

## INTEL CORP.

## Large Beat, Sandy Bridge ASPs Up

Intel positively surprised investors with sales and EPS substantially above consensus. Sales appear to have been lifted by Sandy Bridge ASPs (estimate PC MPU ASPs +10%), a faster catch up in delayed Sandy Bridge ramp as well as improved demand in Servers/Storage, emerging markets & solid enterprise. Given low expectations and still weak investor sentiment, expect a move upwards into an Analyst Day on 5/17 and Tablet releases at Computex. With flat June sales guide, we move CY11 EPS estimate to \$2.32 from \$2.08 and use a target of \$25 or just 11x CY11. Reservations on high margins, ARM, Tablets/Smartphone competition lead us to retain a longer-term 2-EW rating at present.

**1Q Large Beat:** Sales of \$12.8B well above updated \$11.7B guide as \$300M Sandy Bridge delay hit was removed by faster catch up on ramp, flattish to slightly up PC Group units with strong ASPs (estimate +10%) enabled PC related sales to grow +12% vs. IDC's 1Q market estimate of -13%. Extra week & channel inventory replenishment as well as emerging market growth appear to explain divergence, with IFX & MFE in line. Elsewhere servers remained strong -2% QoQ, +32% YoY with share gains and storage robust +45% QoQ. 61% gross margin reflects China Fab ramp with EPS of \$0.56 vs. \$0.46 consensus with in-line expenses. Inventory was up +\$350M but only 75 days.

**2Q Guided Flat:** Sales guided to \$12.8B with \$500M lift QoQ from IFX and McAfee but one week less with flat gross margin and some lift to opex takes EPS to \$0.49.

**Capex Up, EPS Raised:** Capex moves up again to \$10.2B from \$9B on 22nm/14nm push. EPS moves to \$2.32 from \$2.08 with CY11 sales now \$54B. CY12 now \$2.54.

**Laterals Uncertain:** Intel's beat to help PC chain sentiment but extra week and Sandy Bridge are INTC specific with share pressure possible for rival AMD, notably in servers.

## INTC: Quarterly and Annual EPS USD

	2010		2011			2012			Change y/y	
FY Dec	Actual	Old	New	Cons	Old	New	Cons	2011	2012	
Q1	0.43A	0.46E	0.56E	0.47E	0.52E	0.58E	0.50E	30%	4%	
Q2	0.51A	0.47E	0.49E	0.45E	0.51E	0.57E	0.49E	-4%	16%	
Q3	0.52A	0.54E	0.59E	0.53E	0.59E	0.65E	0.57E	13%	10%	
Q4	0.59A	0.61E	0.68E	0.59E	0.68E	0.74E	0.64E	15%	9%	
Year	2.05A	2.08E	2.32E	2.04E	2.30E	2.54E	2.19E	13%	9%	
P/E			8.6			7.8				

Source: Barclays Capital  
Consensus numbers are from Thomson Reuters

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Investors should consider this report as only a single factor in making their investment decision.

PLEASE SEE ANALYST(S) CERTIFICATION(S) AND IMPORTANT DISCLOSURES BEGINNING ON PAGE 9.

Stock Rating **2-EQUAL WEIGHT**  
Unchanged

Sector View **2-NEUTRAL**  
Unchanged

Price Target **USD 25.00**  
raised 4% from USD 24.00

Price (19-Apr-2011) USD 19.86  
Potential Upside/Downside +26%  
Tickers INTC

Market Cap (USD mn) 105657  
Shares Outstanding (mn) 5385.16  
Free Float (%) 99.94  
52 Wk Avg Daily Volume (mn) 63.3  
Dividend Yield (%) 3.2  
Return on Equity TTM (%) 25.62  
Current BVPS (USD) N/A

Source: FactSet Fundamentals

Price Performance Exchange-Nasdaq  
52 Week range USD 24.25-17.60



[Link to Barclays Capital Live for interactive charting](#)

