UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 28, 2015.

Or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

Commission File Number 000-06217

INTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	94-1672743
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2200 Mission College Boulevard, Santa Clara, California	95054-1549
(Address of principal executive offices)	(Zip Code)

(408) 765-8080

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Shares outstanding of the Registrant's common stock:

Class	Outstanding as of April 17, 2015
Common stock, $0.001 par value	4,744 million

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INTEL CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF INCOME (Unaudited)

	Three Months Ended	
(In Millions, Except Per Share Amounts)	Mar 28, 2015	Mar 29, 2014
Net revenue	**$ 12,781**	**$ 12,764**
Cost of sales	5,051	5,151
Gross margin	**7,730**	**7,613**
Research and development	2,995	2,846
Marketing, general and administrative	1,953	2,047
Restructuring and asset impairment charges	105	137
Amortization of acquisition-related intangibles	62	73
Operating expenses	**5,115**	**5,103**
Operating income	**2,615**	**2,510**
Gains (losses) on equity investments, net	32	48
Interest and other, net	26	112
Income before taxes	**2,673**	**2,670**
Provision for taxes	681	740
Net income	**$ 1,992**	**$ 1,930**
Basic earnings per share of common stock	**$ 0.42**	**$ 0.39**
Diluted earnings per share of common stock	**$ 0.41**	**$ 0.38**
Cash dividends declared per share of common stock	**$ 0.48**	**$ 0.45**
Weighted average shares of common stock outstanding:		
Basic	**4,741**	**4,974**
Diluted	**4,914**	**5,117**

See accompanying notes.

INTEL CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

(In Millions)	Three Months Ended Mar 28, 2015	Mar 29, 2014
Net income	**$ 1,992**	**$ 1,930**
Other comprehensive income, net of tax:		
Change in net unrealized holding gains (losses) on available-for-sale investments	(342)	(77)
Change in deferred tax asset valuation allowance	(3)	(2)
Change in net unrealized holding gains (losses) on derivatives	(89)	14
Change in net prior service (costs) credits	2	(42)
Change in actuarial valuation	12	(2)
Change in net foreign currency translation adjustment	(178)	22
Other comprehensive income (loss)	**(598)**	**(87)**
Total comprehensive income	**$ 1,394**	**$ 1,843**

See accompanying notes.

INTEL CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS (Unaudited)

(In Millions)	Mar 28, 2015	Dec 27, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 4,244	$ 2,561
Short-term investments	1,864	2,430
Trading assets	8,010	9,063
Accounts receivable, net	3,246	4,427
Inventories	4,418	4,273
Deferred tax assets	2,048	1,958
Other current assets	2,636	3,018
Total current assets	**26,466**	**27,730**
Property, plant and equipment, net of accumulated depreciation of $47,990 ($46,471 as of December 27, 2014)	**33,296**	**33,238**
Marketable equity securities	**6,549**	**7,097**
Other long-term investments	**1,675**	**2,023**
Goodwill	**10,766**	**10,861**
Identified intangible assets, net	**4,211**	**4,446**
Other long-term assets	**6,603**	**6,561**
Total assets	**$ 89,566**	**$ 91,956**
Liabilities, temporary equity, and stockholders' equity		
Current liabilities:		
Short-term debt	$ 1,121	$ 1,604
Accounts payable	2,775	2,748
Accrued compensation and benefits	2,011	3,475
Accrued advertising	1,014	1,092
Deferred income	2,196	2,205
Other accrued liabilities	5,918	4,895
Total current liabilities	**15,035**	**16,019**
Long-term debt	**12,112**	**12,107**
Long-term deferred tax liabilities	**3,462**	**3,775**
Other long-term liabilities	**3,125**	**3,278**
Contingencies (Note 19)		
Temporary equity	**908**	**912**
Stockholders' equity:		
Preferred stock	—	—
Common stock and capital in excess of par value, 4,742 shares issued and outstanding (4,752 issued and 4,748 outstanding as of December 27, 2014)	22,395	21,781
Accumulated other comprehensive income (loss)	68	666
Retained earnings	32,461	33,418
Total stockholders' equity	**54,924**	**55,865**
Total liabilities, temporary equity, and stockholders' equity	**$ 89,566**	**$ 91,956**

See accompanying notes.

INTEL CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (Unaudited)

(In Millions)	Three Months Ended Mar 28, 2015	Three Months Ended Mar 29, 2014
Cash and cash equivalents, beginning of period	**$ 2,561**	**$ 5,674**
Cash flows provided by (used for) operating activities:		
Net income	1,992	1,930
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,848	1,720
Share-based compensation	368	283
Restructuring and asset impairment charges	105	137
Excess tax benefit from share-based payment arrangements	(22)	(7)
Amortization of intangibles	251	287
(Gains) losses on equity investments, net	(32)	(48)
Deferred taxes	(171)	(25)
Changes in assets and liabilities:		
Accounts receivable	1,167	78
Inventories	(137)	405
Accounts payable	(71)	(95)
Accrued compensation and benefits	(1,659)	(1,229)
Income taxes payable and receivable	221	200
Other assets and liabilities	555	(135)
Total adjustments	2,423	1,571
Net cash provided by operating activities	**4,415**	**3,501**
Cash flows provided by (used for) investing activities:		
Additions to property, plant and equipment	(2,025)	(2,689)
Acquisitions, net of cash acquired	(57)	(108)
Purchases of available-for-sale investments	(139)	(2,509)
Sales of available-for-sale investments	43	174
Maturities of available-for-sale investments	1,079	2,913
Purchases of trading assets	(2,475)	(3,225)
Maturities and sales of trading assets	3,398	2,693
Investments in non-marketable equity investments	(278)	(144)
Other investing	5	146
Net cash used for investing activities	**(449)**	**(2,749)**
Cash flows provided by (used for) financing activities:		
Increase (decrease) in short-term debt, net	(486)	(245)
Excess tax benefit from share-based payment arrangements	22	7
Proceeds from sales of common stock through employee equity incentive plans	341	479
Repurchase of common stock	(750)	(545)
Restricted stock unit withholdings	(51)	(27)
Payment of dividends to stockholders	(1,137)	(1,119)
Collateral associated with repurchase of common stock	325	—
Decrease in liability due to return of collateral associated with repurchase of common stock	(325)	—
Other financing	(213)	(200)
Net cash used for financing activities	**(2,274)**	**(1,650)**
Effect of exchange rate fluctuations on cash and cash equivalents	**(9)**	**1**
Net increase (decrease) in cash and cash equivalents	**1,683**	**(897)**
Cash and cash equivalents, end of period	**$ 4,244**	**$ 4,777**
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Income taxes, net of refunds	$ 596	$ 571

See accompanying notes.

Note 1: Basis of Presentation

We prepared our interim consolidated condensed financial statements that accompany these notes in conformity with U.S. generally accepted accounting principles, consistent in all material respects with those applied in our Annual Report on Form 10-K for the year ended December 27, 2014. We have reclassified certain prior period amounts to conform to current period presentation.

We have a 52- or 53-week fiscal year that ends on the last Saturday in December. Fiscal year 2016 is a 53-week fiscal year, and the first quarter of 2016 will be a 14-week quarter.

We have made estimates and judgments affecting the amounts reported in our consolidated condensed financial statements and the accompanying notes. The actual results that we experience may differ materially from our estimates. The interim financial information is unaudited, but reflects all normal adjustments that are, in our opinion, necessary to provide a fair statement of results for the interim periods presented. This interim information should be read in conjunction with the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 27, 2014.

Note 2: Recent Accounting Standards

In May 2014, the Financial Accounting Standards Board issued a new standard to achieve a consistent application of revenue recognition within the U.S., resulting in a single revenue model to be applied by reporting companies under U.S. generally accepted accounting principles. Under the new model, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new standard requires that reporting companies disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. As currently issued, the new standard is effective beginning in the first quarter of 2017; early adoption is prohibited. The new standard is required to be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying it recognized at the date of initial application. We have not yet selected a transition method nor have we determined the impact of the new standard on our consolidated condensed financial statements.

Note 3: Fair Value

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value, we consider the principal or most advantageous market in which we would transact, and we consider assumptions that market participants would use when pricing the asset or liability. Our financial assets are measured and recorded at fair value, except for cost method investments, cost method loans receivable, equity method investments, grants receivable, and reverse repurchase agreements with original maturities greater than approximately three months. Substantially all of our liabilities are not measured and recorded at fair value.

Fair Value Hierarchy

The three levels of inputs that may be used to measure fair value are as follows:

Level 1. Quoted prices in active markets for identical assets or liabilities.

Level 2. Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in less active markets, or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities. Level 2 inputs also include non-binding market consensus prices that can be corroborated with observable market data, as well as quoted prices that were adjusted for security-specific restrictions.

Level 3. Unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities. Level 3 inputs also include non-binding market consensus prices or non-binding broker quotes that we were unable to corroborate with observable market data.

Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis

Assets and liabilities measured and recorded at fair value on a recurring basis at the end of each period were as follows:

	March 28, 2015				December 27, 2014			
	Fair Value Measured and Recorded at Reporting Date Using				Fair Value Measured and Recorded at Reporting Date Using			
(In Millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents:								
Corporate debt	$ —	$ 742	$ —	$ 742	$ —	$ 48	$ —	$ 48
Financial institution instruments	226	2,172	—	2,398	321	1,119	—	1,440
Government debt	—	50	—	50	—	—	—	—
Reverse repurchase agreements	—	238	—	238	—	268	—	268
Short-term investments:								
Corporate debt	262	509	32	803	363	412	31	806
Financial institution instruments	100	502	—	602	149	1,050	—	1,199
Government debt	108	351	—	459	252	173	—	425
Trading assets:								
Asset-backed securities	—	668	40	708	—	766	58	824
Corporate debt	1,922	576	—	2,498	2,625	339	—	2,964
Financial institution instruments	950	615	—	1,565	1,146	613	—	1,759
Government debt	1,077	2,162	—	3,239	1,295	2,221	—	3,516
Other current assets:								
Derivative assets	—	776	2	778	—	559	2	561
Loans receivable	—	332	—	332	—	505	—	505
Marketable equity securities	6,487	—	62	6,549	7,097	—	—	7,097
Other long-term investments:								
Asset-backed securities	—	2	4	6	—	2	4	6
Corporate debt	542	519	13	1,074	453	728	13	1,194
Financial institution instruments	197	255	—	452	189	319	—	508
Government debt	68	75	—	143	75	240	—	315
Other long-term assets:								
Derivative assets	—	68	16	84	—	35	22	57
Loans receivable	—	316	—	316	—	216	—	216
Total assets measured and recorded at fair value	**11,939**	**10,928**	**169**	**23,036**	**13,965**	**9,613**	**130**	**23,708**
Liabilities								
Other accrued liabilities:								
Derivative liabilities	—	596	2	598	—	563	—	563
Other long-term liabilities:								
Derivative liabilities	—	13	—	13	—	17	—	17
Total liabilities measured and recorded at fair value	**$ —**	**$ 609**	**$ 2**	**$ 611**	**$ —**	**$ 580**	**$ —**	**$ 580**

Government debt includes instruments such as non-U.S. government bonds and U.S. agency securities. Financial institution instruments include instruments issued or managed by financial institutions in various forms such as commercial paper, fixed and floating rate bonds, money market fund deposits, and time deposits.

During the first three months of 2015, we transferred corporate debt, government debt, and financial institution instruments of approximately $494 million from Level 1 to Level 2 of the fair value hierarchy and approximately $398 million from Level 2 to Level 1 ($123 million of corporate debt and government debt from Level 1 to Level 2 and $230 million of corporate debt, government debt, and financial institution instruments from Level 2 to Level 1 during the first three months of 2014). A substantial majority of these transfers were based on changes in market activity for the underlying securities. Our policy is to reflect transfers between the fair value hierarchy levels at the beginning of the quarter in which a change in circumstances resulted in the transfer.

Investments in Debt Instruments

Debt instruments reflected in the preceding table include investments such as asset-backed securities, corporate debt, financial institution instruments, government debt, and reverse repurchase agreements classified as cash equivalents. We classify our debt instruments as Level 2 when we use observable market prices for identical securities that are traded in less active markets. When observable market prices for identical securities are not available, we price the debt instruments using our own models, such as a discounted cash flow model, or non-binding market consensus prices based on the proprietary valuation models of pricing providers or brokers. We corroborate non-binding market consensus prices with observable market data using statistical models when observable market data exists, quoted market prices for similar instruments, or pricing models such as a discounted cash flow model. These valuation models incorporate a number of inputs, including non-binding and binding broker quotes; observable market prices for identical or similar instruments; and the internal assumptions of pricing providers or brokers that use observable market inputs and unobservable market inputs that we consider to be not significant. The discounted cash flow model uses observable market inputs, such as LIBOR-based yield curves, currency spot and forward rates, and credit ratings. All significant inputs are derived from or corroborated with observable market data.

The fair values of debt instruments classified as Level 3 are generally derived from discounted cash flow models, performed either by us or our pricing providers, using inputs that we are unable to corroborate with observable market data. We monitor and review the inputs and results of these valuation models to help ensure the fair value measurements are reasonable and consistent with market experience in similar asset classes.

Fair Value Option for Loans Receivable

We elected the fair value option for loans receivable when the interest rate or currency exchange rate risk was hedged at inception with a related derivative instrument. As of March 28, 2015, the fair value of our loans receivable for which we elected the fair value option did not significantly differ from the contractual principal balance based on the contractual currency. Loans receivable are classified within other current assets and other long-term assets. Fair value is determined using a discounted cash flow model, with all significant inputs derived from or corroborated with observable market data. Gains and losses from changes in fair value on the loans receivable and related derivative instruments, as well as interest income, are recorded in interest and other, net. During all periods presented, changes in the fair value of our loans receivable were largely offset by gains or losses on the related derivative instruments, resulting in an insignificant net impact on our consolidated condensed statements of income. Gains and losses attributable to changes in credit risk are determined using observable credit default spreads for the issuer or comparable companies; these gains and losses were insignificant during all periods presented. We did not elect the fair value option for loans receivable when the interest rate or currency exchange rate risk was not hedged at inception with a related derivative instrument. Loans receivable not measured and recorded at fair value are included in the following "Financial Instruments Not Recorded at Fair Value on a Recurring Basis" section.

Assets Measured and Recorded at Fair Value on a Non-Recurring Basis

Our non-marketable equity investments, marketable equity method investments, and non-financial assets, such as intangible assets and property, plant and equipment, are recorded at fair value only if an impairment is recognized.

Some of our non-marketable equity investments have been measured and recorded at fair value due to events or circumstances that significantly impacted the fair value of those investments, resulting in other-than-temporary impairments. We classified these investments as Level 3 because the valuations used unobservable inputs that were significant to the fair value measurements and required management judgment due to the absence of quoted market prices. Impairments recognized on non-marketable equity investments held as of March 28, 2015, were $38 million during the first three months of 2015 ($38 million during the first three months of 2014 on non-marketable equity investments held as of March 29, 2014).

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

On a quarterly basis, we measure the fair value of our grants receivable, cost method loans receivable, non-marketable cost method investments, reverse repurchase agreements with original maturities greater than approximately three months, and indebtedness carried at amortized cost; however, the assets are recorded at fair value only when an impairment is recognized. The carrying amounts and fair values of financial instruments not recorded at fair value on a recurring basis at the end of each period were as follows:

	March 28, 2015				
		Fair Value Measured Using			
(In Millions)	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Fair Value**
Grants receivable	$ 660	$ —	$ 662	$ —	$ 662
Loans receivable	$ 250	$ —	$ 250	$ —	$ 250
Non-marketable cost method investments	$ 1,800	$ —	$ —	$ 2,690	$ 2,690
Reverse repurchase agreements	$ 450	$ —	$ 450	$ —	$ 450
Short-term debt	$ 1,092	$ —	$ 1,734	$ —	$ 1,734
Long-term debt	$ 12,112	$ 10,825	$ 2,138	$ —	$ 12,963
NVIDIA Corporation cross-license agreement liability	$ 196	$ —	$ 199	$ —	$ 199

	December 27, 2014				
		Fair Value Measured Using			
(In Millions)	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Fair Value**
Grants receivable	$ 676	$ —	$ 679	$ —	$ 679
Loans receivable	$ 250	$ —	$ 250	$ —	$ 250
Non-marketable cost method investments	$ 1,769	$ —	$ —	$ 2,599	$ 2,599
Reverse repurchase agreements	$ 450	$ —	$ 450	$ —	$ 450
Short-term debt	$ 1,588	$ —	$ 2,145	$ —	$ 2,145
Long-term debt	$ 12,107	$ 11,467	$ 1,309	$ —	$ 12,776
NVIDIA Corporation cross-license agreement liability	$ 395	$ —	$ 399	$ —	$ 399

The fair value of our grants receivable is determined using a discounted cash flow model, which discounts future cash flows using an appropriate yield curve. As of March 28, 2015 and December 27, 2014, the carrying amount of our grants receivable was classified within other current assets and other long-term assets, as applicable.

The carrying amount and fair value of loans receivable exclude loans measured and recorded at a fair value of $648 million as of March 28, 2015 ($721 million as of December 27, 2014). The fair value of our loans receivable and reverse repurchase agreements, including those held at fair value, is determined using a discounted cash flow model. All significant inputs in the models are derived from or corroborated with observable market data, such as LIBOR-based yield curves, currency spot and forward rates, and credit ratings. The credit quality of these assets remains high, with credit ratings of A+/A1 for the majority of our loans receivable and reverse repurchase agreements as of March 28, 2015.

As of March 28, 2015 and December 27, 2014, the unrealized loss position of our non-marketable cost method investments was insignificant. Our non-marketable cost method investments are valued using a qualitative and quantitative analysis of events or circumstances that impact the fair value of the investment. Qualitative analysis of our investments involves understanding our investee’s revenue and earnings trends relative to pre-defined milestones and overall business prospects; the technological feasibility of our investee’s products and technologies; the general market conditions in the investee’s industry or geographic area, including adverse regulatory or economic changes; and the management and governance structure of the investee. Quantitative assessments of the fair value of our investments are developed using the market and income approaches. The market approach includes the use of financial metrics and ratios of comparable public companies, such as revenue, earnings, comparable performance multiples, recent financing rounds, the terms of the investees’ issued interests, and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable companies’ sizes, growth rates, industries, and development stages. The income approach includes the use of a discounted cash flow model, which requires significant estimates regarding investees’ revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available market, historical, and forecast data.

The carrying amount and fair value of short-term debt exclude drafts payable. Our short-term debt recognized at amortized cost includes our 2009 junior subordinated convertible debentures due 2039 (2009 debentures). During the first quarter of 2015, the 2009 debentures were classified as short-term debt on the consolidated condensed balance sheets and convertible at the option of the holder during the second quarter of 2015. For further information, see the "Borrowings" note in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 27, 2014. Our long-term debt recognized at amortized cost is comprised of our senior notes and our convertible debentures. The fair value of most of our senior notes is determined using quoted prices in active markets, and is therefore classified as Level 1. The remaining senior notes are classified as level 2 due to quoted prices obtained from less active markets. The fair value of our 2009 and 2005 convertible debentures is determined using discounted cash flow models with observable market inputs, and takes into consideration variables such as interest rate changes, comparable instruments, subordination discount, and credit-rating changes, and is therefore classified as Level 2.

