UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report: January 17, 2006
(Date of earliest event reported)

INTEL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	0-06217	94-1672743
(State of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2200 Mission College Blvd., Santa Clara, California	95054-1549
(Address of principal executive offices)	(Zip Code)

(408) 765-8080
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4c))

Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Attached hereto as Exhibit 99.1 and incorporated by reference herein is financial information for Intel Corporation for the fourth quarter and fiscal year ended December 31, 2005 and forward-looking statements relating to 2006 and the first quarter of 2006 as presented in a press release of January 17, 2006.

Also included in Exhibit 99.1 under the heading "Supplemental Operating Segment Results and Other Information" is certain unaudited annual and quarterly financial information for the company's operating segments, presented on a basis that reflects the revised operating segments of the company effective as of the fourth quarter of 2005. The Flash Memory Group, which had previously been part of the Mobility Group, became a separate operating segment in the fourth quarter. The historical financial information presented under the new organizational structure does not in any way restate or revise the financial position, results of operations or cash flows of Intel Corporation as set forth in any previously reported consolidated balance sheet, consolidated statement of income or consolidated statement of cash flows of the company. This information is provided as supplemental financial information that may be of interest to Intel Corporation stockholders.

The information in this report shall be deemed incorporated by reference into any registration statement heretofore or hereafter filed under the Securities Act of 1933, as amended, except to the extent that such information is superseded by information as of a subsequent date that is included in or incorporated by reference into such registration statement. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

In addition to disclosing financial results calculated in accordance with U.S. generally accepted accounting principles (GAAP), the Business Outlook statements in the company's earnings release contain non-GAAP financial measures that exclude the effects of share-based compensation expense and the requirements of SFAS No. 123(R), "Share-based Payment" ("123R"). Commencing with its first quarter 2006 earnings release, the company's earnings releases will include non-GAAP financial measures of its financial results for the reporting period that exclude the income statement effects of share-based compensation and the effects of 123R upon the number of diluted shares used in calculating non-GAAP earnings per share. The non-GAAP financial measures disclosed by the company should not be considered a substitute for or superior to financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations to those financial statements should be carefully evaluated. The non-GAAP financial measures used by the company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. The company has provided reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

The company will apply the modified prospective method of adoption of 123R, under which the effects of 123R will be reflected in the company's GAAP financial statement presentations for and after the first quarter 2006, but will not be reflected in results for prior periods. Gross margin, expenses (research and development and marketing, general and administrative), operating income, income taxes, net income and earnings per share (EPS) are the primary financial measures management uses for planning and forecasting future periods that are affected by shared-based compensation. Because management will continue to review these financial measures calculated without taking into account the effects of the new requirements under 123R, upon implementation of 123R these financial measures are treated as "non-GAAP financial measures" under Securities and Exchange Commission rules. Management uses the non-GAAP financial measures for internal managerial purposes, including as a means to compare period-to-period results on both a segment basis and consolidated basis and as a means to evaluate the company's results on a consolidated basis compared to those of other companies. In addition, management uses certain of these measures when publicly providing forward-looking statements on expectations regarding future consolidated basis financial results as in the document attached to this Form 8-K.

The company's share-based compensation programs are established and managed on a corporate-wide basis, including specification of grant types and amount ranges for employees by category and grade. Following implementation of 123R, segment managers will not be held accountable for share-based compensation charges impacting their business unit's operating income (loss) and accordingly share-based compensation charges will be excluded from the company's measure of segment profitability (operating income). Therefore, the review of segment results by management and the Board of Directors will exclude share-based compensation.

Additionally, management and the Board of Directors will continue to compare the company's historical consolidated results of operations (revenue, gross margin, research and development, marketing, general and administrative expenses, operating income as well as net income and EPS), excluding stock-based compensation, to financial information prepared on the same basis during the company's budget and planning process, to assess the business and to compare consolidated results to the objectives identified for the company. The company's budget and planning process commences with a segment-level evaluation - which, as noted above, excludes share-based compensation - and culminates with the preparation of a consolidated annual and/or quarterly budget that includes these non-GAAP financial measures (gross margin, research and development expenses, marketing, general and administrative expenses, operating income, income tax expense, net income and EPS). This budget, once finalized and approved, serves as the basis for allocation of resources and management of operations. While share-based compensation is a significant expense affecting the company's results of operations, management excludes share-based compensation from the company's consolidated budget and planning process to facilitate period to period comparisons and to assess changes in gross margin dollar, net income and earnings per share targets in relation to changes in forecast revenue.

