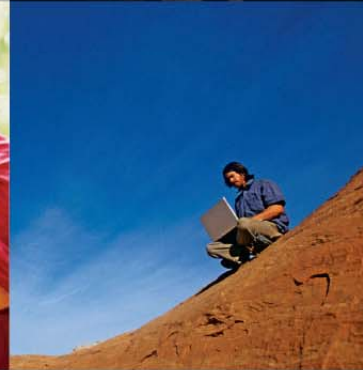




June 13, 2006

# Q3 FY06 Guidance Update



## 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.**

## Third Fiscal Quarter 2006 – June 13, 2006 Guidance Update

- **Consumer demand for 3G devices and services continues to be vibrant as operators offer compelling prices, services and devices**
- **Encouraging forward market for 3G advanced devices and services**
  - **WCDMA handset shipments and average selling prices are exceeding our prior expectations**
  - **Strong demand for CDMA2000 infrastructure chips, notably DO revision A**
  - **Ongoing movement to upgrade WCDMA networks to HSDPA**

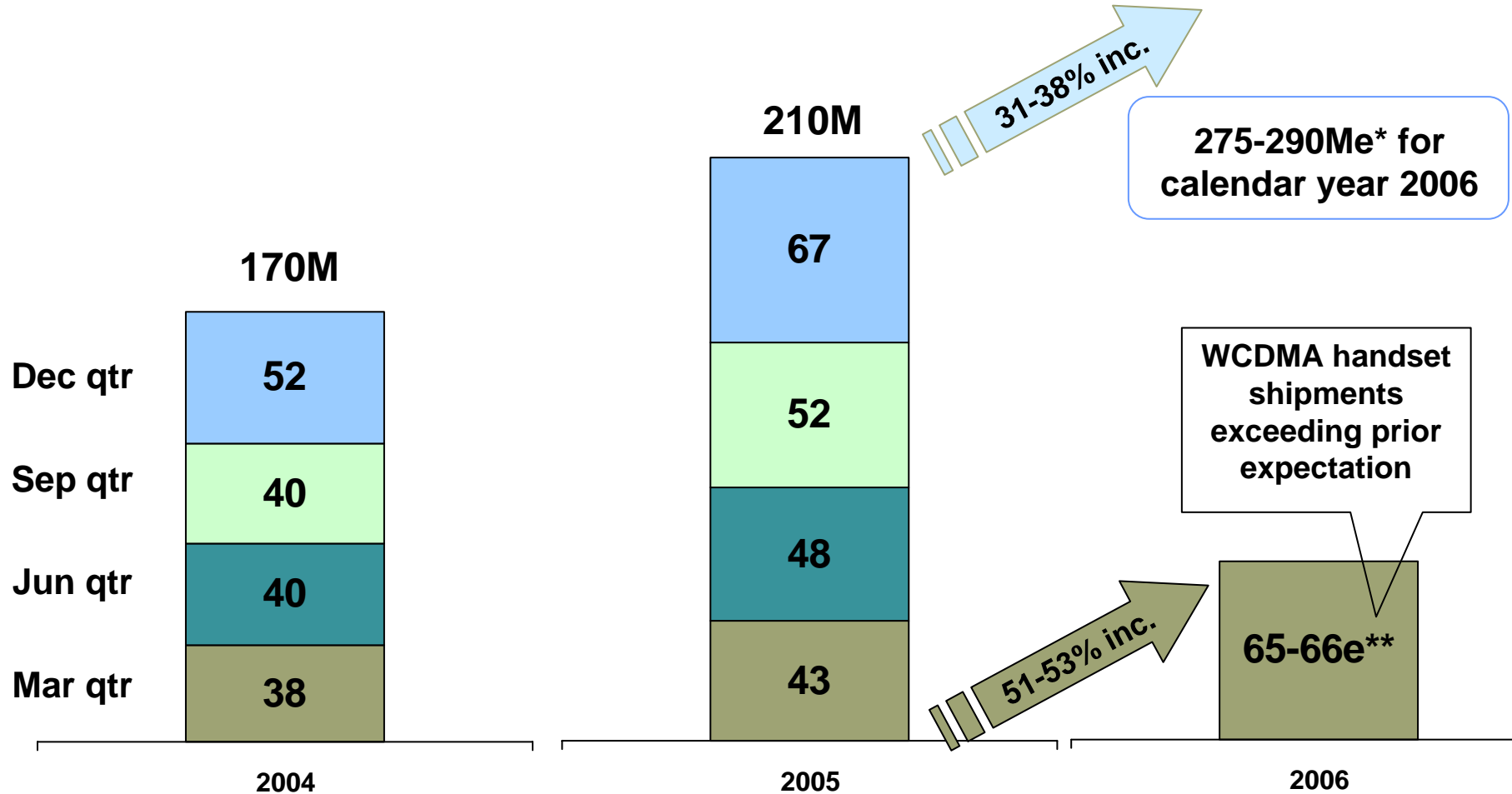


Sharp SH902is



LG U900

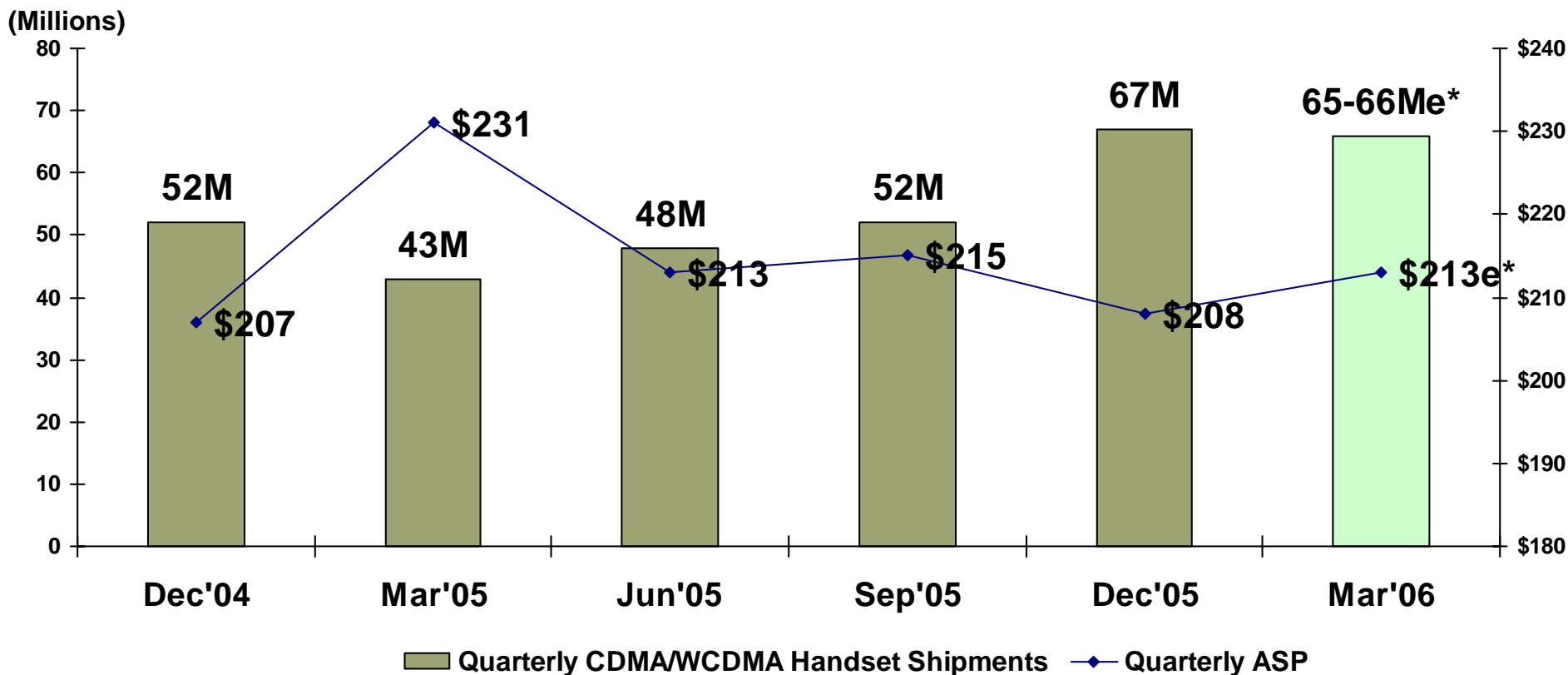
# Worldwide CDMA and WCDMA Phone Shipments (Calendar Year, Millions)