The NVIDIA Corporation (NVIDIA) cross-license agreement liability in the preceding table was incurred as a result of entering into a long-term patent cross-license agreement with NVIDIA in January 2011, pursuant to which we agreed to make payments to NVIDIA over six years. As of March 28, 2015 the carrying amount of the liability arising from the agreement was classified within other accrued liabilities based on the expected timing of the underlying payments ($200 million in January 2016 treated as cash used for financing activities). As of December 27, 2014, the carrying amount of the liability arising from the agreement was classified within other accrued liabilities and other long-term liabilities, based on the expected timing of the underlying payments ($200 million in each of January 2015 and 2016 treated as cash used for financing activities). The fair value is determined using a discounted cash flow model, which discounts future cash flows using our incremental borrowing rates.

Note 4: Cash and Investments

Cash and investments at the end of each period were as follows:

(In Millions)	Mar 28, 2015	Dec 27, 2014
Available-for-sale investments	$ 13,278	$ 13,038
Cash	816	805
Equity method investments	1,574	1,446
Loans receivable	898	971
Non-marketable cost method investments	1,800	1,769
Reverse repurchase agreements	688	718
Trading assets	8,010	9,063
Total cash and investments	**$ 27,064**	**$ 27,810**

Available-for-Sale Investments

Available-for-sale investments at the end of each period were as follows:

	March 28, 2015				December 27, 2014			
(In Millions)	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed securities	$ 8	$ —	$ (2)	$ 6	$ 8	$ —	$ (2)	$ 6
Corporate debt	2,609	15	(5)	2,619	2,040	13	(5)	2,048
Financial institution instruments	3,452	1	(1)	3,452	3,146	2	(1)	3,147
Government debt	651	1	—	652	741	—	(1)	740
Marketable equity securities	3,300	3,255	(6)	6,549	3,318	3,779	—	7,097
Total available-for-sale investments	**$ 10,020**	**$ 3,272**	**$ (14)**	**$ 13,278**	**$ 9,253**	**$ 3,794**	**$ (9)**	**$ 13,038**

Government debt includes instruments such as non-U.S. government bonds and U.S. agency securities. Financial institution instruments include instruments issued or managed by financial institutions in various forms such as commercial paper, fixed and floating rate bonds, money market fund deposits, and time deposits. Substantially all time deposits were issued by institutions outside the U.S. as of March 28, 2015 and December 27, 2014.

For information on the unrealized holding gains (losses) on available-for-sale investments reclassified out of accumulated other comprehensive income (loss) into the consolidated condensed statements of income, see "Note 18: Other Comprehensive Income (Loss)."

During the first three months of 2015, we sold available-for-sale investments for proceeds of $43 million, none of which was related to sales of cash and cash equivalents ($279 million in the first three months of 2014 of which $105 million related to sales of cash and cash equivalents). The gross realized gains on sales of available-for-sale investments were $43 million in the first three months of 2015 ($67 million in the first three months of 2014).

The amortized cost and fair value of available-for-sale debt investments, by contractual maturity, as of March 28, 2015, were as follows:

(In Millions)	Cost	Fair Value
Due in 1 year or less	$ 4,697	$ 4,707
Due in 1–2 years	864	865
Due in 2–5 years	779	778
Instruments not due at a single maturity date	380	379
Total	**$ 6,720**	**$ 6,729**

Equity Method Investments

IM Flash Technologies, LLC

Micron Technology, Inc. (Micron) and Intel formed IM Flash Technologies, LLC (IMFT) in 2006 to manufacture NAND flash memory products for Micron and Intel. During 2012, we amended the operating agreement for IMFT and entered into agreements with Micron that modified our joint venture relationship.

The amended operating agreement extended the term of IMFT to 2024, unless earlier terminated under certain terms and conditions, and provides that IMFT may manufacture certain emerging memory technologies in addition to NAND flash memory. The amended agreement provides for certain buy-sell rights. Intel has the ability to cause Micron to buy our interest in IMFT. If we exercise this put right, Micron would set the closing date of the transaction within two years following such election and could elect to receive financing from us for one to two years. Subsequent to our put right, and commencing in January 2018, Micron has the right to call our interest in IMFT with the closing date to be effective within one year. Additionally, our agreements with Micron include a supply agreement for Micron to supply us with NAND flash memory products. These agreements also extend and expand our NAND joint development program with Micron to include emerging memory technologies.

As of March 28, 2015, we own a 49% interest in IMFT. The carrying value of our investment was $786 million as of March 28, 2015 ($713 million as of December 27, 2014) and is classified within other long-term assets.

IMFT is a variable interest entity. All costs of the IMFT joint venture will be passed on to Micron and Intel pursuant to our purchase agreements. Intel's portion of IMFT costs, primarily related to product purchases and production-related services, was approximately $95 million in the first three months of 2015 (approximately $105 million in the first three months of 2014). The amount due to IMFT for product purchases and services provided was approximately $20 million as of March 28, 2015 (approximately $60 million as of December 27, 2014).

IMFT depends on Micron and Intel for any additional cash needs. Our known maximum exposure to loss approximated the carrying value of our investment balance in IMFT, which was $786 million as of March 28, 2015. Except for the amount due to IMFT for product purchases and services, we did not have any additional liabilities recognized on our consolidated condensed balance sheets in connection with our interests in this joint venture as of March 28, 2015. Our potential future losses could be higher than the carrying amount of our investment, as Intel and Micron are liable for other future operating costs or obligations of IMFT. Future cash calls could also increase our investment balance and the related exposure to loss. In addition, because we are currently committed to purchasing 49% of IMFT’s production output and production-related services, we may be required to purchase products at a cost in excess of realizable value.

We have determined that we do not have the characteristics of a consolidating investor in the variable interest entity and, therefore, we account for our interest in IMFT using the equity method of accounting.

Cloudera, Inc.

During 2014, we invested in Cloudera, Inc. (Cloudera). Our fully-diluted ownership interest in Cloudera is 17% as of March 28, 2015. Our investment is accounted for under the equity and cost methods of accounting based on the rights associated with different securities we own, and is classified within other long-term assets. The carrying value of our equity method investment was $278 million and of our cost method investment was $454 million as of March 28, 2015 ($280 million for our equity method investment and $454 million for our cost method investment as of December 27, 2014).

Trading Assets

As of March 28, 2015 and December 27, 2014, substantially all of our trading assets were marketable debt instruments. Net losses related to trading assets still held at the reporting date were $200 million in the first three months of 2015 (net gains of $79 million in the first three months of 2014). Net gains on the related derivatives were $194 million in the first three months of 2015 (net losses of $82 million in the first three months of 2014).

Note 5: Inventories

We compute inventory cost on a first-in, first-out basis. Costs incurred to manufacture our products are included in the valuation of inventory beginning in the quarter in which a product meets the technical criteria to qualify for sale to customers. Prior to qualification for sale, costs that do not meet the criteria for research and development (R&D) are included in cost of sales in the period incurred. Inventories at the end of each period were as follows:

(In Millions)	Mar 28, 2015	Dec 27, 2014
Raw materials	$ 528	$ 462
Work in process	2,190	2,375
Finished goods	1,700	1,436
Total inventories	**$ 4,418**	**$ 4,273**

Note 6: Derivative Financial Instruments

Our primary objective for holding derivative financial instruments is to manage currency exchange rate risk and interest rate risk, and, to a lesser extent, equity market risk, commodity price risk, and credit risk. When possible, we enter into master netting arrangements with counterparties to mitigate credit risk in derivative transactions. A master netting arrangement may allow counterparties to net settle amounts owed to each other as a result of multiple, separate derivative transactions. Generally, our master netting agreements allow for net settlement in case of certain triggering events such as bankruptcy or default of one of the counterparties to the transaction. We may also elect to exchange cash collateral with certain of our counterparties on a regular basis. For presentation on our consolidated condensed balance sheets, we do not offset fair value amounts recognized for derivative instruments under master netting arrangements. Our derivative financial instruments are recorded at fair value and are included in other current assets, other long-term assets, other accrued liabilities, or other long-term liabilities.

Currency Exchange Rate Risk

We are exposed to currency exchange rate risk, and generally hedge our exposures with currency forward contracts, currency interest rate swaps, or currency options. Substantially all of our revenue is transacted in U.S. dollars. However, a significant amount of our operating expenditures and capital purchases is incurred in or exposed to other currencies, primarily the euro, the Japanese yen, the Chinese yuan and the Israeli shekel. We have established balance sheet and forecasted transaction currency risk management programs to protect against fluctuations in the fair value and the volatility of the functional currency equivalent of future cash flows caused by changes in exchange rates. Our non-U.S.-dollar-denominated investments in debt instruments and loans receivable are generally hedged with offsetting currency forward contracts or currency interest rate swaps. We may also hedge currency risk arising from funding foreign currency denominated forecasted investments. These programs reduce, but do not eliminate, the impact of currency exchange movements.

Our currency risk management programs include:

- *Currency derivatives with cash flow hedge accounting designation* that utilize currency forward contracts and currency options to hedge exposures to the variability in the U.S.-dollar equivalent of anticipated non-U.S.-dollar-denominated cash flows. These instruments generally mature within 12 months. For these derivatives, we report the after-tax gain or loss from the effective portion of the hedge as a component of accumulated other comprehensive income (loss), and we reclassify it into earnings in the same period or periods in which the hedged transaction affects earnings, and in the same line item on the consolidated condensed statements of income as the impact of the hedged transaction.
- *Currency derivatives without hedge accounting designation* that utilize currency forward contracts or currency interest rate swaps to economically hedge the functional currency equivalent cash flows of recognized monetary assets and liabilities, non-U.S.-dollar-denominated debt instruments classified as trading assets, and hedges of non-U.S.-dollar-denominated loans receivable are recognized at fair value. The substantial majority of these instruments mature within 12 months. Changes in the functional currency equivalent cash flows of the underlying assets and liabilities are approximately offset by the changes in the fair value of the related derivatives. We record net gains or losses in the line item on the consolidated condensed statements of income most closely associated with the related exposures, primarily in interest and other, net, except for equity-related gains or losses, which we primarily record in gains (losses) on equity investments, net.

Interest Rate Risk

Our primary objective for holding investments in debt instruments is to preserve principal while maximizing yields. We generally swap the returns on our investments in fixed-rate debt instruments with remaining maturities longer than six months into U.S. dollar three-month LIBOR-based returns, unless management specifically approves otherwise. These swaps are settled at various interest payment times involving cash payments at each interest and principal payment date, with the majority of the contracts having quarterly payments.

Our interest rate risk management programs include:

- *Interest rate derivatives with cash flow hedge accounting designation* that utilize interest rate swap agreements to modify the interest characteristics of debt instruments. For these derivatives, we report the after-tax gain or loss from the effective portion of the hedge as a component of accumulated other comprehensive income (loss), and we reclassify it into earnings in the same period or periods in which the hedged transaction affects earnings, and in the same line item on the consolidated condensed statements of income as the impact of the hedged transaction.
- *Interest rate derivatives without hedge accounting designation* that utilize interest rate swaps and currency interest rate swaps in economic hedging transactions, including hedges of non-U.S.-dollar-denominated debt instruments classified as trading assets and hedges of non-U.S.-dollar-denominated loans receivable recognized at fair value. Floating interest rates on the swaps generally reset on a quarterly basis. Changes in fair value of the debt instruments classified as trading assets and loans receivable recognized at fair value are generally offset by changes in the fair value of the related derivatives, both of which are recorded in interest and other, net.

Equity Market Risk

Our investments include marketable equity securities and equity derivative instruments. We typically do not attempt to reduce or eliminate our equity market exposure through hedging activities at the inception of our investments. Before we enter into hedge arrangements, we evaluate legal, market, and economic factors, as well as the expected timing of disposal to determine whether hedging is appropriate. Our equity market risk management program may include equity derivatives with or without hedge accounting designation that utilize warrants, equity options, or other equity derivatives. We recognize changes in the fair value of such derivatives in gains (losses) on equity investments, net. We also utilize total return swaps to offset changes in liabilities related to the equity market risks of certain deferred compensation arrangements. Gains and losses from changes in fair value of these total return swaps are generally offset by the losses and gains on the related liabilities, both of which are recorded in cost of sales and operating expenses.

Volume of Derivative Activity

Total gross notional amounts for outstanding derivatives (recorded at fair value) at the end of each period were as follows:

(In Millions)	**Mar 28, 2015**	**Dec 27, 2014**	**Mar 29, 2014**
Currency forwards	$ 16,192	$ 15,578	$ 11,729
Currency interest rate swaps	5,094	5,446	4,795
Embedded debt derivatives	3,600	3,600	3,600
Interest rate swaps	1,128	1,347	1,311
Total return swaps	1,106	1,056	989
Other	72	49	60
Total	**$ 27,192**	**$ 27,076**	**$ 22,484**

The gross notional amounts for currency forwards and currency interest rate swaps (presented by currency) at the end of each period were as follows:

(In Millions)	**Mar 28, 2015**	**Dec 27, 2014**	**Mar 29, 2014**
British pound sterling	$ 314	$ 410	$ 487
Chinese yuan	4,079	3,097	1,291
Euro	7,332	7,486	6,199
Indian rupee	420	418	252
Israeli shekel	2,010	2,489	1,878
Japanese yen	4,206	3,779	3,542
Malaysian ringgit	827	902	524
Swiss franc	1,146	1,289	1,256
Other	952	1,154	1,095
Total	**$ 21,286**	**$ 21,024**	**$ 16,524**

During 2014, we entered into a series of agreements with Tsinghua Unigroup Ltd. (Tsinghua Unigroup), an operating subsidiary of Tsinghua Holdings Co. Ltd., to, among other things, jointly develop Intel® architecture- and communications-based solutions for smartphones. Subject to regulatory approvals and other closing conditions, we have also agreed to invest up to 9.0 billion of Chinese yuan (approximately $1.5 billion as of the date of the agreement) for a minority stake of approximately 20% of the holding company under Tsinghua Unigroup. During the fourth quarter of 2014, we entered into $1.5 billion of forward contracts to hedge our anticipated equity funding of the Tsinghua Unigroup investment. The hedges were designated as cash flow hedges and the related gains and losses attributable to changes in the spot rates will be recognized in accumulated other comprehensive income (loss) until the Tsinghua Unigroup shares are either disposed of or impaired. As the shares are either disposed of or impaired, we will reclassify the gains or losses from accumulated other comprehensive income (loss) to gains (losses) on equity investments, net as an offset to the gain or loss recognized for the share disposal or impairment. Hedge gains and losses attributable to changes in the forward rates will be recognized in interest and other, net.

Fair Value of Derivative Instruments in the Consolidated Condensed Balance Sheets

The fair value of our derivative instruments at the end of each period were as follows:

	March 28, 2015				December 27, 2014			
(In Millions)	Other Current Assets	Other Long-Term Assets	Other Accrued Liabilities	Other Long-Term Liabilities	Other Current Assets	Other Long-Term Assets	Other Accrued Liabilities	Other Long-Term Liabilities
Derivatives designated as hedging instruments:								
Currency forwards	$ 12	$ 3	$ 483	$ 5	$ 6	$ 1	$ 497	$ 9
Total derivatives designated as hedging instruments	**12**	**3**	**483**	**5**	**6**	**1**	**497**	**9**
Derivatives not designated as hedging instruments:								
Currency forwards	253	—	87	—	207	—	44	—
Currency interest rate swaps	510	65	12	—	344	34	7	—
Embedded debt derivatives	—	—	1	8	—	—	4	8
Interest rate swaps	1	—	13	—	3	—	11	—
Other	2	16	2	—	1	22	—	—
Total derivatives not designated as hedging instruments	**766**	**81**	**115**	**8**	**555**	**56**	**66**	**8**
Total derivatives	**$ 778**	**$ 84**	**$ 598**	**$ 13**	**$ 561**	**$ 57**	**$ 563**	**$ 17**

Amounts Offset in the Consolidated Condensed Balance Sheets

The gross amounts of our derivative instruments and reverse repurchase agreements subject to master netting arrangements with various counterparties and cash and non-cash collateral posted under such agreements at the end of each period were as follows:

	March 28, 2015					
				Gross Amounts Not Offset in the Balance Sheet		
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
Assets:						
Derivative assets subject to master netting arrangements	$ 818	$ —	$ 818	$ (465)	$ (231)	$ 122
Reverse repurchase agreements	688	—	688	—	(688)	—
Total assets	**$ 1,506**	**$ —**	**$ 1,506**	**$ (465)**	**$ (919)**	**$ 122**
Liabilities:						
Derivative liabilities subject to master netting arrangements	$ 585	$ —	$ 585	$ (465)	$ (49)	$ 71
Total liabilities	**$ 585**	**$ —**	**$ 585**	**$ (465)**	**$ (49)**	**$ 71**

	December 27, 2014					
				Gross Amounts Not Offset in the Balance Sheet		
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
Assets:						
Derivative assets subject to master netting arrangements	$ 559	$ —	$ 559	$ (365)	$ (78)	$ 116
Reverse repurchase agreements	718	—	718	—	(718)	—
Total assets	**$ 1,277**	**$ —**	**$ 1,277**	**$ (365)**	**$ (796)**	**$ 116**
Liabilities:						
Derivative liabilities subject to master netting arrangements	$ 559	$ —	$ 559	$ (365)	$ (80)	$ 114
Total liabilities	**$ 559**	**$ —**	**$ 559**	**$ (365)**	**$ (80)**	**$ 114**

Derivatives in Cash Flow Hedging Relationships

The before-tax gains (losses), attributed to the effective portion of cash flow hedges, recognized in other comprehensive income (loss) for each period were as follows:

	Three Months Ended	
(In Millions)	**Mar 28, 2015**	**Mar 29, 2014**
Currency forwards	$ (229)	$ 35
Other	—	(2)
Total	**$ (229)**	**$ 33**

Gains and losses on derivative instruments in cash flow hedging relationships related to hedge ineffectiveness and amounts excluded from effectiveness testing, were insignificant during all periods presented in the preceding tables. Additionally, for all periods presented, there was an insignificant impact on results of operations from discontinued cash flow hedges, which arises when forecasted transactions are probable of not occurring.

For information on the unrealized holding gains (losses) on derivatives reclassified out of accumulated other comprehensive income into the consolidated condensed statements of income, see "Note 18: Other Comprehensive Income (Loss)."

Derivatives Not Designated as Hedging Instruments

The effects of derivative instruments not designated as hedging instruments on the consolidated condensed statements of income for each period were as follows:

		Three Months Ended	
(In Millions)	**Location of Gains (Losses) Recognized in Income on Derivatives**	**Mar 28, 2015**	**Mar 29, 2014**
Currency forwards	Interest and other, net	$ (18)	$ (15)
Currency interest rate swaps	Interest and other, net	253	(54)
Interest rate swaps	Interest and other, net	(6)	—
Total return swaps	Various	31	13
Other	Gains (losses) on equity investments, net	(9)	1
Total		**$ 251**	**$ (55)**

Note 7: Acquisitions

During the first three months of 2015, we completed one acquisition qualifying as a business combination in exchange for acquisition date consideration of $68 million, a majority of which was cash consideration. Substantially all of the consideration was allocated to goodwill. This acquisition was not significant to our results of operations. For information on goodwill by operating segment, see “Note 8: Goodwill”.

