



First Quarter Fiscal 2016 Earnings

January 27, 2016



Safe Harbor

In addition to the historical information contained herein, this presentation and the conference call that accompanies it contain forward-looking statements that are inherently subject to risks and uncertainties, including but not limited to statements regarding our expectation for improving trends in our chipset business in the second half of fiscal 2016; our Strategic Realignment Plan initiatives, including our cost reduction initiatives, and our progress and expectations related thereto; our contract dispute with LG Electronics and our expectations regarding the resolution and timing, and the potential financial implications, thereof; our capital return commitments; our licensing compliance and reporting challenges in China and our progress, expectations and intentions with respect to resolving those challenges, and the timing thereof, as well as the impact on our business, financial results and guidance; our proposed joint venture with TDK and our expectations regarding the benefits, timing and financial implications thereof; 5G and its benefits, features and capabilities; business and growth opportunities and initiatives, and our positioning to take advantage thereof; our technology, products and product launches, product roadmap, innovation and investments, including in adjacent businesses; product mix; industry trends; operational performance; our business and financial drivers, outlook and expectations; fiscal 2016 being a transition year; and our estimates and guidance related to revenues, earnings per share, EBT, MSM chip shipments, revenue per MSM, margins, R&D and SG&A expenses, tax rates, and 3G/4G device average selling prices, sales and shipments, both globally and which we expect to be reported to us, and the factors influencing our estimates and guidance. Forward-looking statements are generally identified by words such as “estimates,” “guidance,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks” 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 commercial network deployments, expansions and upgrades of CDMA, OFDMA and other communications technologies, our customers’ and licensees’ sales of products and services based on these technologies and our ability to drive our customers’ demand for our products and services; competition in an environment of rapid technological change; our dependence on a small number of customers and licensees; attacks on our licensing business model, including current and future legal proceedings or actions of governmental or quasi-governmental bodies or standards or industry organizations; the enforcement and protection of our intellectual property rights; the continued and future success of our licensing programs; government regulations and policies, or adverse rulings in enforcement or other proceedings; the commercial success of our new technologies, products and services; our dependence on a limited number of third-party suppliers; claims by third parties that we infringe their intellectual property; acquisitions, strategic transactions and investments; the execution of our Strategic Realignment Plan; our stock price and earnings volatility; our indebtedness; our ability to attract and retain qualified employees; foreign currency fluctuations; global economic conditions that impact the mobile communications industry and failures in our products or services or in the products or services of our customers or licensees, including those resulting from security vulnerabilities, defects or errors. These and other risks are set forth in the Company’s Quarterly Report on Form 10-Q for the quarter ended December 27, 2015 filed with the SEC. Our reports filed with the SEC are available on our website at www.qualcomm.com. We undertake no obligation to update, or continue to provide information with respect to, any forward-looking statement or risk factor, whether as a result of new information, future events or otherwise.

This presentation includes “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 are included at the end of this presentation.

We refer to “Qualcomm” for ease of reference. However, in connection with our fiscal 2013 reorganization, Qualcomm Incorporated continues to operate QTL and own the vast majority of our patent portfolio, while Qualcomm Technologies, Inc., its wholly-owned subsidiary, now operates, along with its subsidiaries, substantially all of our products and services businesses, including QCT, and substantially all of our research and development functions.

Qualcomm Reports First Quarter Fiscal 2016 Earnings

Quarter ended December 27, 2015

- We delivered a stronger than expected quarter with earnings per share above the high end of our initial estimates, driven by better than expected 3G/4G reported device sales and benefits realized from cost actions across the Company.
- We signed several new license agreements in China and are on track with our cost reduction initiatives.
- Design traction for our new Qualcomm[®] Snapdragon[™] 820 processor* continues to be strong, and we expect improving trends in our chipset business in the second half of fiscal 2016.

Strategic Realignment Plan on Track

SRP Initiative

Update

1. Aggressively right-size cost structure

- On track to achieve \$1.4 billion spending reductions
- Now on track to realize at least \$700 million in savings in FY'16, an increase of \$100 million from previous estimate

2. Review alternatives to the Company's corporate and financial structure

- Review completed
- Current structure will drive greater value than alternatives

3. Reaffirm intent to return significant capital to stockholders

- Returned \$2.8 billion in Q1FY'16 through dividends and repurchases of common stock, including the completion of our commitment to repurchase \$10 billion of stock from March 2015 through March 2016
- Returned a record \$14 billion in FY'15; >300% of free cash flow (FCF)
- For the last three fiscal years, our cumulative capital return was 140% of FCF, exceeding that of each of our proxy and semiconductor peers; Target capital return of at least 75% of FCF
- Maintain strong balance sheet; commitment to strong investment grade rating

Strategic Realignment Plan on Track (cont.)

