

Q2 FY06 Earnings

April 19, 2006

Safe Harbor

Before we proceed with our presentation, we would like to point out that the following discussion will contain forward-looking statements from industry consultants, QUALCOMM, and others regarding anticipated future results, potential market size, market shares, and other factors which inherently involve risks and uncertainties, including the rate of development, deployment and commercial acceptance of CDMA-based networks and technology and fluctuations in the demand for CDMA-based products, services or applications.

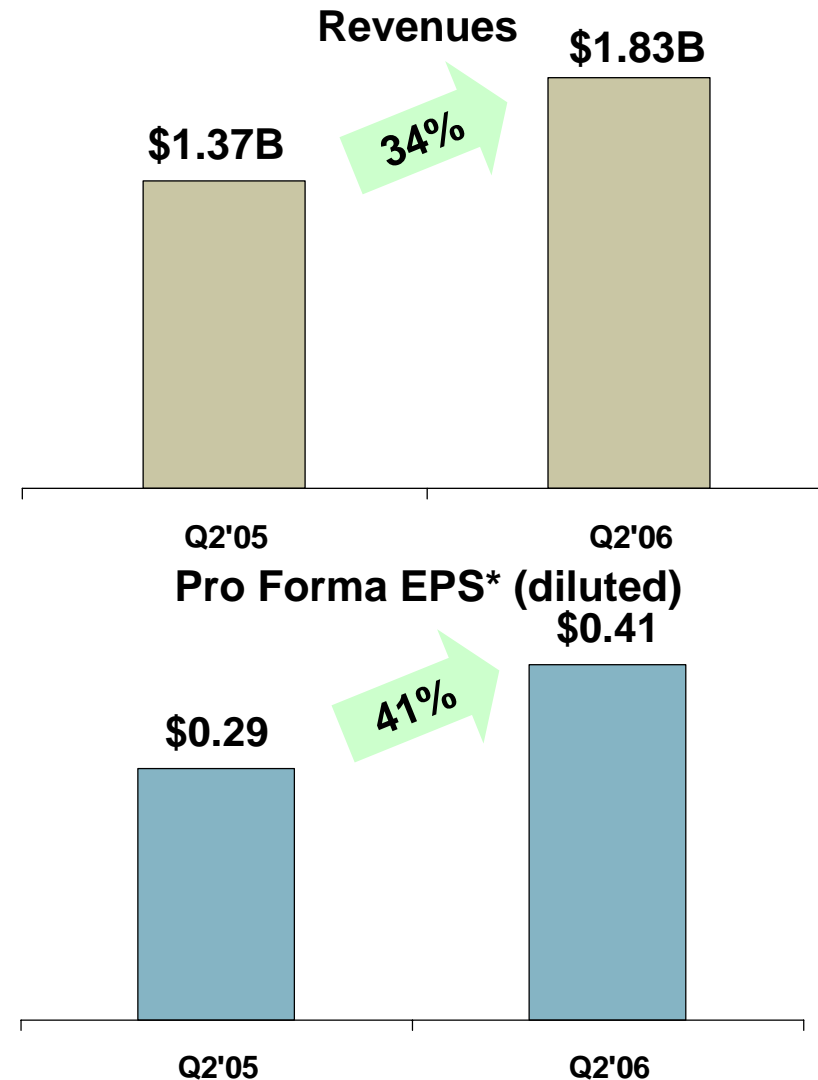
These and other risks and uncertainties relating to QUALCOMM's business are outlined in detail in our most recent 10-Q and 10-K forms filed with the Securities and Exchange Commission.

Please consult those documents for a more complete understanding of these risks and uncertainties.

This presentation may include a discussion of "non-GAAP financial measures" as that term is defined in Regulation G. The most directly comparable GAAP financial measures and information reconciling these non-GAAP financial measures to the company's financial results prepared in accordance with GAAP have been included at the end of this presentation.

Second Fiscal Quarter 2006 Highlights – April 19, 2006

- Third consecutive quarter of record revenues and chip shipments
- Increased Fiscal 2006 revenues and earnings guidance
- Increased Calendar 2006 CDMA and WCDMA handset shipment guidance
- Continues to meet the current and future needs of partners with existing products and services



*Pro forma results exclude the QSI segment, estimated share-based compensation, tax benefits related to prior years and in process R&D expense. Q2'06 GAAP EPS increased 10% year-over-year.

Q206 Guidance Comparison

	<u>Guidance as of Jan. 25, 2006</u>	<u>Guidance as of Mar. 7, 2006</u>	<u>Q206 Mar 06 Results</u>
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	44 - 46M est.	47 - 48M est.	49M
CDMA/WCDMA handsets shipped	59 - 61M (Dec'05*) est.	67M (Dec'05*) est.	67M (Dec'05*)
CDMA/WCDMA handset ASP	\$209 (Dec'05*) est.	\$209 (Dec'05*) est.	\$208 (Dec'05*)
QUALCOMM Pro Forma**			
Revenues	\$1.63 - \$1.73B est.	\$1.75 - \$1.82B est.	\$1,834M
Operating Expense (R&D and SG&A)	10 - 13% increase seq. est.	Not provided	\$490M (11% seq. increase)
EPS	\$0.35 - \$0.37 est.	\$0.40 - \$0.41 est.	\$0.41
Total QUALCOMM			
GAAP Revenues	\$1.63 - \$1.73B est.	\$1.75 - \$1.82B est.	\$1,834M
GAAP EPS	\$0.28 - \$0.30 est.	\$0.33 - \$0.34 est.	\$0.34
Includes QSI EPS	(\$0.01) est.	(\$0.01) est.	(\$0.01)
Includes share-based compensation EPS	(\$0.05) est.	(\$0.05) est.	(\$0.05)
Includes tax benefits related to prior yrs	n/a	n/a	n/a
Includes in-process R&D	(\$0.01) est.	(\$0.01) est.	(\$0.01)

* Royalties are recognized when reported, one quarter following shipment.

**Pro forma results exclude the QSI segment, estimated share-based compensation, tax benefits related to prior years and in-process R&D expense.

Quarterly Results and Guidance

As of April 19, 2006 Earnings Release

	<u>Q205 Mar 05 Results</u>	<u>Q206 Mar 06 Results</u>	<u>Q306 Jun 06 Seq Guidance</u>
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	37M	49M	50 - 53M est.
CDMA/WCDMA handsets shipped	52M (Dec'04*)	67M (Dec'05*)	62 - 64M est. (Mar'06*)
CDMA/WCDMA handset ASP	\$207 (Dec'04*)	\$208 (Dec'05*)	\$203 (Mar'06*)
QUALCOMM Pro Forma**			
Revenues	\$1,365M	\$1,834M	\$1.77 - \$1.87B est.
Operating Expense (R&D and SG&A)	\$391M	\$490M	Increase 6 - 8% seq. est.
EPS	\$0.29	\$0.41	\$0.36 - \$0.38 est.
Total QUALCOMM			
GAAP Revenues	\$1,365M	\$1,834M	\$1.77 - \$1.87B est.
GAAP EPS	\$0.31	\$0.34	\$0.30 - \$0.32 est.
Includes QSI EPS	(\$0.01)	(\$0.01)	(\$0.01)
Includes share-based compensation EPS	n/a	(\$0.05)	(\$0.05)
Includes tax benefits related to prior yrs	\$0.03	n/a	n/a
Includes in-process R&D	n/a	(\$0.01)	n/a

*Royalties are recognized when reported, one quarter following shipment.

**Pro forma results exclude the QSI segment, estimated share-based compensation, tax benefits related to prior years and in process R&D expense.

