 2039 convertible debentures.

PROVISION FOR TAXES

(Dollars in Millions)	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Income before taxes	\$ 7,142	\$ 5,930	\$ 17,682	\$ 14,317
Provision for taxes	\$ 744	\$ 1,414	\$ 1,824	\$ 4,029
Effective tax rate	10.4%	23.8%	10.3%	28.1%

Our effective tax rate was 10.4% in Q3 2018 compared to 23.8% in Q3 2017 . The decrease was primarily driven by the U.S. Tax Cuts and Jobs Act (Tax Reform), which reduced the U.S. statutory federal tax rate from 35.0% to 21.0% .

Our effective income tax rate was 10.3% in the first nine months of 2018 compared to 28.1% in the first nine months of 2017 . Tax Reform reduced the U.S. statutory federal tax rate from 35.0% to 21.0% , which favorably impacted our effective tax rate in the first nine months of 2018 by approximately nine percentage points. Further, the Tax Reform provisions related to foreign-derived intangible income favorably impacted our effective tax rate by approximately four percentage points, and the provision related to low-taxed intangible income and the repeal of the domestic manufacturing deduction each unfavorably impacted our effective tax rate by approximately one percentage point. The decrease in the first nine months of 2018 was also driven by non-recurring items, primarily our divestiture of ISecG in the second quarter of 2017 which increased our effective tax rate in the first nine months of 2017 by approximately five percentage points and the adjustment to our provisional estimates for Tax Reform in the first nine months of 2018 which reduced our effective tax rate by approximately two percentage points.

LIQUIDITY AND CAPITAL RESOURCES

We consider the following when assessing our liquidity and capital resources:

(Dollars in Millions)	Sep 29, 2018	Dec 30, 2017
Cash and cash equivalents, short-term investments, and trading assets	\$ 13,186	\$ 14,002
Other long-term investments	\$ 3,562	\$ 3,712
Loans receivable and other	\$ 1,404	\$ 1,097
Reverse repurchase agreements with original maturities greater than three months	\$ 250	\$ 250
Total debt	\$ 27,874	\$ 26,813
Temporary equity	\$ 515	\$ 866
Debt as percentage of permanent stockholders' equity	39.0%	38.8%

Cash generated by operations is our primary source of liquidity. We maintain a diverse investment portfolio that we continually analyze based on issuer, industry, and country. When assessing our sources of liquidity we include investments as shown in the preceding table. Substantially all of our investments in debt instruments and financing receivables are in investment-grade securities.

Other potential sources of liquidity include our commercial paper program and our automatic shelf registration statement on file with the SEC, pursuant to which we may offer an unspecified amount of debt, equity, and other securities. Under our commercial paper program, we have an ongoing authorization from our Board of Directors to borrow up to \$10.0 billion. As of September 29, 2018, \$1.7 billion of commercial paper remained outstanding.

We believe we have sufficient financial resources to meet our business requirements in the next 12 months, including capital expenditures for worldwide manufacturing and assembly and test; working capital requirements; and potential dividends, common stock repurchases, acquisitions, and strategic investments.

CASH FROM OPERATIONS \$B



CAPITAL EXPENDITURES \$B



CASH TO STOCKHOLDERS \$B



■ Dividends ■ Buybacks

(In Millions)

	Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017
Net cash provided by operating activities	\$ 22,532	\$ 14,869
Net cash used for investing activities	(9,419)	(10,532)
Net cash provided by (used for) financing activities	(13,139)	(822)
Net increase (decrease) in cash and cash equivalents	\$ (26)	\$ 3,515

Operating Activities

Cash provided by operating activities is net income adjusted for certain non-cash items and changes in assets and liabilities.

For the first nine months of 2018 compared to the first nine months of 2017, the \$7.7 billion increase in cash provided by operations was primarily due to higher net income and changes in working capital, which benefited from receipts of customer deposits and prepaid supply agreements, offset by increased tax payments.

Investing Activities

Investing cash flows consist primarily of capital expenditures; investment purchases, sales, maturities, and disposals; and proceeds from divestitures and cash used for acquisitions.

Cash used for investing activities was lower for the first nine months of 2018 compared to the first nine months of 2017 primarily due to lower cash paid on acquisitions. This was partially offset by increased capital expenditures and decreased proceeds from divestitures, decreased sales of equity investments (substantially all from ASML sales), and increased net purchases of available-for-sale debt investments.

Financing Activities

Financing cash flows consist primarily of repurchases of common stock, payment of dividends to stockholders, issuance and repayment of short-term and long-term debt, and proceeds from the sale of shares of common stock through employee equity incentive plans.

Cash used for financing activities was higher in the first nine months of 2018 compared to the first nine months of 2017 primarily due to decreased long-term debt issuance and increased repurchases of common stock. The cash used for financing activities was partially offset by increases in commercial paper.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are affected by changes in currency exchange and interest rates, as well as equity and commodity prices. For discussion about market risk and sensitivity analysis related to changes in currency exchange rates, interest rates, equity prices, and commodity prices refer to "Quantitative and Qualitative Disclosures About Market Risk" within "MD&A - Results of Operations," in our 2017 Form 10-K.

OTHER KEY INFORMATION

RISK FACTORS

The risks described in "Risk Factors" within "Other Key Information" in our 2017 Form 10-K and our Q2 2018 Form 10-Q could materially and adversely affect our business, financial condition and results of operations, and the trading price of our common stock could decline. These risk factors do not identify all risks that we face—our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The Risk Factors section in our 2017 Form 10-K, as updated by our Q2 2018 Form 10-Q, remains current in all material respects.

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Based on management's evaluation (with the participation of our principal executive officer and principal financial officer), as of the end of the period covered by this report, our principal executive officer and principal financial officer has concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended September 29, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including the principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

NON-GAAP FINANCIAL MEASURES

We believe non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business and measuring our performance.

Our non-GAAP operating income and diluted earnings per share reflect adjustments for the following items, as well as the related income tax effects. Income tax effects have been calculated using an appropriate tax rate for each adjustment. These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations from these results should be carefully evaluated.

Acquisition-related adjustments

The non-GAAP financial measures disclosed by the company exclude certain business combination accounting adjustments and certain expenses related to acquisitions.

Inventory valuation adjustments: Business combination accounting principles require us to measure acquired inventory at fair value. The fair value of inventory reflects the acquired company's cost of manufacturing plus a portion of the expected profit margin. The non-GAAP adjustments to our cost of sales exclude the expected profit margin component that is recorded under business combination accounting principles associated with our acquisition of Mobileye. We believe the adjustments are useful to investors as an additional means to reflect cost of sales and gross margin trends of our business.

Amortization of acquisition-related intangible assets: Amortization of acquisition-related intangible assets consists of amortization of intangible assets such as developed technology, brands, and customer relationships acquired in connection with business combinations. We record charges related to the amortization of these intangibles within both cost of sales and operating expenses in our GAAP financial statements. Amortization charges for our acquisition-related intangible assets are inconsistent in size and are significantly impacted by the timing and valuation of our acquisitions. Consequently, our non-GAAP adjustments exclude these charges to facilitate an evaluation of our current operating performance and comparisons to our past operating performance.

Other acquisition-related charges: Other acquisition-related charges exclude the impact of other charges associated with the acquisition of Mobileye. These charges primarily include bankers' fees, compensation-related costs, and valuation charges for stock-based compensation incurred related to the acquisition. We believe these adjustments are useful to investors as an additional means to reflect the spending trends of our business.

Restructuring and other charges

Restructuring charges are costs associated with a formal restructuring plan and are primarily related to employee severance and benefit arrangements. Other charges include asset impairments, pension charges, and costs associated with the ISecG divestiture. We exclude restructuring and other charges, including any adjustments to charges recorded in prior periods, for purposes of calculating certain non-GAAP measures. We believe that these costs do not reflect our current operating performance. Consequently, our non-GAAP adjustments exclude these charges to facilitate an evaluation of our current operating performance and comparisons to our past operating performance.

Ongoing mark to market on marketable equity securities

We exclude gains and losses resulting from ongoing mark to market adjustments of our marketable equity securities when calculating certain non-GAAP measures, as we do not believe this volatility correlates to our core operational performance. Consequently, our non-GAAP earnings per share figures exclude these impacts to facilitate an evaluation of our current performance and comparisons to our past operating performance.

Tax Reform adjustment

During 2018, we made adjustments to our Tax Reform provisional tax estimates that we recorded in Q4 2017. We exclude these provisional tax adjustments when calculating certain non-GAAP measures. We believe making this adjustment facilitates a better evaluation of our current operating performance and comparisons to past operating results.

Following are the reconciliations of our most comparable GAAP measures to our non-GAAP measures presented:

(In Millions)	Three Months Ended	
	Sep 29, 2018	Sep 30, 2017
Operating income	\$ 7,349	\$ 5,141
Inventory valuation adjustments	—	27
Amortization of acquisition-related intangible assets	326	292
Other acquisition-related charges	—	113
Restructuring and other charges	(72)	4
Non-GAAP Operating income	\$ 7,603	\$ 5,577

	Three Months Ended	
	Sep 29, 2018	Sep 30, 2017
Earnings per share - Diluted	\$ 1.38	\$ 0.94
Inventory valuation adjustments	—	0.01
Amortization of acquisition-related intangible assets	0.07	0.06
Restructuring and other charges	(0.02)	—
Other acquisition-related charges	—	0.02
Ongoing mark to market on marketable equity securities	—	—
Tax Reform	(0.02)	—
Income tax effect	(0.01)	(0.02)
Non-GAAP Earnings per share - Diluted	\$ 1.40	\$ 1.01

ISSUER PURCHASES OF EQUITY SECURITIES

We have an ongoing authorization, originally approved by our Board of Directors in 2005 and subsequently amended, to repurchase shares of our common stock in open market or negotiated transactions. As of September 29, 2018, we were authorized to repurchase up to \$75.0 billion, of which \$4.7 billion remained available.

Common stock repurchase activity under our publicly announced stock repurchase plan during the third quarter of 2018 was as follows:

Period	Total Number of Shares Purchased (In Millions)	Average Price Paid Per Share	Dollar Value of Shares That May Yet Be Purchased Under the Plans (In Millions)
July 1, 2018 - July 28, 2018	19.6	\$ 50.86	\$ 6,228
July 29, 2018 - August 25, 2018	30.5	\$ 49.17	\$ 4,728
August 26, 2018 - September 29, 2018	—	\$ —	\$ 4,728
Total	50.1	\$ 49.83	

We issue RSUs as part of our equity incentive plans. In our consolidated condensed financial statements, we treat shares of common stock withheld for tax purposes on behalf of our employees in connection with the vesting of RSUs as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. These withheld shares of common stock are not considered common stock repurchases under our authorized common stock repurchase plan and accordingly are not included in the common stock repurchase totals in the preceding table.

EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File Number	Exhibit	Filing Date	
3.1	Third Restated Certificate of Incorporation of Intel Corporation dated May 17, 2006	8-K	000-06217	3.1	5/22/2006	
3.2	Intel Corporation Bylaws, as amended and restated on March 14, 2018	8-K	000-06217	3.2	3/19/2018	
10.1 [†]	Intel Corporation Form of Notice of Grant - Restricted Stock Units					X
10.2 [†]	Intel Corporation Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for time-based RSUs granted to Robert Swan as interim CEO on August 15, 2018)					X
10.3 [†]	Intel Corporation Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for performance-based RSUs granted to Robert Swan as interim CEO on August 15, 2018)					X
12.1	Statement Setting Forth the Computation of Ratios of Earnings to Fixed Charges					X
31.1	Certification of interim Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act)					X
32.1	Certification of the interim Chief Executive Officer and the Chief Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

[†] Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.

FORM 10-Q CROSS-REFERENCE INDEX

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(a) As of September 29, 2018, we did not have any significant off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

(b) There were no material changes to our significant contractual obligations from those disclosed in our Annual Report on Form 10-K for the year ended December 30, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEL CORPORATION
(Registrant)

Date: October 25, 2018

By: /s/ ROBERT H. SWAN

Robert H. Swan

Interim Chief Executive Officer and Principal Executive Officer;
Executive Vice President, Chief Financial Officer and Principal Financial
Officer

Date: October 25, 2018

By: /s/ KEVIN T. MCBRIDE

Kevin T. McBride

Vice President of Finance, Corporate Controller and Principal Accounting
Officer

INTEL CORPORATION
2006 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT
NOTICE OF GRANT

Intel Corporation, a Delaware corporation (the “ **Corporation** ”), pursuant to the Intel Corporation 2006 Equity Incentive Plan (, the “ **2006 Plan** ”), hereby grants to the participant (the “ **Participant** ”) identified in this notice of grant (this “ **Notice of Grant** ”) the number of restricted stock units (“ **RSUs** ”) identified in this Notice of Grant. This grant is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement, including any appendices attached thereto (the “ **Agreement** ”) and the 2006 Plan (collectively, the “ **Grant Documents** ”), both of which are incorporated herein in their entirety. Capitalized terms not defined in this Notice of Grant shall have the meanings given to them in the 2006 Plan and Agreement.

Participant Name:	[REDACTED]
WWID:	[REDACTED]
Grant Number:	[REDACTED]
Grant Date:	[REDACTED]
Vesting Commencement Date:	[REDACTED]
Number of RSUs:	[REDACTED] RSUs
Vesting Schedule:	[REDACTED]
Retirement Vesting Acceleration:	No
Additional Documents Containing Terms and Conditions:	<i>I. Restricted Stock Unit Agreement</i> <i>II. Intel Corporation 2006 Equity Incentive Plan</i>
Grant Acceptance Required:	[REDACTED] - “Y” means your electronic acceptance is required within 180 days of the Grant Date or your grant will be canceled, except as otherwise determined by the Corporation in its sole discretion.

You agree that the RSUs are governed by the terms and conditions of the Grant Documents. You understand that the Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding your participation in the 2006 Plan or your acquisition or sale of shares of Common Stock. You agree that you should consult with your own personal tax, legal and financial advisors regarding participation in the 2006 Plan before taking any action related to the RSUs. You confirm that you have reviewed the Grant Documents in their entirety, you fully understand all provisions of the Grant Documents and you have had the opportunity to obtain the advice of counsel prior to accepting this grant of RSUs. You further agree to accept as binding, conclusive and final all decisions or interpretations of the Committee of any questions relating to the Grant Documents.

INTEL CORPORATION
2006 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
(Time-Based RSUs granted to Robert Swan as Interim CEO)

1. Terms of Restricted Stock Unit. This Restricted Stock Unit Agreement, including any appendix attached hereto (this Restricted Stock Unit Agreement and such appendix, together, this “**Agreement**”), the Restricted Stock Unit Notice of Grant delivered online by logging into the E*TRADE Financial Corporation website (the “**Notice of Grant**”) and the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “**Corporation**”) regarding the Restricted Stock Units (“**RSUs**”) identified in your Notice of Grant. The RSUs granted to you are effective as of the grant date set forth in the Notice of Grant (the “**Grant Date**”). If there is any conflict between the terms in this Agreement and the 2006 Plan, the terms of the 2006 Plan will control. Capitalized terms not explicitly defined in this Agreement or in the Notice of Grant but defined in the 2006 Plan will have the same definitions as in the 2006 Plan.

2. Acceptance. If you are instructed by the administrators of the 2006 Plan to accept this Agreement and you fail to do so in the manner specified by the administrators within 180 days of the Grant Date, the RSUs identified in your Notice of Grant will be cancelled, except as otherwise determined by the Corporation in its sole discretion.