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### **Large Beat Takes EPS Up, SandyBridge Drives ASPs**

Post close, Intel positively surprised investors with revenue and EPS substantially above consensus. Revenues appear to have been lifted by SandyBridge ASPs (estimate PC MPU ASPs +10% QoQ), a faster catch-up in the delayed SandyBridge ramp as well as improved demand in Servers/Storage, emerging markets and solid core enterprise. Given low expectations and still weak investor sentiment, we would expect a move upwards into an Analyst Day on May 17th and Tablet releases at Computex in June. With flat June sales guidance, we move estimates \$2.32 in CY11 from \$2.08 and use a target of \$25 or still just 11x CY11. Reservations on high margins, ARM, Tablets and Smartphones competition lead us to retain a longer-term 2-EW rating at present.

**1Q Large Beat;** Sales of \$12.84 billion were well above updated guide of \$11.7 billion as \$300 million SandyBridge delay hit was removed by faster catch up on ramp, flattish to slightly up PC Group units with strong ASPs (estimate +10% on Sandy Bridge) enabled PC related sales to grow +12% QoQ vs. IDC's 1Q market estimate of -13% QoQ. An extra week & channel inventory replenishment as well as emerging market growth appear to explain divergence, with IFX & McAfee in line. Elsewhere servers remained strong -2% QoQ or +32% YoY with share gains and storage robust +45% QoQ. 61% gross margin reflects China Fab ramp with EPS of \$0.56 vs. \$0.46 consensus with in-line expenses. Inventory was up by around \$350 million but days of inventory lower to 75 days.

**2Q Guided Flat;** Sales guided to \$12.8 billion with \$500 million lift QoQ from IFX and McAfee but 1 week less with flat gross margin and some lift to opex takes EPS to \$0.49 in 2Q11.

Capex Up, EPS Raised; 2011 Capex moves up again to \$10.2 billion from \$9 billion prior on 22nm/14nm push. Our EPS moves from \$2.08 to \$2.32 with CY11 sales now \$54 billion (+24% YoY). CY12 now \$2.54.

Laterals More Uncertain; Intel's beat to help PC chain sentiment but extra week and SandyBridge ramp are more INTC specific with some share pressure possible for rival AMD, notably in servers.

Figure 1: Intel 4Q10 Results vs. Consensus and Guidance

FYE: December	FQ1:11A	FQ1:11E	Variance	Consensus
Revenue (\$M)	\$12,847	\$11,702	\$1,145	\$11,592
Gross Profit	\$7,885	\$7,138	\$747	\$7,104
GM %	61.4%	61.0%	0.4%	61%
R&D	\$1,916	\$1,821	\$95	
SG&A	\$1,775	\$1,805	(\$30)	
Restructuring / Other	\$36	\$0	\$36	
Operating Profit	\$4,158	\$3,512	\$646	\$3,463
OM %	32.4%	30.0%	2%	29.9%
Other Income (Expense)	\$213	\$199	\$14	
Profit before tax	\$4,371	\$3,711	\$660	
Taxes	\$1,211	\$1,076	\$135	
Tax%	29.0%	29.0%	0.0%	
Net Income	\$3,160	\$2,635	\$525	
EPS	\$0.56	\$0.46	\$0	\$0.46
Dil. Share Count	5,606	5,690	(84)	

Source: Company reports & Barclays Capital

### INTC Delivers Solid Results, \$0.56 EPS Beats Street by a Large Margin

Intel delivered 1Q11 revenues of \$12.847 billion (+12.1% QoQ) beating both our and Street expectations as well as management's updated guidance of \$11.7 billion. MFE and IFX acquisitions came in as expected at roughly \$500 million while the positive surprise came from the core business with stronger-than-expected ramp of Sandy Bridge, solid server/storage and emerging market demand as well as strong core enterprise. This was partially offset by ongoing weakness in consumer in both US and W. European markets.

