



July 19, 2006

# Q3 FY06 Earnings



## 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.**

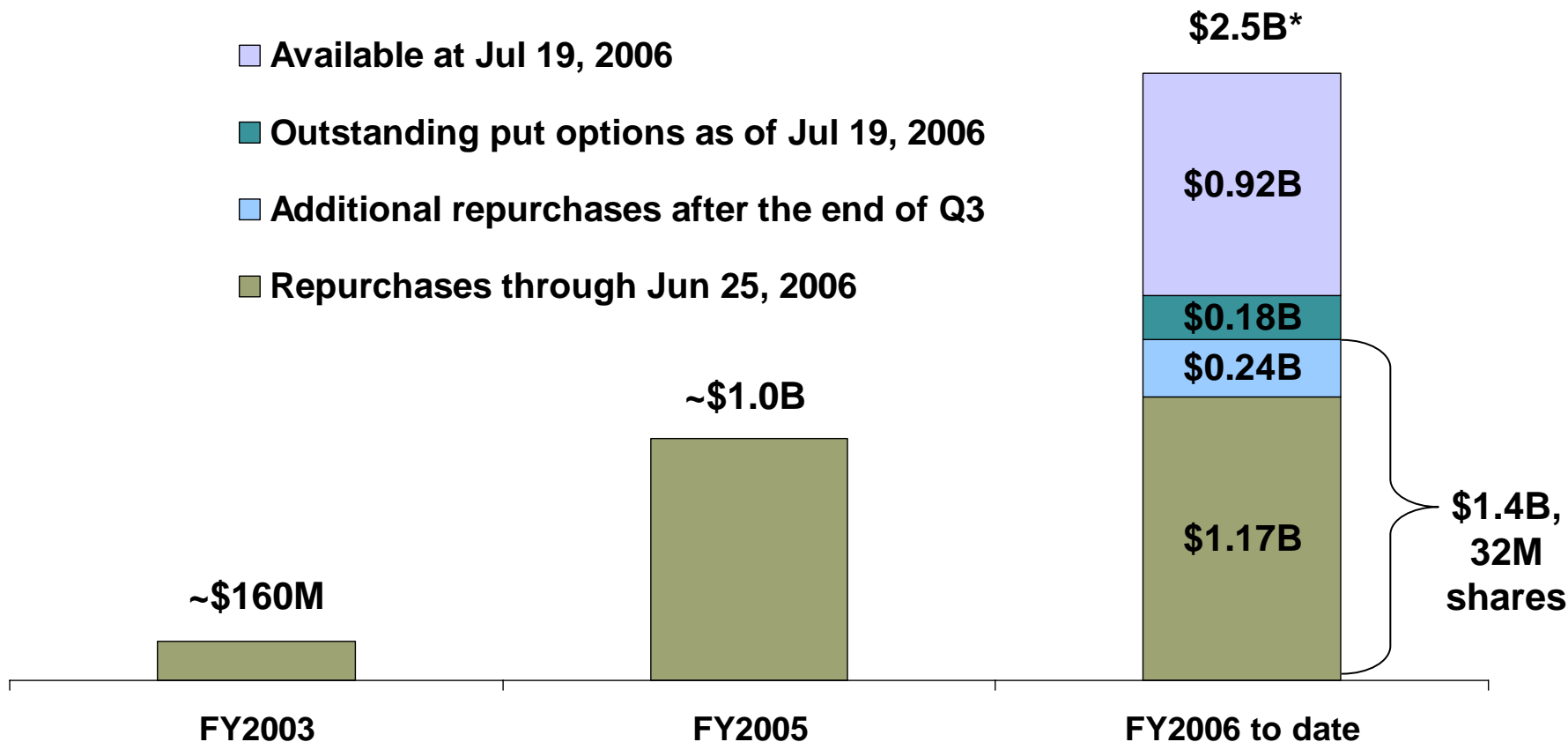
**This presentation includes a discussion of "non-GAAP financial measures" as that term is defined in Regulation G. The most directly comparable GAAP financial measures and information reconciling these non-GAAP financial measures to the company's financial results prepared in accordance with GAAP have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

## Third Fiscal Quarter 2006 Highlights – July 19, 2006

- **Fourth consecutive quarter of record revenues and chip shipments**
- **Financial guidance increased for Fiscal 2006**
- **\$1.37B in capital returned to shareholders through June 25, 2006**
  - \$202M in dividends paid
  - \$1.17B to repurchase 26.4M shares of our common stock
- **Another \$238M to repurchase 5.6M additional shares after the end of Q3**
- **Continued customer demand for our broadly segmented chipsets**
  - Strength in EV-DO and WCDMA MSMs
  - Strength in EV-DO Rev A infrastructure CSMs
- **Sequential strength in CDMA-based handset shipments in many regions**
  - WCDMA shipments in Japan, CDMA2000 in China, Japan, South Korea, and India

# Returning Capital to Shareholders Through Share Repurchase

- Available at Jul 19, 2006
- Outstanding put options as of Jul 19, 2006
- Additional repurchases after the end of Q3
- Repurchases through Jun 25, 2006



## Share Repurchase Program

\*Authorized \$2.5B on November 7, 2005, no expiration date

## Q306 Guidance Comparison

	<u>Earnings Guidance</u> <u>April 19, 2006</u>	<u>Update</u> <u>May 3, 2006</u>	<u>Update</u> <u>June 13, 2006</u>	<u>Q3 Results</u> <u>July 19, 2006</u>
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	50M - 53M est.	53M - 56M est.	55M est.	55M
CDMA2000/WCDMA handsets shipped	62 - 64M est. (Mar'06*)	62 - 64M est. (Mar'06*)	65 - 66M est. (Mar'06*)	66M (Mar'06*)
CDMA2000/WCDMA handset ASP	\$203 (Mar'06*)	\$203 (Mar'06*)	\$213 (Mar'06*)	\$213 (Mar'06*)
<b>QUALCOMM Pro Forma**</b>				
Revenues	\$1.77B - \$1.87B est.	At or slightly above the high-end of prior guidance	\$1.91B - \$1.96B est.	\$1.95B
EPS	\$0.36 - \$0.38 est.	\$0.38 - \$0.40 est.	\$0.41 - \$0.42 est.	\$0.42
<b>Total QUALCOMM</b>				
GAAP Revenues	\$1.77B - \$1.87B est.	At or slightly above the high-end of prior guidance	\$1.91B - \$1.96B est.	\$1.95B
GAAP EPS	\$0.30 - \$0.32 est.	\$0.32 - \$0.34 est.	\$0.35 - \$0.36 est.	\$0.37
Includes QSI EPS	(\$0.01) est.	(\$0.01) est.	(\$0.01) est.	\$0.00
Includes share-based compensation EPS	(\$0.05) est.	(\$0.05) est.	(\$0.05) est.	(\$0.05)

\*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 July 19, 2006 Earnings Release

	<u>Q305 Jun 05 Results</u>	<u>Q306 Jun 06 Results</u>	<u>Q406 Sep 06 Seq Guidance</u>
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	36M	55M	53M - 56M est.
CDMA/WCDMA handsets shipped	43M (Mar'05)	66M (Mar'06*)	67M - 70M est. (Jun'06*)
CDMA/WCDMA handset ASP	\$231 (Mar'05)	\$213 (Mar'06*)	\$215 est. (Jun'06*)
<b>QUALCOMM Pro Forma**</b>			
Revenues	\$1,358M	\$1,951M	\$1.88B - \$1.98B est.
Operating Expense (R&D and SG&A)	\$397M	\$536M	3 - 6% growth est.
EPS	\$0.28	\$0.42	\$0.39 - \$0.41 est.
<b>Total QUALCOMM</b>			
GAAP Revenues	\$1,358M	\$1,951M	\$1.88B - \$1.98B est.
GAAP EPS	\$0.33	\$0.37	\$0.33 - \$0.35 est.
Includes QSI EPS	\$0.05	\$0.00	(\$0.01) est.
Includes share-based compensation EPS	n/a	(\$0.05)	(\$0.05) est.
Includes tax benefits related to prior years	\$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.

