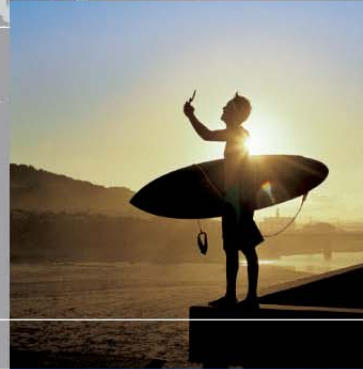




May 4, 2006

Spring 2006
Analyst Meeting



William F. Davidson, Jr.
Vice President, Investor Relations



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, expected market developments 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.

Spring 2006 Analyst Meeting Agenda

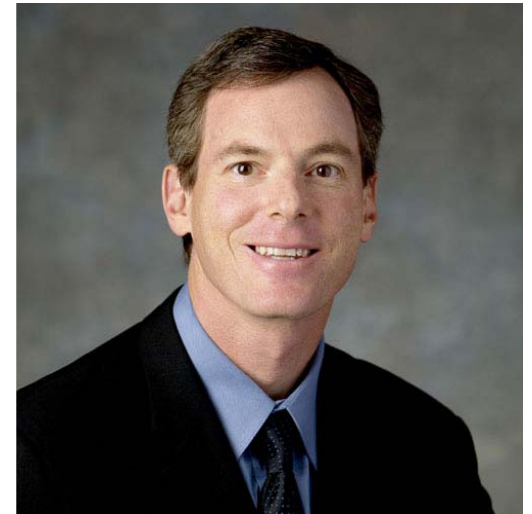
- **9:00am** **Bill Davidson**
- **9:05am** **Dr. Paul Jacobs, CEO**
- **9:45am** **Steve Altman, President**
- **10:15am** **Q&A**
- **11:00am** **Break**
- **11:15am** **Dr. Sanjay Jha, President, QCT**
- **11:45am** **Bill Keitel, CFO**
- **12:15pm** **Lunch/Q&A**



Thank You.

Dr. Paul E. Jacobs

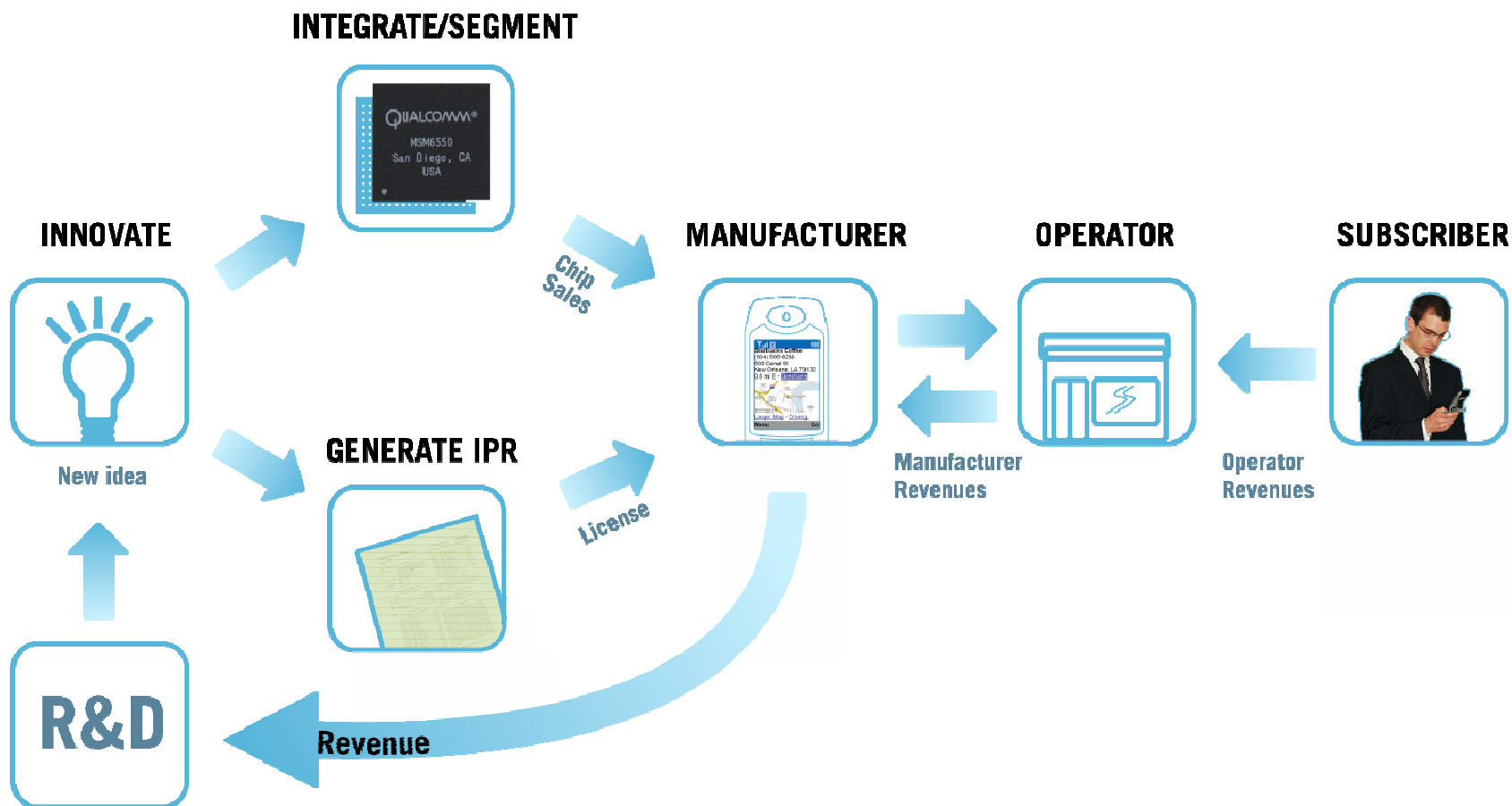
Chief Executive Officer



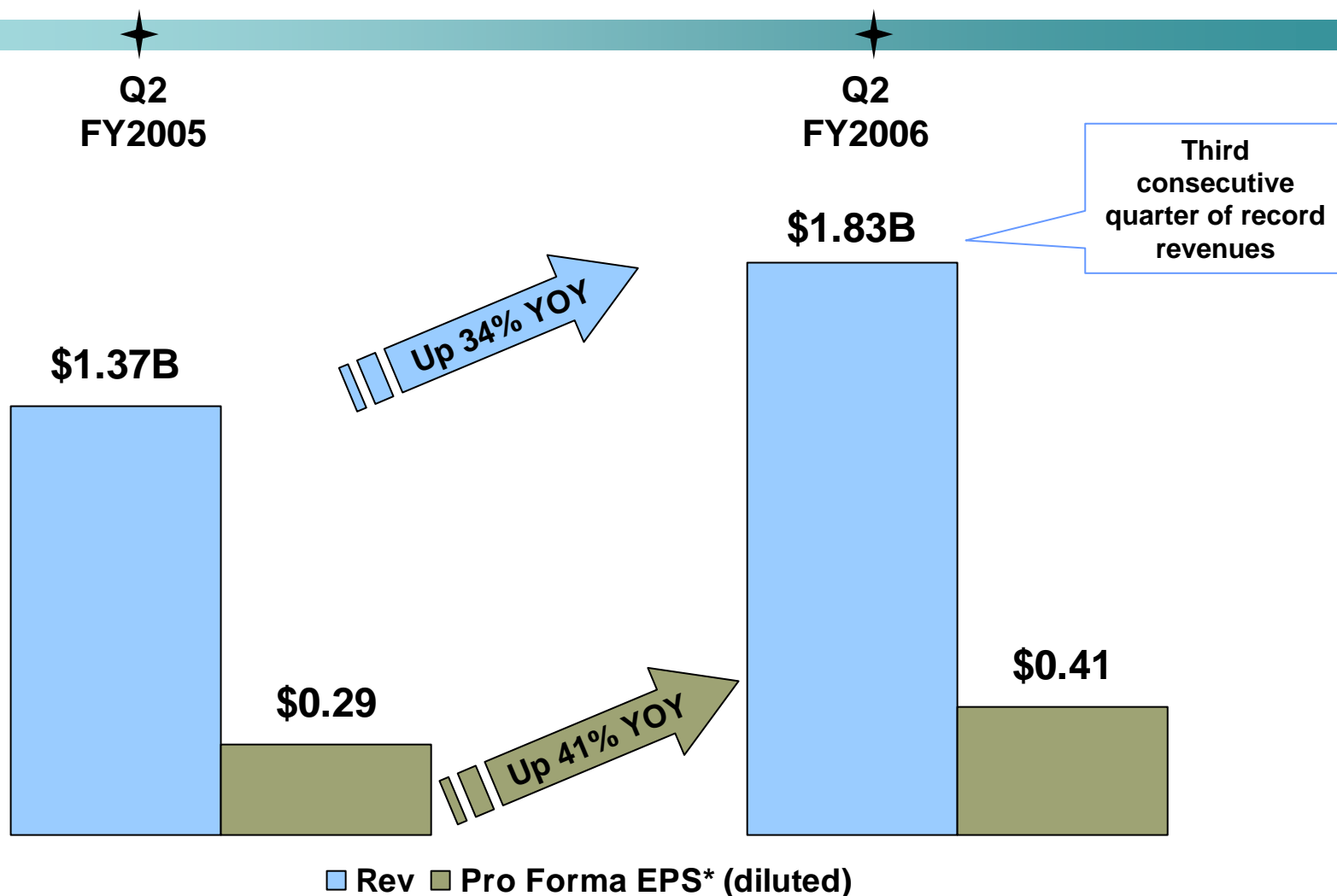
The Year in Review

- QUALCOMM continues its role as the leading enabler of the wireless value chain



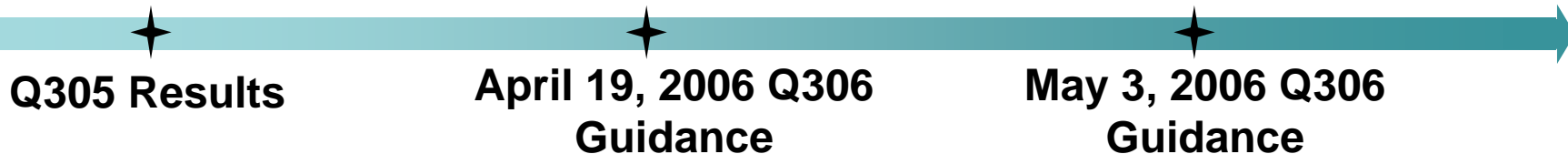


QUALCOMM Business Model – Technology Enabler



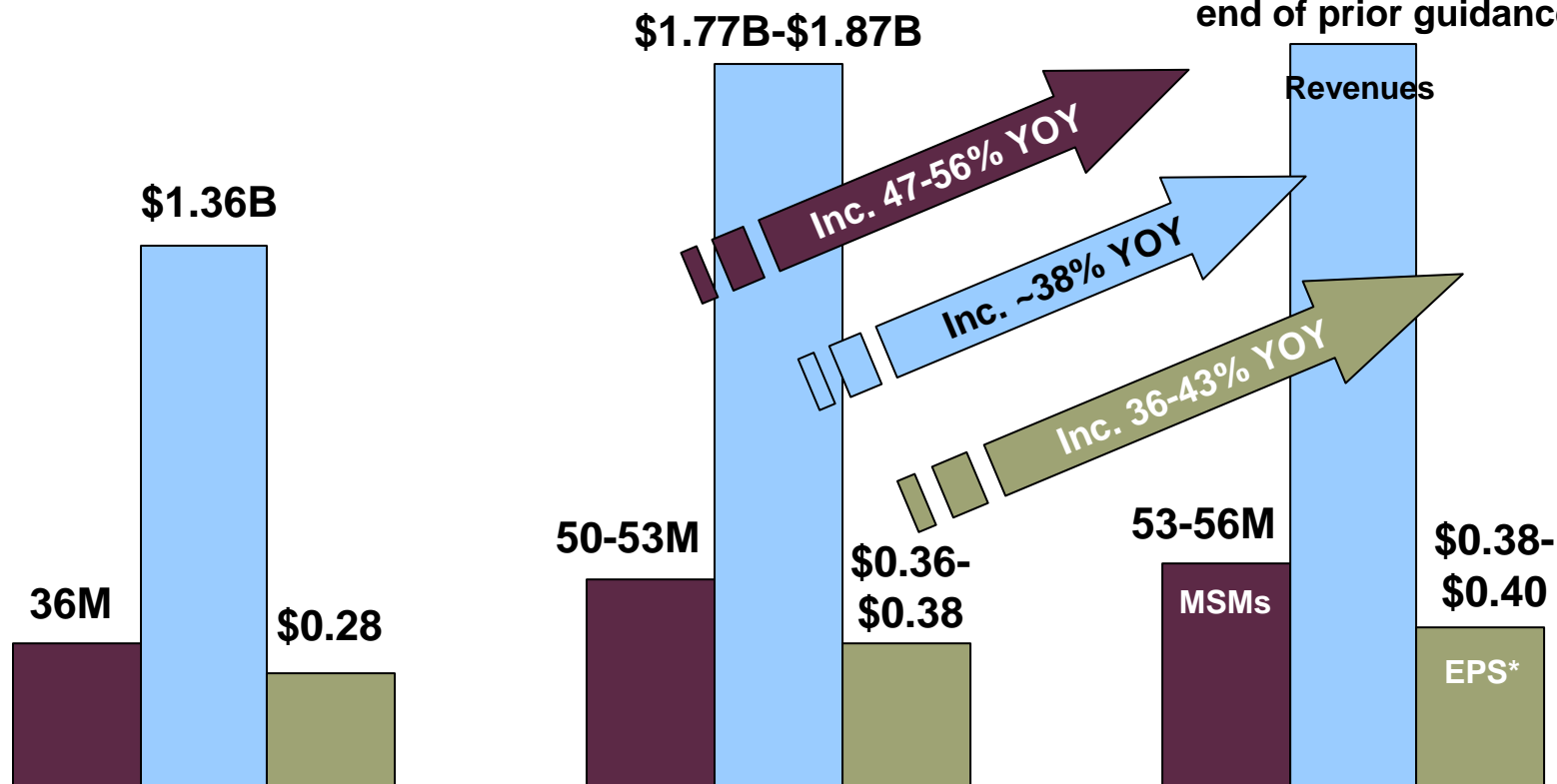
Record Financial Results

*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.



QUALCOMM Updates Q306 Guidance Estimates

At or slightly above the high end of prior guidance



*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.

8th Consecutive Year



FORTUNE AMERICA'S MOST ADMIRABLE COMPANIES 2006



68th World's biggest public companies, FT Global 500



7 years on Forbes list



3rd Consecutive year, best finance team



THE WALL STREET JOURNAL.



