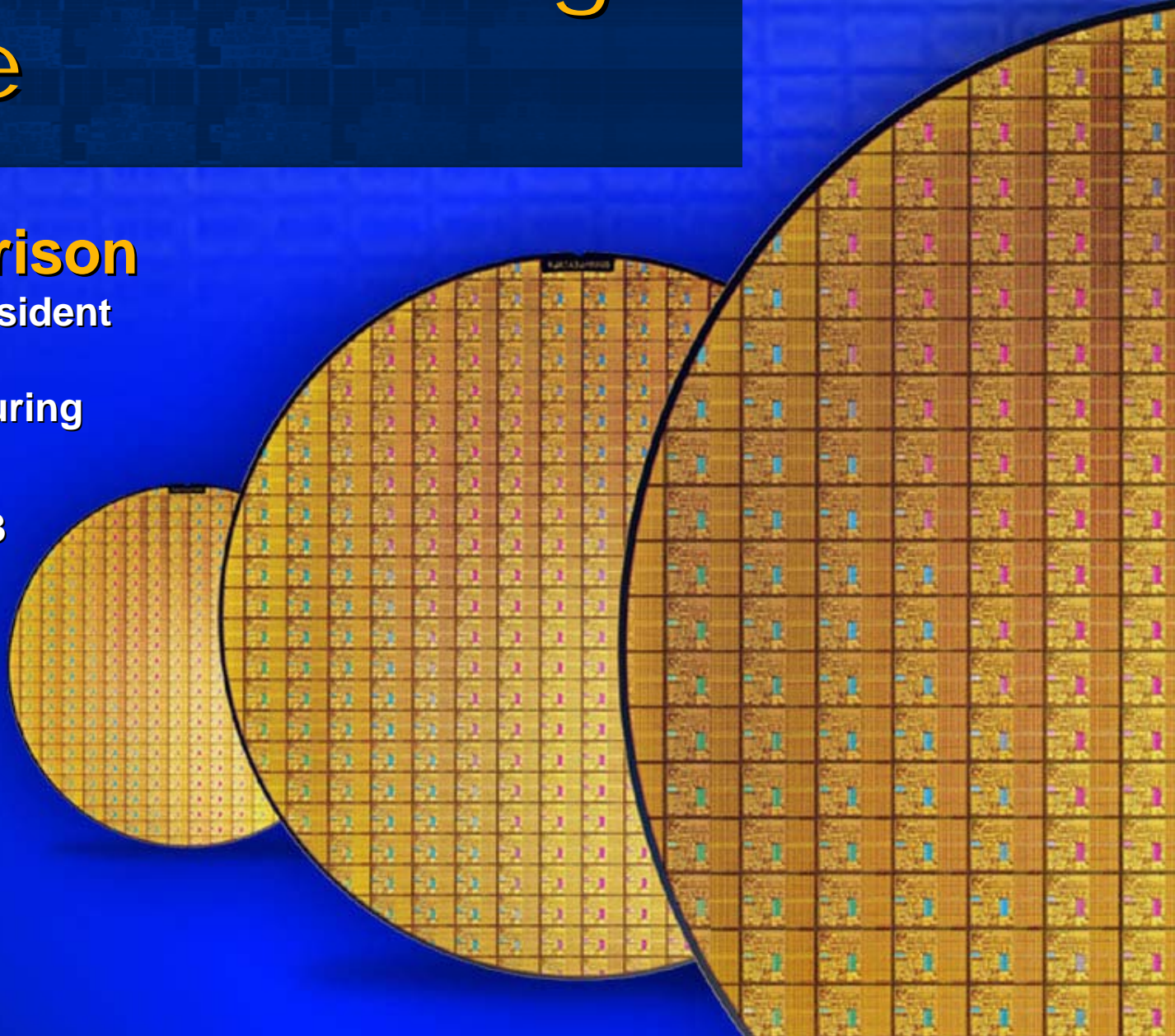


IDF Manufacturing Update

Brian L. Harrison

Corporate Vice President
General Manager
Fab/Sort Manufacturing

September 16, 2003



Intel's Manufacturing Leadership

Scale

- **Scale:**

- Leading edge capacity, investment, & people

Agility

- **Agility:**

- Customer Responsiveness

Operational
Excellence

- **Operational Excellence:**

- Disciplined execution & continuous improvement



Scale

Intel's Manufacturing Leadership

- **Scale:**
 - Leading edge capacity, investment capability & people

Scale

Intel's 300mm Fab Sites



Oregon
D1C/D1D

New Mexico
Fab 11X



Ireland
Fab 24

- 90nm
- 65nm
