

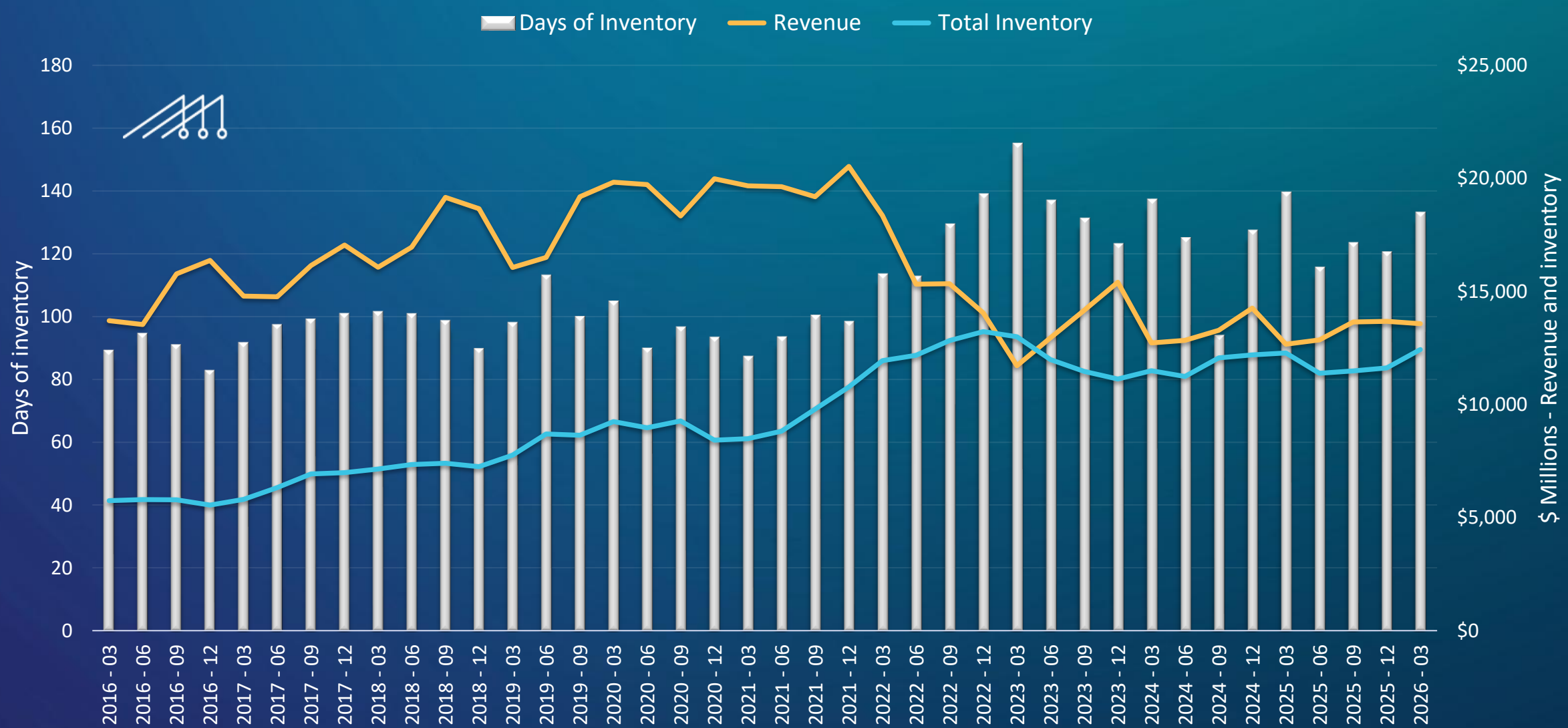
The 1- Minute Brief

Intel CY Q1'26 Earnings Summary

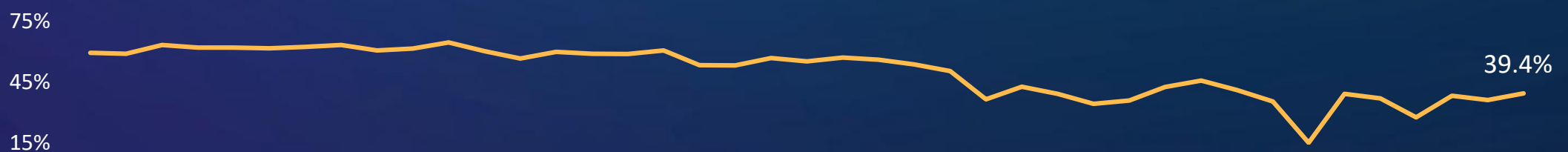
Announced on 23, Apr'26

Key Takeaways

- CY Q1'26 revenue was \$13.6B, up 7.2% YoY and down 0.7% QoQ, driven by robust AI-related demand, improved execution, and better-than-expected supply output
- Gross margin was up YoY and QoQ, driven by higher volume, reserved inventory mix, pricing, and improved Intel 18A yields that offset early ramp costs
- Intel earnings highlight Foundry strength, with Intel 7/4/3 efficiency gains and 18A/14A progress exceeding projections
- Intel's AI-driven businesses now account for ~60% of revenue, with 40% YoY growth

