

TIMELINESS 3 Lowered 11/20/09
SAFETY 1 Raised 4/10/09
TECHNICAL 3 Raised 10/30/09
BETA 1.05 (1.00 = Market)

2012-14 PROJECTIONS
 Price Gain Ann'l Total
 High 40 (+95%) 21%
 Low 30 (+50%) 13%

Insider Decisions
 F M A M J J A S O
 to Buy 0 0 0 0 0 0 0 0 0 0
 Options 0 0 0 0 0 0 1 0 0 0
 to Sell 0 0 2 0 0 0 1 0 0 0

Institutional Decisions
 1Q2009 2Q2009 3Q2009
 to Buy 636 737 633
 to Sell 696 565 675
 Hld's(000) 358345935517313529144

LEGENDS
 13.0 x "Cash Flow" p sh
 Relative Price Strength
 2-for-1 split 7/97
 2-for-1 split 4/99
 2-for-1 split 7/00
 Options: Yes
 Shaded area: prior recession
 Latest recession began 12/07

% TOT. RETURN 11/09
 THIS STOCK VLARITH. INDEX
 1 yr. 43.9 60.4
 3 yr. -2.8 -4.1
 5 yr. -3.8 22.3

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	© VALUE LINE PUB., INC.	12-14
1.31	1.74	2.47	3.17	3.85	3.96	4.41	5.02	3.97	4.07	4.65	5.47	6.56	6.14	6.59	6.76	6.30	6.80	Sales per sh	8.00
.45	.54	.74	1.07	1.40	1.36	1.68	2.07	1.16	1.24	1.59	1.94	2.20	1.68	1.98	1.74	1.55	2.40	"Cash Flow" per sh	2.70
.32	.37	.49	.73	.97	.89	1.17	1.53	.53	.51	.86	1.16	1.40	.86	1.18	.92	.68	1.50	Earnings per sh ^A	1.75
.01	.01	.02	.02	.03	.03	.05	.07	.08	.08	.08	.16	.32	.41	.45	.55	.56	.63	Div'ds Decl'd per sh ^B	.80
.29	.37	.54	.46	.69	.54	.51	.99	1.09	.72	.56	.61	.98	1.00	.86	.93	.80	.90	Cap'l Spending per sh	1.20
1.12	1.40	1.85	2.57	2.96	3.53	4.88	5.55	5.36	5.40	5.83	6.17	6.11	6.37	7.35	7.03	7.25	7.85	Book Value per sh	9.15
6688.0	6608.0	6568.0	6568.0	6512.0	6630.0	6668.0	6721.0	6690.0	6570.0	6487.0	6253.0	5919.0	5766.0	5818.0	5562.0	5500.0	5700.0	Common Shs Outst'g ^C	6000.0
11.3	10.7	13.9	14.2	20.6	24.3	29.5	36.1	55.0	45.8	27.5	22.1	17.8	23.3	19.9	21.7	25.0		Avg Ann'l P/E Ratio	20.0
.67	.70	.93	.89	1.19	1.26	1.68	2.35	2.82	2.50	1.57	1.17	.95	1.26	1.06	1.32	1.65		Relative P/E Ratio	1.35
.3%	.4%	.3%	.2%	.1%	.1%	.1%	.1%	.3%	.3%	.3%	.6%	1.3%	2.0%	1.9%	2.8%	4.0%		Avg Ann'l Div'd Yield	2.3%

CAPITAL STRUCTURE as of 9/26/09
 Total Debt \$2224 mill. Due in 5 Yrs \$176 mill.
 LT Debt \$2201 mill. LT Interest \$20.0 mill.
 (5% of Cap'l)

Leases, Uncapitalized Annual rentals \$106.0 mill.

Pension Assets-12/08 \$303 mill. **Oblig.** \$542 mill.
 Pfd Stock None

Com. Stock 5,522,000,000 shs.
 as of 10/23/09
MARKET CAP: \$112 billion (Large Cap)

2007	2008	9/26/09		
29389	33726	26539	26764	30141
46.8%	45.2%	33.6%	36.0%	43.5%
3186.0	3249.0	4131.0	4676.0	4651.0
8044.0	10669	3631.0	3457.0	5641.0
34.3%	30.2%	37.2%	25.9%	24.2%
27.4%	31.6%	13.7%	12.9%	18.7%
10720	12500	11063	12330	16003
955.0	707.0	1050.0	929.0	936.0
32535	37322	35830	35468	37846
24.1%	28.1%	9.9%	9.6%	14.6%
24.7%	28.6%	10.1%	9.7%	14.9%
23.6%	27.3%	8.6%	8.2%	13.5%
5%	4%	15%	15%	9%