# Fiscal Year Results and Guidance

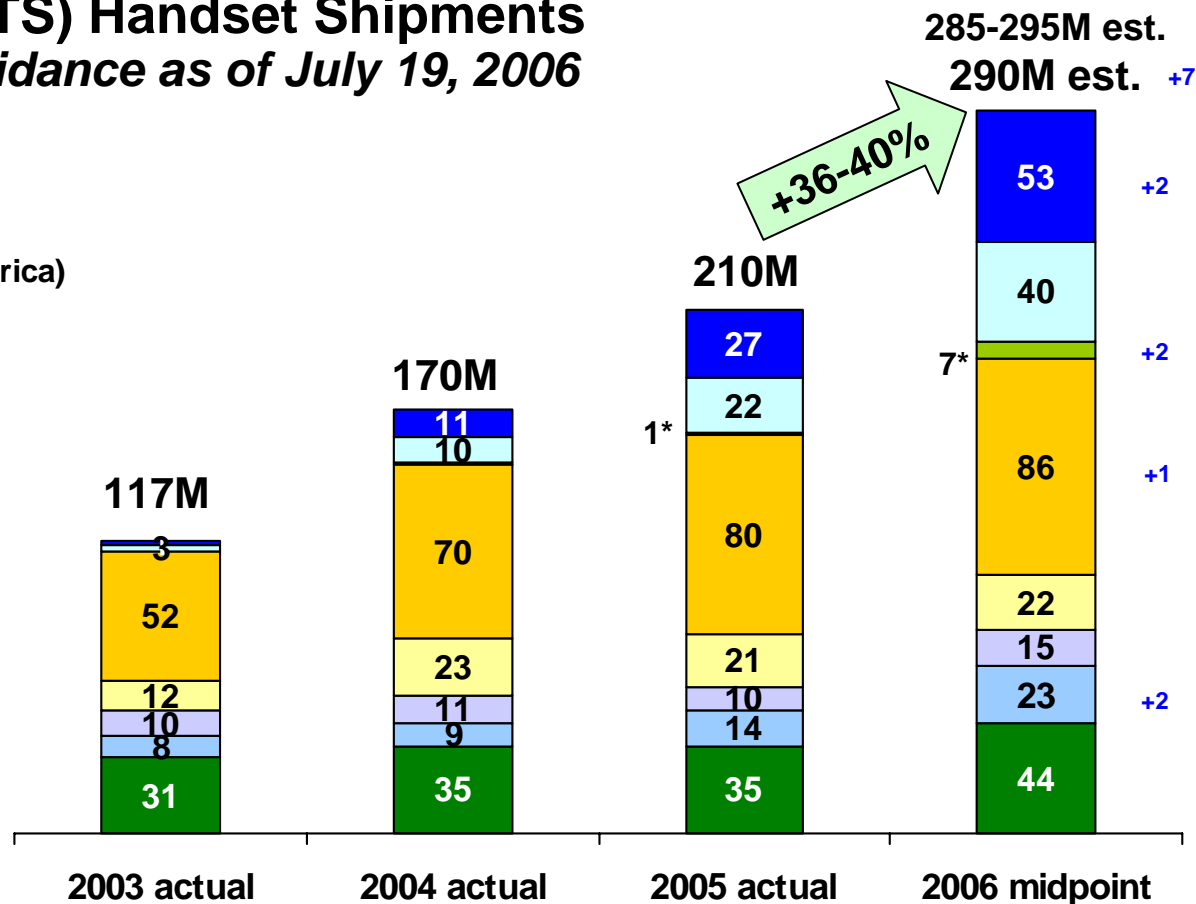
## As of July 19, 2006 Earnings Release

	<u>FY04 Results</u>	<u>FY05 Results</u>	<u>FY06 Seq Guidance</u>
3G MSM phone chips (CDMA2000 1X, 1xEV-DO, WCDMA)	137M	151M	204M - 207M est.
For fiscal year royalty calculations:			
CDMA2000/WCDMA handsets shipped (July-June)	146M	182M	252M - 255M est.
CDMA2000/WCDMA handset ASP	\$205	\$215	\$213 est.
QUALCOMM Pro Forma*			
Revenues	\$5,031M	\$5,673M	\$7.4B - \$7.5B est.
Operating Expense (R&D and SG&A)	\$1,246M	\$1,573M	28 - 29% growth est.
EPS	\$1.07	\$1.16	\$1.61 - \$1.63 est.
Total QUALCOMM			
GAAP Revenues	\$4,880M	\$5,673M	\$7.4B - \$7.5B est.
GAAP EPS	\$1.03	\$1.26	\$1.40 - \$1.42 est.
Includes QSI EPS	\$0.01	\$0.06	(\$0.03) est.
Includes estimated share-based compensation	n/a	n/a	(\$0.20) est.
Includes tax benefits related to prior yrs	n/a	\$0.04	\$0.03 est.
Includes in-process R&D	n/a	n/a	(\$0.01) est.

\*Pro forma results exclude the QSI segment, share-based compensation, 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.

# CDMA and WCDMA (UMTS) Handset Shipments Calendar Year (Millions), Guidance as of July 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
<b>CDMA</b>	<b>113M</b>	<b>148M</b>	<b>160M</b>	<b>190M est.</b>
<b>WCDMA</b>	<b>4M</b>	<b>22M</b>	<b>50M</b>	<b>100M est.</b>

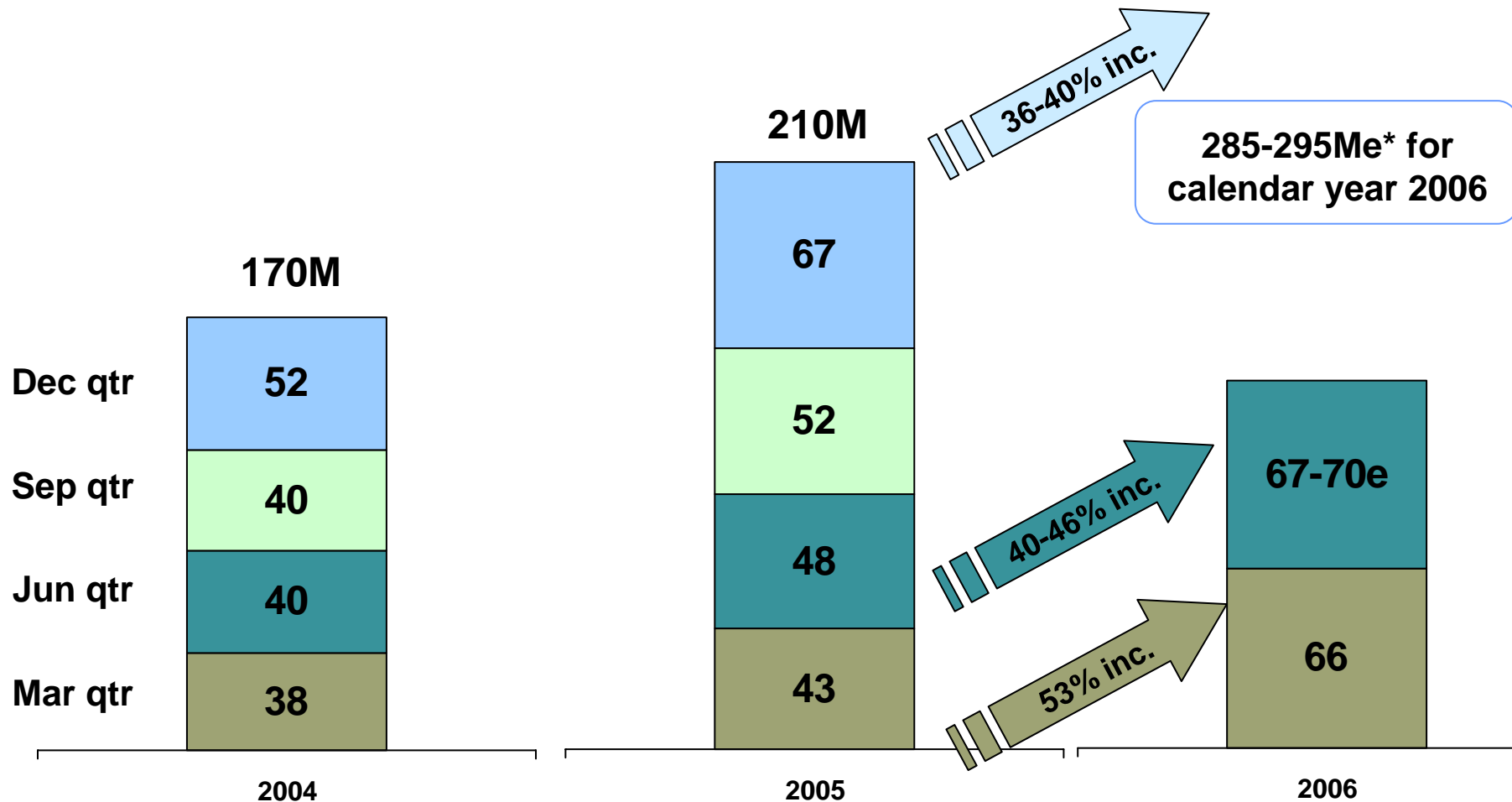
Note: Regional handset shipment estimates are midpoint estimates and include data devices, telematics, security devices and some quantity of channel inventory.