Intel delivered GAAP gross margins of 61% in line with guide but lower vs. 4Q10 driven by higher startup costs (-15% point impact), higher platform cost (-1% point impact), McAfee and IFX acquisitions (-1% point impact) but offset by higher ASP (+1% point impact). Operating expense in 1Q came in at \$3.6 billion vs. \$3.4 billion in 4Q10 and about \$100 million higher versus guide provided on January 31<sup>st</sup>. Intel reported a net gain of \$213 million in equity investment and interest income vs. \$140 million prior and consistent with guidance. Amortization of intangibles came in at \$36 million. Effective tax rate was 28% vs. 29% guidance with GAAP EPS of \$0.56 vs. our and Street's \$0.46. On a non-GAAP basis, Intel reported EPS of \$0.59.

### Segment Trends; Better Mix of Enterprise and Emerging Markets Strength, Overall ASPs Up

Intel's solid beat in the first quarter stemmed from its core Microprocessor business with upside coming from strong demand in Enterprise and Emerging market segments despite ongoing weakness in Consumer markets in the US and Western Europe. Intel benefitted from a richer mix which translated into a sharp increase in ASPs QoQ (we estimate up 10%) on flattish units on the PC client side. Management reiterated their confidence in a low double-digit range for PC unit growth outlook for CY11.

## PC Client Group Up 12% QoQ on Higher ASP

Intel's PC client group (microprocessor and related chipsets and motherboards for desktops and notebooks but excluding netbooks starting 1Q) reported revenues of \$8.6 billion in 1Q11 up approximately 12% sequentially. While specifics were not provided, we estimate flattish to slightly higher units and ASPs up 10% QoQ.

Within PC client, microprocessor revenues were \$6.8 billion vs. 6.1 billion in the prior quarter while associated chipset revenues were 1.8 billion vs. \$1.6 billion prior. While breakout between notebook and desktops were not provided, management highlighted that consumer notebooks in mature markets such as US and W. Europe were soft in the quarter with emerging markets firmer. Intel highlighted that Atom micro-architecture revenues, which includes microprocessors and chipsets came in lower at \$370 million vs. \$391 million prior. We note that starting 1Q11 Atom for netbooks and tablets are no longer included in this segment but in "Other Intel Architecture."

Intel's Data Center Group (microprocessor and related chipset and motherboards designed for servers, workstation, and storage markets, and wired network connectivity products) posted another good quarter with total revenues for this segment -2% QoQ to \$2.46 billion vs. \$2.52 billion in the prior quarter. We highlight that this is better than normal seasonal trends for the first quarter. We estimate server units were flattish QoQ with lower sales driven by weaker ASPs.

Within this, the server microprocessor segment revenues were down 5% QoQ to \$2.06 billion vs. \$2.17 billion prior while chipset revenues in this segment were up modestly to \$403 million from \$357 million. CEO highlighted on the call that he sees the enterprise refresh still midway through the cycle.

Under the umbrella of "Other Intel Architecture Groups" Intel breaks out revenues for its Mobile Communications business (IFX), Netbooks, Tablets, Embedded, Digital Home, and handset business and reported revenues in this segment of \$1.149 billion in 1Q11 up 41% QoQ. Infineon's wireless business contributed \$336 million in 1Q (deal closed Jan 31 2011).

The Software and Services Group (McAfee and Wind River) reported revenues of \$240 million up \$220% QoQ. McAfee contributed \$160 million. The acquisition closed at the end of February.