Fiscal Year Results and Guidance

As of April 19, 2006 Earnings Release

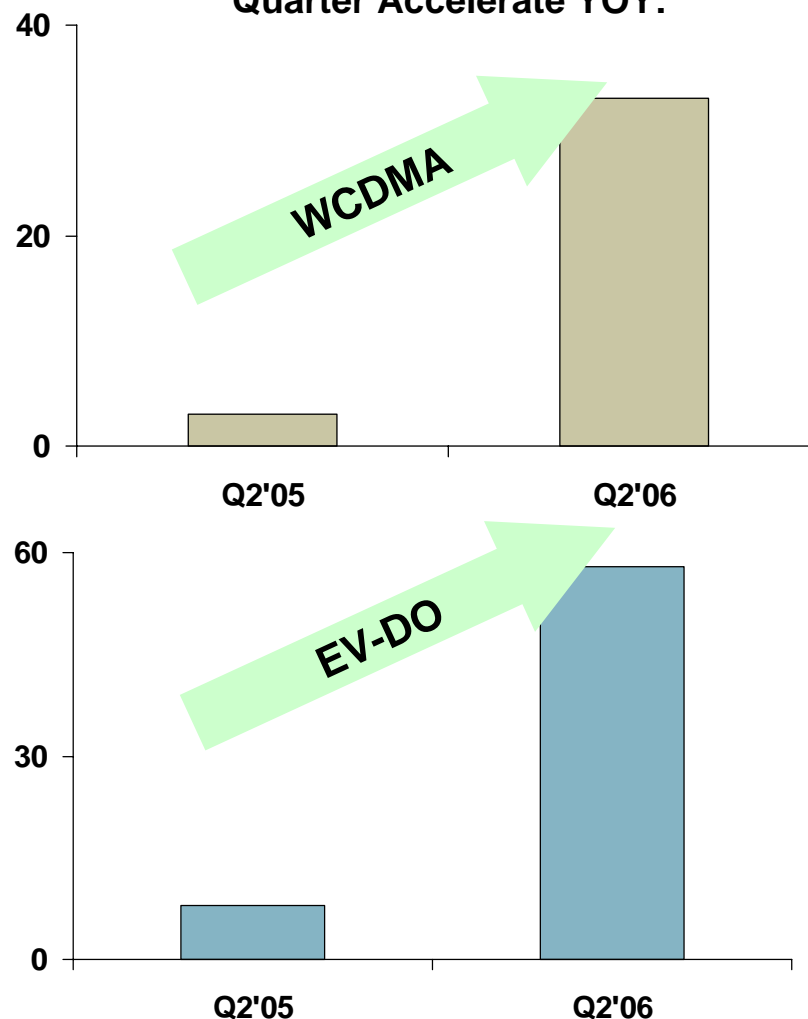
	<u>FY04 Results</u>	<u>FY05 Results</u>	<u>FY06 Seq Guidance</u>
Total MSM phone chips	137M	151M	n/a
3G MSM phone chips (CDMA2000 1X, 1xEV-DO, WCDMA)	137M	151M	n/a
For fiscal year royalty calculations:			
CDMA/WCDMA handsets shipped	146M (Jul'03-Jun'04)	182M	n/a
CDMA/WCDMA handset ASP	\$205	\$215	\$207 est.
QUALCOMM Pro Forma*			
Revenues	\$5,031M	\$5,673M	\$7.1 - \$7.4B est.
Operating Expense (R&D and SG&A)	\$1,246M	\$1,573M	Increase 26 - 29% seq. est.
EPS	\$1.07	\$1.16	\$1.53 - \$1.57 est.
Total QUALCOMM			
GAAP Revenues	\$4,880M	\$5,673M	\$7.1 - \$7.4B est.
GAAP EPS	\$1.03	\$1.26	\$1.31 - \$1.35 est.
Includes QSI EPS	\$0.01	\$0.06	(\$0.04)
Includes estimated share-based compensation	n/a	n/a	(\$0.20)
Includes tax benefits related to prior yrs	n/a	\$0.04	\$0.03
Includes in-process R&D	n/a	n/a	(\$0.01)

*Pro forma results exclude the QSI segment, share-based compensation and, tax benefits related to prior years and are presented as if the New Method of recording royalties was in use during FY2004. Pro forma guidance also excludes in-process R&D expense. 2004 results have also been adjusted to conform to new segment presentation for the reorganization of MediaFLO into the QSI segment during Q1'05.

QUALCOMM CDMA Technologies (QCT) Ships Record 49M MSM Chips *>120 WCDMA and >250 EV-DO devices - launched or in design with QCT chips*

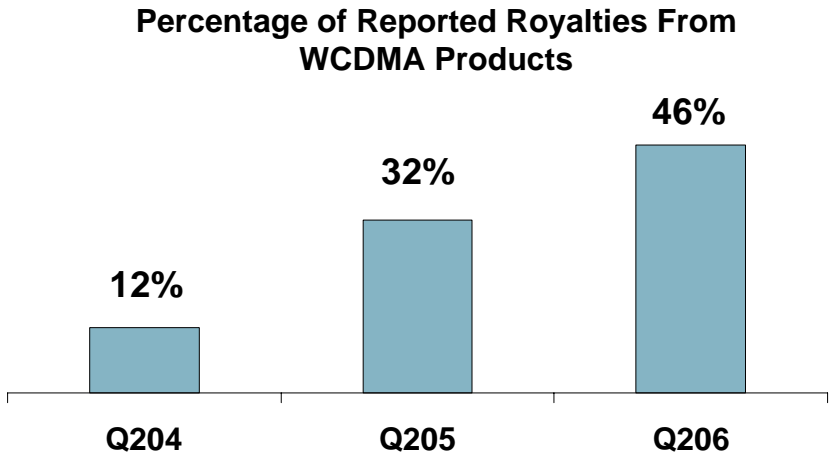
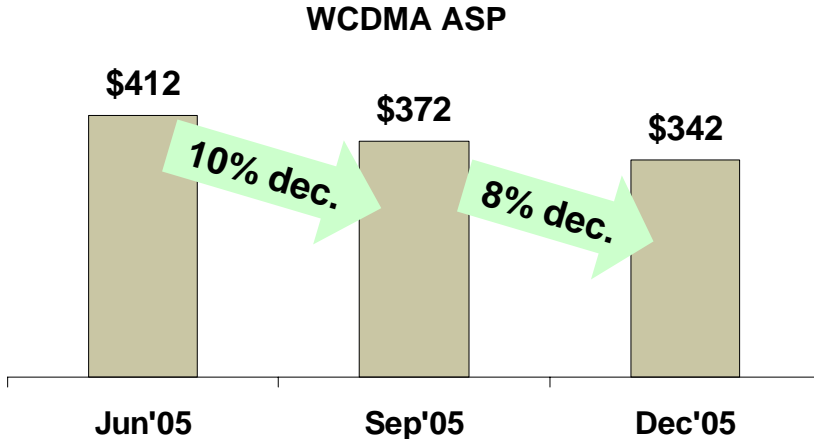
- **Sampled MSM6800** 2 months early
 - First EV-DO Rev A product
 - First chipset based on 65nm
 - Devices available before end CY2006
- **Sampled MSM7200**
 - First to support HSUPA and WCDMA/HSDPA networks
- **Sampled QUALCOMM Single Chip (QSC)**
 - 5 leading manufacturers designing devices
 - Handsets expected to launch end CY2006
- **Provided update on EV-DO Rev B**
 - Delivers up to 14.7Mbps on 5MHz band
 - Commercial devices expected late CY2007

QCT Customer Device Launches Per Quarter Accelerate YOY:



QUALCOMM Technology Licensing (QTL) Highlights

- 5 new CDMA licenses
 - 2 licensed for CDMA2000
 - 2 licensed for WCDMA
 - 1 licensed for both CDMA2000 and WCDMA
- Signed royalty bearing license agreement covering sales of OFDM/OFDMA subscriber units and infrastructure equipment
- Licensees reported 67M handsets shipped in Dec. qtr
- WCDMA product shipments accelerate with declining ASPs



23 handset manufacturers reported sales

Quarterly CDMA/WCDMA Handset Shipments and ASP Trend

	FY02	FY03				FY04				FY05				FY06		
	<u>Jun'02</u>	<u>Sep'02</u>	<u>Dec'02</u>	<u>Mar'03</u>	<u>Jun'03</u>	<u>Sep'03</u>	<u>Dec'03</u>	<u>Mar'04</u>	<u>Jun'04</u>	<u>Sep'04</u>	<u>Dec'04</u>	<u>Mar'05</u>	<u>Jun'05</u>	<u>Sep'05</u>	<u>Dec'05</u>	<u>Mar'06</u>
Handset shipments	19	23	27	26	23	31	37	38	40	40	52	43	48	52	67	62-64e
Calendar year		87				117				170				210		
Fiscal year	78	99				146				182						
Handset ASP	\$202	\$190	\$197	\$190	\$193	\$194	\$188	\$225	\$212	\$212	\$207	\$231	\$213	\$215	\$208	\$203e
Fiscal year ASP	\$194	\$192				\$205				\$215						

Quarterly CDMA/WCDMA handset shipments (Millions of units)

