



Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
Price	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	6.36	7.92	9.68	10.30	11.60	Sales per sh	14.00
Gain	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	1.65	2.92	3.24	3.35	3.65	"Cash Flow" per sh	4.60
Options	.73	.97	.89	1.17	1.53	.53	.51	.86	1.16	1.40	.86	1.18	.92	.77	2.05	2.39	2.40	2.60	Earnings per sh ^A	3.40
to Buy	.02	.03	.03	.05	.07	.08	.08	.08	.16	.32	.41	.45	.55	.56	.63	.78	.84	.90	Div'ds Decl'd per sh ^B	1.15
to Sell	.46	.69	.54	.51	.99	1.09	.72	.56	.61	.98	1.00	.86	.93	.82	.94	1.93	1.40	1.65	Cap'l Spending per sh	2.25
Options	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	7.55	8.97	8.23	9.10	10.50	Book Value per sh	15.00
to Buy	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	5523.0	5511.0	5581.0	5500.0	5250.0	Common Shs Outst'g ^C	5000.0
to Sell	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	22.2	10.1	9.2			Avg Ann'l P/E Ratio	15.0
Hld's(0000)	.89	1.19	1.26	1.68	2.35	2.82	2.50	1.57	1.17	.95	1.26	1.06	1.31	1.48	.64	.58			Relative P/E Ratio	1.00
327469631539083025581	.2%	.1%	.1%	.1%	.1%	.3%	.3%	.3%	.6%	1.3%	2.0%	1.9%	2.8%	3.3%	3.0%	3.5%			Avg Ann'l Div'd Yield	2.3%

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
Total Debt	26764	30141	34209	38826	35382	38334	37586	35127	43623	53999	56560	60940	Sales (\$mill)	70000						
LT Debt	36.0%	43.5%	43.6%	42.7%	30.8%	34.7%	37.3%	29.8%	45.9%	41.9%	44.0%	47.5%	Operating Margin	52.0%						
Leases	4676.0	4651.0	4590.0	4345.0	4654.0	4546.0	4360.0	4744.0	4398.0	5141.0	5300	5500	Depreciation (\$mill) ^D	6000						
Pension Assets	3457.0	5641.0	7516.0	8664.0	5044.0	6976.0	5292.0	4369.0	11692	12942	13200	13650	Net Profit (\$mill)	17000						
Pfd Stock	25.9%	24.2%	27.8%	31.3%	28.6%	23.9%	31.1%	23.4%	28.7%	27.2%	28.0%	27.2%	Income Tax Rate	30.0%						
Com. Stock	12.9%	18.7%	22.0%	22.3%	14.3%	18.2%	14.1%	12.4%	26.8%	24.0%	23.5%	22.5%	Net Profit Margin	24.5%						
MARKET CAP	12330	16003	16052	11960	9766.0	15314	12053	13566	22284	13844	14500	16000	Working Cap'l (\$mill)	19000						
CURRENT POSITION	929.0	936.0	703.0	2106.0	1848.0	1980.0	1886.0	2049.0	2077.0	7084.0	6000	5000	Long-Term Debt (\$mill)	3500						
2009	35468	37846	38579	36182	36752	42762	39088	41704	49430	45911	50000	55000	Shr. Equity (\$mill)	75000						
2010	9.6%	14.6%	19.2%	22.7%	13.1%	15.6%	12.9%	10.0%	22.8%	24.4%	23.5%	23.0%	Return on Total Cap'l	21.5%						
2011	9.7%	14.9%	19.5%	23.9%	13.7%	16.3%	13.5%	10.5%	23.7%	28.2%	26.5%	25.0%	Return on Shr. Equity	22.5%						
2012	8.2%	13.5%	16.8%	18.5%	7.4%	10.2%	5.6%	3.0%	16.6%	19.5%	17.0%	16.0%	Retained to Com Eq	15.5%						
2013	15%	9%	14%	23%	46%	38%	59%	71%	30%	33%	35%	35%	All Div'ds to Net Prof	34%						

