



Acquisition of Altera

June 1, 2015

Risk Factors and Additional Information

Today's presentations contain forward-looking statements. All statements made that are not historical facts are subject to a number of risks and uncertainties, and actual results may differ materially. Please refer to the risk factors set forth at the end of this presentation for risk factors specifically related to this proposed transaction and the business combination. Please also refer to Intel's and Altera's most recent earnings releases, Forms 10-Q and 10-K filings for more information on the risk factors related to our respective businesses.

If we use any non-GAAP financial measures during the presentations, you will find on www.intelacquiresaltera.transactionannouncement.com the reconciliation to the most directly comparable GAAP financial measure.

Intel and Altera intend to use www.intelacquiresaltera.transactionannouncement.com to post all information about the proposed transaction.

Additional Information and Where to Find It

Altera plans to file a proxy statement (the "Proxy Statement") with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for the special meeting of Altera's stockholders to be held in connection with the transaction (the "Special Meeting"). Promptly after filing its Proxy Statement in definitive form with the SEC, the Company will mail the Proxy Statement to each stockholder entitled to vote at the Special Meeting. STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS THAT ALTERA WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders may obtain, free of charge, copies of the Proxy Statement and any other documents filed by the Company with the SEC in connection with the Special Meeting at the SEC's website (<http://www.sec.gov>), at the transaction website at www.intelacquiresaltera.transactionannouncement.com, at Altera's website (<http://www.altera.com>) (under "Investor relations", "SEC Filings") or by writing to Investor Relations, Altera Corporation, 101 Innovation Drive, San Jose, CA 95134

Altera, its directors and certain executive officers are participants in the solicitation of proxies from Altera's stockholders in connection with the transaction. Information regarding such participants, including their direct or indirect interests, by security holdings or otherwise, together with information regarding Intel or any Intel director or executive officer to the extent they may be deemed participants in the solicitation, will be included in the Proxy Statement and other relevant documents to be filed with the SEC in connection with the Special Meeting. Information relating to the foregoing can also be found in the Company's definitive proxy statement for its 2015 Annual Meeting of Stockholders, which was filed with the SEC on March 31, 2015, and in any subsequent Statements of Change in Ownership on Form 4 filed by such individuals with the SEC.

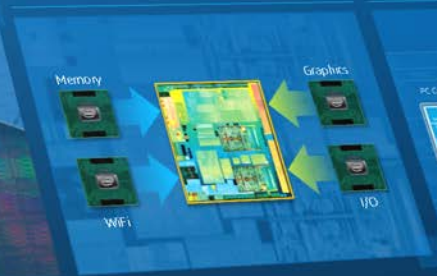
Intel's Growth Strategy

Strategic Vectors

MOORE'S LAW



INTEGRATION



SHARED IP



Investor Meeting
November, 2014

Our highest shareholder value will come from a strategy that uses our core assets to move into profitable, complementary markets.

Transaction Summary

Purchase Price	<ul style="list-style-type: none">• \$54 per share in cash
Equity Value	<ul style="list-style-type: none">• ~\$16.7 billion
Financing	<ul style="list-style-type: none">• Cash on hand + new debt
Financial Impact	<ul style="list-style-type: none">• Expected to be accretive to non-GAAP EPS & Free Cash Flow (FCF) in the first year after close
Closing	<ul style="list-style-type: none">• Expected in approximately 6-9 months• Unanimously approved by Intel and Altera Boards of Directors• Subject to approval by Altera's stockholders, regulatory approvals, and other customary closing conditions

Executive Summary

The FPGA business is aligned to our growth strategy, Altera is well positioned, and FPGAs benefit from Moore's Law

Altera's products combined with our IP portfolio are expected to enable a new class of products that meet customer needs in the data center and IoT market segments

We expect this transaction to create significant value for our stockholders

Altera Overview

Altera Stats

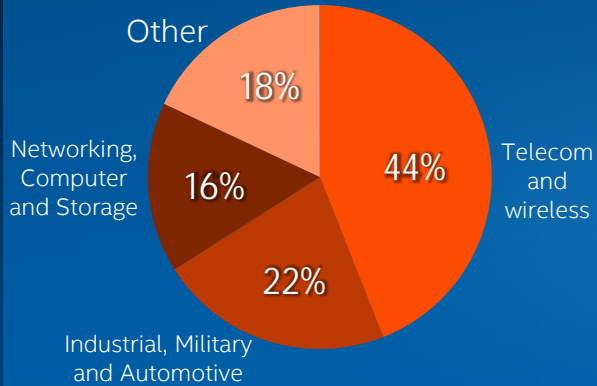
- World leader in programmable logic devices (PLDs)
- Headquartered in San Jose, CA
- ~3,100 employees worldwide in more than 20 countries
- ~12,600 customers served through a direct sales force and distributors
- FY14 revenue of \$1.9B, gross margin of 66%, and net income of \$0.5B
- Cash flow from operations of \$0.7B or 34%