- Dev

Arizona Fab 12 announced as next 300mm fab for 65nm



Intel's 300mm fabs

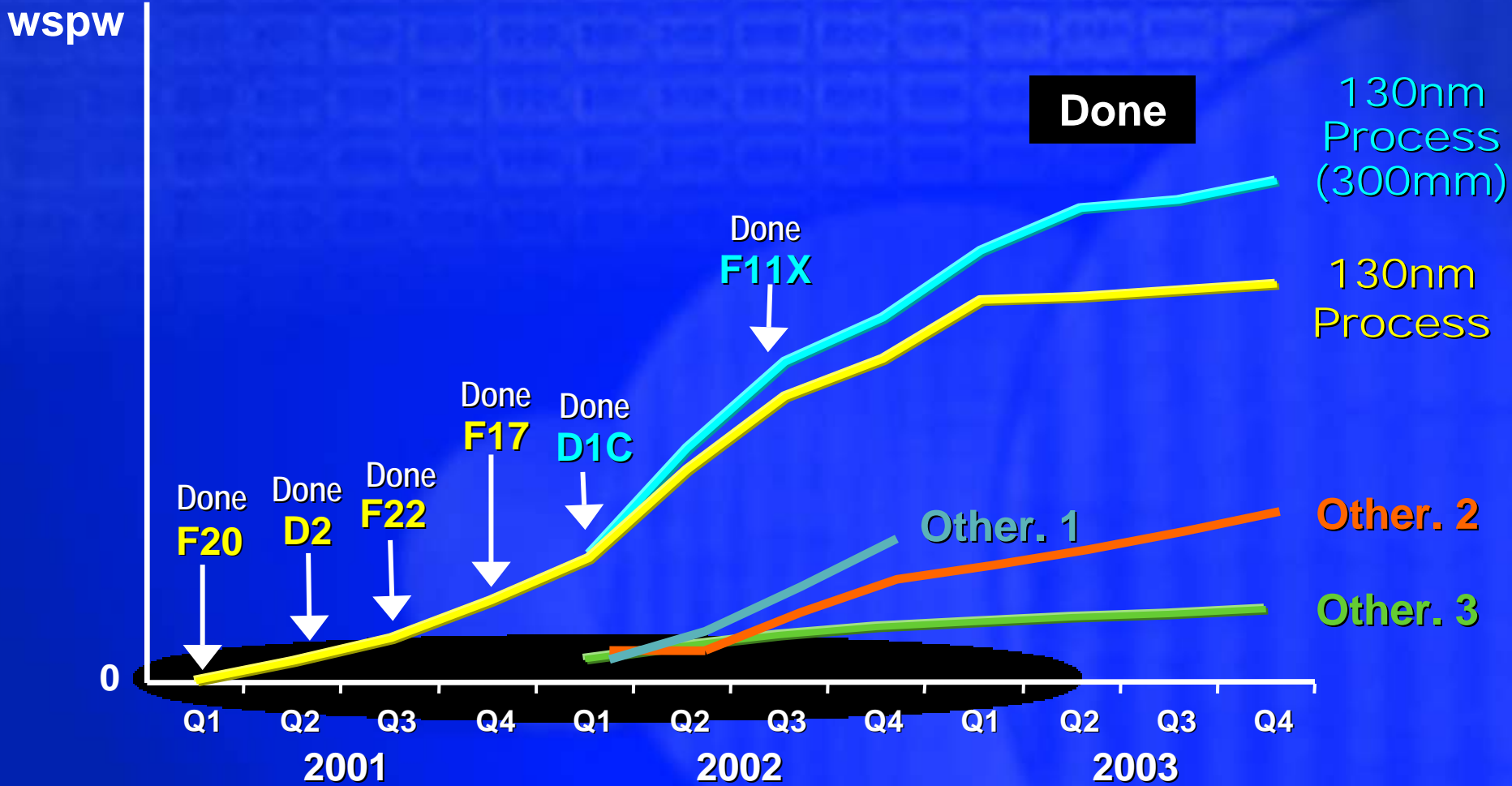
- D1C (OR)
 - 130nm production running (yields > 200mm)
 - **90nm process validated and shipping pre-production samples**
- Fab 11X (NM)
 - 130nm production running (yields > 200mm)
 - **90nm tools & process in checkout (on track); production in Q4**
- Fab 24 (IR)
 - **90nm facility ready; installing tools (on track); production in 2004**
- D1D (OR)
 - 65nm facility and tools online; development underway (for production in 2005)
- Fab 24 (IR) & Fab 12C (Arizona) are next in line for 65nm production (specific schedule TBD)