\*WCDMA ROW includes North America

Change from prior guidance

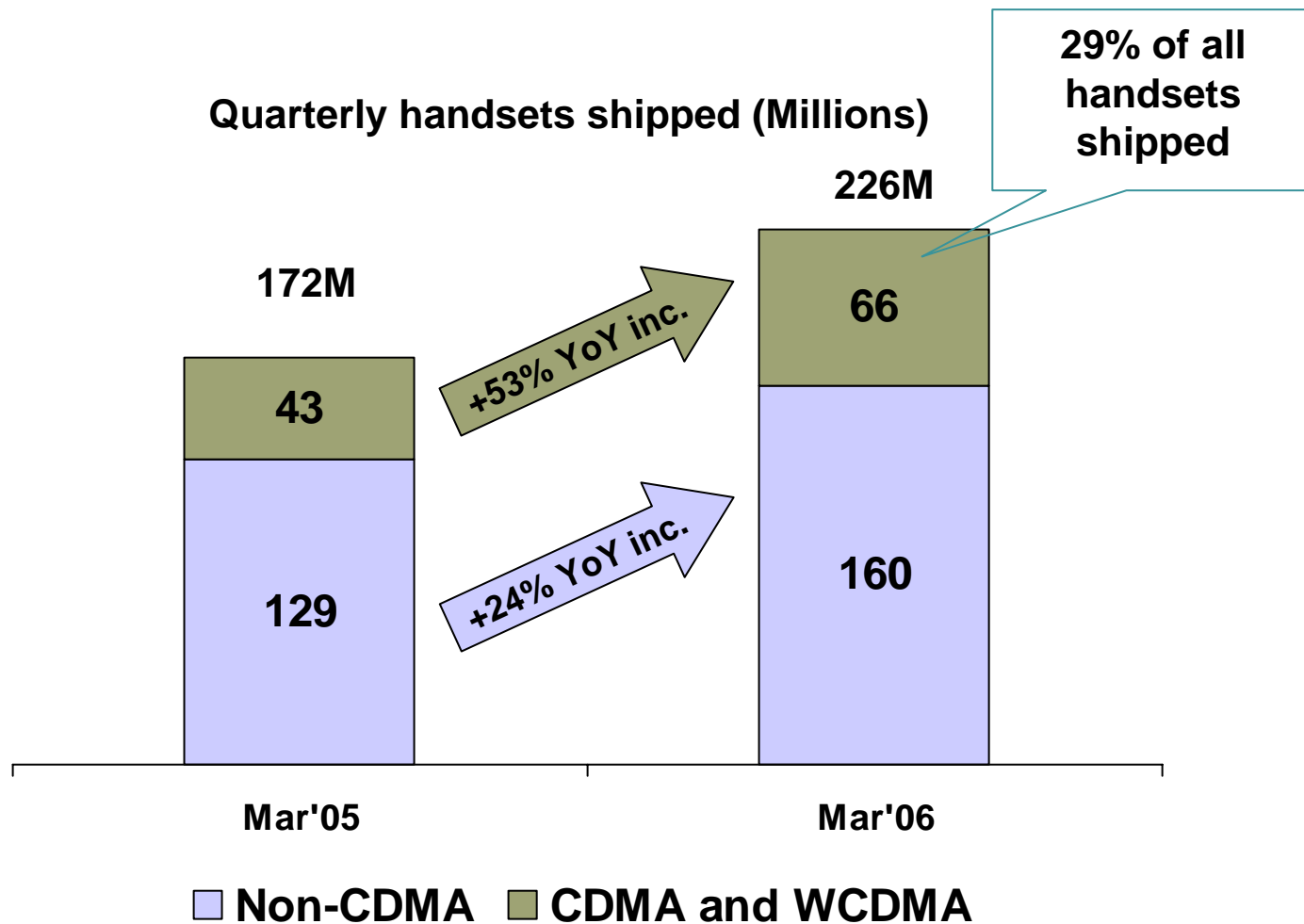


# Worldwide CDMA and WCDMA Phone Shipments (Calendar Year, Millions)



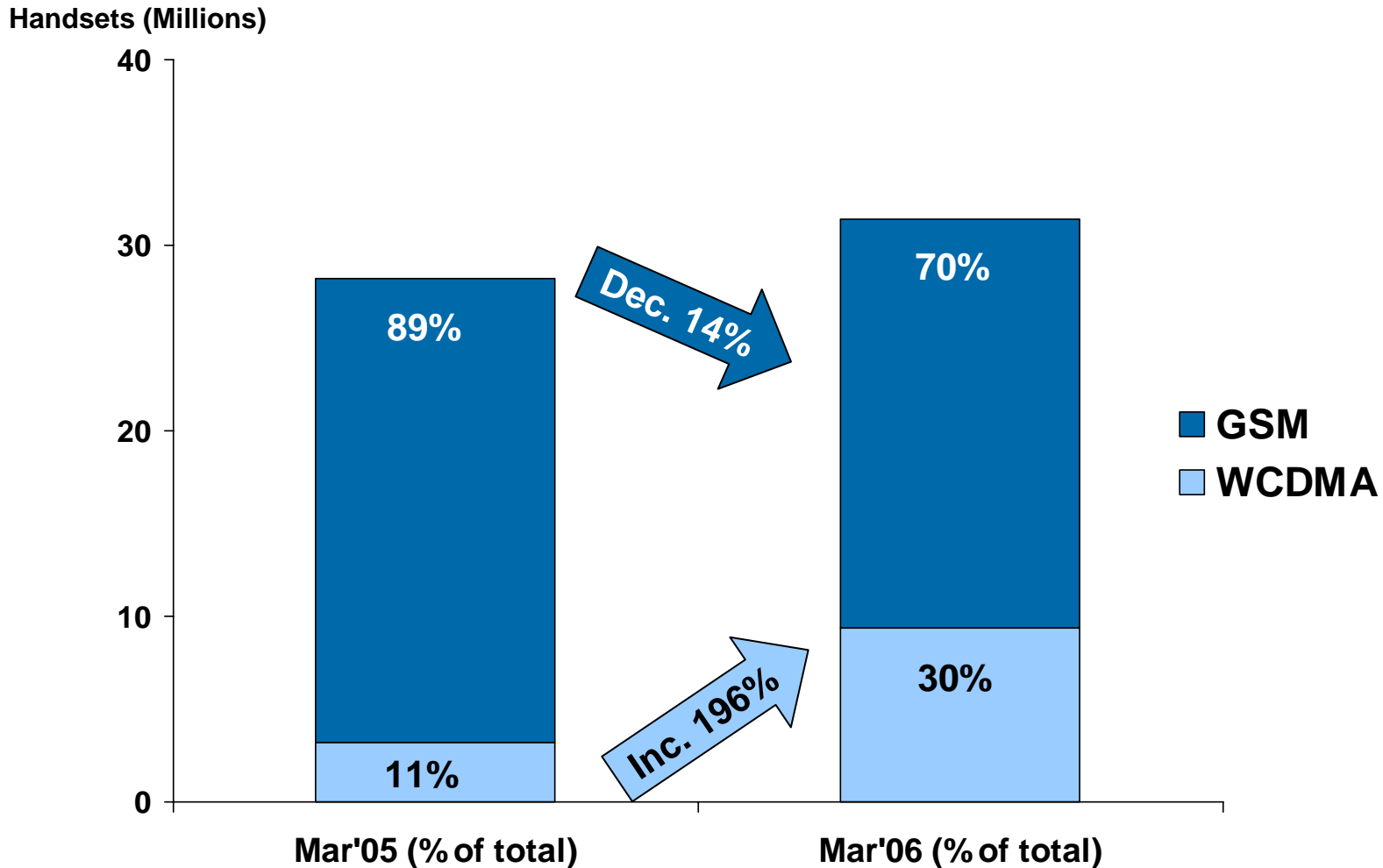
\*Guidance as of July 19, 2006

# CDMA and WCDMA Handset Growth Rate More than Double Non-CDMA



Source: Total handsets as reported by Strategy Analytics Global Handset Market Update Q106, May 2006; CDMA handsets and GSM/WCDMA as reported by handset manufacturers.

# WCDMA Represented 30% of Handset Shipments in W. Europe in the March Quarter



# Quarterly CDMA/WCDMA Handset Shipments and ASP Trend

	FY02	FY03				FY04				FY05				FY06			
	Jun'02	Sep'02	Dec'02	Mar'03	Jun'03	Sep'03	Dec'03	Mar'04	Jun'04	Sep'04	Dec'04	Mar'05	Jun'05	Sep'05	Dec'05	Mar'06	Jun'06
Handset shipments	19	23	27	26	23	31	37	38	40	40	52	43	48	52	67	66	67-70e
Calendar year		87				117				170				210			
Fiscal year	78	99				146				182				252-255e			
Handset ASP	\$202	\$190	\$197	\$190	\$193	\$194	\$188	\$225	\$212	\$212	\$207	\$231	\$213	\$215	\$208	\$213	\$215e
Fiscal year ASP	\$194	\$192				\$205				\$215				\$213e			

 Quarterly CDMA/WCDMA handset shipments (Millions of units)

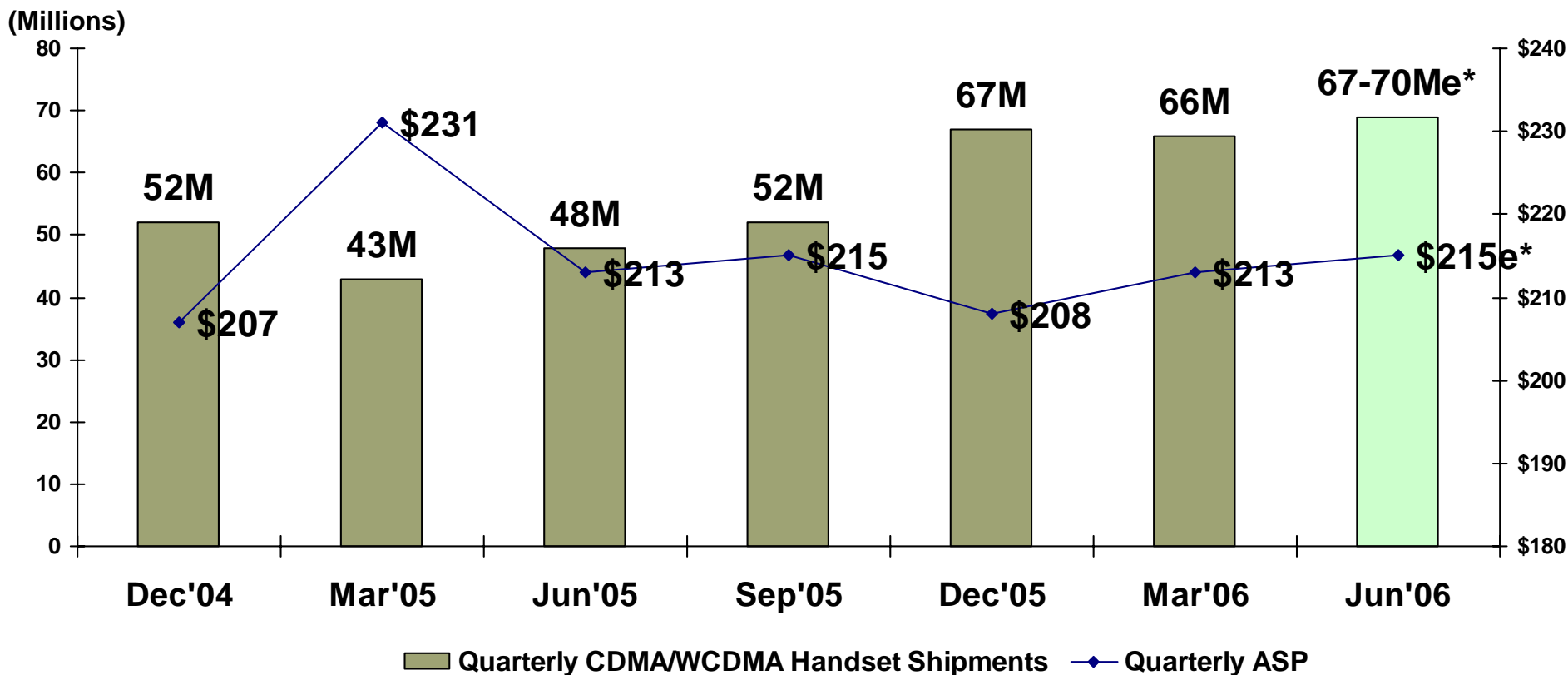
 Quarterly Average Selling Price (ASP)