SRP Initiative

Update

4. Add new Directors with complementary skill sets while reducing the average tenure of the Board

- Director additions and retirements reduced average tenure to 5 years*

5. Further align executive compensation with performance, including return on investment

- Utilizing ROIC and relative TSR to determine performance-based equity awards
- Utilizing EPS (including share-based compensation) for annual cash bonuses**

6. Disciplined investment in areas that extend Qualcomm's leadership position, using core technologies and capabilities that offer attractive growth and returns

- Focused investments; core smartphone technologies, adjacent opportunities and new businesses
- Completed CSR acquisition and exited or reduced investments in non-core areas
- Announced an agreement with TDK to form a joint venture to provide industry-leading RF front-end solutions for mobile devices

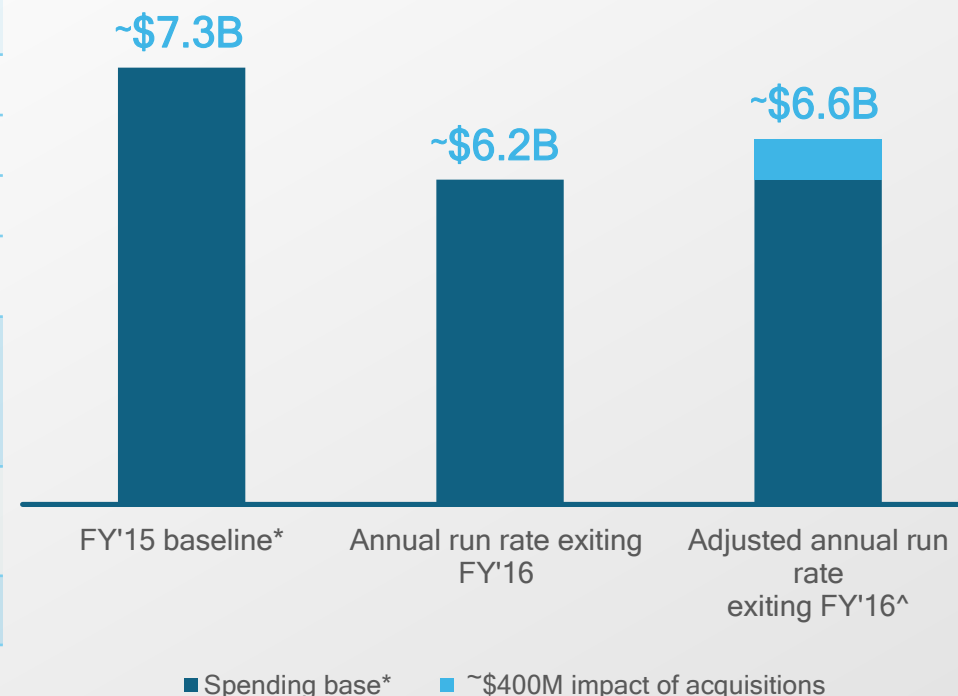
*As of the upcoming Annual Meeting of Stockholders in March 2016, assuming our slate of directors are elected.

** Starting with fiscal 2016.

Aggressively Reducing Costs

\$1.4 billion cost reduction plan on track (estimates as of January 27, 2016)

	Target	On Track
Reduction in spending* vs. FY'15 baseline	~\$1.1B	✓
QCT spend	~\$800M	✓
Non-QCT spend	~\$300M	✓
FY'16 planned reduction	+\$100M vs. prior est. \$700M+	✓
Timing of full run rate savings	Q4'16	✓
Reduction in share-based compensation (SBC) grants vs. FY'15	~\$300M	✓
Net restructuring charges estimate**	(\$50M) vs. prior est. ~\$300M - \$400M	✓
QCT operating margin targets		
Q4 FY'16	16%+	✓
Long-term	20%+	✓



* Spending base relates to R&D expenses, SG&A expenses and certain non-product related cost of sales and excludes impacts of M&A activity; FY'15 baseline was expected FY'15 spend, adjusted for variable compensation, as announced Jul. 22, 2015.

** Primarily consists of severance and consulting costs.

^ Adjusted annual run rate includes incremental impact of acquisitions.

Note: \$1.4B cost reduction plan excludes impact of M&A activity.

First Quarter Fiscal 2016 Results vs. Guidance

	Q1'16 Guidance*	Q1'16 Results
Revenues ⁽¹⁾	\$5.2B - \$6.0B	\$5.8B
Non-GAAP ⁽²⁾ diluted EPS ⁽³⁾	\$0.80 - \$0.90	\$0.97
MSM™ chip shipments	225M - 245M	242M
Total reported device sales ⁽⁴⁾ (Sep. Qtr. ⁽⁵⁾)	\$50.0B - \$58.0B	\$60.6B
Est. reported 3G/4G device shipments ⁽⁴⁾ (Sep. Qtr. ⁽⁵⁾)	not provided	307M - 311M
Est. reported 3G/4G device ASP ⁽⁴⁾ (Sep. Qtr. ⁽⁵⁾)	not provided	\$193 - \$199

* Prior guidance as of Nov. 4, 2015.

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

Second Quarter Fiscal 2016 Guidance

As of January 27, 2016

Q2'16 Guidance

Revenues ⁽¹⁾	\$4.9B - \$5.7B
Non-GAAP ⁽²⁾ combined R&D and SG&A expenses	Down ~ 2 - 4% QoQ
Non-GAAP ⁽²⁾ diluted EPS ⁽³⁾	\$0.90 - \$1.00
MSM chip shipments	175M - 195M
QCT operating margin %	Low to mid single-digit %
QCT revenue per MSM	Higher QoQ
Total reported device sales ⁽⁴⁾ (Dec. Qtr. ⁽⁵⁾)	\$65.0B - \$73.0B*

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

* Our guidance range for the second quarter of fiscal 2016 total reported device sales reflects estimated 3G/4G total reported device sales that we currently expect to be reported to us, which includes an estimate of some prior period activity (i.e., devices shipped in prior periods) that may be reported to us.