The company discloses this information to the public to enable investors who wish to more easily assess the company's performance on the same basis applied by management and to ease comparison on both a GAAP and non-GAAP basis among other companies, that separately identify share-based compensation expenses. In particular, as the company begins to apply 123R, the company believes that it is useful to investors to understand how the expenses and other adjustments associated with the application of 123R are being reflected on the company's income statements.

Although these non-GAAP financial measures adjust expense and diluted share items to exclude the accounting treatment of share-based compensation, they should not be viewed as a pro-forma presentation reflecting the elimination of the underlying share-based compensation programs, as those programs are an important element of the company's compensation structure and generally accepted accounting principles indicate that all forms of share-based payments should be valued and included as appropriate in results of operations. Management compensates for this aspect of the non-GAAP financial measures by evaluating the dilutive effect of the company's share-based compensation arrangements on the company's basic and diluted earnings per share calculations and by reviewing other quantitative and qualitative information regarding the company's share-based compensation arrangements, including the information provided in the Management's Discussion and Analysis section of the company's quarterly and annual financial reports under the caption "Employee Equity Incentive Plans."

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 hereunto duly authorized.

INTEL CORPORATION
(Registrant)

Date: January 17, 2006

By: /s/ Andy D. Bryant

Andy D. Bryant
Executive Vice President,
Chief Financial Officer and
Principal Accounting Officer

Exhibit 99.1

Intel Fourth-Quarter Revenue $10.2 Billion; EPS 40 Cents; Record Quarterly and Annual Revenue and Operating Income; Record Quarterly Unit Shipments of Mobile, Desktop and Server Microprocessors

SANTA CLARA, Calif.--(BUSINESS WIRE)--Jan. 17, 2006--Intel Corporation today announced fourth-quarter revenue of $10.2 billion, operating income of $3.3 billion, net income of $2.5 billion and earnings per share (EPS) of 40 cents. Revenue was below the company's updated expectation of $10.4 billion to $10.6 billion primarily due to lower than expected desktop processor unit shipments and prices.

"2005 was our third consecutive year of double-digit revenue and earnings growth, leading to the best operating results in the company's history," said Intel President and CEO Paul Otellini. "Although we fell below our expectations for the fourth quarter, we enter 2006 with exciting new products like the Intel(R) Core(TM) Duo and Viiv(TM). Our industry-leading 65nm process technology is ramping dual-core processors into high volume with an expected crossover in performance segments by mid-year. We expect 2006 will be another year of growth for Intel as we ramp platforms for notebooks, the digital home, the digital office and emerging markets."

	Q4 2005	vs. Q3 2005	vs. Q4 2004
Revenue	$10.2 billion	+2%	+6%
Operating Income	$3.3 billion	+7%	+14%
Net Income	$2.5 billion	+23%	+16%
EPS	40 cents	+25%	+21%

Note: Results for the third quarter of 2005 included a tax item and legal settlement that together lowered EPS by 6 cents.

For 2005, Intel achieved record revenue of $38.8 billion, record operating income of $12.1 billion, net income of $8.7 billion and EPS of $1.40. Intel paid record cash dividends of nearly $2 billion and used a record $10.6 billion to repurchase 418.4 million shares of common stock.

	2005	2004	Change
Revenue	$38.8 billion	$34.2 billion	+ 13.5%
Operating Income	$12.1 billion	$10.1 billion	+ 19%
Net Income	$8.7 billion	$7.5 billion	+ 15%
EPS	$1.40	$1.16	+ 21%

Financial Review

Fourth-quarter gross margin was 61.8 percent, slightly below the company's updated expectation of 63 percent, plus or minus a point, primarily due to lower than expected revenue, a slight shift in the overall product mix to non-microprocessor products, and some inventory valuation adjustments to reflect lower unit costs. The effective tax rate of 29.1 percent was below the expected rate of 31 percent primarily due to tax benefits for export sales and estimated R&D tax credits.