Intel's Manufacturing Leadership

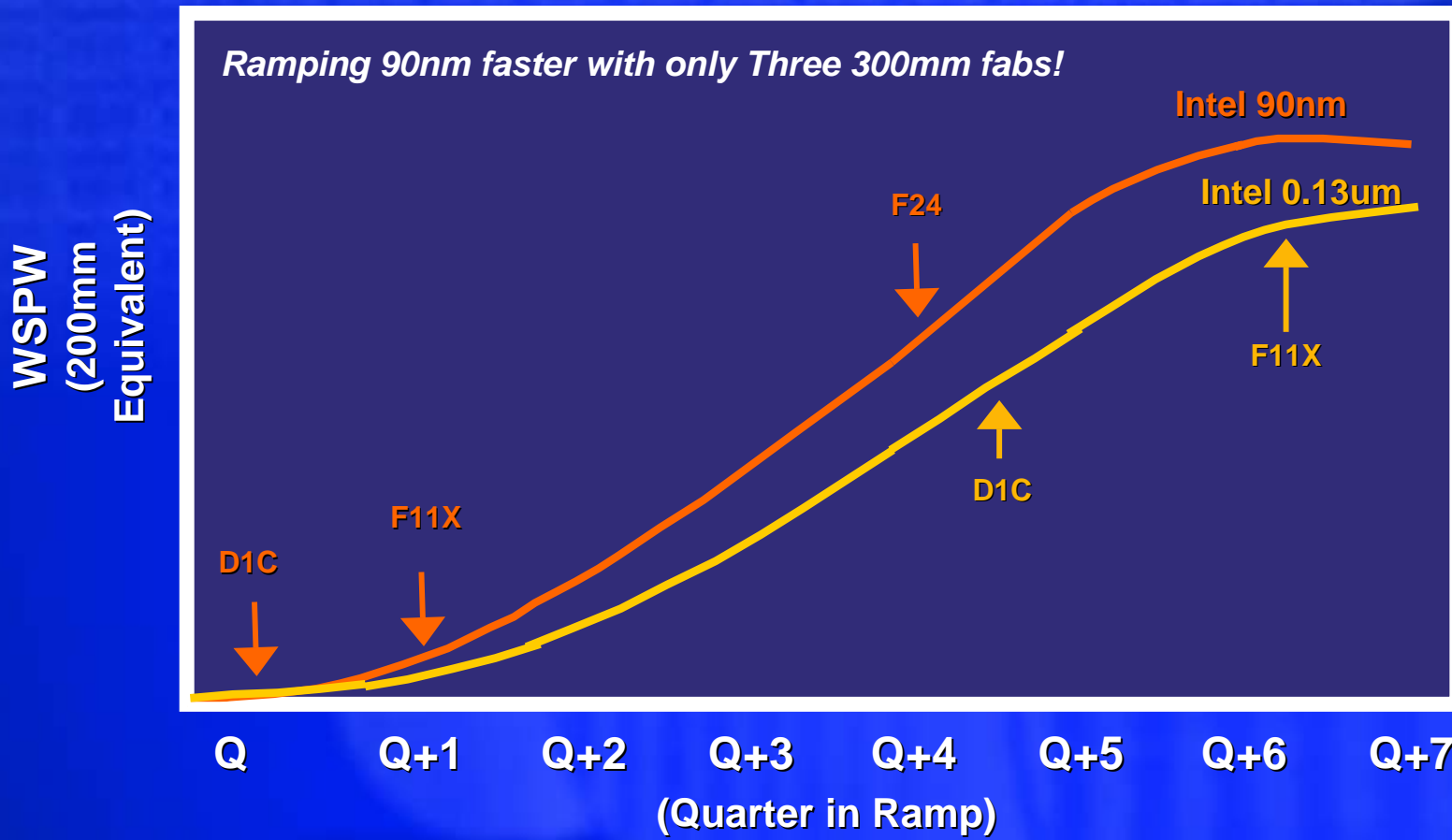
- **Scale:**
 - Leading edge capacity, investment capability & people
- **Agility:**
 - Customer Responsiveness