3. Vesting of RSUs. Provided that you remain continuously employed by the Corporation or a Subsidiary from the Grant Date specified in the Notice of Grant through each vesting date specified in the Notice of Grant, the RSUs allocated to each vesting date will vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, \$.001 par value (the “**Common Stock**”), except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Global Select Market (“**Nasdaq**”) is not open, affected RSUs will vest on the next following Nasdaq business day. The number of shares of Common Stock into which RSUs convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as an Employee terminates for any reason except death, Disablement (defined below), a Termination Without Cause (as defined below) or a Resignation for Good Reason (as defined below) prior to the vesting dates set forth in your Notice of Grant, your unvested RSUs will be cancelled.

4. Conversion into Common Stock. Shares of Common Stock will be issued or become free of restrictions as soon as practicable following vesting of the RSUs, provided that you have satisfied your tax withholding obligations as specified under Section 11 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common

Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence and/or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation's counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued may include a delay in order to provide the Corporation such time as it determines appropriate to address tax withholding and other administrative matters.

5. Suspension or Termination of RSU for Misconduct. If at any time the Committee of the Board of Directors of the Corporation established pursuant to the 2006 Plan (the "**Committee**"), including any Subcommittee or "Authorized Officer" (as defined in Section 8(b)(vi) of the 2006 Plan) notifies the Corporation that they reasonably believe that you have committed an act of misconduct as described in Section 8(b)(vi) of the 2006 Plan (embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty or deliberate disregard of Corporation rules resulting in loss, damage or injury to the Corporation, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct constituting unfair competition, inducing any customer to breach a contract with the Corporation or inducing any principal for whom the Corporation acts as agent to terminate such agency relationship), the vesting of your RSUs may be suspended pending a determination of whether an act of misconduct has been committed. If the Corporation determines that you have committed an act of misconduct, all RSUs not vested as of the date the Corporation was notified that you may have committed an act of misconduct will be cancelled and neither you nor any beneficiary will be entitled to any claim with respect to the RSUs whatsoever. Any determination by the Committee or an Authorized Officer with respect to the foregoing will be final, conclusive, and binding on all interested parties.

6. Termination of Employment. Except as expressly provided otherwise in this Agreement, if your employment by the Corporation or any Subsidiary terminates for any reason, other than on account of death, Disablement (defined below), a Termination Without Cause (as defined below) or a Resignation for Good Reason (as defined below), all RSUs not then vested will be cancelled on the date of employment termination, regardless of whether such employment termination is as a result of a divestiture or otherwise. For purposes of this Section 6, your employment with any partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which the Corporation or a Subsidiary is a party will be considered employment for purposes of this provision if either (a) the entity is designated by the Committee as a Subsidiary for purposes of this provision or (b) you are specifically designated as an employee of a Subsidiary for purposes of this provision.

For purposes of this provision, your employment is not deemed terminated if, prior to 60 days after the date of termination from the Corporation or a Subsidiary, you are rehired by the Corporation or a Subsidiary on a basis that would make you eligible for future Intel RSU grants. In addition, your transfer from the Corporation to any Subsidiary or from any one Subsidiary to another, or from a Subsidiary to the Corporation is not deemed a termination of employment.

7. Death. Except as expressly provided otherwise in this Agreement, if you die while employed by the Corporation or any Subsidiary, your RSUs will become 100% vested.

8. Disablement. Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of Disablement, your RSUs will become 100% vested upon the later of the date of your termination of employment due to your Disablement or the date of determination of your Disablement.

For purposes of this Section 8, “Disablement” will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, “Disablement” will have the same meaning as disablement is defined in the Intel Long Term Disability Plan, which is generally a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

9. Termination Without Cause.

(a) Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of a Termination Without Cause, your RSUs will become one hundred percent (100%) vested as of the date of your termination of employment.

(b) For purposes of this Section 9, a “Termination Without Cause” will mean a termination of your employment by the Corporation for any reason other than: (i) commission of an act of material fraud or dishonesty against the Corporation; (ii) intentional refusal or willful failure to carry out the reasonable instructions of the Corporation’s Board of Directors or any subsequent Chief Executive Officer of the Corporation; (iii) conviction of, guilty plea or “no contest” plea to a felony or to a misdemeanor involving moral turpitude (where moral turpitude means so extreme a departure from ordinary standards of honesty, good morals, justice or ethics as to be shocking to the moral sense of the community); (iv) gross misconduct in connection with the performance of your duties; (v) improper disclosure of confidential information or violation of the Corporation’s Code of Conduct or any other material policy of the Corporation; (vi) breach of fiduciary duty to the Corporation; (vii) failure to cooperate with the Corporation in any investigation or formal proceeding or being found liable in a Securities and Exchange Commission enforcement action or otherwise being disqualified from serving in your position; (viii) breach of duty of loyalty to the Corporation; or (ix) any other act or condition constituting misconduct as described in Section 8(b)(vi) of the 2006 Plan and as contemplated by Section 5 of this Agreement. Prior to termination for Cause, the Corporation will provide you with 30 days prior written notice of the grounds for Cause, and give you an opportunity within those 30 days to cure the alleged breach (to the extent

capable of being cured).

10. Resignation for Good Reason.

(a) Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of your Resignation for Good Reason, your RSUs will become one hundred percent (100%) vested as of the date of your termination of employment.

(b) For purposes of this Section 10, a "Resignation for Good Reason" will mean your resignation following the occurrence, without your express, written consent, of one or more of the following conditions ("Good Reason"): (i) a material reduction in your title, duties, responsibilities, or authority; (ii) a material reduction by the Corporation of your annual base salary or annual incentive cash target as in effect on the Grant Date; or (iii) a relocation of your principal place of employment more than 30 miles from its current location in Santa Clara, California; provided, however, in no event shall the cessation of your status or removal from your role as the Interim Chief Executive Officer of the Corporation constitute the basis for your Resignation for Good Reason.

(c) Notwithstanding the foregoing, no condition will constitute Good Reason unless (i) you have first provided the Corporation with an opportunity to cure the condition constituting Good Reason within 30 days following delivery of written notice to the Corporation of such condition, which notice shall specify a date of termination that is not less than 30 days after the date of such notice; (ii) the Corporation shall have failed to remedy such condition within 30 days following the receipt of such notice (or to the extent not capable of being remedied within 30 days, the Corporation shall have failed to have taken reasonable actions towards remedying such condition); and (iii) the date of the termination of your employment occurs no more than 90 days after your awareness of the initial existence of the condition constituting Good Reason.

11. Tax Withholding.

(a) To the extent RSUs are subject to tax withholding obligations, the taxable amount generally will be based on the Market Value on the date of the taxable event. RSUs are taxable in accordance with the existing or future tax laws of the country or countries in which you are subject to tax such as the country or countries in which you reside and/or are employed on the Grant Date, vest dates, or during the vesting period. Your RSUs may be taxable in more than one country, based on your country of citizenship and/or the countries in which you resided or were employed on the Grant Date, vest date or during the vesting or other relevant period.

(b) You will make arrangements satisfactory to the Corporation (or the Subsidiary that employs you, if your Subsidiary is involved in the administration of the 2006 Plan) for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs or sale of Common Stock shares from vested RSUs (whichever is applicable).

(c) The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

(d) Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize E*TRADE Financial Corporate Services, Inc. and E*TRADE Securities LLC ("E*Trade"), or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation for remittance to the appropriate tax authorities. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by Nasdaq on the day your RSUs vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

(e) You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs, regardless of any action the Corporation takes or any transaction pursuant to this Section 11 with respect to any tax withholding obligations that arise in connection with the RSUs. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs or the subsequent sale of any of the shares of Common Stock underlying the RSUs that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

12. Rights as Stockholder. Your RSUs may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs. RSUs will remain terminable pursuant to this Agreement at all times until they vest and convert into shares. As a condition to having the right to receive shares of Common Stock pursuant to your RSUs, you acknowledge that unvested RSUs will have no value for purposes of any aspect of your employment relationship with the Corporation or a Subsidiary.

13. Disputes. Any question concerning the interpretation of this Agreement, your Notice of Grant, the RSUs or the 2006 Plan, any adjustments required to be made thereunder, and any controversy that may arise under this Agreement, your Notice of Grant, the RSUs or the 2006 Plan will be determined by the Committee (including any person(s) to whom the Committee has delegated its authority) in its sole and absolute discretion. Such decision by the Committee will be final and binding unless determined pursuant to Section 16(e) to have been arbitrary and capricious.

14. Amendments. The 2006 Plan and RSUs may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

15. Data Privacy. *You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials (“Data”) by and among, as applicable, the Corporation, the Subsidiary that employs you (the “Employer”) and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.*

*You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to E*TRADE Financial Corporate Services, Inc. and E*TRADE Securities LLC (“E*Trade”) and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient’s country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, E*Trade and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.*

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

Finally, upon request of the Corporation or the Employer, you agree to provide an executed data privacy consent form (or any other agreements or consents) that the Corporation and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the 2006 Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the 2006 Plan if you fail to provide any such consent or agreement requested by the Corporation and/or the Employer.

16. The 2006 Plan and Other Terms.

(a) Any prior agreements, commitments or negotiations concerning the RSUs are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.

(b) The grant of RSUs to an employee in any one year, or at any time, does not obligate the Corporation or any Subsidiary to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs covered by this Agreement will occur, the Corporation may, in its sole discretion, (i) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (ii) cancel and cause a forfeiture with respect to any unvested RSUs at the time of such determination.

(d) Nothing contained in this Agreement creates or implies an employment contract or term of employment upon which you may rely.

(e) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(f) Notwithstanding anything to the contrary in this Agreement or the applicable Notice of Grant, your RSUs are subject to reduction by the Corporation if you change your employment classification from a full-time employee to a part-time employee.

(g) RSUs are not part of your employment contract (if any) with the Corporation or any Subsidiary, your salary, your normal or expected compensation, or other remuneration for any purposes, including for purposes of computing severance pay or other termination compensation or indemnity.

(h) In consideration of the grant of RSUs, no claim or entitlement to compensation or damages will arise from termination of your RSUs or diminution in value of the RSUs or Common Stock acquired through vested RSUs resulting from termination of your active employment by the Corporation (for any reason whatsoever and whether or not in breach of local labor laws) and you hereby release the Corporation from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then you will be deemed irrevocably to have waived your entitlement to pursue such claim.

(i) Notwithstanding any terms or conditions of the 2006 Plan to the contrary, in the event of involuntary termination of your employment (whether or not in breach of local labor laws), your right to receive the RSUs and vest in RSUs under the 2006 Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to sell shares of Common Stock that converted from vested RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

(j) Notwithstanding any provision of this Agreement, the Notice of Grant or the 2006 Plan to the contrary, if, at the time of your termination of employment with the Corporation, you are a "specified employee" as defined in Section 409A of the Internal Revenue Code (" **Code** "), and one or more of the payments or benefits received or to be received by you pursuant to the RSUs would constitute deferred compensation subject to Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after your "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of your death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code) or (C) the effective date of a "change in the ownership or effective control" of the Corporation (as such term is used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 16(e) will only apply to the extent required to avoid your incurrence of any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder. In addition, if any provision of the RSUs would cause you to incur any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Corporation may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

(k) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

(l) The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding your participation in the 2006 Plan, or his or her acquisition or sale of the underlying shares of Common Stock. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding your participation in the 2006 Plan before taking any action related to the 2006 Plan.

(m) In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

(n) You acknowledge that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this agreement, or of any subsequent breach of this Agreement.

17. Appendix. The RSUs and the shares of Common Stock acquired under the 2006 Plan shall be subject to any special terms and conditions for your country set forth in the Appendix to this Agreement. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent that the Corporation determines that application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

18. Imposition of Other Requirements. The Corporation reserves the right to impose other requirements on the RSUs and on any shares of Common Stock acquired upon vesting of the RSUs, to the extent that the Committee determines it is necessary for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

19. Non-Solicitation; Confidentiality. You acknowledge that you hold a senior position at the Corporation and have received and been privy to the Corporation's confidential information and trade secrets. You further acknowledge that the Corporation has a legitimate interest in ensuring that such confidential information and trade secrets remain confidential and are not disclosed to third parties. Thus, to avoid the actual or threatened misappropriation of such confidential information and trade secrets, and in light of the substantial benefits provided to you under this Agreement, you hereby agree to the covenants protective of the Corporation.

(a) Non-Solicitation. You agree that during your employment with the Corporation and for a period of twelve (12) months after the termination of your employment with the Corporation for any reason, you will not, directly or indirectly, solicit, induce or attempt to solicit or induce any Restricted Person to leave employment with the Corporation, violate the terms of any employment agreement or similar arrangement with the Corporation or otherwise interfere in any way with the relationship between the Restricted Person and the Corporation. You further agree that you will not use or disclose Confidential Information (as defined below) at any time to aid any third party to target, identify, and/or solicit Restricted Persons to leave employment or engagement by the Corporation. For purposes of this Agreement, "Restricted Person" means any person employed or otherwise engaged as a service provider by the Corporation as of your employment termination date and with whom you had business contact or about whom you had access to Confidential Information during the two-year period prior to your employment.

(b) Confidentiality/Trade Secrets. You acknowledge you have acquired knowledge of or had access to Confidential Information or other proprietary information of the Corporation, its customers and/or third parties during the course of your employment at The Corporation. For purposes of this Agreement, "Confidential Information" includes, without limitation: technical information (e.g., roadmaps, schematics, source code, specifications), business information (e.g.,

product information, marketing strategies, markets, sales, customers, customer lists or phone books), personnel information (e.g., organizational charts, employee lists, skill sets, employee health information, names, phone numbers, email addresses, personnel files, employee compensation (except where the disclosure of such personnel information is permissible under local labor law such as the right of employees to discuss compensation and working conditions under the US National Labor Relations Act), and other non-public the Corporation data and information of a similar nature. You acknowledge your ongoing obligation to protect such information, during and after your employment with the Corporation. Notwithstanding the above, under the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under federal or state trade secret law for the disclosure of a trade secret that: (a) is made in confidence to an attorney or to a federal, state, or local government official, either directly or indirectly, and is solely for the purpose of reporting or investigating a suspected violation of law; (b) is made to your attorney in relation to a lawsuit for retaliation against you for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding filed by you, if such document is filed under seal and pursuant to court order.

(c) Understanding of Covenants; Consideration. You hereby represent that you (i) are familiar with the foregoing non-solicitation and confidentiality covenants (ii) are fully aware of your obligations hereunder, (iii) agree to the reasonableness of the length of time and scope of the foregoing covenants, and (iv) agree that such covenants are necessary to protect the Corporation's confidential and proprietary information, good will, stable workforce, and customer relations.

(d) Remedy for Breach. You hereby agree that if you breach any provision of this Section 19, the damage to the Corporation may be substantial and money damages will not afford the Corporation an adequate remedy, and (ii) if you are in breach of any provision of this Section 19, or threatens such a breach (by initiating a course of action that would reasonably be expected to lead to a breach), the Corporation shall be entitled, in addition to all other rights and remedies as may be provided by law, to seek specific performance and injunctive and other equitable relief, without bond or other security, to prevent or restrain a breach of any provision of this Section 19.

* * * * *

By acknowledging this grant of awards or your acceptance of this Agreement in the manner specified by the administrators, you and Intel Corporation agree that the RSUs identified in your Notice of Grant are governed by the terms of this Agreement, the Notice of Grant and the 2006 Plan. You further acknowledge that you have read and understood the terms of the RSUs set forth in this Agreement, the Grant Notice and the 2006 Plan.

Appendix to the
INTEL CORPORATION
2006 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms used and not defined in this Appendix will have the meaning given to them in the Restricted Stock Unit Agreement (the “**Agreement**”) and/or the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as applicable.