Sales Patterns

Revenue in the company's Asia Pacific region was essentially flat sequentially while revenue in the Americas region was sequentially lower. These results primarily reflect lower than expected demand for our desktop products among certain OEM customers.

	Q4 2005	vs. Q3 2005	vs. Q4 2004
Asia-Pacific	$5.1 billion	Flat	+16%
Americas	$1.8 billion	-3.5%	-10%
Europe	$2.3 billion	+14%	Flat
Japan	$945 million	+2%	+11%

Key Product Trends (Sequential)

- -- Total microprocessor units were higher, setting a new record. The average selling price (ASP) was slightly lower.
- -- Chipset units set a record.
- -- Motherboard units were higher.
- -- Flash units set a record. The ASP was higher.

-- Application processor units for products such as cellular phones and PDAs were lower.

Recent Highlights

-- Intel's board of directors approved a 25 percent increase in the quarterly cash dividend to 10 cents per share beginning with a dividend expected to be declared in the first quarter of 2006 and authorized the repurchase of up to $25 billion in shares of common stock under the company's ongoing stock repurchase program.

-- Intel launched a new generation of consumer PC platforms under the Intel(R) Viiv(TM) name that will help make it easier to download, manage and view digital entertainment and information on PCs, TVs and handheld devices. Plans to bring premium digital media to Intel Viiv technology-based PCs and devices were announced by companies including AOL, ClickStar, DirecTV, ESPN, Google, MTV, NBC and Turner Broadcasting.

-- Intel launched its next-generation Intel(R) Centrino(R) Duo mobile technology platform that includes a power-efficient dual-core processor called the Intel Core Duo processor that is also being used by Apple Computer in its first Intel-based desktop and notebook systems.

-- Intel and Micron Technology formed IM Flash Technologies, a company that will produce NAND flash memory for storing digital data in devices such as iPod(a) music players.

-- The company announced plans for Fab 28 in Israel, a 45nm, 300mm wafer factory scheduled for operations in 2008.

Business Outlook and Risk Factors Regarding Forward-Looking Statements

The following expectations do not include the potential impact of any mergers, acquisitions, divestitures or other business combinations that may be completed after Jan. 16. Intel is adding additional items to its full-year Business Outlook and is discontinuing the practice of making scheduled mid-quarter Business Updates.

2006 Outlook

-- Revenue: Expected to be 6 percent to 9 percent higher than $38.8 billion in 2005.

-- Gross margin: 57 percent, plus or minus a few points (58 percent, plus or minus a few points, excluding share-based compensation effects of approximately 1 percent).

-- R&D: Approximately $6.5 billion (approximately $6 billion excluding share-based compensation effects of approximately $500 million).

-- MG&A: Approximately $6.6 billion (approximately $6 billion excluding share-based compensation effects of approximately $600 million).

-- Capital spending: $6.9 billion, plus or minus $200 million.

-- Tax rate: Approximately 32 percent.

-- Depreciation: $4.7 billion, plus or minus $100 million.

-- Amortization of acquisition-related intangibles and costs: Approximately $40 million.

Q1 2006 Outlook

-- Revenue: Expected to be between $9.1 billion and $9.7 billion.

-- Gross margin: 59 percent, plus or minus a couple of points (60 percent, plus or minus a couple of points, excluding share-based compensation effects of approximately 1 percent).

-- Expenses (R&D plus MG&A): Approximately $3.3 billion (approximately $3 billion excluding share-based compensation effects of approximately $300 million).

-- Gains from equity investments and interest and other: Approximately $140 million.

-- Tax rate: Approximately 32 percent.

-- Depreciation: $1.1 billion, plus or minus $100 million.

-- Amortization of acquisition-related intangibles and costs:

Approximately $20 million.

The above statements and any others in this document that refer to plans and expectations for the first quarter, the year and the future involve a number of risks and uncertainties. Many factors could cause Intel's actual results to differ materially from current expectations, including the following:

- Intel operates in intensely competitive industries that are characterized by a high percentage of costs that are fixed or difficult to reduce in the short term, and by product demand that is highly variable. Revenue and the gross margin percentage are affected by the demand for and market acceptance of Intel's products; the availability of sufficient inventory of Intel products and related components from other suppliers to meet demand; pricing pressures; actions taken by Intel's competitors; and Intel's ability to respond quickly to technological developments and to incorporate new features into its products. Factors that could cause demand to be different from Intel's expectations include changes in customer order patterns, including order cancellations; changes in the level of inventory at customers; and changes in business and economic conditions.