Fiscal 2016 Supplemental Guidance

As of January 27, 2016

FY'16 Guidance

Global 3G/4G device sales^ (Sep - Jun. Qtr.)	Grow at a low single-digit % YoY
QTL revenue range*	~ \$7.3B - \$8.0B
QCT EBT margin	At least 16% in Q4'16
QCT performance – EBT \$	Improving 2nd half of FY'16
Non-GAAP ⁽²⁾ combined R&D and SG&A expenses	Down ~ 2% - 4% YoY
Non-GAAP ⁽²⁾ effective tax rate	~ 18%

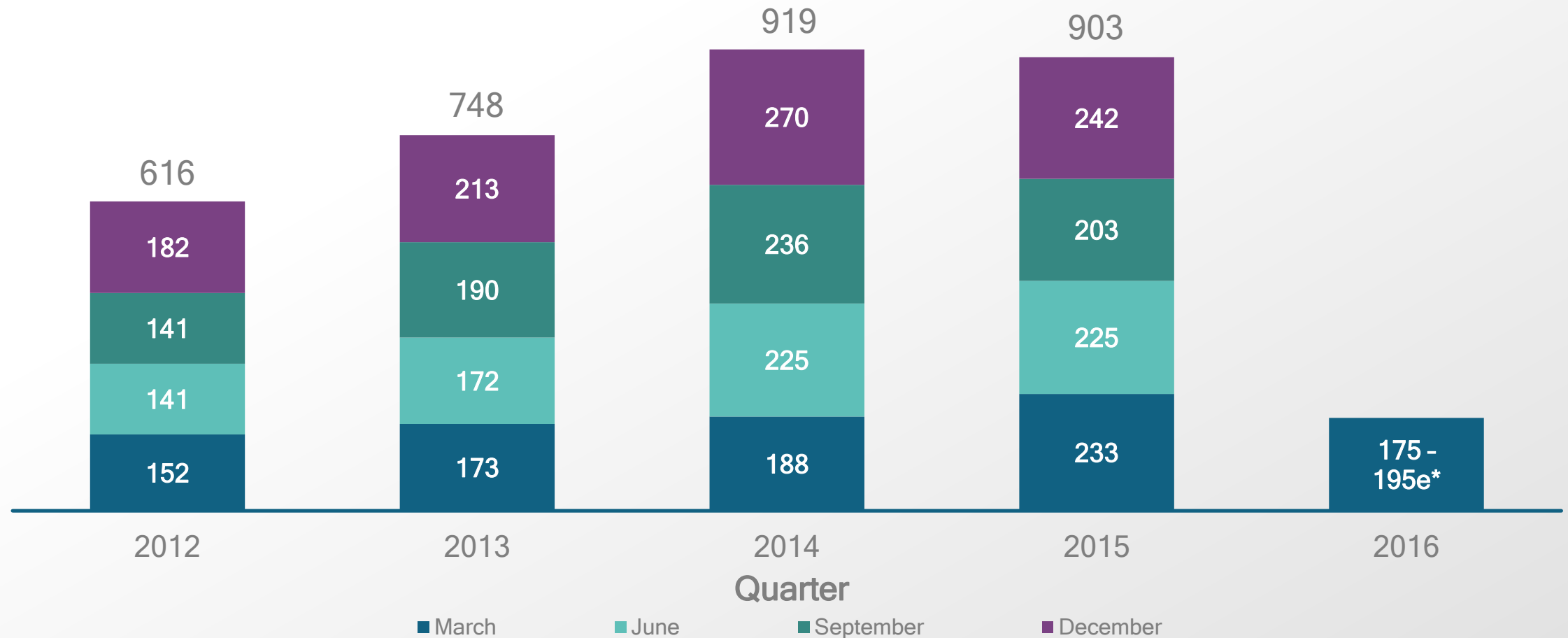
^ Global 3G/4G device sales represent our estimate of CDMA-based, OFDMA-based and CDMA/OFDMA multimode subscriber devices shipped globally, excluding TD-SCDMA devices that do not implement LTE. We continue to believe that certain licensees in China are not fully complying with their contractual obligations to report their sales of licensed products to us, and certain companies, including unlicensed companies, are delaying execution of new license agreements. As a result, we do not believe that all global 3G/4G device shipments are currently being reported to us.

* The \$7.3 billion low-end of the range assumes a meaningful year-over-year increase in the number of unreported devices by Chinese OEMs, little to no progress on signing new license agreements or amendments with Chinese OEMs, and no significant catch-up amounts related to prior periods or audit recoveries. The \$8 billion high end of the range assumes meaningful progress in a number of these areas, but does not reflect the reporting of royalties on the full fiscal 2016 global 3G/4G device sales or the receipt of catch-up amounts for all prior period sales. This range does not reflect the potential deferral of revenues related to the dispute with LG Electronics (LGE). While we are working hard to resolve the dispute with LGE and believe their claims are without merit, it is possible that the resolution will not occur until after the end of fiscal 2016, in which case our ability to recognize QTL revenues in this fiscal year could be impacted by several hundred million dollars.