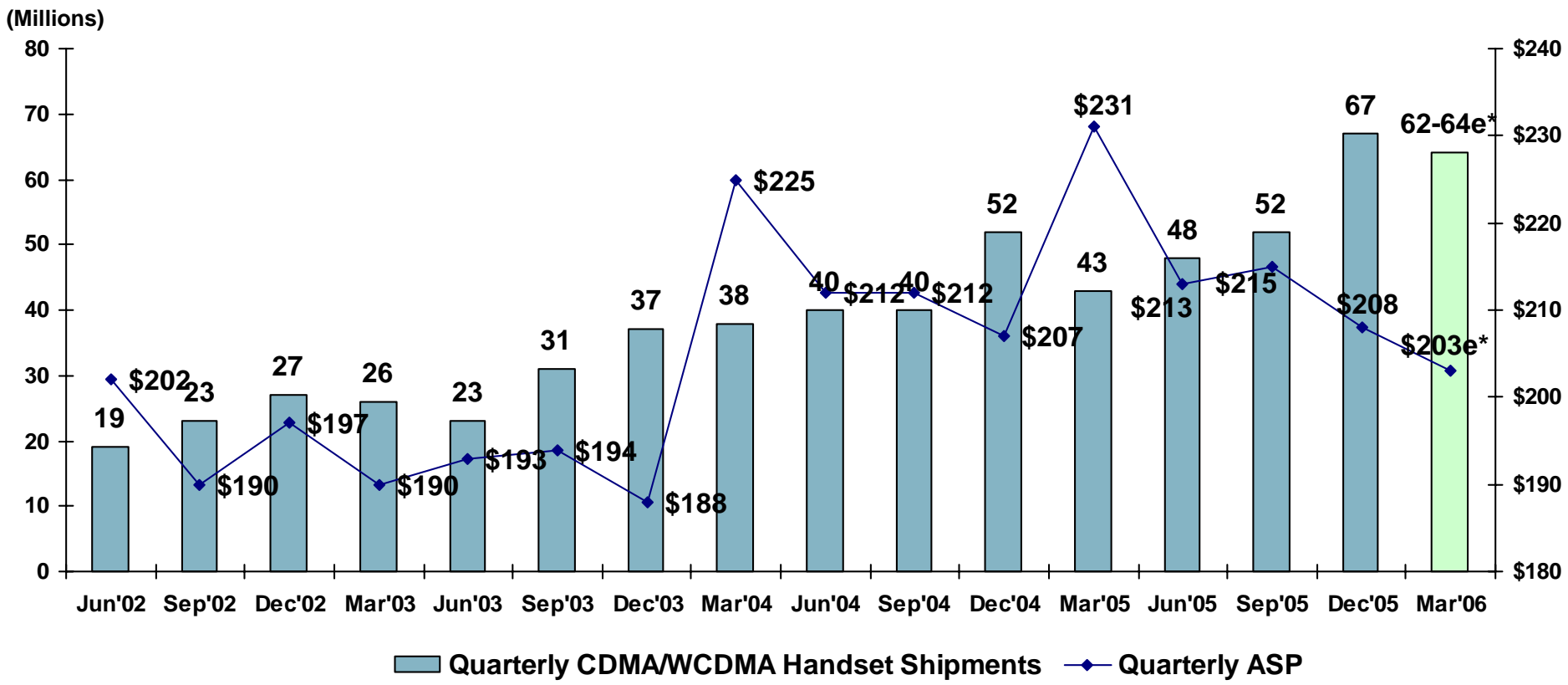
Quarterly Average Selling Price (ASP)

Fiscal Year Average Selling Price (ASP)

Note: Shipments from September to June quarters are reported by licensees in December to September, QUALCOMM's Fiscal Year.

*Guidance as of April 19, 2006

Quarterly CDMA/WCDMA Handset Shipments and ASP Trend



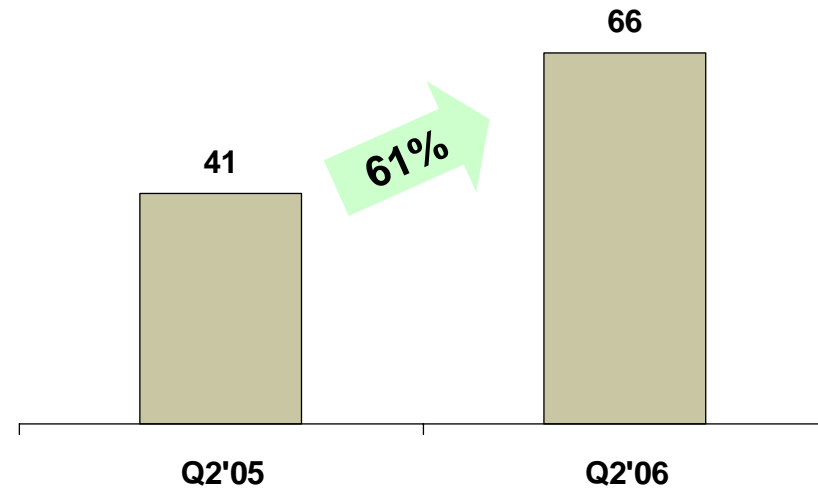
*Shipments from September to June quarters are reported by licensees in December to September, QUALCOMM's Fiscal Year. Guidance as of April 19, 2006

QUALCOMM Wireless & Internet Group (QWI)

- Verizon Wireless saw 36% growth in gaming downloads over the last year since launching premium BREW 3D games on V-Cast
- KDDI subscribers downloaded more than 75M apps on more than 20M devices as of Dec'05
- APBW commercially launched services in Taiwan



Operators Using BREW



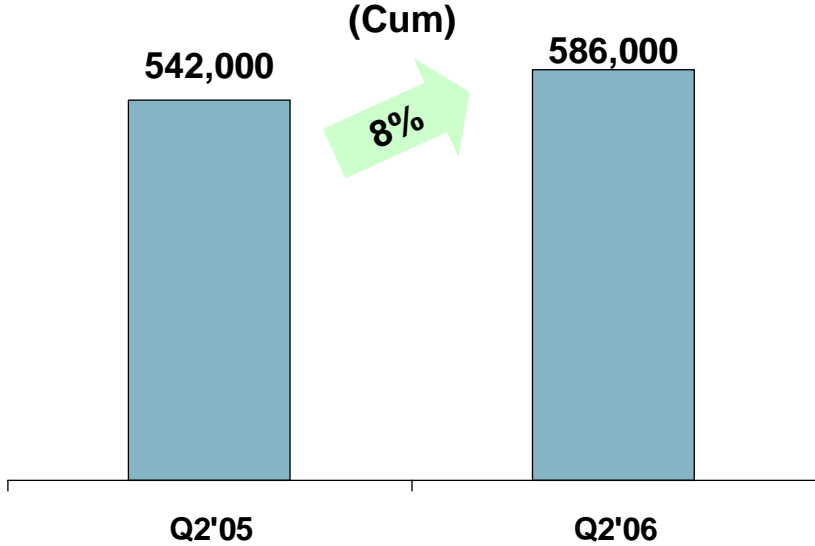
deliveryOne.

marketOne.

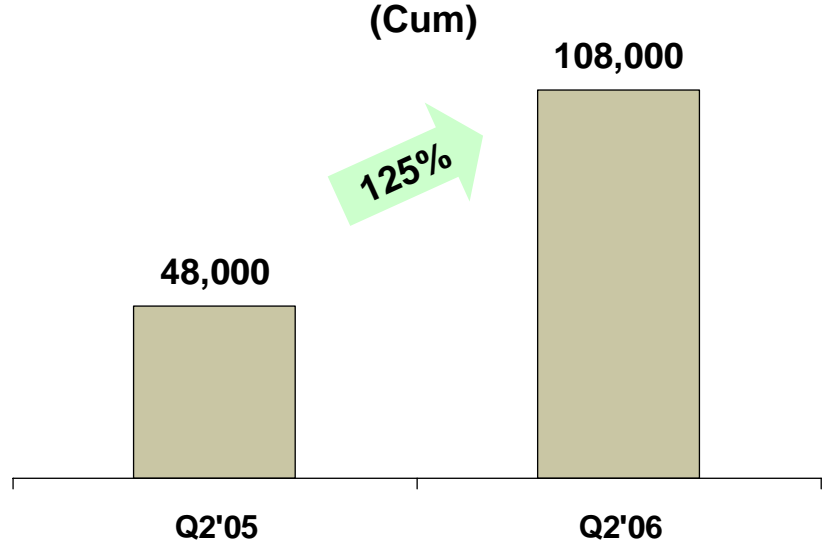
uiOne.

