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The 1- Minute Brief

Intel Q3’26 Earnings

Announced on 29, Oct’26

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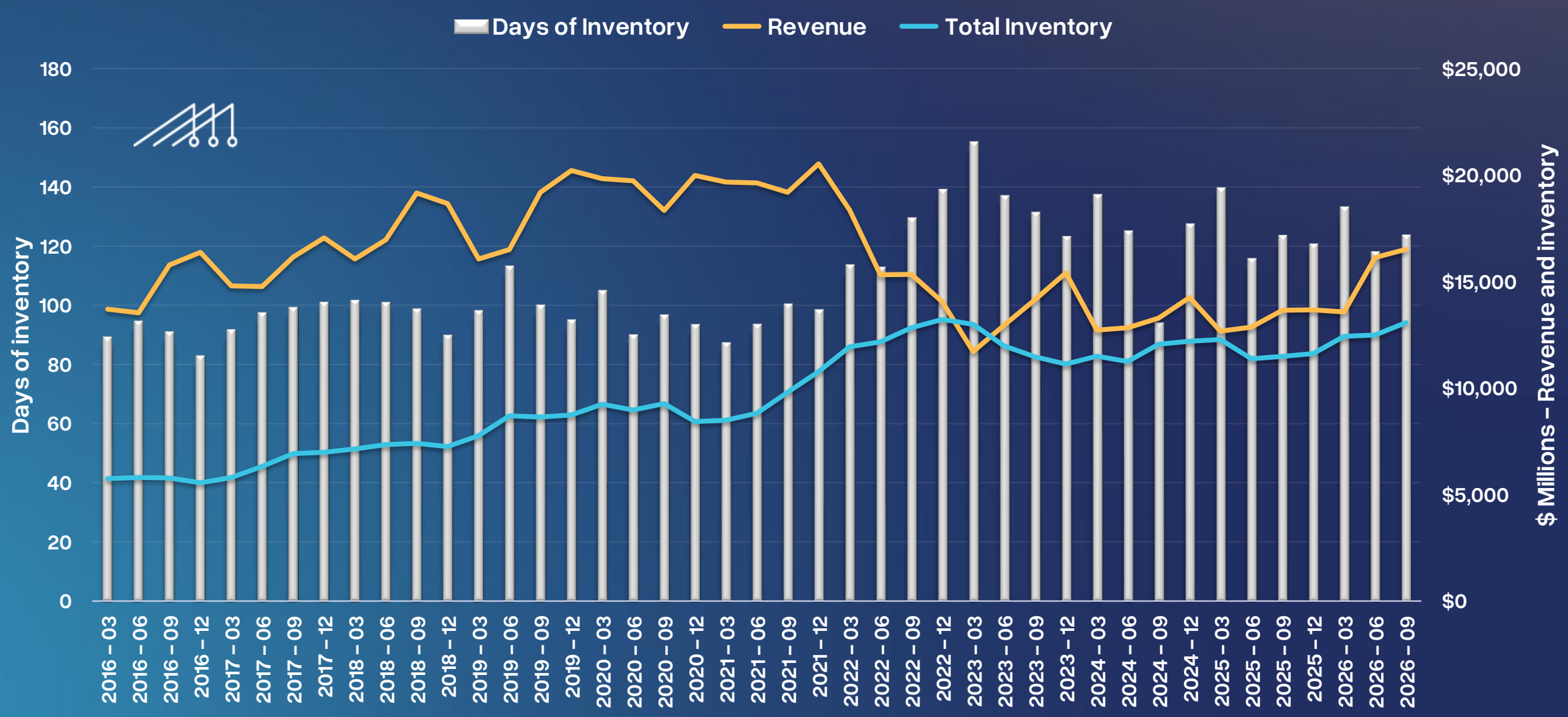
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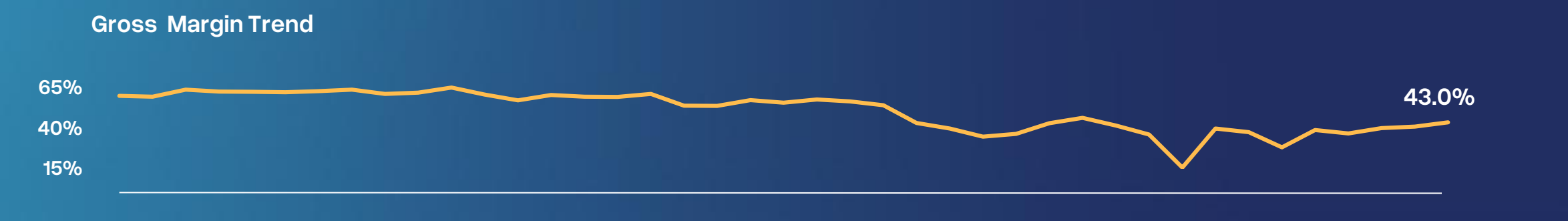
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Key Takeaways

- Q3'26 revenue was $16.5B, up 21% YoY and 2% QoQ, driven by robust demand for server CPUs and record YoY growth in DCAI
- Gross margin improved QoQ by 200bps, driven by improved costs on Intel 3 and Intel 18A, and a more favorable product mix
- Production costs for the foundational Intel 18A node declined by ~40% since Q1'26, driven by a double-digit rate improvement in wafer yields
- Intel's EMIB* and EMIB-T advanced packaging technologies saw significant external foundry customers traction
- Intel partnered with Oracle Cloud Infrastructure to deploy its latest CPUs and support AI infrastructure growth

*EMIB (Embedded Multi-die Interconnect Bridge)