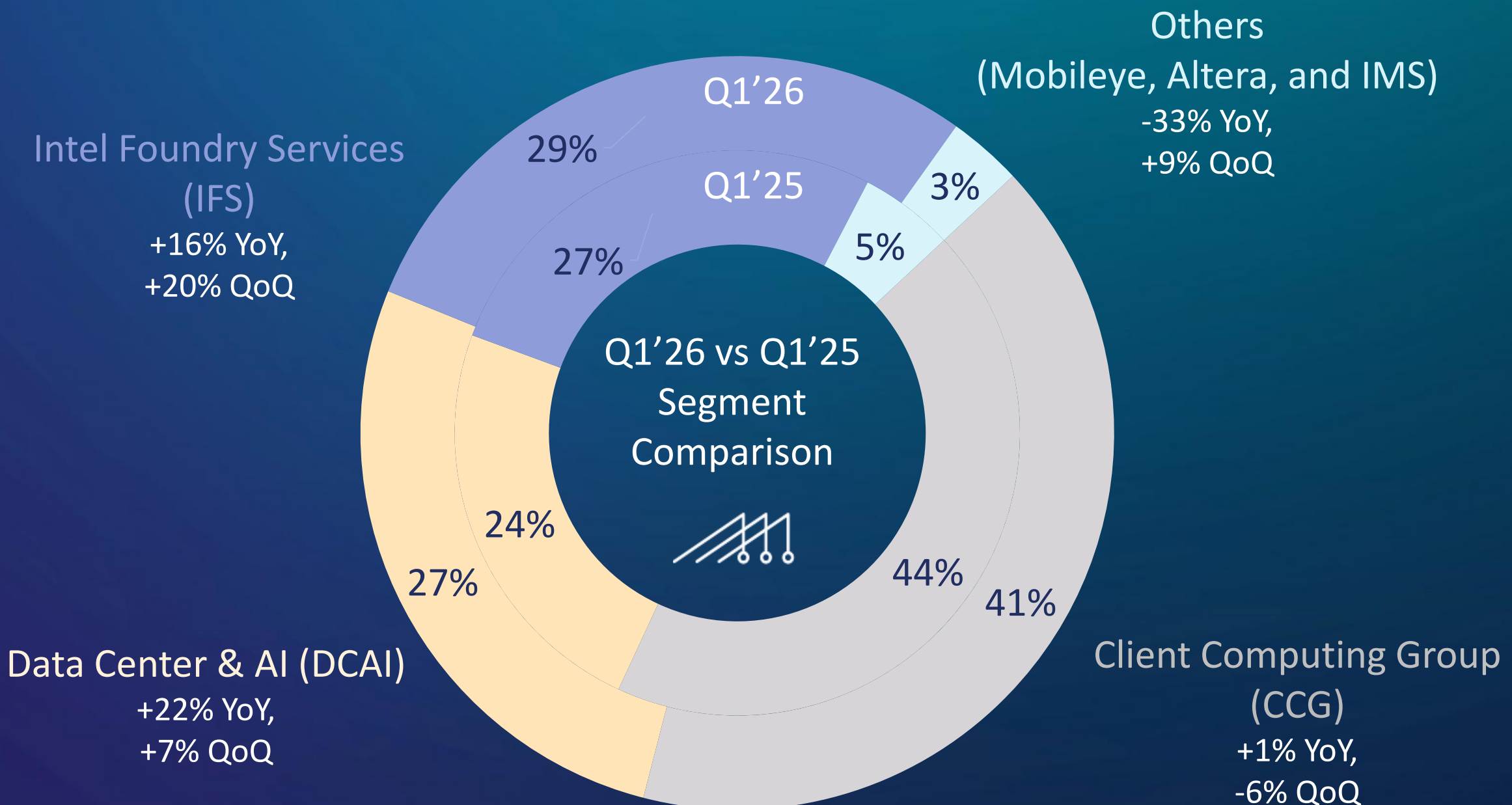


Gross Margin Trend



Performance by Segment

- CCG: Revenue grew only 1% YoY, reflecting stabilization in PCs amid supply constraints and a softer market
 - Strongest product launch in 5 years with Core Ultra Series 3
- DCAI: Strong YoY growth driven by demand for Xeon processors and accelerating AI CPU investments
 - ASIC revenue nearly doubled YoY and is now at a >\$1B annual run rate
- IFS: Sequential growth was driven by stronger Intel 3 EUV mix and 18A momentum, while operating loss reflected heavy investments in new technology nodes
- Others: Sequential growth is due to strong quarter for Mobileye



Outlook

- Q2'26 quarter midpoint guidance:
+10.9% YoY (vs. Q2'25) and +5.1% QoQ (vs. Q1'26)
- Gross Margin : Slight dip due to 18A mix (still early in ramp) and non-recurring inventory benefits in Q1
- DCAI expected up double digits sequentially, and CCG up modestly

Full Year 2026 outlook:

- Intel's guidance reflects strong near-term demand, especially in servers, but also acknowledges macroeconomic uncertainties and potential declines in the PC market
 - Server CPU growth: Double-digit growth expected to extend into 2027
 - PC market: Expected low double-digit decline with H1 stronger than H2
 - Continued AI-driven strength offsets PC weakness



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