

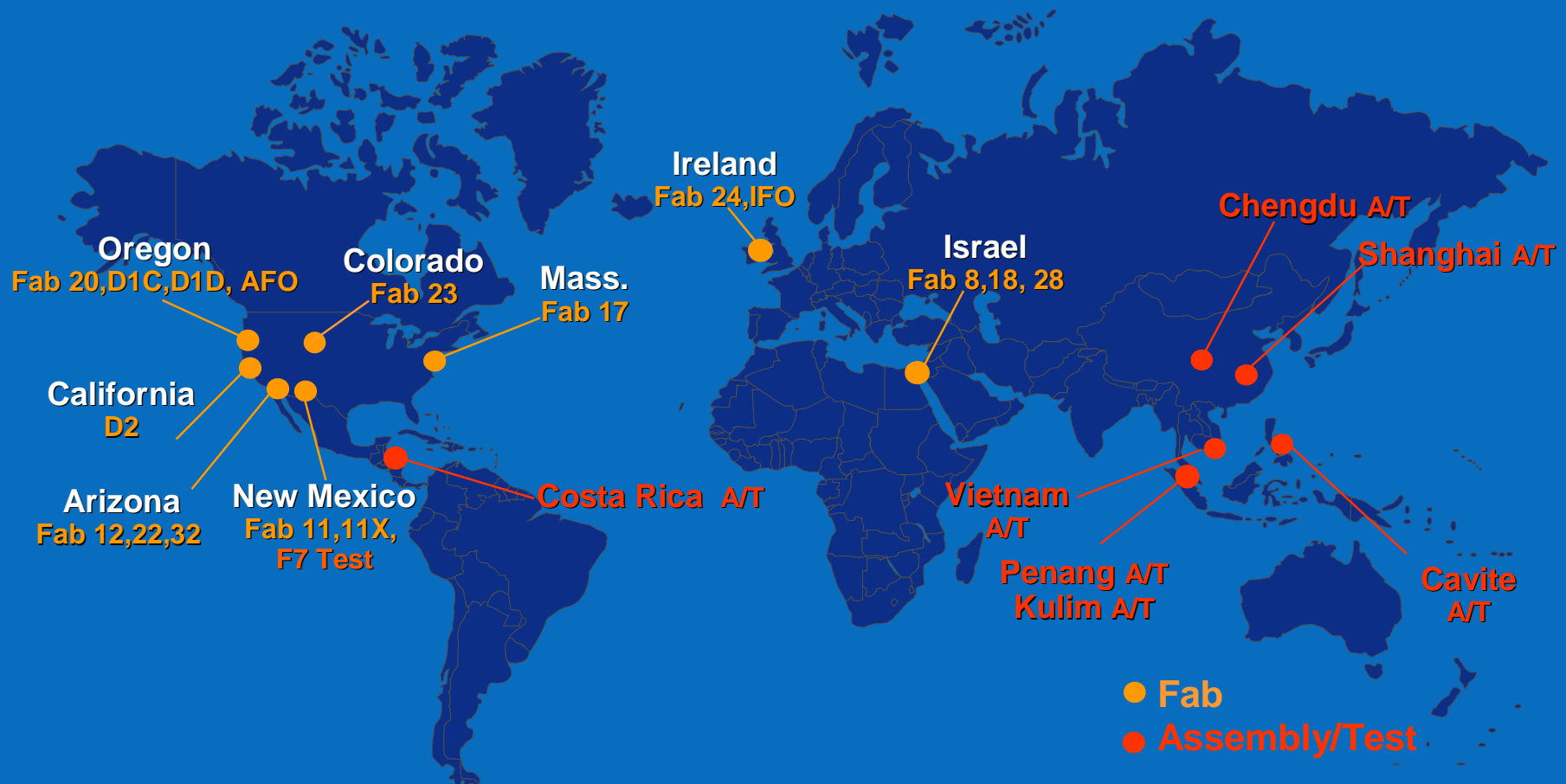
# Intel in India and China

James W. Jarrett  
VP, Global Public Policy  
Intel Corporation  
September 25, 2007