Terms and Conditions

This Appendix, which is part of the Agreement, contains additional or different terms and conditions that govern the RSUs if you are residing and/or employed outside of the United States. The terms and conditions in **Part A** apply to all participants outside of the United States. The country-specific terms and conditions in **Part B** apply to participants located in any of the countries listed in Part B.

If you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer employment and/or residency to another country after the RSUs are granted to you or are considered a resident of another country for local law purposes, the Corporation will determine to what extent the terms and conditions herein will apply to you.

Notifications

This Appendix also includes information regarding securities laws and certain other issues of which you should be aware with respect to your participation in the 2006 Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2018. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that you not rely on the information noted herein as the only source of information relating to the consequences of your participation in the 2006 Plan because the information may be out of date at vesting and settlement of the RSUs, upon the subsequent sale of the shares of Common Stock or upon the receipt of any dividends.

In addition, the information is general in nature and may not apply to your particular situation, and the Corporation is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

A. **NON-U.S. PROVISIONS**

1. **Nature of Grant**. The following provision supplements Section 16 of the Agreement. In accepting the RSUs, you acknowledge, understand and agree that:

- (a) the 2006 Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by the 2006 Plan;
- (b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;
- (c) all decisions with respect to future restricted stock units or other grants, if any, will be at the sole discretion of the Corporation;
- (d) the grant of RSUs and your participation in the 2006 Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Corporation, the Employer, or any parent or Subsidiary and shall not interfere with the ability of the Corporation, the Employer, or any parent or Subsidiary to terminate your employment;
- (e) you are voluntarily participating in the 2006 Plan;
- (f) the RSUs and the shares of Common Stock subject to the RSUs are not intended to replace any pension rights or compensation;
- (g) the RSUs and the shares of Common Stock subject to the RSUs, and the income from and value of the same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;
- (h) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty;
- (i) notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated as of the date you are no longer actively providing services to the Corporation or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any) and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any). The Committee (as defined below) shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence); and
- (j) neither the Corporation nor the Employer nor any parent or Subsidiary will be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to the RSUs or the subsequent sale of any shares of Common Stock subject to the RSUs acquired under the 2006 Plan.

2. Language. You acknowledge that you are proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Agreement. If you have received this Agreement or any other document related to the RSUs translated into a language other than English and if the meaning of the translated version differs from the English version, the English version shall control.

3. Electronic Delivery and Participation. The Corporation may, in its sole discretion, decide to deliver any documents related to RSUs granted under the 2006 Plan or future RSUs that may be granted under the 2006 Plan by electronic means or request your consent to participate in the 2006 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2006 Plan through any on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

4. Insider Trading Restrictions/Market Abuse Laws. You acknowledge that you may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the shares of Common Stock are listed and in applicable jurisdictions, including the United States, your country and the broker's country, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g. , RSUs) or rights links to the value of shares of Common Stock under the 2006 Plan during such times as you considered to have "inside information" regarding the Corporation (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions and that you should speak to your personal advisor on this matter.

5. Exchange Control, Foreign Asset/Account and/or Tax Reporting Requirements. You acknowledge that there may be certain exchange control, foreign asset/account and/or tax reporting requirements which may affect your ability to acquire or hold shares of Common Stock or cash received from participating in the 2006 Plan (including the proceeds from the sale of shares of Common Stock and the receipt of any dividends) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or related transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the 2006 Plan to your country within a certain time after receipt. You acknowledge that it is your responsibility to comply with such regulations and that you should speak to your personal advisor on this matter.

B. COUNTRY-SPECIFIC PROVISIONS

ARGENTINA

Notifications

Securities Law Information. Neither the RSUs nor the underlying shares of Common Stock are publicly offered or listed on any stock exchange in Argentina and, as a result, have not been and will not be registered with the Argentine Securities Commission (*Comisión Nacional de Valores* , “CNV”). The offer is private and not subject to the supervision of any Argentine governmental authority. Neither this nor any other offering material related to the RSUs nor the underlying shares of Common Stock may be utilized in connection with any general offering to the public in Argentina. Argentine residents who acquire RSUs under the 2006 Plan do so according to the terms of a private offering made from outside Argentina.

AUSTRALIA

Terms and Conditions

Australian Offer Document. Additional details regarding the offer of the RSUs are set forth in the Offer to Australian Resident Employees.

Tax Information. The 2006 Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

BRAZIL

Terms and Conditions

Compliance with the Law. By accepting the RSUs, you acknowledge your agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes.

Nature of Grant. This provision supplements Section 16 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you agree that (i) you are making an investment decision, (ii) the RSUs will vest only if the vesting conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease over the vesting period without compensation to you.

CANADA

Terms and Conditions

Termination. The following provision replaces Section 16(i) of the Agreement and Section 1(i) of Part A of this Appendix:

Notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated the earliest of: (a) the date that your employment or service relationship with the Corporation and its Subsidiaries is terminated; (b) the

date that you receive notice of termination of your employment or service relationship with the Corporation and its Subsidiaries, regardless of any notice period or period of pay in lieu of such notice required under applicable employment law in the jurisdiction where you are employed or providing services or the terms of your employment agreement, if any; and (c) the date that you are no longer actively providing services to the Corporation and its Subsidiaries. The Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence).

The following terms and conditions apply to employees resident in Quebec :

Language Consent. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Consentement Relatif à la Langue. Les parties reconnaissent avoir expressément souhaité que la convention « Agreement » ainsi que tous les documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou lié, directement ou indirectement à la présente convention, soient rédigés en langue anglaise.

Data Privacy. You hereby authorize the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the 2006 Plan. You further authorize the Corporation, any Subsidiary, the Committee, as well as a third party stock plan service provider, to disclose and discuss the 2006 Plan with their advisors and to record all relevant information and keep such information in your employee file.

Notifications

Securities Law Information. You are permitted to sell or dispose of shares of Common Stock acquired under the 2006 Plan through E*Trade (or such other broker designated under the 2006 Plan), provided that the sale or disposal takes place outside of Canada on the facilities of a stock exchange on which the shares of Common Stock are traded (*i.e.* , the Nasdaq).

CHILE

Notifications

Securities Law Information. The offer of RSUs constitutes a private offering of securities in Chile effective as of the Grant Date. This offer of RSUs is made subject to general ruling N° 336 of the Chilean Commission of the Financial Market (“ **CMF** ”). The offer refers to securities not registered at the Securities Registry or at the Foreign Securities Registry of the CMF, and, therefore, such securities are not subject to oversight of the CMF. Given that the RSUs are not registered in Chile, the Corporation is not required to provide public information about the RSUs or the shares of Common Stock in Chile. Unless the RSUs and/or the shares of Common Stock are registered with the CMF, a public offering of such securities cannot be made in Chile.

Esta oferta de Unidades de Acciones Restringidas (“ RSU ”) constituye una oferta privada de valores en Chile y se inicia en la Fecha de la Concesión. Esta oferta de RSU se acoge a las disposiciones de la Norma de Carácter General N° 336 (“NCG 336”) de la Comisión para el Mercado Financiero de Chile (“ CMF ”). Esta oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse los RSU de valores no registrados en Chile, no existe obligación por parte de la Compañía de entregar en Chile información pública respecto de los RSU o sus Acciones. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.

CHINA

Terms and Conditions

Sale of Shares of Common Stock. If you are employed in and a citizen of the People’s Republic of China, you authorize the Corporation to instruct E*Trade, or any successor plan administrator, to sell all of your shares of Common Stock that are issued under the RSUs, and are in your brokerage account established with E*Trade, or any successor plan administrator on the 90th day following your termination of employment or as soon as administratively feasible after the 90th day, including termination of employment due to death or Disablement, or such other time as the Corporation determines is necessary or advisable to facilitate compliance with local exchange control requirements. The shares may be sold as part of a block trade with other participants in which all participants receive an average price.

Exchange Control Information and Consent. You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any funds (e.g., proceeds from the sale of shares of Common Stock) received pursuant to the RSUs. You further understand that such repatriation of the funds may need to be effected through a special exchange control account established by the Corporation or a Subsidiary. You hereby consent and agree that any funds received pursuant to the RSUs may be transferred to such special account prior to being delivered to your personal account. You also understand that the Corporation will deliver the funds to you as soon as possible, but there may be delays in distributing the funds to you due to exchange control requirements in China. Funds may be paid to you in U.S. Dollars or local currency at the Corporation’s discretion. If the funds are paid to you in U.S. Dollars, you will be required to set up a U.S. Dollar bank account in China so that the funds may be deposited into this account. If the funds are paid to you in local currency, the Corporation is under no obligation to secure any particular exchange conversion rate and the Corporation may face delays in converting the funds to local currency due to exchange control restrictions. You further agree to comply with any other requirements that may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in China.

COLOMBIA

Terms and Conditions

Nature of Grant. This provision supplements Section 16 of the Agreement and Section 1 of Part A of this Appendix:

You acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the RSUs and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, the RSUs and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

Notifications

Securities Law Information. The shares of Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores) and therefore the shares of Common Stock may not be offered to the public in Colombia. Nothing in the Agreement should be construed as making a public offer of securities in Colombia.

DENMARK

Terms and Conditions

Stock Option Act. You acknowledge that you have received an Employer Statement in Danish (attached at the end of this section) which sets forth additional terms of the RSUs, to the extent that the Danish Stock Option Act applies to the RSUs.

INTEL CORPORATION 2006 EQUITY INCENTIVE PLAN

EMPLOYER STATEMENT

Pursuant to Section 3(1) of the Act on Stock Options in employment relations (the “Stock Option Act”), you are entitled to receive the following information regarding the Intel Corporation (the “Corporation”) 2006 Equity Incentive Plan, as amended (the “Plan”) in a separate written statement.

This statement contains only the information mentioned in the Stock Option Act, while the other terms and conditions of your grant of restricted stock units (“RSUs”) are described in detail in the Plan, the Plan prospectus and the Restricted Stock Unit Agreement (the “Agreement”), which have been made available to you. In the event of a conflict between a provision contained in this Employer Statement and provisions contained in the Plan Documents, this Employer Statement shall prevail. Capitalized terms used but not defined herein shall have the same meaning ascribed to them in the Plan or the Agreement.

It is stated in Section 1 of the Stock Option Act that the Stock Option Act only applies to employees. Employees are defined in Section 2

ARBEJDSGIVERERKLÆRING

I henhold til § 3, stk. 1, i lov om brug af køberet eller tegningsret mv. i ansættelsesforhold (“Aktieoptionsloven”) er du berettiget til i en særskilt skriftlig erklæring at modtage følgende oplysninger om den for Intel Corporation (“Selskabet”) gældende 2006 Equity Incentive Plan, med senere ændringer (“Planen”).

Denne erklæring indeholder kun de oplysninger, der er nævnt i Aktieoptionsloven, mens de øvrige vilkår og betingelser for din tildeling af “restricted stock units” (“RSU’er”) er nærmere beskrevet i Planen, i prospektet og i Restricted Stock Unit Agreement (“Aftalen”), som du har fået udleveret. I tilfælde af uoverensstemmelser mellem en bestemmelse i denne Arbejdsgivererklæring og bestemmelserne i Plandokumenterne har denne Arbejdsgivererklæring forrang. Begreber, der står med stort begyndelsesbogstav i denne arbejdsgivererklæring, men som ikke er defineret heri, har samme betydning som i Planen eller Aftalen.

Det fremgår af Aktieoptionslovens § 1, at loven kun gælder for lønmodtagere. Lønmodtagere er defineret i Aktieoptionslovens § 2 som personer,

of the Stock Option Act as persons who receive remuneration for their personal services in an employment relationship. Persons, including managers, who are not regarded as employees under the Stock Option Act, will not be subject to the Stock Option Act. If you are not an employee within the meaning of the Stock Option Act, the Company has no obligation to issue an employer information statement to you and you will not be able to rely on this statement for legal purposes.

der modtager vederlag for personligt arbejde i tjenesteforhold. Personer, herunder ledere, som ikke anses for at være lønmodtagere i Aktieoptionslovens forstand, er ikke omfattet af Aktieoptionsloven. Hvis du ikke er lønmodtager i Aktieoptionslovens forstand, er Selskabet derfor ikke forpligtet til at udstede en arbejdsgivererklæring til dig, og du vil ikke i juridisk henseende kunne henholde dig til denne arbejdsgivererklæring.

1. Grant Date of RSUs

The Grant Date of your RSUs is the date that the Board of Directors (the "Board") or the compensation committee of the Board of Directors of the Company (the "Committee"), or a delegate of the Board or the Committee, approved a grant for you.

2. Terms or Conditions for RSU Grant

The grant of RSUs under the Plan is made at the sole discretion of the Board or the Committee. The Committee has very broad powers to determine who will receive awards and when, and to set the terms of awards. The Company may decide, in its sole discretion, not to make any grants of RSUs or other awards to you in the future. Under the terms of the Plan and the Agreement, you have no entitlement or claim to receive future RSUs.

3. Vesting Period

Your RSUs shall vest over a period of time ("vesting period"), provided you remain employed by or in the service of the Company or an affiliate and any performance or other vesting conditions set forth in the Plan and the Agreement are satisfied, unless the RSUs are vested or terminated earlier for the reasons set forth in the Plan and the Agreement and subject to Section 5 of this statement. Your RSUs shall be converted into an equivalent number of shares of Common Stock of the Company upon each applicable vesting date.

1. Tildelingstidspunktet for RSU'er

Tildelingstidspunktet for dine RSU'er er den dato, hvor Selskabets bestyrelse ("Bestyrelsen") eller bestyrelsens vederlagsudvalg ("Udvalget") eller en repræsentant fra Bestyrelsen eller Udvalget godkendte din tildeling og besluttede, at den skulle træde i kraft.

2. Kriterier og betingelser for tildelingen af RSU'er

Tildelingen af RSU'er i henhold til Planen sker alene efter Bestyrelsens eller Udvalgets skøn. Udvalget har meget vide beføjelser til at bestemme, hvem der skal modtage tildelinger og hvornår, og til at fastsætte betingelserne herfor. Selskabet kan frit vælge fremover ikke at give dig nogen RSU'er eller andre tildelinger. I henhold til Planen og Aftalen har du hverken ret til eller krav på fremover at modtage RSU'er.

3. Modningsperiode

Dine RSU'er modnes over en periode ("modningsperioden"), forudsat at du fortsat er ansat i eller arbejder for Selskabet eller et associeret selskab, og forudsat at alle de i Planen og Aftalen beskrevne performance- og modningsbetingelser er opfyldt, medmindre RSU'erne modnes eller bortfalder på et tidligere tidspunkt som følge af de i Planen og Aftalen anførte årsager og med forbehold for pkt. 5 i denne erklæring. Dine RSU'er vil på hver af de pågældende modningstidspunkter blive konverteret til et tilsvarende antal ordinære aktier i Selskabet.

1. Exercise Price

No exercise price is payable upon the conversion of your RSUs into shares in accordance with the vesting and settlement schedule described in the Agreement.

1. Udnyttelseskurs

Der skal ikke betales nogen udnyttelseskurs i forbindelse med konverteringen af dine RSU'er til aktier i overensstemmelse med den i Aftalen beskrevne modningsplan.

2. Your Rights upon Termination of Employment

Pursuant to the Stock Option Act, the treatment of your RSUs upon termination of employment will be determined under Sections 4 and 5 of the Stock Option Act unless the terms contained in the Plan and the Agreement are more favorable to you than Sections 4 and 5 of the Stock Option Act. If the terms contained in the Plan and the Agreement are more favorable to you, then such terms will govern the treatment of your RSUs upon termination of employment.

