



Stock Selection Guide [®]

The most widely used aid to good investment judgment

Company INTEL CORPORATION Date 12/22/03

Prepared by MG Data taken from M

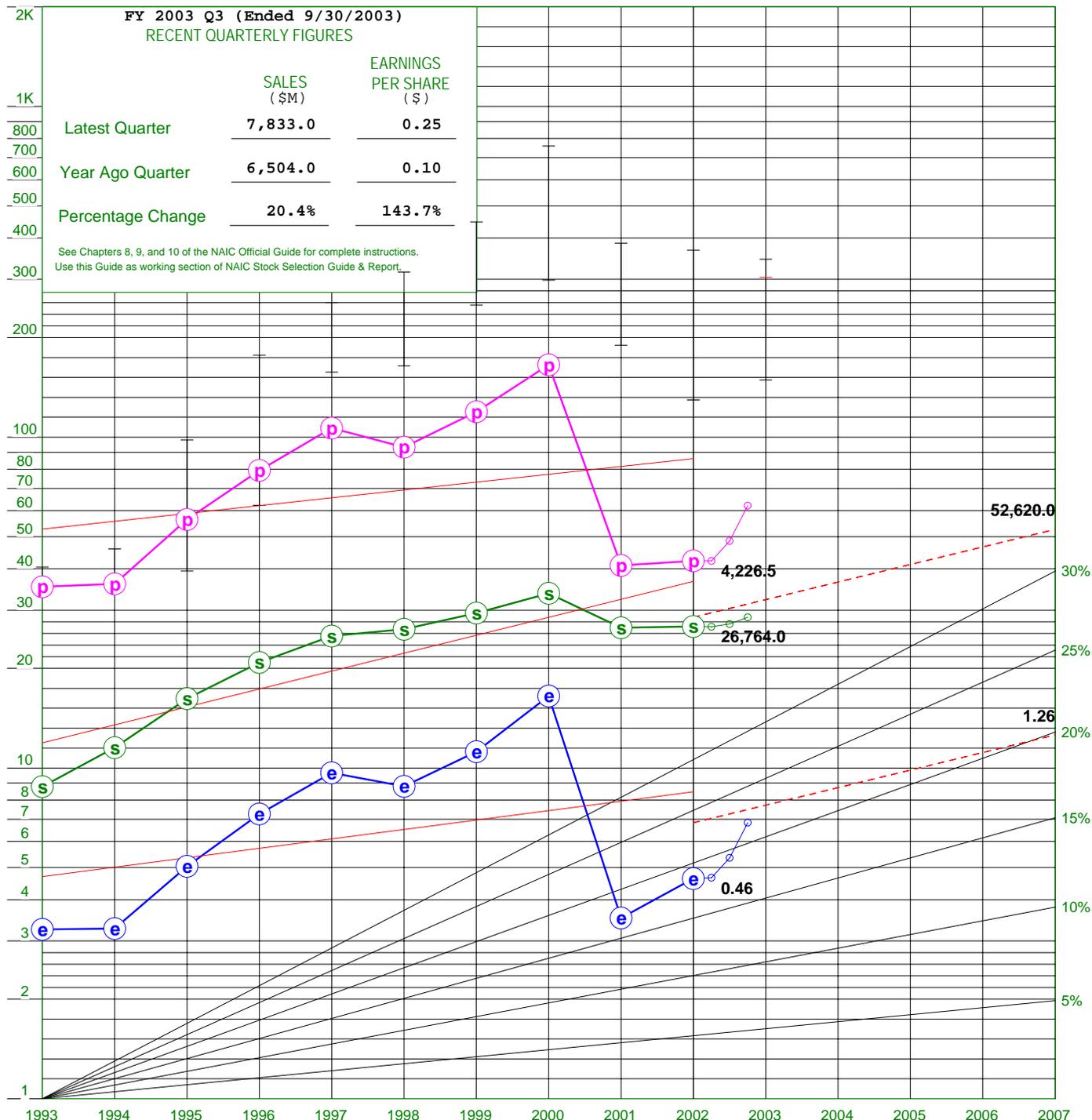
Where traded NASDAQ Major product/service Semiconduct

CAPITALIZATION --- Outstanding Amounts Reference

Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	6,517.0	7.0	54.6
Debt (\$M)	1,365.0	% to Tot.Cap.	3.8 % Potential Dil.
			None