QUALCOMM Wireless Business Solutions (QWBS) Highlights

Satellite-based systems shipped worldwide (Cum)



Terrestrial-based systems shipped worldwide (Cum)



QUALCOMM Strategic Initiatives (QSI)

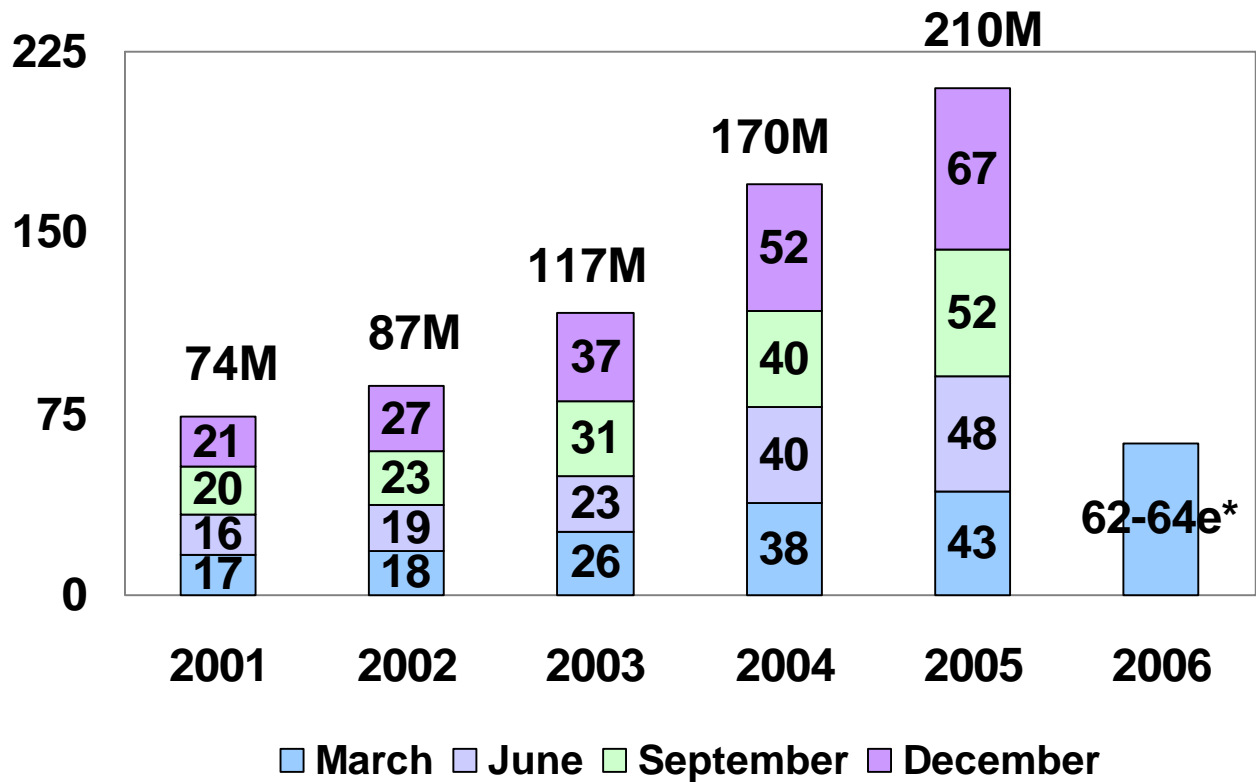
- **MediaFLO**
 - Network Live (JV with AOL, XM Satellite and AEG) to provide content and programming
 - City-wide live demos of FLO technology at CTIA 2006 in Las Vegas, NV
 - 8 devices, including one UMTS/FLO handset
 - 6 OEMs, LGE, Sharp, Kyocera, Samsung, Pantech and Motorola
 - Demonstrated live datacasting apps on FLO-enabled 3G handsets
- Announced joint investment in China with TechFaith to found new company, TechSoft
 - Develops application software for 3G CDMA devices

MediaFLO™



TechFaith Wireless

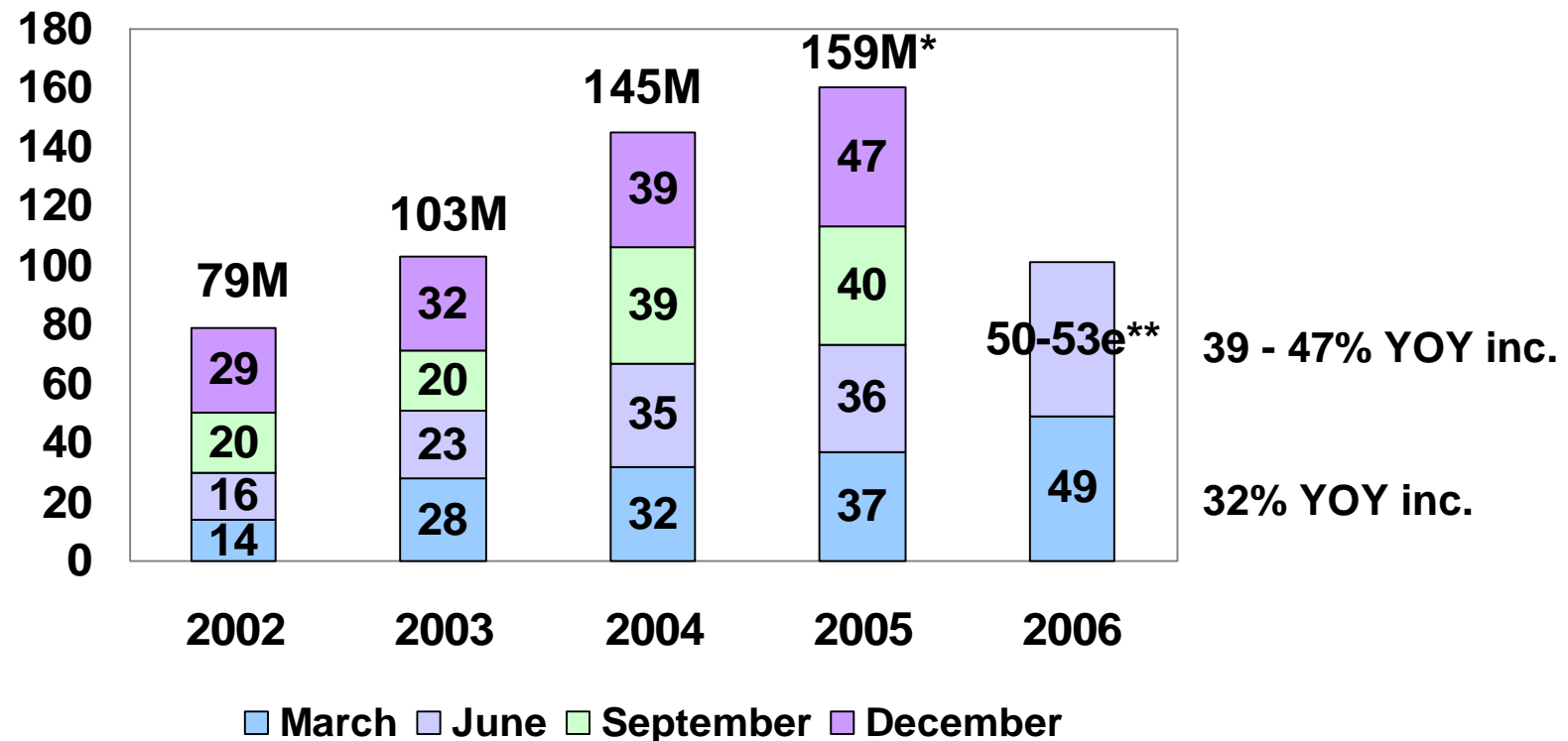
**Worldwide CDMA and WCDMA
 Phone Shipments
 by Calendar Quarter (Millions)**



44 - 49% YOY inc.

*Guidance as of April 19, 2006

**CDMA and WCDMA
 QUALCOMM MSM Units Shipped
 by Calendar Quarter (Millions)**



39 - 47% YOY inc.
32% YOY inc.