2. Din retsstilling i forbindelse med fratræden

I henhold til Aktieoptionsloven vil dine RSU'er i tilfælde af din fratræden blive behandlet i overensstemmelse med Aktieoptionslovens §§ 4 og 5, medmindre bestemmelserne i Planen og Aftalen er mere fordelagtige for dig end Aktieoptionslovens §§ 4 og 5. Hvis bestemmelserne i Planen og Aftalen er mere fordelagtige for dig, vil det være disse bestemmelser, der er gældende for, hvordan dine RSU'er behandles i forbindelse med din fratræden.

3. Financial Aspects of Participating in the Plan

The grant of RSUs has no immediate financial consequences for you. The value of the RSUs is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary.

Shares in the capital of a company are financial instruments and investing in shares will always have financial risk. The possibility of profit when you sell your shares will depend not only on the Company's financial performance, but also on the general performance of the stock market, among other factors. Accordingly, there can be no assurance that the trading price of the shares will not decrease in the future, including below any applicable exercise price.

3. Økonomiske aspekter ved at deltage i Planen

Tildelingen af RSU'er har ingen umiddelbare økonomiske konsekvenser for dig. Værdien af RSU'erne indgår ikke i beregningen af feriepenge, pensionsbidrag eller andre lovpligtige vederlag beregnet på baggrund af lønnen.

Aktier i en virksomhed er finansielle instrumenter, og investering i aktier vil altid være forbundet med en økonomisk risiko. Muligheden for at opnå en gevinst, når du sælger dine aktier, afhænger ikke kun af Selskabets økonomiske resultater, men blandt andet også af den generelle udvikling på aktiemarkedet. Der kan således ikke gives nogen garanti for, at handelskursen for aktierne ikke vil kunne falde, endda til under den til enhver tid gældende udnyttelseskurs.

Intel Corporation

Intel Corporation

FRANCE

Terms and Conditions

Type of Grant. The RSUs are granted as “French-qualified” RSUs and are intended to qualify for the specific tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended. The RSUs are granted subject to the terms and conditions of the French subplan to the 2006 Plan, effective as of August 1, 2017 (the “ **Amended French Subplan** ”).

Minimum Mandatory Holding Period. You may not sell or transfer any shares of Common Stock issued at vesting until the second anniversary of the Grant Date, or such other period as is required to comply with the minimum mandatory holding period applicable to shares of Common Stock underlying French-qualified RSUs under Section L. 225-197-1 of the French Commercial Code, as amended, or by the French Tax Code or the French Social Security Code, as amended, to benefit from the favorable tax and social security regime in France.

Consent to Receive Information in English. By accepting the RSUs, you confirm having read and understood the 2006 Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

Consentement Relatif à l' Utilisation de la Langue Anglaise. *En acceptant l' attribution («RSUs»), vous confirmez avoir lu et compris le 2006 Plan et le Contrat d'Attribution («Agreement»), qui ont été communiqués en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.*

HONG KONG

Terms and Conditions

Vesting of RSUs. The following provision supplements Section 3 of the Agreement:

Shares of Common Stock acquired pursuant to the RSUs are accepted as a personal investment. If, for any reason, shares of Common Stock are issued to you within six months of the Grant Date, you agree that you will not offer to the public or otherwise dispose of any such share of Common Stock prior to the six-month anniversary of the Grant Date.

Notifications

Securities Law Information. *WARNING: The RSUs and the shares of Common Stock subject to the RSUs do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation and its Subsidiaries. The 2006 Plan, the Agreement, including this Appendix, and other incidental communication materials related to the RSUs have not been prepared in accordance with and are not intended to constitute a 'prospectus' for a public offering of securities under the applicable companies and securities legislation in Hong Kong, and the documents have not been reviewed by any regulatory authority in Hong Kong. The 2006 Plan, the Agreement, including this Appendix, and the incidental communication materials are intended only*

for your personal use and not for distribution to any other persons. If you have any questions or concerns about any of the contents of the 2006 Plan, the Agreement or any other incidental communication materials, you should obtain independent professional advice.

INDONESIA

Terms and Conditions

Language Consent and Notification. A translation of the documents relating to this grant into Bahasa Indonesia can be provided to you upon request. By accepting the RSUs, you (i) confirm having read and understood the documents relating to this grant (i.e., the 2006 Plan and the Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa. Terjemahan dari dokumen-dokumen terkait dengan pemberian ini ke Bahasa Indonesia dapat disediakan untuk anda berdasarkan permintaan kepada. Dengan menekan tombol “Saya menerima” atau dengan menandatangani dan mengembalikan dokumen ini (yaitu, 2006 Program dan Perjanjian) yang memuat syarat dan ketentuan pemberian anda, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

ITALY

Terms and Conditions

Plan Document Acknowledgment. By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Agreement and the Notice of Grant and have reviewed the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant in their entirety and fully understand and accept all provisions of the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant.

You further acknowledge that you have read and specifically and expressly approve the following provisions of the Agreement: (i) Suspension or Termination for Misconduct; (ii) Termination of Employment; (iii) Tax Withholding; (iv) Rights as a Stockholder; (v) the 2006 Plan and Other Terms; (vi) Data Privacy; and (v) the Nature of Grant Section in this Appendix.

MEXICO

TERMS AND CONDITIONS

Plan Document Acknowledgement. By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Notice of Grant, and the Agreement, including this Appendix, which you have reviewed. You acknowledge further that you accept all the provisions of the 2006

Plan, the Notice of Grant, and the Agreement, including this Appendix. You also acknowledge that you have read and specifically and expressly approve the terms and conditions set forth in Section 16 of the Agreement and Section 1 of Part A of this Appendix, which clearly provides as follows:

- (1) Your participation in the 2006 Plan does not constitute an acquired right;
- (2) The 2006 Plan and your participation in it are offered by the Corporation on a wholly discretionary basis;
- (3) Your participation in the 2006 Plan is voluntary; and
- (4) None of the Corporation, the Employer or any Subsidiary is responsible for any decrease in the value of any shares of Common Stock acquired at vesting of the RSUs.

Labor Law Policy and Acknowledgment . This provision supplements Section 16 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you expressly recognize that the Corporation, with its principal operating offices at 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A., is solely responsible for the administration of the 2006 Plan and that your participation in the 2006 Plan and acquisition of shares of Common Stock under the 2006 Plan do not constitute an employment relationship between you and the Corporation since you are participating in the 2006 Plan on a wholly commercial basis and your sole employer is a Mexican legal entity that employs you and to which you are subordinated (*i.e.* , the Employer). Based on the foregoing, you expressly recognize that the 2006 Plan and the benefits that you may derive from participating in the 2006 Plan do not establish any rights between you and the Employer and do not form part of the employment conditions and/or benefits provided by the Employer and any modification of the 2006 Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the 2006 Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, the Corporation reserves the absolute right to amend and/or discontinue your participation in the 2006 Plan at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Corporation for any compensation or damages regarding any provision of the 2006 Plan or the benefits derived under the 2006 Plan, and you therefore grant a full and broad release to the Corporation, and its Subsidiaries, affiliates, branches, representation offices, shareholders, trustees, directors, officers, employees, agents, or legal representatives with respect to any such claim that may arise.

Reconocimiento de Documento. *Al aceptar el Premio, Usted reconoce que ha recibido una copia del 2006 Plan, incluyendo este Apéndice por país, mismos que ha revisado. Usted reconoce, además, que acepta todas las disposiciones del 2006 Plan, el Convenio, incluyendo este Apéndice. Usted*

también reconoce que ha leído y que específicamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 16 del Convenio y la Sección 2 de la Parte A de este Apéndice:

- (1) Su participación en el 2006 Plan no constituye un derecho adquirido;*
- (2) El 2006 Plan y su participación en el 2006 Plan se ofrecen por la Compañía de manera totalmente discrecional;*
- (3) Su participación en el 2006 Plan es voluntaria; y*
- (4) Ninguna de las empresas subsidiarias de la Compañía ni su Patrón son responsables de ninguna disminución en el valor de las Acciones adquiridas al momento de tener el derecho respecto a las Unidades de Acciones Restringidas.*

Política Laboral y Reconocimiento. *Esta disposición suplementa la Sección 16 del Convenio y la Sección 2 de la Parte A de este Apéndice:*

Al aceptar el Premio, Usted expresamente reconoce que la Compañía, con domicilio de operaciones ubicado en 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A, es el único responsable de la administración del 2006 Plan y que su participación en el 2006 Plan y la adquisición de Acciones no constituyen una relación de trabajo entre Usted y la Compañía, ya que Usted participa en el 2006 Plan de una manera totalmente comercial y su único Patrón es una empresa Mexicana a quien se encuentra subordinado. Derivado de lo anterior, Usted expresamente reconoce que el 2006 Plan y los beneficios que le pudieran derivar de la participación en el 2006 Plan no establecen derecho alguno entre Usted y su Patrón y no forman parte de las condiciones de trabajo y/o las prestaciones otorgadas por el Patrón y que cualquier modificación al Plan o su terminación no constituye un cambio o menoscabo de los términos y condiciones de su relación de trabajo.

Asimismo, Usted reconoce que su participación en el 2006 Plan es resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o discontinuar su participación en cualquier momento y sin responsabilidad alguna frente Usted.

Finalmente, Usted por este medio declara que no se reserva derecho o acción alguna en contra de la Compañía por cualquier compensación o daños y perjuicios en relación con cualquier disposición del 2006 Plan o de los beneficios derivados del 2006 Plan y, por lo tanto, otorga el más amplio finiquito que en derecho proceda a favor de la Compañía, y sus afiliadas, sucursales, oficinas de representación, accionistas, fiduciarios, directores, funcionarios, empleados, agentes o representantes legales en relación con cualquier demanda o reclamación que pudiera surgir.

PHILIPPINES

Notifications

Securities Law Information. The grant of the RSUs, is being made pursuant to an exemption from registration under Section 10.2 of the Philippines Securities Regulation Code that has been approved by the Philippines Securities and Exchange Commission.

The risks of participating in the 2006 Plan include (without limitation) the risk of fluctuation in the price of the Common Stock on the Nasdaq and the risk of currency fluctuations between the U.S. Dollar and your local currency. The value of any shares of Common Stock you may acquire under the 2006 Plan may decrease below the value of the shares of Common Stock at vesting and fluctuations in foreign exchange rates between your local currency and the U.S. Dollar may affect the value any amounts due to you pursuant to the subsequent sale of any shares of Common Stock acquired upon vesting. The Corporation is not making any representations, projections or assurances about the value of the shares of Common Stock now or in the future.

For further information on risk factors impacting the Corporation's business that may affect the value of the shares of Common Stock, you may refer to the risk factors discussion in the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov/, as well as on the Corporation's website at <https://www.intc.com/investor-relations/default.aspx>. In addition, you may receive, free of charge, a copy of the Corporation's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Corporation's stockholders by contacting Investor Relations at Intel Corporation 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A.

You acknowledge that you are permitted to sell shares of Common Stock acquired under the 2006 Plan through the designated broker appointed by the Corporation (or such other broker to whom you transfer your shares of Common Stock), provided that such sale takes place outside of the Philippines through the facilities of the Nasdaq on which the shares are listed.

PORTUGAL

Terms and Conditions

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accept and agree with the terms and conditions established in the 2006 Plan and the Agreement.

Consentimento de Língua Inglesa. *O beneficiário pelo presente declara expressamente que tem pleno conhecimento da língua Inglesa e que leu, compreendeu e totalmente aceitou e concordou com os termos e condições estabelecidas no 2006 Plano e no Acordo.*

ROMANIA

Terms and Conditions

Language Consent. By accepting the grant of RSUs, you acknowledge that you are proficient in reading and understanding English, and have read and acknowledge that you have fully understood the terms of the documents related to the grant (the Notice of Grant, the Agreement and the 2006 Plan), which were provided in the English language. You accept the terms of these documents accordingly.

Consimtamant cu privire la limba. Prin acceptarea acordarii de RSU-uri, confirmati ca aveti un nivel adecvat de cunoastere in ce priveste cititirea si intelegerea limbii engleze, si ati citit si confirmati ca ati inteles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul si 2006 Planul), care au fost furnizate in limba engleza. Acceptati termenii acestor documente in consecinta.

RUSSIA

Notifications

Securities Law Information. This Appendix, the Notice of Grant, the Agreement, the 2006 Plan and all other materials that you may receive regarding the 2006 Plan, do not constitute advertising or an offering of securities in Russia. The issuance of securities pursuant to the 2006 Plan has not and will not be registered in Russia; hence, the securities described in any 2006 Plan-related documents may not be used for offering or public circulation in Russia.

SAUDI ARABIA

Notifications

Securities Law Information. The Agreement may not be distributed in the Kingdom of Saudi Arabia except to such individuals as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of the Agreement, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of the Agreement. You should conduct your own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of the Agreement you should consult an authorized financial adviser.

SINGAPORE

Terms and Conditions

Sale Restriction. The grant of RSUs and issuance of shares of Common Stock under the 2006 Plan (if any) are made in reliance on the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The 2006 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the RSUs are subject to section 257 of the SFA and you will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock subject to the RSUs in Singapore, unless such sale or offer in is made (i) after six months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division 1

Subdivision (4) (other than section 280) of the SFA or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

SOUTH AFRICA

Terms and Conditions

Tax Withholding. The following provisions supplements Section 11 of the Agreement:

By accepting the RSUs, you agree to notify the Employer of the amount of any gain realized when the RSUs vests and shares of Common Stock are issued to you. If you fail to advise the Employer of the gain realized when the RSUs vests and shares of Common Stock are issued, you may be liable for a fine.

SPAIN

Terms and Conditions

Nature of Grant. The following provision supplements Section 16 of the Agreement and Section 2 of Part A of this Appendix:

In accepting the RSUs, you consent to participation in the 2006 Plan and acknowledge that you have received a copy of the 2006 Plan.

You understand that the Corporation has unilaterally, gratuitously and discretionally decided to grant RSUs under the 2006 Plan to individuals who may be employees of the Corporation or its Subsidiaries throughout the world. This decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Corporation or any of its Subsidiaries other than as expressly set forth in the 2006 Plan and the Agreement. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs and any shares of Common Stock issued upon vesting of the RSUs are not a part of any employment contract (either with the Corporation or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever.

Further, you understand and agree that, unless otherwise expressly provided for by the Corporation or set forth in the Agreement, the RSUs will be cancelled without entitlement to any shares of Common Stock if your employment is terminated for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without good cause (*i.e.* , subject to a “despido improcedente”), material modification of the terms of employment under Article 41 of the Workers’ Statute, relocation under Article 40 of the Workers’ Statute, Article 50 of the Workers’ Statute, or under Article 10.3 of Royal Decree 1382/1985. The Corporation, in its sole discretion, shall determine the date when your employment has terminated for purposes of the RSUs.

In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the RSUs shall be null and void.

Notifications

Securities Law Information. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the RSUs. The Agreement has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

SWITZERLAND

Notifications

Securities Law Information. The RSUs are not intended to be publicly offered in or from Switzerland. Because the offer of RSUs is considered a private offering, it is not subject to registration in Switzerland. Neither this document nor any other materials relating to the RSUs constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the RSUs may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing materials relating to the RSUs has been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Supervisory Authority (FINMA)).

TAIWAN

Notifications

Securities Law Information. The offer of participation in the 2006 Plan is available only for employees of the Corporation and its Subsidiaries. The offer of participation in the 2006 Plan is not a public offer of securities by a Taiwanese company.