 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 July 19, 2006

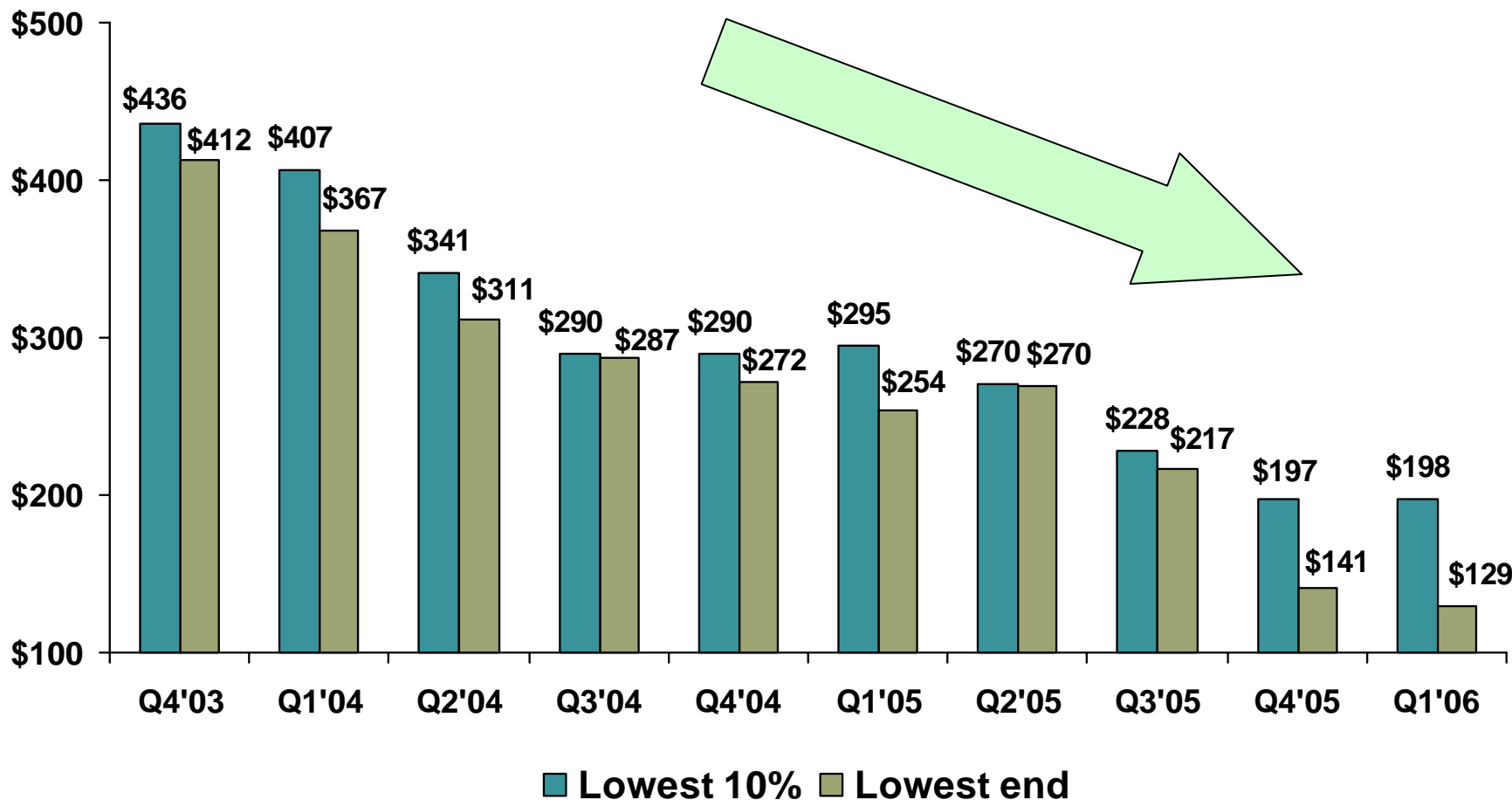
# Quarterly CDMA and WCDMA Handset Shipments and ASP Trend



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

\*Guidance as of July 19, 2006

# Competition Lowers the Cost of WCDMA (UMTS) Handsets

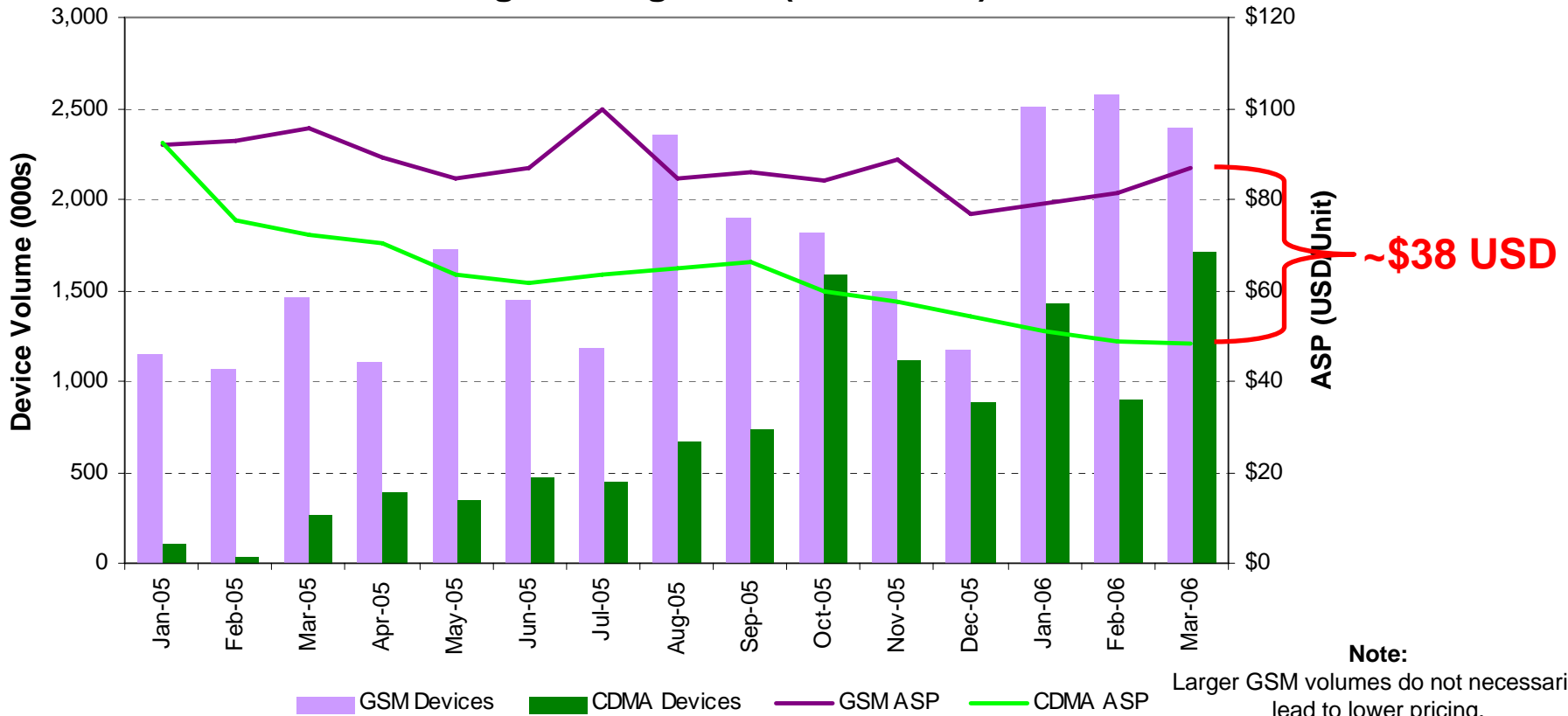


Note: WCDMA phones sold per calendar quarter; lowest end sold in quantities of approx 50,000 units or higher  
Note: Data derived from licensee reports. Does not include modules.

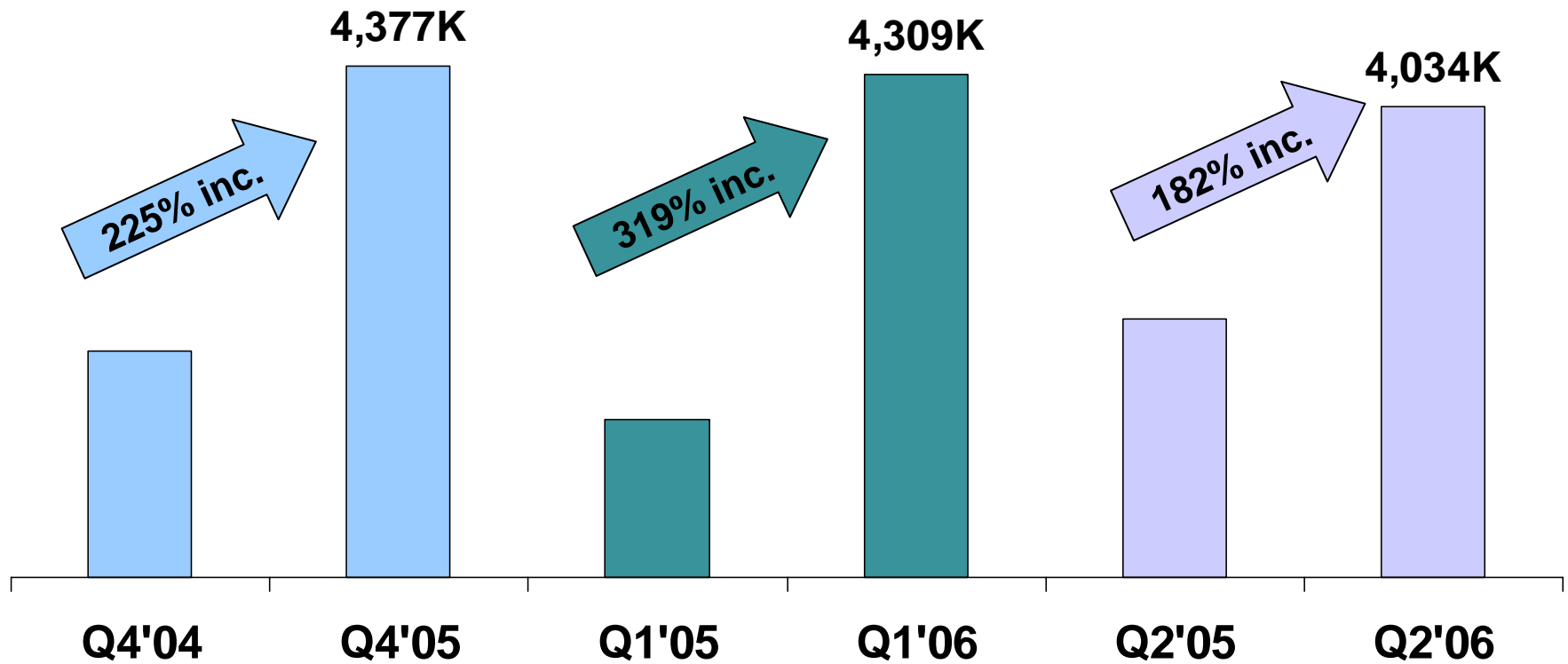
Source: QUALCOMM Incorporated

# CDMA2000 Handset ASPs Lower than GSM by ~\$38 in India

India Total Handset Shipments  
and  
Average Selling Price (Wholesale)