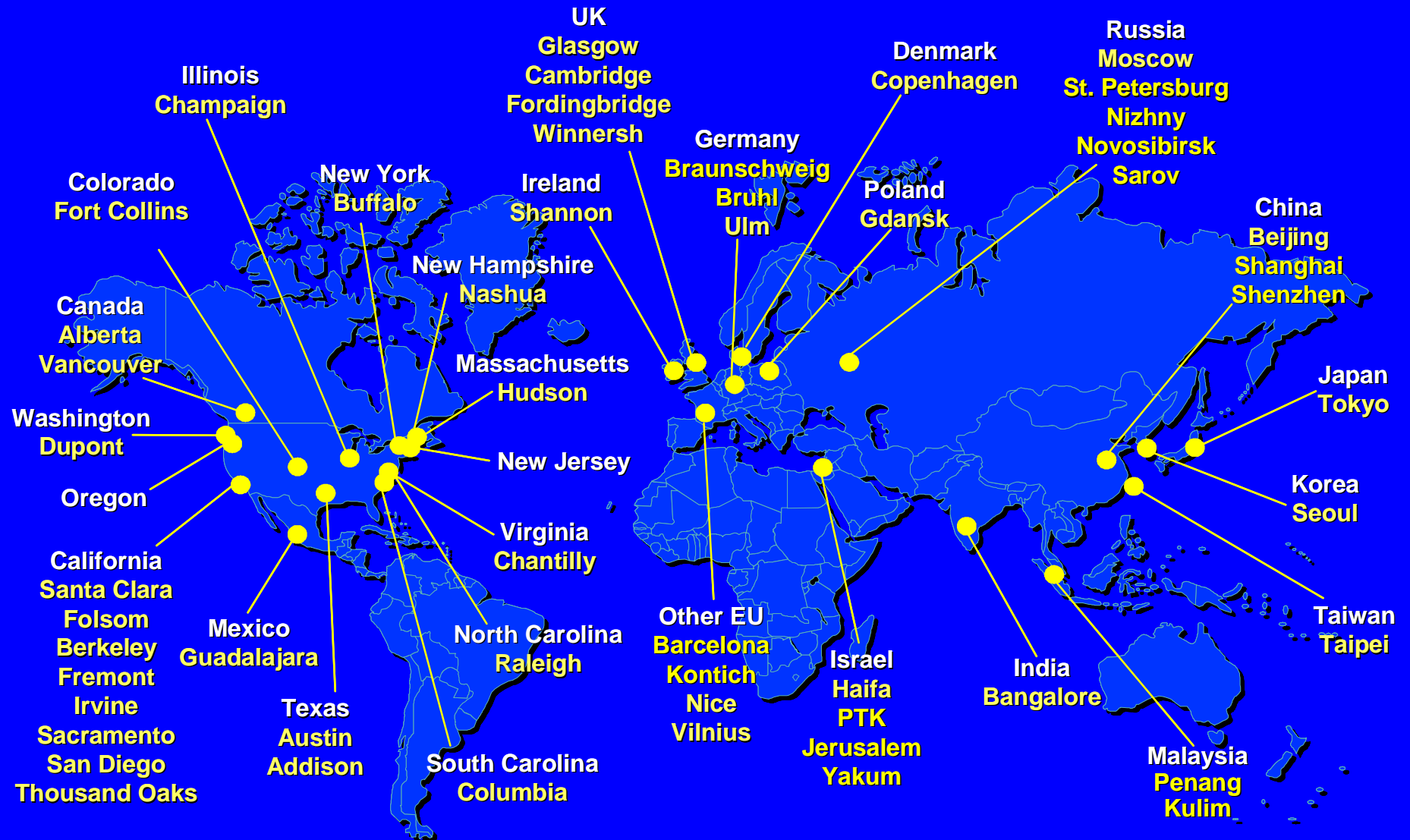
# *Intel Snapshot*

- Founded in 1968
- World's largest semiconductor company
- > 80% of the company's \$35.4 billion 2006 sales were outside the U.S.
- ~ \$10 billion annual investment in R&D and capital investments
- >90,000 employees; 60% in U.S.