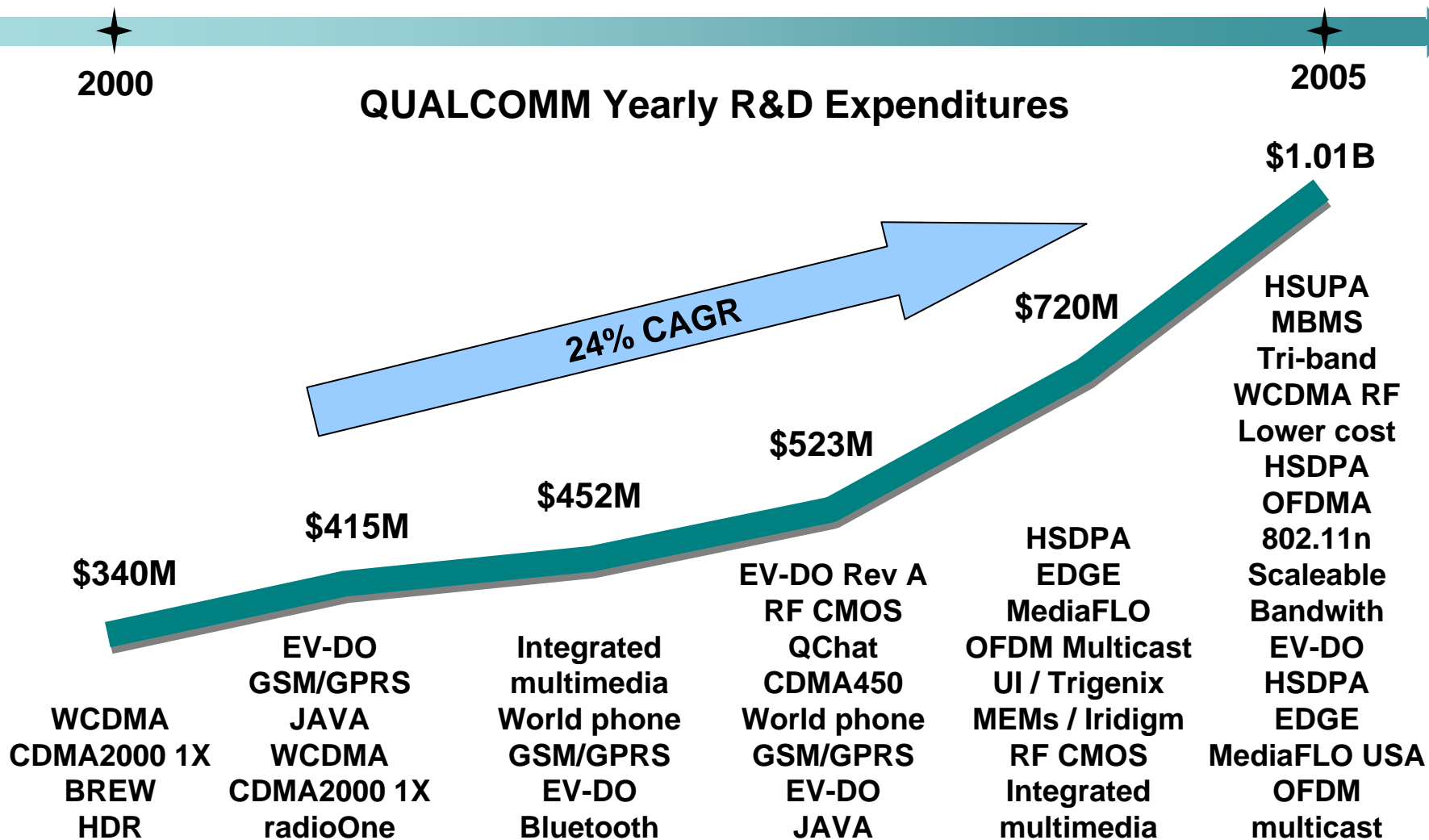
The 2005 FORTUNE 500



4th Consecutive Year Best Financially Managed Company

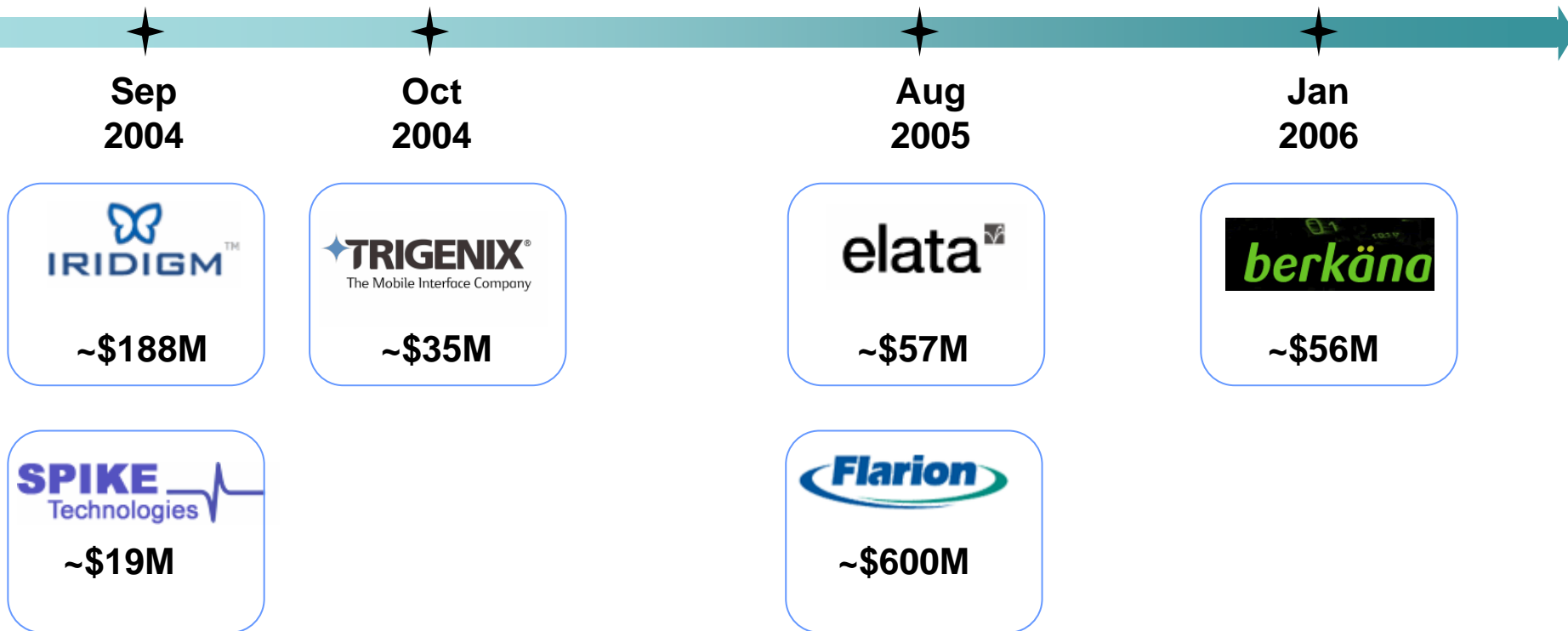


Impact of Execution - Recognition



Aggressive Investment in a Complete Technology Roadmap
Cumulative R&D Expenditures More Than \$5B to Date

Note: Dates refer to initial press releases. R&D typically began substantially earlier.



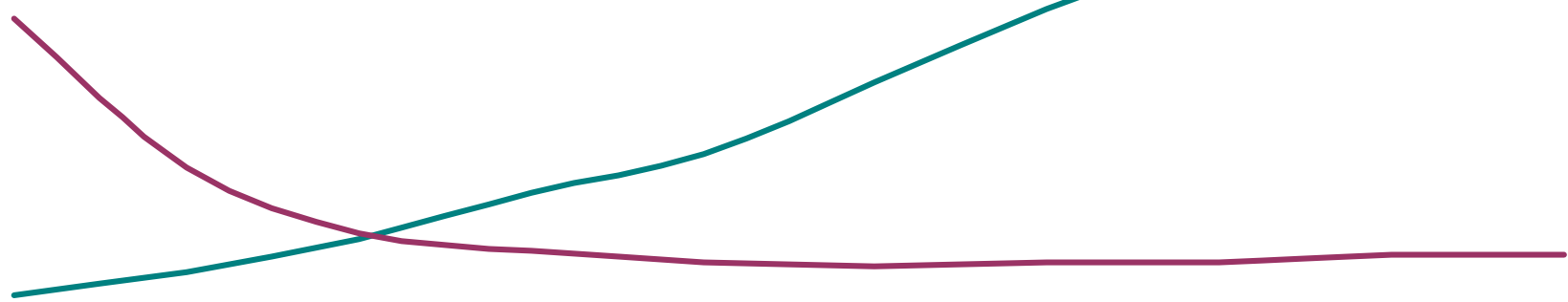
Acquiring New Technologies and Capabilities



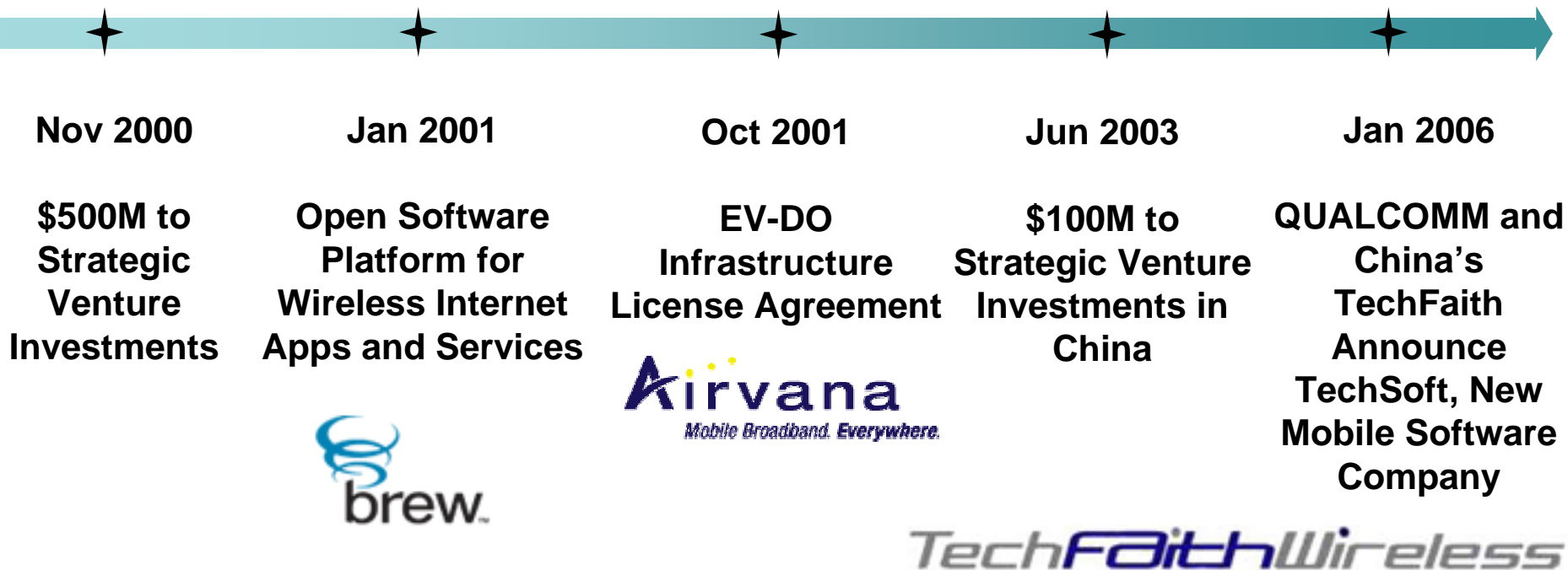
Licensed Portfolio Has Grown Substantially While Average Royalty per Handset (\$) Has Declined Significantly

~4,500+

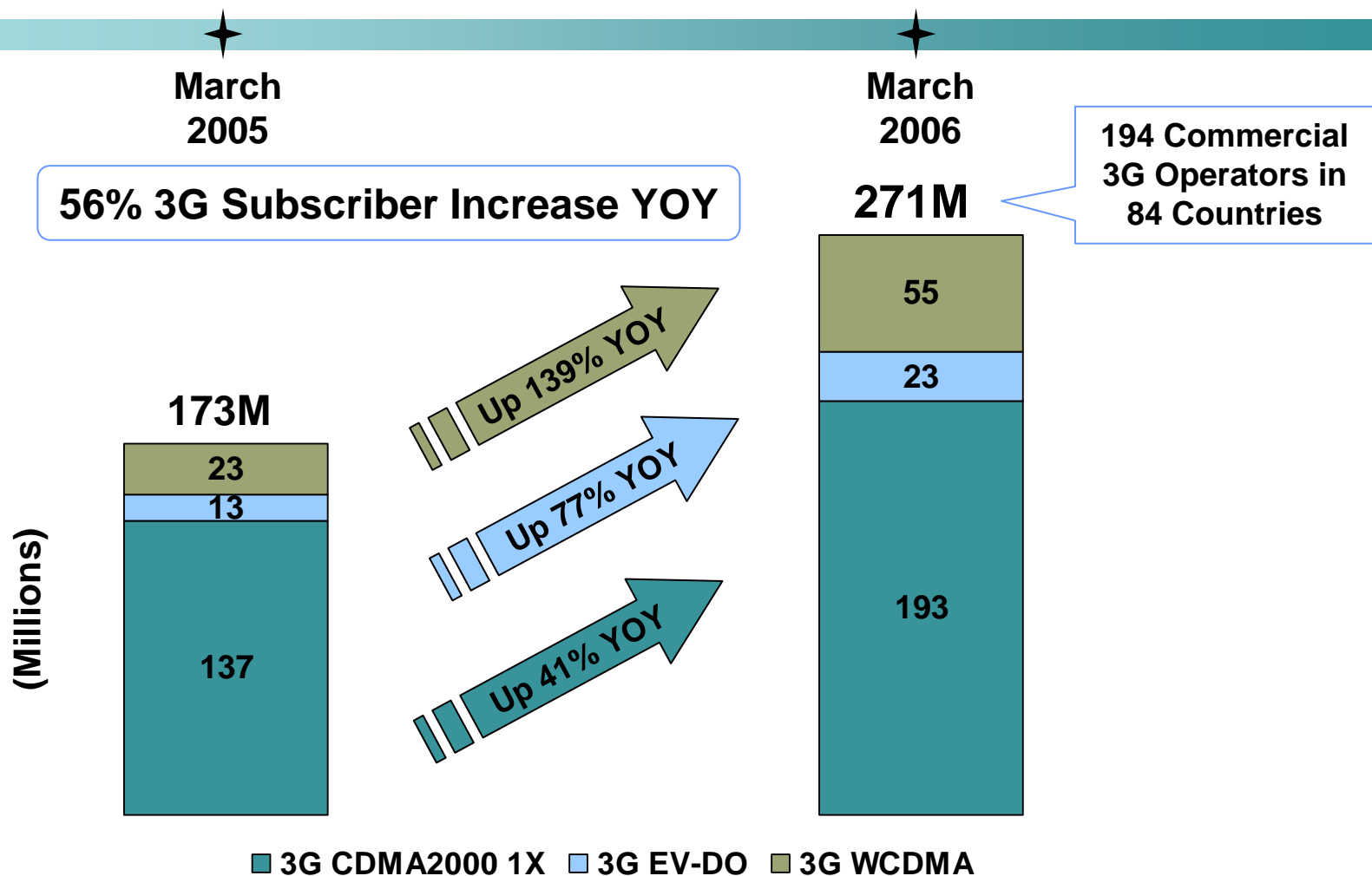
— Cum US Patents Filed
— Royalty \$ per Unit



QUALCOMM Lowers Overall IP Cost – Enables Competition



QUALCOMM Enables and Funds Partners



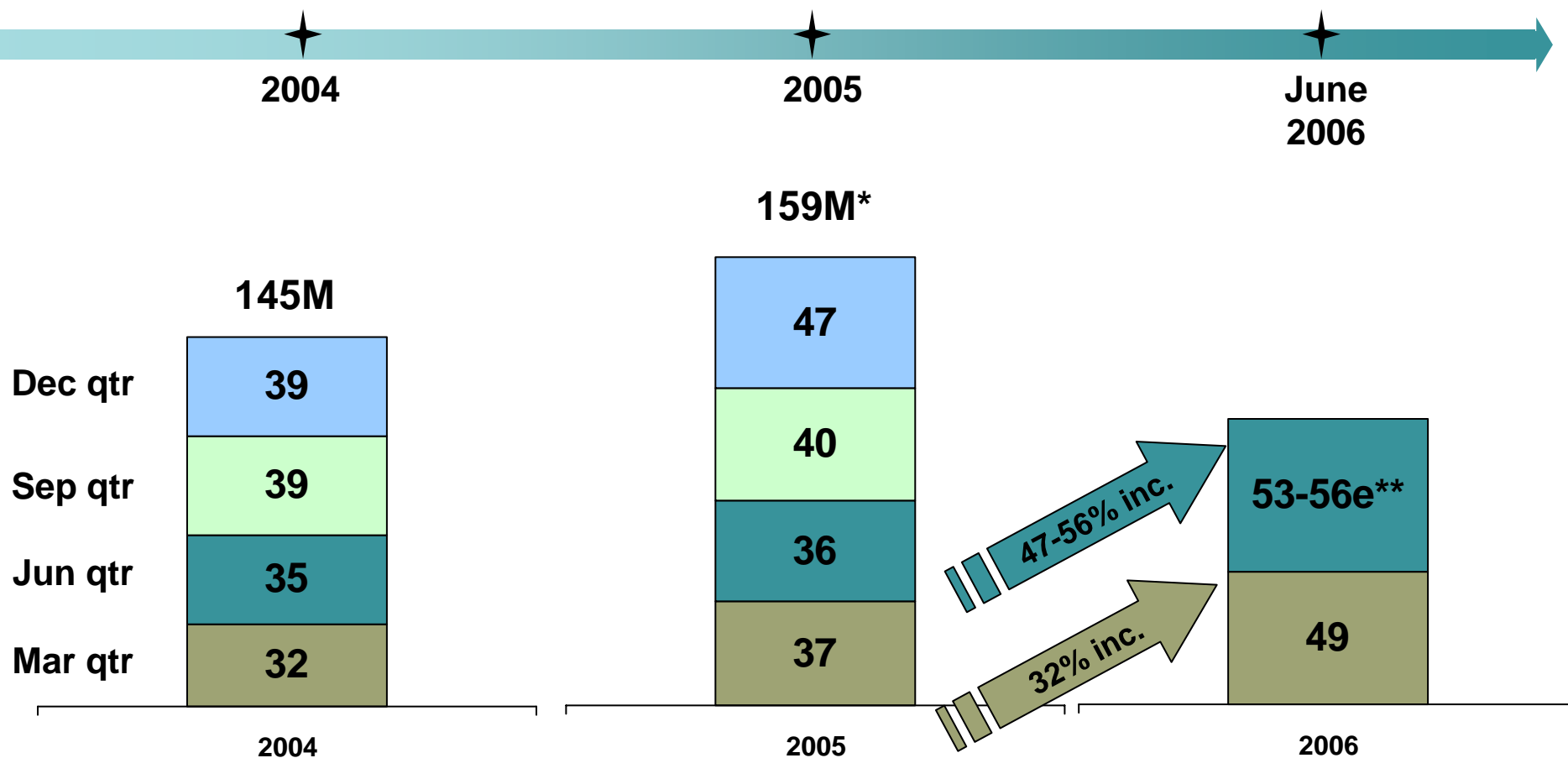
Over 270M 3G Subscribers of 370M Total CDMA and WCDMA

Note: 46 operators have yet to report 3G CDMA subscriber numbers.