TURKEY

Notifications

Securities Law Information. Turkish residents are not permitted to sell shares of Common Stock acquired under the 2006 Plan in Turkey. The shares of Common Stock are currently traded on the Nasdaq, which is located outside of Turkey, under the ticker symbol “INTC” and the shares of Common Stock may be sold through this exchange.

UNITED ARAB EMIRATES

Notifications

Securities Law Information. The offer of the RSUs is available only for select employees of the Corporation and its Subsidiaries and is in the nature of providing employees incentives in the United Arab Emirates. The 2006 Plan and the Agreement are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective acquirers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2006 Plan and the Agreement, or any other incidental communication materials distributed in connection with the RSUs. Further,

neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2006 Plan and the Agreement should obtain independent professional advice.

UNITED KINGDOM

Terms and Conditions

Tax Withholding. The following provisions supplements Section 11 of the Agreement:

Without limitation to Section 11 of the Agreement, you agree that you are liable for all taxes and hereby covenant to pay all such taxes, as and when requested by the Corporation or the Employer or by Her Majesty's Revenue and Customs (" **HMRC** ") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Corporation and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), you understand that you may not be able to indemnify the Corporation for the amount of any taxes not collected from or paid by you, if the indemnification could be considered to be a loan. In this case, the taxes not collected or paid within 90 days of the end of the U.K. tax year in which the event giving rise to the taxes occurs may constitute a benefit to you on which additional income tax and National Insurance contributions (" **NICs** ") may be payable. You understand that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Corporation and/or the Employer (as appropriate) the amount of any NICs due on this additional benefit.

VIETNAM

Terms and Conditions

Settlement and Sale of Shares of Common Stock. Due to local regulatory requirements, the Corporation may require you to sell any shares of Common Stock issued to you within 90 days of your termination of employment, death and/or Disablement. You agree that the Corporation is authorized to instruct its designated broker to assist with the mandatory sale of such shares of Common Stock (on your behalf pursuant to this authorization), after your termination of employment, death and/or Disablement, and you expressly authorize the Corporation's designated broker to complete the sale of such shares of Common Stock. You acknowledge that the Corporation's designated broker is under no obligation to arrange for the sale of shares of Common Stock at any particular price. Upon the sale of shares of Common Stock, the Corporation agrees to pay you the cash proceeds from the sale of shares of Common Stock, less any brokerage fees or commissions and subject to any obligation to satisfy tax related obligations. You acknowledge that you are not aware of any material non-public information with respect to the Corporation or any securities of the Corporation as of the date of the Agreement.

Termination of Employment. The second paragraph of Section 6 of the Agreement (pertaining to being rehired within 60 days of termination) does not apply to you.

Exchange Control Information and Consent. All cash proceeds from the sale of shares of Common Stock as described above must be immediately repatriated to Vietnam. You understand that, under local law, such repatriation of the proceeds will be effectuated through a special exchange control account established by the Corporation or a Subsidiary, and you hereby consent and agree that any proceeds received in connection with the 2006 Plan will be transferred to such special account prior to being delivered to you. You agree to bear any currency fluctuation risk between the date the RSUs vest and the shares of Common Stock are sold and the time that (i) the Tax-Related Items are converted to local currency and remitted to the tax authorities, and (ii) net proceeds are converted to local currency and distributed to you. You acknowledge that the Corporation and any Subsidiary cannot be held liable for any delay in delivering the proceeds to you. You agree to sign any agreements, forms and/or consents that may be reasonably requested by the Corporation (or the Corporation's designated broker) to effectuate any of the remittances, transfers, conversions or other processes affecting the proceeds. Finally, you agree to comply with any other requirements that may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in Vietnam.

INTEL CORPORATION

2006 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

(Performance-Based RSUs granted to Robert Swan as Interim CEO)

1. Terms of Restricted Stock Unit. This Restricted Stock Unit Agreement, including any appendix attached hereto (this Restricted Stock Unit Agreement and such appendix, together, this “**Agreement**”), the Restricted Stock Unit Notice of Grant delivered online by logging into the E*TRADE Financial Corporation website (the “**Notice of Grant**”) and the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “**Corporation**”) regarding the Restricted Stock Units (“**RSUs**”) identified in your Notice of Grant. The RSUs granted to you are effective as of the grant date set forth in the Notice of Grant (the “**Grant Date**”). If there is any conflict between the terms in this Agreement and the 2006 Plan, the terms of the 2006 Plan will control. Capitalized terms not explicitly defined in this Agreement or in the Notice of Grant but defined in the 2006 Plan will have the same definitions as in the 2006 Plan.

2. Acceptance. If you are instructed by the administrators of the 2006 Plan to accept this Agreement and you fail to do so in the manner specified by the administrators within 180 days of the Grant Date, the RSUs identified in your Notice of Grant will be cancelled, except as otherwise determined by the Corporation in its sole discretion.

3. Vesting of RSUs. Provided that you remain continuously employed by the Corporation or a Subsidiary from the Grant Date specified in the Notice of Grant through the vesting date specified in the Notice of Grant, the RSUs will vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, \$.001 par value (the “**Common Stock**”), determined by multiplying the target number of shares as specified in the Notice of Grant (the “**Target Number of Shares**”) by the conversion rate as set forth below, and except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Global Select Market (“**Nasdaq**”) is not open, affected RSUs will vest on the next following Nasdaq business day. The number of shares of Common Stock into which RSUs convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as an Employee terminates for any reason except death, Disablement (defined below), a Termination Without Cause (as defined below) or a Resignation for Good Reason (as defined below) prior to the vesting dates set forth in your Notice of Grant, your unvested RSUs will be cancelled.

4. Conversion of RSUs.

(a) The conversion rate of RSUs into the right to receive a number of shares of Common Stock depends on the “Intel TSR” relative to the “S&P 500 IT TSR” at the end of the “Performance Period,” as those terms are defined in this Section 4. The conversion rate of RSUs into the right to receive a number of shares of Common Stock will be determined in accordance with following:

- (i) If the Intel TSR and the S&P 500 IT TSR are within 1 percentage point, the conversion rate will be 100%.

(ii) If the Intel TSR is greater than the S&P 500 IT TSR, the conversion rate will be 100% plus four times the difference in percentage points between the Intel TSR and the S&P 500 IT TSR; provided that the maximum conversion rate is 200%.

(iii) If the S&P 500 IT TSR is greater than the Intel TSR, the conversion rate will be 100% minus four times the difference in percentage points between the Intel TSR and the S&P 500 IT TSR. Accordingly, if the S&P 500 IT TSR exceeds the Intel TSR by 25 or more percentage points, then the conversion rate will be 0%.

(iv) In the event that the conversion rate results in the right to receive a partial share of Common Stock, the conversion rate will be rounded down so that the RSUs will not convert into the right to receive the partial share.

By way of illustration, assume the S&P 500 IT TSR is 100% at the end of the Performance Period in the following examples.

- If the Intel TSR equals 100.5%, the difference between the Intel TSR and the S&P 500 IT TSR is within 1 percentage point. As a result, the conversion rate is 100%, such that your RSUs convert into the right to receive 100% of the Target Number of Shares.
- If the Intel TSR is 105%, the difference between the Intel TSR and the S&P 500 IT TSR is 5 percentage points. As a result, the conversion rate is 120%, such that your RSUs convert into the right to receive 120% of the Target Number of Shares.
- If the Intel TSR is 90%, the difference between the Intel TSR and the S&P 500 IT TSR is 10 percentage points. As a result, the conversion rate is 60%, such that your RSUs convert into the right to receive 60% of the Target Number of Shares.
- If the Intel TSR is 70%, the difference between the Intel TSR and the S&P 500 IT TSR is more than 25 percentage points. As a result, the conversion rate is 0%, such that your RSUs convert into the right to receive 0% of the Target Number of Shares.

(b) “Intel TSR” is a percentage (to the third decimal point) derived by:

(i) A numerator that is the difference between the average closing sale price of Common Stock during the 30 trading days following and including the beginning of the Performance Period (as defined below) subtracted from the average closing sale price of Common Stock during the 30 trading days prior to and including the end of the Performance Period; and

(ii) A denominator that is the average closing sale price of Common Stock during the 30 trading days following and including the beginning of the Performance Period;

provided that, for purposes of calculating Intel TSR, such result shall be adjusted to reflect that any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period shall be treated as though they had been reinvested in the Common Stock as of such ex-dividend date based on the closing sale price of Common Stock on such date.

(c) “S&P 500 IT TSR” is a percentage (to the third decimal point) derived by:

(i) A numerator that is the difference between the average closing sale price of the total return index for the Standard & Poor’s 500 Information Technology Index (which measure assumes reinvestment of dividends paid on the Standard & Poor’s 500 Information Technology Index) during the 30 trading days following and including the beginning of the Performance Period subtracted from the average

closing sale price of the total return index for the Standard & Poor's 500 Information Technology Index during the 30 trading days prior to and including the end of the Performance Period; and

(ii) A denominator that is the average closing sale price of the total return index for the Standard & Poor's 500 Information Technology Index during the 30 trading days following and including the beginning of the Performance Period.

The total return index for the Standard & Poor's 500 Information Technology Index shall be as reported by S&P Capital IQ (or such other reporting service as the Committee may designate from time to time). For the avoidance of doubt, the companies included in the Standard & Poor's 500 Information Technology Index during the 30 trading days following and including the beginning of the Performance Period may be different from the companies included in the index during the 30 trading days prior to and including the end of the Performance Period as a result of changes in the composition of the index made by Standard & Poor's (or its successor).

(d) For purposes of determining the "Intel TSR":

(i) Any dividend paid in securities with a readily ascertainable fair market value will be valued at the market value of the securities as of the ex-dividend date. Any dividend paid in other property will be valued based on the value assigned to such dividend by the paying company for tax purposes.

(ii) The Compensation Committee may equitably adjust Intel TSR for equity restructuring transactions including, but not limited to, a stock split, combination of shares, extraordinary dividend of cash and/or assets, recapitalization or reorganization.

(e) Performance Period is the period beginning with June 20, 2018 and ending on February 1, 2021, which ending date is consistent with the Performance Period ending date of similarly designed performance based restricted stock units granted by the Committee in January 2018.

5. Settlement into Common Stock. Any shares of Common Stock issuable upon the vesting and conversion of the RSUs, as described in Sections 3 and 4, will be issued or become free of restrictions as soon as practicable following the vesting date of the RSUs (or, in the event of vesting acceleration for death, Disablement, Termination Without Cause or Resignation for Good Reason, the original vesting date, as specified in the Notice of Grant), provided that you have satisfied your tax withholding obligations as specified under Section 12 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence and/or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation's counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued or credited to your account may include a delay in order to provide the Corporation such time as it determines appropriate to calculate Intel TSR and S&P 500 IT TSR, for the Committee (as defined below) to certify performance results, to calculate and address tax withholding and to address other administrative matters.

6. Suspension or Termination of RSU for Misconduct. If at any time the Committee of the Board of Directors of the Corporation established pursuant to the 2006 Plan (the “**Committee**”), including any Subcommittee or “Authorized Officer” (as defined in Section 8(b)(vi) of the 2006 Plan) notifies the Corporation that they reasonably believe that you have committed an act of misconduct as described in Section 8(b)(vi) of the 2006 Plan (embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty or deliberate disregard of Corporation rules resulting in loss, damage or injury to the Corporation, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct constituting unfair competition, inducing any customer to breach a contract with the Corporation or inducing any principal for whom the Corporation acts as agent to terminate such agency relationship), the vesting of your RSUs may be suspended pending a determination of whether an act of misconduct has been committed. If the Corporation determines that you have committed an act of misconduct, all RSUs not vested as of the date the Corporation was notified that you may have committed an act of misconduct will be cancelled and neither you nor any beneficiary will be entitled to any claim with respect to the RSUs whatsoever. Any determination by the Committee or an Authorized Officer with respect to the foregoing will be final, conclusive, and binding on all interested parties.

7. Termination of Employment. Except as expressly provided otherwise in this Agreement, if your employment by the Corporation or any Subsidiary terminates for any reason, other than on account of death, Disablement (defined below), a Termination Without Cause (as defined below) or a Resignation for Good Reason (as defined below), all RSUs not then vested will be cancelled on the date of employment termination, regardless of whether such employment termination is as a result of a divestiture or otherwise. For purposes of this Section 7, your employment with any partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which the Corporation or a Subsidiary is a party will be considered employment for purposes of this provision if either (a) the entity is designated by the Committee as a Subsidiary for purposes of this provision or (b) you are specifically designated as an employee of a Subsidiary for purposes of this provision.

For purposes of this provision, your employment is not deemed terminated if, prior to 60 days after the date of termination from the Corporation or a Subsidiary, you are rehired by the Corporation or a Subsidiary on a basis that would make you eligible for future Intel RSU grants. In addition, your transfer from the Corporation to any Subsidiary or from any one Subsidiary to another, or from a Subsidiary to the Corporation is not deemed a termination of employment.

8. Death. Except as expressly provided otherwise in this Agreement, if you die while employed by the Corporation or any Subsidiary, your RSUs will become 100% vested and will settle as described in Section 5.

9. Disablement. Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of Disablement, your RSUs will become 100% vested upon the later of the date of your termination of employment due to your Disablement or the date of determination of your Disablement and will settle as described in Section 5.

For purposes of this Section 9, “Disablement” will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, “Disablement” will have the same meaning as disablement is defined in the Intel Long Term Disability Plan, which is generally a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

10. Termination Without Cause.

(a) Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of a Termination Without Cause, your RSUs will become one hundred percent (100%) vested as of the date of your termination of employment and will settle as described in Section 5.

(b) For purposes of this Section 10, a “Termination Without Cause” will mean a termination of your employment by the Corporation for any reason other than: (i) commission of an act of material fraud or dishonesty against the Corporation; (ii) intentional refusal or willful failure to carry out the reasonable instructions of the Corporation’s Board of Directors or any subsequent Chief Executive Officer of the Corporation; (iii) conviction of, guilty plea or “no contest” plea to a felony or to a misdemeanor involving moral turpitude (where moral turpitude means so extreme a departure from ordinary standards of honesty, good morals, justice or ethics as to be shocking to the moral sense of the community); (iv) gross misconduct in connection with the performance of your duties; (v) improper disclosure of confidential information or violation of the Corporation’s Code of Conduct or any other material policy of the Corporation; (vi) breach of fiduciary duty to the Corporation; (vii) failure to cooperate with the Corporation in any investigation or formal proceeding or being found liable in a Securities and Exchange Commission enforcement action or otherwise being disqualified from serving in your position; (viii) breach of duty of loyalty to the Corporation; or (ix) any other act or condition constituting misconduct as described in Section 8(b)(vi) of the 2006 Plan and as contemplated by Section 6 of this Agreement. Prior to termination for Cause, the Corporation will provide you with 30 days prior written notice of the grounds for Cause, and give you an opportunity within those 30 days to cure the alleged breach (to the extent capable of being cured).

11. Resignation for Good Reason.

(a) Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of your Resignation for Good Reason, your RSUs will become one hundred percent (100%) vested as of the date of your termination of employment and will settle as described in Section 5.

(b) For purposes of this Section 11, a “Resignation for Good Reason” will mean your resignation following the occurrence, without your express, written consent, of one or more of the following conditions (“Good Reason”): (i) a material reduction in your title, duties, responsibilities, or authority; (ii) a material reduction by the Corporation of your annual base salary or annual incentive cash target as in effect on the Grant Date; or (iii) a relocation of your principal place of employment more than 30 miles from its current location in Santa Clara, California; provided, however, in no event shall the cessation of your status or removal from your role as the Interim Chief Executive Officer of the Corporation constitute the basis for your Resignation for Good Reason.