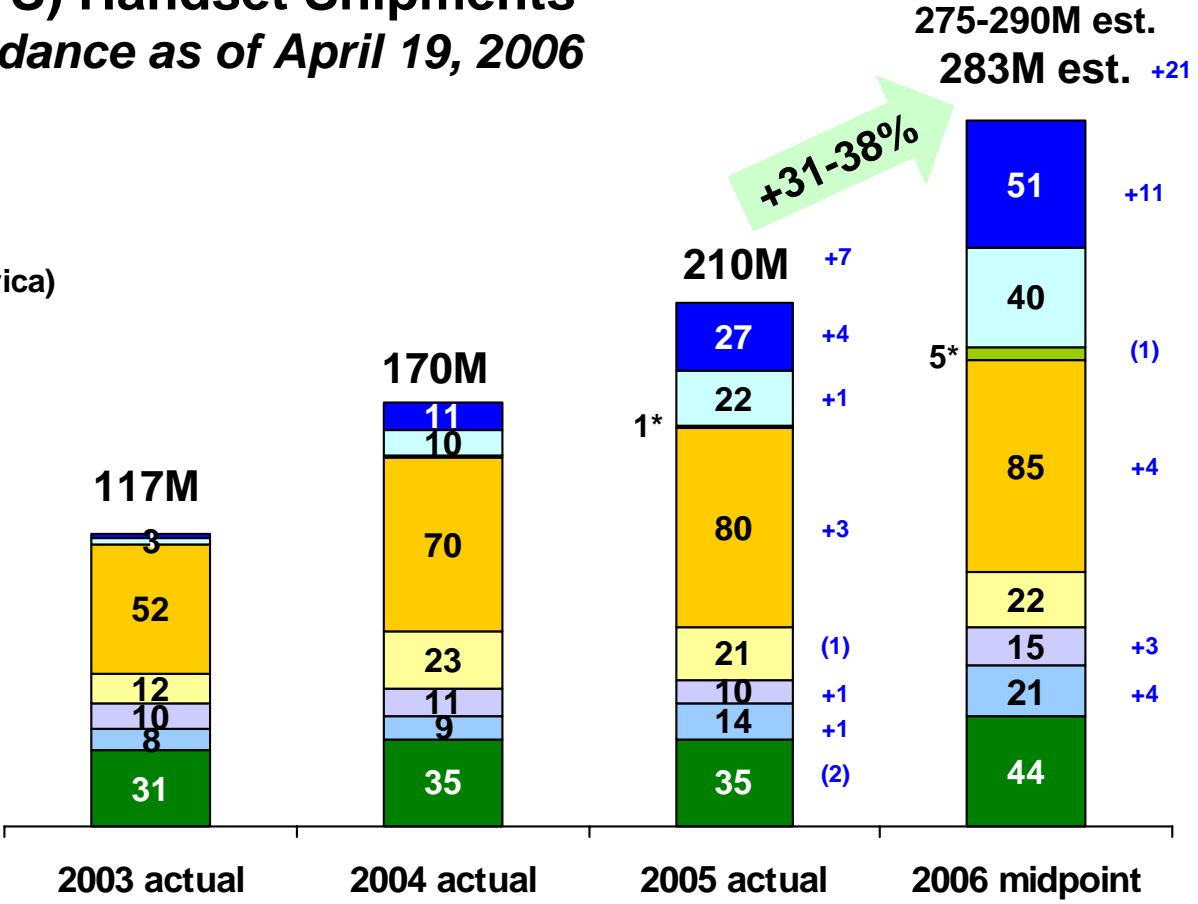
Note: MSM units and handsets shipped per quarter will fluctuate due to various lead times for different operators, handset manufacturers and handset models. Inventory supply strategies will also impact quarterly trends.

***Sum of quarterly amounts do not equal total due to rounding.**

****Guidance as of April 19, 2006**

CDMA and WCDMA (UMTS) Handset Shipments Calendar Year (Millions), Guidance as of April 19, 2006

- WCDMA Europe
- WCDMA Asia
- WCDMA ROW (Includes North America)
- CDMA US/Canada
- CDMA Americas
- CDMA China
- CDMA India
- CDMA Korea, Japan, SEA, ROW



	2003 actual	2004 actual	2005 actual	2006 midpoint
CDMA	113M	148M	160M	187M est.
WCDMA	4M	22M	50M	96M est.

Note: Regional handset shipment estimates are midpoint estimates and include data devices, telematics, security devices and some quantity of channel inventory.

*WCDMA ROW includes North America

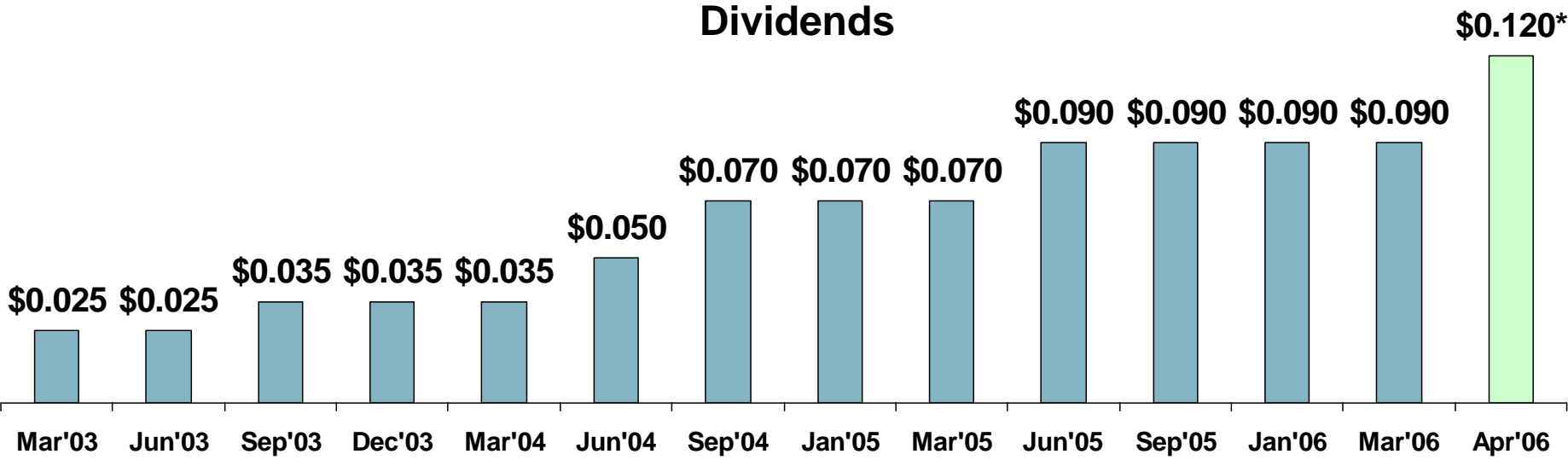
Change from prior guidance

Balance Sheet

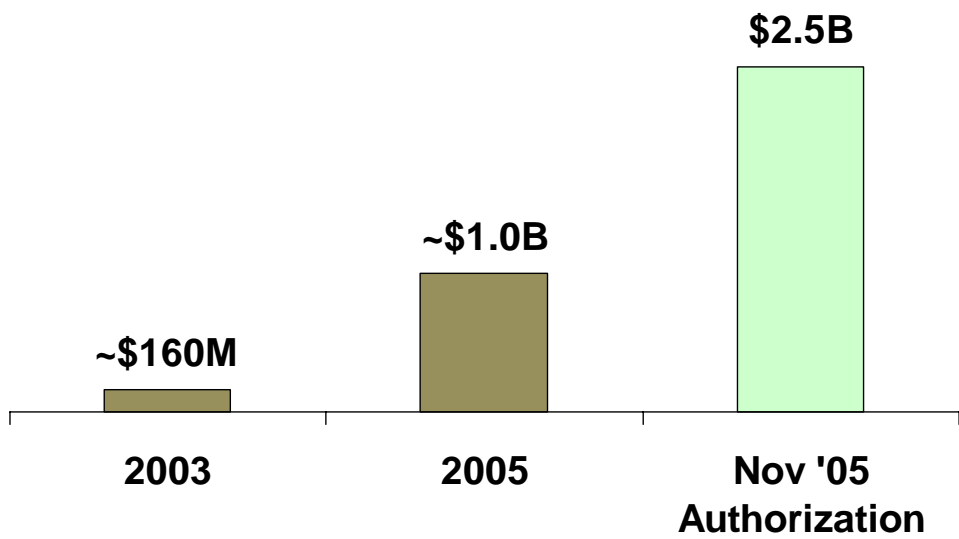
(\$Billions)	<u>Mar</u> <u>2005</u>	<u>Mar</u> <u>2006</u>
Cash & Marketable Securities	\$8.3	\$10.2
Receivables, Inventory	\$0.7	\$0.8
Fixed Assets & Goodwill	\$1.3	\$2.3
Deferred Tax Assets & Other	\$1.5	\$1.6
Total Assets	\$11.8	\$14.9
Total Liabilities	\$1.3	\$1.5
Stockholder Equity	\$10.5	\$13.4
Total Liabilities & Stockholder Equity	\$11.8	\$14.9