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

MSM Chip Shipments

Calendar year, millions



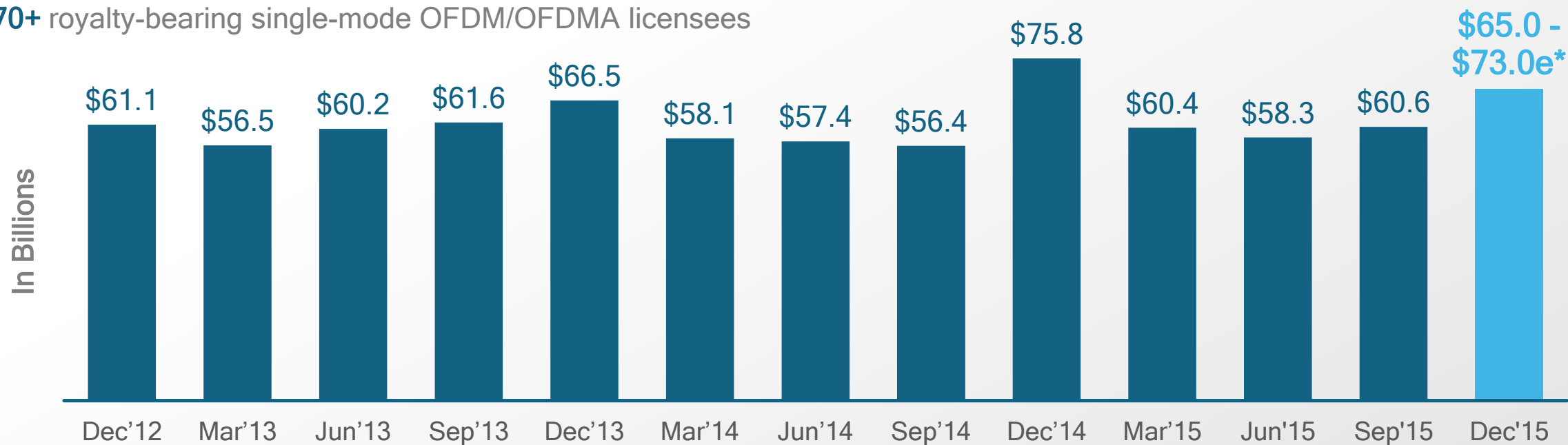
* Guidance as of Jan. 27, 2016.

Quarterly Total Reported Device Sales⁽⁴⁾⁽⁵⁾

Reported by Qualcomm licensees

295+ CDMA-based licensees; 250+ licensed for WCDMA

170+ royalty-bearing single-mode OFDM/OFDMA licensees



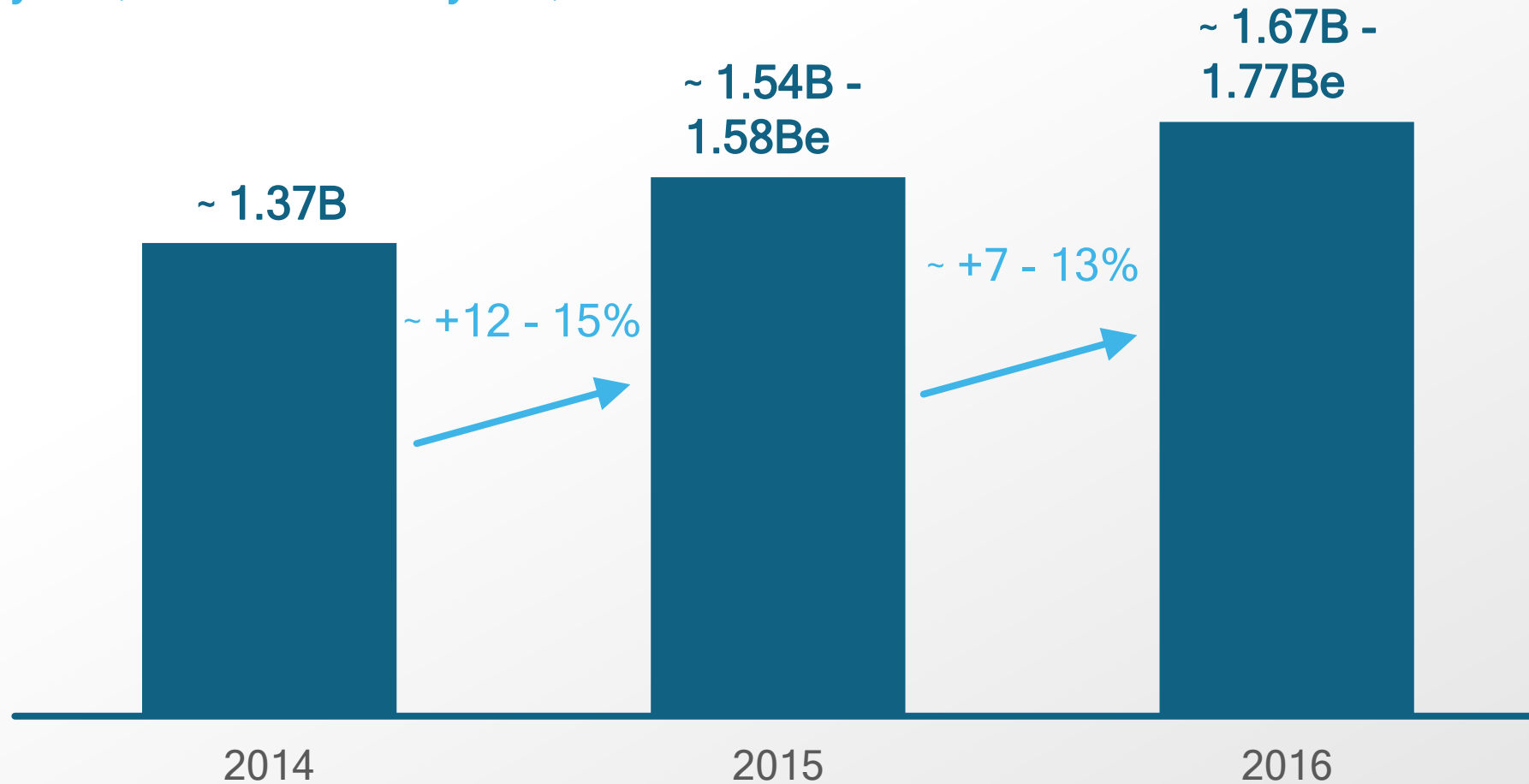
Est. ASP	\$214-\$220	\$227-\$233	\$227-\$233	\$219-\$225	\$221-\$227	\$228-\$234	\$220-\$226	\$194-\$200	\$193-\$199	\$205-\$211	\$207-\$213	\$193-\$199	not
Est. Shipments	279-283M	244-248M	260-264M	276-280M	295-299M	250-254M	256-260M	284-288M	384-388M	289-293M	276-280M	307-311M	provided