# Intel Worldwide Manufacturing and Assembly/Test Network



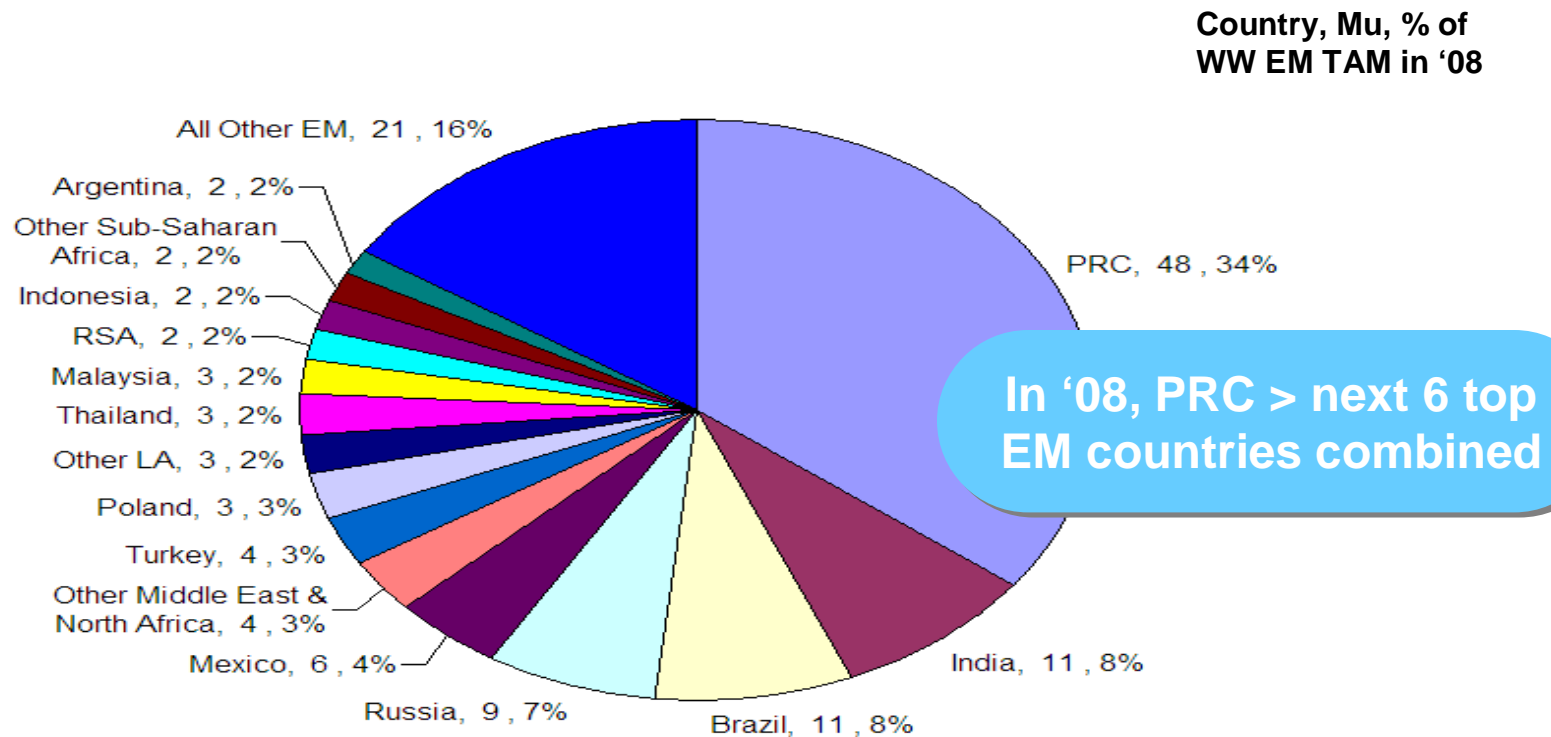
# Intel Worldwide R&D Locations



# Intel India and China

	<u>India</u>	<u>China</u>
Founded	1988	1985
Headcount	2500	7000
Investment	\$700M	\$4B
Software labs	ü	ü
Chip R&D	ü	ü
Intel Capital	ü	ü
Sales/Marketing	ü	ü
Intel Education	ü	ü
Manufacturing		ü