Note 8: Goodwill

Goodwill activity for the first three months of 2015 was as follows:

(In Millions)	Dec 27, 2014	Acquisitions	Transfers	Currency Exchange and Other	Mar 28, 2015
Client Computing Group	$ —	$ —	$ 3,708	$ —	$ 3,708
PC Client Group	3,058	—	(3,058)	—	—
Data Center Group	2,376	—	—	—	2,376
Internet of Things Group	428	—	—	—	428
Mobile and Communications Group	650	—	(650)	—	—
Software and services operating segments	4,236	—	—	(163)	4,073
All other	113	68	—	—	181
Total	**$ 10,861**	**$ 68**	**$ —**	**$ (163)**	**$ 10,766**

During the first quarter of 2015, we combined the PC Client Group (PCCG) and the Mobile and Communications Group (MCG) to create the Client Computing Group (CCG). Due to this reorganization, PCCG and MCG goodwill was transferred to CCG, shown in the preceding table as "Transfers." For further information, see "Note 20: Operating Segments Information."

Note 9: Identified Intangible Assets

Identified intangible assets at the end of each period were as follows:

	March 28, 2015		
(In Millions)	Gross Assets	Accumulated Amortization	Net
Acquisition-related developed technology	$ 2,964	$ (2,273)	$ 691
Acquisition-related customer relationships	1,644	(1,024)	620
Acquisition-related trade names	61	(51)	10
Licensed technology and patents	3,082	(1,159)	1,923
Identified intangible assets subject to amortization	**7,751**	**(4,507)**	**3,244**
Acquisition-related trade names	764	—	764
Other intangible assets	203	—	203
Identified intangible assets not subject to amortization	**967**	**—**	**967**
Total identified intangible assets	**$ 8,718**	**$ (4,507)**	**$ 4,211**

	December 27, 2014		
(In Millions)	Gross Assets	Accumulated Amortization	Net
Acquisition-related developed technology	$ 3,009	$ (2,192)	$ 817
Acquisition-related customer relationships	1,698	(1,001)	697
Acquisition-related trade names	61	(49)	12
Licensed technology and patents	3,153	(1,224)	1,929
Identified intangible assets subject to amortization	**7,921**	**(4,466)**	**3,455**
Acquisition-related trade names	788	—	788
Other intangible assets	203	—	203
Identified intangible assets not subject to amortization	**991**	**—**	**991**
Total identified intangible assets	**$ 8,912**	**$ (4,466)**	**$ 4,446**

Amortization expenses, with presentation location on the consolidated condensed statements of income, for each period were as follows:

		Three Months Ended	
(In Millions)	Location	Mar 28, 2015	Mar 29, 2014
Acquisition-related developed technology	Cost of sales	$ 120	$ 146
Acquisition-related customer relationships	Amortization of acquisition-related intangibles	60	70
Acquisition-related trade names	Amortization of acquisition-related intangibles	2	3
Licensed technology and patents	Cost of sales	69	68
Total amortization expenses		**$ 251**	**$ 287**

Based on identified intangible assets that are subject to amortization as of March 28, 2015, we expect future amortization expenses for each period to be as follows:

(In Millions)	Remainder of 2015	2016	2017	2018	2019
Acquisition-related developed technology	$ 210	$ 239	$ 90	$ 69	$ 60
Acquisition-related customer relationships	179	223	137	34	15
Acquisition-related trade names	7	3	—	—	—
Licensed technology and patents	207	262	219	177	176
Total future amortization expenses	**$ 603**	**$ 727**	**$ 446**	**$ 280**	**$ 251**

Note 10: Other Long-Term Assets

Other long-term assets at the end of each period were as follows:

(In Millions)	Mar 28, 2015	Dec 27, 2014
Equity method investments	$ 1,574	$ 1,446
Non-marketable cost method investments	1,800	1,769
Non-current deferred tax assets	638	622
Pre-payments for property, plant and equipment	515	636
Loans receivable	316	416
Other	1,760	1,672
Total other long-term assets	**$ 6,603**	**$ 6,561**

During the first three months of 2015, we received and transferred $179 million of equipment from other long-term assets to property, plant and equipment. The equipment was prepaid in 2012 and 2013. We recognized the pre-payments within operating activities in the consolidated condensed statement of cash flows when we paid for the equipment, and the receipt of the equipment is reflected as a non-cash transaction in the current period.

Note 11: Restructuring and Asset Impairment Charges

Beginning in the third quarter of 2013, management approved several restructuring actions, including targeted workforce reductions and the exit of certain businesses and facilities. These actions include the wind down of our 200 millimeter wafer fabrication facility in Massachusetts, which ceased production in the first quarter of 2015, and the closure of our assembly and test facility in Costa Rica, which ceased production in the fourth quarter of 2014. These targeted reductions will enable us to better align our resources in areas providing the greatest benefit in the current business environment. We expect these actions to be substantially complete by the end of 2015.

Restructuring and asset impairment charges for each period were as follows:

(In Millions)	Three Months Ended Mar 28, 2015	Three Months Ended Mar 29, 2014
Employee severance and benefit arrangements	$ 99	$ 137
Asset impairments and other restructuring charges	6	—
Total restructuring and asset impairment charges	**$ 105**	**$ 137**

Restructuring and asset impairment activity for the first three months of 2015 was as follows:

(In Millions)	Employee Severance and Benefits	Asset Impairments and Other	Total
Accrued restructuring balance as of December 27, 2014	$ 121	$ 11	$ 132
Additional accruals	99	7	106
Adjustments	—	(1)	(1)
Cash payments	(82)	(4)	(86)
Non-cash settlements	—	(2)	(2)
Accrued restructuring balance as of March 28, 2015	**$ 138**	**$ 11**	**$ 149**

We recorded the additional accruals and adjustments as restructuring and asset impairment charges in the consolidated condensed statements of income and within the “all other” operating segments category. Most of the accrued restructuring balance as of March 28, 2015 is expected to be paid within the next 12 months and was recorded as a current liability within accrued compensation and benefits on the consolidated condensed balance sheets.

Restructuring actions that were approved in 2015 impacted approximately 1,400 employees. Since the third quarter of 2013, we have incurred a total of $640 million in restructuring and asset impairment charges. These charges included a total of $565 million related to employee severance and benefit arrangements for approximately 9,000 employees, and $75 million in asset impairment charges and other restructuring charges.

Note 12: Deferred Income

Deferred income at the end of each period was as follows:

(In Millions)	Mar 28, 2015	Dec 27, 2014
Deferred income on shipments of components to distributors	$ 965	$ 944
Deferred income from software and services	1,231	1,261
Current deferred income	**2,196**	**2,205**
Non-current deferred income from software and services	428	483
Total deferred income	**$ 2,624**	**$ 2,688**

We classify non-current deferred income from software and services within other long-term liabilities on the consolidated condensed balance sheets.

Note 13: Employee Equity Incentive Plans

Our equity incentive plans are broad-based, long-term programs intended to attract and retain talented employees and align stockholder and employee interests.

As of March 28, 2015, 254 million shares of common stock remained available for future grant under the 2006 Equity Incentive Plan through June 2016.

The 2006 Stock Purchase Plan allows eligible employees to purchase shares of our common stock at 85% of the value of our common stock on specific dates. Rights to purchase shares of common stock are granted during the first and third quarters of each year. As of March 28, 2015, 189 million shares of common stock remained available for issuance under the 2006 Stock Purchase Plan through August 2016.

Share-Based Compensation

Share-based compensation recognized in the first three months of 2015 was $368 million ($283 million in the first three months of 2014).

Restricted Stock Unit Awards

Restricted stock unit activity in the first three months of 2015 was as follows:

	Number of RSUs (In Millions)	Weighted Average Grant-Date Fair Value
December 27, 2014	**119.4**	**$ 23.89**
Granted	6.7	$ 39.05
Vested	(3.1)	$ 27.52
Forfeited	(1.9)	$ 23.97
March 28, 2015	**121.1**	**$ 24.63**

As of March 28, 2015, 4.8 million of the outstanding restricted stock units were market-based restricted stock units.

Stock Option Awards

Stock option activity in the first three months of 2015 was as follows:

	Number of Options (In Millions)	Weighted Average Exercise Price
December 27, 2014	**77.3**	**$ 21.30**
Exercised	(5.2)	$ 20.43
Cancelled and forfeited	(0.4)	$ 23.07
Expired	(0.1)	$ 21.97
March 28, 2015	**71.6**	**$ 21.35**
Options exercisable as of:		
December 27, 2014	54.7	$ 20.29
March 28, 2015	53.1	$ 20.41

Stock Purchase Plan

Employees purchased 8.1 million shares of common stock in the first three months of 2015 for $234 million (10.7 million shares of common stock in the first three months of 2014 for $212 million) under the 2006 Stock Purchase Plan.

Note 14: Common Stock Repurchases

Common Stock Repurchase Program

We have an ongoing authorization, originally approved by our Board of Directors in 2005, and subsequently amended, to repurchase up to $65 billion in shares of our common stock in open market or negotiated transactions. As of March 28, 2015, $11.6 billion remained available for repurchase under the existing repurchase authorization limit.

During the first three months of 2015, we repurchased 21.3 million shares of common stock at a cost of $750 million (22.1 million shares of common stock at a cost of $545 million in the first three months of 2014). We have repurchased 4.7 billion shares of common stock at a cost of $103 billion since the program began in 1990.

During the fourth quarter of 2014, we entered into a stock repurchase agreement, a portion of which was executed as a forward contract. We received collateral from the counterparty for the value attributable to the forward portion of this contract and invested the collateral into permitted investments considered restricted from other uses. As of December 27, 2014, $325 million of collateral, which approximates fair value, was recorded as both a current asset and current liability on the consolidated condensed balance sheet. The full amount of the collateral was returned to the counterparty during the first quarter of 2015 when the contract settled.

Note 15: Gains (Losses) on Equity Investments, Net

The components of gains (losses) on equity investments, net for each period were as follows:

	Three Months Ended	
(In Millions)	Mar 28, 2015	Mar 29, 2014
Share of equity method investee losses, net	$ (48)	$ (11)
Impairments	(38)	(38)
Gains on sales, net	46	71
Other, net	72	26
Total gains (losses) on equity investments, net	**$ 32**	**$ 48**

Note 16: Interest and Other, Net

The components of interest and other, net for each period were as follows:

	Three Months Ended	
(In Millions)	Mar 28, 2015	Mar 29, 2014
Interest income	$ 32	$ 35
Interest expense	(42)	(37)
Other, net	36	114
Total interest and other, net	**$ 26**	**$ 112**

Interest expense in the preceding table is net of $81 million of interest capitalized in the first three months of 2015 ($77 million in the first three months of 2014).

During the first quarter of 2014, we completed the divestiture of our Intel Media assets. As a result of the transaction, we recognized a gain within "other, net" in the preceding table.

Note 17: Earnings Per Share

We computed our basic and diluted earnings per common share for each period as follows:

	Three Months Ended	
(In Millions, Except Per Share Amounts)	Mar 28, 2015	Mar 29, 2014
Net income available to common stockholders	**$ 1,992**	**$ 1,930**
Weighted average shares of common stock outstanding—basic	**4,741**	**4,974**
Dilutive effect of employee equity incentive plans	82	76
Dilutive effect of convertible debt	91	67
Weighted average shares of common stock outstanding—diluted	**4,914**	**5,117**
Basic earnings per share of common stock	**$ 0.42**	**$ 0.39**
Diluted earnings per share of common stock	**$ 0.41**	**$ 0.38**

We computed basic earnings per share of common stock using net income available to common stockholders and the weighted average number of shares of common stock outstanding during the period. We computed diluted earnings per share of common stock using net income available to common stockholders and the weighted average number of shares of common stock outstanding plus potentially dilutive shares of common stock outstanding during the period. Net income available to participating securities was insignificant for all periods presented.

Potentially dilutive shares of common stock from employee incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options, the assumed vesting of outstanding restricted stock units, and the assumed issuance of common stock under the stock purchase plan. Potentially dilutive shares of common stock for our 2005 debentures are determined by applying the if-converted method. However, as our 2009 debentures require settlement of the principal amount of the debt in cash upon conversion, with the conversion premium paid in cash or stock at our option, potentially dilutive shares of common stock are determined by applying the treasury stock method.

During the first three months of 2015, we excluded on average 3 million outstanding stock options and restricted stock units from the computation of diluted earnings per share of common stock because these shares of common stock would have been antidilutive (33 million for the first three months of 2014). These options could potentially be included in the diluted earnings per share of common stock calculation in the future if the average market value of the shares of common stock increases and is greater than the exercise price of these options.

In the first three months of 2015 and 2014, we included our 2009 debentures in the calculation of diluted earnings per share of common stock because the average market price was above the conversion price. We could potentially exclude the 2009 debentures in the future if the average market price is below the conversion price.

Note 18: Other Comprehensive Income (Loss)

The changes in accumulated other comprehensive income (loss) by component and related tax effects in the first three months of 2015 were as follows:

(In Millions)	Unrealized Holding Gains (Losses) on Available-for-Sale Investments	Deferred Tax Asset Valuation Allowance	Unrealized Holding Gains (Losses) on Derivatives	Prior Service Credits (Costs)	Actuarial Gains (Losses)	Foreign Currency Translation Adjustment	Total
December 27, 2014	**$ 2,459**	**$ 26**	**$ (423)**	**$ (47)**	**$ (1,004)**	**$ (345)**	**$ 666**
Other comprehensive income (loss) before reclassifications	(472)	—	(229)	—	2	(197)	(896)
Amounts reclassified out of accumulated other comprehensive income (loss)	(54)	—	99	2	14	—	61
Tax effects	184	(3)	41	—	(4)	19	237
Other comprehensive income (loss)	(342)	(3)	(89)	2	12	(178)	(598)
March 28, 2015	**$ 2,117**	**$ 23**	**$ (512)**	**$ (45)**	**$ (992)**	**$ (523)**	**$ 68**

The amounts reclassified out of accumulated other comprehensive income (loss) into the consolidated condensed statements of income, with presentation location, for each period were as follows:

	Income Before Taxes Impact (In Millions)		
	Three Months Ended		
Comprehensive Income Components	Mar 28, 2015	Mar 29, 2014	Location
Unrealized holding gains (losses) on available-for-sale investments:			
	$ —	$ 2	Interest and other, net
	54	61	Gains (losses) on equity investments, net
	54	**63**	
Unrealized holding gains (losses) on derivatives:			
Currency forwards	(43)	2	Cost of sales
	(47)	8	Research and development
	(9)	2	Marketing, general and administrative
	(99)	**12**	
Amortization of pension and postretirement benefit components:			
Prior service credits (costs)	(2)	(1)	
Actuarial gains (losses)	(14)	(10)	
	(16)	**(11)**	
Total amounts reclassified out of accumulated other comprehensive income (loss)	**$ (61)**	**$ 64**	

The amortization of pension and postretirement benefit components are included in the computation of net periodic benefit cost. For further information, see the "Retirement Benefit Plans" note in Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 27, 2014.

We estimate that we will reclassify approximately $409 million (before taxes) of net derivative losses included in accumulated other comprehensive income (loss) into earnings within the next 12 months.

Note 19: Contingencies

Legal Proceedings

We are a party to various legal proceedings, including those noted in this section. Although management at present believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations, cash flows, or overall trends, legal proceedings and related government investigations are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could include substantial monetary damages. In addition, in matters for which injunctive relief or other conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices, or requiring other remedies. An unfavorable outcome may result in a material adverse impact on our business, results of operations, financial position, and overall trends. We might also conclude that settling one or more such matters is in the best interests of our stockholders, employees and customers, and any such settlement could include substantial payments. Except as specifically described below, we have not concluded that settlement of any of the legal proceedings noted in this section is appropriate at this time.

Government Competition Matters and Related Consumer Class Actions

A number of proceedings generally have challenged and continue to challenge certain of our competitive practices. The allegations in these proceedings vary and are described in more detail in the following paragraphs. In general, they contend that we improperly conditioned price rebates and other discounts on our microprocessors on exclusive or near-exclusive dealing by some of our customers; and they allege that our software compiler business unfairly preferred Intel® microprocessors over competing microprocessors and that, through the use of our compilers and other means, we have caused the dissemination of inaccurate and misleading benchmark results concerning our microprocessors. Based on the procedural posture of the various remaining competition matters, which we describe in the following paragraphs, our investment of resources to explain and defend our position has declined as compared to the period 2005-2011. Nonetheless, certain of the matters remain active, and these challenges could continue for a number of years, potentially requiring us to invest additional resources. We believe that we compete lawfully and that our marketing, business, intellectual property, and other challenged practices benefit our customers and our stockholders, and we will continue to conduct a vigorous defense in the remaining proceedings.

In 2001, the European Commission (EC) commenced an investigation regarding claims by Advanced Micro Devices, Inc. (AMD) that we used unfair business practices to persuade customers to buy our microprocessors. We received numerous requests for information and documents from the EC and we responded to each of those requests. The EC issued a Statement of Objections in July 2007 and held a hearing on that Statement in March 2008. The EC issued a Supplemental Statement of Objections in July 2008. In May 2009, the EC issued a decision finding that we had violated Article 82 of the EC Treaty and Article 54 of the European Economic Area Agreement. In general, the EC found that we violated Article 82 (later renumbered as Article 102 by a new treaty) by offering alleged "conditional rebates and payments" that required our customers to purchase all or most of their x86 microprocessors from us. The EC also found that we violated Article 82 by making alleged "payments to prevent sales of specific rival products." The EC imposed a fine in the amount of €1.06 billion ($1.447 billion as of May 2009), which we subsequently paid during the third quarter of 2009, and ordered us to "immediately bring to an end the infringement referred to in" the EC decision.

The EC decision contained no specific direction on whether or how we should modify our business practices. Instead, the decision stated that we should "cease and desist" from further conduct that, in the EC's opinion, would violate applicable law. We took steps, which are subject to the EC's ongoing review, to comply with that decision pending appeal. We had discussions with the EC to better understand the decision and to explain changes to our business practices.

We appealed the EC decision to the Court of First Instance (which has been renamed the General Court) in July 2009. The hearing of our appeal took place in July 2012. In June 2014, the General Court rejected our appeal in its entirety. In August 2014, we filed an appeal with the European Court of Justice. On November 11, 2014, Intervener Association for Competitive Technologies filed comments in support of Intel's grounds of appeal. The EC and interveners filed briefs in November 2014, we filed a reply in February 2015, and the EC filed a rejoinder in April 2015. The Court of Justice is likely to hold oral argument in late 2015 and issue its decision in 2016.

At least 82 separate class-action lawsuits have been filed in the U.S. District Courts for the Northern District of California, Southern District of California, District of Idaho, District of Nebraska, District of New Mexico, District of Maine, and District of Delaware, as well as in various California, Kansas, and Tennessee state courts. These actions generally repeat the allegations made in a now-settled lawsuit filed against us by AMD in June 2005 in the U.S. District Court for the District of Delaware (AMD litigation). Like the AMD litigation, these class-action lawsuits allege that we engaged in various actions in violation of the Sherman Act and other laws by, among other things: providing discounts and rebates to our manufacturer and distributor customers conditioned on exclusive or near-exclusive dealing that allegedly unfairly interfered with AMD's ability to sell its microprocessors; interfering with certain AMD product launches; and interfering with AMD's participation in certain industry standards-setting groups. The class actions allege various consumer injuries, including that consumers in various states have been injured by paying higher prices for computers containing our microprocessors. We dispute these class-action claims and intend to defend the lawsuits vigorously.

