



Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
Price	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	6.36	7.92	8.95	9.45	Sales per sh	10.95
Gain	.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	1.65	2.85	2.95	3.15	"Cash Flow" per sh	3.75
Return	.49	.73	.97	.89	1.17	1.53	.53	.51	.86	1.16	1.40	.86	1.18	.92	.77	2.05	2.05	2.20	Earnings per sh ^A	2.80
Options	.02	.02	.03	.03	.05	.07	.08	.08	.08	.16	.32	.41	.45	.55	.56	.63	.72	.78	Div'ds Decl'd per sh ^B	.94
to Buy	.54	.46	.69	.54	.51	.99	1.09	.72	.56	.61	.98	1.00	.86	.93	.82	.94	1.60	1.65	Cap'l Spending per sh	2.00
to Sell	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	7.55	8.97	10.25	11.50	Book Value per sh	13.35
to Buy	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	5523.0	5511.0	5550.0	5600.0	Common Shs Outst'g ^C	6000.0
to Sell	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	22.2	10.1	1.48	1.65	Avg Ann'l P/E Ratio	20.0
Hld's(000)	.93	.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	.65	3.0%	3.0%	Relative P/E Ratio	1.35
34785733763203356109	.3%	.2%	.1%	.1%	.1%	.1%	.3%	.3%	.3%	.6%	1.3%	2.0%	1.9%	2.8%	3.3%	3.0%			Avg Ann'l Div'd Yield	1.7%

Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
Total Debt	26539	26764	30141	34209	38826	35382	38334	37586	35127	43623	49790	53020	Sales (\$mill)	65750						
LT Debt	33.6%	36.0%	43.5%	43.6%	42.7%	30.8%	34.7%	37.3%	29.8%	45.5%	44.0%	47.0%	Operating Margin	52.0%						
Leases	4131.0	4676.0	4651.0	4590.0	4345.0	4654.0	4546.0	4360.0	4744.0	4398.0	5000	5250	Depreciation (\$mill) ^D	5750						
Pension Assets	3631.0	3457.0	5641.0	7516.0	8664.0	5044.0	6976.0	5292.0	4369.0	11300	11380	12320	Net Profit (\$mill)	16800						
Com. Stock	37.2%	25.9%	24.2%	27.8%	31.3%	28.6%	23.9%	31.1%	23.4%	29.0%	29.0%	30.0%	Income Tax Rate	30.0%						
MARKET CAP	13.7%	12.9%	18.7%	22.0%	22.3%	14.3%	18.2%	14.1%	12.4%	26.0%	23.0%	23.0%	Net Profit Margin	25.5%						
	11063	12330	16003	16052	11960	9766.0	15314	12053	13566	22284	21500	22000	Working Cap'l (\$mill)	25000						
	1050.0	929.0	936.0	703.0	2106.0	1848.0	1980.0	1886.0	2049.0	2077.0	2100	2150	Long-Term Debt (\$mill)	2500						
	35830	35468	37846	38579	36182	36752	39088	41704	49430	56750	64500	80125	Shr. Equity (\$mill)	80125						
	9.9%	9.6%	14.6%	19.2%	22.7%	13.1%	15.6%	12.9%	10.0%	22.0%	19.5%	18.5%	Return on Total Cap'l	20.5%						
	10.1%	9.7%	14.9%	19.5%	23.9%	13.7%	16.3%	13.5%	10.5%	23.0%	20.0%	19.0%	Return on Shr. Equity	21.0%						
	8.6%	8.2%	13.5%	16.8%	18.5%	7.4%	10.2%	5.6%	3.0%	16.0%	13.0%	12.5%	Retained to Com Eq	14.0%						
	15%	15%	9%	14%	23%	46%	38%	59%	71%	31%	35%	35%	All Div'ds to Net Prof	34%						

CAPITAL STRUCTURE as of 12/25/10
Total Debt \$2115 mill. Due in 5 Yrs \$170 mill.
LT Debt \$2077 mill. LT Interest \$20.0 mill.
 (4% of Cap'l)
Leases, Uncapitalized Annual rentals \$102.0 mill.
Pension Assets-12/09 \$411 mill. **Oblig.** \$567 mill.
Pfd Stock None
Com. Stock 5,488,000,000 shs. as of 2/4/11
MARKET CAP: \$111 billion (Large Cap)

Year	2008	2009	12/25/10
Cash Assets	11843	13920	21885
Receivables	1712	2273	2867
Inventory (FIFO)	3744	2935	3757
Other	2572	2029	3102
Current Assets	19871	21157	31611
Accts Payable	2390	1883	2290
Debt Due	102	172	38
Other	5326	5536	6999
Current Liab.	7818	7591	9327

Year	2008	2009	2010	2011	2012
Annual Rates of change (per sh)	10 Yrs.	5 Yrs.	Est'd '07-'09		
Sales	5.0%	7.0%	7.5%		
"Cash Flow"	2.0%	2.5%	11.0%		
Earnings	-5%	2.5%	16.5%		
Dividends	31.0%	37.5%	9.0%		
Book Value	7.0%	4.5%	9.0%		

Year	2008	2009	2010	2011	2012
Quarterly Sales (\$mill.)	9673	9470	10217	8226	37586
Earnings per share ^A	.25	.28	.35	.04	.92
Dividends per share ^B	.11	d.07	.33	.40	.77
Dividends paid ^C	.43	.51	.52	.59	2.05
Dividends paid ^D	.47	.48	.54	.56	2.05
Dividends paid ^E	.50	.51	.59	.60	2.20

Intel reported strong results for the December quarter of last year. More precisely, the chip behemoth announced share earnings of \$0.59, which represents a nearly 50% improvement from the year-earlier tally. Revenues increased almost 10% from the prior year, while the gross margin was 67.5%. Results were fueled by a 15% improvement in Data Center revenues on a sequential basis, a slight increase in average selling prices for microprocessors, and a net gain of \$140 million from equity investments and interest income, which was above our expectation. Too, Europe climbed 19% sequentially, thanks largely to healthy demand for Hewlett-Packard servers. Management announced a production problem, along with a new first-quarter revenue expectation. INTC shares were halted in trading on January 31st following news that a design flaw was found in a product (support microprocessor) accompanying its recently released *Sandy Bridge* line of personal computer processors. The *Sandy Bridge* is a next-generation product that combines central processing and graphical functions.

The problem was fixed in February, though it reduced revenue by \$300 million in the interim. However, revenues were likely \$11.7 billion (plus or minus \$400 million) in the first period, relative to management's prior guidance of about \$11.5 billion. Also, full-year 2011 revenues are likely to climb at a mid- to high-teens rate, compared to its prior call of 10%. We attribute the positive view to better global economic conditions that should help lift chip demand. Share net, however, ought to remain roughly flat, as we look for the operating margin to decline for the year. **The Japanese earthquake and tsunami should have limited impact on operations.** The disaster has minimal influence on Intel's PC chip production or its ability to meet demand, but the company is monitoring the supply chain. Also, rebuilding efforts in Japan might well boost demand at some juncture. **These timely shares also offer alluring 3- to 5-year total return potential at the recent valuation.** Investors seeking technology exposure to round out their portfolios should look here. *Alan G. House* April 8, 2011