New Technology Ramp Leadership 130nm Manufacturing Capacity



Intel estimates and public information

90 nm capacity ramp

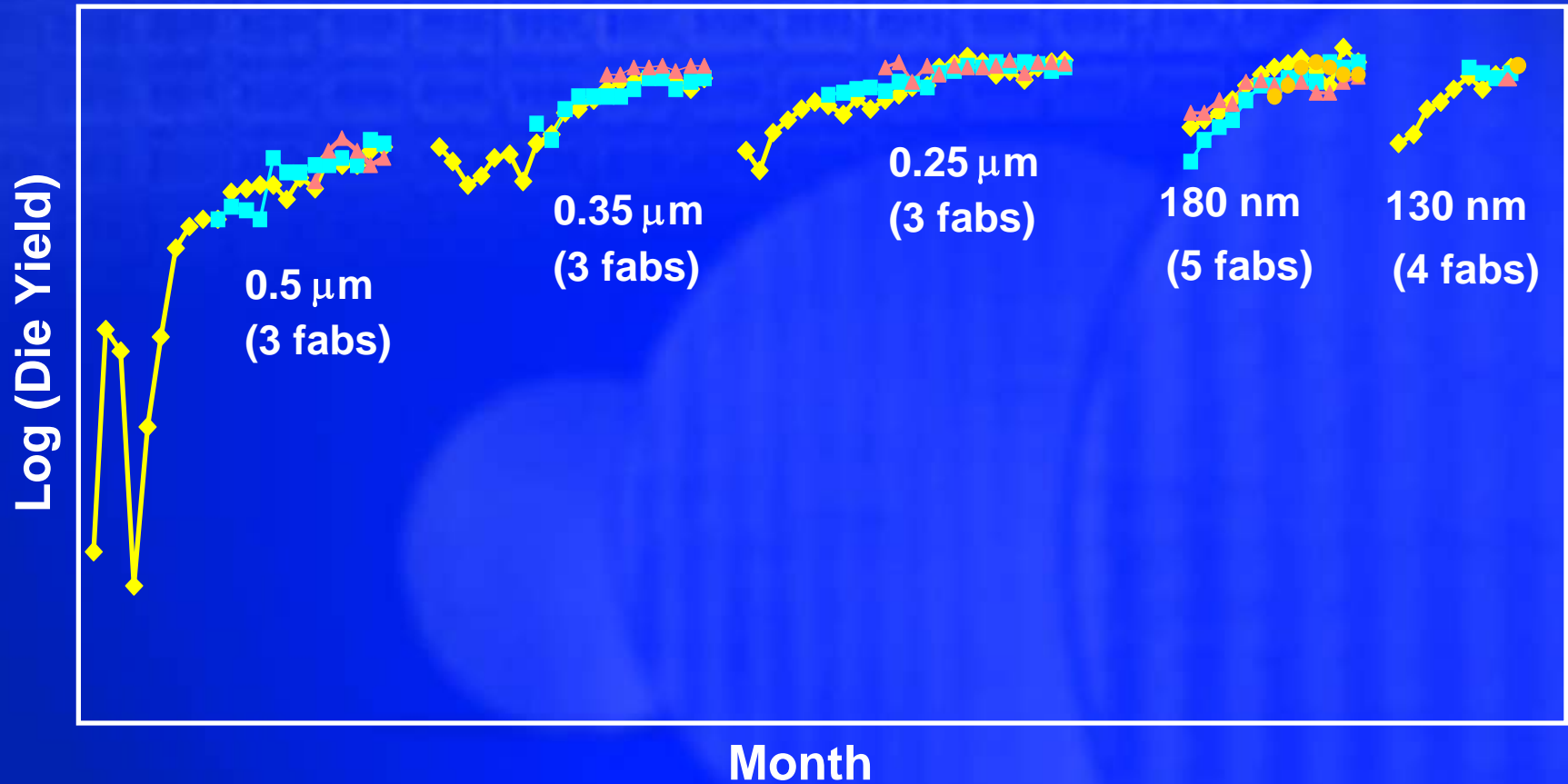


**Source: Intel Estimates

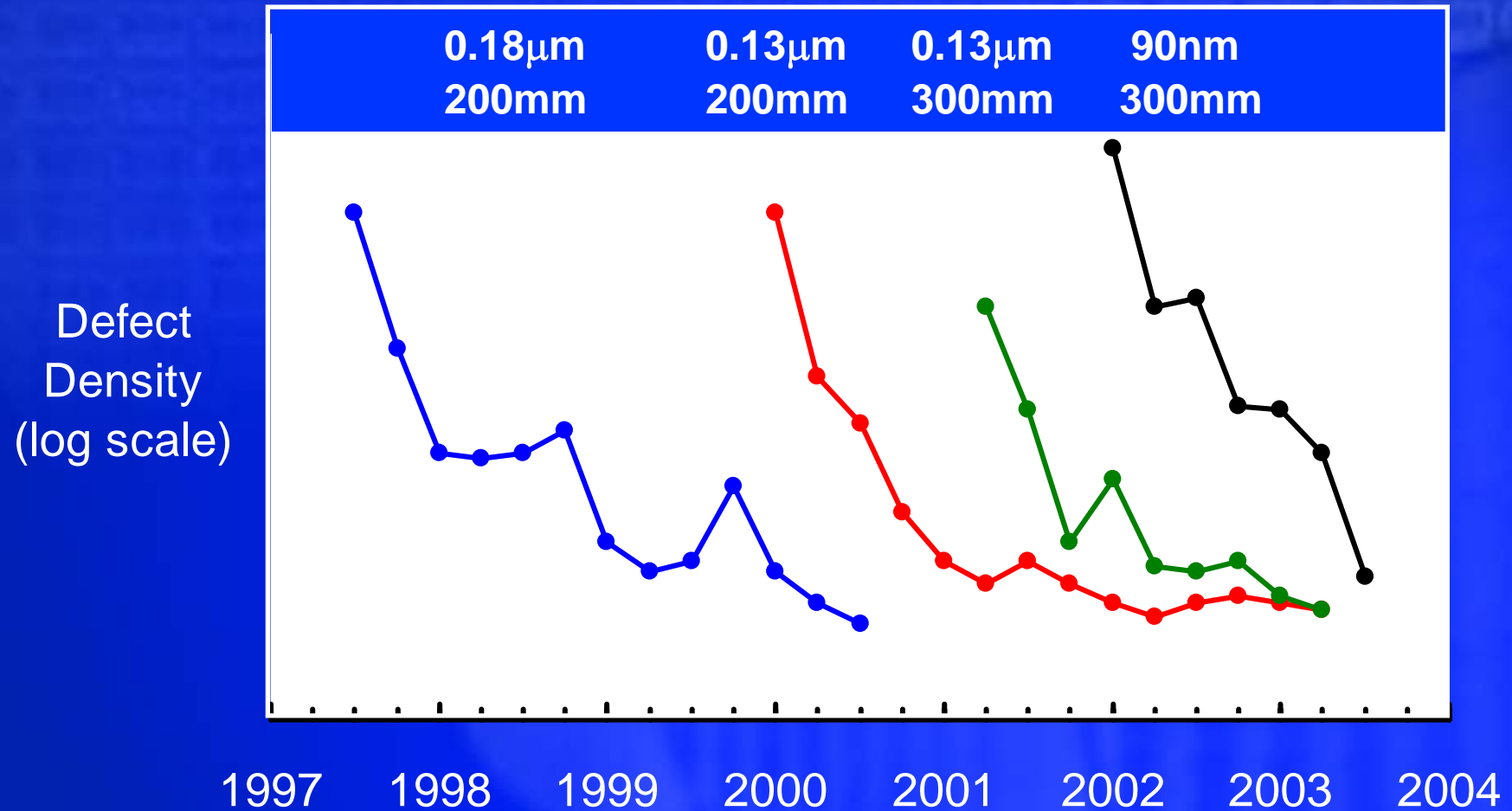
Intel's Manufacturing Leadership

- **Scale:**
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- **Agility:**
 - Customer Responsiveness
- **Operational Excellence:**
 - Disciplined execution & continuous improvement

Intel Yield Matching Through Copy Exactly



Yield Trend