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

* Guidance as of Jan. 27, 2016. Our guidance range for the second quarter of fiscal 2016 total reported device sales reflects estimated 3G/4G total reported device sales that we currently expect to be reported to us, which includes an estimate of some prior period activity (i.e., devices shipped in prior periods) that may be reported to us.

Global 3G/4G Device Shipment* Estimates

Calendar year, as of January 27, 2016



* Global 3G/4G device shipments represent our estimate of CDMA-based, OFDMA-based and CDMA/OFDMA multimode subscriber devices shipped globally, excluding TD-SCDMA devices that do not implement LTE. We continue to believe that certain licensees in China are not fully complying with their contractual obligations to report their sales of licensed products to us, and certain companies, including unlicensed companies, are delaying execution of new license agreements. As a result, we do not believe that all global 3G/4G device shipments are currently being reported to us.

Supplemental Information, 3G/4G Device Estimates*

As of January 27, 2016

		FY'15	FY'16	CY'15	CY'16
3G/4G Units	Global			~ 1.54B - 1.58B	~ 1.67B - 1.77B
	Reported ⁽⁴⁾⁽⁵⁾	~ 1,233M - 1,249M			
3G/4G ASP	Global	~ \$181 - \$191			
	Reported ⁽⁴⁾⁽⁵⁾	~ \$199 - \$205			
3G/4G Device Sales	Global	~ \$271B - \$280B	~ Grow at a low single-digit % YoY		
	Reported ⁽⁴⁾⁽⁵⁾	~ \$250.9B			

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

* Global 3G/4G device shipments represent our estimate of CDMA-based, OFDMA-based and CDMA/OFDMA multimode subscriber devices shipped globally, excluding TD-SCDMA devices that do not implement LTE. We continue to believe that certain licensees in China are not fully complying with their contractual obligations to report their sales of licensed products to us, and certain companies, including unlicensed companies, are delaying execution of new license agreements. As a result, we do not believe that all global 3G/4G device shipments are currently being reported to us.

Quarterly Estimated 3G/4G Reported Device Shipments and ASP Trend⁽⁴⁾⁽⁵⁾

	FY'14				FY'15				FY'16	
	Sep'13	Dec'13	Mar'14	Jun'14	Sep'14	Dec'14	Mar'15	Jun'15	Sep'15	Dec'15**
Qtr. total reported device sales (\$B)	\$61.6	\$66.5	\$58.1	\$57.4	\$56.4	\$75.8	\$60.4	\$58.3	\$60.6	\$65.0 - \$73.0e
FY total reported device sales (\$B)				\$243.6				\$250.9		
Qtr. device shipments* (M)	278	297	252	258	286	386	291	278	309	
CY device shipments* (M)		1,083				1,182				
FY device shipments* (M)				1,085				1,241		
Qtr. device ASP*	\$222	\$224	\$231	\$223	\$197	\$196	\$208	\$210	\$196	
FY device ASP*				\$225				\$202		

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

* Midpoints, see note (6) on the Footnotes page at the end of the presentation.

** Guidance as of Jan. 27, 2016. Our guidance range for the second quarter of fiscal 2016 total reported device sales reflects estimated 3G/4G total reported device sales that we currently expect to be reported to us, which includes an estimate of some prior period activity (i.e., devices shipped in prior periods) that may be reported to us.

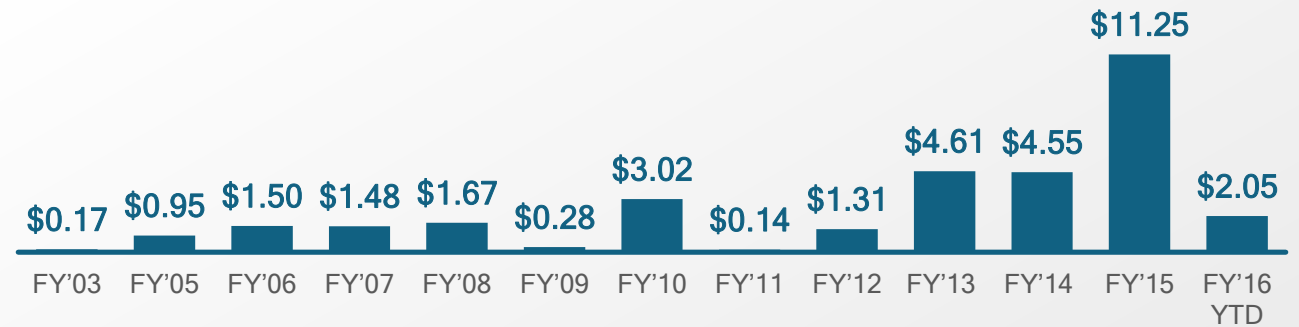
Note: Sums of quarterly amounts may not equal totals due to rounding.