Source: www.3gtoday.com as of March 31, 2006; EMC, April 2006



Empowering Citizens Globally Through Effective Partnerships



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

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

**Guidance as of May 3, 2006

2003



Motorola
C210



Kyocera
K112



2004



Motorola
C131



ZTE
C133



2005



LGE
RD2330



Samsung
N 380



Huawei
C218



Low-End

Subset of CDMA Operators Consolidating Demand
and Leveraging Purchasing Power



IA-450 TWG



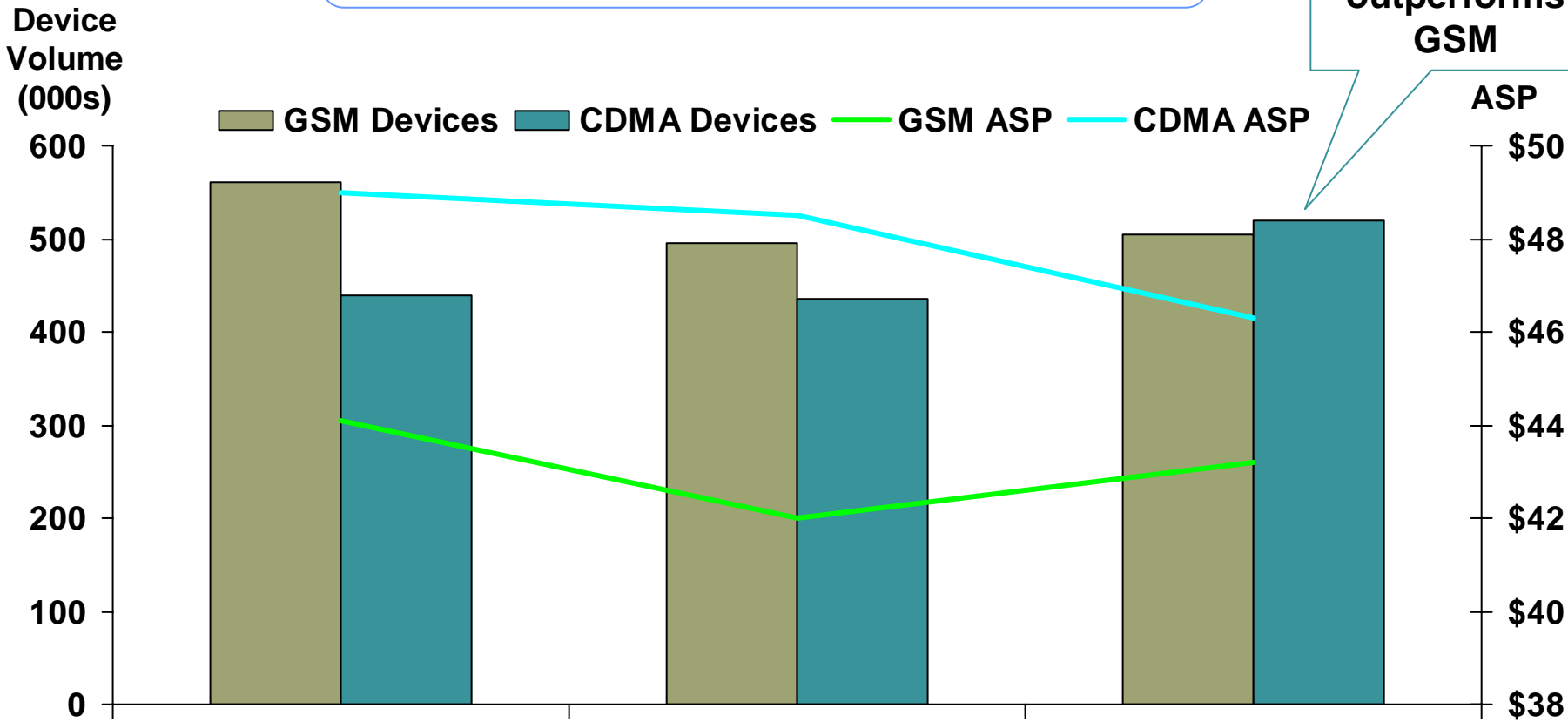
GHRC* Operators

*Global Handset Requirements for CDMA

Timeline: Oct'05, Nov'05, Dec'05

**India low-cost (sub \$50)
Entry-level ASP differential is less than \$5**

**CDMA2000
outperforms
GSM**



Q2FY05

Q2FY06



EV-DO

UMTS

4 fold increase

Strong demand
in U.S.

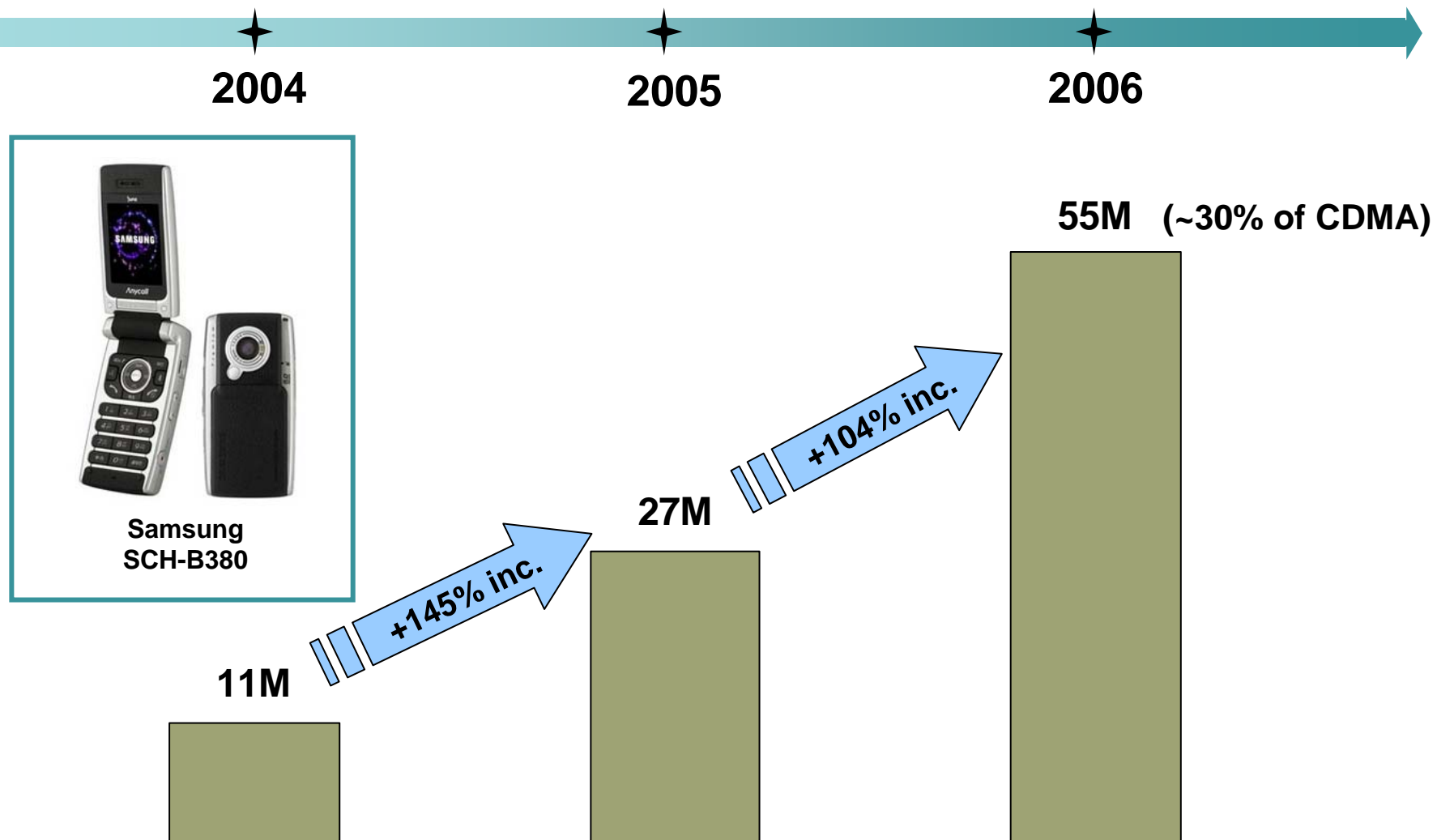
EV-DO

5 fold increase

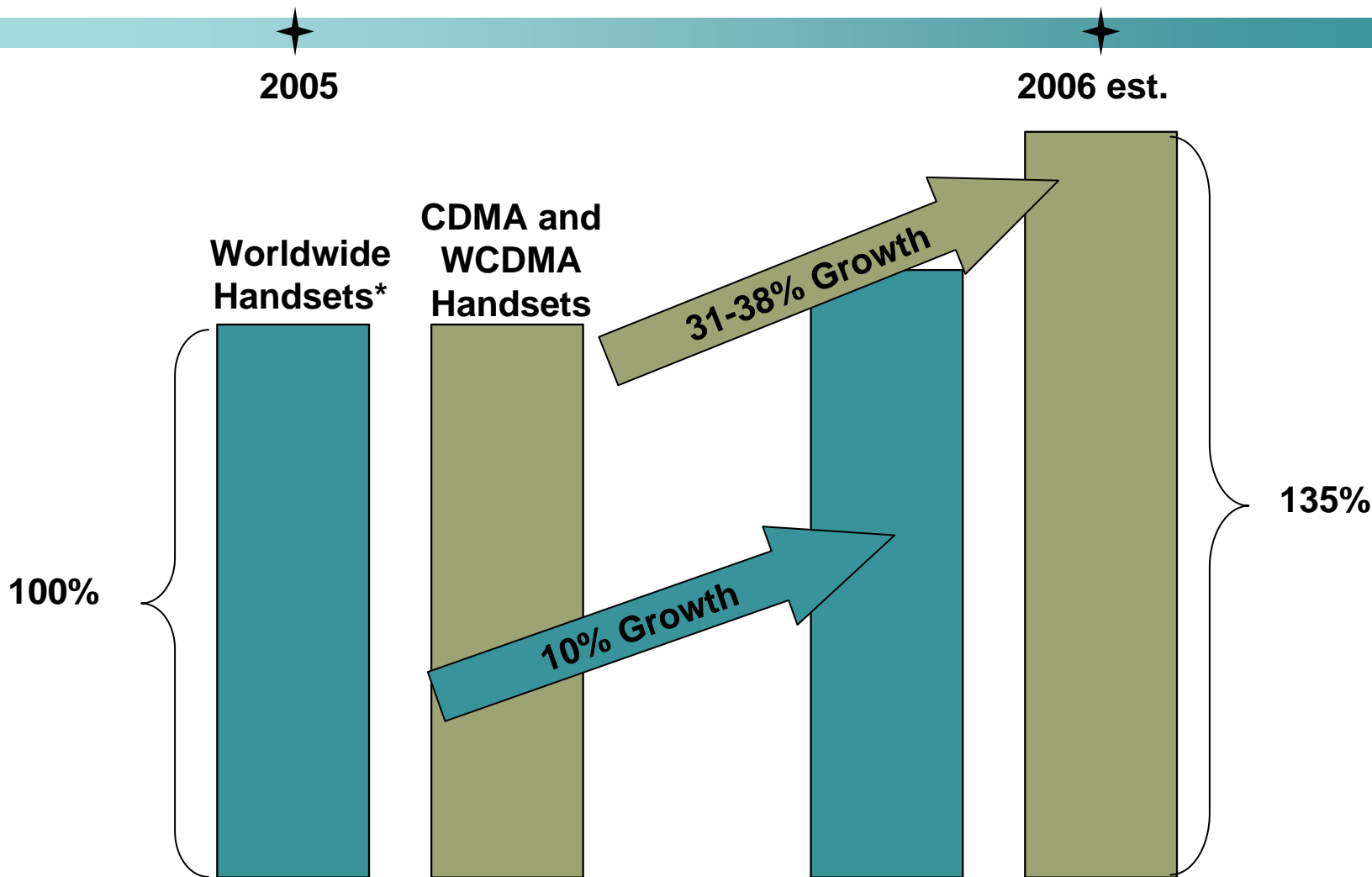
Acceleration in
Europe

UMTS

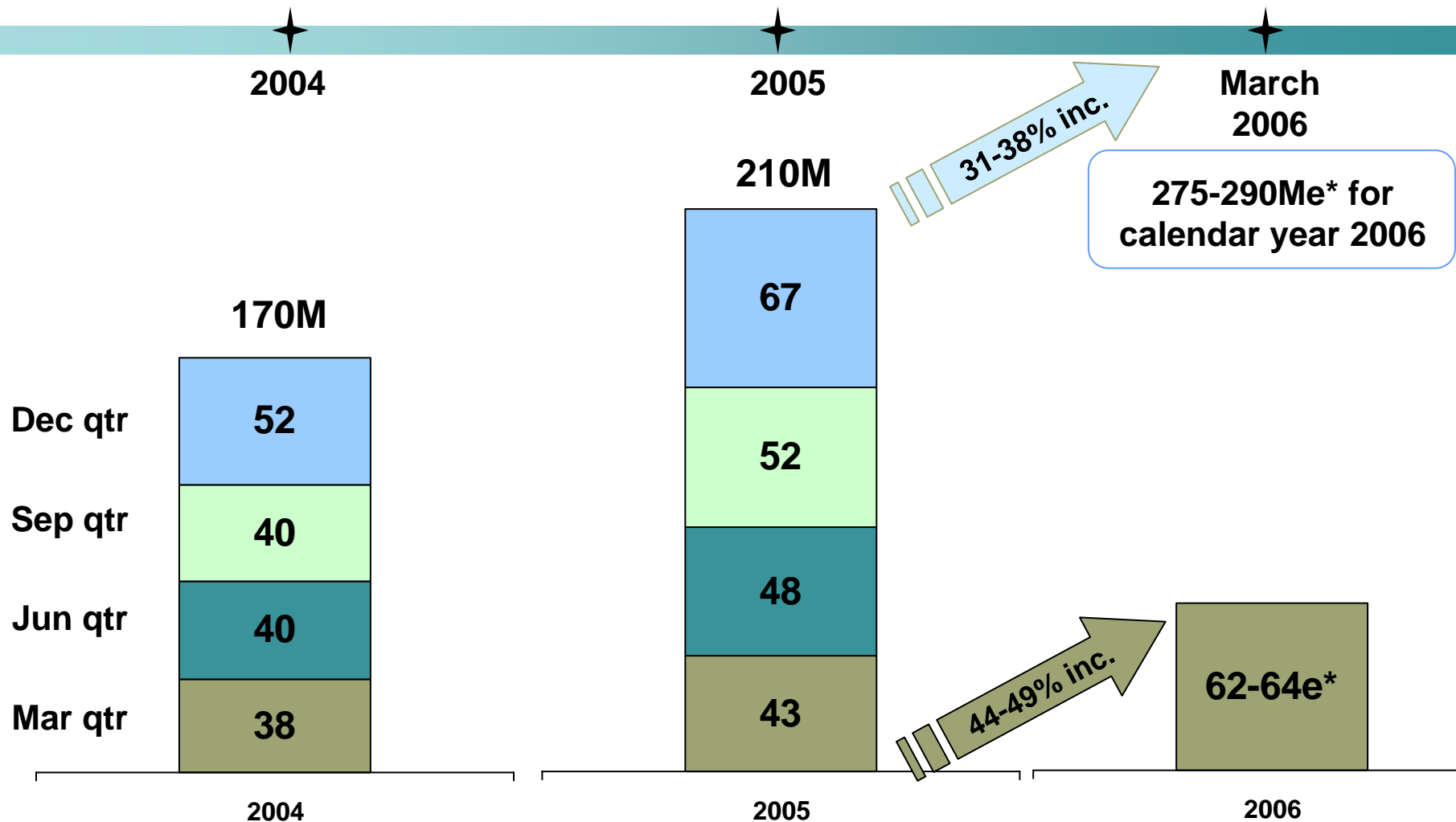
Continuing Strength at High End



EV-DO Est. to be Over 90% of CDMA Devices by 2009

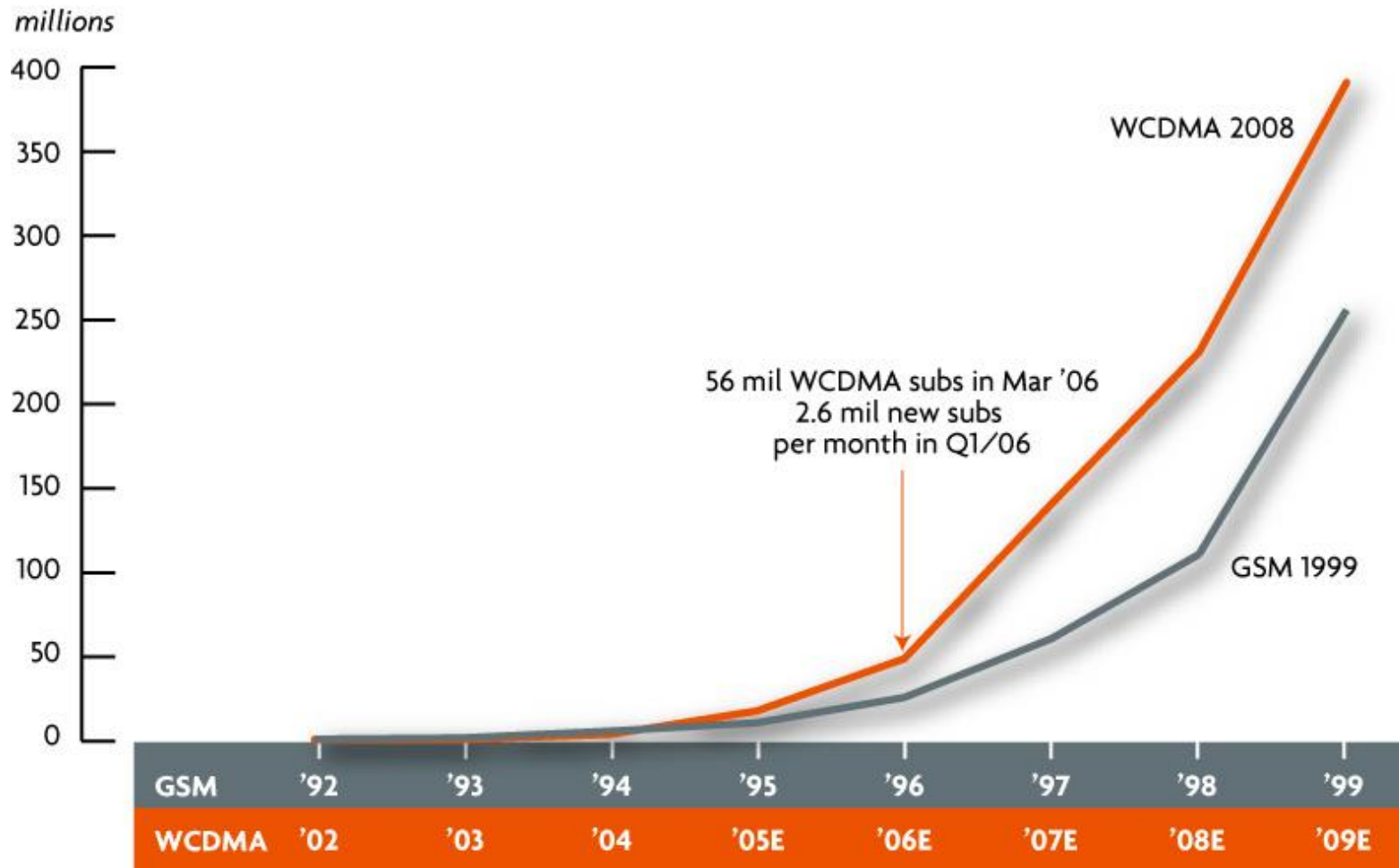


CDMA Handset Growth Rate Faster Than Overall Worldwide (Calendar Year)