# 2008 PRC 34% of WW Emerging Market TAM



Source: CMR EM TAM 2H06

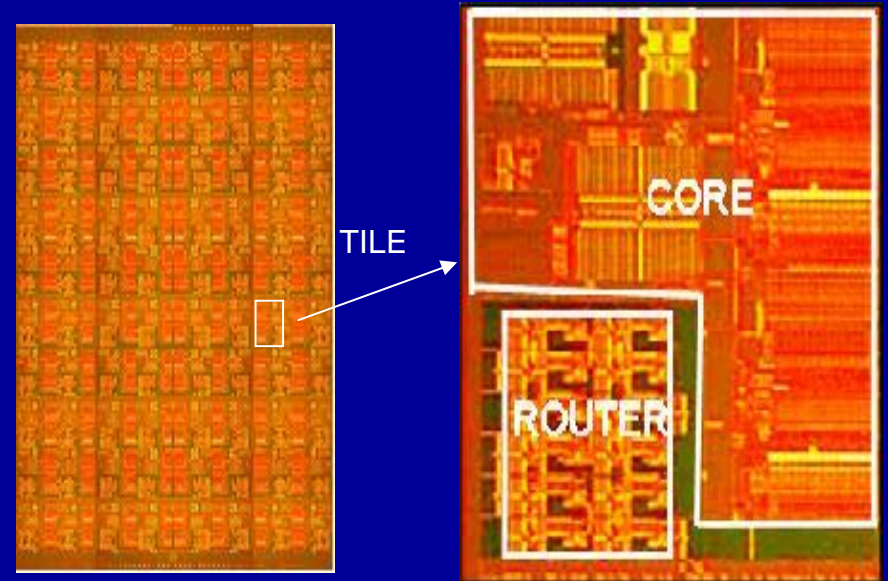
# Climbing The Value Chain

- Shanghai Software Lab: started in 1994 to do low-complexity programming; now 1 of Intel's top 7 labs. Focus on system-level software.
- Channel Platforms Group, Shanghai, manages 5 labs in emerging markets.
- Bangalore: started in 1999 to do software. Now 50% of employees working on chip development.

# Tera-Scale Prototype

- 80 tiles with floating point engines
  - Power efficiency is key focus
- Interconnect fabric for next generation Tera-scale products
  - High bisection bandwidth
  - Low latency
- Low power techniques with fine-grain power management
  - Dynamic and static