Figure 2: Revenue Break Up By Geography (revenue in million US\$)

	Q1:10	Q4:10	Q1:11	Q/Q	Y/Y
Americas	\$1,906	\$2,296	\$2,715	18.2%	42.4%
% of Revs	19%	20%	21%		
Europe	\$1,404	\$1,582	\$1,645	4.0%	17.2%
% of Revs	14%	14%	13%		
Asia Pacific	\$5,888	\$6,514	\$7,262	11.5%	23.3%
% of Revs	57%	57%	57%		
Japan	\$1,101	\$1,065	\$1,225	15.0%	11.3%
% of Revs	11%	9%	10%		
<b>Total</b>	<b>\$10,299</b>	<b>\$11,457</b>	<b>\$12,847</b>	<b>12.1%</b>	<b>24.7%</b>

Source: Company reports and Barclays Capital

## Softness in Consumer Segments in US and Western Europe, YoY Growth Across All Geographies

Strong demand from Enterprise and Emerging markets was offset by weakness in consumer US and Western European markets. However, on a year-over-year basis, revenues were up double digits across all geographies. Intel reported revenue of \$2.7 billion for the Americas in 1Q, up 18% QoQ and comprising 21% of total revenues. Asia-Pacific revenues were up 11.5% QoQ to \$7.2 billion, and comprising 57% of revenues. Revenues from Europe were up 4% QoQ to \$165 billion and comprised 13% of revenues. In Japan, Intel reported revenues of \$1.2 billion, +15 QoQ and comprised 10% of total revenues.

## 2Q Guided Flat, \$500 Million Lift from Acquisitions

Intel guided sales flat at \$12.8 billion at the midpoint (+/- \$500M) vs. Street's \$11.9 billion heading into the conference call. This includes \$500 million lift QoQ from IFX and MFE but 1 less week vs. 1Q11. R&D and SG&A were guided higher to \$3.9 billion driven by a full quarter of McAfee and Infineon wireless division. Gross margin was guided flat to 61% on a GAAP basis and 62% on a non-GAAP basis. We now model EPS up to \$0.49 for 2Q11.

## Balance Sheet: Cash Lower but Solid Cash Flow Generation of \$4B

Intel's cash balance at the end of 1Q moved lower by approximately \$10 billion to \$12 billion reflecting the purchase of McAfee and the Infineon wireless division. Intel generated approximately \$4 billion in cash flow from operations in 1Q11. Total debt at the end of the quarter came in slightly higher at \$2.4 billion vs. \$2.1 billion prior. Net cash per share fell to \$1.71 in the March ended quarter down from \$3.47 prior. During Q1 Intel spent \$2.7 billion in capital expenditure and raised its capex outlook from \$9 billion to \$10.2 billion. Separately, during the 1Q, Intel distributed another \$1 billion in dividends and repurchased \$4 billion in stock.

Inventory on a dollar basis increased by \$342 million in 1Q or up by 9% QoQ. According to management, inventory in the PC supply chain remains healthy as customers replenished old inventory with new Sandy Bridge platforms. Days of inventory however fell by 17 days to 75 days in 1Q from 92 days prior. This compares to average DOI of 73 days for the past 10 years and 78 days for the past 5 years. Accounts receivables came in 24% higher at \$3.5 billion in 1Q.

Figure 3: Balance Sheet Summary (in million US\$)

Balance Sheet Summary	FQ4:10A	FQ1:11A	Delta	% Delta
Cash & Securities	\$21,885	\$11,978	(\$9,907)	-45.3%
Total Debt	\$2,115	\$2,404	\$289	13.7%
Inventory	\$3,757	\$4,099	\$342	9.1%
Accounts Receivable	\$2,867	\$3,542	\$675	23.5%
A/R DSOs	23	25	2	10.2%
Days Inventory	92	75	-17	-18.1%

Source: Company data and Barclays Capital

## CY11 Metrics, Estimates Up

CEO sees low double digit PC growth with +20% sales growth including IFX baseband and McAfee acquisition for CY11. CY11 gross margin is guided to 64% on a GAAP basis with opex spending maintained at around \$15.7 billion. Our estimates move up and we model

CY11 revenues of \$54 billion (+23.8% YoY), gross margin of 62.7% and EPS of \$2.32 now vs. \$2.08 prior. For CY12 we estimate of \$57.1 billion in revenues (+5.7% YoY), gross margin of 63.5% and EPS of \$2.54.