Cumulative \$49.9 Billion Returned to Stockholders

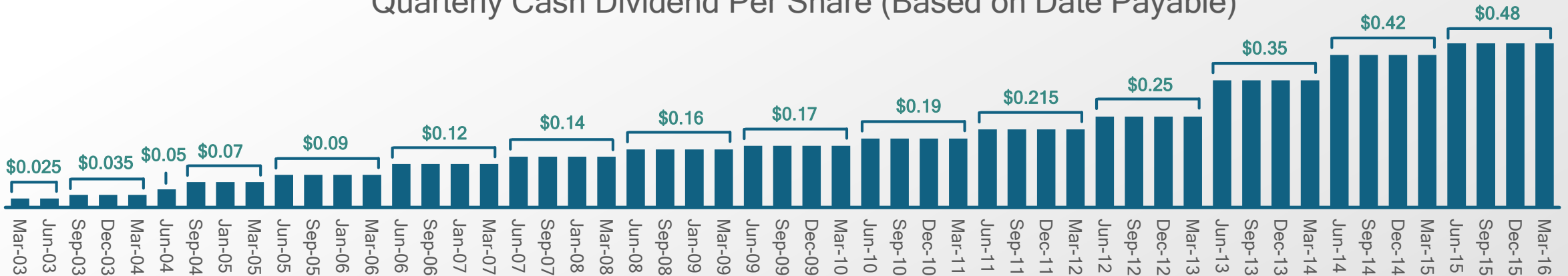
As of December 27, 2015

- Completed the incremental **\$10 billion** buyback announced last March.
- \$4.9 billion** remained authorized for repurchase under our stock repurchase program.

Stock Repurchases* (Billions)



Quarterly Cash Dividend Per Share (Based on Date Payable)



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 before commissions.

Financial Strength

In Billions	Dec'14	Dec'15	
Domestic	\$4.1	\$2.7	Cash resources and operating/ stock repurchase flexibility
Offshore	\$27.5	\$27.9	
Total cash & marketable securities	\$31.6	\$30.6	
Total assets	\$48.4	\$50.2	Solid balance sheet
Stockholders' equity	\$38.8	\$30.2	
Debt*	\$0.0	\$11.0	
EBITDA** (7)	\$2.5	\$2.0	Cash flow to support future growth and dividends
Free cash flow***	\$2.1	\$2.6	

* Including short-term and long-term debt.

** EBITDA is defined as net income (before adjustments for noncontrolling interests) before income tax expense, depreciation and amortization expense, interest expense and interest and dividend income.

*** Free cash flow is defined as net cash provided (used) by operating activities less capital expenditures.

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

Footnotes

1. Throughout this presentation, revenues, operating expenses, operating income, earnings before tax (EBT) and effective tax rates are from continuing operations (i.e., before adjustments for noncontrolling interests), unless otherwise stated.
2. Non-GAAP results exclude the QSI (Qualcomm Strategic Initiatives) segment and certain share-based compensation, acquisition-related items, tax items and other items. Other items excluded from Non-GAAP results include third-party acquisition and integration services costs and certain other items, which may include major restructuring and restructuring-related costs, goodwill and indefinite- and long-lived asset impairment charges and litigation settlements and/or damages.
3. Throughout this presentation, net income and diluted earnings per share (EPS) are attributable to Qualcomm (i.e., after adjustments 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 CDMA/OFDMA multimode 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 average selling prices (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 sales net of permitted deductions, including transportation, insurance, packing costs and other items, while other licensees report sales 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. In addition, certain licensees may not report (in the quarter in which they are contractually obligated to report) their sales of certain types of subscriber units, which (as a result of audits, legal actions or for other reasons) may be reported in a subsequent quarter. Accordingly, 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 midpoints of the estimated ranges are used for comparison purposes only and do not indicate a higher degree of confidence in the midpoints.
7. The following should be considered in regards to the year-over-year comparisons:
 - The first quarter of fiscal 2016 GAAP results included:
 - \$380 million gain, or \$0.20 per share, related to the sale of our wireless spectrum in the United Kingdom.
 - The fourth quarter of fiscal 2015 GAAP results included:
 - \$190 million of charges, or \$0.09 per share, that resulted from restructuring and restructuring-related charges related to our Strategic Realignment Plan.