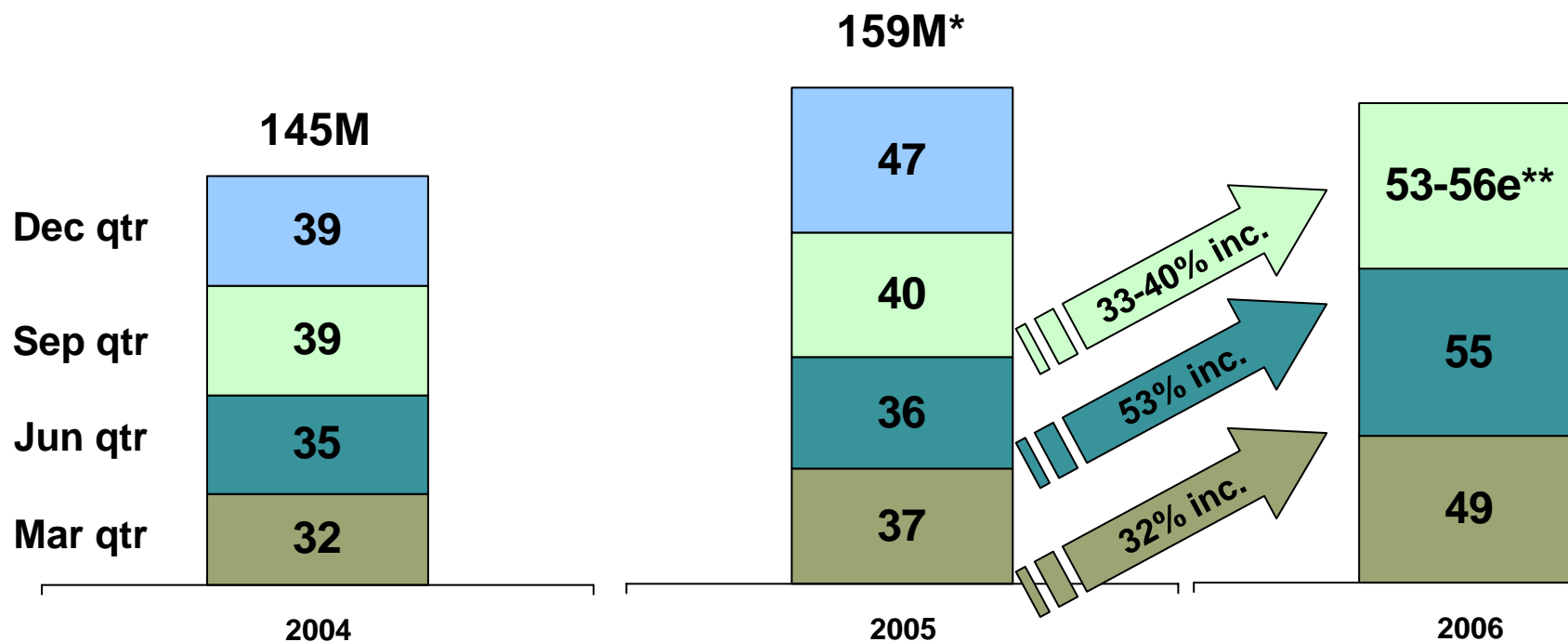


# India CDMA Subscriber Net Adds YOY Increases *Averaging Over 4M+ Last Three Quarters*





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

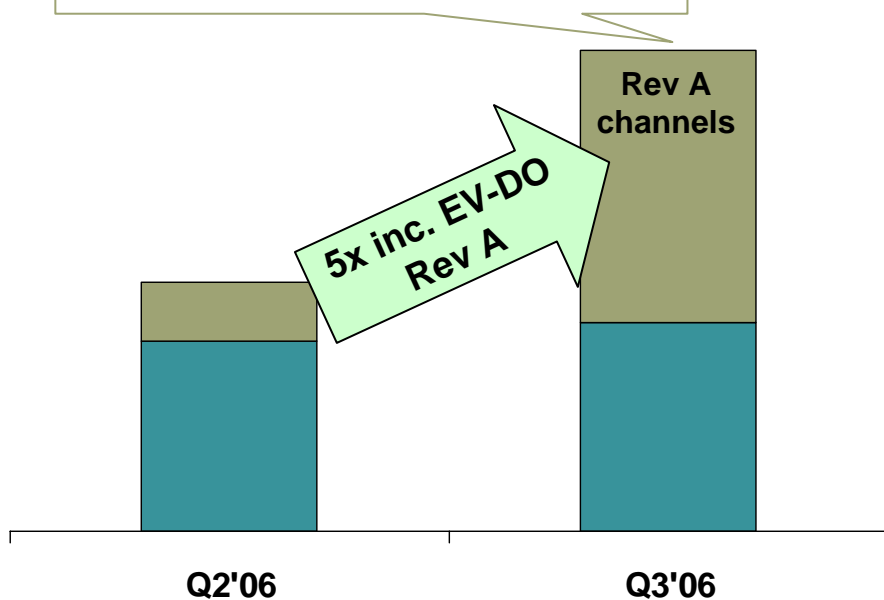


\*Sum of quarterly amounts do not equal total due to rounding.

\*\*Guidance as of July 19, 2006

# EV-DO Growth Highlights

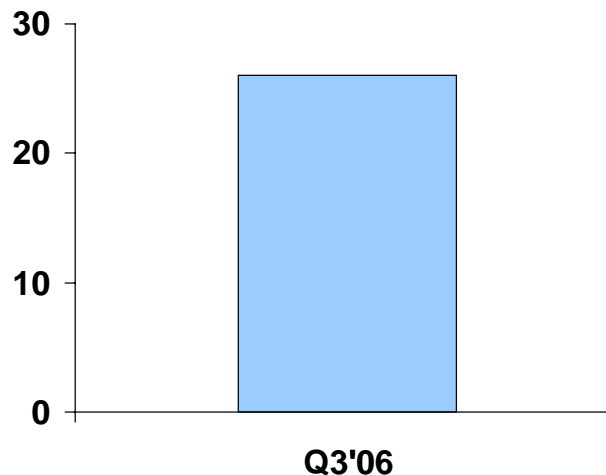
Record number of cell site modem voice-equivalent channel elements shipped in the quarter



Announced plans to upgrade to EV-DO Rev A:



## New EV-DO Device Launches with QUALCOMM Chips



65nm  
EV-DO Rev A

Sampled ahead of schedule, expect device launches Q4'06

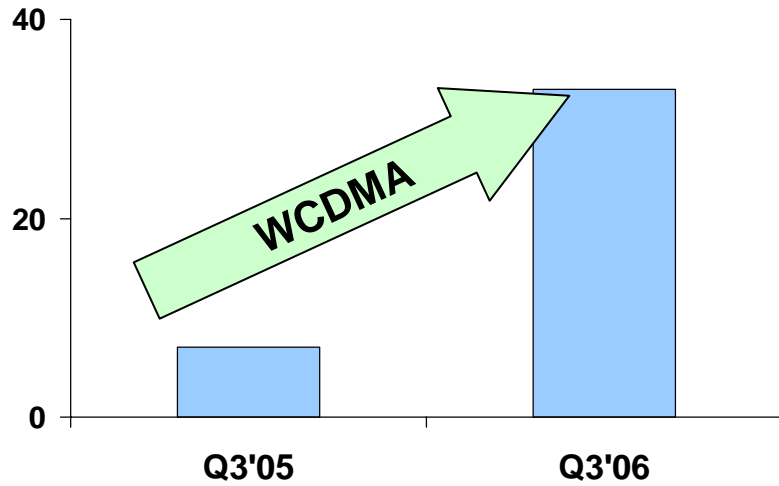
## The Shift Toward VoIP in a Mobile Environment

- **QUALCOMM completes first field demonstration of high quality VoIP in a loaded wireless Wide Area Network (WAN), June 2006**
  - **Voice on EV-DO Rev A**
    - 60+ VoIP calls per Sector in 1.25 MHz
    - Field tests conducted in mobile, pedestrian, and fixed environments
  - **In-band migration to fully packet-based networks**
  - **Significantly higher data rates via EV-DO Rev B multi-carrier operation**
  - **Advanced techniques ensure comparable quality to 1X circuit-switched voice services**
- **Developing VoIP capabilities and data rate enhancement techniques for WCDMA/HSPA networks**