**Stock Conclusion;**

Given low expectations and still weak investor sentiment, expect a move upwards into an Analyst Day on 5/17 and Tablet releases at Computex. With flat June sales guide, CY11 estimates move to \$2.32 from \$2.08 and use a target of \$25 or just 11x CY11. Our prior target of \$24 was based on 11.5x our prior EPS of \$2.08. Reservations on high margins, ARM, Tablets/Smartphone competition lead us to retain a longer-term 2-EW rating at present.

Figure 4: Intel Financial Model (unit in million \$ except per share data)

Fiscal Year-End: December	Fiscal 2010				Fiscal 2011E				Fiscal 2012E				Fiscal	Fiscal	Fiscal	Fiscal
	Q1	Q2	Q3	Q4	Q1	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E	2009	2010	2011E	2012E
GAAP Revenues	\$10,299	\$10,765	\$11,102	\$11,457	\$12,847	\$12,801	\$13,722	\$14,710	\$13,666	\$13,502	\$14,474	\$15,516	\$35,127	\$43,623	\$54,081	\$57,158
Q/Q	-2.6%	4.5%	3.1%	3.2%	12.1%	-0.4%	7.2%	7.2%	-7.1%	-1.2%	7.2%	7.2%				
Y/Y	44.1%	34.2%	18.2%	8.4%	24.7%	18.9%	23.6%	28.4%	6.4%	5.5%	5.5%	5.5%	-6.5%	24.2%	24.0%	5.7%
Cost of Goods	3,770	3,530	3,781	3,727	4,962	4,992	5,009	5,222	5,125	5,036	5,211	5,508	15,543	14,808	20,185	20,880
GAAP Gross Profit	\$6,529	\$7,235	\$7,321	\$7,730	\$7,885	\$7,808	\$8,714	\$9,488	\$8,541	\$8,466	\$9,263	\$10,008	\$19,584	\$28,815	\$33,895	\$36,278
R&D	1,564	1,666	1,675	1,671	1,916	2,086	2,161	2,241	2,191	2,221	2,276	2,331	5,653	6,576	8,404	9,019
SG&A	1,514	1,584	1,506	1,705	1,775	1,845	1,865	1,885	1,835	1,865	1,920	1,980	5,238	6,309	7,370	7,600
Restructuring & asset impairment	\$0	\$0	0	0	0	0	0	0	0	0	0	0	231	0	0	0
Amortization of Acq.& other	\$3	\$4	4	7	36	75	75	75	0	0	0	0	31	18	261	0
Operating Income	\$3,448	\$3,981	\$4,136	\$4,347	\$4,158	\$3,802	\$4,613	\$5,287	\$4,515	\$4,380	\$5,067	\$5,697	\$8,431	\$15,912	\$17,860	\$19,659
Gain On Investments	(\$31)	\$193	77	109	28	10	13	15	15	15	15	15	-170	348	66	60
Interest & Other	\$29.0	\$11.0	38	31	185	40	40	40	40	45	50	55	163	109	305	190
Profit Before Taxes	\$3,446	\$4,185	\$4,251	\$4,487	\$4,371	\$3,852	\$4,666	\$5,342	\$4,570	\$4,440	\$5,132	\$5,767	\$8,424	\$16,369	\$18,231	\$19,909
Taxes	\$1,004	\$1,298	1,296	1,099	1,211	1,117	1,353	1,549	1,325	1,288	1,488	1,672	1,778	4,697	5,231	5,774
Net Income	\$2,442	\$2,887	\$2,955	\$3,388	\$3,160	\$2,735	\$3,313	\$3,793	\$3,245	\$3,152	\$3,644	\$4,095	\$6,646	\$11,672	\$13,001	\$14,136
Diluted Common & Equiv Sh (M)	5,681	5,711	5,694	5,698	5,606	5,598	5,590	5,585	5,575	5,565	5,565	5,565	5,645	5,696	5,595	5,568
EPS - Cont Ops	\$0.43	\$0.51	\$0.52	\$0.59	\$0.56	\$0.49	\$0.59	\$0.68	\$0.58	\$0.57	\$0.65	\$0.74	\$1.18	\$2.05	\$2.32	\$2.54
Percent of Sales																
GAAP Gross Margin	63.4%	67.2%	65.9%	67.5%	61.4%	61.0%	63.5%	64.5%	62.5%	62.7%	64.0%	64.5%	55.8%	66.1%	62.7%	63.5%
R&D	15.2%	15.5%	15.1%	14.6%	14.9%	16.3%	15.7%	15.2%	16.0%	16.4%	15.7%	15.0%	16.1%	15.1%	15.5%	15.8%
SG&A	14.7%	14.7%	13.6%	14.9%	13.8%	14.4%	13.6%	12.8%	13.4%	13.8%	13.3%	12.8%	14.9%	14.5%	13.6%	13.3%
Operating Income	33.5%	37.0%	37.3%	37.9%	32.4%	29.7%	33.6%	35.9%	33.0%	32.4%	35.0%	36.7%	24.0%	36.5%	33.0%	34.4%
Net Income	23.7%	26.8%	26.6%	29.6%	24.6%	21.4%	24.1%	25.8%	23.7%	23.3%	25.2%	26.4%	18.9%	26.8%	24.0%	24.7%
Tax Rate	29.1%	31.0%	30.5%	24.5%	27.7%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	21.1%	28.7%	28.7%	29.0%