- The gross margin percentage could vary from expectations based on changes in revenue levels; product mix and pricing; variations in inventory valuation, including variations related to the timing of qualifying products for sale; excess or obsolete inventory; manufacturing yields; changes in unit costs; capacity utilization; impairments of long-lived assets, including manufacturing, assembly/test and intangible assets; and the timing and execution of the manufacturing ramp and associated costs, including start-up costs.

- Dividend declarations and the dividend rate are at the discretion of Intel's board of directors, and plans for future dividends may be revised by the board. Intel's dividend and stock buyback programs could be affected by changes in its capital spending programs, changes in its cash flows and changes in tax laws, as well as by the level and timing of acquisition and investment activity.

- Expenses, particularly certain marketing and compensation expenses, vary depending on the level of demand for Intel's products and the level of revenue and profits.

- The tax rate expectation is based on current tax law and current expected income and assumes Intel continues to receive tax benefits for export sales. The tax rate may be affected by the closing of acquisitions or divestitures; the jurisdictions in which profits are determined to be earned and taxed; changes in the estimates of credits, benefits and deductions; the resolution of issues arising from tax audits with various tax authorities; and the ability to realize deferred tax assets.

- Gains or losses from equity securities and interest and other could vary from expectations depending on equity market levels and volatility; gains or losses realized on the sale or exchange of securities; impairment charges related to marketable, non-marketable and other investments; interest rates; cash balances; and changes in fair value of derivative instruments.

- Intel's results could be impacted by unexpected economic, social and political conditions in the countries in which Intel, its customers or its suppliers operate, including security risks, possible infrastructure disruptions and fluctuations in foreign currency exchange rates.

- Intel's results could be affected by adverse effects associated with product defects and errata (deviations from published specifications), and by litigation or regulatory matters involving intellectual property, stockholder, consumer, antitrust and other issues, such as the litigation and regulatory matters described in Intel's SEC reports.

- Intel's results could be affected by the amount, type, and valuation of share-based awards granted as well as the amount of awards cancelled due to employee turnover.

A more detailed discussion of these and other factors that could affect results is contained in Intel's SEC filings, including the report on Form 10-Q for the quarter ended Oct. 1, 2005.

Status of Business Outlook

During the quarter, Intel's corporate representatives may reiterate the Business Outlook during private meetings with investors, investment analysts, the media and others. From the close of business on March 3 until publication of the company's first-quarter 2006 earnings release on April 19, Intel will observe a "Quiet Period" during which the Business Outlook disclosed in the company's press releases and filings with the SEC on Forms 10-K and 10-Q should be considered to be historical, speaking as of prior to the Quiet Period only and not subject to update by the company.

Earnings Webcast

Intel will hold a public webcast at 2:30 p.m. PST today on its Investor Relations Web site at www.intc.com, with a replay available until April 19.

Intel, the world leader in silicon innovation, develops technologies, products and initiatives to continually advance how people work and live. Additional information about Intel is available at www.intel.com/pressroom.

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(a) Other names and brands may be claimed as the property of others.

INTEL CORPORATION
CONSOLIDATED SUMMARY INCOME STATEMENT DATA
(In millions, except per share amounts)

	Three Months Ended		Twelve Months Ended	
	Dec. 31, 2005	Dec. 25, 2004	Dec. 31, 2005	Dec. 25, 2004
NET REVENUE	$10,201	$9,598	$38,826	$34,209
Cost of sales	3,901	4,221	15,777	14,463
GROSS MARGIN	6,300	5,377	23,049	19,746
Research and development	1,362	1,214	5,145	4,778
Marketing, general and administrative	1,606	1,225	5,688	4,659
Amortization of acquisition-related intangibles and costs	23	38	126	179
OPERATING EXPENSES	2,991	2,477	10,959	9,616
OPERATING INCOME	3,309	2,900	12,090	10,130
Losses on equity securities, net	(25)	(3)	(45)	(2)
Interest and other, net	178	130	565	289
INCOME BEFORE TAXES	3,462	3,027	12,610	10,417
Income taxes	1,009	904	3,946	2,901
NET INCOME	$ 2,453	$2,123	$ 8,664	$ 7,516
BASIC EARNINGS PER SHARE	$ 0.41	$ 0.34	$ 1.42	$ 1.17
DILUTED EARNINGS PER SHARE	$ 0.40	$ 0.33	$ 1.40	$ 1.16
COMMON SHARES OUTSTANDING	6,008	6,294	6,106	6,400
COMMON SHARES ASSUMING DILUTION	6,081	6,352	6,178	6,494

