

Intel and EMCORE Corporation Announcement

April 10, 2008

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Announcement Details

April 10 2008: Intel Corporation and EMCORE Corporation signed a definitive agreement for EMCORE to acquire the enterprise optics product lines and Intel® Connects Cables (ICC) from Intel. EMCORE will issue 3.7 million shares of restricted stock for the acquisition, with certain adjustments based on EMCORE's stock price twelve months after the closing of the transaction..

When combined with EMCORE's previously announced acquisition of Intel's telecom-related portion of the Optical Products Division, these transactions include all of Intel's Optical Products Division.

This announcement is a divestiture of assets of Enterprise / Storage portion of Optical Platform Division (OPD), and the Intel Connects Cables Business (ICC)

- XENPAK, X2, SFP+, SFF and SFP transceivers, Intel Connects Cables, silicon and optics
- Advanced development work on optical USB & Silicon Photonics are NOT included

This agreement is subject to normal closing conditions; no regulatory approval required. It is expected to close in Q2, '08



Reasoning Behind the Deal

- Intel has decided to focus its R&D investments on technologies more closely related to core businesses
- Intel no longer needs to own this technology and the corresponding products to achieve our long-term strategic objectives
- Intel remains committed to optics for our core business i.e., the interconnects in and around PCs and servers
- Intel will continue to make internal investments to ensure that the ecosystem can deliver the optical solutions necessary to enable core business growth.

Introduction of EMCORE Corporation

EMCORE Corporation solidifies its position as a significant optical communications supplier with this acquisition

- Expands customer base to span enterprise, storage, telecom, cable, and high-performance computing customers
- Bolsters enterprise/storage product offering to become a more important vendor to these customers
- Broadens product line significantly, providing economies of scale and further opportunities for vertical integration and manufacturing cost savings

EMCORE is committed to customer's needs

- Optics expertise and dedicated sales network
- Strongly committed to the optical market

EMCORE is excited about this acquisition and the opportunity to continue building upon Intel's leading technology, strong product quality and history of customer service and satisfaction.



What to Expect for Intel® Connects Cables

EMCORE is excited about the opportunity to develop the Intel® Connects Cables business.

- Intel Connects Cables are production released, and being sold in volume today to major High Performance Computing companies.
- Initial orders have exceeded expectations
- Customers are very happy with the product

EMCORE plans to continue the capacity ramp of Intel Connects Cables to meet customer demand and reduce lead times.

- No delays in product availability are expected to be caused by the business sale.

EMCORE plans to build the current 20Gbps product in the same factory with the same components and processes with the goal of avoiding any need for requalification.

EMCORE also plans to continue development of the Intel Connects Cables roadmap, including 40Gbps (QDR) products.

Intel will work with EMCORE Corporation to maintain consistency of service, supply and quality during this transition.



Intel in HPC

The HPC market segment is booming : >15% CAGR over next 5 years¹

Intel has prioritized HPC success as a strategic imperative

Intel platforms deliver 25-60% performance improvement on HPC workloads

Intel has a rich and strong SW tools portfolio for HPC

Intel had 354 of the Top500 clusters in Nov 2007² - new record

- >200 Intel dual core processors, >100 Intel quad core processors
- 3 of the Top 5 were Intel architecture
- 8 of the Top 10 in the PRC Top 100 are Intel architecture

Intel HPC MSS is 76%³

Intel has long term commitment to the HPC market.

¹ Source: IDC

² Source: www.Top500.com

³ Source: IDC Q3 QView



Q&A