Source: Company reports &amp; Barclays Capital





## ANALYST(S) CERTIFICATION(S)

I, Tim Luke, hereby certify (1) that the views expressed in this research report accurately reflect my personal views about any or all of the subject securities or issuers referred to in this research report and (2) no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

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### Primary Stocks (Ticker, Date, Price)

Intel Corp. (INTC, 19-Apr-2011, USD 19.86), 2-Equal Weight/2-Neutral

### Guide to the Barclays Capital Fundamental Equity Research Rating System:

Our coverage analysts use a relative rating system in which they rate stocks as 1-Overweight, 2-Equal Weight or 3-Underweight (see definitions below) relative to other companies covered by the analyst or a team of analysts that are deemed to be in the same industry sector (the "sector coverage universe").

In addition to the stock rating, we provide sector views which rate the outlook for the sector coverage universe as 1-Positive, 2-Neutral or 3-Negative (see definitions below). A rating system using terms such as buy, hold and sell is not the equivalent of our rating system. Investors should carefully read the entire research report including the definitions of all ratings and not infer its contents from ratings alone.

### Stock Rating

**1-Overweight** - The stock is expected to outperform the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

**2-Equal Weight** - The stock is expected to perform in line with the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

**3-Underweight** - The stock is expected to underperform the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

**RS-Rating Suspended** - The rating and target price have been suspended temporarily due to market events that made coverage impracticable or to comply with applicable regulations and/or firm policies in certain circumstances including when Barclays Capital is acting in an advisory capacity in a merger or strategic transaction involving the company.

### Sector View

**1-Positive** - sector coverage universe fundamentals/valuations are improving.

**2-Neutral** - sector coverage universe fundamentals/valuations are steady, neither improving nor deteriorating.

**3-Negative** - sector coverage universe fundamentals/valuations are deteriorating.

Below is the list of companies that constitute the "sector coverage universe":