Reconciliations



Non-GAAP Results

In millions, except per share data

		Non-GAAP	QSI	Share-Based Compensation	Other Items ⁽¹⁾⁽²⁾⁽³⁾	GAAP
Q1: Fiscal 2016	Net income (loss)	\$1,469	\$234	(\$187)	(\$18)	\$1,498
	Diluted EPS	\$0.97	\$0.15	(\$0.12)	(\$0.01)	\$0.99
	Diluted shares	1,517	1,517	1,517	1,517	1,517
Q4: Fiscal 2015	Net income (loss)	\$1,427	\$8	(\$188)	(\$186)	\$1,061
	Diluted EPS	\$0.91	\$0.01	(\$0.12)	(\$0.12)	\$0.67
	Diluted shares	1,573	1,573	1,573	1,573	1,573
Q1: Fiscal 2015	Net income (loss)	\$2,263	\$0	(\$229)	(\$62)	\$1,972
	Diluted EPS	\$1.34	\$0.00	(\$0.14)	(\$0.04)	\$1.17
	Diluted shares	1,686	1,686	1,686	1,686	1,686

Non-GAAP Results (cont.)

In millions, except per share data

1. In the first quarter of fiscal 2016, other items excluded from Non-GAAP EBT included \$172 million of acquisition-related charges; \$54 million of restructuring and restructuring-related charges and a \$48 million gain on the sale of our business that provided augmented reality applications related to our Strategic Realignment Plan; and \$3 million of other severance costs. In the first quarter of fiscal 2016, the tax benefit in the other items column included a \$79 million tax benefit related to fiscal 2015 as a result of the retroactive reinstatement of the federal R&D tax credit; a \$48 million tax benefit to reconcile the tax provision for each column to the total GAAP tax provision for the quarter; a \$32 million tax benefit for the tax effect of acquisition-related items; and a \$4 million tax benefit for the tax effect of other items in EBT.
2. At fiscal year end, the quarterly tax provision (benefit) 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 this difference is included in the tax provision (benefit) in the “Other Items” column.
3. Details of amounts included in the “Other Items” column for the prior periods are included in the slides for those periods.

Sums may not equal totals due to rounding.

EBITDA⁽¹⁾

In millions

	Q1 FY'15	Q1 FY'16
Net income	\$1,971	\$1,496
Plus: Income tax expense	327	214
Plus: Depreciation and amortization expense	287	364
Plus: Interest expense	1	74
Less: Interest and dividend income	(134)	(136)
EBITDA	\$2,452	\$2,012

(1) EBITDA is defined as net income (before adjustments for noncontrolling interests) before income tax expense, depreciation and amortization expense, interest expense and interest and dividend income.

Q1 FY'16 Combined R&D and SG&A Expenses, sequential comparison

In millions

	Q4'15 Results	Q1'16 Results	% Increased / (Decreased)
Non-GAAP combined R&D and SG&A expenses	\$1,684	\$1,648	(2%)
QSI	8	10	
Other Items ⁽¹⁾	36	35	
Shared-based compensation allocated to R&D and SG&A	224	237	
Total GAAP combined R&D and SG&A expenses	\$1,952	\$1,930	(1%)

(1) Other items in Q4'15 primarily consisted of \$31 million in acquisition-related items and \$5 million of severance costs. Other items in Q1'16 consisted of \$32 million in acquisition-related items and \$3 million of severance costs.

Q1'16 Tax Rate Reconciliation

In millions

		Non-GAAP	QSI	Share-Based Compensation	Other Items	GAAP
Q1: Fiscal 2016	Income (loss) before income taxes	\$1,779	\$359	(\$247)	(\$181)	\$1,710
	Income tax (expense) benefit	(310)	(127)	60	163	(214)
	Net income (loss) ⁽¹⁾	\$1,469	\$232	(\$187)	(\$18)	\$1,496
	Tax rate	17%	35%	24%	N/M	13%

(1) Before adjustments for noncontrolling interests.

Free Cash Flow^(a)

In millions

Three Months Ended December 27, 2015

	Non-GAAP	QSI	Share-Based Compensation	Other Items ^(b)	GAAP
Net cash provided (used) by operating activities	\$2,823	(\$2)	(\$2) ^(c)	(\$80)	\$2,739
Less: Capital expenditures	(128)	-	-	-	(128)
Free cash flow	\$2,695	(\$2)	(\$2)	(\$80)	\$2,611
Revenues	\$5,766	\$9	-	-	\$5,775
Net cash provided by operating activities as % revenues	49%	N/A	N/A	N/A	47%
Free cash flow as % revenues	47%	N/A	N/A	N/A	45%

Three Months Ended December 28, 2014

	Non-GAAP	QSI	Share-Based Compensation	Other Items ^(b)	GAAP
Net cash provided (used) by operating activities	\$2,421	(\$7)	(\$48) ^(c)	(\$2)	\$2,364
Less: Capital expenditures	(253)	-	-	-	(253)
Free cash flow	\$2,168	(\$7)	(\$48)	(\$2)	\$2,111
Revenues	\$7,099	-	-	-	\$7,099
Net cash provided by operating activities as % revenues	34%	N/A	N/A	N/A	33%
Free cash flow as % revenues	31%	N/A	N/A	N/A	30%

(a) Free cash flow is defined as net cash provided (used) by operating activities less capital expenditures.

(b) In the three months ended December 27, 2015, net cash used by operating activities in the other items column primarily consisted of consulting and severance costs related to restructuring activities.

(c) Incremental tax benefits from share-based compensation during the period.