(c) Notwithstanding the foregoing, no condition will constitute Good Reason unless (i) you have first provided the Corporation with an opportunity to cure the condition constituting Good Reason within 30 days following delivery of written notice to the Corporation of such condition, which notice shall specify a date of termination that is not less than 30 days after the date of such notice; (ii) the Corporation shall have failed to remedy such condition within 30 days following the receipt of such notice (or to the extent not capable of being remedied within 30 days, the Corporation shall have failed to have taken reasonable actions towards remedying such condition); and (iii) the date of the termination of your employment occurs no more than 90 days after your awareness of the initial existence of the condition constituting Good Reason.

12. Tax Withholding.

(a) To the extent RSUs are subject to tax withholding obligations, the taxable amount generally will be based on the Market Value on the date of the taxable event. RSUs are taxable in accordance with the existing or future tax laws of the country or countries in which you are subject to tax such as the country or

countries in which you reside and/or are employed on the Grant Date, vest dates, or during the vesting period. Your RSUs may be taxable in more than one country, based on your country of citizenship and/or the countries in which you resided or were employed on the Grant Date, vest date or during the vesting or other relevant period.

(b) You will make arrangements satisfactory to the Corporation (or the Subsidiary that employs you, if your Subsidiary is involved in the administration of the 2006 Plan) for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs or sale of Common Stock shares from vested RSUs (whichever is applicable).

(c) The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

(d) Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize E*TRADE Financial Corporate Services, Inc. and E*TRADE Securities LLC ("E*Trade"), or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation for remittance to the appropriate tax authorities. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by Nasdaq on the day your RSUs vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

(e) You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs, regardless of any action the Corporation takes or any transaction pursuant to this Section 12 with respect to any tax withholding obligations that arise in connection with the RSUs. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs or the subsequent sale of any of the shares of Common Stock underlying the RSUs that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

13. Rights as Stockholder. Your RSUs may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs. RSUs will remain terminable pursuant to this Agreement at all times until they vest and convert into shares. As a condition to having the right to receive shares of Common Stock pursuant to your RSUs, you acknowledge that unvested RSUs will have no value for purposes of any aspect of your employment relationship with the Corporation or a Subsidiary.

14. Disputes. Any question concerning the interpretation of this Agreement, your Notice of Grant, the RSUs or the 2006 Plan, any adjustments required to be made thereunder, and any controversy that may arise under this Agreement, your Notice of Grant, the RSUs or the 2006 Plan will be determined by the Committee (including any person(s) to whom the Committee has delegated its authority) in its sole and absolute discretion. Such decision by the Committee will be final and binding unless determined pursuant to Section 17(e) to have been arbitrary and capricious.

15. Amendments. The 2006 Plan and RSUs may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

16. Data Privacy. *You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials ("Data") by and among, as applicable, the Corporation, the Subsidiary that employs you (the "Employer") and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.*

*You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to E*TRADE Financial Corporate Services, Inc. and E*TRADE Securities LLC ("E*Trade") and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, E*Trade and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.*

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

Finally, upon request of the Corporation or the Employer, you agree to provide an executed data privacy consent form (or any other agreements or consents) that the Corporation and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the 2006

Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the 2006 Plan if you fail to provide any such consent or agreement requested by the Corporation and/or the Employer.

17. The 2006 Plan and Other Terms.

(a) Any prior agreements, commitments or negotiations concerning the RSUs are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.

(b) The grant of RSUs to an employee in any one year, or at any time, does not obligate the Corporation or any Subsidiary to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs covered by this Agreement will occur, the Corporation may, in its sole discretion, (i) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (ii) cancel and cause a forfeiture with respect to any unvested RSUs at the time of such determination.

(d) Nothing contained in this Agreement creates or implies an employment contract or term of employment upon which you may rely.

(e) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(f) Notwithstanding anything to the contrary in this Agreement or the applicable Notice of Grant, your RSUs are subject to reduction by the Corporation if you change your employment classification from a full-time employee to a part-time employee.

(g) RSUs are not part of your employment contract (if any) with the Corporation or any Subsidiary, your salary, your normal or expected compensation, or other remuneration for any purposes, including for purposes of computing severance pay or other termination compensation or indemnity.

(h) In consideration of the grant of RSUs, no claim or entitlement to compensation or damages will arise from termination of your RSUs or diminution in value of the RSUs or Common Stock acquired through vested RSUs resulting from termination of your active employment by the Corporation (for any reason whatsoever and whether or not in breach of local labor laws) and you hereby release the Corporation from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then you will be deemed irrevocably to have waived your entitlement to pursue such claim.

(i) Notwithstanding any terms or conditions of the 2006 Plan to the contrary, in the event of involuntary termination of your employment (whether or not in breach of local labor laws), your right to receive the RSUs and vest in RSUs under the 2006 Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local

law (e.g., active employment would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to sell shares of Common Stock that converted from vested RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

(j) Notwithstanding any provision of this Agreement, the Notice of Grant or the 2006 Plan to the contrary, if, at the time of your termination of employment with the Corporation, you are a “specified employee” as defined in Section 409A of the Internal Revenue Code (“**Code**”), and one or more of the payments or benefits received or to be received by you pursuant to the RSUs would constitute deferred compensation subject to Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after your “separation from service” for any reason, other than death or “disability” (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of your death or “disability” (as such term is used in Section 409A(a)(2)(C) of the Code) or (C) the effective date of a “change in the ownership or effective control” of the Corporation (as such term is used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 17(j) will only apply to the extent required to avoid your incurrence of any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder. In addition, if any provision of the RSUs would cause you to incur any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Corporation may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

(k) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

(l) The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding your participation in the 2006 Plan, or his or her acquisition or sale of the underlying shares of Common Stock. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding your participation in the 2006 Plan before taking any action related to the 2006 Plan.

(m) In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

(n) You acknowledge that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this agreement, or of any subsequent breach of this Agreement.

18. Appendix. The RSUs and the shares of Common Stock acquired under the 2006 Plan shall be subject to any special terms and conditions for your country set forth in the Appendix to this Agreement. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent that the Corporation determines that application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

19. Imposition of Other Requirements. The Corporation reserves the right to impose other requirements on the RSUs and on any shares of Common Stock acquired upon vesting of the RSUs, to the extent that the Committee determines it is necessary for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. Non-Solicitation; Confidentiality. You acknowledge that you hold a senior position at the Corporation and have received and been privy to the Corporation's confidential information and trade secrets. You further acknowledge that the Corporation has a legitimate interest in ensuring that such confidential information and trade secrets remain confidential and are not disclosed to third parties. Thus, to avoid the actual or threatened misappropriation of such confidential information and trade secrets, and in light of the substantial benefits provided to you under this Agreement, you hereby agree to the covenants protective of the Corporation.

(a) Non-Solicitation. You agree that during your employment with the Corporation and for a period of twelve (12) months after the termination of your employment with the Corporation for any reason, you will not, directly or indirectly, solicit, induce or attempt to solicit or induce any Restricted Person to leave employment with the Corporation, violate the terms of any employment agreement or similar arrangement with the Corporation or otherwise interfere in any way with the relationship between the Restricted Person and the Corporation. You further agree that you will not use or disclose Confidential Information (as defined below) at any time to aid any third party to target, identify, and/or solicit Restricted Persons to leave employment or engagement by the Corporation. For purposes of this Agreement, "Restricted Person" means any person employed or otherwise engaged as a service provider by the Corporation as of your employment termination date and with whom you had business contact or about whom you had access to Confidential Information during the two-year period prior to your employment.

(b) Confidentiality/Trade Secrets. You acknowledge you have acquired knowledge of or had access to Confidential Information or other proprietary information of the Corporation, its customers and/or third parties during the course of your employment at the Corporation. For purposes of this Agreement, "Confidential Information" includes, without limitation: technical information (e.g., roadmaps, schematics, source code, specifications), business information (e.g., product information, marketing strategies, markets, sales, customers, customer lists or phone books), personnel information (e.g., organizational charts, employee lists, skill sets, employee health information, names, phone numbers, email addresses, personnel files, employee compensation (except where the disclosure of such personnel information is permissible under local labor law such as the right of employees to discuss compensation and working conditions under the US National Labor Relations Act), and other non-public the Corporation data and information of a similar nature. You acknowledge your ongoing obligation to protect such information, during and after your employment with the Corporation. Notwithstanding the above, under the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under federal or state trade secret law for the disclosure of a trade secret that: (a) is made in confidence to an attorney or to a federal, state, or local government official, either directly or indirectly, and is solely for the purpose of reporting or investigating a suspected violation of law; (b) is made to your attorney in relation to a lawsuit for retaliation against you for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding filed by you, if such document is filed under seal and pursuant to court order.

(c) Understanding of Covenants; Consideration. You hereby represent that you (i) are familiar with the foregoing non-solicitation and confidentiality covenants (ii) are fully aware of your obligations hereunder, (iii) agree to the reasonableness of the length of time and scope of the foregoing covenants, and (iv) agree that such covenants are necessary to protect the Corporation's confidential and proprietary information, good will, stable workforce, and customer relations.

(d) Remedy for Breach. You hereby agree that if you breach any provision of this Section 20, the damage to the Corporation may be substantial and money damages will not afford the Corporation an adequate remedy, and (ii) if you are in breach of any provision of this Section 20, or threatens such a breach (by initiating a course of action that would reasonably be expected to lead to a breach), the Corporation shall be entitled, in addition to all other rights and remedies as may be provided by law, to seek specific performance

and injunctive and other equitable relief, without bond or other security, to prevent or restrain a breach of any provision of this Section 20.

* * * * *

By acknowledging this grant of awards or your acceptance of this Agreement in the manner specified by the administrators, you and Intel Corporation agree that the RSUs identified in your Notice of Grant are governed by the terms of this Agreement, the Notice of Grant and the 2006 Plan. You further acknowledge that you have read and understood the terms of the RSUs set forth in this Agreement, the Grant Notice and the 2006 Plan.

Appendix to the
INTEL CORPORATION
2006 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms used and not defined in this Appendix will have the meaning given to them in the Restricted Stock Unit Agreement (the “**Agreement**”) and/or the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as applicable.

Terms and Conditions

This Appendix, which is part of the Agreement, contains additional or different terms and conditions that govern the RSUs if you are residing and/or employed outside of the United States. The terms and conditions in **Part A** apply to all participants outside of the United States. The country-specific terms and conditions in **Part B** apply to participants located in any of the countries listed in Part B.

If you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer employment and/or residency to another country after the RSUs are granted to you or are considered a resident of another country for local law purposes, the Corporation will determine to what extent the terms and conditions herein will apply to you.

Notifications

This Appendix also includes information regarding securities laws and certain other issues of which you should be aware with respect to your participation in the 2006 Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2018. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that you not rely on the information noted herein as the only source of information relating to the consequences of your participation in the 2006 Plan because the information may be out of date at vesting and settlement of the RSUs, upon the subsequent sale of the shares of Common Stock or upon the receipt of any dividends.

In addition, the information is general in nature and may not apply to your particular situation, and the Corporation is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

A. **NON-U.S. PROVISIONS**

1. **Nature of Grant**. The following provision supplements Section 17 of the Restricted Stock Unit Agreement. In accepting the RSUs, you acknowledge, understand and agree that:

(a) the 2006 Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by the 2006 Plan;

(b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;

(c) all decisions with respect to future restricted stock units or other grants, if any, will be at the sole discretion of the Corporation;

(d) the grant of RSUs and your participation in the 2006 Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Corporation, the Employer, or any parent or Subsidiary and shall not interfere with the ability of the Corporation, the Employer, or any parent or Subsidiary to terminate your employment;

(e) you are voluntarily participating in the 2006 Plan;

(f) the RSUs and the shares of Common Stock subject to the RSUs are not intended to replace any pension rights or compensation;

(g) the RSUs and the shares of Common Stock subject to the RSUs, and the income from and value of the same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;

(h) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated as of the date you are no longer actively providing services to the Corporation or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any) and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any). The Committee (as defined below) shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence); and

(j) neither the Corporation nor the Employer nor any parent or Subsidiary will be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to the RSUs or the subsequent sale of any shares of Common Stock subject to the RSUs acquired under the 2006 Plan.

2. Language. You acknowledge that you are proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Agreement. If you have received this Agreement or any other document related to the RSUs translated into a language other than English and if the meaning of the translated version differs from the English version, the English version shall control.

3. Electronic Delivery and Participation. The Corporation may, in its sole discretion, decide to deliver any documents related to RSUs granted under the 2006 Plan or future RSUs that may be granted under the 2006 Plan by electronic means or request your consent to participate in the 2006 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2006 Plan through any on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

4. Insider Trading Restrictions/Market Abuse Laws. You acknowledge that you may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the shares of Common Stock are listed and in applicable jurisdictions, including the United States, your country and the broker's country, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g. , RSUs) or rights links to the value of shares of Common Stock under the 2006 Plan during such times as you considered to have "inside information" regarding the Corporation (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions and that you should speak to your personal advisor on this matter.

5. Exchange Control, Foreign Asset/Account and/or Tax Reporting Requirements. You acknowledge that there may be certain exchange control, foreign asset/account and/or tax reporting requirements which may affect your ability to acquire or hold shares of Common Stock or cash received from participating in the 2006 Plan (including the proceeds from the sale of shares of Common Stock and the receipt of any dividends) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or related transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the 2006 Plan to your country within a certain time after receipt. You acknowledge that it is your responsibility to comply with such regulations and that you should speak to your personal advisor on this matter.

B. COUNTRY-SPECIFIC PROVISIONS

ARGENTINA

Notifications

Securities Law Information. Neither the RSUs nor the underlying shares of Common Stock are publicly offered or listed on any stock exchange in Argentina and, as a result, have not been and will not be registered with the Argentine Securities Commission (*Comisión Nacional de Valores* , "CNV"). The offer is private and not subject to the supervision of any Argentine governmental authority. Neither this nor any other offering material related to the RSUs nor the underlying shares of Common Stock may be utilized in connection with any general offering to the public in Argentina. Argentine residents who acquire RSUs under the 2006 Plan do so according to the terms of a private offering made from outside Argentina.

AUSTRALIA

Terms and Conditions

Australian Offer Document. Additional details regarding the offer of the RSUs are set forth in the Offer to Australian Resident Employees.

Tax Information. The 2006 Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

BRAZIL

Terms and Conditions

Compliance with the Law. By accepting the RSUs, you acknowledge your agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes.

Nature of Grant. This provision supplements Section 17 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you agree that (i) you are making an investment decision, (ii) the RSUs will vest only if the vesting conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease over the vesting period without compensation to you.

CANADA

Terms and Conditions

Termination. The following provision replaces Section 17(i) of the Agreement and Section 1(i) of Part A of this Appendix:

Notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated the earliest of: (a) the date that your employment or service relationship with the Corporation and its Subsidiaries is terminated; (b) the date that you receive notice of termination of your employment or service relationship with the Corporation and its Subsidiaries, regardless of any notice period or period of pay in lieu of such notice required under applicable employment law in the jurisdiction where you are employed or providing services or the terms of your employment agreement, if any; and (c) the date that you are no longer actively providing services to the Corporation and its Subsidiaries. The Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence).