Current Intel Foundry Relationship

- Established a multi-year agreement in 2013
- World class PLD technology + world class process technology
- Manufacturing Altera's Stratix®10 PLDs and SoCs using Intel's 14 nm Tri-Gate process and packaging technology

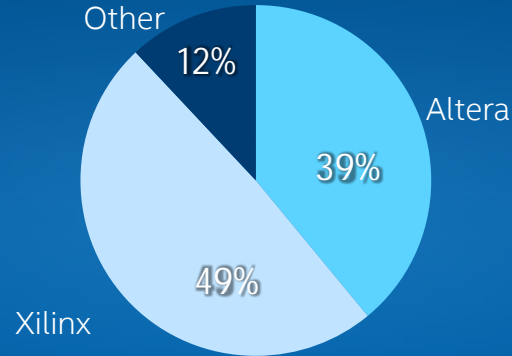
A Highly Complementary Business...

Altera Revenue by Segment¹



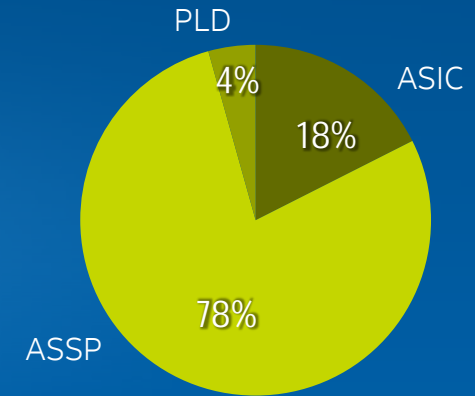
2014 Revenue: \$1.9B

PLD Market Segment Share²



2014 TAM: \$5.0B

PLDs, ASICs & ASSPs²

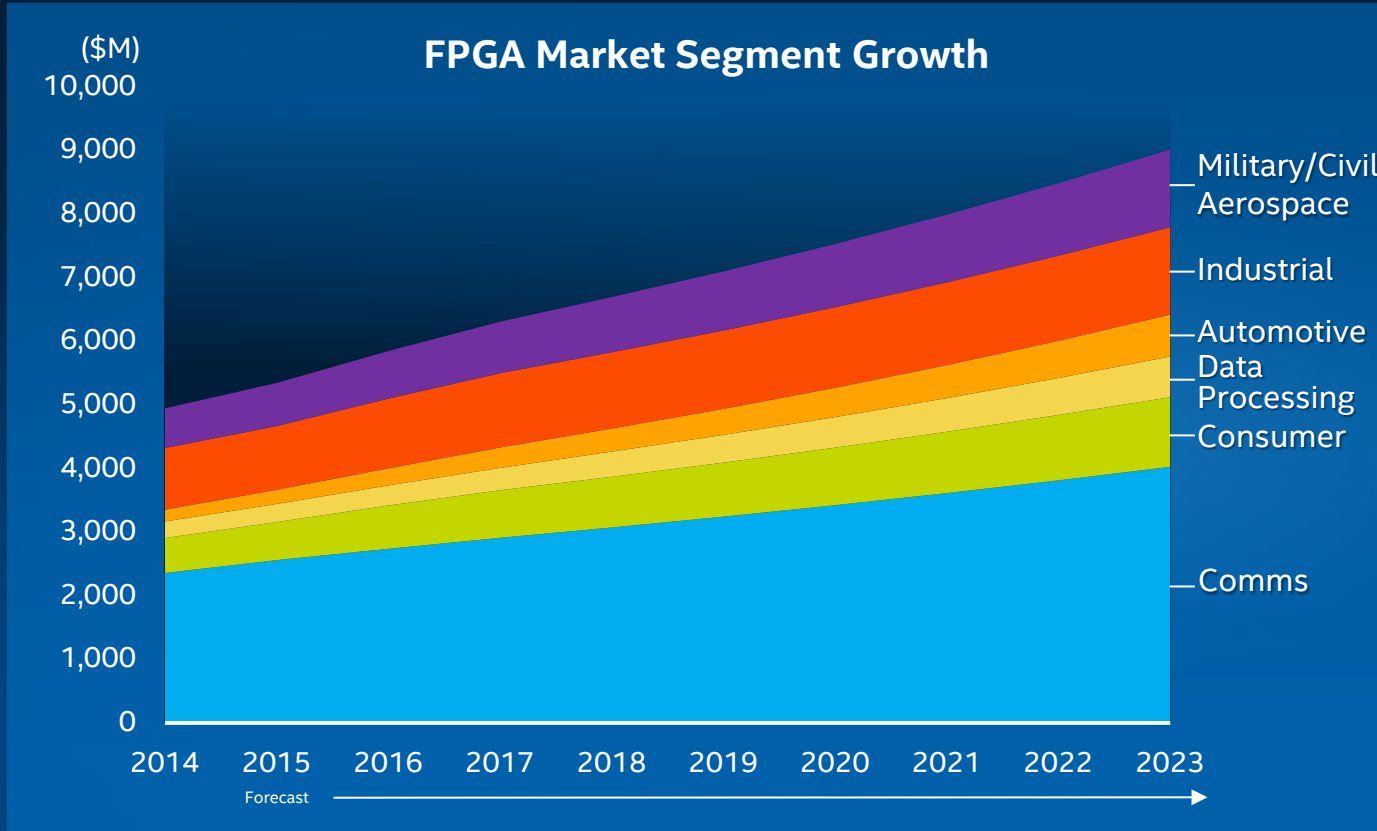


2014 TAM: \$115B

¹Source: Company filings, Gartner

²Gartner forecast: ASIC/ASSP, FPGA/PLD and SLI/SoC Applications, Worldwide, 2012-2018, 4Q14 Update