All of the federal and state class actions other than the California class actions were transferred by the Multidistrict Litigation Panel to the U.S. District Court in Delaware for all pre-trial proceedings and discovery (MDL proceedings). The Delaware district court appointed a Special Master to address issues in the MDL proceedings, as assigned by the court. In January 2010, the plaintiffs in the Delaware action filed a motion for sanctions for our alleged failure to preserve evidence. This motion largely copies a motion previously filed by AMD in the AMD litigation, which has settled. The plaintiffs in the MDL proceedings also moved for certification of a class of members who purchased certain personal computers containing products sold by us. In July 2010, the Special Master issued a Report and Recommendation (Report) denying the motion to certify a class. The MDL plaintiffs filed objections to the Special Master's Report, and a hearing on those objections was held before the district court in July 2013. In July 2014, the district court affirmed the Special Master's ruling and issued an order denying the MDL plaintiffs' motion for class certification. In August 2014, plaintiffs filed a petition for interlocutory appeal of the district court's decision with the U.S. Court of Appeals for the Third Circuit, which the Third Circuit denied in October 2014. In December 2014, Intel filed a motion for summary judgment on the claims of the remaining individual plaintiffs.

All California class actions have been consolidated in the Superior Court of California in Santa Clara County. The plaintiffs in the California actions moved for class certification, which we are in the process of opposing. At our request, the court in the California actions agreed to delay ruling on this motion until after the Delaware district court ruled on the similar motion in the MDL proceedings. The plaintiffs asked the court for leave to retain a new expert and to amend their previous motion for class certification. The court granted plaintiffs’ request in February 2015 and the hearing on plaintiffs’ amended class certification motion is set for November 6, 2015. Given the procedural posture and the nature of these cases, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, arising from these matters.

In re High Tech Employee Antitrust Litigation

Between May and July 2011, former employees of Intel, Adobe Systems Incorporated, Apple Inc., Google Inc., Intuit Inc., Lucasfilm Ltd., and Pixar filed antitrust class action lawsuits in the California Superior Courts alleging that these companies had entered into a conspiracy to suppress the compensation of their employees. The lawsuits were removed to the United States District Court for the Northern District of California, and in September 2011 the plaintiffs filed a consolidated amended complaint, captioned *In re High Tech Employee Antitrust Litigation*. The plaintiffs’ allegations reference the 2009 and 2010 investigation by the Department of Justice (DOJ) into employment practices in the technology industry, as well as the DOJ’s complaints and subsequent stipulated final judgments with the seven companies named as defendants in the lawsuits. The plaintiffs allege that the defendants entered into certain unlawful agreements not to cold call employees of particular other defendants and that there was an overarching conspiracy among the defendants. Plaintiffs assert one such agreement specific to Intel, namely that Intel and Google entered into an agreement starting in 2005, not to cold call each other's employees. Plaintiffs assert claims under Section 1 of the Sherman Antitrust Act and Section 4 of the Clayton Antitrust Act and seek a declaration that the defendants’ alleged actions violated the antitrust laws, damages trebled as provided for by law under the Sherman Act or Clayton Act, restitution and disgorgement, and attorneys’ fees and costs.

In October 2013, the district court certified a class consisting of approximately 65,000 current or former employees of the seven defendants and set the matter for trial in late May 2014. The so-called "technical class" consists of a group of current and former technical, creative, and R&D employees at each of the defendants. In January 2014, Intel filed a motion for summary judgment, which the court denied in March 2014.

In April 2014, Intel, Adobe, Apple, and Google reached an agreement with plaintiffs to settle this lawsuit, but in August 2014, the district court denied preliminary approval of the settlement. In September 2014, defendants filed a petition for writ of mandamus asking the U.S. Court of Appeals for the Ninth Circuit to reverse the district court's decision. The Ninth Circuit ordered briefing and scheduled a March 2015 hearing date on the writ petition. Defendants have withdrawn the petition for writ of mandamus in light of the settlement agreement discussed below.

In January 2015, Intel, Adobe, Apple, and Google reached a second agreement with plaintiffs to settle this lawsuit, which the court preliminarily approved in March 2015; the final fairness hearing is scheduled for July 2015. We continue to dispute the plaintiffs' claims, but have agreed to settle this lawsuit to avoid the uncertainties, expenses, and diversion of resources from continued litigation. Our operating expenses for 2014 reflect accruals for this proceeding and we believe reasonably possible losses in excess of the accrued amount are not material to our financial statements.

In re Intel Corporation Shareholder Derivative Litigation

In March 2014, the Police Retirement System of St. Louis filed a shareholder derivative action in the Superior Court of California in Santa Clara County against the members of our Board of Directors, certain former Board members, and a current officer. The complaint alleges that the defendants breached their duties to the company by participating in, or allowing, alleged antitrust violations, as described in *In re High Tech Employee Antitrust Litigation*. In March 2014, a second plaintiff, Barbara Templeton, filed a substantially similar derivative suit in the same court. In May 2014, a third shareholder, Robert Achermann, filed a substantially similar derivative action in the same court. The court consolidated the three actions into one, which is captioned *In re Intel Corporation Shareholder Derivative Litigation*. Plaintiffs filed a consolidated complaint in July 2014. In September 2014, the court granted our motion to dismiss the consolidated complaint, but granted plaintiffs leave to amend. Plaintiffs filed an amended complaint in February 2015. Intel moved to dismiss the amended complaint in March 2015, and a hearing on the motion is scheduled for June 2015.

Lehman Brothers Holdings Inc. and Lehman Brothers OTC Derivatives Inc. v. Intel

In May 2013, Lehman Brothers OTC Derivatives Inc. (LOTC) and Lehman Brothers Holdings Inc. (LBHI) filed an adversary complaint in the United States Bankruptcy Court in the Southern District of New York asserting claims against us arising from a 2008 contract between Intel and LOTC. Under the terms of the 2008 contract, we prepaid $1.0 billion to LOTC, in exchange for which LOTC was required to deliver to us on or before September 29, 2008, quantities of Intel common stock and cash determined by a formula set forth in the contract. LOTC's performance under the contract was secured by $1.0 billion of cash collateral. Under the terms of the contract, LOTC was obligated to deliver approximately 50 million shares of our common stock to us on September 29, 2008. LOTC failed to deliver any Intel common stock or cash, and we exercised our right of setoff against the $1.0 billion collateral. LOTC and LBHI acknowledge in their complaint that we were entitled to set off our losses against the collateral, but they assert that we withheld collateral in excess of our losses that should have been returned to LOTC. The complaint asserts a claim for breach of contract, a claim for turnover under section 542(a) of the Bankruptcy Code, and a claim for violation of the automatic stay under section 362(a)(3) of the Bankruptcy Code. The complaint does not expressly quantify the amount of damages claimed but does assert multiple theories of damages that impliedly seek up to $312 million of alleged excess collateral, plus interest at LIBOR plus 13.5%, compounded daily. In June 2013, we filed a motion to dismiss plaintiffs' bankruptcy claims and for a determination that the breach of contract claim is "non-core" under the Bankruptcy Code. The bankruptcy court granted our motion in its entirety in December 2013. In May 2014, the United States District Court for the Southern District of New York denied our request that it withdraw its reference of plaintiffs' adversary complaint to the bankruptcy court. In January 2015, Intel and the plaintiffs filed competing motions for summary judgment, which are scheduled for hearing in June 2015. Plaintiffs' motion requests judgment against Intel "in the amount of no less than" $129 million, plus interest. We believe that $129 million, plus interest, represents the upper end of the range of reasonably possible loss for this case, although we believe that we acted in a manner consistent with our contractual rights and intend to defend against any claim to the contrary.

McAfee, Inc. Shareholder Litigation

On August 19, 2010, we announced that we had agreed to acquire all of the common stock of McAfee, Inc. (McAfee) for $48.00 per share. Four McAfee shareholders filed putative class-action lawsuits in Santa Clara County, California Superior Court challenging the proposed transaction. The cases were ordered consolidated in September 2010. Plaintiffs filed an amended complaint that named former McAfee board members, McAfee and Intel as defendants, and alleged that the McAfee board members breached their fiduciary duties and that McAfee and Intel aided and abetted those breaches of duty. The complaint requested rescission of the merger agreement, such other equitable relief as the court may deem proper, and an award of damages in an unspecified amount. In June 2012, the plaintiffs' damages expert asserted that the value of a McAfee share for the purposes of assessing damages should be $62.08.

In January 2012, the court certified the action as a class action, appointed the Central Pension Laborers' Fund to act as the class representative, and scheduled trial to begin in January 2013. In March 2012, defendants filed a petition with the California Court of Appeal for a writ of mandate to reverse the class certification order; the petition was denied in June 2012. In March 2012, at defendants' request, the court held that plaintiffs were not entitled to a jury trial, and ordered a bench trial. In April 2012, plaintiffs filed a petition with the California Court of Appeal for a writ of mandate to reverse that order, which the court of appeal denied in July 2012. In August 2012, defendants filed a motion for summary judgment. The trial court granted that motion in November 2012, and entered final judgment in the case in February 2013. In April 2013, plaintiffs appealed the final judgment. Intel, McAfee, and McAfee's board of directors filed an opposition to plaintiff's appeal in December 2014. Because the resolution of the appeal may materially impact the scope and nature of the proceeding, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, arising from this matter. We dispute the class-action claims and intend to continue to defend the lawsuit vigorously.

Note 20: Operating Segments Information

Our operating segments in effect as of March 28, 2015 include:

- Client Computing Group
- Data Center Group
- Internet of Things Group
- Software and services operating segments
  - McAfee
  - Software and Services Group
- All other
  - Non-Volatile Memory Solutions Group
  - New Devices Group

During the first quarter of 2015, we combined the PC Client Group and Mobile and Communications Group to create the Client Computing Group (CCG). This change in our organizational structure reflects our strategy to address all aspects of the client computing market segment and utilize our intellectual property to offer compelling customer solutions. All prior-period amounts have been retrospectively adjusted to reflect the way we internally manage and monitor segment performance starting in fiscal year 2015 and includes other minor reorganizations.

The Chief Operating Decision Maker (CODM) is our CEO. The CODM allocates resources to and assesses the performance of each operating segment using information about its revenue and operating income (loss).

We manage our business activities primarily based on a product segmentation basis. CCG and Data Center Group are our reportable operating segments. Internet of Things Group and the aggregated "software and services operating segments" as shown in the preceding operating segment list, do not meet the quantitative thresholds to qualify as reportable operating segments; however, we have elected to disclose the results of these non-reportable operating segments. Our Non-Volatile Memory Solutions Group and New Devices Group operating segments do not meet the quantitative thresholds to qualify as reportable segments and their combined results are included within the "all other" category.

Revenue for our reportable and aggregated non-reportable operating segments is primarily related to the following product lines:

- *Client Computing Group*. Includes platforms designed for the notebook (including Ultrabook™ devices), 2 in 1 systems, the desktop (including all-in-ones and high-end enthusiast PCs), tablets, and smartphones; wireless and wired connectivity products; as well as mobile communication components.
- *Data Center Group.* Includes server, network, and storage platforms designed for enterprise, cloud, communications infrastructure, and technical computing segments.
- *Internet of Things Group.* Includes platforms designed for embedded market segments including retail, transportation, industrial, and buildings and home, along with a broad range of other market segments.
- *Software and services operating segments.* Includes software and hardware products for endpoint security, network and content security, risk and compliance, and consumer and mobile security from our McAfee business, and software products and services that promote Intel architecture as the platform of choice for software development.

We have sales and marketing, manufacturing, engineering, finance, and administration groups. Expenses for these groups are generally allocated to the operating segments, and the expenses are included in the following operating results.

The "all other" category includes revenue, expenses, and charges such as:

- results of operations from our Non-Volatile Memory Solutions Group and New Devices Group;
- amounts included within restructuring and asset impairment charges;
- a portion of profit-dependent compensation and other expenses not allocated to the operating segments;
- divested businesses for which discrete operating results are not regularly reviewed by our CODM;
- results of operations of start-up businesses that support our initiatives, including our foundry business; and
- acquisition-related costs, including amortization and any impairment of acquisition-related intangibles and goodwill.

The CODM does not evaluate operating segments using discrete asset information. Operating segments do not record inter-segment revenue. We do not allocate gains and losses from equity investments, interest and other income, or taxes to operating segments. Although the CODM uses operating income to evaluate the segments, operating costs included in one segment may benefit other segments. Except for these differences, the accounting policies for segment reporting are the same as for Intel as a whole.

Net revenue and operating income (loss) for each period were as follows:

	Three Months Ended	
(In Millions)	Mar 28, 2015	Mar 29, 2014
Net revenue:		
Client Computing Group	$ 7,420	$ 8,097
Data Center Group	3,679	3,087
Internet of Things Group	533	482
Software and services operating segments	534	553
All other	615	545
Total net revenue	**12,781**	**12,764**
Operating income (loss):		
Client Computing Group	1,410	1,847
Data Center Group	1,701	1,336
Internet of Things Group	87	115
Software and services operating segments	3	8
All other	(586)	(796)
Total operating income	**$ 2,615**	**$ 2,510**

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is provided in addition to the accompanying consolidated condensed financial statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. MD&A is organized as follows:

- *Overview*. Discussion of our business and overall analysis of financial and other highlights affecting the company in order to provide context for the remainder of MD&A.
- *Results of Operations*. Analysis of our financial results comparing the three months ended March 28, 2015 to the three months ended March 29, 2014.
- *Liquidity and Capital Resources*. Analysis of changes in our balance sheets and cash flows, and discussion of our financial condition and potential sources of liquidity.
- *Fair Value of Financial Instruments*. Discussion of the methodologies used in the valuation of our financial instruments.

This interim MD&A should be read in conjunction with the MD&A in our Annual Report on Form 10-K for the year ended December 27, 2014. The various sections of this MD&A contain a number of forward-looking statements that involve a number of risks and uncertainties. Words such as "anticipates," "expects," "intends," "goals," "plans," "believes," "seeks," "estimates," "continues," "may," "will," "should," and variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, uncertain events or assumptions, and other characterizations of future events or circumstances are forward-looking statements. Such statements are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this filing and particularly in "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K, and as may be updated in our subsequent Quarterly Reports on Form 10-Q. Our actual results may differ materially, and these forward-looking statements do not reflect the potential impact of any divestitures, mergers, acquisitions, or other business combinations that had not been completed as of April 27, 2015.

Overview

Our results of operations for each period were as follows:

(Dollars in Millions, Except Per Share Amounts)	Q1 2015	Q4 2014	Change	Q1 2015	Q1 2014	Change
Net revenue	$ 12,781	$ 14,721	$ (1,940)	$ 12,781	$ 12,764	$ 17
Gross margin	$ 7,730	$ 9,621	$ (1,891)	$ 7,730	$ 7,613	$ 117
Gross margin percentage	60.5%	65.4%	(4.9)%	60.5%	59.6%	0.9%
Operating income	$ 2,615	$ 4,453	$ (1,838)	$ 2,615	$ 2,510	$ 105
Net income	$ 1,992	$ 3,661	$ (1,669)	$ 1,992	$ 1,930	$ 62
Diluted earnings per common share	$ 0.41	$ 0.74	$ (0.33)	$ 0.41	$ 0.38	$ 0.03

Net revenue in Q1 2015 of $12.8 billion was flat compared to Q1 2014 and down 13% from Q4 2014. This was in line with our Business Outlook which was revised downward in March 2015 from our original expectations as a result of weaker than expected demand for business desktop PCs and challenging macroeconomic conditions, including an appreciating U.S. dollar. While the PC market was challenging in Q1 2015, we continue to see strength in our Data Center Group (DCG), Internet of Things Group (IOTG), and Non-Volatile Memory Solutions Group.

Q1 2015 gross margin of 60.5%, was slightly above our original Business Outlook provided in January 2015. Spending on research and development (R&D) and marketing, general and administrative (MG&A) was $4.9 billion, down approximately $100 million from Q4 2014, and in line with our original Business Outlook. Operating income of $2.6 billion was up 4% compared to Q1 2014. Earnings per share of $0.41 was up over 8% from Q1 2014.

We are using our manufacturing leadership to transform the company by developing products across a broad range of end markets. This is driving growth in revenue and operating income in our DCG, IOTG and our Non-Volatile Memory Solutions Group. To illustrate this transformation, in Q1 2015, almost 40% of our revenue came from the combination of these businesses and these businesses accounted for more than two-thirds of the company's overall operating income in Q1 2015.

In Q1 2015, our silicon technology leadership remained a valuable competitive advantage as evident by our latest 14-nanometer (nm) processors: the 5th generation Intel® Core™ and Intel® Core™ M processors, which are ramping just ahead of our expectations. Our Client Computing Group (CCG) reached some important product milestones. We launched our newest Intel® Core™ vPro™ processor family for the notebook market segment, which featured aspects of our "No Wires" vision. We also expanded our mobile product portfolio to address a range of price points and form factors including the Intel® Atom™ x5 and x7 processors for mainstream and premium tablet platforms, formerly code-named "Cherry Trail". Additionally, we started shipping the Intel® Atom™ x3 processor, formerly code-named "SoFIA", Intel's first integrated communications platform. We also introduced our first Intel® Xeon® SoC processor, optimized for microservers, storage, network, and IoT devices. This product is an example of our strategy to reuse intellectual property from our core business in complementary, profitable segments.

Our business continues to generate significant cash with $4.4 billion of cash from operations in Q1 2015. During Q1 2015, we purchased $2.0 billion in capital assets and returned cash to shareholders by both paying $1.1 billion in dividends and repurchasing $750 million of common stock through our common stock repurchase program. We ended Q1 2015 with $14.1 billion of cash and cash equivalents, short-term investments, and trading assets; down $4.9 billion from Q1 2014. Additionally, the Board of Directors declared a cash dividend in March 2015 of $0.24 per share of common stock to be paid in June 2015.

For Q2 2015, we are forecasting a revenue midpoint of $13.2 billion, up 3% from Q1 2015. This forecast is in line with the average seasonal increase for Q2 2015. We are forecasting Q2 2015 gross margin midpoint of 62%, up 1.5 points from Q1 2015. For the full-year 2015 we expect revenue to be approximately flat to 2014, down from the original Business Outlook of mid-single digit percentage growth. We are now projecting a mid-single digit decline in the overall PC market, however we continue to forecast robust growth rates in our DCG, IOTG and our Non-Volatile Memory Solutions Group which we expect to offset the decline in CCG. Due to lower than expected demand and reduced growth rates this year, we are lowering capital spending and spending on R&D and MG&A. We are now expecting higher reuse of 22nm capital for 14nm production and to align overall capacity with lowered demand. As a result, we are now forecasting the midpoint of capital spending at $8.7 billion, down $1.3 billion from the prior Business Outlook.

Our Business Outlook for Q2 2015 and full-year 2015 includes, where applicable, our current expectations for revenue, gross margin percentage, spending (R&D plus MG&A), and capital expenditures. We publish our Business Outlook in our quarterly earnings release. Our Business Outlook and any updates thereto are publicly available on our Investor Relations web site www.intc.com. This Business Outlook is not incorporated by reference in this Form 10-Q. We expect that our corporate representatives will, from time to time, meet publicly or privately with investors and others, and may reiterate the forward-looking statements contained in the Business Outlook or in this Form 10-Q.