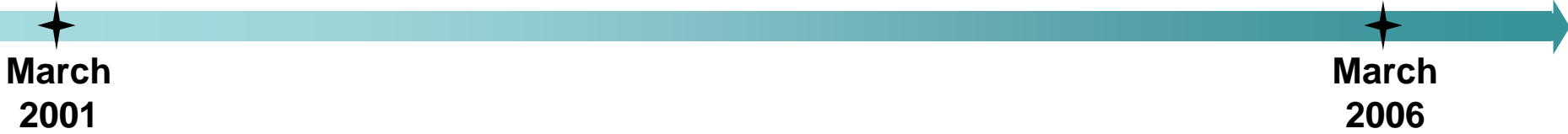


Worldwide CDMA and WCDMA Phone Shipments (Calendar Year, Millions)

*Guidance as of April 19, 2006

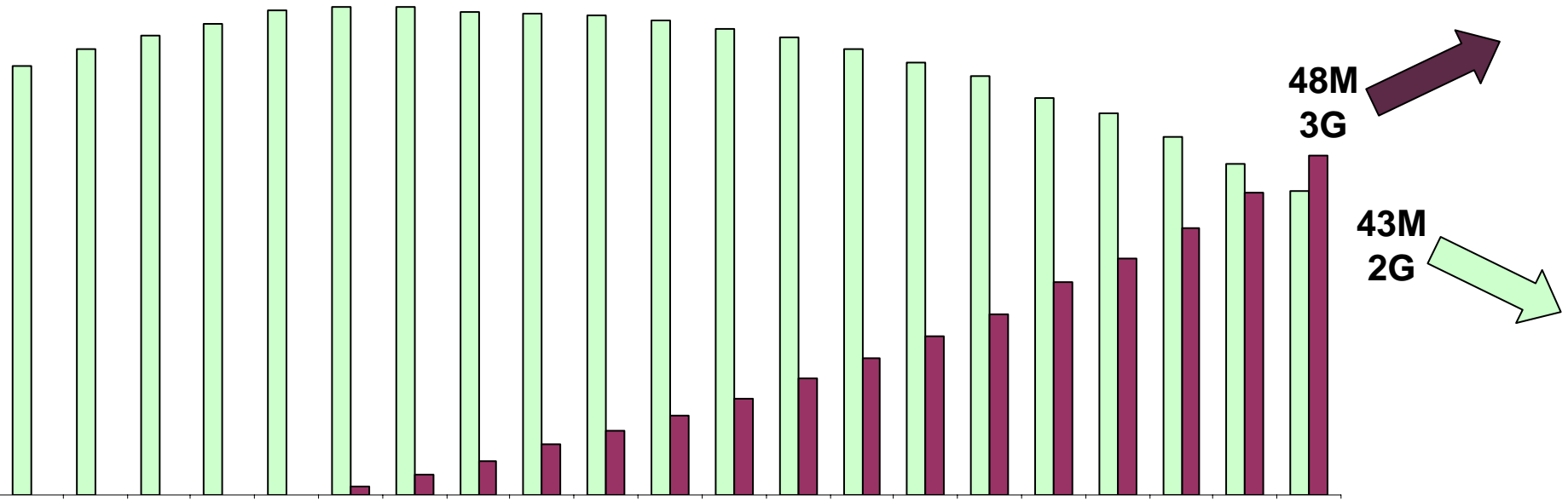


WCDMA Subscriber Growth Expected to be Faster Than GSM



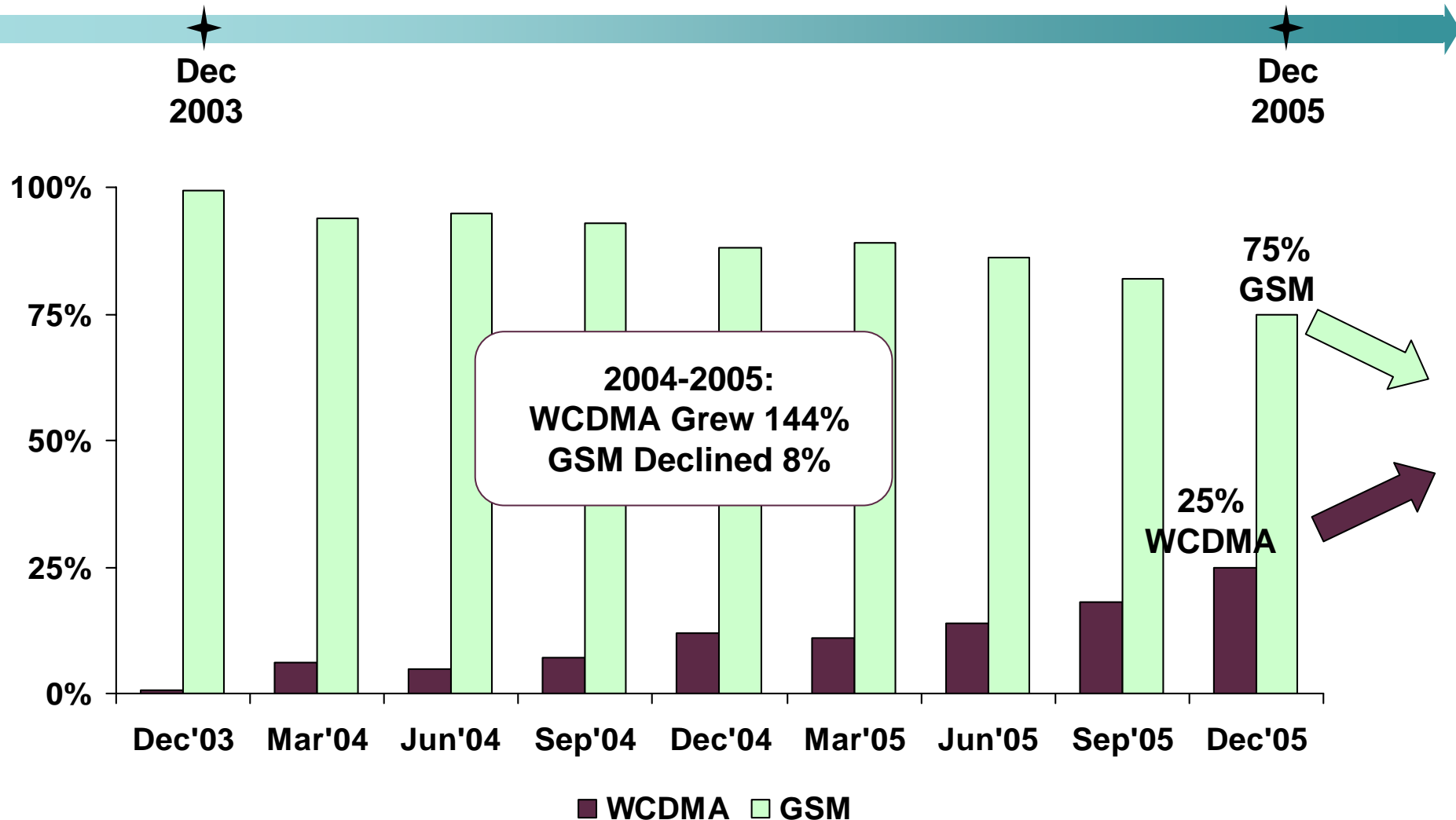
2G 3G CDMA

92M total



3G Subscribers Overtake 2G in Japan for the First Time

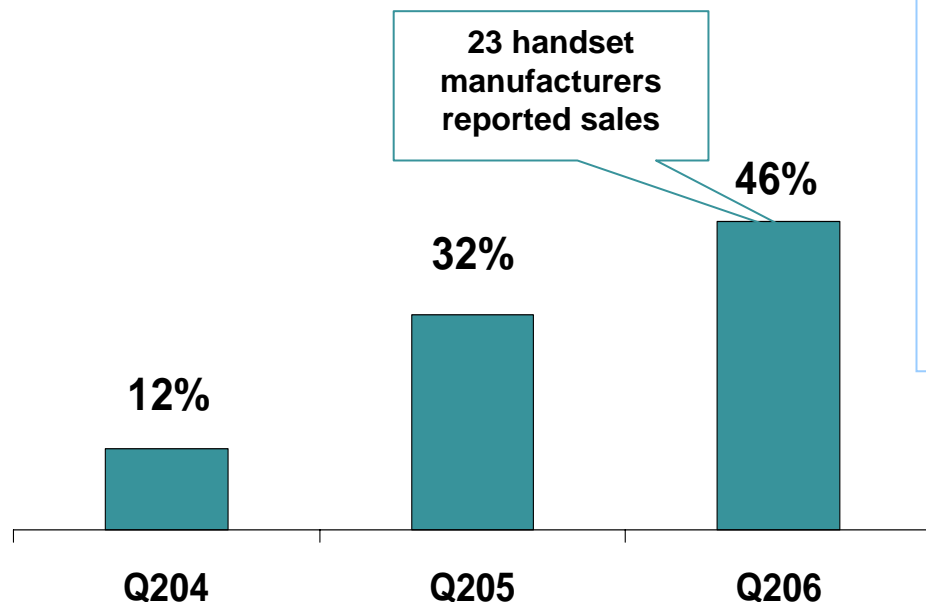
Sources: Telecommunications Carriers Association (TCA) Mar2006



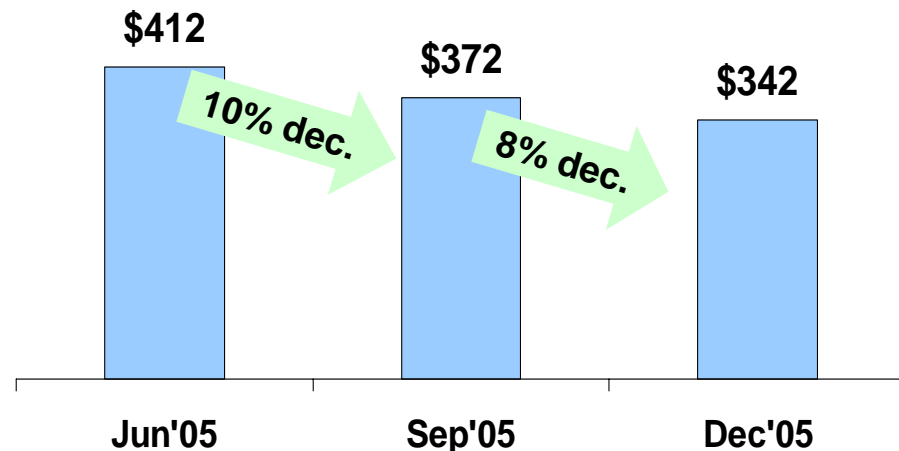
WCDMA and GSM % of Handset Shipments in W. Europe

2004 2005 2006

Percentage of Reported Royalties from WCDMA Products



Quarterly WCDMA ASP Decline



WCDMA Device Shipments Accelerate with Declining ASPs

2003

2010

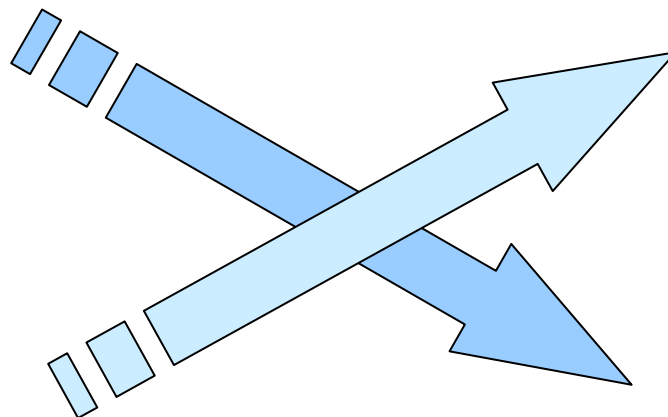
North America Monthly Average Revenue per User (ARPU)

Voice
\$52.69

Data
\$12.81 est.

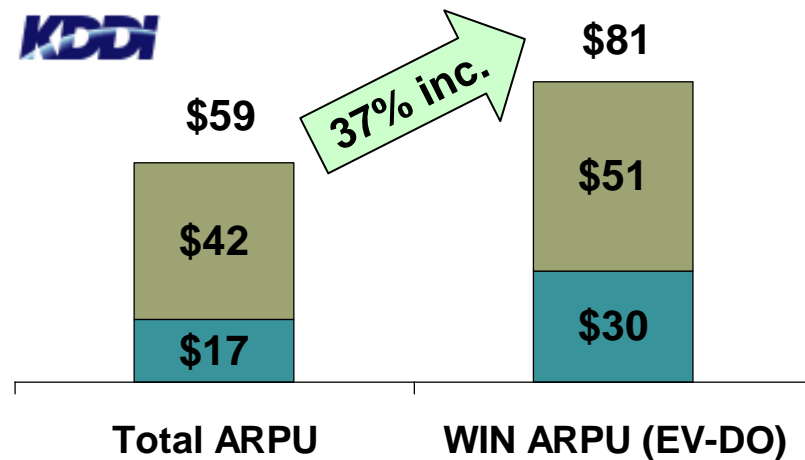
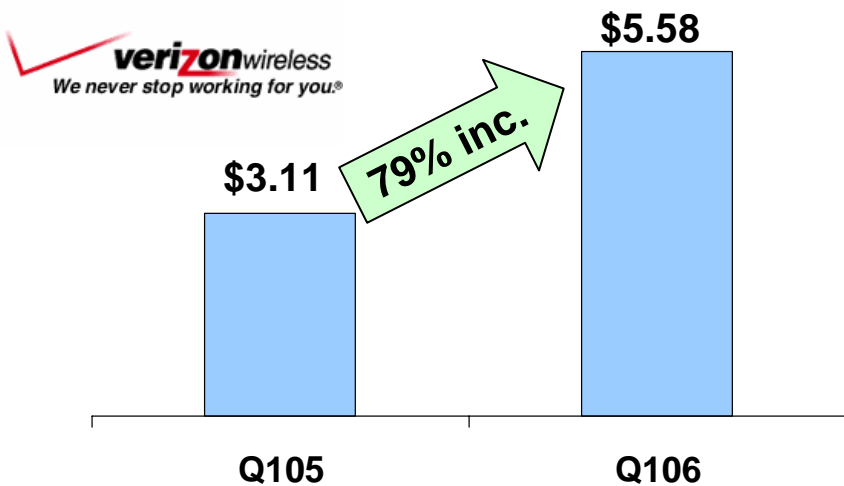
Data
\$1.31

Voice
\$41.37 est.



Wireless Data Comes of Age

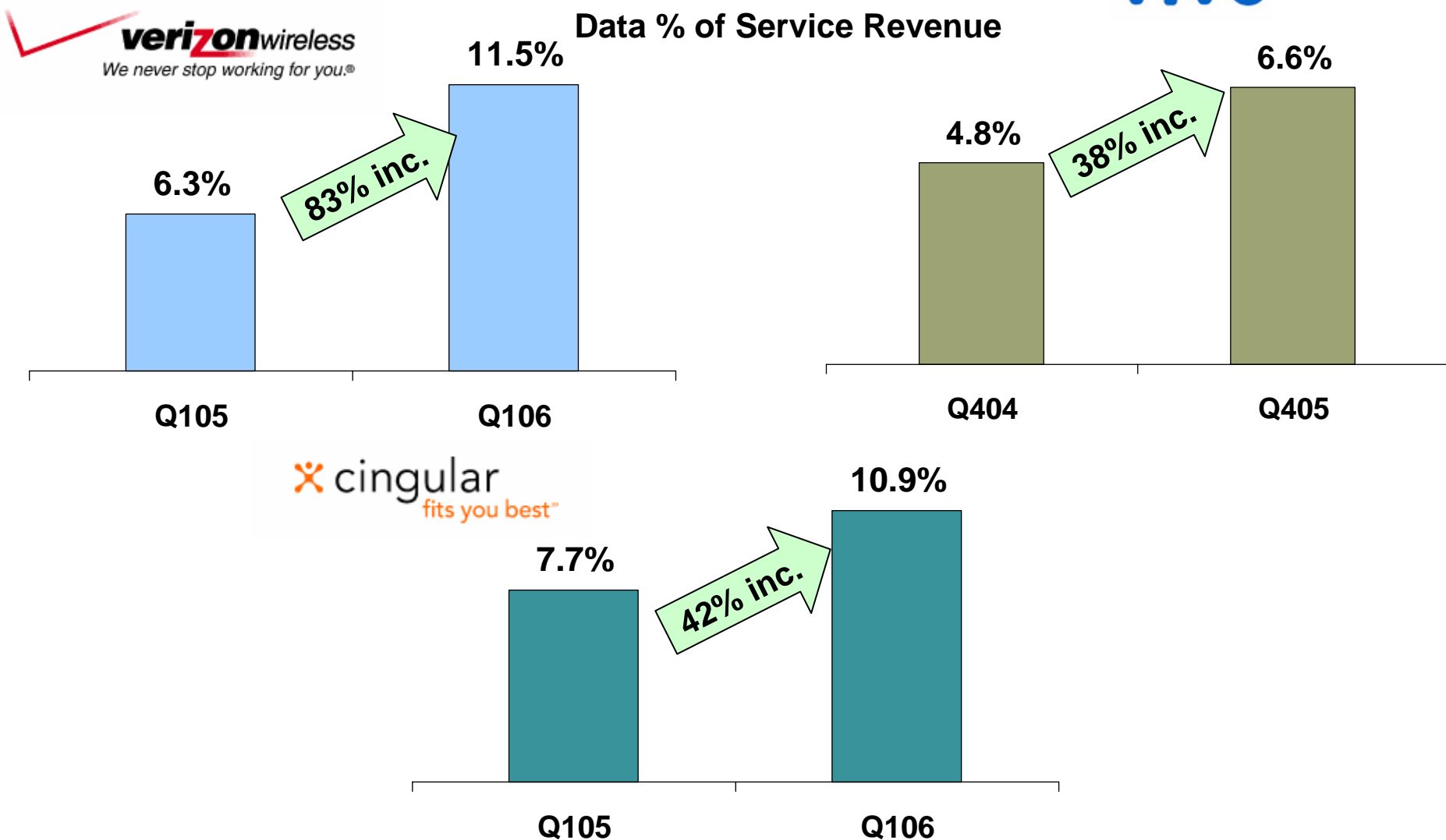
3G Increasing Operator Data ARPUs



■ Data ■ Voice



3G Increasing Operator Data Revenues



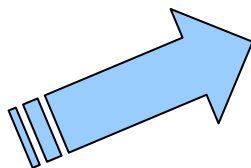
★
Dec
2002

★
July
2004

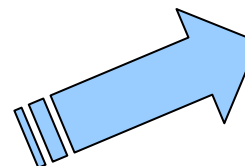
★
Jan
2006



Chaku-Uta
Music Launch



Exceeds 100
Million
Downloads



Exceeds 300
Million
Downloads

New full song
downloads
succeeding
4 Million/month



Japan's Chaku-Uta Music Service Hits 300M Cumulative Downloads
Includes Ringtones and Short Music Clips

★
Jul
2001



★
Sep
2005



★
2006



GoBook II Series



Toughbook Series



Z, X & T-Series ThinkPads



Precision M65



nc6320



Lifebook and Celcius

Increasing Availability of 3G EV-DO and HSDPA-Enabled PC Notebooks and Datacards

2003



20M handsets
>75M BREW
downloaded apps



2.5M BREW users
>30M downloaded apps
>1,000 different BREW
apps and services
>6M BREW handsets

2004



>2M BREW downloaded apps



>1.5M BREW downloaded
apps

2005



15M downloaded apps since
deploying 'Vivo Downloads'



36% growth in gaming
downloads over the last year
since launching premium 3D
games as part of the V-CAST
service

Worldwide BREW Momentum
66 Operators in 31 Countries



BREW Publishers & Developers

(partial list)



QUALCOMM is a registered trademark of QUALCOMM Incorporated.