The following terms and conditions apply to employees resident in Quebec :

Language Consent. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Consentement Relatif à la Langue. *Les parties reconnaissent avoir expressement souhaité que la convention « Agreement » ainsi que tous les documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou lié, directement ou indirectement à la présente convention, soient rédigés en langue anglaise.*

Data Privacy. You hereby authorize the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the 2006 Plan. You further authorize the Corporation, any Subsidiary, the Committee, as well as a third party stock plan service provider, to disclose and discuss the 2006 Plan with their advisors and to record all relevant information and keep such information in your employee file.

Notifications

Securities Law Information. You are permitted to sell or dispose of shares of Common Stock acquired under the 2006 Plan through E*Trade (or such other broker designated under the 2006 Plan), provided that the sale or disposal takes place outside of Canada on the facilities of a stock exchange on which the shares of Common Stock are traded (*i.e.* , the Nasdaq).

CHILE

Notifications

Securities Law Information. The offer of RSUs constitutes a private offering of securities in Chile effective as of the Grant Date. This offer of RSUs is made subject to general ruling N° 336 of the Chilean Commission of the Financial Market (“**CMF**”). The offer refers to securities not registered at the Securities Registry or at the Foreign Securities Registry of the CMF, and, therefore, such securities are not subject to oversight of the CMF. Given that the RSUs are not registered in Chile, the Corporation is not required to provide public information about the RSUs or the shares of Common Stock in Chile. Unless the RSUs and/or the shares of Common Stock are registered with the CMF, a public offering of such securities cannot be made in Chile.

*Esta oferta de Unidades de Acciones Restringidas (“**RSU**”) constituye una oferta privada de valores en Chile y se inicia en la Fecha de la Concesión. Esta oferta de RSU se acoge a las disposiciones de la Norma de Carácter General N° 336 (“NCG 336”) de la Comisión para el Mercado Financiero de Chile (“**CMF**”). Esta oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse los RSU de valores no registrados en Chile, no existe obligación por parte de la Compañía de entregar en Chile información pública respecto de los RSU o sus Acciones. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.*

CHINA

Terms and Conditions

Sale of Shares of Common Stock. If you are employed in and a citizen of the People’s Republic of China, you authorize the Corporation to instruct E*Trade, or any successor plan administrator, to sell all of your shares of Common Stock that are issued under the RSUs, and are in your brokerage account established with E*Trade, or any successor plan administrator on the 90th day following your termination of employment or as soon as administratively feasible after the 90th day, including termination of employment due to death or Disablement, or such other time as the Corporation determines is necessary or advisable to facilitate compliance with local exchange control requirements. The shares may be sold as part of a block trade with other participants in which all participants receive an average price.

Exchange Control Information and Consent. You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any funds (e.g., proceeds from the sale of shares of Common Stock) received pursuant to the RSUs. You further understand that such repatriation of the funds may need to be effected through a special exchange control account established by the Corporation or a Subsidiary. You hereby consent and agree that any funds received pursuant to the RSUs may be transferred to such special account prior to being delivered to your personal account. You also understand that the Corporation will deliver the funds to you as soon as possible, but there may be delays in distributing the funds to you due to exchange control requirements in China. Funds may be paid to you in U.S. Dollars or local currency at the Corporation’s discretion. If the funds are paid to you in U.S. Dollars, you will be required to set up a U.S. Dollar bank account in China so that the funds may be deposited into this account. If the funds are paid to you in local currency, the Corporation is under no obligation to secure any particular exchange conversion rate and the Corporation may face delays in converting the funds to local currency due to exchange control restrictions. You further agree to comply with any other requirements that may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in China.

COLOMBIA

Terms and Conditions

Nature of Grant. This provision supplements Section 17 of the Agreement and Section 1 of Part A of this Appendix:

You acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the RSUs and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, the RSUs and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

Notifications

Securities Law Information. The shares of Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores) and therefore the shares of Common Stock may not be offered to the public in Colombia. Nothing in the Agreement should be construed as making a public offer of securities in Colombia.

DENMARK

Terms and Conditions

Stock Option Act. You acknowledge that you have received an Employer Statement in Danish (attached at the end of this section) which sets forth additional terms of the RSUs, to the extent that the Danish Stock Option Act applies to the RSUs.

**INTEL CORPORATION
2006 EQUITY INCENTIVE PLAN**

EMPLOYER STATEMENT

Pursuant to Section 3(1) of the Act on Stock Options in employment ansættelsesforhold ("Aktieoptionsloven") er du berettiget til i en særskilt relations (the "Stock Option Act"), you are entitled to receive the skriftlig erklæring at modtage følgende oplysninger om den for Intel following information regarding the Intel Corporation (the Corporation ("Selskabet") gældende 2006 Equity Incentive Plan, med "Corporation") 2006 Equity Incentive Plan, as amended (the "Plan") in a senere ændringer ("Planen"). separate written statement.

This statement contains only the information mentioned in the Stock Aktieoptionsloven, mens de øvrige vilkår og betingelser for din tildeling Option Act, while the other terms and conditions of your grant of af "restricted stock units" ("RSU'er") er nærmere beskrevet i Planen, i restricted stock units ("RSUs") are described in detail in the Plan, the prospektet og i Restricted Stock Unit Agreement ("Aftalen"), som du Plan prospectus and the Restricted Stock Unit Agreement (the har fået udleveret. I tilfælde af uoverensstemmelser mellem en "Agreement"), which have been made available to you. In the event of a bestemmelse i denne Arbejdsgivererklæring og bestemmelserne i conflict between a provision contained in this Employer Statement and Plandokumenterne har denne Arbejdsgivererklæring forrang. Begreber, provisions contained in the Plan Documents, this Employer Statement der står med stort begyndelsesbogstav i denne arbejdsgivererklæring, shall prevail. Capitalized terms used but not defined herein shall have men som ikke er defineret heri, har samme betydning som i Planen eller the same meaning ascribed to them in the Plan or the Agreement.

It is stated in Section 1 of the Stock Option Act that the Stock Option Act only applies to employees. Employees are defined in Section 2

ARBEJDSGIVERERKLÆRING

I henhold til § 3, stk. 1, i lov om brug af køberet eller tegningsret mv. i

Denne erklæring indeholder kun de oplysninger, der er nævnt i Aftalen.

Det fremgår af Aktieoptionslovens § 1, at loven kun gælder for lønmodtagere. Lønmodtagere er defineret i Aktieoptionslovens § 2 som personer,

of the Stock Option Act as persons who receive remuneration for their der modtager vederlag for personligt arbejde i tjenesteforhold. Personer, personal services in an employment relationship. Persons, including herunder ledere, som ikke anses for at være lønmodtagere i managers, who are not regarded as employees under the Stock Option Aktieoptionslovens forstand, er ikke omfattet af Aktieoptionsloven. Hvis Act, will not be subject to the Stock Option Act. If you are not an du ikke er lønmodtager i Aktieoptionslovens forstand, er Selskabet employee within the meaning of the Stock Option Act, the Company has derfor ikke forpligtet til at udstede en arbejdsgivererklæring til dig, og no obligation to issue an employer information statement to you and you du vil ikke i juridisk henseende kunne henholde dig til denne will not be able to rely on this statement for legal purposes. arbejdsgivererklæring.

1. Grant Date of RSUs

The Grant Date of your RSUs is the date that the Board of Directors (the "Board") or the compensation committee of the Board of Directors of the Company (the "Committee"), or a delegate of the Board or the Committee, approved a grant for you.

1. Tildelingstidspunktet for RSU'er

Tildelingstidspunktet for dine RSU'er er den dato, hvor Selskabets bestyrelse ("Bestyrelsen") eller bestyrelsens vederlagsudvalg ("Udvalget") eller en repræsentant fra Bestyrelsen eller Udvalget godkendte din tildeling og besluttede, at den skulle træde i kraft.

2. Terms or Conditions for RSU Grant

The grant of RSUs under the Plan is made at the sole discretion of the Board or the Committee. The Committee has very broad powers to determine who will receive awards and when, and to set the terms of awards. The Company may decide, in its sole discretion, not to make any grants of RSUs or other awards to you in the future. Under the terms of the Plan and the Agreement, you have no entitlement or claim to receive future RSUs.

2. Kriterier og betingelser for tildelingen af RSU'er

Tildelingen af RSU'er i henhold til Planen sker alene efter Bestyrelsens eller Udvalgets skøn. Udvalget har meget vide beføjelser til at bestemme, hvem der skal modtage tildelinger og hvornår, og til at fastsætte betingelserne herfor. Selskabet kan frit vælge fremover ikke at give dig nogen RSU'er eller andre tildelinger. I henhold til Planen og Aftalen har du hverken ret til eller krav på fremover at modtage RSU'er.

3. Vesting Period

Your RSUs shall vest over a period of time ("vesting period"), provided du fortsat er ansat i eller arbejder for Selskabet eller et associeret selskab, og forudsat at alle de i Planen og Aftalen beskrevne and any performance or other vesting conditions set forth in the Plan and performance- og modningsbetingelser er opfyldt, medmindre RSU'erne the Agreement are satisfied, unless the RSUs are vested or terminated modnes eller bortfalder på et tidligere tidspunkt som følge af de i Planen earlier for the reasons set forth in the Plan and the Agreement and og Aftalen anførte årsager og med forbehold for pkt. 5 i denne subject to Section 5 of this statement. Your RSUs shall be converted into erklæring. Dine RSU'er vil på hver af de pågældende an equivalent number of shares of Common Stock of the Company upon modningstidspunkter blive konverteret til et tilsvarende antal ordinære aktier i Selskabet. each applicable vesting date.

3. Modningsperiode

1. Exercise Price

No exercise price is payable upon the conversion of your RSUs into shares in accordance with the vesting and settlement schedule described in the Agreement.

1. Udnyttelseskurs

Der skal ikke betales nogen udnyttelseskurs i forbindelse med konverteringen af dine RSU'er til aktier i overensstemmelse med den i Aftalen beskrevne modningsplan.

2. Your Rights upon Termination of Employment

Pursuant to the Stock Option Act, the treatment of your RSUs upon termination of employment will be determined under Sections 4 and 5 of the Stock Option Act unless the terms contained in the Plan and the Agreement are more favorable to you than Sections 4 and 5 of the Stock Option Act. If the terms contained in the Plan and the Agreement are more favorable to you, then such terms will govern the treatment of your RSUs upon termination of employment.

2. Din retsstilling i forbindelse med fratræden

I henhold til Aktieoptionsloven vil dine RSU'er i tilfælde af din fratræden blive behandlet i overensstemmelse med Aktieoptionslovens §§ 4 og 5, medmindre bestemmelserne i Planen og Aftalen er mere fordelagtige for dig end Aktieoptionslovens §§ 4 og 5. Hvis bestemmelserne i Planen og Aftalen er mere fordelagtige for dig, vil det være disse bestemmelser, der er gældende for, hvordan dine RSU'er behandles i forbindelse med din fratræden.

3. Financial Aspects of Participating in the Plan

The grant of RSUs has no immediate financial consequences for you. The value of the RSUs is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary.

3. Økonomiske aspekter ved at deltage i Planen

Tildelingen af RSU'er har ingen umiddelbare økonomiske konsekvenser for dig. Værdien af RSU'erne indgår ikke i beregningen af feriepenge, pensionsbidrag eller andre lovpligtige vederlag beregnet på baggrund af lønnen.

Shares in the capital of a company are financial instruments and investing in shares will always have financial risk. The possibility of at opnå en gevinst, når du sælger dine aktier, afhænger ikke kun af profit when you sell your shares will depend not only on the Company's Selskabets økonomiske resultater, men blandt andet også af den financial performance, but also on the general performance of the stock generelle udvikling på aktiemarkedet. Der kan således ikke gives nogen market, among other factors. Accordingly, there can be no assurance that garanti for, at handelskursen for aktierne ikke vil kunne falde, endda til the trading price of the shares will not decrease in the future, including under den til enhver tid gældende udnyttelseskurs. below any applicable exercise price.

Aktier i en virksomhed er finansielle instrumenter, og investering i aktier vil altid være forbundet med en økonomisk risiko. Muligheden for at opnå en gevinst, når du sælger dine aktier, afhænger ikke kun af Selskabets økonomiske resultater, men blandt andet også af den generelle udvikling på aktiemarkedet. Der kan således ikke gives nogen garanti for, at handelskursen for aktierne ikke vil kunne falde, endda til den til enhver tid gældende udnyttelseskurs.

Intel Corporation

Intel Corporation

FRANCE

Terms and Conditions

Type of Grant. The RSUs are granted as “French-qualified” RSUs and are intended to qualify for the specific tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended. The RSUs are granted subject to the terms and conditions of the French subplan to the 2006 Plan, effective as of August 1, 2017 (the “**Amended French Subplan**”).

Minimum Mandatory Holding Period. You may not sell or transfer any shares of Common Stock issued at vesting until the second anniversary of the Grant Date, or such other period as is required to comply with the minimum mandatory holding period applicable to shares of Common Stock underlying French-qualified RSUs under Section L. 225-197-1 of the French Commercial Code, as amended, or by the French Tax Code or the French Social Security Code, as amended, to benefit from the favorable tax and social security regime in France.

Consent to Receive Information in English. By accepting the RSUs, you confirm having read and understood the 2006 Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

Consentement Relatif à l' Utilisation de la Langue Anglaise. En acceptant l' attribution («RSUs»), vous confirmez avoir lu et compris le 2006 Plan et le Contrat d'Attribution («Agreement»), qui ont été communiqués en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

HONG KONG

Terms and Conditions

Vesting of RSUs. The following provision supplements Section 3 of the Agreement:

Shares of Common Stock acquired pursuant to the RSUs are accepted as a personal investment. If, for any reason, shares of Common Stock are issued to you within six months of the Grant Date, you agree that you will not offer to the public or otherwise dispose of any such share of Common Stock prior to the six-month anniversary of the Grant Date.

Notifications

Securities Law Information. *WARNING: The RSUs and the shares of Common Stock subject to the RSUs do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation and its Subsidiaries. The 2006 Plan, the Agreement, including this Appendix, and other incidental communication materials related to the RSUs have not been prepared in accordance with and are not intended to constitute a 'prospectus' for a public offering of securities under the applicable companies and securities legislation in Hong Kong, and the documents have not been reviewed by any regulatory authority in Hong Kong. The 2006 Plan, the Agreement, including this Appendix, and the incidental communication materials are intended only for your personal use and not for distribution to any other persons. If you have any questions or concerns about any of the contents of the 2006 Plan, the Agreement or any other incidental communication materials, you should obtain independent professional advice.*

INDONESIA

Terms and Conditions

Language Consent and Notification. A translation of the documents relating to this grant into Bahasa Indonesia can be provided to you upon request. By accepting the RSUs, you (i) confirm having read and understood the documents relating to this grant (i.e., the 2006 Plan and the Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa. Terjemahan dari dokumen-dokumen terkait dengan pemberian ini ke Bahasa Indonesia dapat disediakan untuk anda berdasarkan permintaan kepada. Dengan menekan tombol "Saya menerima" atau dengan menandatangani dan mengembalikan dokumen ini (yaitu, 2006 Program dan Perjanjian) yang memuat syarat dan ketentuan pemberian anda, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

ITALY

Terms and Conditions

Plan Document Acknowledgment. By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Agreement and the Notice of Grant and have reviewed the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant in their entirety and fully understand and accept all provisions of the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant.

You further acknowledge that you have read and specifically and expressly approve the following provisions of the Agreement: (i) Suspension or Termination for Misconduct; (ii) Termination of Employment; (iii) Tax Withholding; (iv) Rights as a Stockholder; (v) the 2006 Plan and Other Terms; (vi) Data Privacy; and (v) the Nature of Grant Section in this Appendix.