The statements in the Business Outlook and forward-looking statements in this Form 10-Q are subject to revision during the course of the year in our quarterly earnings releases and filings with the Securities and Exchange Commission (SEC) and at other times. The forward-looking statements in the Business Outlook and reiterated or updated in this Form 10-Q will be effective through the close of business on June 12, 2015 unless updated earlier or except as specifically noted otherwise in the Business Outlook. From the close of business on June 12, 2015 until our quarterly earnings release is published, currently scheduled for July 15, 2015, we will observe a “quiet period.”

During the quiet period, the Business Outlook and other forward-looking statements first published in our Form 8-K filed on April 14, 2015, and other forward-looking statements disclosed in the company's news releases and filings with the SEC, as reiterated or updated as applicable in this Form 10-Q, should be considered historical, speaking prior to the quiet period only and not subject to update. During the quiet period, our representatives will not comment on our Business Outlook or our financial results or expectations. The exact timing and duration of the routine quiet period, and any others that we utilize from time to time, may vary at our discretion.

Results of Operations – First Quarter of 2015 Compared to First Quarter of 2014

The following table sets forth certain consolidated condensed statements of income data as a percentage of net revenue for each period as follows:

	Q1 2015		Q1 2014	
(Dollars in Millions, Except Per Share Amounts)	**Dollars**	**% of Net Revenue**	**Dollars**	**% of Net Revenue**
Net revenue	**$ 12,781**	**100.0%**	**$ 12,764**	**100.0%**
Cost of sales	5,051	39.5%	5,151	40.4%
Gross margin	**7,730**	**60.5%**	**7,613**	**59.6%**
Research and development	2,995	23.4%	2,846	22.3%
Marketing, general and administrative	1,953	15.3%	2,047	15.9%
Restructuring and asset impairment charges	105	0.8%	137	1.1%
Amortization of acquisition-related intangibles	62	0.5%	73	0.6%
Operating income	**2,615**	**20.5%**	**2,510**	**19.7%**
Gains (losses) on equity investments, net	32	0.2%	48	0.4%
Interest and other, net	26	0.2%	112	0.8%
Income before taxes	**2,673**	**20.9%**	**2,670**	**20.9%**
Provision for taxes	681	5.3%	740	5.8%
Net income	**$ 1,992**	**15.6%**	**$ 1,930**	**15.1%**
Diluted earnings per common share	**$ 0.41**		**$ 0.38**	

Note: We have updated our presentation to reflect platforms sold through the Client Computing Group, the Data Center Group, and the Internet of Things Group (total platform).

Our net revenue for Q1 2015 increased by $17 million compared to Q1 2014. Total platform unit sales increased by 7%, primarily driven by the ramp of our phone and tablet platforms partially offset by a lower demand in the traditional PC business segment. To a lesser extent, higher Non-Volatile Memory Solutions Group revenue also contributed to the increase in revenue. These increases were partially offset by lower total platform average selling prices of 6% primarily driven by a higher proportion of phone and tablet platform unit sales partially offset by higher DCG platform average selling prices.

Our overall gross margin dollars for Q1 2015 increased by $117 million, or 2%, compared to Q1 2014. This increase was due to approximately $275 million lower factory start-up costs, primarily driven by our next-generation 14nm process technology. The increase was partially offset by lower total platform revenue.

Our overall gross margin percentage increased to 60.5% in Q1 2015 from 59.6% in Q1 2014. The increase in gross margin percentage was primarily due to the gross margin increase in DCG. We derived most of our overall gross margin dollars in Q1 2015 and Q1 2014 from the sale of platforms in the CCG and DCG operating segments.

Client Computing Group

The revenue and operating income for the CCG operating segment for each period were as follows:

(In Millions)	**Q1 2015**	**Q1 2014**
Net revenue	$ 7,420	$ 8,097
Operating income	$ 1,410	$ 1,847

Net revenue for the CCG operating segment decreased by $677 million, or 8%, in Q1 2015 compared to Q1 2014. CCG platform average selling prices were down 13% and CCG platform unit sales were up 6%. The decrease in revenue was primarily driven by lower average selling prices as a result of a mix shift from lower desktop platform unit sales of 16% and a significant increase in our phone and tablet platform unit sales. To a lesser extent, lower notebook platform average selling prices of 3% also contributed to the decrease. The decrease was partially offset by higher notebook platform unit sales of 3% and higher desktop platform average selling prices of 2%.

Operating income decreased by $437 million, or 24%, in Q1 2015 compared to Q1 2014, which was driven by $499 million of lower gross margin partially offset by $62 million of lower operating expenses. The decrease in gross margin was driven by lower CCG platform revenue and was partially offset by approximately $260 million of lower factory start-up costs primarily driven by our next-generation 14nm process technology.

Data Center Group

The revenue and operating income for the DCG operating segment for each period were as follows:

(In Millions)	Q1 2015	Q1 2014
Net revenue	$ 3,679	$ 3,087
Operating income	$ 1,701	$ 1,336

Net revenue for the DCG operating segment increased by $592 million, or 19%, in Q1 2015 compared to Q1 2014. DCG platform unit sales and average selling prices were up 15% and 5%, respectively. Our server platform revenue continued to benefit from growth in the Internet cloud computing and high-performance computing market segments with continued strengthening of the enterprise market segment.

Operating income increased by $365 million, or 27%, in Q1 2015 compared to Q1 2014 with $568 million of higher gross margin partially offset by $203 million of higher operating expenses. The increase in gross margin was primarily driven by higher DCG platform revenue.

Internet of Things Group

The revenue and operating income for the IOTG operating segment for each period were as follows:

(In Millions)	Q1 2015	Q1 2014
Net revenue	$ 533	$ 482
Operating income	$ 87	$ 115

Net revenue for the IOTG operating segment increased by $51 million, or 11%, in Q1 2015 compared to Q1 2014. The increase was primarily due to higher IOTG platform unit sales based on strength in the retail market segment.

Operating income for the IOTG operating segment decreased by $28 million, or 24%, in Q1 2015 compared to Q1 2014. The decrease in operating income was primarily driven by continued investment in our cross-Intel architecture and platforms for the Internet of Things market segment.

Software and Services Operating Segments

The revenue and operating income (loss) for the software and services (SSG) operating segments, including McAfee and the Software and Services Group, for each period were as follows:

(In Millions)	Q1 2015	Q1 2014
Net revenue	$ 534	$ 553
Operating income (loss)	$ 3	$ 8

Net revenue for the SSG operating segments decreased by $19 million in Q1 2015 compared to Q1 2014.

The operating results for the SSG operating segments decreased by $5 million in Q1 2015 compared to Q1 2014.

Operating Expenses

Operating expenses for each period were as follows:

(Dollars in Millions)	Q1 2015	Q1 2014
Research and development (R&D)	$ 2,995	$ 2,846
Marketing, general and administrative (MG&A)	$ 1,953	$ 2,047
R&D and MG&A as percentage of net revenue	39%	38%
Restructuring and asset impairment charges	$ 105	$ 137
Amortization of acquisition-related intangibles	$ 62	$ 73

Research and Development. R&D increased by $149 million, or 5%, in Q1 2015 compared to Q1 2014. This increase was driven by higher product development, primarily server and new devices, and higher process development costs for our 10nm process technology.

Marketing, General and Administrative. MG&A decreased by $94 million, or 5%, in Q1 2015 compared to Q1 2014. This decrease was driven by a non-recurring Q1 2014 litigation charge and lower Q1 2015 marketing spending, partially offset by a Q1 2015 donation to the Intel Foundation.

Restructuring and Asset Impairment Charges. Beginning in Q3 2013, management approved several restructuring actions, including targeted workforce reductions and the exit of certain businesses and facilities. These actions include the wind down of our 200 millimeter wafer fabrication facility in Massachusetts, which ceased production in Q1 2015, and the closure of our assembly and test facility in Costa Rica, which ceased production in Q4 2014. These targeted reductions will enable us to better align our resources in areas providing the greatest benefit in the current business environment. We expect these actions to be substantially complete by the end of 2015.

Restructuring and asset impairment charges for each period were as follows:

(In Millions)	Three Months Ended Mar 28, 2015	Three Months Ended Mar 29, 2014
Employee severance and benefit arrangements	$ 99	$ 137
Asset impairments and other restructuring charges	6	—
Total restructuring and asset impairment charges	**$ 105**	**$ 137**

Restructuring and asset impairment activity for Q1 2015 was as follows:

(In Millions)	Employee Severance and Benefits	Asset Impairments and Other	Total
Accrued restructuring balance as of December 27, 2014	$ 121	$ 11	$ 132
Additional accruals	99	7	106
Adjustments	—	(1)	(1)
Cash payments	(82)	(4)	(86)
Non-cash settlements	—	(2)	(2)
Accrued restructuring balance as of March 28, 2015	**$ 138**	**$ 11**	**$ 149**

We recorded the additional accruals and adjustments as restructuring and asset impairment charges in the consolidated condensed statements of income and within the “all other” operating segments category. Most of the accrued restructuring balance as of March 28, 2015 is expected to be paid within the next 12 months and was recorded as a current liability within accrued compensation and benefits on the consolidated condensed balance sheets.

Restructuring actions that were approved in 2015 impacted approximately 1,400 employees. Since Q3 2013, we have incurred a total of $640 million in restructuring and asset impairment charges. These charges included a total of $565 million related to employee severance and benefit arrangements for approximately 9,000 employees, and $75 million in asset impairment charges and other restructuring charges.

We estimate that employee severance and benefit charges to date will result in gross annual savings of approximately $700 million, which will be realized within R&D, cost of sales, and MG&A. We began to realize these savings in Q4 2013 and expect to fully realize these savings beginning in Q3 2015.

Gains (Losses) on Equity Investments and Interest and Other

Gains (losses) on equity investments, net and interest and other, net for each period were as follows:

(In Millions)	Q1 2015	Q1 2014
Gains (losses) on equity investments, net	$ 32	$ 48
Interest and other, net	$ 26	$ 112

We recognized lower net gains on equity investments in Q1 2015 compared to net gains in Q1 2014 primarily due to lower gains on sales and a higher losses on equity method investments, partially offset by higher other gains.

We recognized lower interest and other, net gains in Q1 2015 compared to Q1 2014 primarily due to the gain recognized in Q1 2014 on the divestiture of our Intel Media assets.

Provision for Taxes

Our provision for taxes and effective tax rate for each period were as follows:

(Dollars in Millions)	Q1 2015	Q1 2014
Income before taxes	$ 2,673	$ 2,670
Provision for taxes	$ 681	$ 740
Effective tax rate	25.5%	27.7%

The majority of the change in our effective tax rate between Q1 2015 and Q1 2014 was driven by a higher percentage of our profits generated in lower tax jurisdictions.

Liquidity and Capital Resources

(Dollars in Millions)	Mar 28, 2015	Dec 27, 2014
Cash and cash equivalents, short-term investments, and trading assets	$ 14,118	$ 14,054
Other long-term investments	$ 1,675	$ 2,023
Loans receivable and other	$ 1,297	$ 1,285
Reverse repurchase agreements with original maturities greater than approximately three months	$ 450	$ 450
Short-term and long-term debt	$ 13,233	$ 13,711
Temporary equity	$ 908	$ 912
Debt as percentage of permanent stockholders' equity	24.1%	24.5%

In summary, our cash flows for each period were as follows:

(In Millions)	Q1 2015	Q1 2014
Net cash provided by operating activities	$ 4,415	$ 3,501
Net cash used for investing activities	(449)	(2,749)
Net cash used for financing activities	(2,274)	(1,650)
Effect of exchange rate fluctuations on cash and cash equivalents	(9)	1
Net increase (decrease) in cash and cash equivalents	**$ 1,683**	**$ (897)**

Operating Activities

Cash provided by operating activities is net income adjusted for certain non-cash items and changes in assets and liabilities.

For Q1 2015 compared to Q1 2014, the $914 million increase in cash provided by operations was due to changes in working capital and higher net income. Changes in assets and liabilities as of March 28, 2015, compared to December 27, 2014, included a decrease in accounts receivable due to lower sales in Q1 2015 and a decrease in accrued compensation and benefits due to the payout of 2014 profit-dependent compensation.

For Q1 2015, our three largest customers accounted for 42% of net revenue (42% for Q1 2014) with Hewlett-Packard Company accounting for 17% of our net revenue (15% for Q1 2014), Dell Inc. accounting for 14% of our net revenue (15% for Q1 2014), and Lenovo Group Limited accounting for 11% of our net revenue (12% for Q1 2014). These three customers accounted for 36% of net accounts receivable as of March 28, 2015 (43% as of December 27, 2014).

Investing Activities

Investing cash flows consist primarily of capital expenditures; investment purchases, sales, maturities, and disposals; as well as proceeds from divestitures and cash used for acquisitions.

Cash used for investing activities was lower for Q1 2015 compared to Q1 2014. Cash used for investing activities decreased primarily due to a decrease in purchases of available-for-sale investments and trading assets, an increase in maturities and sales of trading assets, and lower additions to property, plant and equipment, partially offset by a decrease in maturities and sales of available-for-sale investments.

Financing Activities

Financing cash flows consist primarily of repurchases of common stock, payment of dividends to stockholders, issuance and repayment of long-term debt, and proceeds from the sale of shares of common stock through employee equity incentive plans.

The increase in cash used for financing activities for Q1 2015 compared to Q1 2014 was primarily due to an increase in short-term debt repayments and an increase in repurchases of common stock under our authorized common stock repurchase program.

Liquidity

Cash generated by operations is our primary source of liquidity. We maintain a diverse investment portfolio that we continually analyze based on issuer, industry, and country. As of March 28, 2015, cash and cash equivalents, short-term investments, and trading assets totaled $14.1 billion ($14.1 billion as of December 27, 2014). In addition to the $14.1 billion, we have $1.7 billion of other long-term investments, $1.3 billion of loans receivable and other, and $450 million of reverse repurchase agreements with original maturities greater than approximately three months, that we include when assessing our sources of liquidity. A substantial majority of our investments in debt instruments are in A/A2 or better rated issuances, and the majority of the issuances are rated AA-/Aa3 or better.

Another potential source of liquidity is an ongoing authorization from our Board of Directors to borrow up to $3.0 billion, which was fully available for use as of March 28, 2015. This ongoing authorization includes borrowings under our commercial paper program. Maximum borrowings under our commercial paper program were $900 million during Q1 2015. Our commercial paper was rated A-1+ by Standard & Poor’s and P-1 by Moody’s as of March 28, 2015. We also have an automatic shelf registration statement on file with the SEC, pursuant to which we may offer an unspecified amount of debt, equity, and other securities.

As of March 28, 2015, $10.7 billion of our $14.1 billion of cash and cash equivalents, short-term investments, and trading assets was held by our non-U.S. subsidiaries. Of the $10.7 billion held by our non-U.S. subsidiaries, approximately $825 million was available for use in the U.S. without incurring additional U.S. income taxes in excess of the amounts already accrued in our financial statements as of March 28, 2015. The remaining amount of non-U.S. cash and cash equivalents, short-term investments, and trading assets has been indefinitely reinvested and, therefore, no U.S. current or deferred taxes have been accrued and this amount is earmarked for near-term investment in our operations outside the U.S. and future acquisitions of non-U.S. entities. We believe our U.S. sources of cash and liquidity are sufficient to meet our business needs in the U.S. and do not expect that we will need to repatriate the funds we have designated as indefinitely reinvested outside the U.S. Under current tax laws, should our plans change and we were to choose to repatriate some or all of the funds we have designated as indefinitely reinvested outside the U.S., such amounts would be subject to U.S. income taxes and applicable non-U.S. income and withholding taxes.

We believe we have sufficient financial resources to meet our business requirements in the next 12 months, including capital expenditures for worldwide manufacturing and assembly and test; working capital requirements; and potential dividends, common stock repurchases, acquisitions, and strategic investments.

Fair Value of Financial Instruments

When determining fair value, we consider the principal or most advantageous market in which we would transact, and we consider assumptions, such as an obligor’s credit risk, that market participants would use when pricing the asset or liability. For further information, see “Note 3: Fair Value” in the Notes to Consolidated Condensed Financial Statements in this Form 10-Q.

Marketable Debt Instruments

As of March 28, 2015, our assets measured and recorded at fair value on a recurring basis included $14.7 billion of marketable debt instruments. Of these instruments, $5.5 billion was classified as Level 1, $9.2 billion as Level 2, and $89 million as Level 3.

Our marketable debt instruments that are measured and recorded at fair value on a recurring basis and classified as Level 1 were classified as such due to the use of observable market prices for identical securities that are traded in active markets. We evaluate security-specific market data when determining whether the market for a debt security is active.

Of the $9.2 billion of marketable debt instruments measured and recorded at fair value on a recurring basis and classified as Level 2, approximately 50% was classified as Level 2 due to the use of a discounted cash flow model performed by us and approximately 50% was classified as such due to the use of non-binding market consensus prices that were corroborated with observable market data.

Our marketable debt instruments that are measured and recorded at fair value on a recurring basis and classified as Level 3 are classified as such because the fair values are generally derived from discounted cash flow models, performed either by us or our pricing providers, using inputs that we are unable to corroborate with observable market data. We monitor and review the inputs and results of these valuation models to help ensure the fair value measurements are reasonable and consistent with market experience in similar asset classes.

Loans Receivable and Reverse Repurchase Agreements

As of March 28, 2015, our assets measured and recorded at fair value on a recurring basis included $648 million of loans receivable and $238 million of reverse repurchase agreements. All of these investments were classified as Level 2, as the fair value is determined using a discounted cash flow model with all significant inputs derived from or corroborated with observable market data.

Marketable Equity Securities

As of March 28, 2015, our assets measured and recorded at fair value on a recurring basis included $6.5 billion of marketable equity securities. Substantially all of these securities were classified as Level 1 because the valuations were based on quoted prices for identical securities in active markets. Our assessment of an active market for our marketable equity securities generally takes into consideration the number of days that each individual equity security trades over a specified period.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are affected by changes in currency exchange rates, interest rates, and equity prices. The information in this section should be read in conjunction with the discussion about market risk and sensitivity analysis related to changes in currency exchange rates and changes in interest rates in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our Annual Report on Form 10-K for the year ended December 27, 2014. All of the following potential changes are based on sensitivity analyses performed on our financial positions as of March 28, 2015 and December 27, 2014. Actual results may differ materially.

Equity Prices

Our investments include marketable equity securities and equity derivative instruments. We typically do not attempt to reduce or eliminate our equity market exposure through hedging activities at the inception of our investments. Before we enter into hedge arrangements, we evaluate legal, market, and economic factors, as well as the expected timing of disposal to determine whether hedging is appropriate. Our equity market risk management program may include equity derivatives with or without hedge accounting designation that utilize warrants, equity options, or other equity derivatives.

We also utilize total return swaps to offset changes in liabilities related to the equity market risks of certain deferred compensation arrangements. Gains and losses from changes in fair value of these total return swaps are generally offset by the losses and gains on the related liabilities.