Strength & flexibility to support strong growth and shareholder returns

Dividends



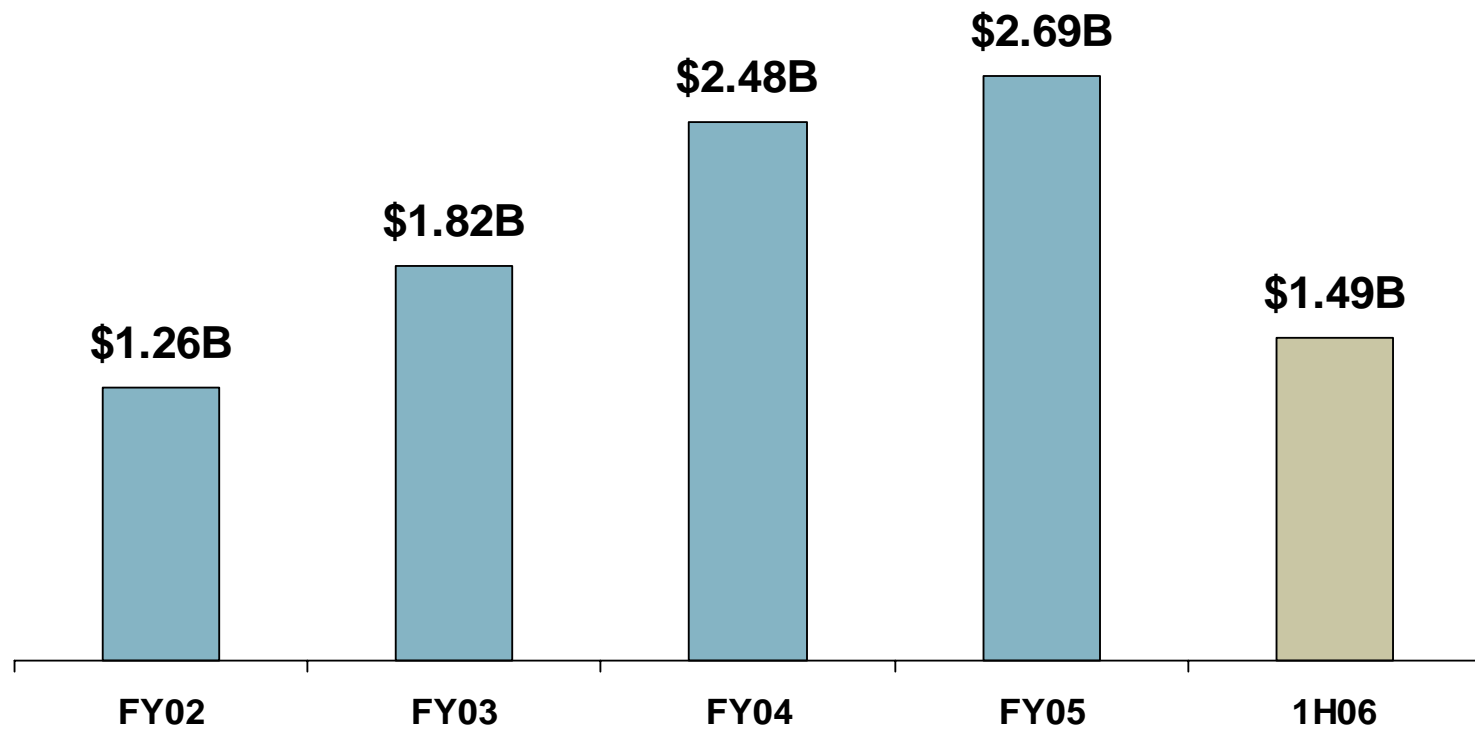
Share Repurchases



Note: The Company effected a two-for-one stock split in August 2004. All references to per share data have been adjusted to reflect the stock split.

*As of April 7, 2006

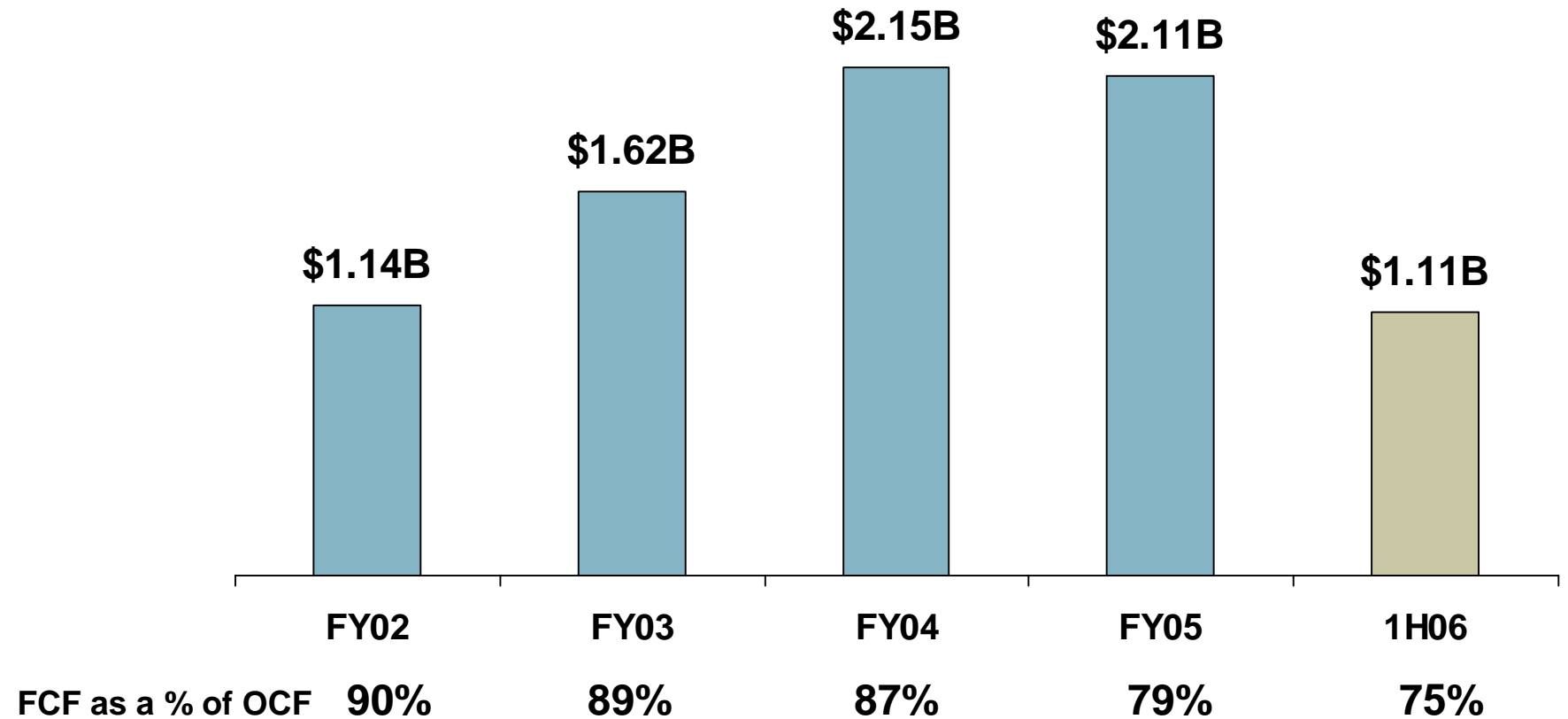
Total QUALCOMM Operating Cash Flow (OCF) Trends (Billions)



OCF as a % of
GAAP revenue

43% **47%** **51%** **47%** **42%**

Total QUALCOMM Free Cash Flow* (FCF) Trends (Billions)

