

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE TO

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

INTEL CORPORATION

(Name of Subject Company (Issuer) and Filing Persons (Offeror))

Common stock, \$0.001 par value
(Title of Class of Securities)

458140100
(CUSIP Number of Class of Securities (Underlying Common Stock))

Intel Corporation
2200 Mission College Boulevard
Santa Clara, California
(408) 765-8080

Attention: Corporate Secretary
(Name, address and telephone number of person authorized to receive notices and
communications on behalf of filing persons)

Copies to:

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Gibson, Dunn & Crutcher LLP
1050 Connecticut Avenue, NW
Washington, DC 20036
(202) 955-8500

CALCULATION OF FILING FEE

Transaction Valuation	Amount of Filing Fee*
N/A	N/A

- * Pursuant to General Instruction D to Schedule TO, a filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer.
- ☐ Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- Amount Previously Paid: N/A Form or Registration No.: N/A
Filing Party: N/A Date Filed: N/A
- ☒ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- ☐ third-party tender offer subject to Rule 14d-1.
- ☒ issuer tender offer subject to Rule 13e-4.
- ☐ going-private transaction subject to Rule 13e-3.
- ☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: ☐

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On March 23, 2009, Intel Corporation (“Intel” or the “Company”) filed a Preliminary Proxy Statement for the Annual Meeting of Stockholders of Intel to be held on May 20, 2009 (the “Preliminary Proxy Statement”), which among other things contains a proposal to be submitted to the Company’s stockholders to approve a stock option exchange program for employees other than the Company’s named executive officers and directors (the “Proposed Stock Option Exchange Program”). In connection with the Proposed Stock Option Exchange Program, Intel is herewith filing:

- a) a presentation given during an Open Forum webcast by Paul S. Otellini on March, 23, 2009, regarding, among other things, the Proposed Stock Option Exchange Program;
- b) the script of the Open Forum webcast given by Paul S. Otellini on March 23, 2009, regarding, among other things, the Proposed Stock Option Exchange Program;
- c) an Intranet article for all employees regarding the Proposed Stock Option Exchange Program; and
- d) a Q&A for employees regarding the Proposed Stock Option Exchange Program (March 23, 2009).

Neither the Preliminary Proxy Statement nor the communications attached as exhibits to this Schedule TO constitute an offer to holders of the Company’s outstanding stock options to exchange those options. The Proposed Stock Option Exchange Program will only be commenced, if at all, if the Company’s stockholders approve the Proposed Stock Option Exchange Program.

The Stock Option Exchange Program has not yet commenced. Intel will file a Tender Offer Statement on Schedule TO with the Securities and Exchange Commission (“SEC”) upon the commencement of the Stock Option Exchange Program. Persons who are eligible to participate in the Stock Option Exchange Program should read the Tender Offer Statement on Schedule TO and other related materials when those materials become available, because they will contain important information about the Stock Option Exchange Program.

In connection with the proposal to be voted on by Intel’s stockholders to approve the Stock Option Exchange Program, Intel has filed a preliminary proxy statement with the SEC and intends to file other relevant materials with the SEC, including a definitive proxy statement. Intel stockholders are urged to read such materials as and when they become available and before making any voting decision regarding the Stock Option Exchange Program, because they will contain important information about the proposal to be voted on by stockholders with respect to the Stock Option Exchange Program.

Intel stockholders and option holders will be able to obtain the written materials described above and other documents filed by Intel with the SEC free of charge from the SEC’s website at www.sec.gov. In addition, stockholders and option holders may obtain free copies of the documents filed by Intel with the SEC by directing a written request to: Intel Corporation, 2200 Mission College Boulevard, Santa Clara, California, 95054-1549, Attention: Investor Relations.

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Item 12. Exhibits

Exhibit Number	Description
99.1	Presentation given during an Open Forum webcast by Paul S. Otellini on March, 23, 2009, regarding, among other things, the Proposed Stock Option Exchange Program.
99.2	Script of the Open Forum webcast given by Paul S. Otellini on March 23, 2009, regarding, among other things, the Proposed Stock Option Exchange Program.
99.3	Intranet article for all employees regarding the Proposed Stock Option Exchange Program.
99.4	Q&A for employees regarding the Proposed Stock Option Exchange Program (March 23, 2009).



