A photograph of a park with people sitting on the grass and a city skyline in the background. The scene is bathed in warm, golden light, suggesting late afternoon or early morning. In the foreground, a man is sitting on the grass, looking towards the right. The background shows a dense line of trees and a city skyline with several tall buildings. The overall mood is peaceful and scenic.

# Second Quarter Fiscal 2012 Earnings

April 18, 2012

The Qualcomm logo, featuring a stylized 'Q' inside a circle followed by the word 'QUALCOMM' in a bold, sans-serif font, with a registered trademark symbol (®) to the right.

# Safe Harbor

In addition to the historical information contained herein, this presentation contains forward-looking statements that are inherently subject to risks and uncertainties, including but not limited to statements regarding market and industry trends, including the continued growth of 3G and 4G smartphones and new mobile computing devices; the Company's business outlook, including increasing operating expenses; the Company's estimated financial results, including revenues and Non-GAAP diluted earnings per share, and MSM chip shipments; as well as total reported device sales, device shipments, and device average selling prices. Forward-looking statements are generally identified by words such as "estimates," "guidance" and similar expressions. Actual results may differ materially from those referred to in the forward-looking statements due to a number of important factors, including but not limited to risks associated with the commercial deployment of and demand for our technologies, the uncertainty of global economic conditions, competition, our dependence on a small number of customers and licensees, our dependence on third-party suppliers and the potential impact of supply constraints, attacks on our licensing business model, strategic investments and transactions we have or may pursue including our investment related to the BWA Spectrum in India, and failures and defects or errors in our products and services or in the products of our customers. These and other risks are detailed in our most recent Form 10-K and Form 10-Q filed with the SEC, copies of which are available on our website at [www.qualcomm.com](http://www.qualcomm.com). We undertake no obligation to update any forward-looking statements.

This presentation includes 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.

# Qualcomm Reports Q2 FY'12 Earnings

Second Quarter Ending March 25, 2012

- ▶ Reported another quarter of record revenues and earnings per share
- ▶ Driven by strong demand for 3G- and 4G-enabled devices across both developed and emerging regions
- ▶ Excited to see the continued growth of 3G and 4G smartphones, as well as new mobile computing devices
- ▶ Increasing our operating expenses to facilitate additional 28 nanometer supply and to continue to position our industry-leading chipset solutions for the opportunities ahead

## Second Fiscal Quarter Results vs. Guidance

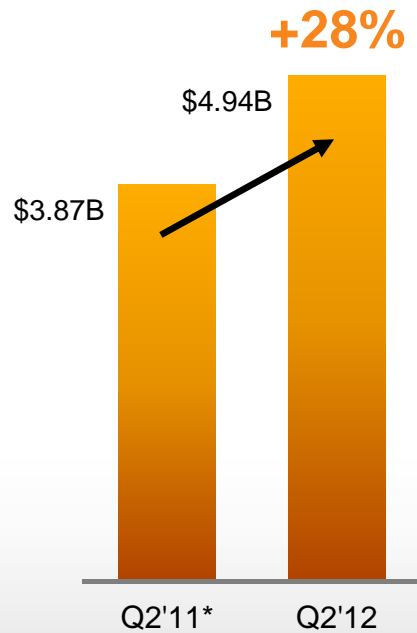
	Q2'12 Guidance*	Q2'12 Results
<b>Revenues<sup>(1)</sup></b>	\$4.6B - \$5.0B	\$4.94B
<b>Non-GAAP<sup>(2)</sup> Diluted EPS<sup>(3)</sup></b>	\$0.91 - \$0.97	\$1.01
<b>MSM Chip Shipments</b>	146M - 154M	152M
<b>Total Reported Device Sales<sup>(4)</sup> (Dec. Qtr<sup>(5)</sup>)</b>	\$47.5B - \$51.5B	\$51.7B
<b>Est. 3G/4G Devices Shipped<sup>(4)</sup> (Dec. Qtr<sup>(5)</sup>)</b>	not provided	239 - 243M
<b>Est. 3G/4G Devices ASP<sup>(4)</sup> (Dec. Qtr<sup>(5)</sup>)</b>	not provided	\$211 - \$217

(1), (2), (3), (4) & (5) See Footnotes page at the end of the presentation.

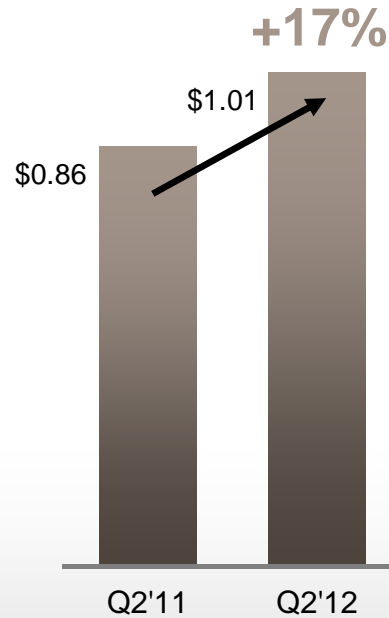
\*Guidance as of Feb. 1, 2012.