As of March 28, 2015, the fair value of our marketable equity investments and our equity derivative instruments, including hedging positions, was $6.6 billion ($7.1 billion as of December 27, 2014). Substantially all of our marketable equity investments portfolio as of March 28, 2015, was concentrated in our investment in ASML Holding N.V. of $6.3 billion ($6.9 billion as of December 27, 2014). Our marketable equity method investments are excluded from our analysis, as the carrying value does not fluctuate based on market price changes unless an other-than-temporary impairment is deemed necessary. To determine reasonably possible decreases in the market value of our marketable equity investments, we have analyzed the historical market price sensitivity of our marketable equity investment portfolio. Assuming a decline of 30% in market prices, and after reflecting the impact of hedges and offsetting positions, the aggregate value of our marketable equity investments could decrease by approximately $2.0 billion, based on the value as of March 28, 2015 (a decrease in value of approximately $2.1 billion, based on the value as of December 27, 2014 using an assumed decline of 30%).

Many of the same factors that could result in an adverse movement of equity market prices affect our non-marketable equity investments, although we cannot always quantify the impact directly. Financial markets are volatile, which could negatively affect the prospects of the companies we invest in, their ability to raise additional capital, and the likelihood of our ability to realize value in our investments through liquidity events such as initial public offerings, mergers, and private sales. These types of investments involve a great deal of risk, and there can be no assurance that any specific company will grow or become successful; consequently, we could lose all or part of our investment. Our non-marketable equity investments, excluding investments accounted for under the equity method, had a carrying amount of $1.8 billion as of March 28, 2015 ($1.8 billion as of December 27, 2014). The carrying amount of our non-marketable equity method investments was $1.6 billion as of March 28, 2015 ($1.4 billion as of December 27, 2014). The majority of our non-marketable equity method investments balance as of March 28, 2015 was concentrated in our IM Flash Technologies, LLC (IMFT) and Cloudera, Inc. (Cloudera) investments of $786 million and $278 million, respectively ($713 million and $280 million for IMFT and Cloudera, respectively, as of December 27, 2014).

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Based on management's evaluation (with the participation of our Chief Executive Officer (CEO) and Chief Financial Officer (CFO)), as of the end of the period covered by this report, our CEO and CFO have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended March 28, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including the CEO and CFO, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of legal proceedings, see “Note 19: Contingencies” in the Notes to Consolidated Condensed Financial Statements in this Form 10-Q.

ITEM 1A. RISK FACTORS

The risks described in Part I, Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 27, 2014, could materially and adversely affect our business, financial condition and results of operations, and the trading price of our common stock could decline. These risk factors do not identify all risks that we face - our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The Risk Factors section of our 2014 Annual Report on Form 10-K remains current in all material respects.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

We have an ongoing authorization, originally approved by our Board of Directors in 2005, and subsequently amended, to repurchase up to $65 billion in shares of our common stock in open market or negotiated transactions. As of March 28, 2015, $11.6 billion remained available for repurchase under the existing repurchase authorization limit.

Common stock repurchase activity under our publicly announced stock repurchase plan during the first three months of 2015 was as follows:

Period	Total Number of Shares Purchased (In Millions)	Average Price Paid Per Share	Dollar Value of Shares That May Yet Be Purchased (In Millions)
December 28, 2014 – January 24, 2015	10.6	$ 36.47	$ 12,005
January 25, 2015 – February 21, 2015	10.7	$ 33.81	$ 11,643
February 22, 2015 – March 28, 2015	—	$ —	**$ 11,643**
Total	**21.3**	**$ 35.14**	

In our consolidated condensed financial statements, we also treat shares of common stock withheld for tax purposes on behalf of our employees in connection with the vesting of restricted stock units as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. These withheld shares of common stock are not considered common stock repurchases under our authorized common stock repurchase plan and accordingly are not included in the common stock repurchase totals in the preceding table.

During the fourth quarter of 2014, we entered into a stock repurchase agreement, a portion of which was executed as a forward contract. We received collateral from the counterparty for the value attributable to the forward portion of this contract and invested the collateral into permitted investments considered restricted from other uses. As of December 27, 2014, $325 million of collateral, which approximates fair value, was recorded as both a current asset and current liability on the consolidated condensed balance sheet. The full amount of the collateral was returned to the counterparty during the first quarter of 2015 when the contract settled.

For further discussion, see "Note 14: Common Stock Repurchases" in the Notes to Consolidated Condensed Financial Statements in this Form 10-Q.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File Number	Exhibit	Filing Date	
3.1	Intel Corporation Third Restated Certificate of Incorporation of Intel Corporation dated May 17, 2006	8-K	000-06217	3.1	5/22/2006	
3.2	Intel Corporation Bylaws, as amended and restated on July 26, 2011	8-K	000-06217	3.1	7/27/2011	
10.1**	Intel Corporation Non-Employee Director Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for RSUs granted on or after January 23, 2015 under the Director RSU program)					X
10.2**	Intel Corporation Non-Employee Director Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for RSUs granted on or after January 23, 2015 under the Director OSU program)					X
10.3**	Intel Corporation Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for RSUs granted on or after January 23, 2015 under the Executive RSU program)					X
10.4**	Intel Corporation Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for RSUs granted on or after January 23, 2015 under the Executive OSU program)					X
12.1	Statement Setting Forth the Computation of Ratios of Earnings to Fixed Charges					X
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act)					X
31.2	Certification of Chief Financial Officer and Principal Accounting Officer pursuant to Rule 13a-14(a) of the Exchange Act					X
32.1	Certification of the Chief Executive Officer and the Chief Financial Officer and Principal Accounting Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

*** Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEL CORPORATION
(Registrant)

Date:	April 27, 2015	By:	/s/ STACY J. SMITH
			Stacy J. Smith
			Executive Vice President, Chief Financial Officer, and Principal Accounting Officer

Exhibit 10.1

INTEL CORPORATION

NON-EMPLOYEE DIRECTOR

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE INTEL CORPORATION 2006 EQUITY INCENTIVE PLAN
(for RSUs granted on or after January 23, 2015 under the Director RSU program)

1. **TERMS OF RESTRICTED STOCK UNIT**

This Restricted Stock Unit Agreement (this “Agreement”), the Notice of Grant delivered herewith (the “Notice of Grant”) and the Intel Corporation 2006 Equity Incentive Plan (the “2006 Plan”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “Corporation”) regarding the Restricted Stock Units (“RSUs”) identified in your Notice of Grant.

2. **VESTING OF RSUs**

Provided that you continuously serve as a member of the Corporation’s Board of Directors from the Grant Date specified in the Notice of Grant through each vesting date specified in the Notice of Grant, the RSUs shall vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, $.001 par value (the “Common Stock”), specified in the Notice of Grant with respect to such vesting date, except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Stock Market ("NASDAQ") is not open, affected RSUs will vest on the next following NASDAQ business day.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as a member of the Corporation’s Board of Directors terminates for any reason except death, Disablement (defined below) or Retirement (defined below), prior to the vesting dates set forth in your Notice of Grant, your unvested RSUs will be cancelled.

3. **CONVERSION INTO COMMON STOCK**

Shares of Common Stock will be issued or become free of restrictions as soon as practicable following the vesting of the RSUs, provided that you have satisfied your tax withholding obligations as specified under Section 8 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation’s counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued or credited to your account may include a delay in order to provide the Corporation such time as it determines appropriate to address tax withholding and to address other administrative matters. The number of shares of Common Stock into which RSUs convert as specified in the Notice of Grant shall be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

4. **TERMINATION OF SERVICE AS DIRECTOR**

Except as expressly provided otherwise in this Agreement, if your term of service as a director of the Corporation’s Board of Directors terminates for any reason, whether voluntarily or involuntarily, other than on account of death, Disablement (defined below) or Retirement (defined below), all RSUs not then vested shall be cancelled on the date of termination of service.

5. **DEATH**

Except as expressly provided otherwise in this Agreement, if you die during your term of service as a member of the Corporation's Board of Directors, your RSUs will become one hundred percent (100%) vested.

6. **DISABLEMENT**

Except as expressly provided otherwise in this Agreement, your RSUs will become one hundred percent (100%) vested, if your service as a member of the Corporation's Board of Directors terminates due to your Disablement. For purposes of this Section 6, "Disablement" will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation. "Disablement" means a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

7. **RETIREMENT**

Provided you are elected to serve on the Corporation's Board of Directors at the Corporation's annual stockholder meeting immediately following the Grant Date, if you retire from service as a member of the Corporation's Board of Directors at age 72 or more, or with at least seven (7) years of service as a member of the Corporation's Board of Directors, your RSUs will become one hundred percent (100%) vested.

8. **TAX WITHHOLDING**

RSUs are taxable upon vesting (as indicated in your Notice of Grant) or, if later, the date to which you have deferred settlement of your RSUs. To the extent required by applicable federal, state or other law, you will make arrangements satisfactory to the Corporation for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs or sale of Common Stock shares from vested RSUs (whichever is applicable).

The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

Unless provided otherwise by the Committee, these obligations (if any) will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize UBS Financial Services Inc., or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the day your RSUs vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs, regardless of any action the Corporation takes or any transaction pursuant to this Section with respect to any tax withholding obligations that arise in connection with the RSUs. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs or the subsequent sale of any of the shares of Common Stock underlying the RSUs that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

9. **ELECTION TO DEFER RECEIPT OF RSU SHARES**

You may elect to defer receipt of shares of Common Stock relating to an RSU beyond the vesting dates set forth in your Notice of Grant under the rules and procedures established separately by the Corporation. That election will allow you to defer income recognition, until the date on which your service as a member of the Corporation's Board of Directors terminates for any reason. Under Internal Revenue Code Section 409A, the election to defer under this section must be made in the calendar year prior to the year in which services related to those RSU's are first performed. Notwithstanding anything to the contrary in this Agreement, shares of Common Stock will not be issued and you will not have any rights of a stockholder in Common Stock issuable under this Agreement to the extent that you have elected to defer the issuance and receipt of such Common Stock. If, however, your service as a member of the Corporation's Board of Directors terminates prior to the vesting dates set forth in your Notice of Grant, any shares that would not have vested on your date of termination will be cancelled regardless of your election. Notwithstanding your election to defer made in the calendar year prior to grant, the Corporation is not obligated to make a grant in any future year or in any given amount and should not create an expectation that the Corporation might make a grant in any future year or in any given amount.

10. **RIGHTS AS A STOCKHOLDER**

Your RSUs may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs shall not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs. RSUs shall remain terminable pursuant to this Agreement at all times until they vest and convert into shares.

11. **AMENDMENTS**

The 2006 Plan and RSUs may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

12. **DATA PRIVACY**

You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials ("Data") by and among, as applicable, the Corporation, the Subsidiary that employs you and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.

You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to UBS Financial Services Inc., and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, UBS Financial Services Inc., and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You

hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Subsidiary that employs you will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

13. **THE 2006 PLAN AND OTHER TERMS; OTHER MATTERS**

(a) Certain capitalized terms used in this Agreement are defined in the 2006 Plan. Any prior agreements, commitments or negotiations concerning the RSUs are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.

The grant of RSUs to you in any one year, or at any time, does not obligate the Corporation to make a grant in any future year or in any given amount and should not create an expectation that the Corporation might make a grant in any future year or in any given amount.

(b) To the extent that the grant of RSUs refers to the Common Stock of Intel Corporation, and as required by the laws of your country of residence, only authorized but unissued shares thereof will be utilized for delivery upon vesting in accord with the terms hereof.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs covered by this Agreement will occur, the Corporation may, in its sole discretion, (1) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (2) cancel and cause a forfeiture with respect to any unvested RSUs at the time of such determination.

(d) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock of Intel Corporation, a Delaware corporation, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(e) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

Exhibit 10.2

INTEL CORPORATION

NON-EMPLOYEE DIRECTOR

RESTRICTED STOCK UNIT AGREEMENT

UNDER THE INTEL CORPORATION 2006 EQUITY INCENTIVE PLAN

(for RSUs granted on or after January 23, 2015 under the Director OSU program)

1. **TERMS OF RESTRICTED STOCK UNIT**

This Restricted Stock Unit Agreement (this “Agreement”), the Notice of Grant delivered herewith (the “Notice of Grant”) and the Intel Corporation 2006 Equity Incentive Plan (the “2006 Plan”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “Corporation”) regarding the Restricted Stock Units (“RSUs”) identified in your Notice of Grant.

2. **VESTING OF RSUs**

Provided that you continuously serve as a member of the Corporation’s Board of Directors from the Grant Date specified in the Notice of Grant through the vesting date that is three years and one month after the Grant Date (as specified in the Notice of Grant), then as of the vesting date the RSUs shall vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, $.001 par value (the “Common Stock”), determined by multiplying the target number of shares as specified in the Notice of Grant (the “Target Number of Shares”) by the conversion rate as set forth below, and except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Stock Market ("NASDAQ") is not open, affected RSUs will vest on the next following NASDAQ business day.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as a member of the Corporation’s Board of Directors terminates for any reason except death, Disablement (defined below) or Retirement (defined below), prior to the vesting date set forth in your Notice of Grant, your unvested RSUs and dividend equivalents will be cancelled.

3. **CONVERSION OF RSUs**

(a) The conversion rate of RSUs into the right to receive a number of shares of Common Stock depends on the Corporation’s Total Stockholder Return (“Intel TSR”) relative to the “Total Stockholder Return” of the Tech 15 (“Tech 15 TSR”) at the end of the “Performance Period,” as those terms are defined in this Section. The conversion rate of RSUs into the right to receive a number of shares of Common Stock will be determined in accordance with following:

(1) If the Intel TSR and Tech 15 TSR are within 1 percentage point, the conversion rate will be 100%.

(2) If the Intel TSR is greater than the Tech 15 TSR, the conversion rate will be 100% plus four times the difference in percentage points between the Intel TSR and the Tech 15 TSR; provided that the maximum conversion rate is 200%.

(3) If the Tech 15 TSR is greater than the Intel TSR, the conversion rate will be 100% minus two times the difference in percentage points between the Intel TSR and the Tech 15 TSR; provided that, if the Tech 15 TSR exceeds the Intel TSR by more than 25 percentage points, then the conversion rate will be 0%.

(4) In the event that the conversion rate results in the right to receive a partial share of Common Stock, the conversion rate will be rounded down so that the RSUs will not convert into the right to receive the partial share.

By way of illustration, assume the Tech 15 TSR is 100% at the end of the Performance Period in the following examples.

- If the Intel TSR equals 100.5%, the difference between the Intel TSR and the Tech 15 TSR is within 1 percentage point. As a result, the conversion rate is 100%, such that your RSUs convert into the right to receive 100% of the Target Number of Shares.
- If the Intel TSR is 105%, the difference between the Intel TSR and the Tech 15 TSR is 5 percentage points. As a result, the conversion rate is 120%, such that your RSUs convert into the right to receive 120% of the Target Number of Shares.
- If the Intel TSR is 90%, the difference between the Intel TSR and the Tech 15 TSR is 10 percentage points. As a result, the conversion rate is 80%, such that your RSUs convert into the right to receive 80% of the Target Number of Shares.
- If the Intel TSR is 70%, the difference between the Intel TSR and the Tech 15 TSR is more than 25 percentage points. As a result, the conversion rate is 0%, such that your RSUs convert into the right to receive 0% of the Target Number of Shares.

(b) "Intel TSR" is a percentage (to the third decimal point) derived by:

(1) A numerator that is the difference between the average closing sale price of Common Stock during the 3 months following and including the Grant Date subtracted from the average closing sale price of Common Stock during the 3 months prior to and including the end of the Performance Period, plus any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period; and

(2) A denominator that is the average closing sale price of Common Stock during the 3 months following and including the Grant Date.

(c) "Tech 15 TSR" is the median TSR (as defined below) of the fifteen technology companies included in the Corporation's peer group for determining executive compensation, as determined by the Compensation Committee prior to the Grant Date, and regardless of any subsequent change after the Grant Date.

"Total Stockholder Return" or "TSR" of each stock for purposes of the Tech 15 TSR is a percentage (to the third decimal point) derived by:

(1) A numerator that is the difference between the average closing sale price of common stock during the 3 months following and including the Grant Date subtracted from the average closing sale price of common stock during the 3 months prior to and including the end of the Performance Period, plus any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period; and

(2) A denominator that is the average closing sale price of common stock during the 3 months following and including the Grant Date.

(d) For purposes of determining the "Total Stockholder Return" or "TSR" of any company (including the Corporation):

(1) Any dividend paid or payable in cash will be valued at its cash amount (without any deemed reinvestment and without any adjustments for applicable taxes or tax withholding). Any dividend paid in securities with a readily ascertainable fair market value will be valued at the market value of the securities as of the ex-dividend date. Any dividend paid in other property will be valued based on the value assigned to such dividend by the paying company for tax purposes.

(2) Any company included in the Tech 15 TSR on the Grant Date that does not have a stock price that is quoted on a national securities exchange at the end of the Performance Period will be factored into the median calculation based on its TSR from the Grant Date until the

last date on which its stock price was last quoted on a national securities exchange in the United States.

(3) The Compensation Committee may equitably adjust a company's TSR for equity restructuring transactions including, but not limited to, a stock split, combination of shares, extraordinary dividend of cash and/or assets, recapitalization or reorganization.

(4) Any company included in the Tech 15 TSR on the Grant Date that has a price of stock or a price of a security backed by stock that is quoted on a national securities exchange in the United States and on a national securities exchange outside the United States will be factored into the median calculation based on its price of stock or a price of a security backed by stock quoted on the national securities exchange in the United States.

(e) Performance Period is the period beginning with the Grant Date and ending three years later on the third anniversary of the Grant Date. If the third anniversary of the Grant Date falls on a weekend or any other day on which the NASDAQ is not open, the Performance Period will end on the next following NASDAQ business day. If for any reason the Corporation (including any successor corporation) ceases to have its stock price quoted on a national securities exchange, the Performance Period will end as of the last date that the stock price is quoted on a national securities exchange.

4. **DIVIDEND EQUIVALENTS**

Dividend equivalents will vest at the same time as their corresponding RSUs and convert into the right to receive shares of Common Stock. Dividend equivalents will be paid on the number of shares of the Corporation’s Common Stock into which this RSU is converted by determining the sum of the dividends paid or payable on such number of shares of Common Stock with respect to each ex-dividend date that occurs between the Grant Date and the vesting date specified in the Notice of Grant (without any interest or compounding), divided (to the third decimal point) by the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the last day of the Performance Period. The quotient derived from the previous sentence will be rounded down so that dividend equivalents will convert into the right to receive whole shares of Common Stock.

5. **SETTLEMENT INTO COMMON STOCK**

Shares of Common Stock will be issued or become free of restrictions as soon as practicable following the vesting date of the RSUs and dividend equivalents (or, in the event of vesting acceleration for death, Disablement, or Retirement, the original vesting date that is three years and one month after the Grant Date (as specified in the Notice of Grant)), provided that you have satisfied your tax withholding obligations as specified under Section 10 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation’s counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued or credited to your account may include a delay in order to provide the Corporation such time as it determines appropriate to calculate Intel TSR and Tech 15 TSR, for the Committee (as defined below) to certify performance results, to calculate and address tax withholding and to address other administrative matters. The number of shares of Common Stock into which RSUs and dividend equivalents convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

6. **TERMINATION OF SERVICE AS DIRECTOR**

Except as expressly provided otherwise in this Agreement, if your term of service as a director of the Corporation's Board of Directors terminates for any reason, whether voluntarily or involuntarily, other than on account of death, Disablement (defined below) or Retirement (defined below), all RSUs and dividend equivalents not then vested shall be cancelled on the date of termination of service

7. **DEATH**

Except as expressly provided otherwise in this Agreement, if you die during your term of service as a member of the Corporation's Board of Directors, your RSUs and dividend equivalents will become one hundred percent (100%) vested.