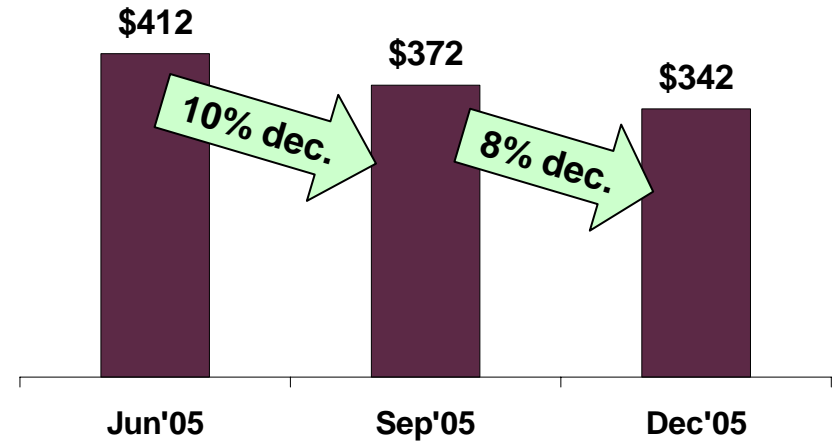


# WCDMA Growth Highlights

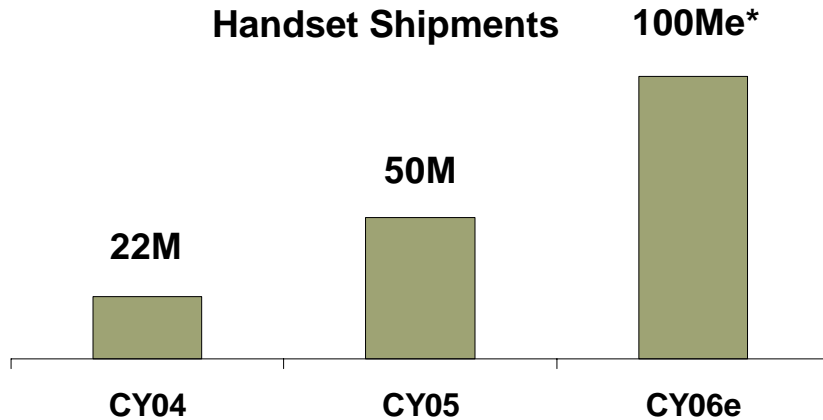
WCDMA Device Launches with QUALCOMM Chips Per Quarter



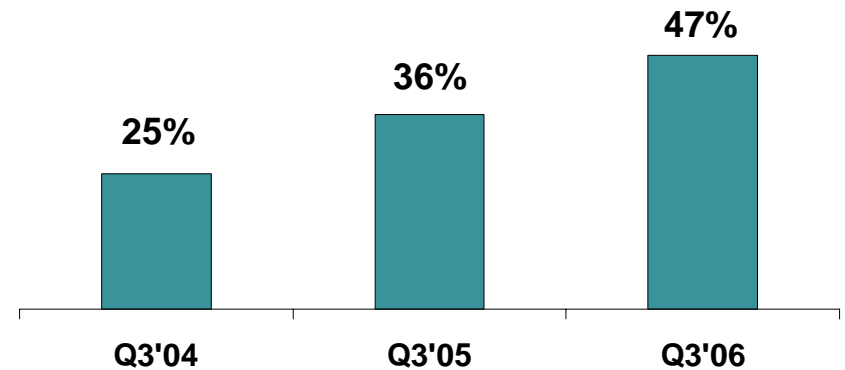
WCDMA Handset ASP



Worldwide WCDMA Handset Shipments



Percentage of Reported Royalties From WCDMA Products

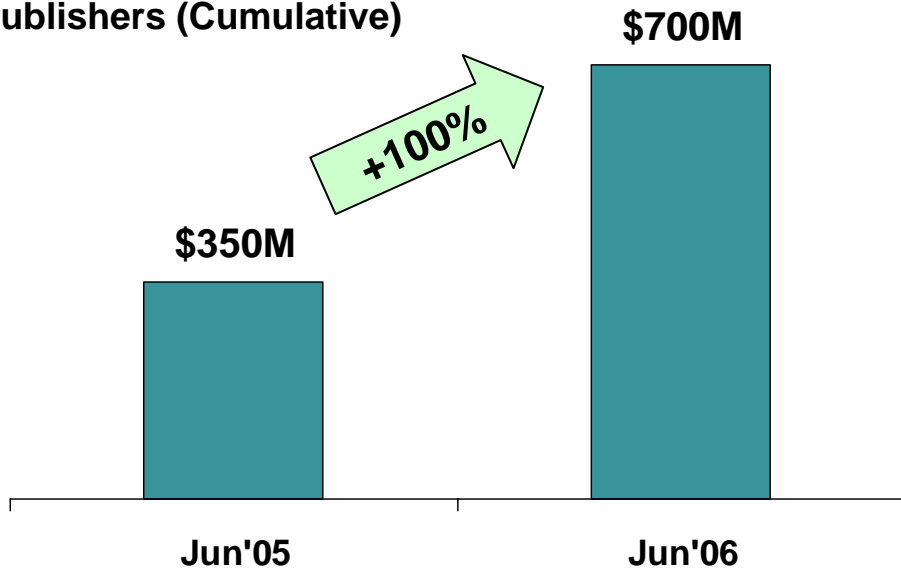


\*As of July 19, 2006

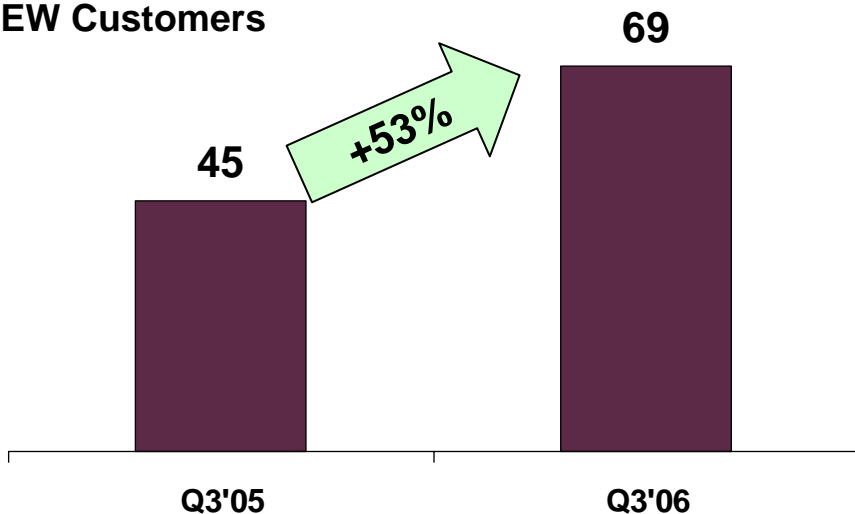
# QUALCOMM Wireless & Internet Group (QWI)



Revenues Earned by BREW Developers and Publishers (Cumulative)



BREW Customers



June 2005	June 2006
34	44
Device Manufacturers	
24	31
Countries with BREW Solutions	

deliveryOne

36

marketOne

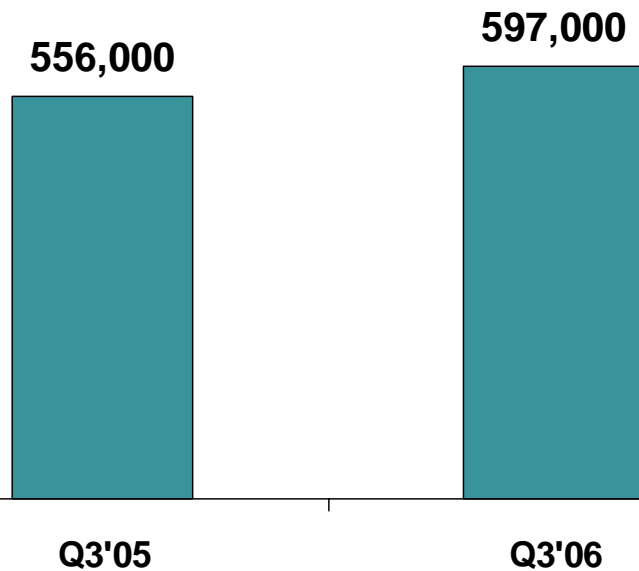
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uiOne

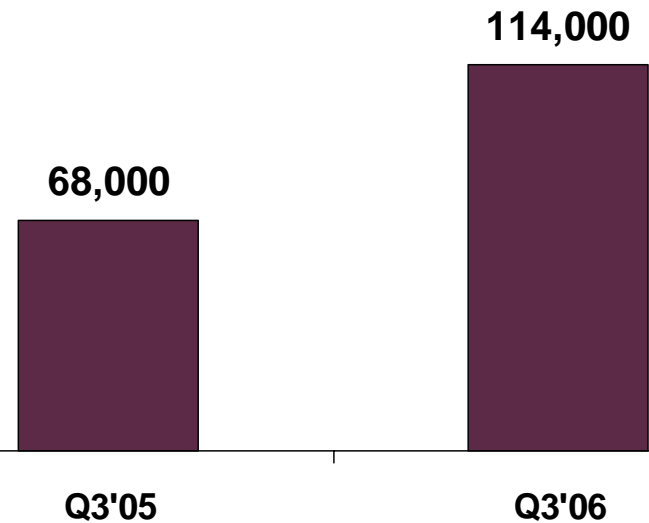
5

# QUALCOMM Wireless Business Solutions (QWBS) Highlights

Satellite-based systems shipped worldwide  
(Cum)



Terrestrial-based systems shipped worldwide  
(Cum)



## MediaFLO Highlights

- **MediaFLO USA**
  - **Opened Broadcast Operation Center (BOC) and Network Operations Center (NOC) in San Diego**
  - **Conducting service trials for expected Verizon Wireless launch**
- **MediaFLO**
  - **Letter of intent with British Sky Broadcasting, Ltd. (BSkyB) for technology trials in the U.K.**
    - **Trial will feature 10 channels of BSkyB content**
  - **Expect BSkyB to be first of many more FLO technology trials in Europe, Asia and other parts of the world, including the QUALCOMM KDDI JV to explore the MediaFLO services in Japan**
  - **TIA engineering subcommittee approved unanimously to publish FLO Forum sponsored FLO Air Interface Spec as TIA-1099**

MediaFLO™



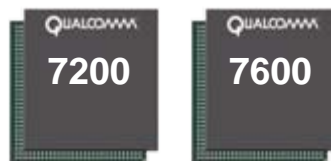
# HSDPA Leadership with QUALCOMM

## *First Fully Tested Solutions for HSDPA Networks*

- First HSDPA in Europe and U.S.
- 5/6 HSDPA data cards use QUALCOMM chips
- Early sampling of HSDPA chipsets in 65nm technology