2007	2008	9/26/09		
15363	11843	9259		
2576	1712	2025		
3370	3744	2490		
2576	2572	5473		
23885	19871	19247		
2361	2390	1907		
142	102	23		
6068	5326	5819		
8571	7818	7749		

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '06-'08 to '12-'14

Sales	6.0%	9.0%	3.5%
"Cash Flow"	3.5%	6.5%	7.0%
Earnings	1.5%	9.5%	10.0%
Dividends	33.5%	42.5%	9.5%
Book Value	8.5%	4.5%	5.0%

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	8940	8009	8739	9694	35382
2007	8852	8680	10090	10712	38334
2008	9673	9470	10217	8226	37586
2009	7100	8024	9389	10152	34665
2010	9250	9100	9800	10650	38800

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	.23	.15	.22	.26	.86
2007	.27	.22	.31	.38	1.18
2008	.25	.28	.35	.04	.92
2009	.11	d.07	.33	.31	.68
2010	.34	.30	.42	.44	1.50

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	.10	.10	.10	.113	.41
2007	.113	.113	.113	.113	.45
2008	.128	.14	.14	.14	.55
2009	.14	.14	.14	.14	
2010	.158				

Business: Intel Corporation is a leading manufacturer of integrated circuits. Markets served: primarily makers of personal computers; also communications, industrial automation, military, and other electronic equipment. Main products: microprocessors (notably, the Pentium series), microcontrollers, and memory chips. Also sells computer modules and boards, and network products.

Foreign business: about 85% of '08 sales. R&D: 15.0% of sales. '08 depreciation rate: 9.1%. Has approximately 83,900 employees. Officers/directors own about 4% of stock (3/09 proxy). Chairman: Craig Barrett. Pres. and CEO: Paul Otellini. Incorpor.: Delaware. Address: 2200 Mission College Blvd., Santa Clara, California 95052-8119. Telephone: 408-765-8080. Internet: www.intc.com.

Intel likely finished 2009 with strong bottom-line results. We expect that the chip behemoth posted earnings per share of \$0.31 during the December interim, which represents a significant improvement over the prior year's tally. *The company was set to announce fourth-quarter results shortly after we went to press with this Issue.* We think that revenues rebounded to roughly \$10.2 billion, thanks to relatively strong microprocessor and chipset demand. Conditions in the broader chip market improved during the latter stages of 2009, though for the full year we think that global chip sales dropped about 10% relative to the prior year.

We have bolstered our outlook for this year by \$0.30 a share since our October review. Conditions in the broader semiconductor market are highly dependent on the health of the overall economy. After being in recession mode for nearly two years, the U.S. economy bounced back with a moderate 2% gain during the September quarter. We look for about this level of growth to continue over the next 12 to 18 months. This should result in increased demand for consumer items, such as personal computers, digital televisions, and cellular handsets. Also, we think that there is pent-up demand for networking equipment, since corporations have scaled back capital spending. Manufacturing efficiencies should help lift Intel's profits in the coming quarters, as well.

Intel announced some news on the litigation front. The company settled its legal dispute, related to antitrust concerns and patent cross-license disputes, with rival Advanced Micro Devices (AMD). Under terms of the agreement, AMD and Intel obtain patent rights from a new five-year cross-license agreement, Intel and AMD will give up any claims of breach from the previous license agreement, and Intel will pay AMD \$1.25 billion. Intel shares did not move materially following the news. The decision does not change our bullish long-term outlook for Intel's earnings prospects.

Neutrally ranked Intel stock has good long-term gains prospects. The dividend has been increased to an annual run rate of \$0.63 a share, which might entice income-oriented investors.

Alan G. House *January 8, 2010*

(A) Dil. egs. Excl. nonrecurr. gains (losses): '93, 1c; '94, 8c; '95, 2c; '98, (3c); '99, (11c); '00, (2c); '01, (34c); '02, (5c); '03, (1c). Next egs. report mid-Jan.	(B) Dividends historically paid in early March, June, September, and December. ■ Dividend reinvestment plan available. (C) In millions, adjusted for stock splits.	(D) Excludes amortization of goodwill and other acquisition-related intangibles.	Company's Financial Strength A++
			Stock's Price Stability 80
			Price Growth Persistence 10
			Earnings Predictability 60