PAUL S. OTELLINI

Special Announcement
Mar 23, 2009

Legal Information

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- *In connection with the proposal to be voted on by Intel's stockholders to approve the Stock Option Exchange Program discussed in this communication, Intel has filed a preliminary proxy statement with the SEC and intends to file other relevant materials with the SEC, including a definitive proxy statement. Intel stockholders are urged to read such materials as and when they become available and before making any voting decision regarding the Stock Option Exchange Program, because they will contain important information about the proposal to be voted on by stockholders with respect to the Stock Option Exchange Program.*
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Current Environment

- Intel continuing to focus on efficiency during downturn
- Sustaining investments in our technology and products
- Today: investing further in you



What We're Announcing

- Special, one-time Investment Stock Grant
- Increased Focal RSU Grant size for non-exempt employees
- Stock Option Exchange Program for “underwater” options



Why We're Making This Announcement

- We believe in our future, and our employees will help us create it
- Investment in our employees is essential to our competitiveness
- Broad-based stock program remains an important component of our overall compensation package
- Want employees to share in long-term success of Intel

Intel is Investing in You



Investment Stock Grants

- Special one-time award; investment in employees
- Meritocracy-based
- Grants are in addition to '09 Focal grants
 - Same share level, same mix of RSUs/stock options
 - Work same way as focal grants
- Manager will deliver at Focal performance review
 - You will receive separate grant letter at Focal

Increase in Focal RSU Grant Sizes for Non-Exempt Employees

- Bring non-exempt Focal RSUs to more meaningful levels
- Increase will be about double current grant size
- This change is here to stay
- Investment stock grants based on new Focal RSU levels

Stock Option Exchange Program

- Requires shareholder approval in May
 - “Value for value” program – expect approval
- Voluntary program
 - Employees exchange “underwater” options for fewer new options at the market price on exchange date
- Implementation targeted for Q4’09
 - Barring significant market changes—for example, if the stock price recovers enough to make the exchange unproductive



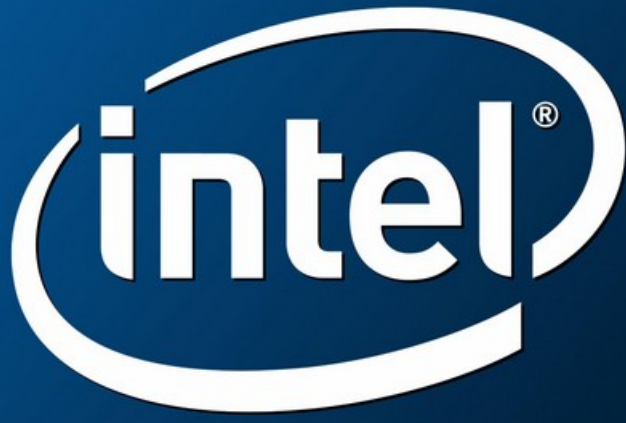
Q & A



Summary

- Investing in our employees
- We will power through this downturn together
- Poised for long term success – we can all share in it





Story highlights

Paul Otellini announced three changes to Intel stock programs.

The “good news” will affect nearly all employees.

A program to exchange underwater options needs approval, but could kick in by Q4.

‘Investing in you’

Walden Kirsch, Employee Communications

March 23, 2009

Coming on the heels of Intel’s recent large investment announcements in next-generation silicon technology, CEO Paul Otellini told employees Monday that “...today I want to talk about investing in *you*.”

Standing in front of employees at a special Open Forum in the SC12 auditorium, Paul unveiled three significant stock program changes—all focused at giving Intel employees more ways to benefit from the company’s future success. About 16,000 employees joined Paul via webcast Monday morning—near-record attendance.

Paul called his announcement “three pieces of what I hope are good news” for us all. Please see sidebar box for important details and Q&As for each of these announcements:

- **Investment Stock Grant.** Eligible employees will get a special, one-time stock grant. This grant will in effect double the grant size you receive at Focal. Like a Focal grant, it will be awarded meritocratically and will vest over four years. It will include a mix of RSUs and options in proportion to each employee’s Focal grant.
- **Increase in Focal RSUs for non-exempt employees.** Focal restricted stock unit (RSU) grants for non-exempt employees are being increased, to about double their current size. This is a permanent change.
- **Stock Option Exchange Program.** Stockholders will be asked to approve an exchange of Intel employees’ underwater options, for a lesser number of new options at market price on the date of exchange. This date will likely be in Q4, and the stock exchange will be voluntary. Additional information about this program will be available after Intel stockholders have voted in May.

Calling it “essential to our competitiveness” that Intel employees be literally invested in the company, Paul underscored his belief that Intel has a “very bright future ahead of us.” The stock program changes, he said, would enable employees to benefit as owners as our share price rises.