# Second Fiscal Quarter Results vs. Last Year

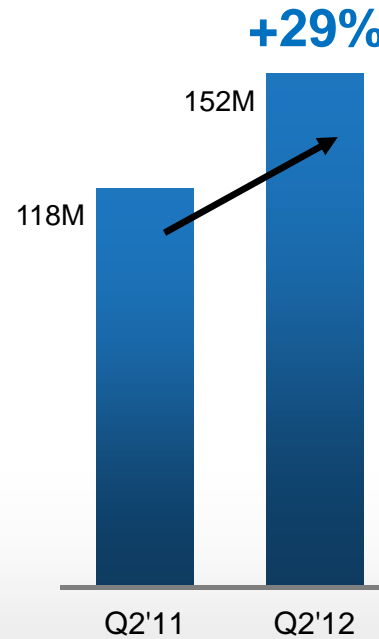
### Revenues<sup>(1)(6)</sup>



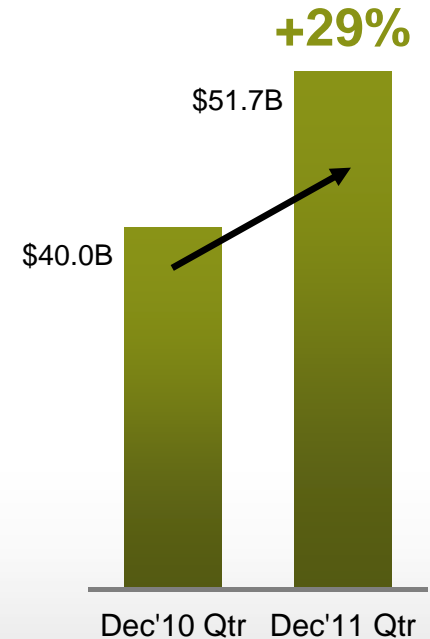
### Non-GAAP<sup>(2)</sup> EPS<sup>(3)(6)</sup>



### MSM Chip Shipments



### Total Reported Device Sales<sup>(4)(5)</sup>



\* As adjusted for discontinued operations.

(1), (2), (3), (4), (5) & (6) See Footnotes page at the end of the presentation.