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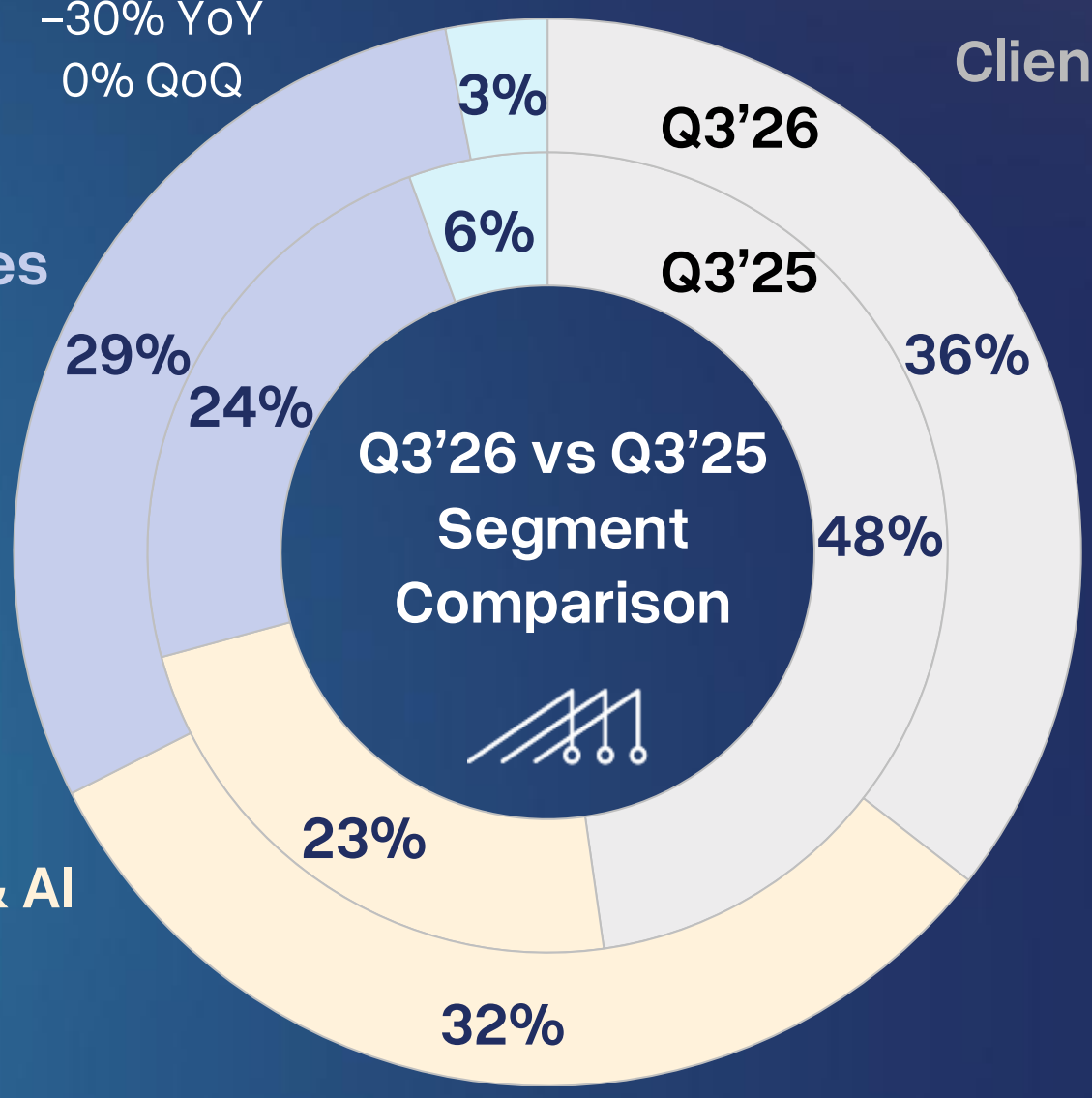
Performance by Segment

- **CCG**: Growth was pressured by higher memory prices, limited IT budgets and weaker PC demand
- **DCAI**: Primary growth driver in Q3, benefiting from accelerating demand for server CPUs as AI infrastructure expands beyond GPU-based computing
- **IFS**: Continued to make progress in manufacturing execution, with improving yields, production output and manufacturing costs across Intel 3 and Intel 18A

Others
(Mobileye, IMS and startup businesses)
–30% YoY
0% QoQ

Intel Foundry Services (IFS)
+60% YoY
+16% QoQ

Data Center & AI (DCAI)
+78% YoY
+17% QoQ



Client Computing Group (CCG)
–5% YoY
–9% QoQ

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Outlook

- **Q4’26 quarter midpoint guidance:**
  +13.4% YoY (vs. Q4’25) and –6.1% QoQ (vs. Q3’26)
- Intel expects continued growth in DCAI, although overall revenue and gross margin will be pressured by PC weakness and the impact of the Israel factory disruption

Segment	Q4’26 Outlook (QoQ)	2027 outlook
Client Computing Group (CCG)	**>20% decline** OEMs reduce inventory & adjust purchases to weaker PC demand	PC market unit TAM expected to decline ~10%. H1 weakness is expected to be more pronounced, with potential improvement in H2
Data centre & AI (DCAI)	**Up mid-teens %** Purpose-built silicon is expected to grow faster than the overall segment	**Strong growth** Strong growth expected, supported by server CPU demand and agentic AI adoption
Intel Foundry	Continued improvement in Intel 3 and Intel 18A yields, manufacturing costs and production output	Intel 3 expected to become profitable. Continued 18A ramp, with 14A preparations for production in 2028
Purpose-built Silicon	Expected to grow faster than DCAI overall	Strong growth expected to continue, with the business targeted to triple over the next 3 years

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