Certain other product names, brand names and company names mentioned may be trademarks of their respective owners

Oct
2004



May
2005



Nov
2005



Dec
2005



March
2006



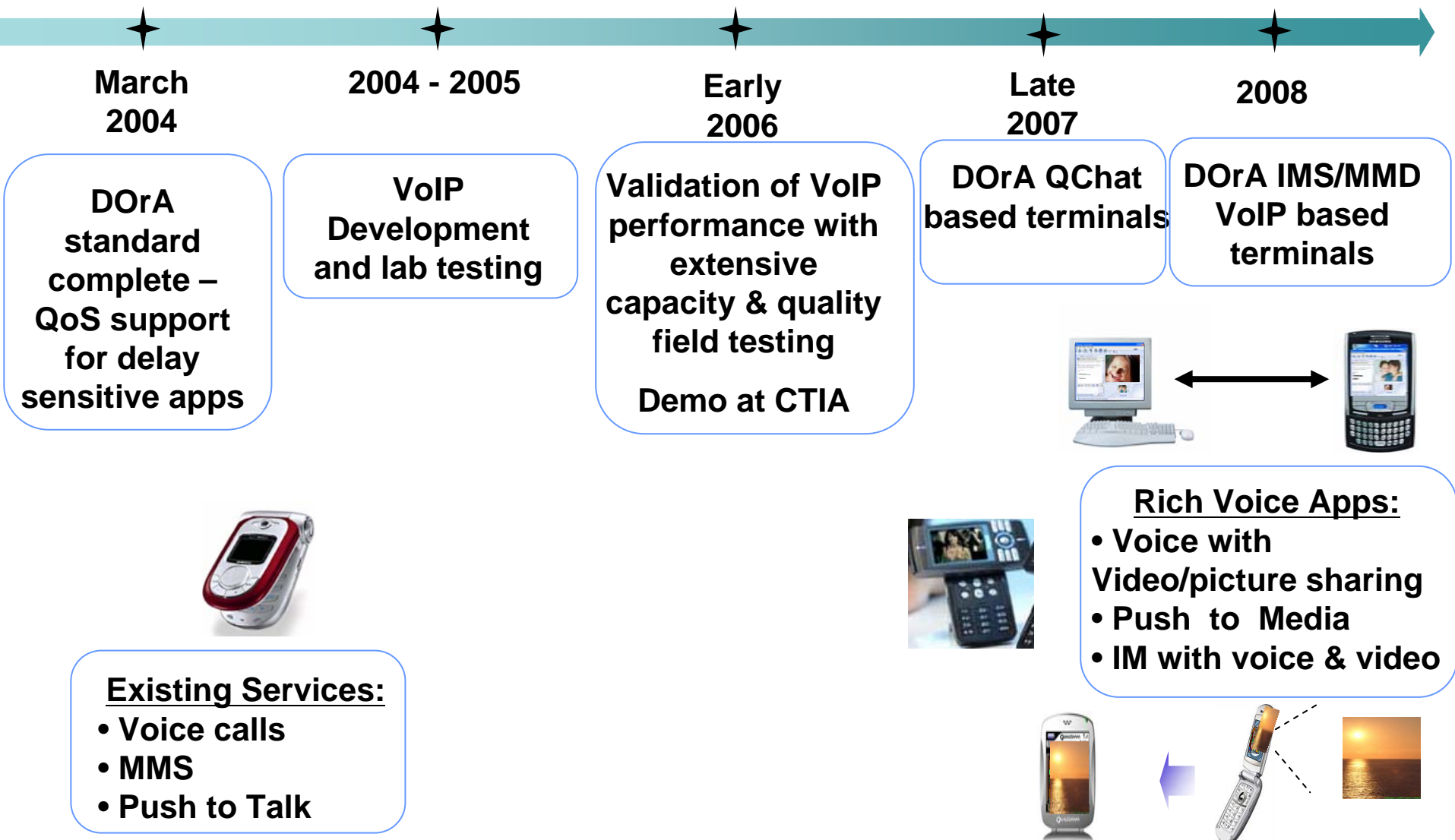
Operator Branding



Individual User Personalization



uiOne - Expansion of Features and Customization for Wireless Devices



The Shift Toward VoIP in a Mobile Environment

Mobile Cellular Broadband

Mobile Multicast

Video and music on demand



MediaFLO™

Mobile TV



**Embedded
EV-DO & HSDPA**



E911

Location services, Bluetooth and Wi-Fi



Complementary Airlinks

Multilink eXtensions

Matching the Optimal Airlink with the Appropriate Application

Nov
2004

MediaFLO USA
\$800M est.*



Sep
2005

First live FLO demo
on a handset
at CTIA IT



April
2006

- City-wide live FLO demos at CTIA 2006
- Content announcement with Network Live JV (AOL, XM Satellite Radio and AEG)
- City-wide FLO, 16 channels at NAB 2006



MediaFLO™

MediaFLO USA on Track for National Commercial Launch

*Estimate as of November 2004

2000



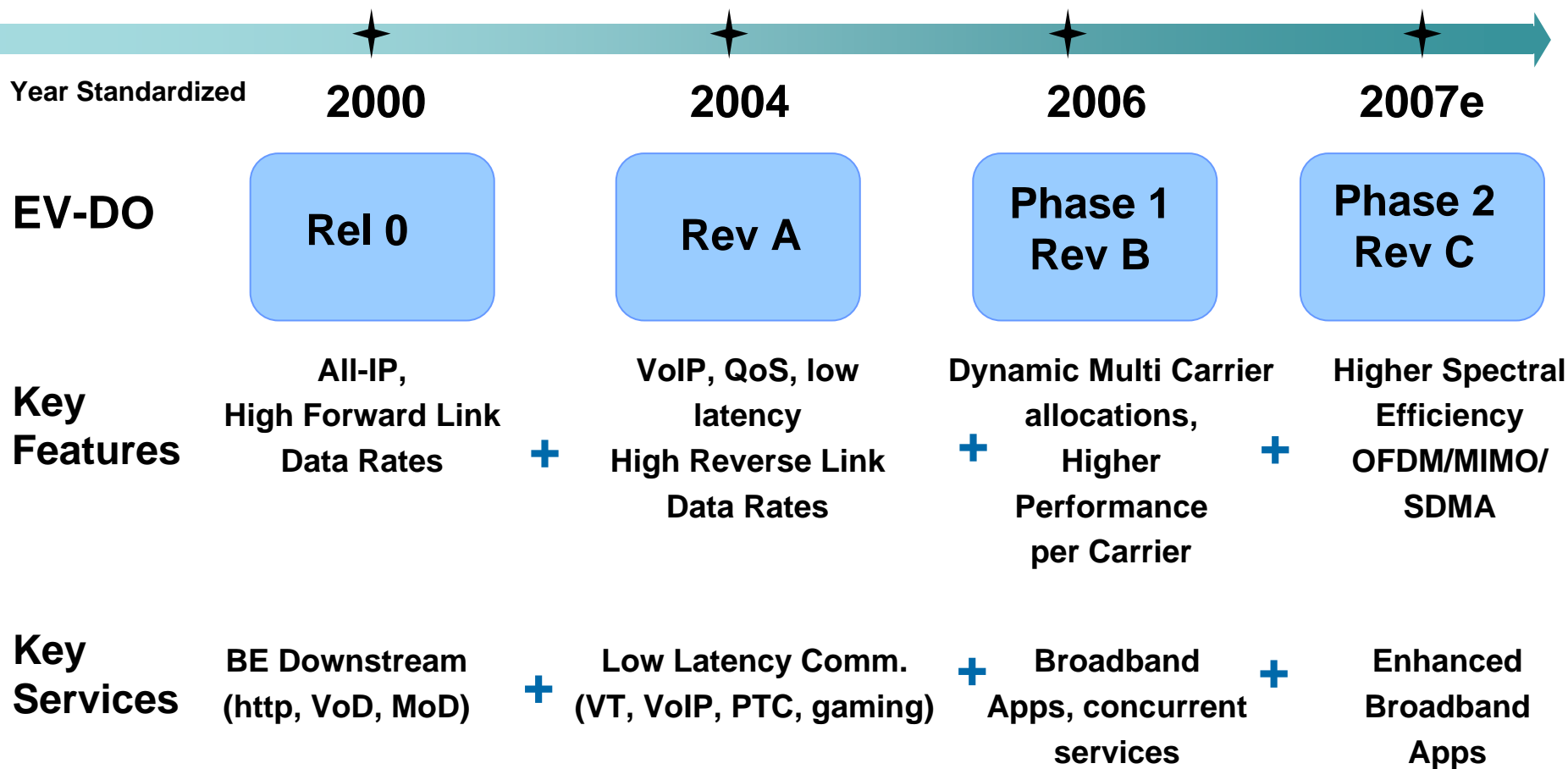
2001



2005

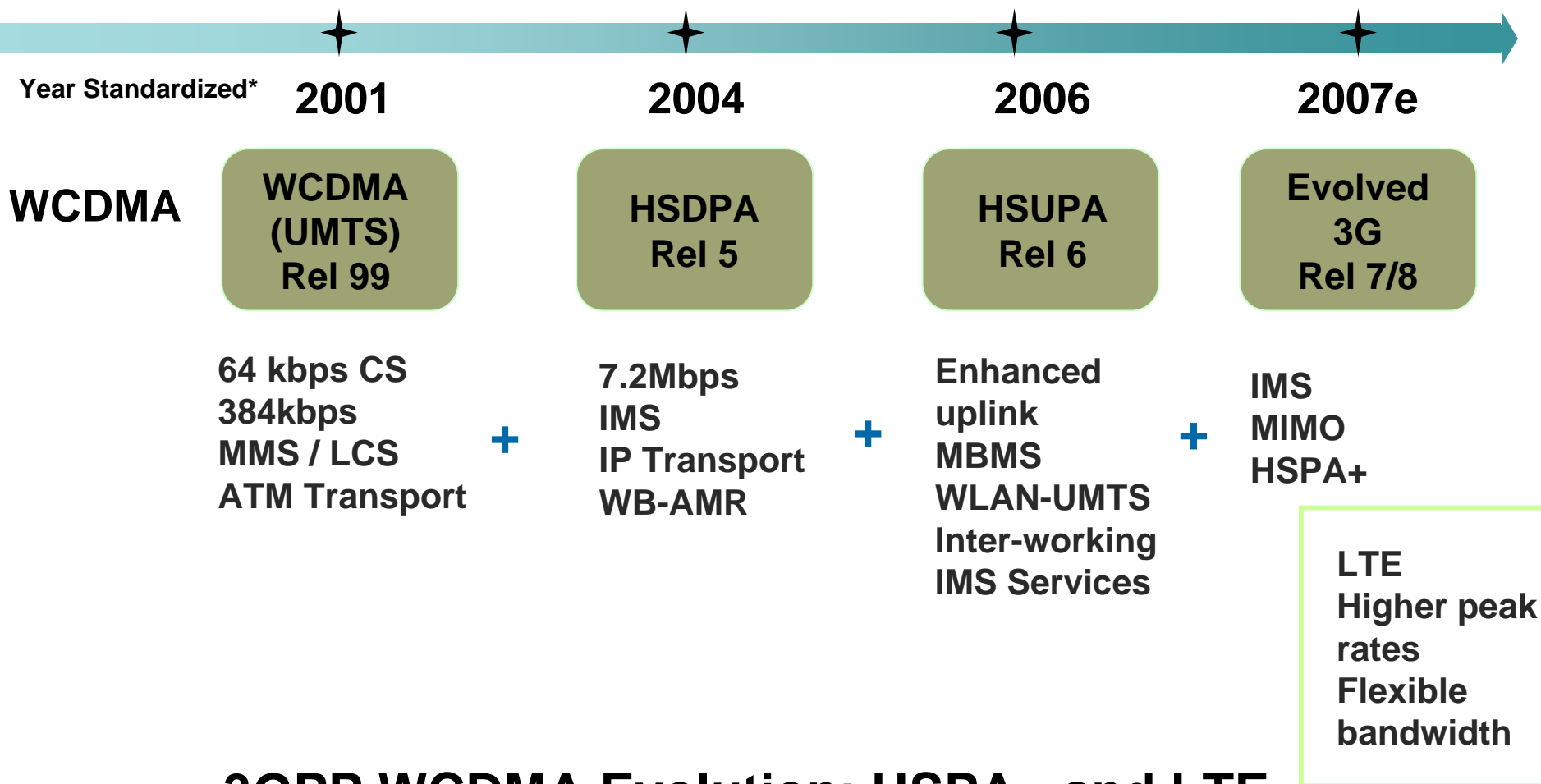


45 CDMA & Non-CDMA Carrier Launches



3GPP2 FDD Evolution

EV-DO Continues to Evolve as the Leading Wireless IP WAN Standard



3GPP WCDMA Evolution: HSPA+ and LTE

*Corresponds to ASN.1 date

Note: After the functional “freeze” date”, a Release can have no further additional functions added. However, detailed protocol specifications may not yet be complete. In addition, OA&M (Operations, Administration and Maintenance) specs and test specs may lag by some considerable time (Source: 3GPP). The ASN.1 (Abstract Syntax Notation 1) date more closely approximates when these detailed protocol specifications are complete for each Release.

2006

- **AWS*** Spectrum 90 MHz in 1.7/2.1 GHz bands. FCC auction begins end June.
- **Air-To-Ground Spectrum** 4 MHz in 800 MHz band broadband air-to-ground service. FCC auction begins May.

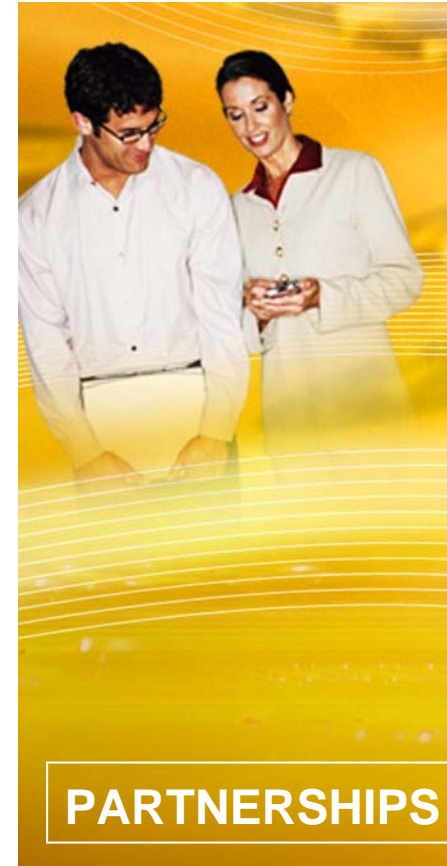
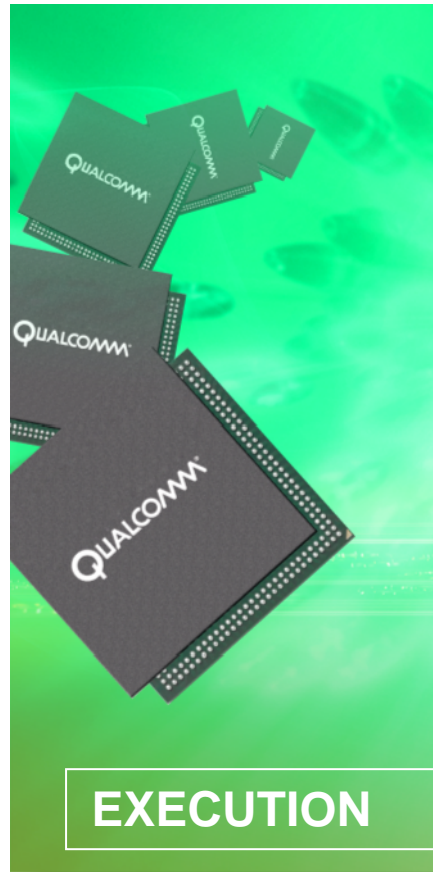
2009

700 MHz 60 MHz Upper and Lower 700 MHz bands. Broadcasters exit by February 2009. Auction begins January 2008.

BRS* (2.5 GHz) Spectrum Sprint owns or leases 85% of U.S. , service >15M pops in 2009.