80 TILES



**Power-Efficient Performance**



# International Local Hire Program

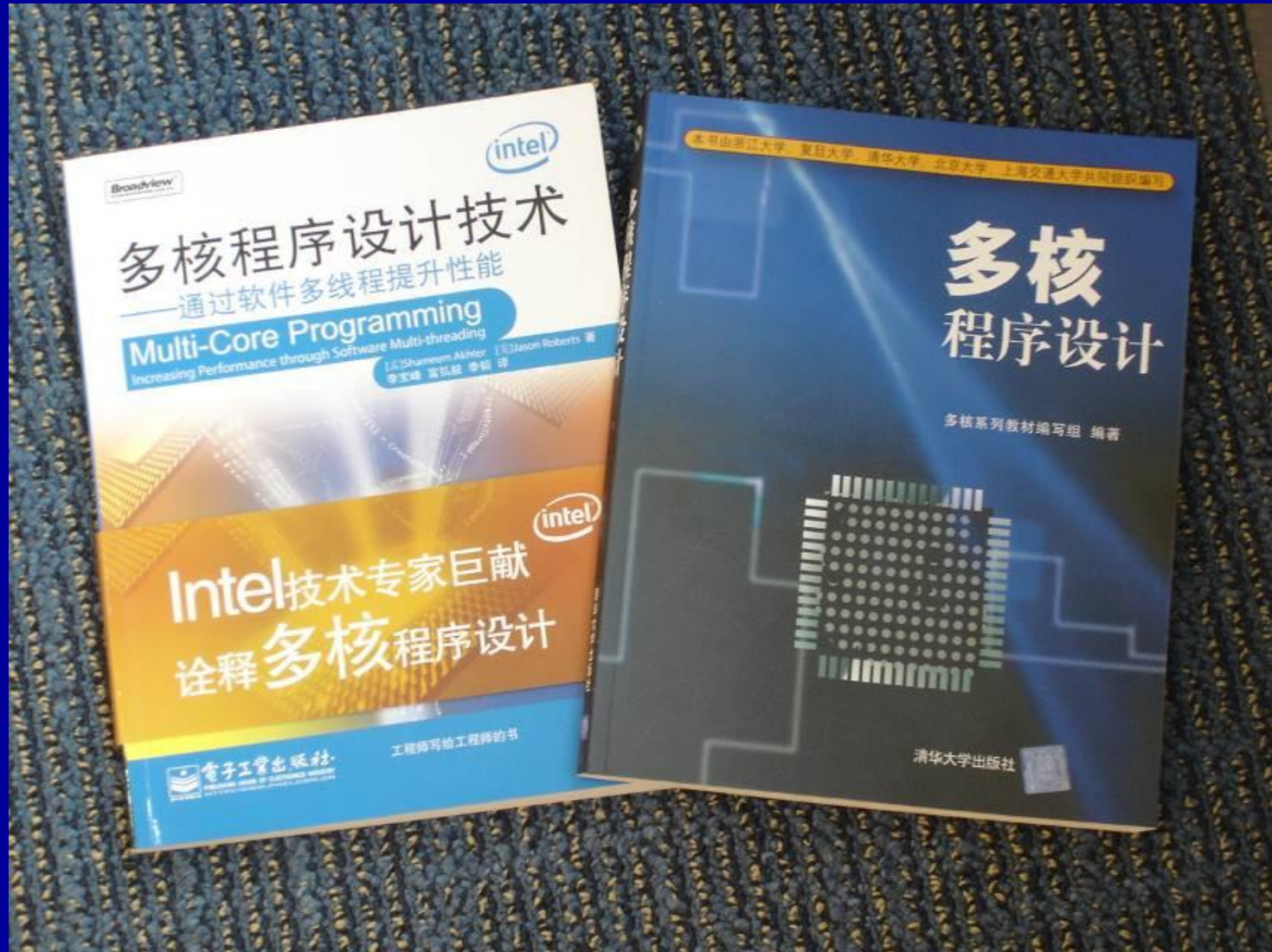
- Permanently brings home Chinese and Indian employees who have U.S. Intel training.
- Fills the management void that exists in both countries.
- Currently over 15% of Intel India employees are ILHs.

# Filling The Talent Pipeline

Extensive Education Program; part of a worldwide effort:

- 1.6 million K-12 teachers trained in India and China
- Active relationships with >100 universities.
- Provide research grants
- Introduce new curriculum materials
- Sponsor contests

