

# 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 September 30, 2023

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

(State or other jurisdiction of incorporation or organization)

2200 Mission College Boulevard,

Santa Clara,

California

(Address of principal executive offices)

94-1672743

(I.R.S. Employer Identification No.)

95054-1549

(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)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, \$0.001 par value	INTC	Nasdaq Global Select Market

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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

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

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of October 20, 2023, the registrant had outstanding 4,216 million shares of common stock.

Data Center and AI

DCAI delivers industry-leading workload-optimized solutions to cloud service providers and enterprise customers, along with silicon devices for communications service providers and high-performance computing customers. We are uniquely positioned to deliver solutions to help solve our customers' most complex challenges with the depth and breadth of our hardware and software portfolio combined with silicon and platforms, advanced packaging, and at-scale manufacturing made possible by being the world's only IDM at scale. Our customers and partners include cloud hyperscalers, MNCs, small and medium-sized businesses, independent software vendors, systems integrators, communications service providers, and governments around the world.



Revenue Summary

Q3 2023 vs. Q3 2022

Revenue was \$3.8 billion, down \$441 million from Q3 2022, driven by a decrease in server revenue. Server volume decreased 35% in Q3 2023, due to lower demand in a softening CPU data center market. Server ASPs increased 38% primarily due to a lower mix of hyperscale customer-related revenue and a higher mix of high core count products.

YTD 2023 vs YTD 2022

Revenue was \$11.5 billion, down \$3.5 billion from YTD 2022, driven by a decrease in server revenue. Server volume decreased 41% in YTD 2023, due to lower demand in a softening CPU data center market. Server ASPs increased 17% primarily due to a lower mix of hyperscale customer-related revenue and a higher mix of high core count products. The decrease in server revenue was partially offset by an increase in revenue from the FPGA product line.

Network & Edge

NEX lifts the world's networks and edge compute systems from inflexible fixed-function hardware to general-purpose compute, acceleration, and networking devices running cloud native software on programmable hardware. We work with partners and customers to deliver and deploy intelligent edge platforms that allow software developers to achieve agility and to drive automation using AI for efficient operations while securing the integrity of their data at the edge. We have a broad portfolio of hardware and software platforms, tools, and ecosystem partnerships for the rapid digital transformation happening from the cloud to the edge. We are leveraging our core strengths in process, software, and manufacturing at scale to grow traditional markets and to accelerate entry into emerging ones.



Revenue Summary

Q3 2023 vs. Q3 2022 and YTD 2023 vs. YTD 2022

Q3 2023 revenue was \$1.5 billion, down \$683 million from Q3 2022, and YTD 2023 revenue was \$4.3 billion, down \$2.2 billion from YTD 2022, as customers tempered purchases to reduce inventories and adjust to a lower demand environment across product lines.

Operating Income (Loss) Summary

Operating income decreased 91% from Q3 2022, with an operating margin of 1%. We had an operating loss of \$470 million in YTD 2023, compared to operating income of \$907 million in YTD 2022.

(In Millions)	
\$ 17	Q3 2023 NEX Operating Income (Loss)
(467)	Lower product margin driven by lower revenue across NEX product lines
249	Lower operating expenses driven by various cost-cutting measures
38	Other
\$ 197	Q3 2022 NEX Operating Income (Loss)
\$ (470)	YTD 2023 NEX Operating Income (Loss)
(1,541)	Lower product margin driven by lower revenue across NEX product lines
(160)	Higher period charges driven by inventory reserves taken in 2023
368	Lower operating expenses driven by various cost-cutting measures
(44)	Other
\$ 907	YTD 2022 NEX Operating Income (Loss)