N/A - Not Applicable

Free Cash Flow^(a)

In millions

	FY'15	FY'14	FY'13	Cumulative FY'13 - FY'15
Net cash provided (used) by operating activities	\$5,506	\$8,887	\$8,778	\$23,171
Less: Capital expenditures	(994)	(1,185)	(1,048)	(3,227)
Free cash flow	\$4,512	\$7,702	\$7,730	\$19,944
Cash paid to repurchase shares of our common stock (before commissions)	\$11,245	\$4,548	\$4,609	\$20,402
Cash dividends paid	2,880	2,586	2,055	7,521
Total return of capital to stockholders	\$14,125	\$7,134	\$6,664	\$27,923
Total return of capital to stockholders as a % of net cash provided by operating activities	257%	80%	76%	121%
Total return of capital to stockholders as a % of free cash flow	313%	93%	86%	140%

(a) Free cash flow is defined as net cash provided (used) by operating activities less capital expenditures.

Business Outlook

As of January 27, 2016

Second Fiscal Quarter	Q2'15 Results ⁽¹⁾	Current Guidance Q2'16 Estimates
Revenues	\$6.9B	\$4.9B - \$5.7B
Year-over-year change		decrease 17% - 29%
Non-GAAP diluted EPS	\$1.40	\$0.90 - \$1.00
Year-over-year change		decrease 29% - 36%
Diluted EPS attributable to QSI	(\$0.02)	\$0.02
Diluted EPS attributable to share-based compensation	(\$0.12)	(\$0.13)
Diluted EPS attributable to other items ⁽²⁾	(\$0.63)	(\$0.10)
GAAP diluted EPS	\$0.63	\$0.69 - \$0.79
Year-over-year change		increase 10% - 25%

Fiscal Year	Current Guidance FY2016 Estimates
Non-GAAP effective income tax rate GAAP	18%
GAAP effective income tax rate	17%

(1) Our results for diluted EPS attributable to other items for the second quarter of fiscal 2015 included a \$975 million charge, or \$0.58 per share, related to the resolution reached with the China National Development and Reform Commission (NDRC) regarding its investigation of us under China's Anti-Monopoly Law.

(2) Our guidance for diluted EPS attributable to other items for the second quarter of fiscal 2016 includes a loss per share of \$0.08 for acquisition-related items.

Details of amounts included in "Other Items" and guidance for prior periods are included in the slides for those periods.

Sums may not equal totals due to rounding.

Q2 FY'16 Combined R&D and SG&A Expenses Guidance

In millions

	Q1'16 Results	Q2'16 Guidance* (est.)
Non-GAAP combined R&D and SG&A expenses	\$1,648	Approx. decrease 2% - 4%
QSI	10	Not provided
Other Items ⁽¹⁾	35	Not provided
Total combined R&D and SG&A expenses excluding certain share-based compensation	1,693	Approx. decrease 2% - 4%
Share-based compensation allocated to R&D and SG&A	237	Not provided
Total GAAP combined R&D and SG&A expenses ⁽²⁾	\$1,930	Approx. decrease 1% - 3%

(1) Other items in Q1'16 consisted of \$32 million in acquisition-related items and \$3 million in severance costs.

(2) Q2'16 total GAAP combined R&D and SG&A expenses guidance includes an estimate of share-based compensation expense allocated to R&D and SG&A.

* Guidance as of Jan. 27, 2016.

Fiscal 2015 Results and Fiscal 2016 Guidance* (est.)

In millions

	FY'15 Results	FY'16 Guidance* (est.)
Non-GAAP combined R&D and SG&A expenses excluding the effects of certain acquisitions ⁽¹⁾	\$6,606	Approx. decrease 7% - 9%
Certain acquisitions ⁽¹⁾	42	Not provided
Non-GAAP combined R&D and SG&A expenses	6,648	Approx. decrease 2% - 4%
QSI	40	Not provided
Other Items ⁽²⁾	162	Not provided
Total combined R&D and SG&A expenses excluding certain share-based compensation	6,850	Approx. decrease 3% - 5%
Share-based compensation allocated to R&D and SG&A	984	Not provided
Total GAAP combined R&D and SG&A expenses ⁽³⁾	\$7,834	Approx. decrease 3% - 5%

(1) Consist of acquisitions closed in fourth quarter of fiscal 2015.

(2) Other items in fiscal 2015 consisted of \$87 million in acquisition-related items, \$46 million in severance costs and \$29 million in asset impairments.

(3) Fiscal 2016 total GAAP combined R&D and SG&A expenses guidance includes an estimate of share-based compensation expense allocated to R&D and SG&A.

* Guidance as of Jan. 27, 2016.

Thank you

Follow us on:    

For more information, visit us at:

www.qualcomm.com & www.qualcomm.com/blog

Nothing in these materials is an offer to sell any of the components or devices referenced herein.

©2016 Qualcomm Technologies, Inc. and/or its affiliated companies. All Rights Reserved.

Qualcomm is a trademark of Qualcomm Incorporated, registered in the United States and other countries, used with permission. Other products and brand names may be trademarks or registered trademarks of their respective owners.

References in this presentation to “Qualcomm” may mean Qualcomm Incorporated, Qualcomm Technologies, Inc., and/or other subsidiaries or business units within the Qualcomm corporate structure, as applicable.

Qualcomm Incorporated includes Qualcomm’s licensing business, QTL, and the vast majority of its patent portfolio. Qualcomm Technologies, Inc., a wholly-owned subsidiary of Qualcomm Incorporated, operates, along with its subsidiaries, substantially all of Qualcomm’s engineering, research and development functions, and substantially all of its product and services businesses, including its semiconductor business, QCT.