#### U.S. Semiconductors

Advanced Micro Devices (AMD)	Altera Corp. (ALTR)	Analog Devices (ADI)
Atheros Communications, Inc. (ATHR)	Avago Technologies Ltd. (AVGO)	Broadcom Corp. (BRCM)
Cavium Networks Inc. (CAVM)	Cypress Semiconductor Corp. (CY)	Entropic Communications Inc. (ENTR)
Integrated Device Technology, Inc. (IDTI)	Intel Corp. (INTC)	Linear Technology (LLTC)
Marvell Technology Group, Ltd. (MRVL)	Maxim Integrated Products (MXIM)	Microchip Technology (MCHP)
Micron Technology, Inc. (MU)	NVIDIA Corp. (NVDA)	NXP Semiconductors NV (NXPI)
QUALCOMM, Inc. (QCOM)	RF Micro Devices (RFMD)	Skyworks Solutions, Inc. (SWKS)
Smart Modular Technologies (SMOD)	Spansion Inc. (CODE)	Texas Instruments, Inc. (TXN)
Triquint Semiconductor (TQNT)	Xilinx, Inc. (XLNX)	

## IMPORTANT DISCLOSURES CONTINUED

### Distribution of Ratings:

Barclays Capital Inc. Equity Research has 1760 companies under coverage.

43% have been assigned a 1-Overweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Buy rating; 52% of companies with this rating are investment banking clients of the Firm.

42% have been assigned a 2-Equal Weight rating which, for purposes of mandatory regulatory disclosures, is classified as a Hold rating; 44% of companies with this rating are investment banking clients of the Firm.

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IMPORTANT DISCLOSURES CONTINUED

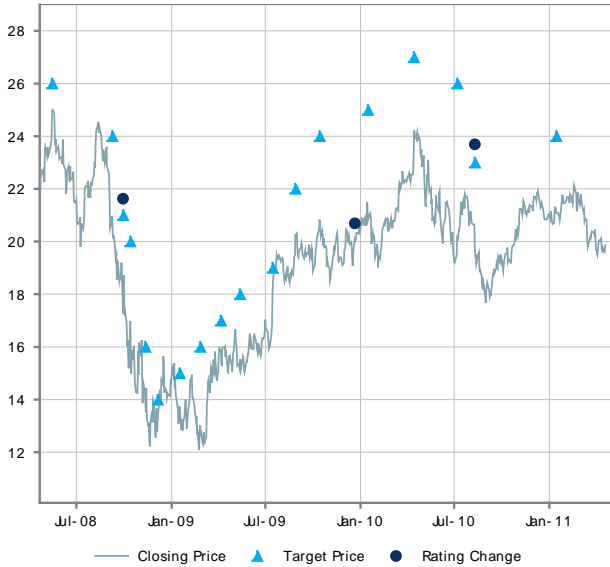
**Intel Corp. (INTC)**  
**USD 19.86 (19-Apr-2011)**

Stock Rating  
**2-EQUAL WEIGHT**

Sector View  
**2-NEUTRAL**

Rating and Price Target Chart - USD (as of 19-Apr-2011)

Currency=USD



Date	Closing Price	Rating	Price Target
14-Jan-2011	21.08		24.00
10-Aug-2010	19.82	2-Equal Weight	23.00
07-Jul-2010	20.14		26.00
14-Apr-2010	23.52		27.00
15-Jan-2010	20.80		25.00
21-Dec-2009	20.09	1-Overweight	
14-Oct-2009	20.83		24.00
28-Aug-2009	20.25		22.00
15-Jul-2009	18.05		19.00
13-May-2009	15.13		18.00
06-Apr-2009	15.86		17.00
25-Feb-2009	13.03		16.00
16-Jan-2009	13.74		15.00
05-Dec-2008	13.29		14.00
11-Nov-2008	13.93		16.00
13-Oct-2008	16.99		20.00
29-Sep-2008	18.70	2-Equal Weight	21.00
08-Sep-2008	20.97		24.00
15-May-2008	24.97		26.00

[Link to Barclays Capital Live for interactive charting](#)

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**Valuation Methodology:** Our price target on INTC is \$25, or 11x our CY11 EPS estimate of \$2.32.

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