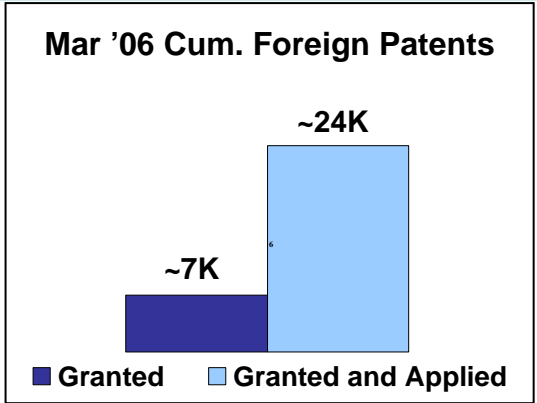
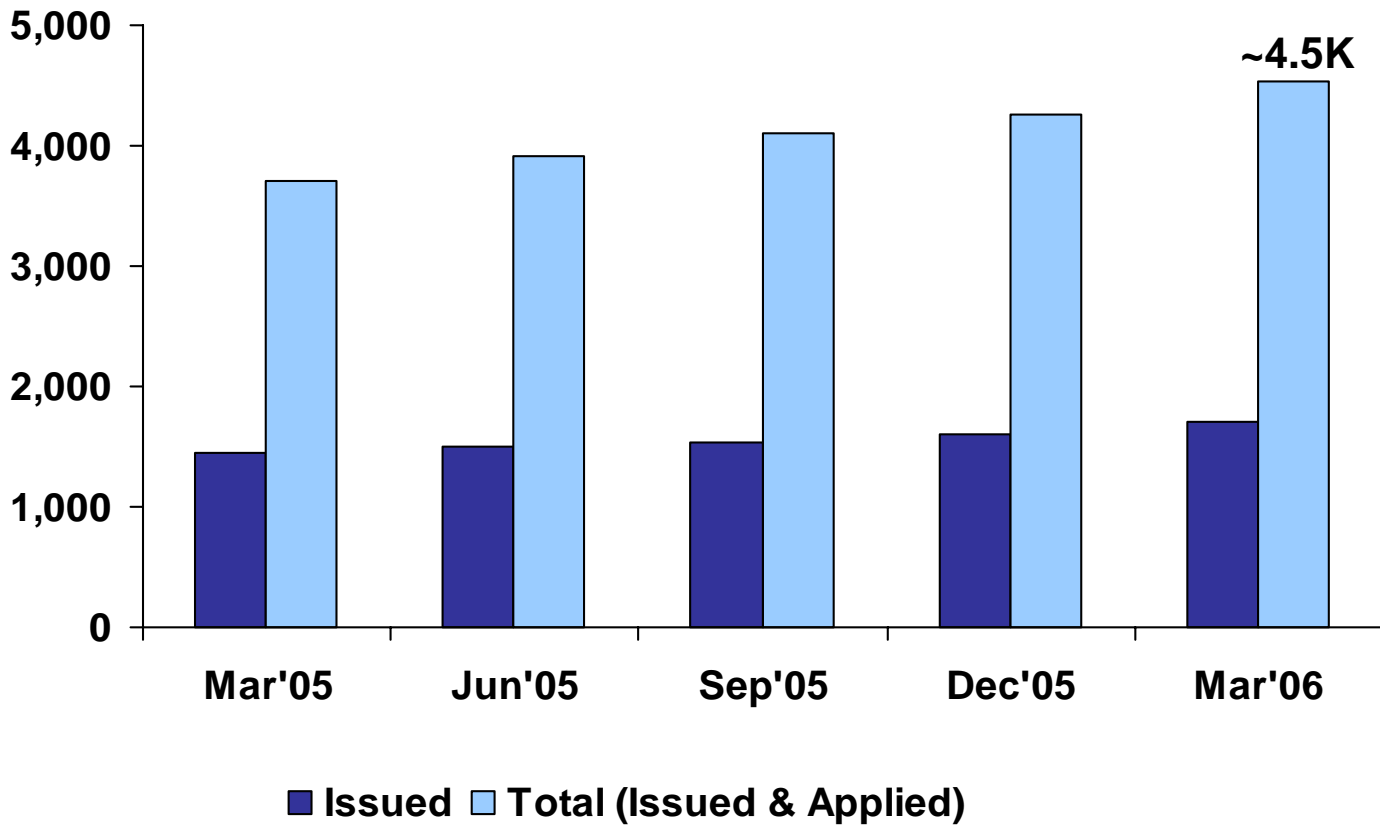


*Free Cash Flow is calculated as cash flow from operations less capital expenditures, both of which are presented in the GAAP statement of cash flows.

QUALCOMM's Unique Patent Position

Patent Portfolio is a Strong Asset Value

Cumulative U.S. Patents (Issued Patents & Filed Applications)
(Excludes non-U.S. filed applications and granted patents)



Reconciliations

Second Quarter - Fiscal Year 2006

Segments	QUALCOMM Pro Forma	Estimated Share-Based Compensation (1)	In-Process R&D (2)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 1,834	\$ -	\$ -	\$ -	\$ 1,834
EBT	\$ 962	\$ (120)	\$ (21)	\$ (36)	\$ 785
Net income (loss)	706	(78)	(21)	(14)	\$ 593
Diluted EPS	\$ 0.41	\$ (0.05)	\$ (0.01)	\$ (0.01)	\$ 0.34
Diluted shares used	1,721	1,721	1,721	1,721	1,721

Second Quarter - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (4)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 1,365	\$ -	\$ -	\$ 1,365
EBT	666	-	(33)	\$ 633
Net income (loss)	487	55	(10)	\$ 532
Diluted EPS	\$ 0.29	\$ 0.03	\$ (0.01)	\$ 0.31
Diluted shares used	1,704	1,704	1,704	1,704

Third Quarter - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (5)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 1,358	\$ -	\$ -	\$ 1,358
EBT	656	-	30	\$ 686
Net income	465	16	79	\$ 560
Diluted EPS	\$ 0.28	\$ 0.01	\$ 0.05	\$ 0.33
Diluted shares used	1,683	1,683	1,683	1,683

Twelve Months - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (4)(5)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 5,673	\$ -	\$ -	\$ 5,673
EBT	2,799	-	10	\$ 2,809
Net income	1,970	71	102	\$ 2,143
Diluted EPS	\$ 1.16	\$ 0.04	\$ 0.06	\$ 1.26
Diluted shares used	1,694	1,694	1,694	1,694

Continued

- (1) During the first quarter of fiscal 2006, the Company adopted the fair value recognition provisions of FAS 123R using a modified prospective application. Under this method, prior periods are not revised for comparative purposes. Share-based compensation is included in operating expenses as part of employee-related costs but is not allocated to our segments as these estimated costs are not considered relevant by management in evaluating segment performance.
- (2) During the second quarter of fiscal 2006, the Company recorded \$21 million of expenses related to acquired in-process R&D associated with the acquisitions of Berkana Wireless Inc. and Flarion Technologies, Inc. For fiscal 2006 pro forma presentation, results have been adjusted to exclude these expenses as they are unrelated to the Company's ongoing core operating businesses and are also not allocated to our segments as these costs are not considered relevant by management in evaluating segment performance.
- (3) At fiscal year-end, the sum of the quarterly tax provisions for each column, including QSI, will equal the annual tax provisions for each column computed in accordance with GAAP. In interim quarters, the tax provision for the QSI operating segment is computed by subtracting the tax provision for QUALCOMM pro forma, the tax adjustment column, and the tax provision related to estimated share based compensation from the tax provision for total QUALCOMM (GAAP).
- (4) During the second quarter of fiscal 2005, the Company decreased its estimate of R&D costs allocable to the Company's foreign operations under an intercompany cost sharing agreement. Due to this change in estimate, the effective tax rate in the second quarter for total QUALCOMM (GAAP) included a \$55 million benefit, or \$0.03 diluted earnings per share, related to fiscal 2004. For fiscal 2005 pro forma presentation, results have been adjusted to exclude the tax benefit attributable to fiscal 2004.
- (5) During the third quarter of fiscal 2005, the Company made an election to compute its California tax on the basis of its U.S. operations only, which resulted in a \$38 million tax benefit. Our effective tax rate in the third quarter of fiscal 2005 for total QUALCOMM (GAAP) includes a \$16 million tax benefit, or \$0.01 diluted earnings per share, for this California tax election related to fiscal 2004. For fiscal 2005 pro forma presentation, results have been adjusted to exclude the tax benefit attributable to fiscal 2004.

Sums may not equal totals due to rounding.