# Third Quarter & Fiscal Year 2012 Guidance

As of April 18, 2012

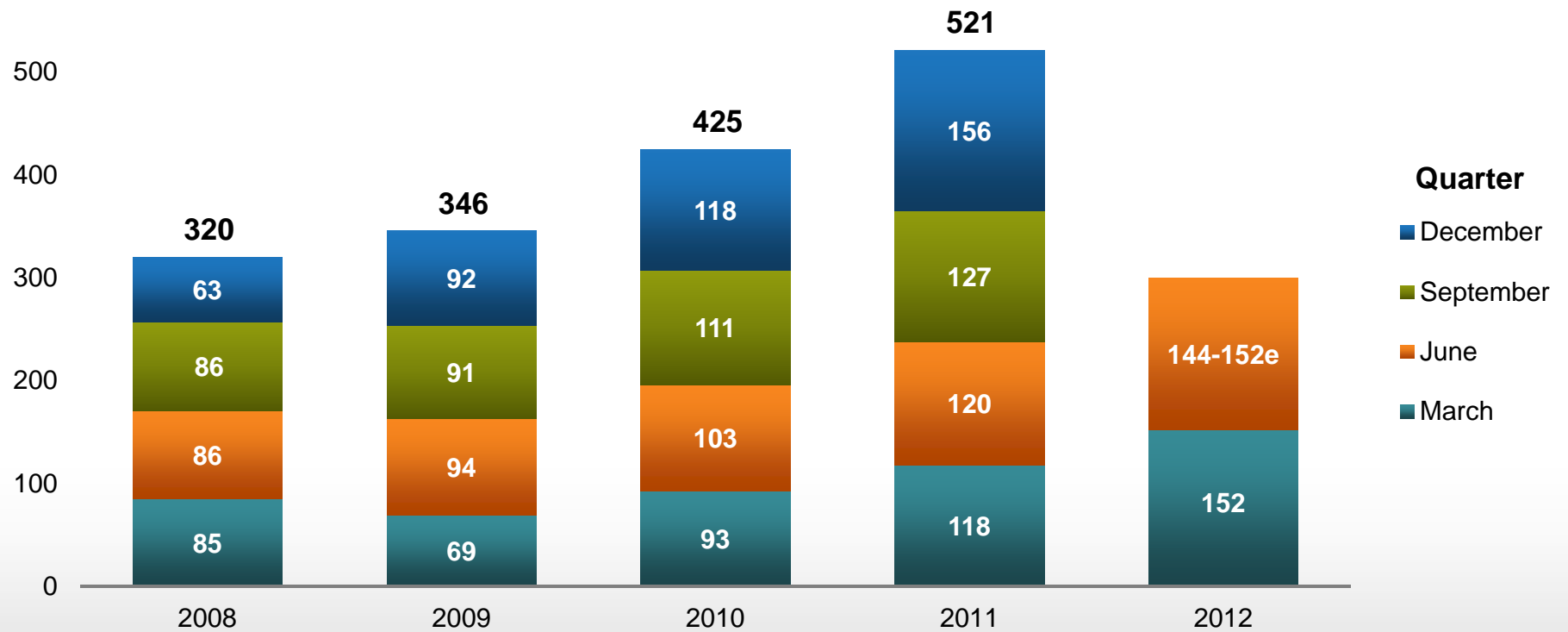
	Q3'11 Results	Q3'12 Guidance	FY'11 Results	FY'12 Prior Guidance*	FY'12 Current Guidance
<b>Revenues<sup>(1)</sup></b>	\$3.62B	\$4.45B - \$4.85B	\$14.96B	\$18.7B - \$19.7B	\$18.7B - \$19.7B
<b>Non-GAAP<sup>(2)</sup> Diluted EPS<sup>(3)</sup></b>	\$0.73	\$0.83 - \$0.89	\$3.20	\$3.55 - \$3.75	\$3.61 - \$3.76
<b>MSM Chip Shipments</b>	120M	144M - 152M	483M	not provided	not provided
<b>Total Reported Device Sales<sup>(4)(5)</sup></b>	\$36.4B	\$43.0B - \$47.0B	\$149.5B	not provided	not provided

(1), (2), (3), (4) & (5) See Footnotes page at the end of the presentation.

\* Guidance as of Feb. 1, 2012.

# Qualcomm MSM Chip Shipments

Calendar year, millions, as of April 18, 2012

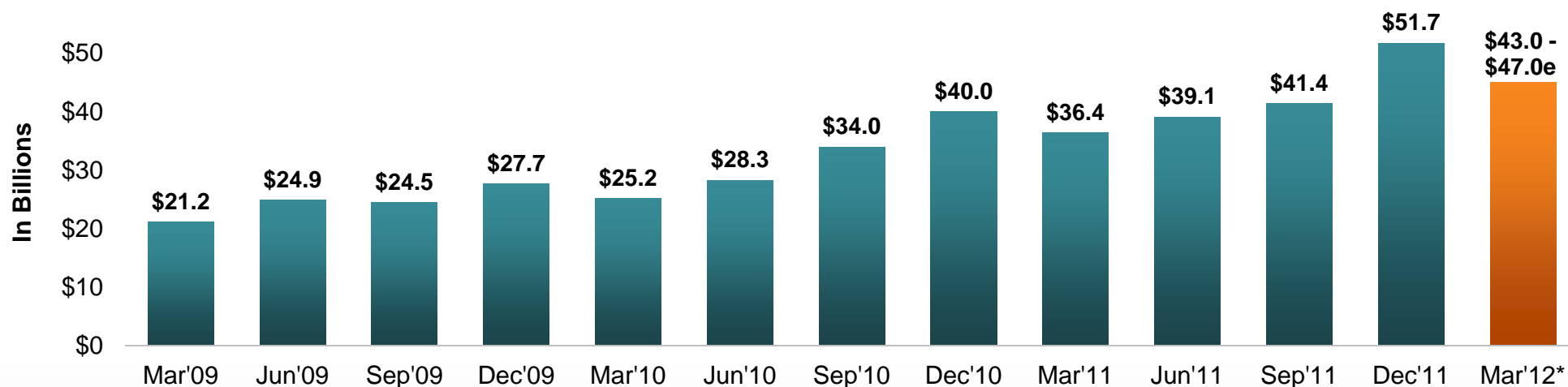




# Quarterly Total Reported Device Sales<sup>(4)(5)</sup>

## Reported by Qualcomm licensees

- ▶ **210+** CDMA-based licensees; **135+** licensed for WCDMA/TD-SCDMA.
- ▶ **20+** royalty-bearing single-mode OFDM/OFDMA licensees.