8. **DISABLEMENT**

Except as expressly provided otherwise in this Agreement, your RSUs and dividend equivalents will become one hundred percent (100%) vested, if your service as a member of the Corporation's Board of Directors terminates due to your Disablement. For purposes of this Section, "Disablement" will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation. "Disablement" means a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

9. **RETIREMENT**

Provided you are elected to serve on the Corporation's Board of Directors at the Corporation's annual stockholder meeting immediately following the Grant Date, if you retire from service as a member of the Corporation's Board of Directors at age 72 or more, or with at least seven (7) years of service as a member of the Corporation's Board of Directors, your RSUs and dividend equivalents will become one hundred percent (100%) vested.

10. **TAX WITHHOLDING**

RSUs and dividend equivalents are taxable upon vesting (as indicated in your Notice of Grant) or, if later, the date to which you have deferred settlement of your RSUs and dividend equivalents. To the extent required by applicable federal, state or other law, you will make arrangements satisfactory to the Corporation for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs and dividend equivalents or sale of Common Stock shares from vested RSUs and dividend equivalents (whichever is applicable).

The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs and dividend equivalents or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs and dividend equivalents that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize UBS Financial Services Inc., or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs and dividend equivalents, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the day your RSUs and dividend equivalents vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs and dividend equivalents, regardless of any action the Corporation takes or any transaction pursuant to this Section with respect to any tax withholding obligations that arise in connection with the RSUs and dividend equivalents. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs and dividend equivalents or the subsequent sale of any of the shares of Common Stock underlying the RSUs and dividend equivalents that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

11. **ELECTION TO DEFER RECEIPT OF RSU SHARES**

You may elect to defer receipt of shares of Common Stock relating to an RSU and dividend equivalents beyond the vesting dates set forth in your Notice of Grant under the rules and procedures established separately by the Corporation. That election will allow you to defer income recognition, until the date on which your service as a member of the Corporation's Board of Directors terminates for any reason. Under Internal Revenue Code Section 409A, the election to defer under this section must be made in the calendar year prior to the year in which services related to those RSU's are first performed. Notwithstanding anything to the contrary in this Agreement, shares of Common Stock will not be issued and you will not have any rights of a stockholder in Common Stock issuable under this Agreement to the extent that you have elected to defer the issuance and receipt of such Common Stock. If, however, your service as a member of the Corporation's Board of Directors terminates prior to the vesting dates set forth in your Notice of Grant, any shares that would not have vested on your date of termination will be cancelled regardless of your election. Notwithstanding your election to defer made in the calendar year prior to grant, the Corporation is not obligated to make a grant in any future year or in any given amount and should not create an expectation that the Corporation might make a grant in any future year or in any given amount.

12. **RIGHTS AS A STOCKHOLDER**

Your RSUs and dividend equivalents may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs and dividend equivalents other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and dividend equivalents and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs and dividend equivalents will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs and dividend equivalents. RSUs and dividend equivalents will remain terminable pursuant to this Agreement at all times until they vest and convert into shares.

13. **AMENDMENTS**

The 2006 Plan and RSUs and dividend equivalents may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

14. **DATA PRIVACY**

You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials ("Data") by and among, as applicable, the Corporation, the Subsidiary that employs you and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.

You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing,

administering and managing the 2006 Plan. You hereby understand that Data will be transferred to UBS Financial Services Inc., and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, UBS Financial Services Inc., and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Subsidiary that employs you will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

15. **THE 2006 PLAN AND OTHER TERMS; OTHER MATTERS**

(a) Certain capitalized terms used in this Agreement are defined in the 2006 Plan. Any prior agreements, commitments or negotiations concerning the RSUs and dividend equivalents are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.
The grant of RSUs and dividend equivalents to you in any one year, or at any time, does not obligate the Corporation to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(b) To the extent that the grant of RSUs and dividend equivalents refers to the Common Stock of Intel Corporation, and as required by the laws of your country of residence or employment, only authorized but unissued shares thereof will be utilized for delivery upon vesting in accord with the terms hereof.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs and dividend equivalents covered by this Agreement will occur, the Corporation may, in its sole discretion, (1) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and dividend equivalents and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (2) cancel and cause a forfeiture with respect to any unvested RSUs and dividend equivalents at the time of such determination.

(d) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock of Intel Corporation, a Delaware corporation, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs and dividend equivalents granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(e) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

Exhibit 10.3

INTEL CORPORATION

RESTRICTED STOCK UNIT AGREEMENT

UNDER THE INTEL CORPORATION 2006 EQUITY INCENTIVE PLAN
(for RSUs granted on or after January 23, 2015 under the Executive RSU program)

1. **TERMS OF RESTRICTED STOCK UNIT**

This Restricted Stock Unit Agreement (this "Agreement"), the Notice of Grant delivered herewith (the "Notice of Grant") and the Intel Corporation 2006 Equity Incentive Plan (the "2006 Plan"), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the "Corporation") regarding the Restricted Stock Units ("RSUs") identified in your Notice of Grant.

2. **SIGNATURE**

If you are instructed by the administrators of the 2006 Plan to accept this Agreement and you fail to do so in the manner specified by the administrators by the first quarterly vest date, the RSUs identified in your Notice of Grant will be cancelled, except as otherwise determined by the Corporation in its sole discretion.

3. **VESTING OF RSUs**

RSUs will vest in substantially equal tranches over twelve quarterly vesting dates, as specified in the Notice of Grant. Provided that you remain continuously employed by the Corporation or a Subsidiary from the Grant Date specified in the Notice of Grant through each vesting date, the vesting tranche allocated to each vesting date will vest and be converted into the right to receive the number of shares of the Corporation's Common Stock, $.001 par value (the "Common Stock"), except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Stock Market ("NASDAQ") is not open, affected RSUs will vest on the next following NASDAQ business day. The number of shares of Common Stock into which RSUs convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as an Employee terminates for any reason except death, Disablement (defined below) or Retirement (defined below), prior to the vesting dates set forth in your Notice of Grant, your unvested RSUs will be cancelled.

4. **CONVERSION INTO COMMON STOCK**

Shares of Common Stock will be issued or become free of restrictions as soon as practicable following vesting of the RSUs, provided that you have satisfied your tax withholding obligations as specified under Section 10 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation's counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued may include a delay in order to provide the Corporation such time as it determines appropriate to address tax withholding and other administrative matters.

5. **SUSPENSION OR TERMINATION OF RSU FOR MISCONDUCT**

If at any time the Committee of the Board of Directors of the Corporation established pursuant to the 2006 Plan (the "Committee"), including any Subcommittee or “Authorized Officer” (as defined in Section 8(b)(vi) of the 2006 Plan) notifies the Corporation that they reasonably believe that you have committed an act of misconduct as described in Section 8(b)(vi) of the 2006 Plan (embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty or deliberate disregard of Corporation rules resulting in loss, damage or injury to the Corporation, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct constituting unfair competition, inducing any customer to breach a contract with the Corporation or inducing any principal for whom the Corporation acts as agent to terminate such agency relationship), the vesting of your RSUs may be suspended pending a determination of whether an act of misconduct has been committed. If the Corporation determines that you have committed an act of misconduct, all RSUs not vested as of the date the Corporation was notified that you may have committed an act of misconduct will be cancelled and neither you nor any beneficiary will be entitled to any claim with respect to the RSUs whatsoever. Any determination by the Committee or an Authorized Officer with respect to the foregoing will be final, conclusive, and binding on all interested parties.

6. **TERMINATION OF EMPLOYMENT**

Except as expressly provided otherwise in this Agreement, if your employment by the Corporation or any Subsidiary terminates for any reason, whether voluntarily or involuntarily, other than on account of death, Disablement (defined below) or Retirement (defined below), all RSUs not then vested will be cancelled on the date of employment termination, regardless of whether such employment termination is as a result of a divestiture or otherwise. For purposes of this Section 6, your employment with any partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which the Corporation or a Subsidiary is a party will be considered employment for purposes of this provision if either (a) the entity is designated by the Committee as a Subsidiary for purposes of this provision or (b) you are specifically designated as an employee of a Subsidiary for purposes of this provision.

For purposes of this provision, your employment is not deemed terminated if, prior to sixty (60) days after the date of termination from the Corporation or a Subsidiary, you are rehired by the Corporation or a Subsidiary on a basis that would make you eligible for future Intel RSU grants. In addition, your transfer from the Corporation to any Subsidiary or from any one Subsidiary to another, or from a Subsidiary to the Corporation is not deemed a termination of employment.

7. **DEATH**

Except as expressly provided otherwise in this Agreement, if you die while employed by the Corporation or any Subsidiary, your RSUs will become one hundred percent (100%) vested.

8. **DISABLEMENT**

Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of Disablement, your RSUs will become one hundred percent (100%) vested upon the later of the date of your termination of employment due to your Disablement or the date of determination of your Disablement.

For purposes of this Section 8, “Disablement” will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, “Disablement” will have the same meaning as disablement is defined in the Intel Long Term Disability Plan, which is generally a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

9. **RETIREMENT**

For purposes of this Agreement, “Retirement” will mean either Standard Retirement (as defined below) or the Rule of 75 (as defined below). Upon your Retirement, vesting of your RSUs will be accelerated to the extent provided in Section 9(a) or Section 9(b) below (but not to the extent provided under both provisions together), whichever results in the greater number of RSUs vesting:

(a) If you retire at or after age 60 (“Standard Retirement”), then all RSUs that were scheduled to vest within a number of whole years from the date of your Retirement determined by dividing the number of years that you have been employed by the Corporation and its Subsidiaries (measured in complete, whole years) by five (5), rounded down to the nearest whole number of years, will vest as of the date of your Retirement. No vesting acceleration will occur for any periods of employment of less than five (5) years; or

(b) If, when you terminate employment with the Corporation and its Subsidiaries, your age plus years of service (in each case measured in complete, whole years) equals or exceeds 75 (“Rule of 75”), then all RSUs that were scheduled to vest within one year of the date of your Retirement will vest as of the date of your Retirement.

10. **TAX WITHHOLDING**

To the extent RSUs are subject to tax withholding obligations, the taxable amount will be based on the Market Value on the date of the taxable event. RSUs are taxable in accordance with the existing or future tax laws of the country in which you reside or are employed on the grant or vest dates, or during the vesting period. Your RSUs may be taxable in more than one country, based on your country of citizenship and the countries in which you resided or were employed on the Grant Date, vest date or during the vesting period.

You will make arrangements satisfactory to the Corporation (or the Subsidiary that employs you, if your Subsidiary is involved in the administration of the 2006 Plan) for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs or sale of Common Stock shares from vested RSUs (whichever is applicable).

The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc., or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the day your RSUs vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs, regardless of any action the Corporation takes or any transaction pursuant to this Section 10 with respect to any tax withholding obligations that arise in connection with the RSUs. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs or the subsequent sale of any of the shares of Common Stock underlying the RSUs that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

11. **RIGHTS AS A STOCKHOLDER**

Your RSUs may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs. RSUs will remain terminable pursuant to this Agreement at all times until they vest and convert into shares. As a condition to having the right to receive shares of Common Stock pursuant to your RSUs, you acknowledge that unvested RSUs will have no value for purposes of any aspect of your employment relationship with the Corporation or a Subsidiary.

12. **DISPUTES**

Any question concerning the interpretation of this Agreement, your Notice of Grant, the RSUs or the 2006 Plan, any adjustments required to be made thereunder, and any controversy that may arise under this Agreement, your Notice of Grant, the RSUs or the 2006 Plan will be determined by the Committee (including any person(s) to whom the Committee has delegated its authority) in its sole and absolute discretion. Such decision by the Committee will be final and binding unless determined pursuant to Section 15(e) to have been arbitrary and capricious.

13. **AMENDMENTS**

The 2006 Plan and RSUs may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

14. **DATA PRIVACY**

You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials ("Data") by and among, as applicable, the Corporation, the Subsidiary that employs you and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.

You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Subsidiary that employs you will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

15. **THE 2006 PLAN AND OTHER TERMS; OTHER MATTERS**

(a) Certain capitalized terms used in this Agreement are defined in the 2006 Plan. Any prior agreements, commitments or negotiations concerning the RSUs are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.
The grant of RSUs to an employee in any one year, or at any time, does not obligate the Corporation or any Subsidiary to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(b) To the extent that the grant of RSUs refers to the Common Stock of Intel Corporation, and as required by the laws of your country of residence or employment, only authorized but unissued shares thereof will be utilized for delivery upon vesting in accord with the terms hereof.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs covered by this Agreement will occur, the Corporation may, in its sole discretion, (1) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (2) cancel and cause a forfeiture with respect to any unvested RSUs at the time of such determination.

(d) Nothing contained in this Agreement creates or implies an employment contract or term of employment upon which you may rely.

(e) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock of Intel Corporation, a Delaware corporation, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(f) Notwithstanding anything to the contrary in this Agreement or the applicable Notice of Grant, your RSUs are subject to reduction by the Corporation if you change your employment classification from a full-time employee to a part-time employee.

(g) RSUs are not part of your employment contract (if any) with the Corporation or any Subsidiary, your salary, your normal or expected compensation, or other remuneration for any purposes, including for purposes of computing severance pay or other termination compensation or indemnity.

(h) In consideration of the grant of RSUs, no claim or entitlement to compensation or damages will arise from termination of your RSUs or diminution in value of the RSUs or Common Stock acquired through vested RSUs resulting from termination of your active employment by the Corporation (for any reason whatsoever and whether or not in breach of local labor laws) and you hereby release the Corporation from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then you will be deemed irrevocably to have waived your entitlement to pursue such claim.

(i) Notwithstanding any terms or conditions of the 2006 Plan to the contrary, in the event of involuntary termination of your employment (whether or not in breach of local labor laws), your right to receive the RSUs and vest in RSUs under the 2006 Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to sell shares of Common Stock that converted from vested RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

(j) Notwithstanding any provision of this Agreement, the Notice of Grant or the 2006 Plan to the contrary, if, at the time of your termination of employment with the Corporation, you are a "specified employee" as defined in Section 409A of the Internal Revenue Code ("Code"), and one or more of the payments or benefits received or to be received by you pursuant to the RSUs would constitute deferred compensation subject to Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after your "separation from service" for any reason, other than death or "disability" (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of your death or "disability" (as such term is used in Section 409A(a)(2)(C) of the Code) or (C) the effective date of a "change in the ownership or effective control" of the Corporation (as such term is used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 14(e) will only apply to the extent required to avoid your incurrence of any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder. In addition, if any provision of the RSUs would cause you to incur any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Corporation may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

(k) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

(l) Chile. If you are employed in or a resident of Chile, please note: NEITHER INTEL CORPORATION NOR ANY OF ITS SHARES ARE REGISTERED WITH THE *SUPERINTENDENCIA DE VALORES Y SEGUROS* (THE "SVS") NOR SUBJECT TO THE CONTROL OF THE SVS.

(m) France. If you are employed in or a resident of the France, you will not be required to hold the shares of Common Stock issued to you for the vest of these RSUs for the minimum required holding period of the '*régime fiscal de faveur'*.

(n) The People's Republic of China. If you are employed in and a citizen of the People's Republic of China, you authorize the Corporation to instruct UBS Financial Services Inc., or any successor plan administrator, to sell all of your shares of Common Stock that are issued under these RSUs, and are in your brokerage account established with UBS Financial Services Inc., or any successor plan administrator on the 90th day following your termination of employment or as soon as administratively feasible after the 90th day, including termination of employment due to death, Disablement or Retirement. Furthermore, you authorize UBS Financial Services Inc., or any successor plan administrator to send the net proceeds from such sale (after the payment of any tax withholding amounts and expenses of sale) to the Corporation on your behalf for payment through payroll, unless the Corporation's counsel determines that local laws do not necessitate such payments through payroll. The shares may be sold as part of a block trade with other participants in which all participants receive an average price.

(o) Vietnam. If you are employed in or a resident of Vietnam, you authorize UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. or any successor plan administrator, to sell all of your shares of Common Stock that are issued under the RSUs, and are in your brokerage account established with UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. or any successor plan administrator, as soon as administratively feasible after your termination of employment, death, Disablement or Retirement.

By acknowledging this award or your acceptance of this Agreement in the manner specified by the administrators, you and Intel Corporation agree that the RSUs identified in your Notice of Grant are governed by the terms of this Agreement, the Notice of Grant and the 2006 Plan. You further acknowledge that you have read and understood the terms of the RSUs set forth in this Agreement.

IF YOU ARE INSTRUCTED BY THE ADMINISTRATORS OF THE 2006 PLAN TO ACCEPT THIS AGREEMENT AND YOU FAIL TO DO SO IN THE MANNER SPECIFIED BY THE ADMINISTRATORS BY THE FIRST QUARTERLY VEST DATE, THE RSUS IDENTIFIED IN YOUR NOTICE OF GRANT WILL BE CANCELLED, EXCEPT AS OTHERWISE DETERMINED BY THE CORPORATION IN ITS SOLE DISCRETION. (SEE SECTION 2 OF THIS AGREEMENT).

Exhibit 10.4

INTEL CORPORATION

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE INTEL CORPORATION 2006 EQUITY INCENTIVE PLAN
(for RSUs granted on or after January 23, 2015 under the Executive OSU program)

1. **TERMS OF RESTRICTED STOCK UNIT**

This Restricted Stock Unit Agreement (this “Agreement”), the Notice of Grant delivered herewith (the “Notice of Grant”) and the Intel Corporation 2006 Equity Incentive Plan (the “2006 Plan”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “Corporation”) regarding the Restricted Stock Units (“RSUs”) identified in your Notice of Grant.

2. **SIGNATURE**

If you are instructed by the administrators of the 2006 Plan to accept this Agreement and you fail to do so in the manner specified by the administrators within 180 days of the Grant Date, the RSUs identified in your Notice of Grant will be cancelled, except as otherwise determined by the Corporation in its sole discretion.

3. **VESTING OF RSUs**

Provided that you remain continuously employed by the Corporation or a Subsidiary from the Grant Date specified in the Notice of Grant through the vesting date that is three years and one month after the Grant Date (as specified in the Notice of Grant), then as of the vesting date the RSUs will vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, $.001 par value (the “Common Stock”), determined by multiplying the target number of shares as specified in the Notice of Grant (the “Target Number of Shares”) by the conversion rate as set forth below, and except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Stock Market ("NASDAQ") is not open, affected RSUs will vest on the next following NASDAQ business day.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as an Employee terminates for any reason except death, Disablement (defined below) or Retirement (defined below), prior to the vesting date set forth in your Notice of Grant, your unvested RSUs and dividend equivalents will be cancelled.

4. **CONVERSION OF RSUs**

(a) The conversion rate of RSUs into the right to receive a number of shares of Common Stock depends on the Corporation’s Total Stockholder Return (“Intel TSR”) relative to the “Total Stockholder Return” of the Tech 15 (“Tech 15 TSR”) at the end of the “Performance Period,” as those terms are defined in this Section 4. The conversion rate of RSUs into the right to receive a number of shares of Common Stock will be determined in accordance with following:

(1) If the Intel TSR and Tech 15 TSR are within 1 percentage point, the conversion rate will be 100%.