INTEL CORPORATION
CONSOLIDATED SUMMARY BALANCE SHEET DATA
(In millions)

	Dec. 31, 2005	Oct. 1, 2005	Dec. 25, 2004
CURRENT ASSETS			
Cash and short-term investments	$11,314	$11,951	$14,061
Trading assets	1,458	1,982	3,111
Accounts receivable	3,914	3,748	2,999
Inventories:			
Raw materials	409	381	388
Work in process	1,662	1,434	1,418
Finished goods	1,055	1,000	815
	3,126	2,815	2,621
Deferred tax assets and other	1,382	1,228	1,266
Total current assets	21,194	21,724	24,058

Property, plant and equipment, net	17,111	16,825	15,768
Marketable strategic equity securities	537	520	656
Other long-term investments	4,135	3,047	2,563
Goodwill	3,873	3,814	3,719
Other assets	1,464	1,430	1,379
TOTAL ASSETS	$48,314	$47,360	$48,143
CURRENT LIABILITIES			
Short-term debt	$ 313	$ 252	$ 201
Accounts payable and accrued liabilities	6,453	6,654	6,050
Deferred income on shipments to distributors	632	692	592
Income taxes payable	2,008	1,901	1,163
Total current liabilities	9,406	9,499	8,006
LONG-TERM DEBT	2,106	432	703
DEFERRED TAX LIABILITIES	620	753	855
STOCKHOLDERS' EQUITY	36,182	36,676	38,579
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$48,314	$47,360	$48,143

INTEL CORPORATION
SUPPLEMENTAL FINANCIAL AND OTHER INFORMATION
(In millions)

	Q4 2005	Q3 2005	Q4 2004
GEOGRAPHIC REVENUE:			
Asia-Pacific	$5,132	$5,124	$4,421
	50%	52%	46%
Americas	$1,836	$1,903	$2,047
	18%	19%	21%
Europe	$2,288	$2,007	$2,277
	23%	20%	24%
Japan	$945	$926	$853
	9%	9%	9%
CASH INVESTMENTS:			
Cash and short-term investments	$11,314	$11,951	$14,061
Trading assets - fixed income (1)	1,095	1,632	2,772
Total cash investments	$12,409	$13,583	$16,833
INTEL CAPITAL PORTFOLIO:			
Marketable strategic equity securities	$537	$520	$656
Other strategic investments	595	553	513
Total Intel Capital portfolio	$1,132	$1,073	$1,169
TRADING ASSETS:			
Trading assets - equity securities offsetting deferred compensation (2)	$363	$350	$339
Total trading assets - sum of 1+2	$1,458	$1,982	$3,111
SELECTED CASH FLOW INFORMATION:			
Depreciation	$1,050	$1,055	$1,144
Amortization of acquisition-related intangibles & costs	$23	$29	$38
Capital spending	($1,359)	($1,282)	($1,031)
Stock repurchase program	($3,137)	($2,500)	($2,000)
Proceeds from sales of shares to employees, tax benefit & other	$211	$444	$168
Dividends paid	($482)	($486)	($252)
Net cash used for acquisitions	($88)	($22)	$0
EARNINGS PER SHARE INFORMATION:			
Average common shares outstanding	6,008	6,062	6,294
Dilutive effect of stock options	64	82	58
Dilutive effect of convertible debt	9	N/A	N/A
Common shares assuming dilution	6,081	6,144	6,352
STOCK BUYBACK:			
Shares repurchased	118.0	93.6	89.0
Cumulative shares repurchased	2,604.9	2,486.9	2,186.5
Dollars authorized for buyback (in			

billions)	$25.0	N/A	N/A
Remaining dollars authorized for buyback (in billions)	$21.9	N/A	N/A
OTHER INFORMATION:			
Employees (in thousands)	99.9	96.0	85.0