1 VISUAL ANALYSIS of Sales, Earnings and Price

INTC



(1) Historical Sales Growth 13.3 %

(3) Historical Earnings Per Share Growth 6.8 %

(2) Estimated Future Sales Growth 13.0 %

(4) Estimated Future Earnings Per Share Growth 13.0 %

2 EVALUATING MANAGEMENT

Company **INTEL CORPORATION**

(INTC)

12/22/03

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	LAST 5 YEAR AVG.	TREND	
												UP	DOWN
A % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	40.2	31.3	34.8	38.1	42.5	35.5	40.6	49.1	15.4	15.8	31.3		DOWN
B % Earned on Equity (E/S ÷ Book Value)	30.7	24.6	27.4	28.4	32.8	25.1	22.9	29.7	6.6	8.7	18.6		DOWN

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

Year	PRESENT PRICE		HIGH THIS YEAR		LOW THIS YEAR					
	A	B	C	D	E	F	G	H		
	HIGH	LOW	Earnings Per Share	Price Earnings Ratio	Price Earnings Ratio	Dividend Per Share	% Payout	% High Yield		
1	31.5	16.4	0.88	35.8	18.6	0.030	3.4	0.2		
2	44.8	25.1	1.12	40.0	22.4	0.060	5.4	0.2		
3	75.8	29.8	1.65	46.0	18.1	0.070	4.2	0.2		
4	38.6	19.0	0.35	109.7	54.0	0.080	22.7	0.4		
5	36.8	13.0	0.46	79.5	28.1	0.080	17.3	0.6		
6	TOTAL			311.0	141.2		53.0			
7	AVERAGE			62.2	28.2		10.6			
8	AVERAGE PRICE EARNINGS RATIO			45.2	9 CURRENT PRICE EARNINGS RATIO			44.5		

4 Proj. P/E [39.59] Based on Next 4 qtr. EPS [0.77] Current P/E Based on Last 4 qtr. EPS [0.68] EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE -- NEXT 5 YEARS

Avg. High P/E $\frac{62.2}{(3D7 \text{ as adj.})}$ \times Estimate High Earnings/Share 1.26 = Forecast High Price \$ 37.8 (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E $\frac{28.2}{(3E7 \text{ as adj.})}$ \times Estimated Low Earnings/Share 0.46 = \$ 9.3

(b) Avg. Low Price of Last 5 Years = 20.7 (3B7)

(c) Recent Severe Market Low Price = 13.0

(d) Price Dividend Will Support $\frac{\text{Present Divd. } 0.080}{\text{High Yield (H) } 0.006}$ = 13.0

Selected Estimate Low Price = \$ 20.7 (4B1)

C ZONING

$\frac{37.8}{(4A1)}$ High Forecast Price Minus $\frac{20.7}{(4B1)}$ Low Forecast Price Equals $\frac{17.1}{(C)}$ Range. 1/3 of Range = $\frac{4.3}{(4CD)}$

(4C2) Lower 1/3 = $\frac{20.7}{(4B1)}$ to $\frac{25.0}{(Buy)}$ Note: Ranges changed to 25%/50%/25%

(4C3) Middle 1/3 = $\frac{25.0}{(4B1)}$ to $\frac{33.5}{(Maybe)}$

(4C4) Upper 1/3 = $\frac{33.5}{(4B1)}$ to $\frac{37.8}{(4A1) (Sell)}$

Present Market Price of 30.420 is in the **Hold** (4C5) Range

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) 37.8 Minus Present Price 30.420 = $\frac{7.4}{9.7}$ = $\frac{0.8}{(4D)}$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

High Price (4A1) 37.8 = ($\frac{1.243}{(4E)}$) $\times 100$ = ($\frac{124.3}{(4E)}$) - 100 = $\frac{24.3}{(4E)}$ % Appreciation

Relative Value: 98.5% Proj. Relative Value: 87.6%

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A Present Full Year's Dividend \$ 0.080
 Present Price of Stock \$ 30.420 = $\frac{0.003}{(5A)}$ $\times 100$ = $\frac{0.3}{(5A)}$ Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS
 Avg. Earnings Per Share Next 5 Years 0.99 \times Avg. % Payout (3G7) 10.6 = 10.5 = $\frac{0.3}{(5B)}$ %
 Present Price \$ 30.420

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

	5 Year Appreciation Potential (4E)	Average Yield (5B)	Average Total Annual Return Over the Next 5 Years (5C)	P.A.R.	Tot. Ret.
	24.3	4.9 %	5.2 %	0.4 %	0.4 %
		0.3 %		0.7 %	4.4 %
				1.1 %	4.8 %

Trailing 4 quarters

PERT Worksheet-A Graph

Company INTEL CORPORATION (INTC)