Intel is one of the last major companies to offer a top-to-bottom stock program for employees at all levels.

Noting Intel’s current share price, Paul said he believes that the new stock options (or RSUs) that employees receive in this recessionary period should provide a “good baseline as things improve over the years.”

Since the Stock Option Exchange Program will require stockholder approval, Paul told employees that company leaders have already done considerable homework—meeting with institutional and other large investors to gauge support for the program. “We spent a lot of time” with the influential agency called Institutional Shareholder Services (ISS), which independently evaluates corporate proxy proposals.

Paul said he believes that ISS will support the Stock Option Exchange Program, and if that happens, stockholders should follow suit.

As he typically does when he meets with employees, Paul spent the majority of the Open Forum taking questions, both in the room and via webcast. Excerpts follow.

What about underwater options due to expire before the exchange program starts?

Pointing out that some people have options that may expire in the following days or weeks, Paul said that only un-expired options at the time the program begins will be eligible for swap if the program is approved. He also noted that the option exchange program excludes the top five senior leaders at the company, including himself.

Do execs get an Investment Stock Grant?

Yes, but not as much and not as soon. Paul said that the Investment Grant for Intel's Management Committee Members (MCM) will be eligible for about half as many of these special one-time options as other employees are.

Also, their Investment Stock Grant will be given in two installments, half in 2009 and half in 2010, while employees will be awarded their entire Investment Stock Grant in 2009.

Will the Investment Stock Grants add an expense to Intel's bottom line?

Paul said yes, the grants do represent an expense—about \$400 million spread over four years—but this not a cash cost, and is not an unduly large expense in the greater scheme of the company's overall healthy financials.

Should employees vote in favor of the stock exchange proxy proposal?

Paul explicitly pointed out that "it would be improper" for management to give you advice on which way to vote. But he urged employees—almost all of whom are stockholders—to get up to speed on the program once additional details are announced in May. "Vote your conscience," Paul asked.

Stock program details

Here's a summary of Paul's three stock-related announcements:

1. The award of a special, one-time 2009 Investment Stock Grant. Read the Q&A [Q&A for employees regarding the Proposed Stock Option Exchange Program (March 23, 2009)].

- This Investment Stock Grant will equal the 2009 Focal stock grant in size and composition. The effect will be to double the Focal grant size for eligible employees this year (in countries where we offer stock).
- Grants are being awarded based on meritocracy. Only those employees who receive a 2009 Focal stock grant will receive an Investment Stock Grant.
- You will be informed of your individual Investment Stock Grant during your Focal performance review with your manager.

2. An increase in Focal RSU grant size for non-exempt employees. Read the Q&A [Q&A for employees regarding the Proposed Stock Option Exchange Program (March 23, 2009)].

- This increase brings Focal RSU grants to more meaningful levels, about double the current size.
- Eligible, non-exempt employees will be informed of their grant when managers meet with them to deliver their Focal performance review.

3. Stock Option Exchange Program. Read the Q&A [Q&A for employees regarding the Proposed Stock Option Exchange Program (March 23, 2009)]. Under this voluntary program, employees would be given the chance to exchange previously granted, underwater options for a fewer number of new options at the market price on the date of the exchange.

- Intel will need stockholder approval in May before the program is implemented.
- Implementation is planned for Q4 in countries eligible to participate, barring significant market changes. For example, if the stock price recovers enough the exchange might be unproductive.
- No employee action is required at this time. More details will be provided after the May stockholder meeting.

Stock Option Exchange Program

The Stock Option Exchange Program will need Intel stockholder approval in May before the program is implemented. Additional information about the program is contained in the Intel 2009 Proxy Statement filed with the U.S. Securities and Exchange Commission (SEC).

The proxy is a lengthy 67-page document. You may wish to read pages 58-63 for additional information relating to the Employee Stock Option Exchange Program. Among other details of the program, the proxy offers examples of exchange ratios for underwater stock options. As the proxy notes, exchange ratios cannot yet be determined.

The full proxy statement is available at the SEC web site.

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In connection with the proposal to be voted on by Intel's stockholders to approve the Stock Option Exchange Program, Intel has filed a preliminary proxy statement with the SEC and intends to file other relevant materials with the SEC, including a definitive proxy statement. Intel stockholders are urged to read such materials as and when they become available and before making any voting decision regarding the Stock Option Exchange Program, because they will contain important information about the proposal to be voted on by stockholders with respect to the Stock Option Exchange Program.