Est. ASP <sup>(4)(5)</sup>	\$193-199	\$200-206	\$189-195	\$182-188	\$183-189	\$179-185	\$201-207	\$200-206	\$209-215	\$204-210	\$212-218	\$211-217	not
Est. Shipments <sup>(4)(5)</sup>	106-110M	120-124M	126-130M	148-152M	134-138M	153-157M	165-169M	195-200M	170-174M	187-191M	191-195M	239-243M	provided

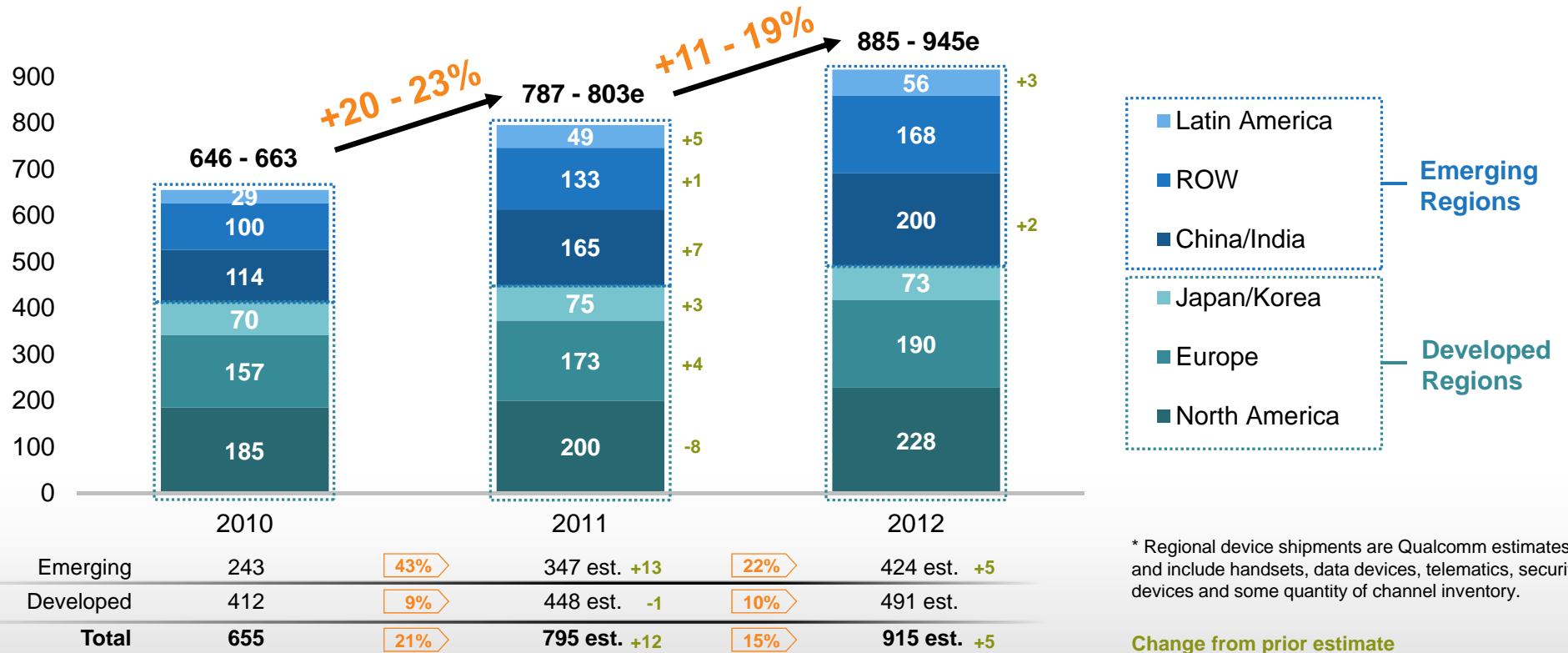
(4) & (5) See Footnotes page at the end of the presentation.

\* Guidance as of Apr. 18, 2012.



# Regional\* 3G/4G Device Shipment Estimates<sup>(4)</sup>

Calendar year, millions, midpoints<sup>(7)</sup>, as of April 18, 2012



\* Regional device shipments are Qualcomm estimates and include handsets, data devices, telematics, security devices and some quantity of channel inventory.

Change from prior estimate

(4) and (7) See Footnotes page at the end of the presentation.