...In a Growing Market Segment



CAGR
7%

Strategic Combination Creates Significant Value

Product Synergies

- Addresses emerging customer workloads in the ~\$37B data center logic market segment
- New IoT products expected to expand serviceable market by ~\$11B
- Expected to be ~60% of total value created

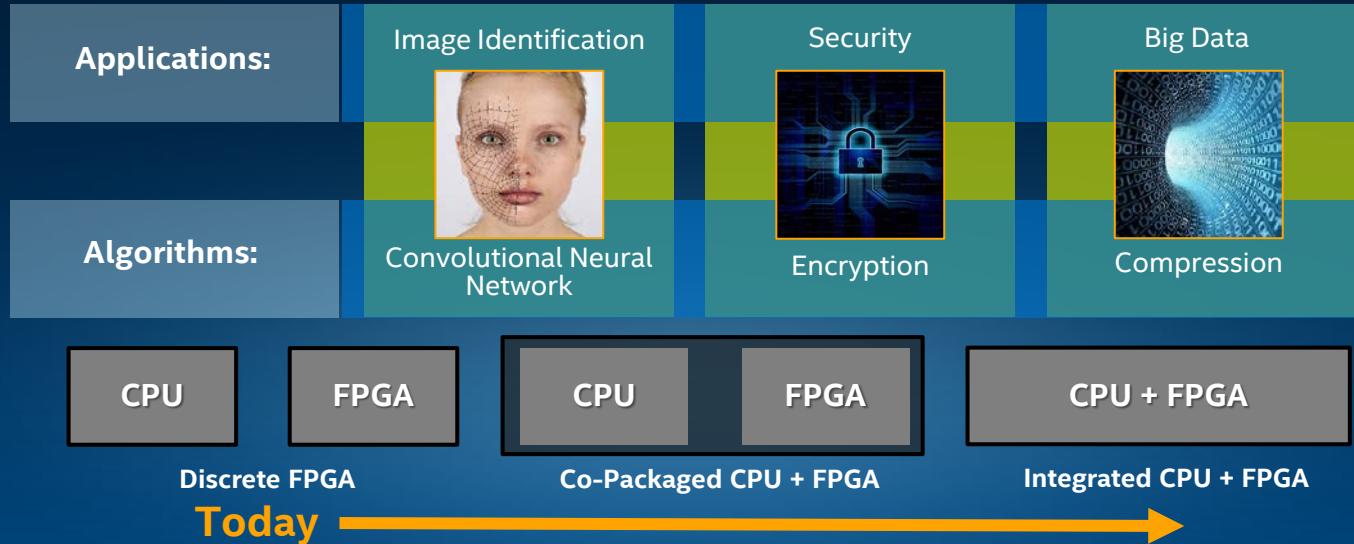
Cost & Manufacturing Synergies

- OpEx reductions which increase over time
- Manufacturing leadership which is expected to improve existing Altera product portfolio and market segment share
- Expected to be ~40% of total value created

Expected to be Accretive to Non-GAAP EPS & Free Cash Flow in the First Year After Close

