INTEL CORPORATION
RECONCILIATIONS OF GAAP TO NON-GAAP RESULTS
(In millions, except per-share amounts and percentages)

| | Three Months Ended April 1, 2006 | |
|---|---|---|
| GAAP SPENDING | $ | 3,206 |
| Adjustment for share-based compensation | | (288) |
| SPENDING EXCLUDING SHARE-BASED COMPENSATION | $ | 2,918 |
| | | |
| GAAP OPERATING INCOME | $ | 1,718 |
| Adjustment for share-based compensation within: | | |
| Cost of sales | | 86 |
| Research and development | | 135 |
| Marketing, general and administrative | | 153 |
| OPERATING INCOME EXCLUDING SHARE-BASED COMPENSATION | $ | 2,092 |
| | | |
| GAAP NET INCOME | $ | 1,357 |
| Adjustment for share-based compensation within: | | |
| Cost of sales | | 86 |
| Research and development | | 135 |
| Marketing, general and administrative | | 153 |
| Income taxes | | (110) |
| NET INCOME EXCLUDING SHARE-BASED COMPENSATION | $ | 1,621 |
| | | |
| GAAP DILUTED EARNINGS PER SHARE | $ | 0.23 |
| Adjustment for share-based compensation | | 0.04 |
| DILUTED EARNINGS PER SHARE EXCLUDING SHARE-BASED COMPENSATION | $ | 0.27 |
| | | |
| GAAP COMMON SHARES ASSUMING DILUTION | | 5,954 |
| Adjustment for share-based compensation | | (17) |
| COMMON SHARES ASSUMING DILUTION EXCLUDING SHARE-BASED COMPENSATION | | 5,937 |
| | | |
| GAAP GROSS MARGIN PERCENTAGE | | 55.3% |
| Adjustment for share-based compensation | | 1.0% |
| GROSS MARGIN PERCENTAGE EXCLUDING SHARE-BASED COMPENSATION | | 56.3% |
| | | |
| Q4 TO Q1 GAAP INVENTORY INCREASE | $ | 441 |
| Share-based compensation capitalized in inventory | | (82) |
| Q4 TO Q1 INVENTORY INCREASE EXCLUDING SHARE-BASED COMPENSATION | $ | 359 |