# Quarterly Estimated 3G/4G Device Shipments & ASP Trend<sup>(4)(5)</sup>

	FY'10				FY'11				FY'12		
	Sep '09	Dec '09	Mar '10	Jun '10	Sep '10	Dec '10	Mar '11	Jun '11	Sep '11	Dec '11	Mar '12**
<b>Qtr. Total Reported Device Sales (\$B)</b>	\$24.5	\$27.7	\$25.2	\$28.3	\$34.0	\$40.0	\$36.4	\$39.1	\$41.4	\$51.7	\$43.0 - \$47.0e
<b>FY Total Reported Device Sales (\$B)</b>				\$105.7				\$149.5			
<b>Qtr. Device Shipments* (M)</b>	128	150	136	155	167	198	172	189	193	241	
<b>CY Device Shipments* (M)</b>		508				655					CY'11: 787 - 803e CY'12: 885 - 945e
<b>FY Device Shipments* (M)</b>				569				726			
<b>Qtr. Device ASP*</b>	\$192	\$185	\$186	\$182	\$204	\$203	\$212	\$207	\$215	\$214	
<b>FY Device ASP*</b>				\$186				\$206			\$207 - \$217e

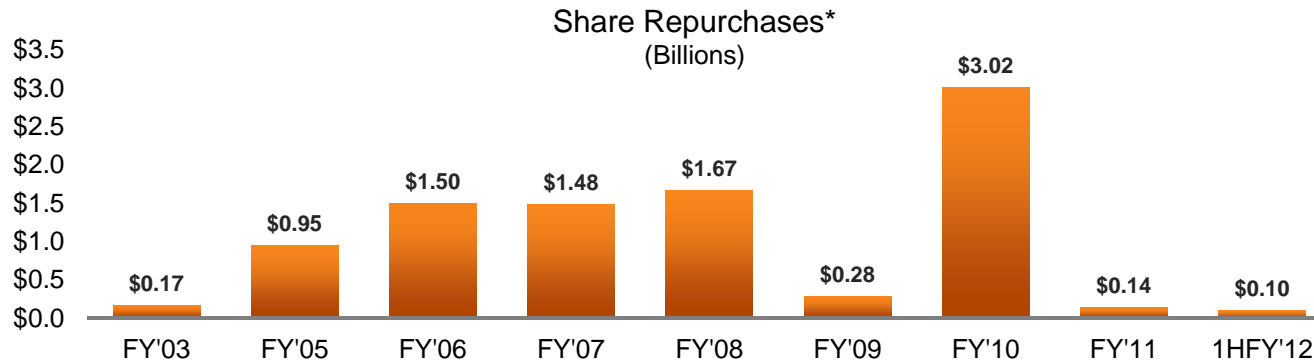
(4) & (5) See Footnotes page at the end of the presentation.

\* Midpoints, see note (7) on the Footnotes page at the end of the presentation.

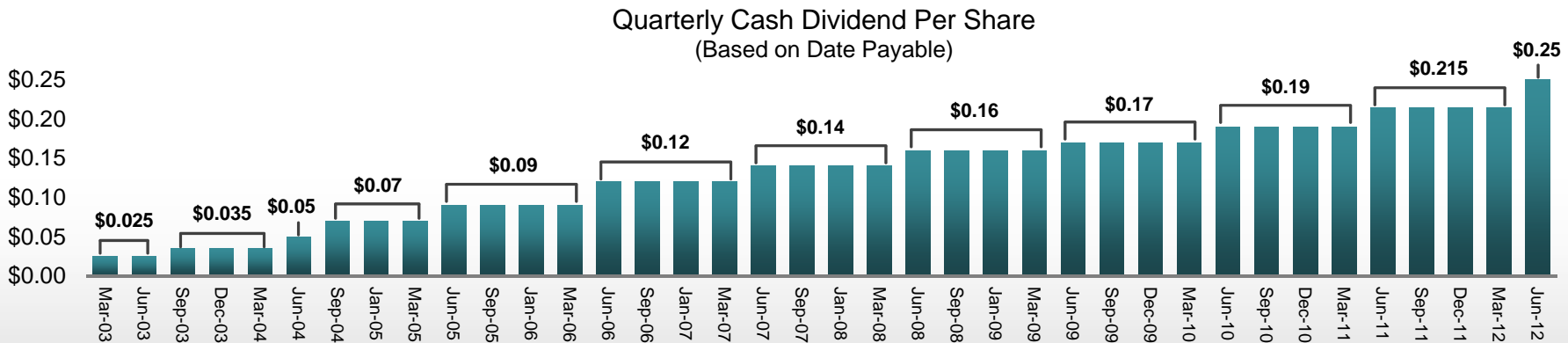
\*\* Guidance as of Apr. 18, 2012. Note: Sums of quarterly amounts may not equal totals due to rounding.

# Cumulative \$17.2 Billion Returned to Stockholders

As of March 25, 2012



- ▶ **\$3.5 billion** available for repurchase under current BOD authorization, net of put options outstanding.
- ▶ In connection with our stock repurchase program, we have three put options outstanding that may require us to repurchase an aggregate of 11.8 million shares of our common stock upon exercise for a net cost of \$511 million (net of the premiums received).