\*Guidance as of April 19, 2006

\*\*Guidance as of June 13, 2006

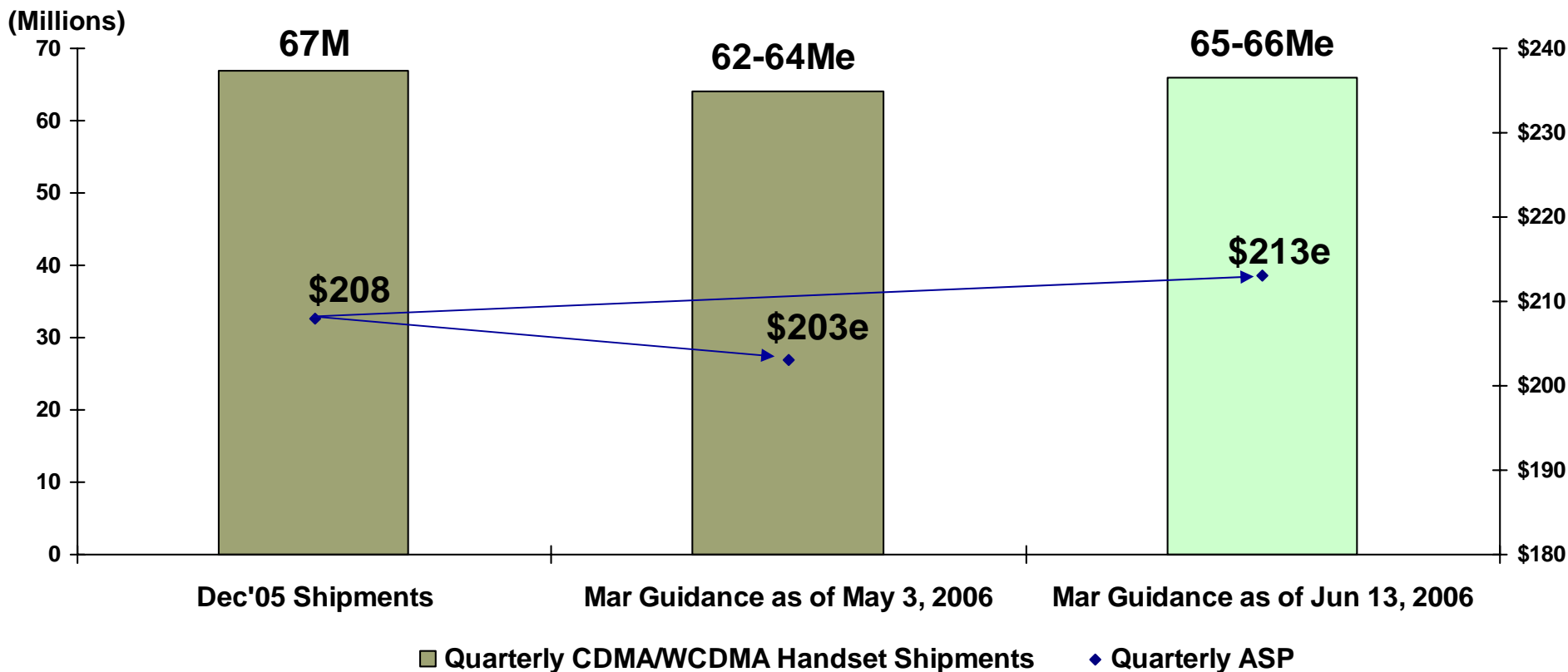
# Quarterly CDMA and WCDMA Handset Shipments and ASP Trend