(2) If the Intel TSR is greater than the Tech 15 TSR, the conversion rate will be 100% plus four times the difference in percentage points between the Intel TSR and the Tech 15 TSR; provided that the maximum conversion rate is 200%.

(3) If the Tech 15 TSR is greater than the Intel TSR, the conversion rate will be 100% minus two times the difference in percentage points between the Intel TSR and the Tech 15 TSR; provided that, if the Tech 15 TSR exceeds the Intel TSR by more than 25 percentage points, then the conversion rate will be 0%.

(4) In the event that the conversion rate results in the right to receive a partial share of Common Stock, the conversion rate will be rounded down so that the RSUs will not convert into the right to receive the partial share.

By way of illustration, assume the Tech 15 TSR is 100% at the end of the Performance Period in the following examples.

- If the Intel TSR equals 100.5%, the difference between the Intel TSR and the Tech 15 TSR is within 1 percentage point. As a result, the conversion rate is 100%, such that your RSUs convert into the right to receive 100% of the Target Number of Shares.
- If the Intel TSR is 105%, the difference between the Intel TSR and the Tech 15 TSR is 5 percentage points. As a result, the conversion rate is 120%, such that your RSUs convert into the right to receive 120% of the Target Number of Shares.
- If the Intel TSR is 90%, the difference between the Intel TSR and the Tech 15 TSR is 10 percentage points. As a result, the conversion rate is 80%, such that your RSUs convert into the right to receive 80% of the Target Number of Shares.
- If the Intel TSR is 70%, the difference between the Intel TSR and the Tech 15 TSR is more than 25 percentage points. As a result, the conversion rate is 0%, such that your RSUs convert into the right to receive 0% of the Target Number of Shares.

(b) "Intel TSR" is a percentage (to the third decimal point) derived by:

(1) A numerator that is the difference between the average closing sale price of Common Stock during the 3 months following and including the Grant Date subtracted from the average closing sale price of Common Stock during the 3 months prior to and including the end of the Performance Period, plus any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period; and

(2) A denominator that is the average closing sale price of Common Stock during the 3 months following and including the Grant Date.

(c) "Tech 15 TSR" is the median TSR (as defined below) of the fifteen technology companies included in the Corporation's peer group for determining executive compensation, as determined by the Compensation Committee prior to the Grant Date, and regardless of any subsequent change after the Grant Date.

"Total Stockholder Return" or "TSR" of each stock for purposes of the Tech 15 TSR is a percentage (to the third decimal point) derived by:

(1) A numerator that is the difference between the average closing sale price of common stock during the 3 months following and including the Grant Date subtracted from the average closing sale price of common stock during the 3 months prior to and including the end of the Performance Period, plus any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period; and

(2) A denominator that is the average closing sale price of common stock during the 3 months following and including the Grant Date; and

(d) For purposes of determining the "Total Stockholder Return" or "TSR" of any company (including the Corporation):

(1) Any dividend paid or payable in cash will be valued at its cash amount (without any deemed reinvestment and without any adjustments for applicable taxes or tax withholding). Any dividend paid in securities with a readily ascertainable fair market value will be valued at the market value of the securities as of the dividend ex-dividend date. Any dividend paid

in other property will be valued based on the value assigned to such dividend by the paying company for tax purposes.

(2) Any company included in the Tech 15 TSR on the Grant Date that does not have a stock price that is quoted on a national securities exchange at the end of the Performance Period will be factored into the median calculation based on its TSR from the Grant Date until the last date on which its stock price was last quoted on a national securities exchange in the United States.

(3) The Compensation Committee may equitably adjust a company's TSR for equity restructuring transactions including, but not limited to, a stock split, combination of shares, extraordinary dividend of cash and/or assets, recapitalization or reorganization.

(4) Any company included in the Tech 15 TSR on the Grant Date that has a price of stock or a price of a security backed by stock that is quoted on a national securities exchange in the United States and on a national securities exchange outside the United States will be factored into the median calculation based on its price of stock or a price of a security backed by stock quoted on the national securities exchange in the United States.

(e) Performance Period is the period beginning with the Grant Date and ending three years later on the third anniversary of the Grant Date. If the third anniversary of the Grant Date falls on a weekend or any other day on which the NASDAQ is not open, the Performance Period will end on the next following NASDAQ business day. If for any reason the Corporation (including any successor corporation) ceases to have its stock price quoted on a national securities exchange, the Performance Period will end as of the last date that the stock price is quoted on a national securities exchange.

5. **DIVIDEND EQUIVALENTS**

Dividend equivalents will vest at the same time as their corresponding RSUs and convert into the right to receive shares of Common Stock. Dividend equivalents will be paid on the number of shares of the Corporation’s Common Stock into which this RSU is converted by determining the sum of the dividends paid or payable on such number of shares of Common Stock with respect to each ex-dividend date that occurs between the Grant Date and the vesting date specified in the Notice of Grant (without any interest or compounding), divided (to the third decimal point) by the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the last day of the Performance Period. The quotient derived from the previous sentence will be rounded down so that dividend equivalents will convert into the right to receive whole shares of Common Stock.

6. **SETTLEMENT INTO COMMON STOCK**

Shares of Common Stock will be issued or become free of restrictions as soon as practicable following the vesting date of the RSUs and dividend equivalents (or, in the event of vesting acceleration for death, Disablement, or Retirement, the original vesting date that is three years and one month after the Grant Date (as specified in the Notice of Grant)), provided that you have satisfied your tax withholding obligations as specified under Section 12 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation’s counsel, is necessary to comply with securities or other regulatory requirements, and (ii) the date on which shares are issued or credited to your account may include a delay in order to provide the Corporation such time as it determines appropriate to calculate Intel TSR and Tech 15 TSR, for the Committee (as defined below) to certify performance results, to calculate and address tax withholding and to address other administrative matters. The number of shares of Common Stock into which RSUs and dividend equivalents convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

7. **SUSPENSION OR TERMINATION OF RSU FOR MISCONDUCT**

If at any time the Committee of the Board of Directors of the Corporation established pursuant to the 2006 Plan (the "Committee"), including any Subcommittee or "Authorized Officer" (as defined in Section 8(b)(vi) of the 2006 Plan) notifies the Corporation that they reasonably believe that you have committed an act of misconduct as described in Section 8(b)(vi) of the 2006 Plan (embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty or deliberate disregard of Corporation rules resulting in loss, damage or injury to the Corporation, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct constituting unfair competition, inducing any customer to breach a contract with the Corporation or inducing any principal for whom the Corporation acts as agent to terminate such agency relationship), the vesting of your RSUs and dividend equivalents may be suspended pending a determination of whether an act of misconduct has been committed. If the Corporation determines that you have committed an act of misconduct, all RSUs and dividend equivalents not vested as of the date the Corporation was notified that you may have committed an act of misconduct will be cancelled and neither you nor any beneficiary will be entitled to any claim with respect to the RSUs and dividend equivalents whatsoever. Any determination by the Committee or an Authorized Officer with respect to the foregoing will be final, conclusive, and binding on all interested parties.

8. **TERMINATION OF EMPLOYMENT**

Except as expressly provided otherwise in this Agreement, if your employment by the Corporation or any Subsidiary terminates for any reason, whether voluntarily or involuntarily, other than on account of death, Disablement (defined below) or Retirement (defined below), all RSUs and dividend equivalents not then vested will be cancelled on the date of employment termination, regardless of whether such employment termination is as a result of a divestiture or otherwise. For purposes of this Section 8, your employment with any partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which the Corporation or a Subsidiary is a party will be considered employment for purposes of this provision if either (a) the entity is designated by the Committee as a Subsidiary for purposes of this provision or (b) you are specifically designated as an employee of a Subsidiary for purposes of this provision.

For purposes of this provision, your employment is not deemed terminated if, prior to sixty (60) days after the date of termination from the Corporation or a Subsidiary, you are rehired by the Corporation or a Subsidiary on a basis that would make you eligible for future grants of Intel RSUs and dividend equivalents. In addition, your transfer from the Corporation to any Subsidiary or from any one Subsidiary to another, or from a Subsidiary to the Corporation is not deemed a termination of employment.

9. **DEATH**

Except as expressly provided otherwise in this Agreement, if you die while employed by the Corporation or any Subsidiary, your RSUs and dividend equivalents will become one hundred percent (100%) vested.

10. **DISABLEMENT**

Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of Disablement, your RSUs and dividend equivalents will become one hundred percent (100%) vested upon the later of the date of your termination of employment due to your Disablement or the date of determination of your Disablement.

For purposes of this Section 10, “Disablement” will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, “Disablement” will have the same meaning as disablement is defined in the Intel Long Term Disability Plan, which is generally a physical condition arising from an illness or injury, which renders an individual incapable of performing work in any occupation, as determined by the Corporation.

11. **RETIREMENT**

For purposes of this Agreement, if your employment terminates as a result of Retirement, your RSUs and dividend equivalents will become one hundred percent (100%) vested upon the date of your Retirement. For purposes of this Section 11, “Retirement” will mean:

(a) You terminate employment with the Corporation at or after age 60 (“Standard Retirement”); or

(b) You terminate employment with the Corporation and as of the termination date your age plus years of service (in each case measured in complete, whole years) equals or exceeds 75 (“Rule of 75”).

12. **TAX WITHHOLDING**

To the extent RSUs and dividend equivalents are subject to tax withholding obligations, the taxable amount will be based on the Market Value on the date of the taxable event. RSUs and dividend equivalents are taxable in accordance with the existing or future tax laws of the country in which you reside or are employed on the grant or vest dates, or during the vesting period. Your RSUs and dividend equivalents may be taxable in more than one country, based on your country of citizenship and the countries in which you resided or were employed on the Grant Date, vest date or during the vesting period.

You will make arrangements satisfactory to the Corporation (or the Subsidiary that employs you, if your Subsidiary is involved in the administration of the 2006 Plan) for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs and dividend equivalents or sale of Common Stock shares from vested RSUs and dividend equivalents (whichever is applicable).

The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs and dividend equivalents or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs and dividend equivalents that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc., or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs and dividend equivalents, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, "Market Value" will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by NASDAQ on the day your RSUs and dividend equivalents vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs and dividend equivalents, regardless of any action the Corporation takes or any transaction pursuant to this Section 12 with respect to any tax withholding obligations that arise in connection with the RSUs and dividend equivalents. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs and dividend equivalents or the subsequent sale of any of the shares of Common Stock underlying the RSUs and dividend equivalents that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

13. **RIGHTS AS A STOCKHOLDER**

Your RSUs and dividend equivalents may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs and dividend equivalents other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and dividend equivalents and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs and dividend equivalents will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs and dividend equivalents. RSUs and dividend equivalents will remain terminable pursuant to this Agreement at all times until they vest and convert into shares. As a condition to having the right to receive shares of Common Stock pursuant to your RSUs and dividend equivalents, you acknowledge that unvested RSUs and dividend equivalents will have no value for purposes of any aspect of your employment relationship with the Corporation or a Subsidiary.

14. **DISPUTES**

Any question concerning the interpretation of this Agreement, your Notice of Grant, the RSUs or the 2006 Plan, any adjustments required to be made thereunder, and any controversy that may arise under this Agreement, your Notice of Grant, the RSUs or the 2006 Plan will be determined by the Committee (including any person(s) to whom the Committee has delegated its authority) in its sole and absolute discretion. Such decision by the Committee will be final and binding unless determined pursuant to Section 17(e) to have been arbitrary and capricious.

15. **AMENDMENTS**

The 2006 Plan and RSUs and dividend equivalents may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

16. **DATA PRIVACY**

You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials ("Data") by and among, as applicable, the Corporation, the Subsidiary that employs you and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.

You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that

you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.

Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Subsidiary that employs you will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.

17. **THE 2006 PLAN AND OTHER TERMS; OTHER MATTERS**

(a) Certain capitalized terms used in this Agreement are defined in the 2006 Plan. Any prior agreements, commitments or negotiations concerning the RSUs and dividend equivalents are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.
The grant of RSUs and dividend equivalents to an employee in any one year, or at any time, does not obligate the Corporation or any Subsidiary to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(b) To the extent that the grant of RSUs and dividend equivalents refers to the Common Stock of Intel Corporation, and as required by the laws of your country of residence or employment, only authorized but unissued shares thereof will be utilized for delivery upon vesting in accord with the terms hereof.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs and dividend equivalents covered by this Agreement will occur, the Corporation may, in its sole discretion, (1) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and dividend equivalents and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (2) cancel and cause a forfeiture with respect to any unvested RSUs and dividend equivalents at the time of such determination.

(d) Nothing contained in this Agreement creates or implies an employment contract or term of employment upon which you may rely.

(e) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock of Intel Corporation, a Delaware corporation, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs and dividend equivalents granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(f) Notwithstanding anything to the contrary in this Agreement or the applicable Notice of Grant, your RSUs and dividend equivalents are subject to reduction by the Corporation if you change your employment classification from a full-time employee to a part-time employee.

(g) RSUs and dividend equivalents are not part of your employment contract (if any) with the Corporation or any Subsidiary, your salary, your normal or expected compensation, or other remuneration for any purposes, including for purposes of computing severance pay or other termination compensation or indemnity.

(h) In consideration of the grant of RSUs and dividend equivalents, no claim or entitlement to compensation or damages will arise from termination of your RSUs and dividend equivalents or diminution in value of the RSUs and dividend equivalents or Common Stock acquired through vested RSUs and dividend equivalents resulting from termination of your active employment by the Corporation (for any reason whatsoever and whether or not in breach of local labor laws) and you hereby release the Corporation from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then you will be deemed irrevocably to have waived your entitlement to pursue such claim.

(i) Notwithstanding any terms or conditions of the 2006 Plan to the contrary, in the event of involuntary termination of your employment (whether or not in breach of local labor laws), your right to receive the RSUs and dividend equivalents and vest in RSUs and dividend equivalents under the 2006 Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to sell shares of Common Stock that converted from vested RSUs and dividend equivalents after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

(j) Notwithstanding any provision of this Agreement, the Notice of Grant or the 2006 Plan to the contrary, if, at the time of your termination of employment with the Corporation, you are a “specified employee” as defined in Section 409A of the Internal Revenue Code ("Code"), and one or more of the payments or benefits received or to be received by you pursuant to the RSUs and dividend equivalents would constitute deferred compensation subject to Section 409A, no such payment or benefit will be provided under the RSUs and dividend equivalents until the earliest of (A) the date which is six (6) months after your "separation from service” for any reason, other than death or “disability” (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of your death or “disability” (as such term is used in Section 409A(a)(2)(C) of the Code) or (C) the effective date of a “change in the ownership or effective control” of the Corporation (as such term is used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 17(j) will only apply to the extent required to avoid your incurrence of any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder. In addition, if any provision of the RSUs would cause you to incur any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Corporation may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

(k) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

(l) Chile. If you are employed in or a resident of Chile, please note: NEITHER INTEL CORPORATION NOR ANY OF ITS SHARES ARE REGISTERED WITH THE *SUPERINTENDENCIA DE VALORES Y SEGUROS* (THE "SVS") NOR SUBJECT TO THE CONTROL OF THE SVS.

(m) France. If you are employed in or a resident of the France, you will not be required to hold the shares of Common Stock issued to you for the vest of these RSUs for the minimum required holding period of the ‘*régime fiscal de faveur’*.

(n) <u>The People’s Republic of China</u>. If you are employed in and a citizen of the People’s Republic of China, you authorize the Corporation to instruct UBS Financial Services Inc., or any successor plan administrator, to sell all of your shares of Common Stock that are issued under these RSUs, and are in your brokerage account established with UBS Financial Services Inc., or any successor plan administrator on the 90th day following your termination of employment or as soon as administratively feasible after the 90th day, including termination of employment due to death, Disablement or Retirement. Furthermore, you authorize UBS Financial Services Inc., or any successor plan administrator to send the net proceeds from such sale (after the payment of any tax withholding amounts and expenses of sale) to the Corporation on your behalf for payment through payroll, unless the Corporation's counsel determines that local laws do not necessitate such payments through payroll. The shares may be sold as part of a block trade with other participants in which all participants receive an average price.

(o) <u>Vietnam</u>. If you are employed in or a resident of Vietnam, you authorize UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. or any successor plan administrator, to sell all of your shares of Common Stock that are issued under the RSUs, and are in your brokerage account established with UBS Financial Services Inc., E*TRADE Financial Corporate Services, Inc. or any successor plan administrator, as soon as administratively feasible after your termination of employment, death, Disablement or Retirement.

By acknowledging this award or your acceptance of this Agreement in the manner specified by the administrators, you and Intel Corporation agree that the RSUs identified in your Notice of Grant are governed by the terms of this Agreement, the Notice of Grant and the 2006 Plan. You further acknowledge that you have read and understood the terms of the RSUs set forth in this Agreement.

IF YOU ARE INSTRUCTED BY THE ADMINISTRATORS OF THE 2006 PLAN TO ACCEPT THIS AGREEMENT AND YOU FAIL TO DO SO IN THE MANNER SPECIFIED BY THE ADMINISTRATORS WITHIN 180 DAYS OF THE GRANT DATE, THE RSUS IDENTIFIED IN YOUR NOTICE OF GRANT WILL BE CANCELLED, EXCEPT AS OTHERWISE DETERMINED BY THE CORPORATION IN ITS SOLE DISCRETION. (SEE SECTION 2 OF THIS AGREEMENT).

Exhibit 12.1

INTEL CORPORATION

**STATEMENT SETTING FORTH THE COMPUTATION
OF RATIOS OF EARNINGS TO FIXED CHARGES**

	Three Months Ended	
(Dollars in Millions)	Mar 28, 2015	Mar 29, 2014
Earnings[1]	$ 2,766	$ 2,718
Adjustments:		
Add - Fixed charges	131	124
Subtract - Capitalized interest	(81)	(77)
Earnings and fixed charges (net of capitalized interest)	**$ 2,816**	**$ 2,765**
Fixed charges:		
Interest[2]	$ 42	$ 37
Capitalized interest	81	77
Estimated interest component of rental expense	8	10
Total	**$ 131**	**$ 124**
Ratio of earnings before taxes and fixed charges, to fixed charges	**21x**	**22x**

[1] *After adjustments required by Item 503(d) of Regulation S-K.*
[2] *Interest within provision for taxes on the consolidated condensed statements of income is not included.*

Exhibit 31.1

CERTIFICATION

I, Brian M. Krzanich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Intel Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	April 27, 2015	By:	/s/ BRIAN M. KRZANICH
			Brian M. Krzanich Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Stacy J. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Intel Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	April 27, 2015	By:	/s/ STACY J. SMITH
			Stacy J. Smith Executive Vice President, Chief Financial Officer, and Principal Accounting Officer

Exhibit 32.1

CERTIFICATION

Each of the undersigned hereby certifies, for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Intel Corporation (Intel), that, to his knowledge, the Quarterly Report of Intel on Form 10-Q for the period ended March 28, 2015, fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Intel. This written statement is being furnished to the Securities and Exchange Commission as an exhibit to such Form 10-Q. A signed original of this statement has been provided to Intel and will be retained by Intel and furnished to the Securities and Exchange Commission or its staff upon request.

Date:	April 27, 2015	By:	/s/ BRIAN M. KRZANICH
			Brian M. Krzanich Chief Executive Officer
Date:	April 27, 2015	By:	/s/ STACY J. SMITH
			Stacy J. Smith Executive Vice President, Chief Financial Officer, and Principal Accounting Officer