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.

\* Gross repurchases.

# Financial Strength

In Billions	Mar '11	Mar'12	
<b>Domestic</b>	\$8.1	\$10.1	<b>Cash Resources and Operating/ Stock Repurchases Flexibility</b>
<b>Offshore</b>	\$14.0	\$16.5	
<b>Total Cash &amp; Marketable Securities</b>	\$22.1	\$26.6	
<b>Total Assets</b>	\$33.8	\$41.5	<b>Solid Balance Sheet</b>
<b>Stockholders' Equity</b>	\$25.0	\$31.9	
<b>Debt*</b>	\$1.3	\$1.2	
<b>EBITDA**</b>	\$1.7	\$1.8	<b>Cash Flow to Support Future Growth and Dividends</b>
<b>Non-GAAP<sup>(2)</sup> Free Cash Flows***</b>	\$1.9	\$1.8	

\* Includes capital leases and loans payable related to the BWA spectrum won in India.

\*\* EBITDA is defined as earnings (loss) from continuing operations before interest, taxes, depreciation and amortization. Mar'11 excluded \$273 million in depreciation and amortization expense that was included in discontinued operations.

\*\*\* Free cash flows is defined as net cash provided by operating activities less capital expenditures.

(2) See Footnotes page at the end of the presentation.

# Footnotes

1. Revenues, operating expenses, operating income, earnings before tax (EBT) and effective tax rates throughout this presentation are from continuing operations (i.e., before discontinued operations and the adjustment for noncontrolling interests), unless otherwise stated.
2. Non-GAAP results exclude the Qualcomm Strategic Initiatives (QSI) segment, certain share-based compensation, certain acquisition-related items and certain tax items.
3. Net income and diluted earnings per share throughout this presentation are attributable to Qualcomm (i.e., after discontinued operations and adjustment for noncontrolling interests), unless otherwise stated.
4. Total reported device sales is the sum of all reported sales in U.S. dollars (as reported to us by our licensees) of all licensed CDMA-based, OFDMA-based and multimode CDMA/OFDMA subscriber devices (including handsets, modules, modem cards and other subscriber devices) by our licensees during a particular period (collectively "3G/4G devices"). The reported quarterly estimated ranges of ASPs and unit shipments are determined based on the information as reported to us by our licensees during the relevant period and our own estimates of the selling prices and unit shipments for licensees that do not provide such information. Not all licensees report sales, selling prices and/or unit shipments the same way (e.g., some licensees report selling prices net of permitted deductions, such as transportation, insurance and packing costs, while other licensees report selling prices and then identify the amount of permitted deductions in their reports), and the way in which licensees report such information may change from time to time. Total reported device sales, estimated unit shipments and estimated ASPs for a particular period may include prior period activity that was not reported by the licensee until such particular period.
5. Royalties are recognized when reported, generally one quarter following shipment.
6. The following should be considered with regards to the current fiscal results and comparisons: The second quarter of fiscal 2012 GAAP and Non-GAAP results included the results of Qualcomm Atheros, Inc., which was acquired in the third quarter of fiscal 2011. The second quarter of fiscal 2011 GAAP and Non-GAAP results included \$401 million in revenues relating to prior quarters as a result of agreements entered into with two licensees to settle disputes.
7. The midpoints of the estimated calendar year ranges are identified for comparison purposes only and do not indicate a higher degree of confidence in the midpoints.

# Reconciliations

# Non-GAAP Results

In millions except per share data

SEGMENTS	Non-GAAP (1)	QSI* (1)	Share-Based Compensation* (1)	Acquisition- Related Items (1) (2)	Tax Items	GAAP*
<b>Q2 - FISCAL 2012</b>						
Operating income (loss)	\$1,900	(\$89)	(\$240)	(\$57)	\$ -	\$1,514
Net income (loss)	1,759	707	(184)	(52)	-	2,230
Diluted EPS	\$1.01	\$0.41	(\$0.11)	(\$0.03)	\$ -	\$1.28
<i>Change from prior year</i>	17%	N/M	(22%)	N/A	N/M	117%
Diluted shares used	1,743	1,743	1,743	1,743	1,743	1,743
<b>Q2 - FISCAL 2011</b>						
Net income (loss)	\$1,450	(\$296)	(\$146)	(\$6)	(\$3)	\$999
Diluted EPS	\$0.86	(\$0.18)	(\$0.09)	\$0.00	\$0.00	\$0.59
Diluted shares used	1,689	1,689	1,689	1,689	1,689	1,689
<b>Q3 - FISCAL 2011</b>						
Net income (loss)	\$1,240	\$19	(\$147)	(\$73)	(\$4)	\$1,035
Diluted EPS	\$0.73	\$0.01	(\$0.09)	(\$0.04)	\$0.00	\$0.61
Diluted shares used	1,709	1,709	1,709	1,709	1,709	1,709
<b>12 MONTHS - FISCAL 2011</b>						
Net income (loss)	\$5,407	(\$385)	(\$624)	(\$200)	\$62	\$4,260
Diluted EPS	\$3.20	(\$0.23)	(\$0.37)	(\$0.12)	\$0.04	\$2.52
Diluted shares used	1,691	1,691	1,691	1,691	1,691	1,691