INTEL CORPORATION
SUPPLEMENTAL OPERATING RESULTS AND OTHER INFORMATION
($ in millions)

OPERATING SEGMENT INFORMATION:	Q4 2005	Q3 2005	Q2 2005	Q1 2005	Q4 2004
Digital Enterprise Group					
Microprocessor revenue	4,929	4,936	4,603	4,944	5,256
Chipset, motherboard and other revenue	1,476	1,434	1,398	1,417	1,517
Net revenue	6,405	6,370	6,001	6,361	6,773
Operating income	2,449	2,162	2,012	2,383	2,450
Mobility Group					
Microprocessor revenue	2,400	2,331	2,056	1,917	1,710
Chipset and other revenue	705	639	566	517	425
Net revenue	3,105	2,970	2,622	2,434	2,135
Operating income	1,547	1,431	1,221	1,131	951
Flash Memory Group					
Net revenue	600	572	528	578	643
Operating loss	(12)	(30)	(80)	(32)	(57)
All Other					
Net revenue	91	48	80	61	47
Operating loss	(675)	(463)	(504)	(450)	(444)
Total					
Net revenue	10,201	9,960	9,231	9,434	9,598
Operating income	3,309	3,100	2,649	3,032	2,900

INTEL CORPORATION
SUPPLEMENTAL OPERATING RESULTS AND OTHER INFORMATION (CONTINUED)
($ in millions)

OPERATING SEGMENT INFORMATION:	2005	2004	2003
Digital Enterprise Group			
Microprocessor revenue	19,412	19,426	17,991
Chipset, motherboard and other revenue	5,725	5,352	5,068
Net revenue	25,137	24,778	23,059
Operating income	9,006	8,851	8,017
Mobility Group			
Microprocessor revenue	8,704	5,667	4,120
Chipset and other revenue	2,427	1,314	966
Net revenue	11,131	6,981	5,086
Operating income	5,330	2,833	1,743
Flash Memory Group			
Net revenue	2,278	2,285	1,608
Operating loss	(154)	(149)	(152)
All Other			
Net revenue	280	165	388
Operating loss	(2,092)	(1,405)	(2,075)
Total			
Net revenue	38,826	34,209	30,141
Operating income	12,090	10,130	7,533

During the first quarter of 2005, the company reorganized its operating segments to bring all major product groups in line with the company's strategy to design and deliver technology platforms. The operating segments after the first quarter reorganization included the Digital Enterprise Group, the Mobility Group, the Digital Home Group, the Digital Health Group and the Channel Platforms Group. In the fourth quarter of 2005, the company added the Flash Memory Group. The Digital Enterprise Group and the Mobility Group are reportable operating segments. The Flash Memory Group, Digital Home Group, Digital Health Group and Channel Platforms Group operating segments do not meet the quantitative thresholds for reportable segments; however, the Flash Memory Group is reported separately as management believes this information is useful to readers. The Digital Home Group, Digital Health Group and Channel Platforms Group operating segments are included within the "all other" category. All prior period amounts have been adjusted retrospectively to reflect the new organizational structure and certain minor reorganizations effected through the fourth quarter of 2005.

The Digital Enterprise Group operating segment's products include microprocessors and related chipsets and motherboards designed for the desktop (including consumer desktop) and enterprise computing market segments, communications infrastructure components such as network processors and embedded microprocessors, wired connectivity devices and products for network and server storage. The Mobility Group operating segment's products include microprocessors and related chipsets designed for the notebook computing market segment, wireless connectivity products, application and cellular processors used in cellular handsets and handheld computing devices, and cellular baseband chipsets. The Flash Memory Group operating segment's products include NOR flash memory products designed for cellular phones and embedded form factors. Revenue for the "all other" category primarily consists of microprocessors and related chipsets sold by the Digital Home Group.

The "all other" category includes certain corporate-level operating expenses, including a portion of profit-dependent bonus and other expenses not allocated to the operating segments. "All other" also includes the results of operations of seed businesses that support the company's initiatives. Finally, "all other" includes acquisition-related costs. In 2003, acquisition-related costs included a goodwill impairment charge of $611 million.