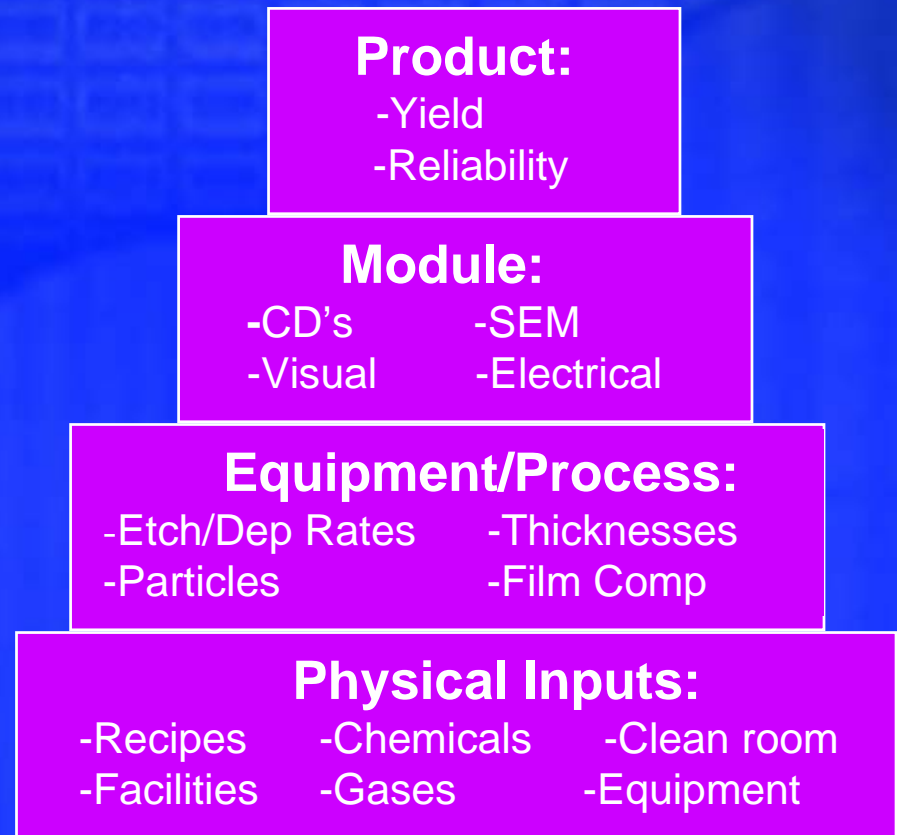


90 nm defect reduction trend - our fastest ever
90 nm yields are now at HVM levels



Copy Exactly! Method

- **Matching At All Levels**
 - Same Physical Inputs
 - Statistically Matched Responses (Outputs)
- **Keeping Matched**
 - Coordinated Changes
 - Audits
 - Process Control System
 - Joint Fab Mgmt Structure



Summary

- Intel's manufacturing leadership (through scale, agility, and operational excellence) will enable a rapid transition to our 90nm products
- 300mm capacity is coming on-line rapidly to support Intel's microprocessor roadmap
- Intel's 90nm technology ramp is underway and on track

The background is a solid blue color with a large, faint, circular watermark of the Intel logo. The watermark consists of a grid of small squares, each containing a stylized Intel logo. The text "Yes." is written in a bold, white, sans-serif font, positioned to the left of the "intel" text. The period at the end of "Yes." is a solid white dot.

Yes.

intel®

Fab11X 90nm Status