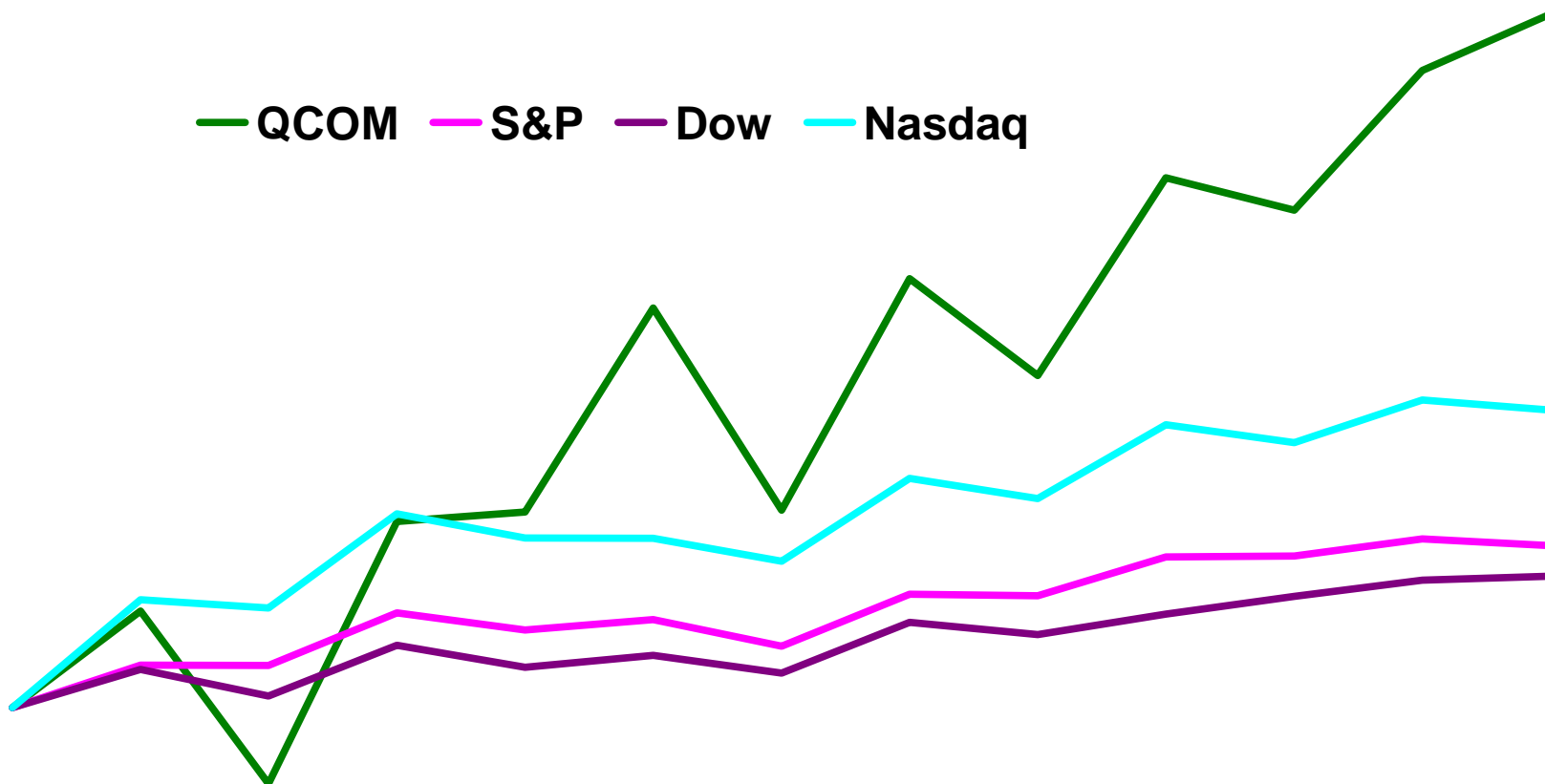
MSS/ATC* FCC permits mobile satellite licensees to offer an ancillary terrestrial service. L Band, S Band, and Big Leo Bands.

New Spectrum Opportunities in the U.S.





— QCOM — S&P — Dow — Nasdaq



QCOM Stock Price Outperforms the Market
Share Price Increased ~49% in 12 Months

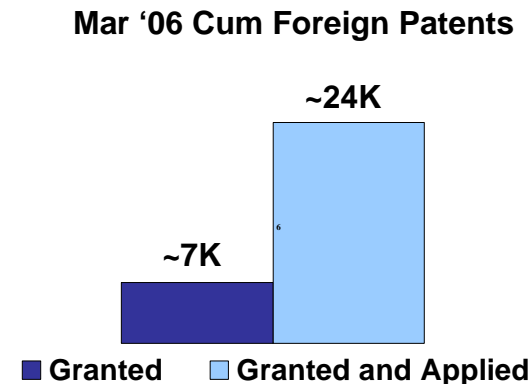
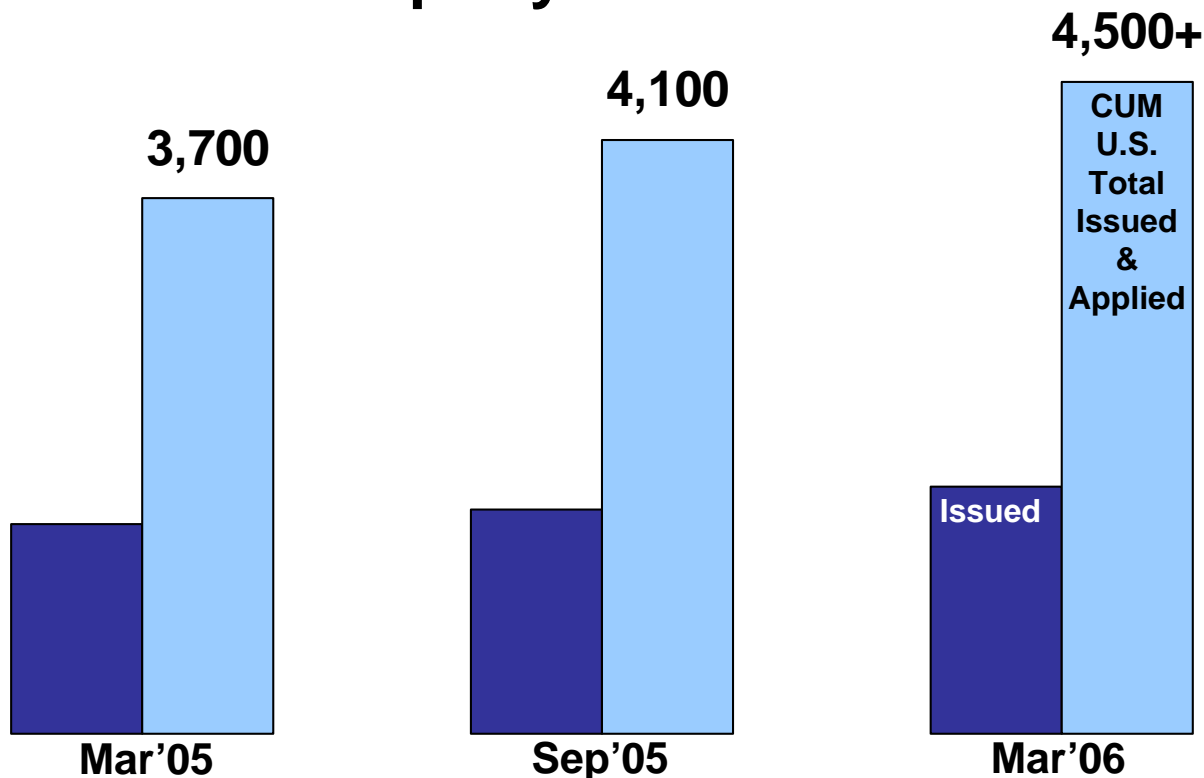


Thank You.

Steve R. Altman
President, QUALCOMM



Intellectual Property Position



- Industry recognized patent portfolio essential for all 3G CDMA standards
- Patents essential / applicable to GSM/GPRS/Edge products
- Over 620 issued patents and pending patent applications for OFDM/OFDMA (180 from Flarion)
- Technology and Standards leadership



QUALCOMM CDMA Licensees

Subscriber

AL Communications Co., Ltd.

ALBAHITH

Alps Electric Co., Ltd.

Amoi Mobile Co., Ltd.

Axesstel, Inc.

Axio Wireless, Inc.

Bellwave, Inc.

BenQ Corporation

Casio Computer Co., Ltd.

CEC Telecom Co., Ltd.

Compal Electronics, Inc.

Creative Mobile Technology (CMOTECH) Co., Ltd.

Crest Glory Corporation

Dalian Daxian Group Co., Ltd.

Dalian Huanyu Mobile Technological Co., Ltd.

Datang Telecom Technology Co., Ltd.

Denso Corporation

Eastern Communications Co., Ltd.

Egyptian Telephone Company

ERON Technologies Corporation

ETRONICS Corporation

Flextronics International Ltd.

Foxconn International Holdings Limited

Fujitsu Limited

Garmin Corporation

Glenayre Electronics, Inc.

Guangzhou Jinpeng Group Co., Ltd.

Haier Group Company

High Tech Computer Corporation

Hisense Group Co., Ltd.

Hitachi, Ltd.

Huawei Technologies Co., Ltd.

Inventec Appliances Corp.

Kenwood Corporation

Koninklijke Philips Electronics N.V.

Konka Group Co., Ltd.

KTF Technologies Inc.

Kyocera Corporation

Langchao Group Co., Ltd.

Lenovo Mobile Communications Technology Ltd.

LG Electronics, Inc.

Lucent Technologies Inc.

Matsushita Electronic Components Co., Ltd.

Maxon Telecom Co., Ltd.

Mitsubishi Electric Corporation

Mobile System Technologies, Inc.

Motorola, Inc.

NEC Corporation

Ningbo Bird Co., Ltd.

NOKIA Corporation

Novatel Wireless Inc.

Option NV S.A.

palmOne, Inc.

Panasonic Mobile Communications Co., Ltd.

Pantech & Curitel Communications, Inc.

Pantech Co., Ltd.

Putian Capital Group

Research In Motion Limited

QUALCOMM CDMA Licensees (continued)

Subscriber (continued)

Samsung Electronics Co.
Sanyo Electric Co., Ltd.
Seiko Instruments Inc.
Sejin Electron Inc.
Sendum Wireless Corporation
Shanghai Huntel Technologies Co., Ltd.
SHARP Corporation
Siemens Aktiengesellschaft
Sierra Wireless, Inc.
SK Telecom Co., Ltd.
SOMA Networks, Inc. (*non-standard systems*)
Sony Corporation
Sungil Telecom Co., Ltd.
Synertek, Inc.
 - Sewon Telecom Ltd.
 - Wide Telecom Co., Ltd.
TCL Corporation
Techfaith Wireless Communication Technology Limited
Telefonaktiebolaget LM Ericsson
Teleion Wireless, Inc.
Telular Corporation
Toshiba Corporation
Ubiquam Co., Ltd
Ubistar Co., Ltd.
Uniden Corporation
United Computer & Telecommunication, Inc.

UTStarcom, Inc.
Vitelcom Mobile Technology S.A.
VK Corporation
Wavecom S.A.
Westech Korea, Inc.
Wherify Wireless, Inc
Yiso Wireless Co., Ltd.
ZTE Corporation

ASICs

Agere Systems Inc.
EoNex Technologies, Inc.
Fujitsu Limited
Infineon Technologies AG
Koninklijke Philips Electronics N.V.
Lucent Technologies Inc.
Motorola, Inc.
NEC Corporation
Renesas Technology Corp.
Texas Instruments Incorporated
VIA Telecom, Inc.

CDMA Licensees (continued)

Infrastructure

Airvana, Inc.
AirWalk Communications, Inc.
Alcatel SA
Alps Electric Co., Ltd.
Alvarion Mobile Inc
Andrew Corporation
Axio Wireless, Inc.
Cisco Systems, Inc.
Contela, Inc.
Dailan Huanyu Mobile Technological Co., Ltd.
Datang Telecom Technology Co., Ltd.
Eastern Communications Co., Ltd.
EC Telecom Inc.
EMS Technologies, Inc.
Fujitsu Limited
Great Dragon Information Technology Corporation Ltd.
Guangzhou Jinpeng Group Co., Ltd.
Hitachi, Ltd.
Huawei Technologies Co., Ltd.
Kisan Telecom Co., Ltd.
LG Electronics, Inc.
Lucent Technologies Inc.
Mitsubishi Electric Corporation
Motorola, Inc.
NEC Corporation
NOKIA Corporation
Nortel Networks Limited

Panasonic Mobile Communications Co., Ltd.
Putian Capital Group
Samsung Electronics Co.
Siemens Aktiengesellschaft
SOMA Networks, Inc. (*non-standard systems*)
Telefonaktiebolaget LM Ericsson
Tenosys, Inc.
United Computer and Telecommunication, Inc.
UTStarcom, Inc.
ZTE Corporation

Test Equipment

Advantest Corporation
Aeroflex Cambridge Limited
Agilent Technologies, Inc.
Allen Telecom Inc.
Ando Electric Co., Ltd.
Anritsu Corporation
Comarco Wireless Technologies, Inc.
Dyaptive Systems, Inc.
Hewlett-Packard Company
IFR Systems, Inc.
Japan Radio Co., Ltd.
Motorola, Inc.
Panasonic Mobile Communications Co., Ltd.
Racal Instruments Wireless Solutions Limited.
Rohde & Schwarz GmbH & Co. KG
Rotadata Limited
Spirent Communications, Inc.
Tektronix, Inc.
Telefonaktiebolaget LM Ericsson
Willtek Communications GmbH

OFDMA (Non-CDMA) Licensees

Subscriber

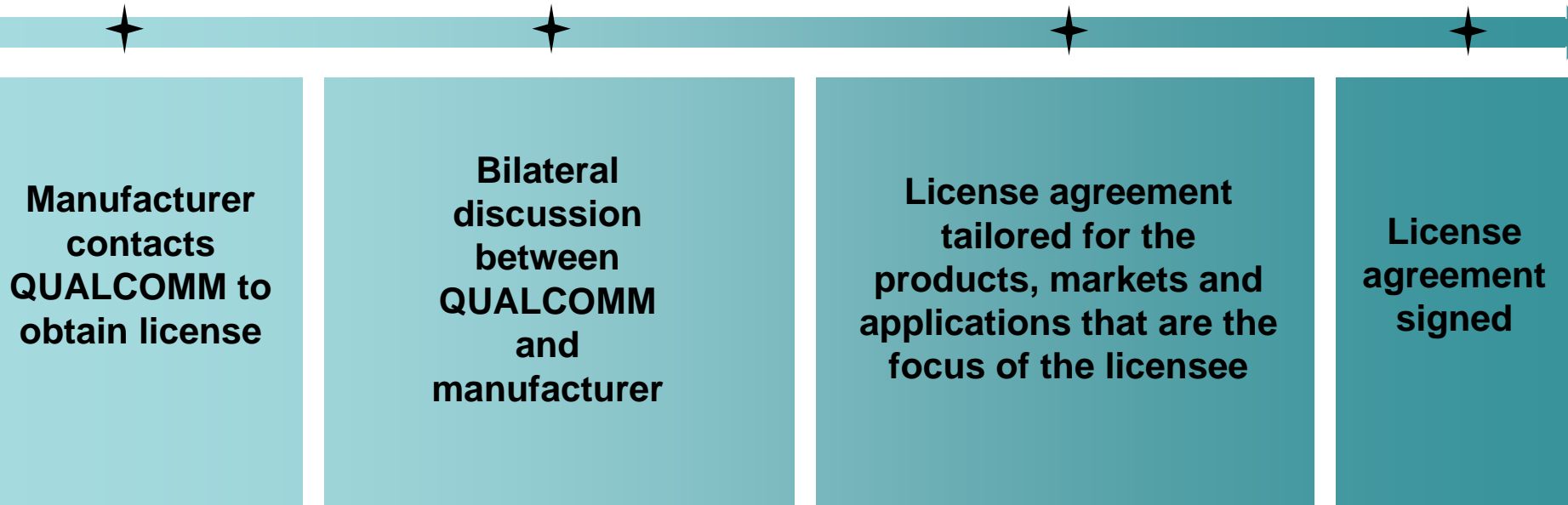
SOMA Networks, Inc.

One other Licensee not yet publicly announced

Infrastructure

SOMA Networks, Inc.

How QUALCOMM's CDMA Licenses Generally Work



QUALCOMM accelerates licensee's time to market by providing:

- Patent license
- Know-how and technical support
- Chips and software

How QUALCOMM's CDMA Licenses Generally Work



License Fees

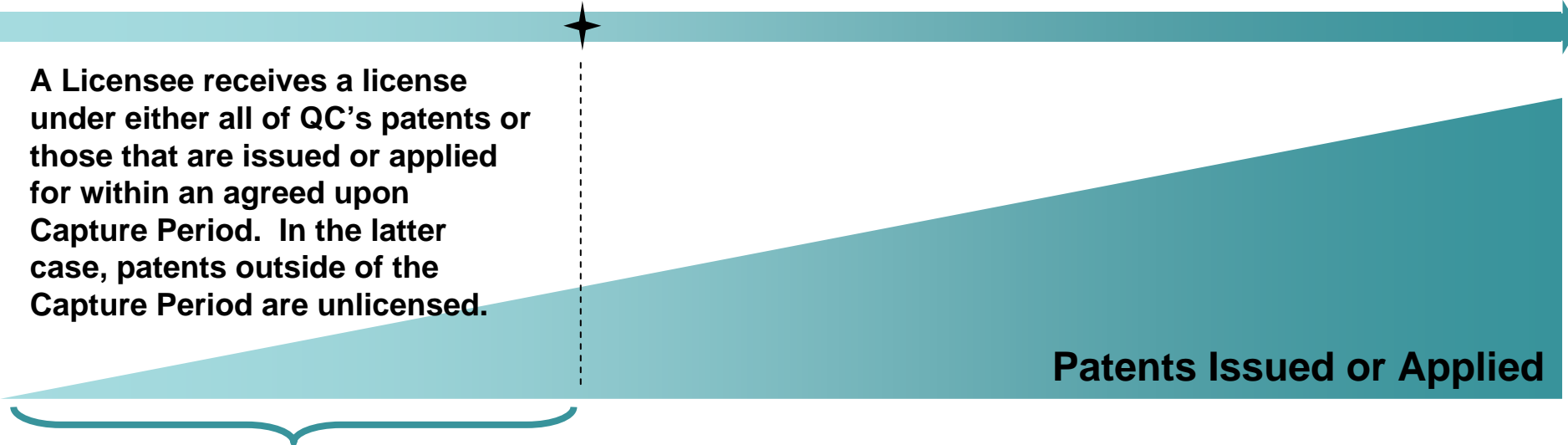
Ongoing Royalties

- Percentage of the licensee's selling price of the product
- Payable quarterly with annual right to audit
- Royalties due on earliest date of shipment, invoice or use

Approximately 90% of third party royalties are derived from subscriber unit sales

QUALCOMM obtains royalty free rights under licensee's patents to sell QUALCOMM's chips

How QUALCOMM's CDMA Licenses Generally Work



A Licensee receives a license under either all of QC's patents or those that are issued or applied for within an agreed upon Capture Period. In the latter case, patents outside of the Capture Period are unlicensed.