Cloud Example: Data Center FPGA Acceleration

Up to 1/3 of Cloud Service Provider Nodes to Use FPGAs by 2020

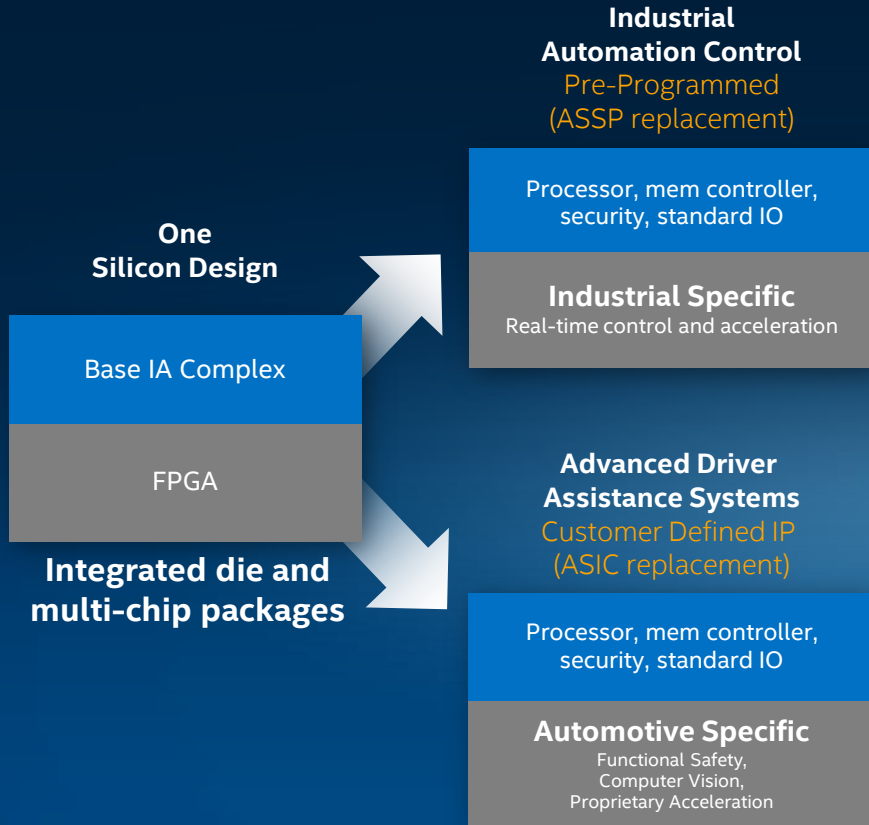


>2X performance increase through integration

Reduces total cost of ownership (TCO) by using standard server infrastructure

Increases flexibility by allowing for rapid implementation of customer IP and algorithms

IoT Application Examples



- **Integrated solutions accelerate growth in key IoT segments by adding new functionality, improving performance, and lowering cost**
- **~\$11B incremental SAM by 2020 as integrated FPGAs become cost competitive with ASICs & ASSPs**
- **Customers can program their own IP, replacing ASICs**
- **Intel can pre-program industry-specific IP, replacing ASSPs**
- **Expected to reduce time-to-market by more than 50%**

Manufacturing Leadership Advantage

Intel's manufacturing leadership will increase the competitiveness of Altera's existing products

Altera and Intel engineering teams will be under one roof as an integrated device manufacturer (IDM), enabling faster design optimization and time-to-market

Acquisition captures the benefits of leadership for Intel's stockholders

Altera Integration & Organization

A shared history facilitates integration

Engineering teams deeply engaged through existing foundry relationship

Altera will be an integrated Intel business unit

- Dedicated sales force and engineering
- Shared infrastructure
- OpEx synergies expected to be primarily in G&A

Altera has retention plans in place to ensure a smooth transition

Intel will implement longer-term retention plans post-close

Summary

The FPGA business is aligned to our growth strategy, Altera is well positioned, and FPGAs benefit from Moore's Law

Altera's products combined with our IP portfolio are expected to enable a new class of products that meet customer needs in the data center and IoT market segments

We expect this transaction to create significant value for our stockholders



Acquisition of Altera

Q&A

Risk Factors

This presentation contains forward looking statements related to the proposed transaction between and business combination of Intel and Altera. Forward looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual results to differ materially from the forward-looking statements in this presentation, including the following, among others:

- delays, disruptions or increased costs in the integration of Altera's technology in existing or new products;
- Altera stockholders may not approve the transaction;
- closing of the transaction may not occur or may be delayed;
- expected synergies, cost savings, and other financial benefits of the transaction may not be realized;
- integration of the acquisition post-closing may not occur as anticipated;
- litigation related to the transaction or limitations or restrictions imposed by regulatory authorities may delay or negatively impact the financial benefits of or our ability to complete the transaction;
- unanticipated restructuring costs may be incurred or undisclosed liabilities assumed;
- attempts to retain key personnel and customers may not succeed;
- the business combination or the combined company's products may not be supported by third parties;
- Actions by competitors may negatively impact results; and
- there may be negative changes in general economic conditions in the regions or the industries in which Intel and Altera operate.

In addition, please refer to the documents that Intel and Altera file with the SEC on Forms 10-K, 10-Q and 8-K. These filings identify and address other important risks and uncertainties that could cause events and results to differ materially from those contained in the forward-looking statements set forth in this document. Readers are cautioned not to put undue reliance on forward-looking statements, and Intel and Altera assume no obligation and do not intend to update these forward-looking statements, whether as a result of new information, future events or otherwise.