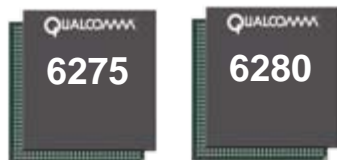


Cingular  
LG CU500



CDMA HSDPA 65nm chip

**Convergence**



Up to 7.2Mbps

**Enhanced**



Early sample at 65nm

**Multimedia**



Vodafone  
Samsung ZV50



Fujitsu Lifebook  
E8210



# Industry First Commercialization Milestones Achieved for HSUPA

- **Significant milestones toward bringing fully wireless broadband capabilities to WCDMA (UMTS) networks in 2007 including:**
  - **Successful completion on industry's first HSUPA test calls delivering 2.0Mbps on the uplink**
  - **Launch of interoperability testing with multiple leading infrastructure providers**
  - **10 major device manufacturers now designing products based on QUALCOMM's HSUPA chipset solution**



## QUALCOMM Chip Innovation

- **QUALCOMM introduces world's first universal mobile TV chip, Universal Broadcast Modem (UBM)**
  - **FLO™**
  - **DVB-H**
  - **One-segment ISDB-T**
  - **Single-chip modem drives TV to the phone for global mass markets**
- **QUALCOMM collaboration with Microsoft**
  - **Integrated support for Windows Mobile on QUALCOMM's Convergence Platform**
    - **EV-DO**
    - **WCDMA**
  - **Wider range of Windows Mobile Smartphones using QUALCOMM MSM, available early 2007**

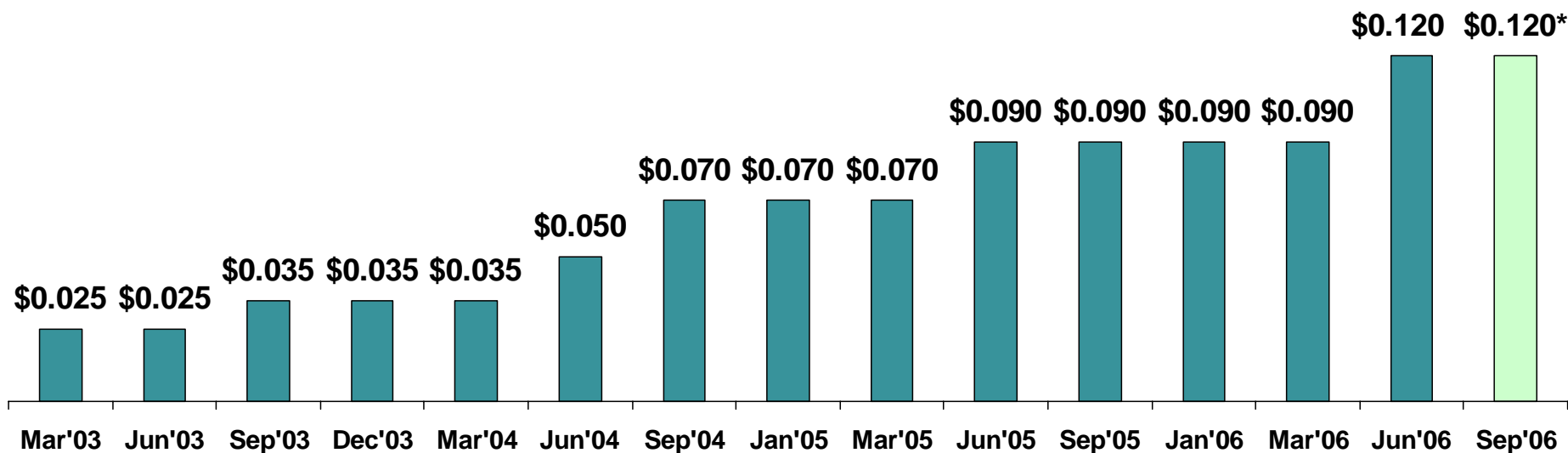
## Balance Sheet

<b>(\$Billions)</b>	<b><u>Jun</u> <u>2005</u></b>	<b><u>Jun</u> <u>2006</u></b>
<b>Cash &amp; Marketable Securities</b>	<b>\$7.9</b>	<b>\$9.5</b>
<b>Receivables, Inventory</b>	<b>\$0.8</b>	<b>\$0.9</b>
<b>Fixed Assets &amp; Goodwill</b>	<b>\$1.4</b>	<b>\$2.7</b>
<b>Deferred Tax Assets &amp; Other</b>	<b>\$1.5</b>	<b>\$1.6</b>
<b>Total Assets</b>	<b>\$11.6</b>	<b>\$14.7</b>
<b>Total Liabilities</b>	<b>\$1.1</b>	<b>\$1.7</b>
<b>Stockholder Equity</b>	<b>\$10.5</b>	<b>\$13.0</b>
<b>Total Liabilities &amp; Stockholder Equity</b>	<b>\$11.6</b>	<b>\$14.7</b>

**Strength & flexibility to support strong growth and shareholder returns**

# Quarterly Cash Dividend per Common Share

## *Based on Date Payable*

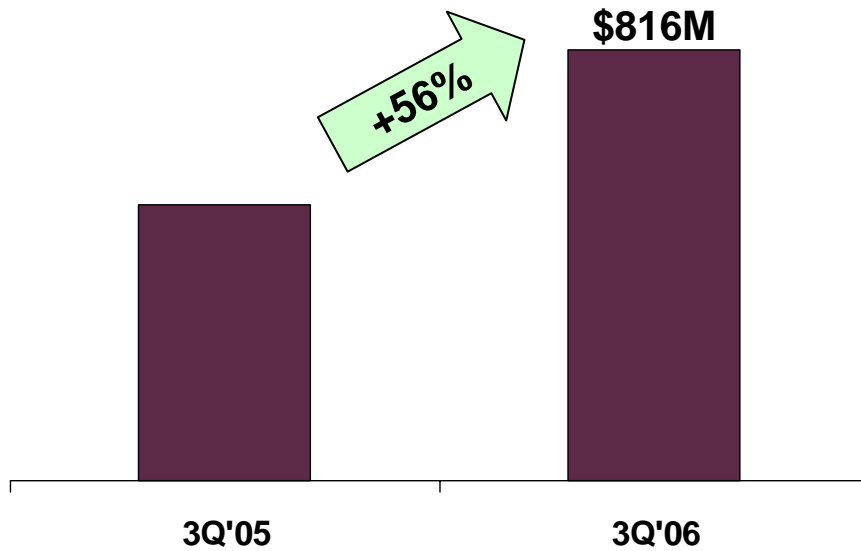


Note: The Company affected a two-for-one stock split in August 2004. All references to per share data have been adjusted to reflect the stock split.