Patents Issued or Applied

Capture Period - Royalties are paid for the life of the patents licensed within the Capture Period

- Over the years, we have amended more than 25 of our Subscriber Unit License Agreements to extend the Capture Period without affecting the material terms of those agreements
- Most of our licensees now have an unlimited Capture Period for our essential patents

WCDMA Subscriber Unit License Extensions

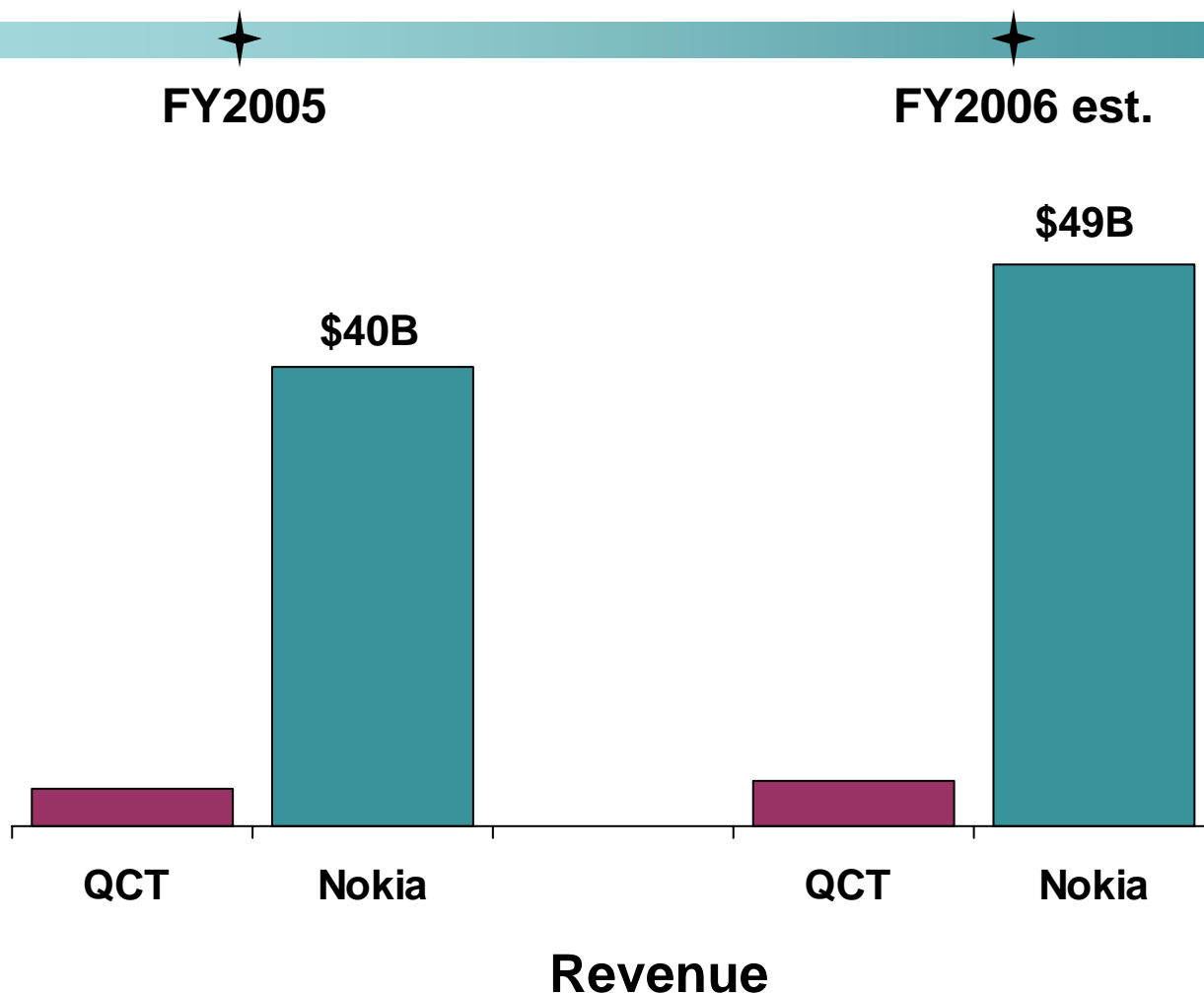
**60+ WCDMA
Subscriber Unit
License
Agreements**

- Only 4 licensees' WCDMA royalty obligations will expire during the next 10 years for the limited number of patents licensed under their Capture Period. These 4 licensees will require an extension. Nokia is one of the four.
- Other than Nokia, the earliest to expire is in 5 Years (2011)

The vast majority of our WCDMA Subscriber Unit licensees, including some of the largest handset manufacturers, are licensed for all present and future essential QUALCOMM patents.

Nokia License Negotiations

- **Qualcomm has a license agreement with Nokia which in part expires on April 9, 2007**
- **Discussions continue between Qualcomm and Nokia**
- **If the parties are not able to reach agreement by April of 2007, then Nokia's right to sell CDMA and WCDMA subscriber products under most of QUALCOMM's patents (including many essential patents) and therefore Nokia's obligation to pay QUALCOMM royalties will both cease under the terms of the current agreement**
- **Unless and until the parties reach agreement, QUALCOMM's rights to sell components under Nokia's patents will cease with respect to components sold after April 9, 2007 under the terms of the current agreement**

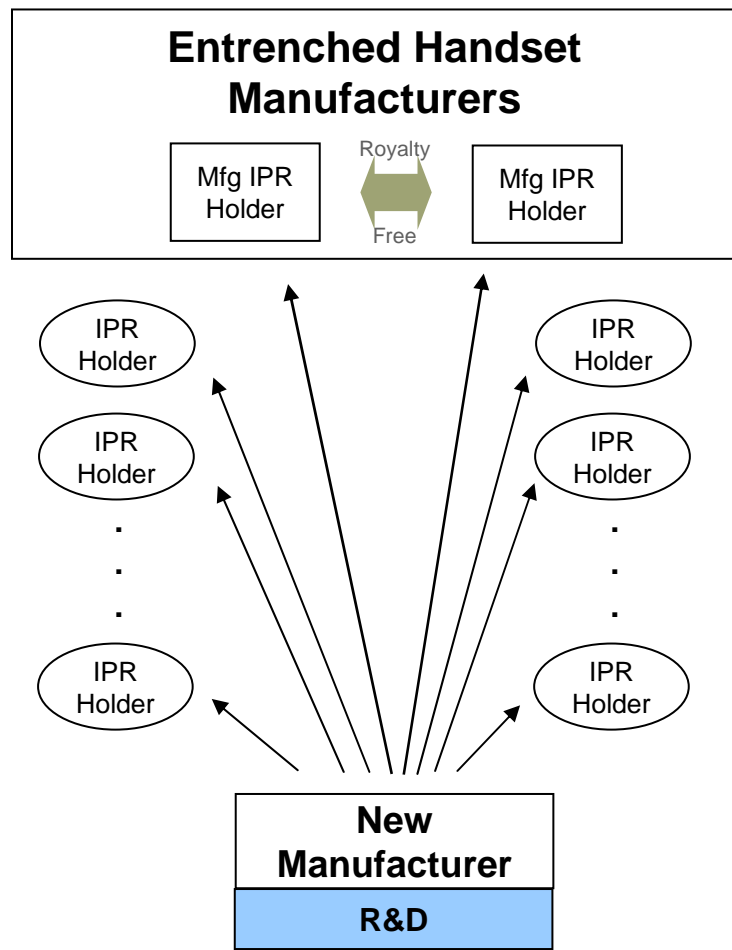


Exposure Comparison if No Extension

QUALCOMM'S Business Model Fosters Competition

HISTORIC GSM MODEL

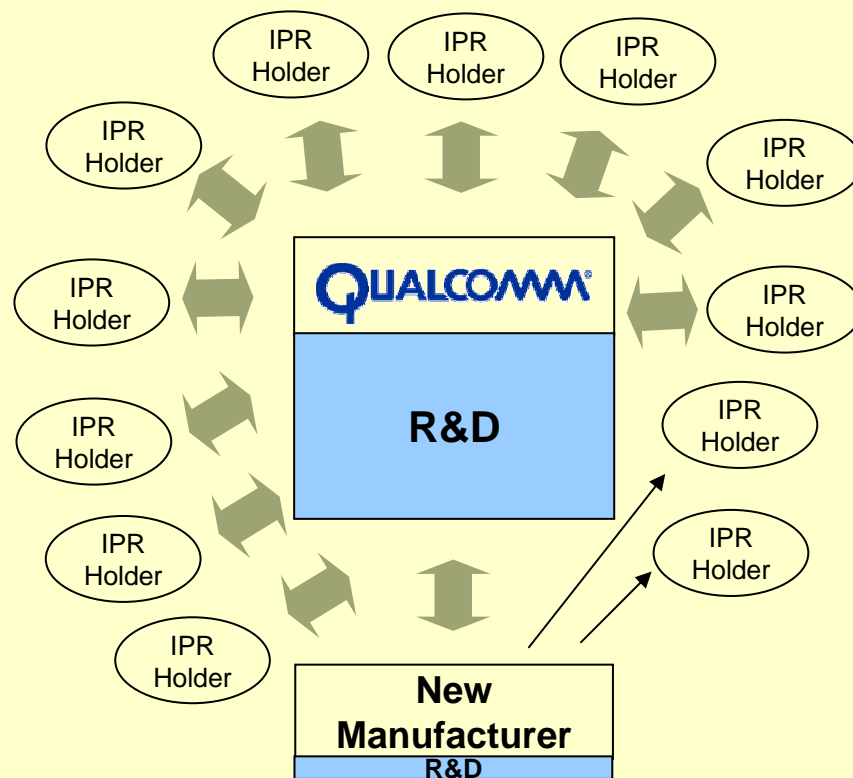
Generally, only essential patents licensed



Limits Competition

QUALCOMM'S BUSINESS MODEL

Qualcomm licenses all patents, not just essential patents



Promotes Competition

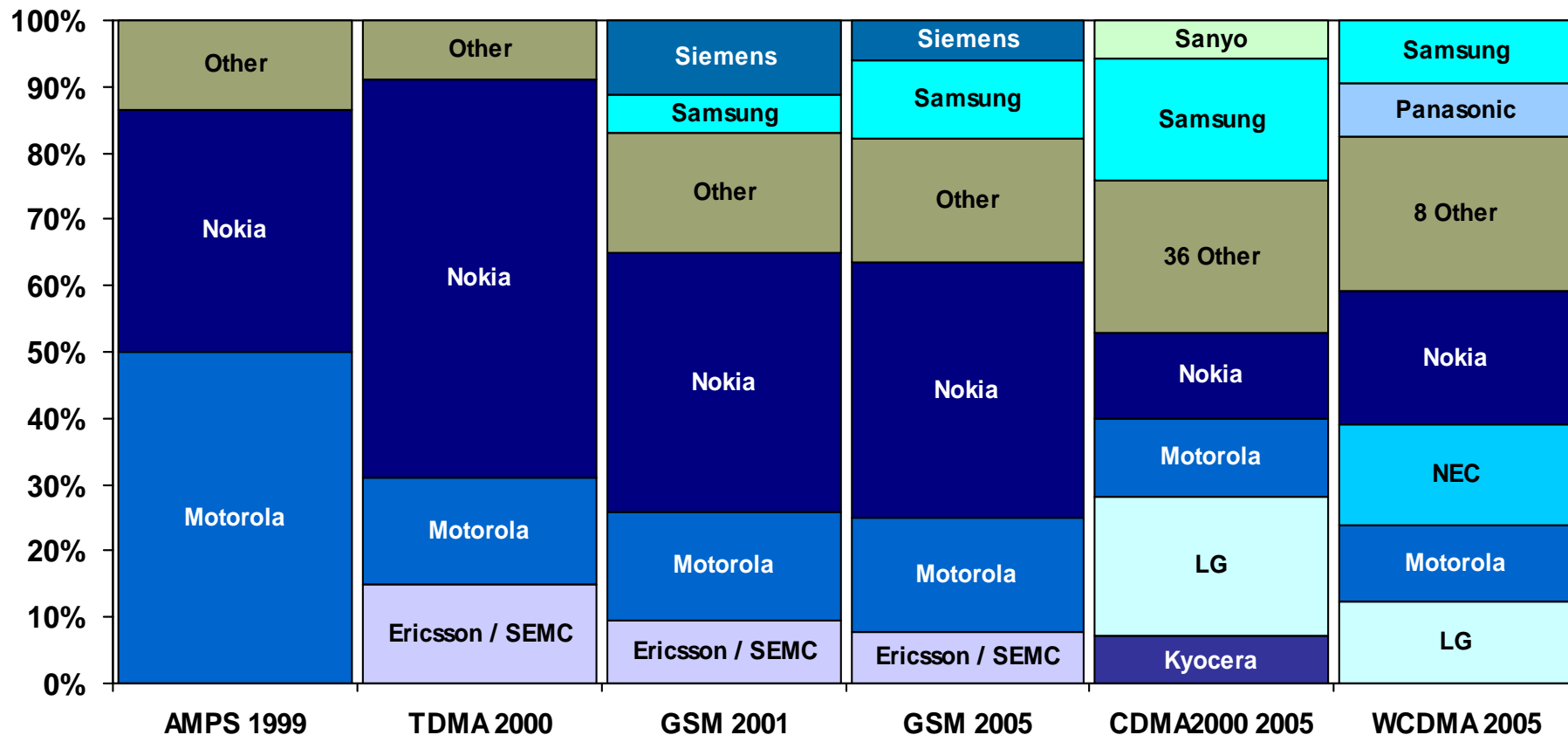
QUALCOMM Lowers Overall IP Cost

- **Reduces royalty stacking**
 - QUALCOMM has proactively acquired licenses from its licensees and others to manufacture and sell components
 - Over 100 companies have provided licenses to QUALCOMM to pass through a significant number of 3rd party intellectual property rights to our chipset customers
 - Reduces royalty stacking for QUALCOMM component customers
- **No additional QUALCOMM royalty rate above the QUALCOMM standard WCDMA / CDMA2000 royalty rate**
 - Licensed portfolio has grown substantially while standard royalty rate has not increased
 - Subject to other standard terms and conditions
 - Multi-mode products (e.g., OFDMA and/or GSM with 3G CDMA)



Increasing Handset Competition in 3G

(Market Share)

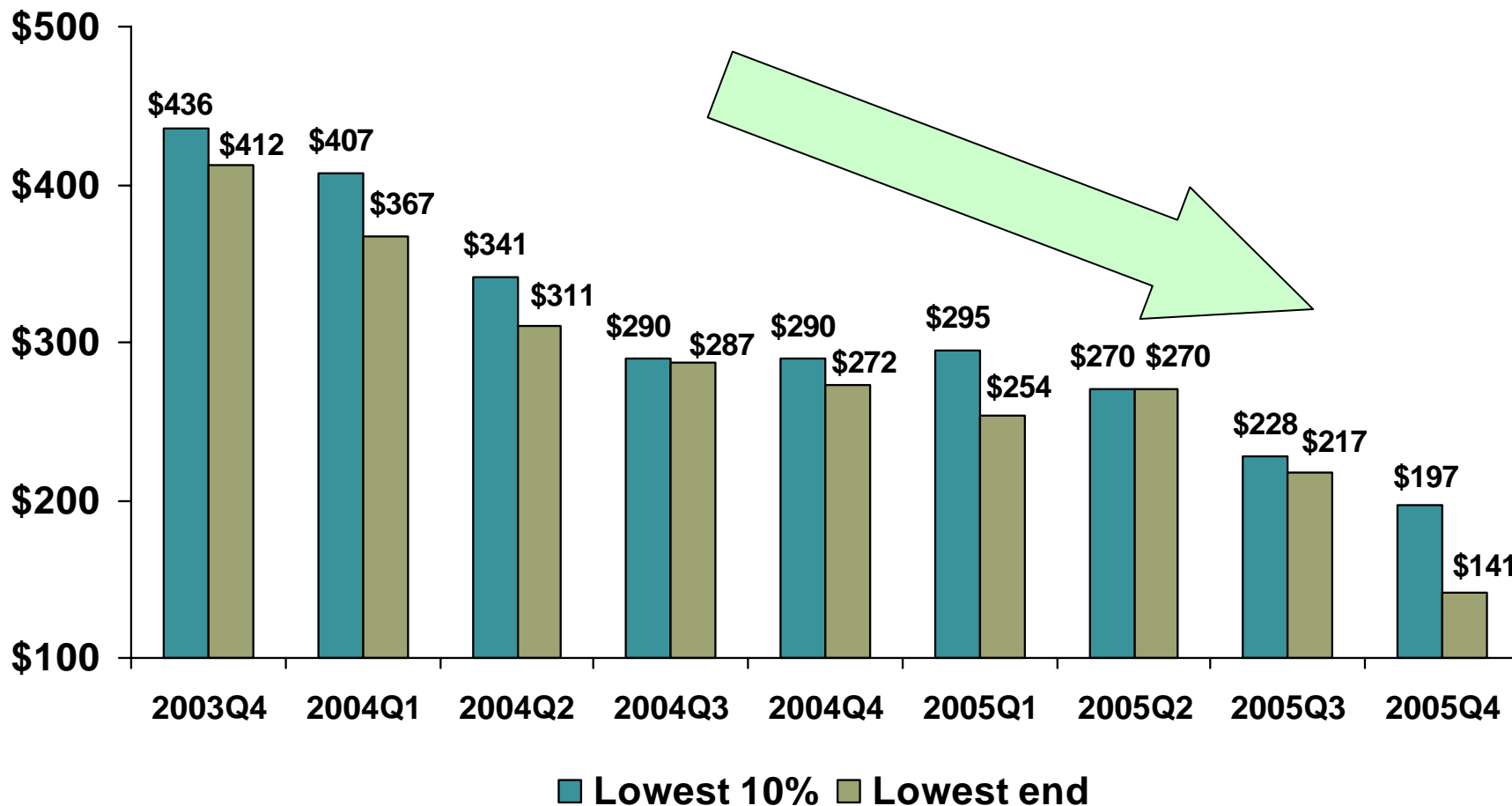


- Large number of handset OEMs creates a competitive environment for 3G

Note: Vendors with a market share under 5% have been placed in the "Other" category