QUALCOMM Incorporated
Reconciliation of Pro Forma Results to GAAP Results
for 2004 Periods for Comparative Purposes



	<u>Year ended</u> <u>September 26,</u> <u>2004</u>
(in millions, except per share data)	
Prior Method of Recording Royalties	
Estimate of estimated licensees for prior period	\$ 151
Royalties reported by estimated licensees for prior period	208
Prior period variance included in reporting period	57
Other royalties reported in reporting period	1,084
Estimate for estimated licensees for current period	-
Total QTL royalty revenues from external licensees	1,141
Intercompany revenue	132
License revenue	59
Total QTL GAAP revenue (including prospective change to New Method in Q4 '04)	\$ 1,331
New Method of Recording Royalties	
Total royalties reported by external licensees (a)	\$ 1,292
Intercompany revenue	132
License revenue	59
Total QTL revenue using New Method	\$ 1,483
Difference between the methods	\$ (151)
<hr/>	
Total QCOM revenues as reported under GAAP	\$ 4,880
Less: Difference between the royalty methods	(151)
Total QCOM revenues using New Method	5,031
Total QCOM revenues and QCOM pro forma revenues	\$ 5,031
TOTAL QCOM net income as reported under GAAP	\$ 1,720
Less: Net income attributed to difference between the royalty methods (b)	(92)
Total QCOM net income using New Method	1,812
Less: QSI net income (loss) (c)	12
QCOM pro forma net income (c)	\$ 1,800
QCOM diluted EPS as reported under GAAP	\$ 1.03
EPS attributed to difference between the royalty methods	\$ (0.06)
Total QCOM diluted EPS using New Method	\$ 1.08
EPS attributed to QSI (c)	\$ 0.01
QCOM pro forma diluted EPS (c)	\$ 1.07
Shares used for diluted EPS	1,675

Continued

- (a) Represents royalty revenue that would have been reported during the period if the "New Method" had been adopted retroactively.
Does not represent royalty revenue recognized under GAAP in these periods.
- (b) QTL's rounded effective tax rate was 39% in fiscal 2004 .
- (c) During the first quarter of 2005, the Company reorganized its MediaFLO USA business into the QSI segment. The operating expenses related to the MediaFLO USA business were included in reconciling items through the end of fiscal 2004. Prior period segment information has been adjusted to conform to the new segment presentation.

QTL revenues as reported under GAAP and using the New Method are presented to illustrate the difference between the Prior Method used for royalties prior to the fourth quarter of fiscal 2004 and the New Method implemented starting in the fourth quarter of fiscal 2004.

Business Outlook Summary (as of April 19, 2005)

THIRD QUARTER	
	Current Guidance Q3'06 Estimates
QUALCOMM Pro Forma	
Revenues	\$1.77B - \$1.87B
Year-over-year change	increase 30% - 38%
Diluted earnings per share (EPS)	\$0.36 - \$0.38
Year-over-year change	increase 29% - 36%
Total QUALCOMM (GAAP)	
Revenues	\$1.77B - \$1.87B
Year-over-year change	increase 30% - 38%
Diluted earnings per share (EPS)	\$0.30 - \$0.32
Year-over-year change	decrease 3% - 9%
Diluted EPS attributable to QSI	(\$0.01)
Diluted EPS attributable to estimated share-based compensation	(\$0.05)
EPS attributable to tax benefit related to prior years	n/a

Business Outlook Summary (as of April 19, 2005)

<i>FISCAL YEAR</i>	
	Current Guidance FY 2006 Estimates
<i>QUALCOMM Pro Forma</i>	
Revenues	\$7.1B - \$7.4B
Year-over-year change	increase 25% - 30%
Diluted earnings per share (EPS)	\$1.53 - \$1.57
Year-over-year change	increase 32% - 35%
<i>Total QUALCOMM (GAAP)</i>	
Revenues	\$7.1B - \$7.4B
Year-over-year change	increase 25% - 30%
Diluted earnings per share (EPS)	\$1.31 - \$1.35
Year-over-year change	increase 4% - 7%
Diluted EPS attributable to in-process R&D	(\$0.01)
Diluted EPS attributable to QSI	(\$0.04)
Diluted EPS attributable to estimated share-based compensation	(\$0.20)
Diluted EPS attributable to tax benefit related to prior years	\$0.03

Sums may not equal totals due to rounding

**RECONCILIATION OF NON-GAAP CASH FLOW METRICS
TO GAAP EQUIVALENTS**

Reconciliation of Operating Cash Flow to Free Cash Flow

	FY 2002	FY 2003	FY 2004	FY 2005	First Half FY 2006
Net cash provided by operations* (OCF)	\$ 1,263	\$ 1,824	\$ 2,481	\$ 2,686	\$ 1,485
less capital expenditures	(127)	(202)	(332)	(576)	(374)
Free Cash Flow (FCF)	\$ 1,136	\$ 1,622	\$ 2,149	\$ 2,110	\$ 1,111
FCF/OCF	90%	89%	87%	79%	75%

Cash Flow/Revenue

	FY 2002	FY 2003	FY 2004	FY 2005	First Half FY 2006
OCF	\$ 1,263	\$ 1,824	\$ 2,481	\$ 2,686	\$ 1,485
Revenue	\$ 2,915	\$ 3,847	\$ 4,880	\$ 5,673	\$ 3,575
OCF/Revenue	43%	47%	51%	47%	42%

*As reported in the GAAP Statement of Cash Flows, as adjusted for discontinued operations

**Reconciliation of Pro forma to Total QUALCOMM
Operating Expenses (defined as SG&A and R&D)**
(\$ in millions)

	<u>Fiscal 2004 Results</u>	<u>Fiscal 2005 Results</u>	<u>Fiscal 2006 Guidance*</u>
QUALCOMM Pro Forma	\$ 1,246	\$ 1,573	Increase 26 - 29% sequentially (est.) ⁽¹⁾
QSI	21	69	not provided
Total QUALCOMM excluding share-based compensation under SFAS 123R	<u>\$ 1,267</u>	<u>\$ 1,642</u>	Increase 31 - 34% sequentially (est.) ⁽²⁾
Share-based compensation allocated to SG&A & R&D	-	-	not provided
Total QUALCOMM (GAAP)	<u><u>\$ 1,267</u></u>	<u><u>\$ 1,642</u></u>	Increase 58 - 61% sequentially (est.) ⁽³⁾

(1) QUALCOMM pro forma guidance for fiscal 2006 excludes expenses related to the QSI segment, share-based compensation and in-process R&D expenses related to two acquisitions completed in Q2'06

(2) Total QUALCOMM excluding share-based compensations under SFAS 123R guidance includes in-process R&D related to two acquisitions completed in Q2 that is excluded from Pro Forma.

(3) Fiscal 2006 total QUALCOMM (GAAP) operating expense guidance includes an estimate of the share-based compensation expense and estimated allocation to SG&A and R&D related to the Company's adoption of SFAS 123R during the first quarter of fiscal 2006.

Fiscal 2004 and 2005 results for total QUALCOMM (GAAP) do not include any share based compensation expense under SFAS 123R.

*Guidance as of April 19, 2006

**Reconciliation of Pro forma to Total QUALCOMM
Operating Expenses (defined as SG&A and R&D)**
(\$ in millions)

	<u>Q2</u>		<u>Q1</u>		<u>Q2</u>		<u>Fiscal Q3 - 2006</u>	
	FY2005		FY2006		FY2006		Guidance*	
QUALCOMM Pro Forma	\$ 391	\$	\$ 441	\$	\$ 490		Increase 6 - 8% sequentially (est.)	(1)
QSI	16		28		32		not provided	
In-process R&D expense	-		-		21		not applicable	
Total QUALCOMM excluding share-based compensation under SFAS 123R	<u>\$ 407</u>	\$	<u>\$ 469</u>	\$	<u>\$ 543</u>		Increase 3 - 5% sequentially (est.)	
Share-based compensation allocated to SG&A & R&D	-		110		110		not provided	
Total QUALCOMM (GAAP)	<u>\$ 407</u>	\$	<u>\$ 579</u>	\$	<u>\$ 653</u>		Increase 3 - 5% sequentially (est.)	(2)
Sequential increase					13%			

(1) QUALCOMM pro forma guidance for Q3 FY06 exclude expenses related to the QSI segment and share-based compensation.

(2) Q3'06 total QUALCOMM (GAAP) operating expense guidance includes an estimate of the share-based compensation expense and estimated allocation to SG&A and R&D related to the Company's adoption of SFAS 123R during the first quarter of fiscal 2006.

Q2 FY2005 results for total QUALCOMM (GAAP) do not include any share-based compensation expense under SFAS 123R.

*Guidance as of April 19, 2006

Thank you