(1) At fiscal year end, the sum of the quarterly tax provisions (benefits) for each column equals the annual tax provision (benefit) for each column computed in accordance with GAAP. In interim quarters, the sum of these provisions (benefits) may not equal the total GAAP tax provision, and starting in fiscal 2012, this difference is allocated to tax provisions (benefits) among the columns. In interim quarters of prior years, it was included in QSI because variability in QSI results was considered the primary driver of the difference.

(2) In addition to our historical practice of excluding acquired in-process research and development expenses, starting with acquisitions completed in the third quarter of fiscal 2011, Non-GAAP results also exclude other items related to acquisitions. During fiscal 2012, acquisition-related items consisted of amortization of certain intangible assets.

\* As adjusted for discontinued operations.

N/M – Not Meaningful

N/A – Not Applicable

Sums may not equal totals due to rounding.



# Non-GAAP Free Cash Flow

In millions

	Three Months Ended March 25, 2012			
	Non-GAAP	QSI	Share-Based Compensation	GAAP
Net cash provided (used) by operating activities	\$ 2,084	\$ (121)	\$ (75) (a)	\$ 1,888
Less: capital expenditures	<u>(276)</u>	<u>-</u>	<u>-</u>	<u>(276)</u>
Free cash flow	<u>\$ 1,808</u>	<u>\$ (121)</u>	<u>\$ (75)</u>	<u>\$ 1,612</u>

	Three Months Ended March 27, 2011			
	Non-GAAP	QSI	Share-Based Compensation	GAAP
Net cash provided (used) by operating activities	\$ 1,926	\$ (71)	\$ (87) (a)	\$ 1,768
Less: capital expenditures	<u>(75)</u>	<u>(4)</u>	<u>-</u>	<u>(79)</u>
Free cash flow	<u>\$ 1,851</u>	<u>\$ (75)</u>	<u>\$ (87)</u>	<u>\$ 1,689</u>

(a) Incremental tax benefits from stock options exercised during the period.

# EBITDA<sup>(1)</sup>

In millions

	<u>Q2 FY11 (2)</u>	<u>Q2 FY12</u>
<b>Income from continuing operations</b>	\$ 1,264	\$ 1,438
Plus: Income tax expense	355	296
Plus: Depreciation and amortization (3)	161	211
Less: Interest and dividend income, net	<u>(96)</u>	<u>(117)</u>
<b>EBITDA</b>	<u>\$ 1,684</u>	<u>\$ 1,828</u>

(1) EBITDA is defined as income from continuing operations before income tax expense, depreciation and amortization and interest and dividend income, net.

(2) As adjusted for discontinued operations.

(3) Q2 FY11 excluded \$273 in depreciation and amortization expense, that was included in discontinued operations.

# Q2'12 EPS Results vs. Guidance

	<u>Non-GAAP (1)</u>	<u>GAAP</u>
Q2 FY12 EPS Guidance (midpoint) (2)	\$0.94	\$1.23
Q2 FY12 EPS Results	1.01	1.28
Difference	<u>\$0.07</u>	<u>\$0.05</u>
 <b>Certain EPS Factors</b>		
Higher QTL earnings	\$0.04	\$0.04
Higher QCT earnings	0.02	0.02
Other factors (3)	0.01	0.01
QSI (4)	N/A	(0.02)
	<u>\$0.07</u>	<u>\$0.05</u>

(1) Non-GAAP results exclude expenses related to the QSI segment, certain share-based compensation, certain acquisition-related items and certain tax items.

(2) Provided on Feb. 1, 2012.

(3) Other factors are primarily related to higher investment income, net, largely offset by increased SG&A expenses, primarily relating to a charge for legal matters.

(4) Primarily due to a payment made to the Indian government in connection with the issuance of the BWA spectrum license.