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

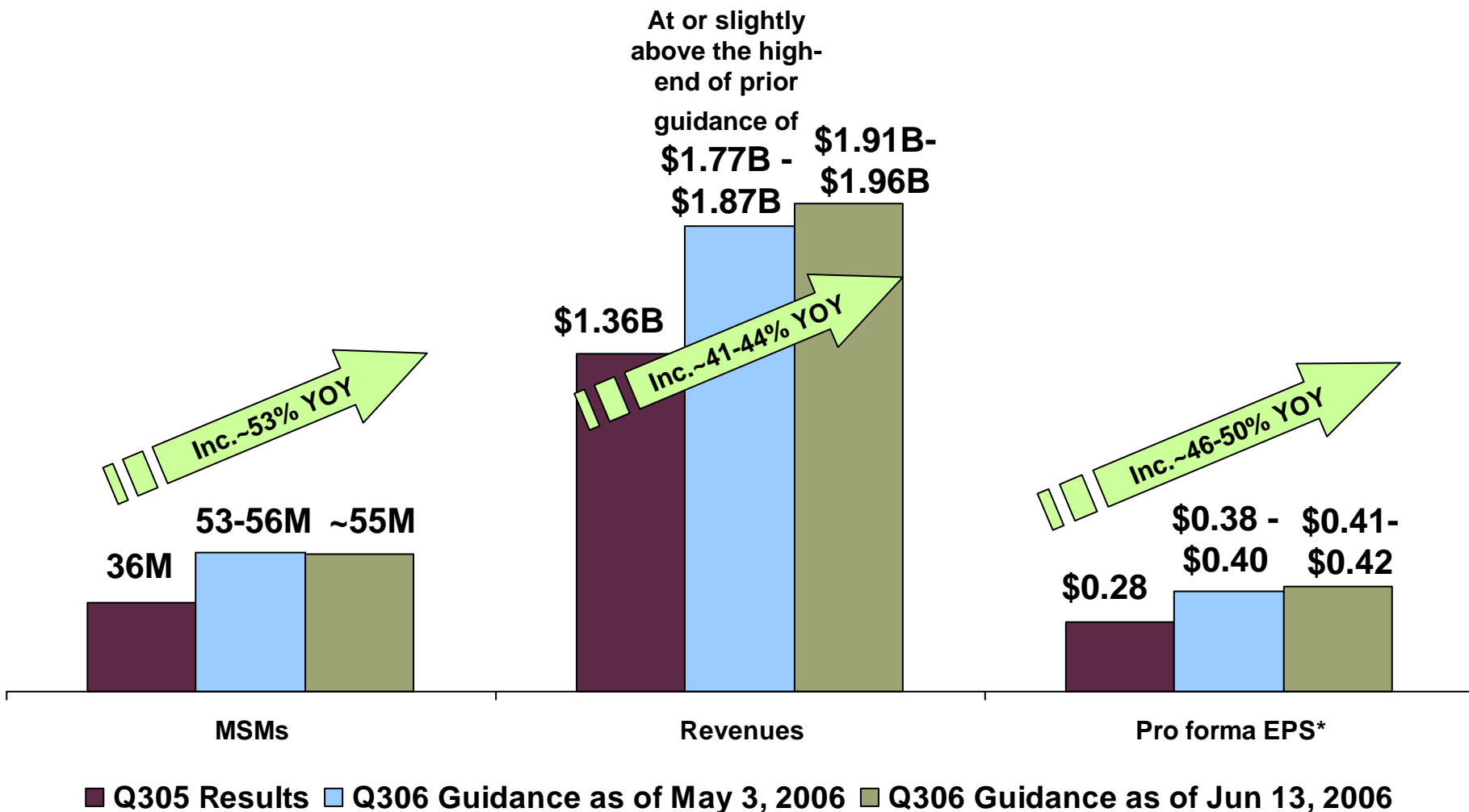
\*Guidance as of June 13, 2006

# Quarterly CDMA and WCDMA Handset Shipments and ASP Trend



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

# QUALCOMM Updates Q306 Guidance Estimates



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

## Q206 Results and Q306 Sequential Guidance Update

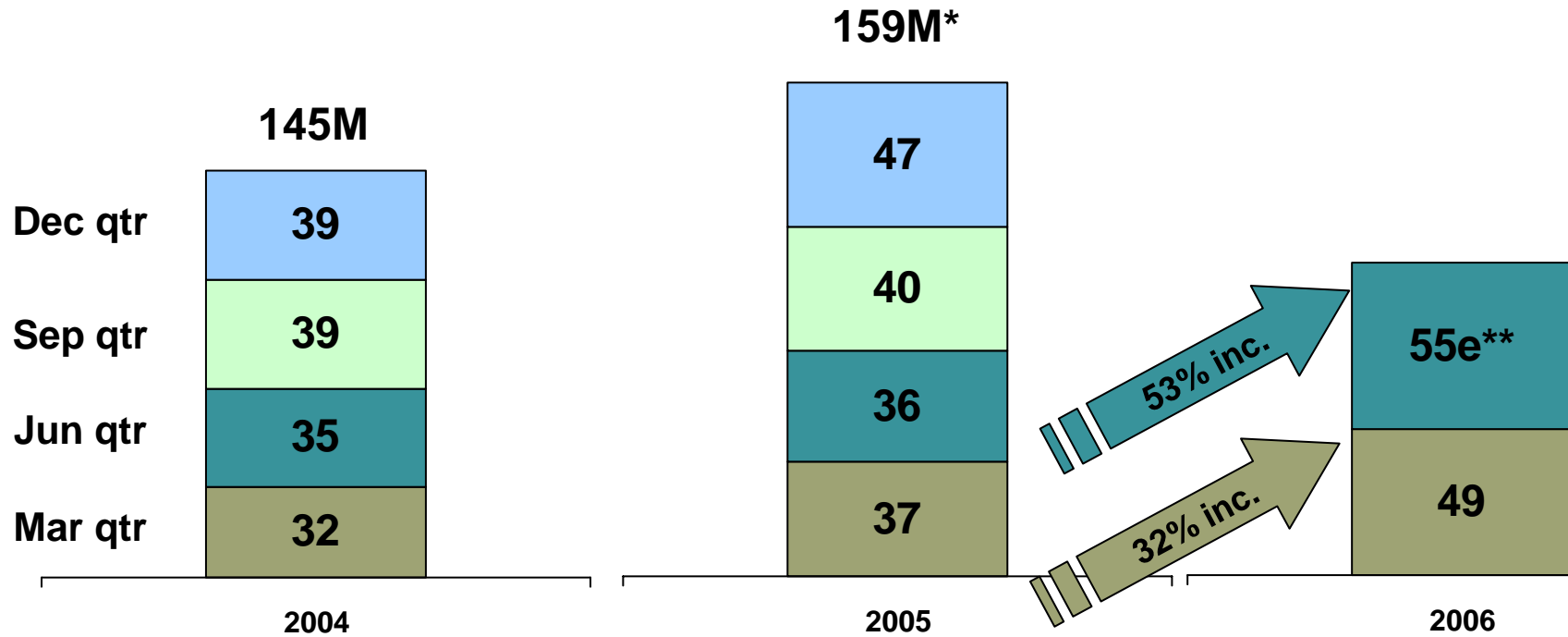
	<u>Q206 Results</u>	<u>Q306 Guidance as of May 3, 2006</u>	<u>Q306 Guidance as of Jun 13, 2006</u>
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	49M	53 - 56M est.	~55M est.
CDMA2000/WCDMA handsets shipped	67M (Dec'05*)	62 - 64M est. (Mar'06*)	65 - 66M est. (Mar'06*)
CDMA2000/WCDMA handset ASP	\$208 (Dec'05*)	\$203 (Mar'06*)	\$213 (Mar'06*)
<b>QUALCOMM Pro Forma**</b>			
Revenues	\$1,834M	At or slightly above the high-end of prior guidance of \$1.77B-\$1.87B est.	\$1.91B - \$1.96B est.
EPS	\$0.41	\$0.38 - \$0.40 est.	\$0.41 - \$0.42 est.
<b>Total QUALCOMM GAAP Revenues</b>	<b>\$1,834M</b>	<b>At or slightly above the high-end of prior guidance of \$1.77B-\$1.87B est.</b>	<b>\$1.91B - \$1.96B est.</b>
<b>GAAP EPS</b>	<b>\$0.34</b>	<b>\$0.32 - \$0.34 est.</b>	<b>\$0.35 - \$0.36 est.</b>
Includes QSI EPS	(\$0.01)	(\$0.01)	(\$0.01)
Includes share-based compensation EPS	(\$0.05)	(\$0.05)	(\$0.05)