CAPITAL STRUCTURE as of 12/31/11
 Total Debt \$7331 mill. Due in 5 Yrs \$590 mill.
 LT Debt \$7084 mill. LT Interest \$70.0 mill. (13% of Cap'l)
 Leases, Uncapitalized Annual rentals \$102.0 mill.
 Pension Assets-12/10 \$569 mill. Oblig. \$739 mill. Pfd Stock None
 Com. Stock 5,581,000,000 shs.
 MARKET CAP: \$157 billion (Large Cap)

Year	2009	2010	12/31/11
Cash Assets	13920	21885	14837
Receivables	2273	2867	3650
Inventory (FIFO)	2935	3757	4096
Other	2029	3102	3289
Current Assets	21157	31611	25872
Accts Payable	1883	2290	2956
Debt Due	172	38	247
Other	5536	6999	8825
Current Liab.	7591	9327	12028

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '09-'11 to '15-'17
 Sales 4.5% 5.0% 10.5%
 "Cash Flow" 2.0% 2.0% 12.0%
 Earnings .5% 2.0% 15.5%
 Dividends 28.0% 25.5% 10.5%
 Book Value 5.5% 5.5% 9.5%

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	7145	8024	9389	10569	35127
2010	10299	10765	11102	11457	43623
2011	12847	13032	14233	13887	53999
2012	12820	13390	15000	15350	56560
2013	13700	14500	16000	16740	60940

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.11	d.07	.33	.40	.77
2010	.43	.51	.52	.59	2.05
2011	.56	.54	.65	.64	2.39
2012	.50	.54	.67	.69	2.40
2013	.55	.59	.72	.74	2.60

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.128	.14	.14	.14	.55
2009	.14	.14	.14	.14	.56
2010	.158	.158	.158	.158	.63
2011	.181	.181	.21	.21	.78
2012	.21				

Intel posted fairly good results for the December quarter of last year. More precisely, share net came in at \$0.64, thanks to revenues of nearly \$13.9 billion. These numbers were markedly above the prior year, and our estimates for sales and earnings of \$13.7 billion and \$0.60 a share, respectively. The chip behemoth, as is the case with the broader chip market, is highly dependent on the health of the global economy. U.S. economic growth has been moderate of late, which has helped both consumer and corporate chip demand. Although conditions have been far from astounding, they have been relatively solid across most product segments. For instance, PC Client Group sales advanced 17% from the previous year, to \$9 billion, while Data Center revenue climbed 8%, to \$2.7 billion. Furthermore, the other Intel architecture unit registered year-to-year growth of about 35%. These factors helped to offset a sharp decline in Intel Atom microprocessor and chipset revenue. We look for roughly flat bottom-line results this year. For the March period, (results were scheduled to be released shortly after we went to press with this Is-

sue) we think revenues were about \$12.8 billion, or roughly flat compared to last year's figure. What's more, we believe the gross margin came in at 64%, which is only 150 basis points below the December-period level. (Keep in mind that the first quarter is seasonally slower than the fourth quarter.) We look for stronger top- and bottom-line results next year as the company benefits from generally stronger macroeconomic conditions. Intel is well positioned for the long haul. Its strong balance sheet makes acquisitions a possibility, which would enhance our projections. Interestingly, the company plans to enter the Internet-based TV service market, a very attractive growth segment, in general. Intel missed the boat with smartphones, so whether it can jump on board with this endeavor remains to be seen. Intel stock is on our recommended list for the year ahead. Too, return potential is lucrative for the 3- to 5-year pull. We look for Intel's P/E multiple to expand to about the market average by then, while earnings per share might well reach \$3.40.
 Alan G. House
 April 6, 2012

Company's Financial Strength A++
Stock's Price Stability 80
Price Growth Persistence 25
Earnings Predictability 45
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