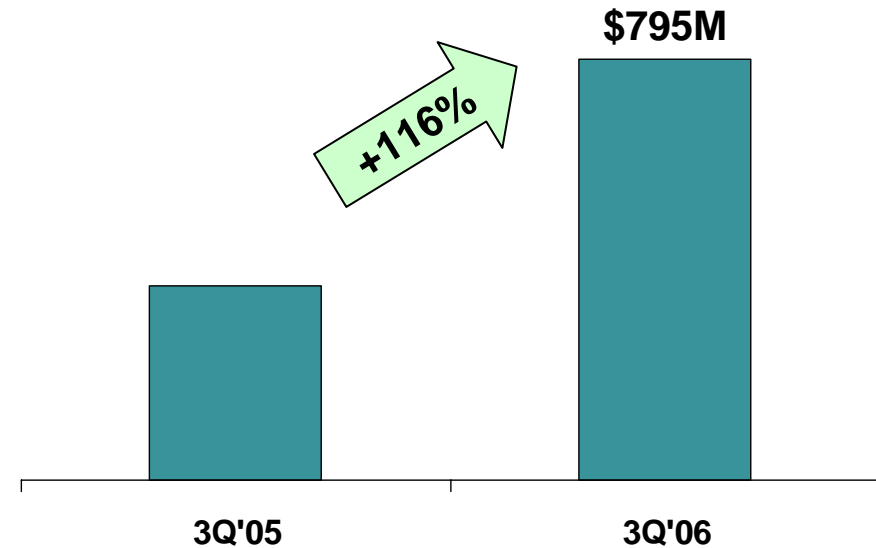
\*As of July 7, 2006

# QUALCOMM Business Model Continues to Generate Strong Cash Flow

Operating Cash Flow



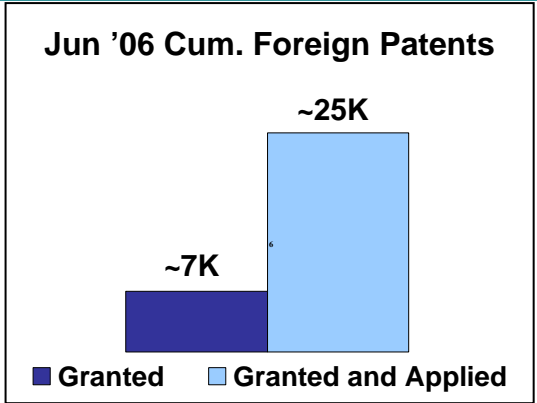
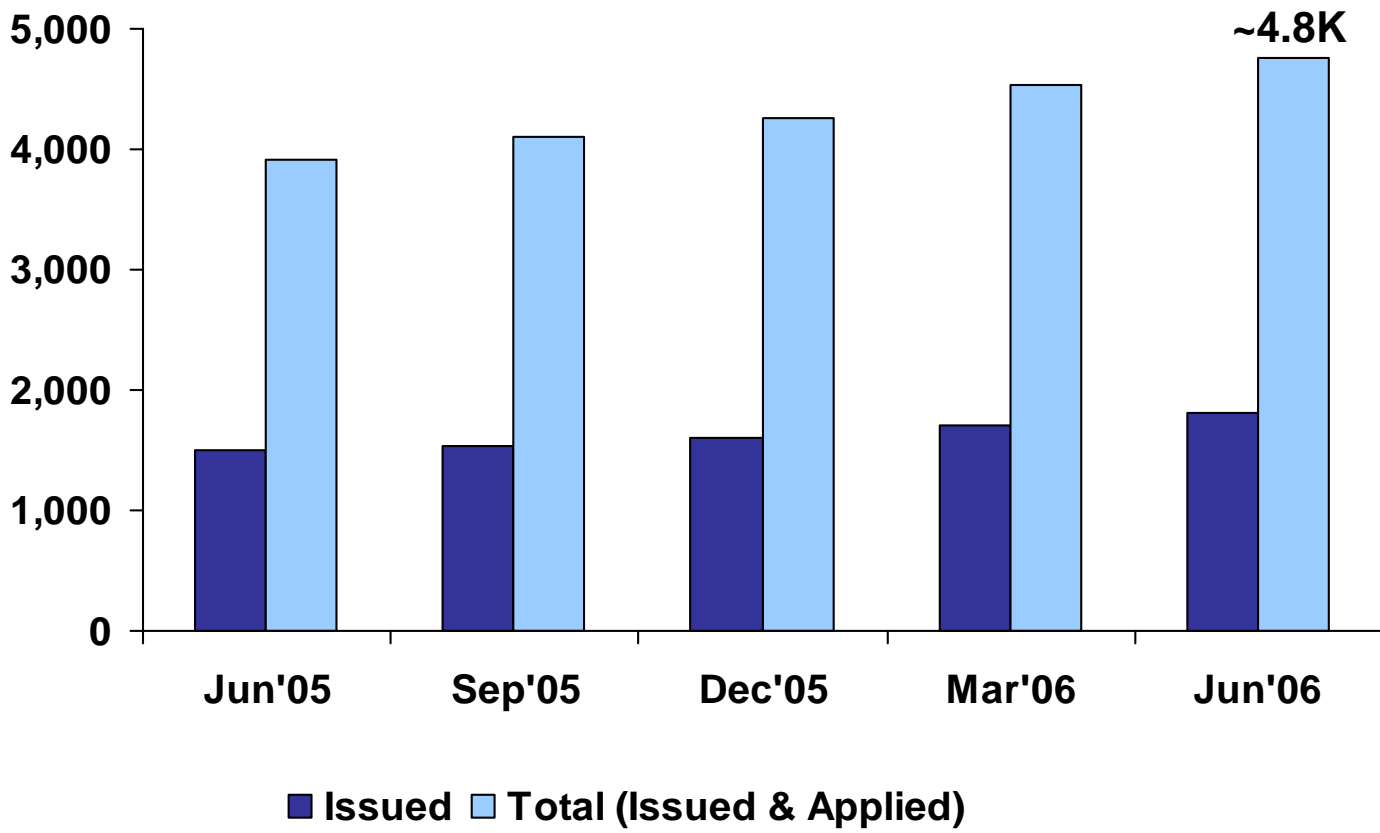
Pro Forma Free Cash Flow



# 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.

## Pro Forma Reconciliations

### Third Quarter - Fiscal Year 2006

Segments	QUALCOMM Pro Forma	Estimated Share-Based Compensation (1)	QSI (2)	Total QUALCOMM (GAAP)
Revenues	\$ 1,951	\$ -	\$ -	\$ 1,951
EBT	\$ 976	\$ (126)	\$ (26)	\$ 824
Net income (loss)	\$ 726	\$ (83)	\$ -	\$ 643
Diluted EPS	\$ 0.42	\$ (0.05)	\$ -	\$ 0.37
Diluted shares used	1,728	1,728	1,728	1,728

### Third Quarter - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (3)	QSI (2)	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

### Fourth Quarter - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	QSI (2)	Total QUALCOMM (GAAP)
Revenues	\$ 1,560	\$ -	\$ 1,560
EBT	813	(27)	786
Net income	543	(5)	538
Diluted EPS	\$ 0.32	\$ -	\$ 0.32
Diluted shares used	1,686	1,686	1,686

### Twelve Months - Fiscal Year 2005

Segments	QUALCOMM Pro Forma	Tax Adjustments (3)(4)	QSI (2)	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



## Pro Forma Reconciliations Con't

- (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) 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).
- (3) 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.
- (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.

Sums may not equal totals due to rounding.

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



	Year ended
	September 26, 2004
(in millions, except per share data)	
<b>Prior Method of Recording Royalties</b>	
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
<b>New Method of Recording Royalties</b>	
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
<b>Total QCOM revenues and QCOM pro forma revenues</b>	<b>\$ 5,031</b>
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
<b>QCOM pro forma net income (c)</b>	<b>\$ 1,800</b>
QCOM diluted EPS as reported under GAAP	\$ 1.03
<b>EPS attributed to difference between the royalty methods</b>	<b>\$ (0.06)</b>
Total QCOM diluted EPS using New Method	\$ 1.08
EPS attributed to QSI (c)	\$ 0.01
<b>QCOM pro forma diluted EPS (c)</b>	<b>\$ 1.07</b>
Shares used for diluted EPS	1,675

## Reconciliation of Pro Forma Results to GAAP Results for 2004 Periods for Comparative Purposes Cont'd

- (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.

**RECONCILIATION OF PRO FORMA FREE CASH FLOW TO  
TOTAL QUALCOMM (GAAP) OPERATING CASH FLOW**  
(\$ in millions)

	<b>Three Months Ended June 25, 2006</b>			<b>Total QUALCOMM (GAAP)</b>
	<b>QUALCOMM Pro Forma</b>	<b>Estimated Share-Based Compensation</b>	<b>QSI</b>	
Net cash provided (used) by operating activities	\$ 954	\$ (103)	\$ (35)	\$ 816
Capital expenditures	<u>(159)</u>	<u>-</u>	<u>(23)</u>	<u>(182)</u>
Free cash flow (Net cash provided by operating activities less capital expenditures)	<u><u>\$ 795</u></u>	<u><u>\$ (103)</u></u>	<u><u>\$ (58)</u></u>	<u><u>\$ 634</u></u>

	<b>Three Months Ended June 26, 2005</b>		
	<b>QUALCOMM Pro Forma</b>	<b>QSI</b>	<b>Total QUALCOMM (GAAP)</b>
Net cash provided by operating activities	\$ 520	\$ 3	\$ 523
Capital expenditures	<u>(152)</u>	<u>(4)</u>	<u>(156)</u>
Free cash flow (Net cash provided by operating activities less capital expenditures)	<u><u>\$ 368</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ 367</u></u>

<b>FOURTH QUARTER</b>	
	<b>Current Guidance Q4'06 Estimates</b>
<b>QUALCOMM Pro Forma</b>	
Revenues	\$1.88B - \$1.98B
Year-over-year change	increase 21% - 27%
Diluted earnings per share (EPS)	\$0.39 - \$0.41
Year-over-year change	increase 22% - 28%
<b>Total QUALCOMM (GAAP)</b>	
Revenues	\$1.88B - \$1.98B
Year-over-year change	increase 21% - 27%
Diluted earnings per share (EPS)	\$0.33 - \$0.35
Year-over-year change	increase 3% - 9%
Diluted EPS attributable to QSI	(\$0.01)
Diluted EPS attributable to estimated share-based compensation	(\$0.05)
<b>FISCAL YEAR</b>	
	<b>Current Guidance FY 2006 Estimates</b>
<b>QUALCOMM Pro Forma</b>	
Revenues	\$7.4B - \$7.5B
Year-over-year change	increase 30% - 32%
Diluted earnings per share (EPS)	\$1.61 - \$1.63
Year-over-year change	increase 39% - 41%
<b>Total QUALCOMM (GAAP)</b>	
Revenues	\$7.4B - \$7.5B
Year-over-year change	increase 30% - 32%
Diluted earnings per share (EPS)	\$1.40 - \$1.42
Year-over-year change	increase 11% - 13%
Diluted EPS attributable to in-process R&D	(\$0.01)
Diluted EPS attributable to QSI	(\$0.03)
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 Pro Forma to Total QUALCOMM (GAAP)  
Operating Expenses (defined as SG&A and R&D)  
(\$ in millions)**

	<u>Q3 FY2005</u>		<u>Q3 FY2006</u>		<u>Fiscal Q4 - 2006 Guidance*</u>	
<b>QUALCOMM Pro Forma</b>	\$ 397	\$	536		Increase 3 - 6% sequentially (est.)	(1)
<b>QSI</b>	\$ 12	\$	36		not provided	
<b>Total QUALCOMM excluding share-based compensation under SFAS 123R</b>	<u>\$ 409</u>	\$	<u>572</u>		Increase 4 - 7% sequentially (est.)	
<b>Share-based compensation allocated to SG&amp;A &amp; R&amp;D</b>	-		116		not provided	
<b>Total QUALCOMM (GAAP)</b>	<u><u>\$ 409</u></u>	\$	<u><u>688</u></u>		Increase 3 - 6% sequentially (est.)	(2)

(1) QUALCOMM pro forma guidance for Q4 FY06 exclude expenses related to the QSI segment and share-based compensation

(2) Q4'06 total QUALCOMM (GAAP) operating expense guidance includes an estimate of 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.

Q3 FY2005 results for total QUALCOMM (GAAP) do not include any share-based compensation expense under SFAS 123R.

\*Guidance as of July 19, 2006

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

	<b>Fiscal 2004 Results</b>	<b>Fiscal 2005 Results</b>	<b>Fiscal 2006 Guidance*</b>
<b>QUALCOMM Pro Forma</b>	\$ 1,246	\$ 1,573	Increase 28 - 29% sequentially (est.) <sup>(1)</sup>
<b>QSI</b>	\$ 21	\$ 69	not provided
<b>Total QUALCOMM excluding share-based compensation under SFAS 123R</b>	<u>\$ 1,267</u>	<u>\$ 1,642</u>	Increase 33 - 34% sequentially (est.) <sup>(2)</sup>
<b>Share-based compensation allocated to SG&amp;A &amp; R&amp;D</b>	-	-	not provided
<b>Total QUALCOMM (GAAP)</b>	<u><u>\$ 1,267</u></u>	<u><u>\$ 1,642</u></u>	Increase 60 - 61% sequentially (est.) <sup>(3)</sup>

(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, which is excluded from Pro Forma.

(3) Fiscal 2006 total QUALCOMM (GAAP) operating expense guidance includes an estimate of 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 July 19, 2006



Thank You.