MEXICO

TERMS AND CONDITIONS

Plan Document Acknowledgement. By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Notice of Grant, and the Agreement, including this Appendix, which you have reviewed. You acknowledge further that you accept all the provisions of the 2006 Plan, the Notice of Grant, and the Agreement, including this Appendix. You also acknowledge that you have read and specifically and expressly approve the terms and conditions set forth in Section 17 of the Agreement and Section 1 of Part A of this Appendix, which clearly provides as follows:

- (1) Your participation in the 2006 Plan does not constitute an acquired right;
- (2) The 2006 Plan and your participation in it are offered by the Corporation on a wholly discretionary basis;
- (3) Your participation in the 2006 Plan is voluntary; and
- (4) None of the Corporation, the Employer or any Subsidiary is responsible for any decrease in the value of any shares of Common Stock acquired at vesting of the RSUs.

Labor Law Policy and Acknowledgment. This provision supplements Section 17 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you expressly recognize that the Corporation, with its principal operating offices at 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A., is solely responsible for the administration of the 2006 Plan and that your participation in the 2006 Plan and acquisition of shares of Common Stock under the 2006 Plan do not constitute an employment relationship between you and the Corporation since you are participating in the 2006 Plan on a wholly commercial basis and your sole employer is a Mexican legal entity that employs you and to which you are subordinated (*i.e.* , the Employer). Based on the foregoing, you expressly recognize that the 2006 Plan and the benefits that you may derive from participating in the 2006 Plan do not establish any rights between you and the Employer and do not form part of the employment conditions and/or benefits provided by the Employer and any modification of the 2006 Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the 2006 Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, the Corporation reserves the absolute right to amend and/or discontinue your participation in the 2006 Plan at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Corporation for any compensation or damages regarding any provision of the 2006 Plan or the benefits derived under the 2006 Plan, and you therefore grant a full and broad release to the Corporation, and its Subsidiaries, affiliates, branches, representation offices, shareholders, trustees, directors, officers, employees, agents, or legal representatives with respect to any such claim that may arise.

Reconocimiento de Documento. *Al aceptar el Premio, Usted reconoce que ha recibido una copia del 2006 Plan, incluyendo este Apéndice por país, mismos que ha revisado. Usted reconoce, además, que acepta todas las disposiciones del 2006 Plan, el Convenio, incluyendo este Apéndice. Usted también reconoce que ha leído y que específicamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 15 del Convenio y la Sección 2 de la Parte A de este Apéndice:*

- (1) Su participación en el 2006 Plan no constituye un derecho adquirido;*
- (2) El 2006 Plan y su participación en el 2006 Plan se ofrecen por la Compañía de manera totalmente discrecional;*
- (3) Su participación en el 2006 Plan es voluntaria; y*
- (4) Ninguna de las empresas subsidiarias de la Compañía ni su Patrón son responsables de ninguna disminución en el valor de las Acciones adquiridas al momento de tener el derecho respecto a las Unidades de Acciones Restringidas.*

Política Laboral y Reconocimiento. *Esta disposición suplementa la Sección 15 del Convenio y la Sección 2 de la Parte A de este Apéndice:*

Al aceptar el Premio, Usted expresamente reconoce que la Compañía, con domicilio de operaciones ubicado en 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A, es el único responsable de la administración del 2006 Plan y que su participación en el 2006 Plan y la adquisición de Acciones no constituyen una relación de trabajo entre Usted y la Compañía, ya que Usted participa en el 2006 Plan de una manera totalmente comercial y su único Patrón es una empresa Mexicana a quien se encuentra subordinado. Derivado de lo anterior, Usted expresamente reconoce que el 2006 Plan y los beneficios que le pudieran derivar de la participación en el 2006 Plan no establecen derecho alguno entre Usted y su Patrón y no forman parte de las condiciones de trabajo y/o las prestaciones otorgadas por el Patrón y que cualquier modificación al Plan o su terminación no constituye un cambio o menoscabo de los términos y condiciones de su relación de trabajo.

Asimismo, Usted reconoce que su participación en el 2006 Plan es resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o discontinuar su participación en cualquier momento y sin responsabilidad alguna frente Usted.

Finalmente, Usted por este medio declara que no se reserva derecho o acción alguna en contra de la Compañía por cualquier compensación o daños y perjuicios en relación con cualquier disposición del 2006 Plan o de los beneficios derivados del 2006 Plan y, por lo tanto, otorga el más amplio finiquito que en derecho proceda a favor de la Compañía, y sus afiliadas, sucursales, oficinas de representación, accionistas, fiduciarios, directores, funcionarios, empleados, agentes o representantes legales en relación con cualquier demanda o reclamación que pudiera surgir.

PHILIPPINES

Notifications

Securities Law Information. The grant of the RSUs, is being made pursuant to an exemption from registration under Section 10.2 of the Philippines Securities Regulation Code that has been approved by the Philippines Securities and Exchange Commission.

The risks of participating in the 2006 Plan include (without limitation) the risk of fluctuation in the price of the Common Stock on the Nasdaq and the risk of currency fluctuations between the U.S. Dollar and your local currency. The value of any shares of Common Stock you may acquire under the 2006 Plan may decrease below the value of the shares of Common Stock at vesting and fluctuations in foreign exchange rates between your local currency and the U.S. Dollar may affect the value any amounts due to you pursuant to the subsequent sale of any shares of Common Stock acquired upon vesting. The Corporation is not making any representations, projections or assurances about the value of the shares of Common Stock now or in the future.

For further information on risk factors impacting the Corporation's business that may affect the value of the shares of Common Stock, you may refer to the risk factors discussion in the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov/, as well as on the Corporation's website at <https://www.intc.com/investor-relations/default.aspx>. In addition, you may receive, free of charge, a copy of the Corporation's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Corporation's stockholders by contacting Investor Relations at Intel Corporation 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A.

You acknowledge that you are permitted to sell shares of Common Stock acquired under the 2006 Plan through the designated broker appointed by the Corporation (or such other broker to whom you transfer your shares of Common Stock), provided that such sale takes place outside of the Philippines through the facilities of the Nasdaq on which the shares are listed.

PORTUGAL

Terms and Conditions

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accept and agree with the terms and conditions established in the 2006 Plan and the Agreement.

Consentimento de Língua Inglesa. *O beneficiário pelo presente declara expressamente que tem pleno conhecimento da língua Inglesa e que leu, compreendeu e totalmente aceitou e concordou com os termos e condições estabelecidas no 2006 Plano e no Acordo.*

ROMANIA

Terms and Conditions

Language Consent. By accepting the grant of RSUs, you acknowledge that you are proficient in reading and understanding English, and have read and acknowledge that you have fully understood the terms of the documents related to the grant (the Notice of Grant, the Agreement and the 2006 Plan), which were provided in the English language. You accept the terms of these documents accordingly.

Consimțământ cu privire la limba. *Prin acceptarea acordării de RSU-uri, confirmați ca aveți un nivel adecvat*

de cunoastere in ce priveste citirea si intelegerea limbii engleze, si ati citit si confirmati ca ati inteles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul si 2006 Planul), care au fost furnizate in limba engleza. Acceptati termenii acestor documente in consecinta.

RUSSIA

Notifications

Securities Law Information. This Appendix, the Notice of Grant, the Agreement, the 2006 Plan and all other materials that you may receive regarding the 2006 Plan, do not constitute advertising or an offering of securities in Russia. The issuance of securities pursuant to the 2006 Plan has not and will not be registered in Russia; hence, the securities described in any 2006 Plan-related documents may not be used for offering or public circulation in Russia.

SAUDI ARABIA

Notifications

Securities Law Information. The Agreement may not be distributed in the Kingdom of Saudi Arabia except to such individuals as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of the Agreement, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of the Agreement. You should conduct your own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of the Agreement you should consult an authorized financial adviser.

SINGAPORE

Terms and Conditions

Sale Restriction. The grant of RSUs and the issuance of shares of Common Stock under the 2006 Plan (if any) are being made in reliance on the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The 2006 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the RSUs are subject to section 257 of the SFA and you will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock subject to the RSUs in Singapore, unless such sale or offer in is made (i) after six months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

SOUTH AFRICA

Terms and Conditions

Tax Withholding. The following provisions supplements Section 12 of the Agreement:

By accepting the RSUs, you agree to notify the Employer of the amount of any gain realized when the RSUs vests and shares of Common Stock are issued to you. If you fail to advise the Employer of the gain realized when the RSUs vests and shares of Common Stock are issued, you may be liable for a fine.

SPAIN

Terms and Conditions

Nature of Grant. The following provision supplements Section 17 of the Agreement and Section 2 of Part A of this Appendix:

In accepting the RSUs, you consent to participation in the 2006 Plan and acknowledge that you have received a copy of the 2006 Plan.

You understand that the Corporation has unilaterally, gratuitously and discretionally decided to grant RSUs under the 2006 Plan to individuals who may be employees of the Corporation or its Subsidiaries throughout the world. This decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Corporation or any of its Subsidiaries other than as expressly set forth in the 2006 Plan and the Agreement. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs and any shares of Common Stock issued upon vesting of the RSUs are not a part of any employment contract (either with the Corporation or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever.

Further, you understand and agree that, unless otherwise expressly provided for by the Corporation or set forth in the Agreement, the RSUs will be cancelled without entitlement to any shares of Common Stock if your employment is terminated for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without good cause (*i.e.* , subject to a “despido improcedente”), material modification of the terms of employment under Article 41 of the Workers’ Statute, relocation under Article 40 of the Workers’ Statute, Article 50 of the Workers’ Statute, or under Article 10.3 of Royal Decree 1382/1985. The Corporation, in its sole discretion, shall determine the date when your employment has terminated for purposes of the RSUs.

In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the RSUs shall be null and void.

Notifications

Securities Law Information . No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the RSUs. The Agreement has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores* , and does not constitute a public offering prospectus.

SWITZERLAND

Notifications

Securities Law Information . The RSUs are not intended to be publicly offered in or from Switzerland. Because the offer of RSUs is considered a private offering, it is not subject to registration in Switzerland. Neither this document nor any other materials relating to the RSUs constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the RSUs may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing materials relating to the RSUs has been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Supervisory Authority (FINMA)).

TAIWAN

Notifications

Securities Law Information . The offer of participation in the 2006 Plan is available only for employees of

the Corporation and its Subsidiaries. The offer of participation in the 2006 Plan is not a public offer of securities by a Taiwanese company.

TURKEY

Notifications

Securities Law Information. Turkish residents are not permitted to sell shares of Common Stock acquired under the 2006 Plan in Turkey. The shares of Common Stock are currently traded on the Nasdaq, which is located outside of Turkey, under the ticker symbol “INTC” and the shares of Common Stock may be sold through this exchange.

UNITED ARAB EMIRATES

Notifications

Securities Law Information. The offer of the RSUs is available only for select employees of the Corporation and its Subsidiaries and is in the nature of providing employees incentives in the United Arab Emirates. The 2006 Plan and the Agreement are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective acquirers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2006 Plan and the Agreement, or any other incidental communication materials distributed in connection with the RSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2006 Plan and the Agreement should obtain independent professional advice.

UNITED KINGDOM

Terms and Conditions

Tax Withholding. The following provisions supplements Section 12 of the Agreement:

Without limitation to Section 12 of the Agreement, you agree that you are liable for all taxes and hereby covenant to pay all such taxes, as and when requested by the Corporation or the Employer or by Her Majesty’s Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Corporation and the Employer against any taxes that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), you understand that you may not be able to indemnify the Corporation for the amount of any taxes not collected from or paid by you, if the indemnification could be considered to be a loan. In this case, the taxes not collected or paid within 90 days of the end of the U.K. tax year in which the event giving rise to the taxes occurs may constitute a benefit to you on which additional income tax and National Insurance contributions (“**NICs**”) may be payable. You understand that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Corporation and/or the Employer (as appropriate) the amount of any NICs due on this additional benefit.

VIETNAM

Terms and Conditions

Settlement and Sale of Shares of Common Stock. Due to local regulatory requirements, the Corporation

may require you to sell any shares of Common Stock issued to you within 90 days of your termination of employment, death and/or Disablement. You agree that the Corporation is authorized to instruct its designated broker to assist with the mandatory sale of such shares of Common Stock (on your behalf pursuant to this authorization), after your termination of employment, death and/or Disablement, and you expressly authorize the Corporation's designated broker to complete the sale of such shares of Common Stock. You acknowledge that the Corporation's designated broker is under no obligation to arrange for the sale of shares of Common Stock at any particular price. Upon the sale of shares of Common Stock, the Corporation agrees to pay you the cash proceeds from the sale of shares of Common Stock, less any brokerage fees or commissions and subject to any obligation to satisfy tax related obligations. You acknowledge that you are not aware of any material non-public information with respect to the Corporation or any securities of the Corporation as of the date of the Agreement.

Termination of Employment. The second paragraph of Section 7 of the Agreement (pertaining to being rehired within 60 days of termination) does not apply to you.

Exchange Control Information and Consent. All cash proceeds from the sale of shares of Common Stock as described above must be immediately repatriated to Vietnam. You understand that, under local law, such repatriation of the proceeds will be effectuated through a special exchange control account established by the Corporation or a Subsidiary, and you hereby consent and agree that any proceeds received in connection with the 2006 Plan will be transferred to such special account prior to being delivered to you. You agree to bear any currency fluctuation risk between the date the RSUs vest and the shares of Common Stock are sold and the time that (i) the Tax-Related Items are converted to local currency and remitted to the tax authorities, and (ii) net proceeds are converted to local currency and distributed to you. You acknowledge that the Corporation and any Subsidiary cannot be held liable for any delay in delivering the proceeds to you. You agree to sign any agreements, forms and/or consents that may be reasonably requested by the Corporation (or the Corporation's designated broker) to effectuate any of the remittances, transfers, conversions or other processes affecting the proceeds. Finally, you agree to comply with any other requirements that may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in Vietnam.

INTEL CORPORATION

STATEMENT SETTING FORTH THE COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES

(Dollars in Millions)	Nine Months Ended	
	Sep 29, 2018	Sep 30, 2017
Earnings ¹	\$ 18,025	\$ 14,557
Adjustments:		
Add - Fixed charges	742	733
Subtract - Capitalized interest	(381)	(212)
Earnings and fixed charges (net of capitalized interest)	\$ 18,386	\$ 15,078
Fixed charges:		
Interest ²	\$ 337	\$ 493
Capitalized interest	381	212
Estimated interest component of rental expense	24	28
Total	\$ 742	\$ 733
Ratio of earnings before taxes and fixed charges, to fixed charges	25x	21x

¹ After adjustments required by Item 503(d) of Regulation S-K.

² Interest within provision for taxes on the consolidated condensed statements of income is not included.

CERTIFICATION

I, Robert H. Swan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Intel Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2018

By: /s/ ROBERT H. SWAN

Robert H. Swan
Interim Chief Executive Officer and Principal Executive Officer;
Executive Vice President, Chief Financial Officer and Principal
Financial Officer

CERTIFICATION

The undersigned hereby certifies, for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Intel Corporation (Intel), that, to his knowledge, the Quarterly Report of Intel on Form 10-Q for the period ended September 29, 2018, fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Intel. This written statement is being furnished to the Securities and Exchange Commission as an exhibit to such Form 10-Q. A signed original of this statement has been provided to Intel and will be retained by Intel and furnished to the Securities and Exchange Commission or its staff upon request.

Date: October 25, 2018

By: /s/ ROBERT H. SWAN

Robert H. Swan
Interim Chief Executive Officer and Principal Executive Officer;
Executive Vice President, Chief Financial Officer and Principal
Financial Officer