# Intel Multi-core Technology based textbooks in China

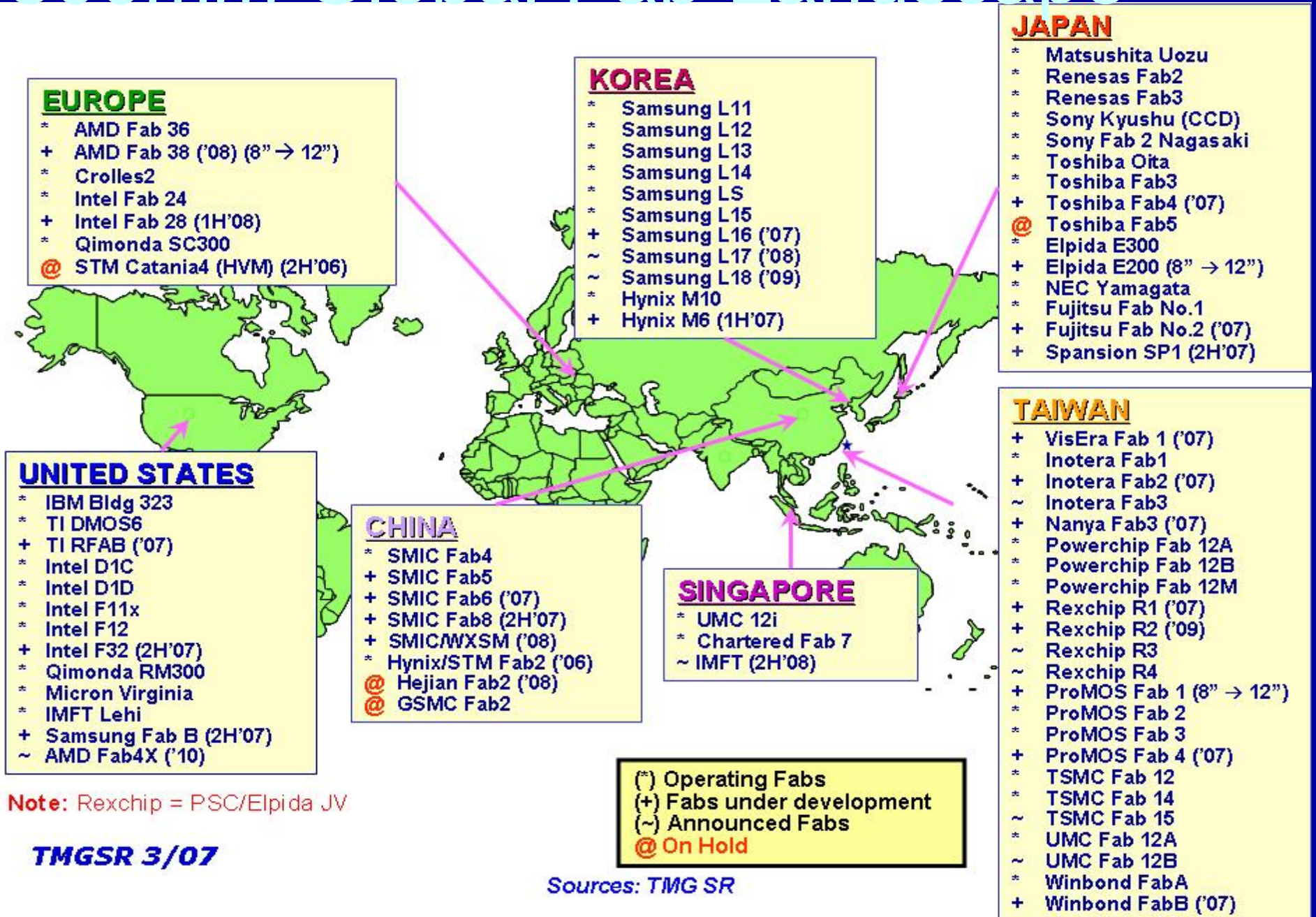


# Investing In Innovative Companies

- Intel Capital has made ~ 110 venture capital investments in India and China since 1998.
- Investments are in companies that are driving the growth of Information Technology and the Internet.
- “Trans-Pacific” companies emerging: founded by U.S.-trained engineers; operations in both Asia and the U.S. Examples: AsiaInfo, UT Starcom, Lenovo.



# 300mm Global Fab Landscape



# Chip Manufacturing

- Intel has Assembly and Test facilities in Shanghai and Chengdu
- Broke ground this month on wafer fab in Dalian. Will make chipsets; online in 2010. 90nm technology.
- India hampered by infrastructure. Lacked incentive policy until this year.
- India strong in chip design; utilizing Asian foundries for fabrication