N/A - Not Applicable

# Business Outlook

In billions except per share data, as of April 18, 2012

<b>THIRD FISCAL QUARTER</b>		
	<b>Q3 FY11 Results</b>	<b>Current Guidance Q3 FY12 Estimates</b>
<b>Non-GAAP Diluted earnings per share (EPS)</b> <i>Year-over-year change</i>	<b>\$0.73</b>	<b>\$0.83 - \$0.89</b> <i>increase 14% - 22%</i>
Diluted EPS attributable to QSI	\$0.01	(\$0.01)
Diluted EPS attributable to share-based compensation	(\$0.09)	(\$0.12)
Diluted EPS attributable to acquisition-related items	(\$0.04)	(\$0.03)
Diluted EPS attributable to tax items	\$0.00	n/a
<b>GAAP Diluted EPS</b> <i>Year-over-year change</i>	<b>\$0.61</b>	<b>\$0.67 - \$0.73</b> <i>increase 10% - 20%</i>

<b>FISCAL YEAR</b>		
	<b>FY 2011 Results</b>	<b>Current Guidance FY 2012 Estimates (1)</b>
<b>Non-GAAP Diluted EPS</b> <i>Year-over-year change</i>	<b>\$3.20</b>	<b>\$3.61 - \$3.76</b> <i>increase 13% - 18%</i>
Diluted EPS attributable to QSI	(\$0.23)	\$0.39
Diluted EPS attributable to share-based compensation	(\$0.37)	(\$0.46)
Diluted EPS attributable to acquisition-related items	(\$0.12)	(\$0.13)
Diluted EPS attributable to tax items	\$0.04	n/a
<b>GAAP Diluted EPS</b> <i>Year-over-year change</i>	<b>\$2.52</b>	<b>\$3.41 - \$3.56</b> <i>increase 35% - 41%</i>

(1) FY 2012 guidance for QSI and GAAP includes \$0.44 EPS related to a \$1.2 billion gain associated with the sale of substantially all of our 700 MHz spectrum, which was recognized in discontinued operations in Q2 FY12 and was excluded from Non-GAAP results.

Sums may not equal totals due to rounding.

# Q3'12 Combined R&D and SG&A Guidance

In millions

	Q2 FY12 Results	Q3 FY12 Guidance* (est.)
<b>Non-GAAP combined R&amp;D and SG&amp;A expenses (1)</b>	\$ 1,312	Decrease approx. 3% sequentially (+/- a couple of percentage points)
<b>QSI</b>	8	not provided
<b>Acquisition-related items</b>	6	not provided
<b>Total combined R&amp;D and SG&amp;A expenses excluding certain share-based compensation and acquisition-related items</b>	1,326	Decrease approx. 3% sequentially (+/- a couple of percentage points)
<b>Share-based compensation allocated to SG&amp;A &amp; R&amp;D</b>	223	
<b>Total GAAP combined R&amp;D and SG&amp;A expenses (2)</b>	\$ 1,549	Decrease approx. 1% sequentially (+/- a couple of percentage points)

(1) Non-GAAP combined R&D and SG&A expenses excludes expenses related to the QSI segment, certain share-based compensation and certain acquisition-related items.

(2) Q3 FY12 total GAAP combined R&D and SG&A expenses guidance includes an estimate of the share-based compensation expense allocated to R&D and SG&A.

\* Guidance as of Apr. 18, 2012.

# FY'12 Combined R&D and SG&A Guidance

In millions

	Fiscal 2011 Results	Fiscal 2012 Guidance* (est.)
<b>Non-GAAP combined R&amp;D and SG&amp;A expenses (1)</b>	\$ 4,097	Increase approx. 23% (+/- a couple of percentage points)
<b>QSI</b>	32	not provided
<b>Acquisition-related items</b>	65	not provided
<b>Total combined R&amp;D and SG&amp;A expenses excluding certain share-based compensation and acquisition-related items</b>	4,194	Increase approx. 22% (+/- a couple of percentage points)
<b>Share-based compensation allocated to SG&amp;A &amp; R&amp;D</b>	746	
<b>Total GAAP combined R&amp;D and SG&amp;A expenses (2)</b>	\$ 4,940	Increase approx. 23% (+/- a couple of percentage points)



(1) Non-GAAP combined R&D and SG&A expenses excludes expenses related to the QSI segment, certain share-based compensation and certain acquisition-related items.

(2) Fiscal 2012 total GAAP combined R&D and SG&A expenses guidance includes an estimate of the share-based compensation expense allocated to R&D and SG&A.

\* Guidance as of Apr. 18, 2012.

# Thank you

For more information on Qualcomm, visit us at:  
[www.qualcomm.com](http://www.qualcomm.com) & [www.qualcomm.com/blog](http://www.qualcomm.com/blog)

Follow us on:  

©2012 Qualcomm Incorporated. All rights reserved. Qualcomm is registered trademark of Qualcomm Incorporated.  
All the trademarks or brands in this document are registered by their respective owner.

QUALCOMM Incorporated, 5775 Morehouse Drive, San Diego, CA 92121-1714