Includes in-process R&D	(\$0.01)	n/a	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.



# CDMA and WCDMA QUALCOMM MSM Shipments Accelerating (Calendar Year, Millions)



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

\*\*Guidance as of June 13, 2006



Reconciliations.

## Pro Forma 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

### Third Quarter - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (4)	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

(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 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.

**Business Outlook Summary (as of June 13, 2006)**

***THIRD QUARTER***

	<b>Q3'05 Results</b>	<b>Current Guidance Q3'06 Estimates</b>
<b><i>QUALCOMM Pro Forma</i></b>		
Revenues	\$1.36B	\$1.91B - \$1.96B
Year-over-year change		increase 41% - 44%
Diluted earnings per share (EPS)	\$0.28	\$0.41 - \$0.42
Year-over-year change		increase 46% - 50%
<b><i>Total QUALCOMM (GAAP)</i></b>		
Revenues	\$1.36B	\$1.91B - \$1.96B
Year-over-year change		increase 41% - 44%
Diluted earnings per share (EPS)	\$0.33	\$0.35 - \$0.36
Year-over-year change		increase 6% - 9%
Diluted EPS attributable to QSI	\$0.05	(\$0.01)
Diluted EPS attributable to estimated share-based compensation	n/a	(\$0.05)
EPS attributable to tax benefit related to prior years	\$0.01	n/a

Sums may not equal totals due to rounding.



Thank You.