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Employee Q&A: Stock Option Exchange Program

Q: Why is Intel submitting a stock option exchange program for stockholder approval in May?

A: Many employees hold a significant amount of stock options that are both underwater and approaching expiration. As a result, these stock options have not delivered the value to employees we intended to provide at the time they were granted. If approved, the stock option exchange program will allow us to address this issue, and increase the motivational and retention value of our stock program with no increase in cost to the company. We are confident that Intel will be successful in emerging from this downturn, and want employees to share in the company's success.

Q: Why do we need stockholder approval?

A: Our 2006 Equity Incentive Plan specifically states that Intel must receive stockholder approval to provide a stock option exchange program. This plan is the stockholder approved plan that allows Intel to grant employee stock.

Q: When is the program likely to be implemented, and why not immediately after stockholder approval?

A: Implementation will occur within 9 months of receiving a positive vote at the stockholders meeting in May. The timing of implementation will be designed to make the greatest possible number of underwater options eligible for the exchange. Currently Q4 is expected to be optimal timing. Under the terms of the program, only options that have a grant price above the 52-week high stock price are eligible for the exchange. The current 52-week high price is approximately \$24, therefore, the numerous stock option grants with grant prices ranging from \$19 to \$24 would **NOT** be eligible for an exchange program offered at this time. In Q4, however, the 52-week high price would be approximately \$18 (unless the stock price goes above \$18 before then); therefore, the majority of underwater options will be eligible for the exchange.

Q: What are the terms of the program?

A: Employees will be able to voluntarily exchange their eligible underwater stock options, for a fewer number of new stock options with a lower grant (exercise) price: the price of Intel stock on the day the new stock options are granted. The new stock options will vest over 4 years from the date of grant at a rate of 25% per year, and they will expire 7 years from the day of grant.

Q: Who will be eligible for the stock option exchange program?

A: At the time the program is implemented, and in countries where tax and legal requirements allow, eligibility will include all active employees who hold eligible underwater stock options. Certain stock options (and countries) may be excluded from the program, such as grants from mergers and acquisitions, or grants with a grant price below the 52-week high price of Intel stock at the time of implementation. However, the intent of the program is to allow for the exchange of as many underwater stock options as possible.

Q: Will employees currently in or about to enter redeployment be eligible to participate in the stock option exchange program?

A: Yes. Employees in redeployment can participate in the stock option exchange program as long as they are still employed with Intel at the time the program is implemented.

Q: Will executives participate in the program?

A: Yes, except for the members of Intel's Board of Directors (including Craig Barrett) and the named executive officers of the company who are identified in the annual proxy statement submitted to the Securities and Exchange Commission (SEC). The named executive officers are: Paul Otellini, Stacy Smith, Andy Bryant, Sean Maloney and David Perlmutter.

Q: How will we find out the details of the stock option exchange program?

A: If the program is approved, an update will be shared with employees following the stockholder meeting in May. Employees will learn about the details of the program through a comprehensive communications and educational effort.

Q: Is there anything we need to do now to get ready for the program?

A: There's nothing you need to do until after we receive stockholder approval in May and details of the program are communicated. However, employees who are stockholders are eligible to vote on the Stock Option Exchange Program. On April 3, all stockholders will get information about the Annual Stockholder Meeting (to be held on May 20) via Circuit and in an e-mail from Broadridge, Intel's proxy agent. More information about the Stock Option Exchange Program is available in the proxy (available at www.intc.com). Voting for approval of the program is not the same thing as electing to participate in the program when it's implemented.

Q: Why are we doing this now when we haven't done it during other downturns?

A: First, in past downturns a large number of stock options have been underwater, but at no point in the past have virtually all outstanding stock options (over 99%) been underwater as they are today. Second, the magnitude of this downturn is unprecedented and the recovery time could be lengthy. By offering a stock option exchange, we hope to motivate employees to achieve superior results for Intel, and to benefit from the success of the company in the process.

Q: What will this program cost Intel?

A: Nothing. This exchange program is designed to be cost neutral.

Q: Does this program indicate a lack of confidence about the stock price growing in the future?

A: Absolutely not. We are confident that the company will emerge from this downturn stronger, yet also realize that the recovery could take some time. A good portion of employee's underwater stock options are rapidly approaching expiration. By offering a stock option exchange, we hope to underscore our belief in the future of Intel.

If you have additional questions that are not answered in this Q&A document, please contact [Ask ES](#). If you are in Israel or Latin America contact [eCenter](#).

Important Legal Information

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