Sources: Analog & TDMA – Gartner Group, 2000; CDMA, GSM & WCDMA – Strategy Analytics, 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

CDMA and WCDMA in North America

More features – maintains ASP

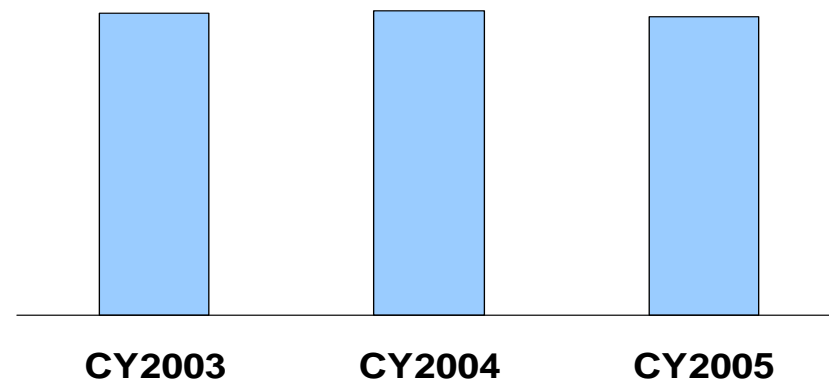
- Technology upgrades and enhanced handset features have maintained average wholesale prices relatively constant for the past three years

North America currently represents ~50% of CDMA2000 handsets sold worldwide

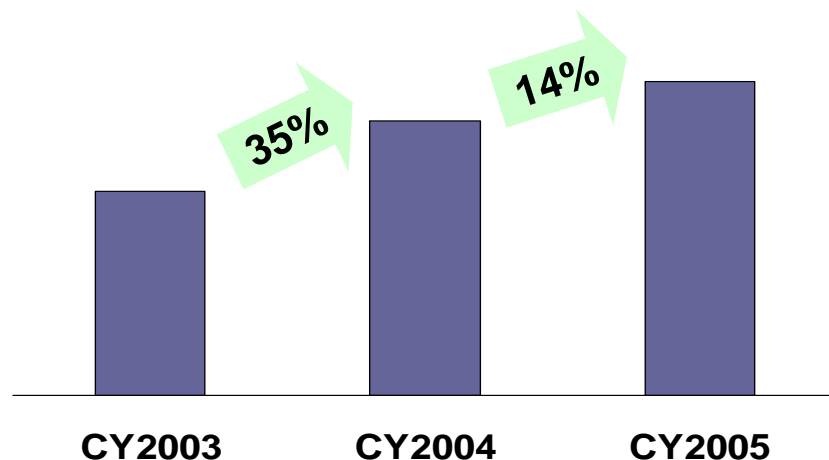
- High handset shipment volumes driven by subscriber-base growth and increasing replacement rates
- Vigorous competition

Source: Based on reports received from licensees

Wholesale Handset ASP \$



Handset Shipments



CDMA2000 and WCDMA in Japan & Korea

Wholesale ASPs at steady-state as demand for high-end handsets with enhanced features continue

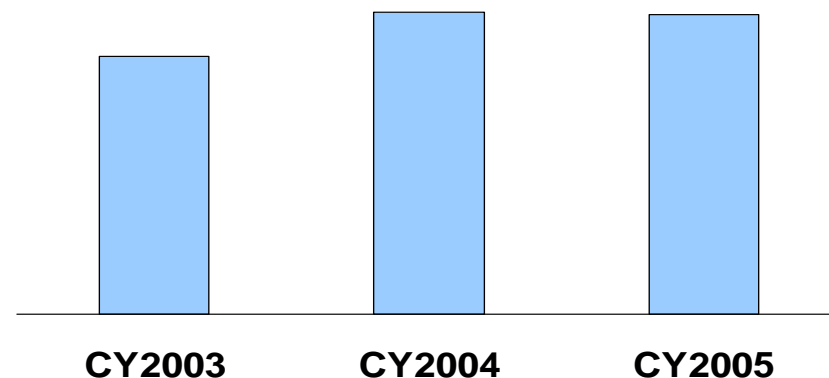
South Korea

- Strong replacement sales
- Subsidies up to \$200 in 2006
- “Sales of high-end phones are on fire”
Seoul Daily April 3, 2006

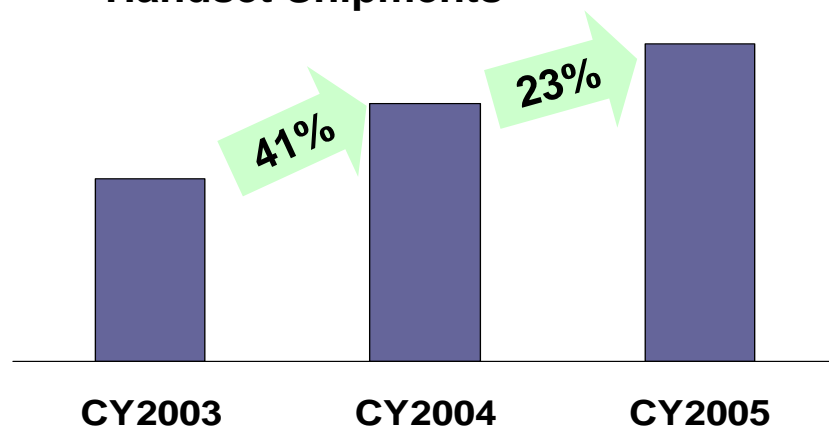
Japan

- “NTT DoCoMo W-CDMA subscriptions to overtake PDC this year” *Informa April 25, 2006*
- Number portability in 2006

Blended Regional and Technology Wholesale Handset ASP (US\$)

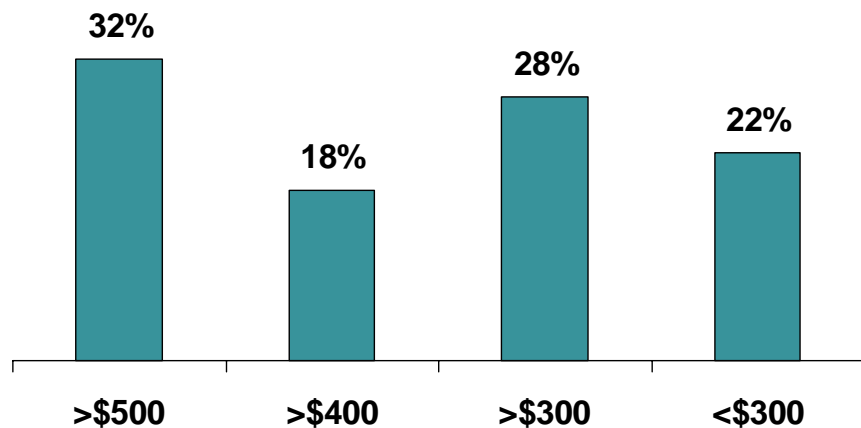


Blended Regional and Technology Handset Shipments

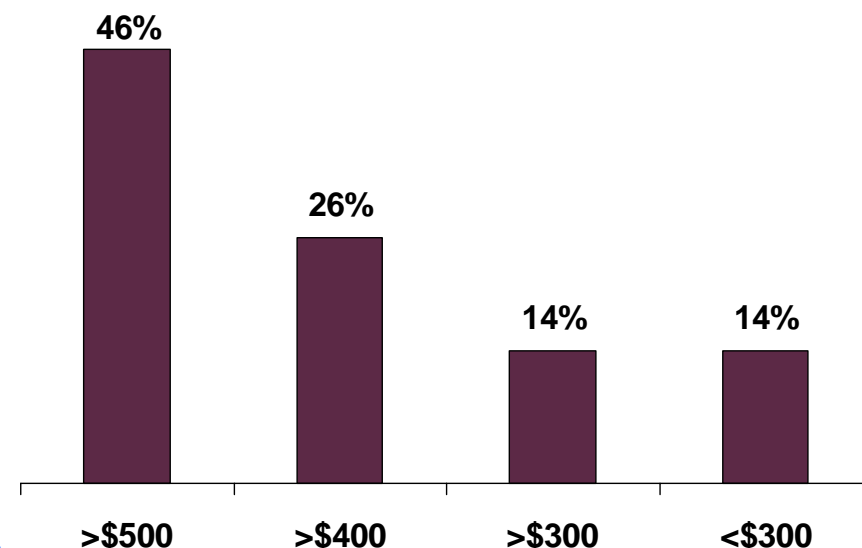


South Korea Handset Subsidy Driving High-end Phone Sales

Before Subsidy (SKT)



After Subsidy (SKT)



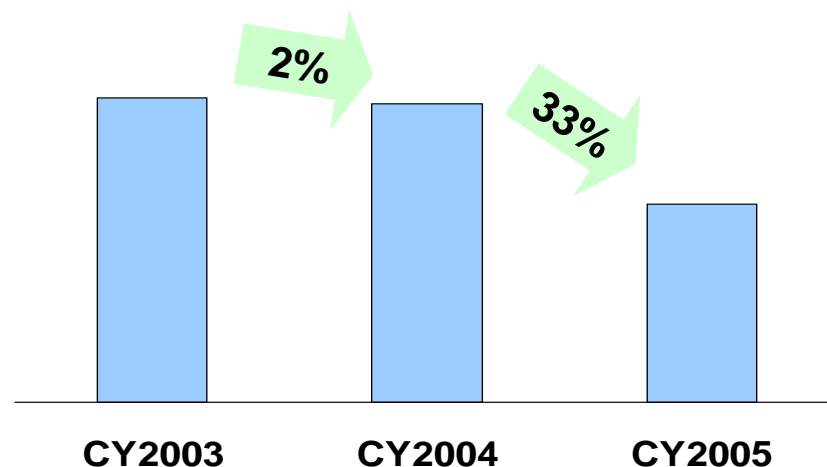
Note: High-end phone is over \$500, low-end phone is under \$300. Based on operators sales records in March after subsidy is allowed

Source: Sales of high-end phones are on fire, Seoul Daily April 03, 2006

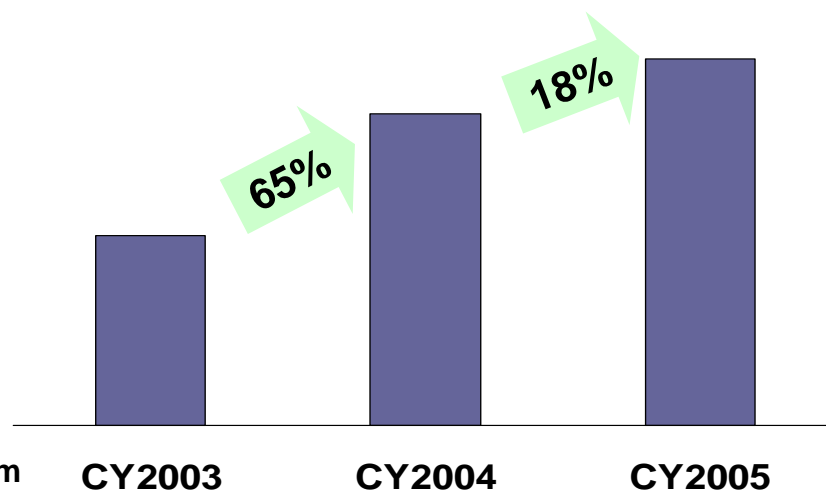
CDMA in China

- 55% QoQ volume increase in Q4'05
- CDMA 450 share increases to 33% of CDMA volume in Q4'05
- Government reconfirmed commitment to policy of “technology neutrality” in issuance of 3G licenses and to allow Chinese operators freedom in choosing technology standards for their 3G services

China Wholesale CDMA ASP \$



China Unicom Subscribers, Millions



CDMA in India

Low-end handsets

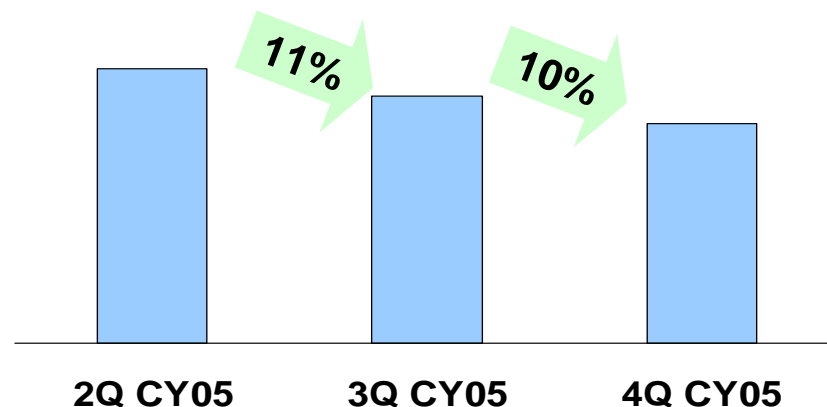
- 4 consecutive quarters with ASP declines of approximately 10%
- “CDMA devices constituted 49% in the sub-\$50 tier in the 4Q’05” *Yankee Group 2006*
- Includes Wireless Local Loop (WLL)

Reduced pricing of CDMA handsets increasing sales

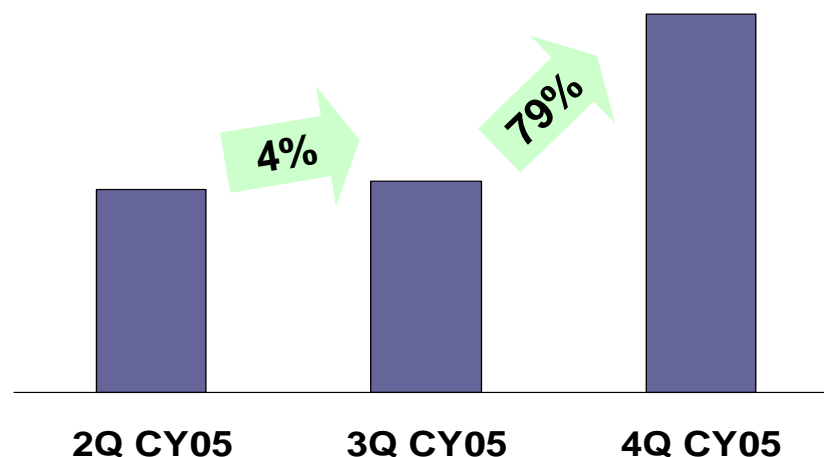
- Prepaid programs helping drive volume
- 4Q CY05 “CDMA devices constituted 48% of total device shipments into India” *Yankee Group 2006*

Source: Based on reports received from licensees

CDMA Wholesale Handset ASP \$



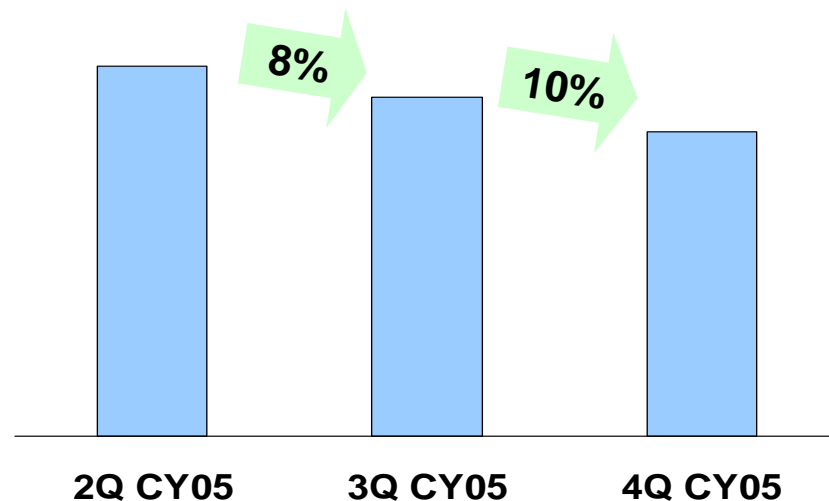
CDMA Handset Shipments



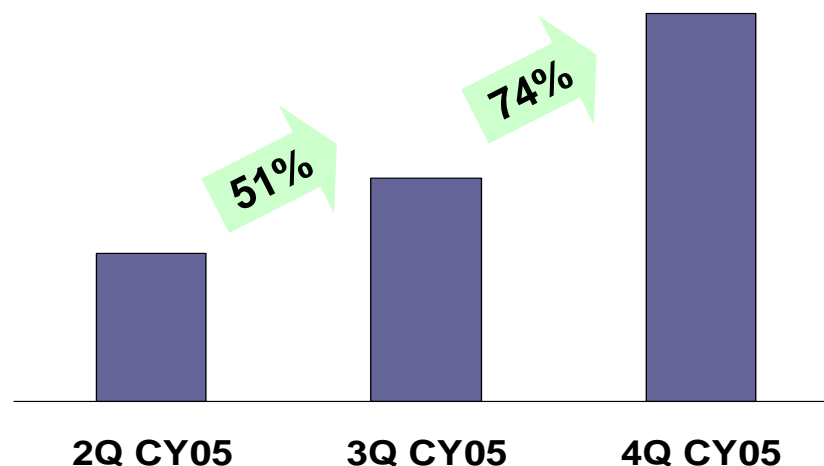
WCDMA in Europe

- “We're expecting significant price erosion at the wholesale level as incumbents are well positioned to exploit the massive GSM- displacement market opportunity in the mid-range of 3G that is yet under-addressed.” *John Jackson, Yankee 4/27/2006*
- 144% annual growth in WCDMA device shipments in 2005
- “In Western Europe choosing WCDMA technology in Q1 2006 is approximately 38.9% or almost 2 in 5 new connections.” *Eva Benguigui, informa May 3, 2006*

Europe WCDMA Wholesale ASP (US\$)



Europe WCDMA Device Shipments



2005 2006 2007 2008 2009 2010

■ GSM ■ WCDMA



2006 Expected to be the Last Year of GSM Shipment Growth
WCDMA Handset Shipments to Overtake GSM in 2009



Thank You.

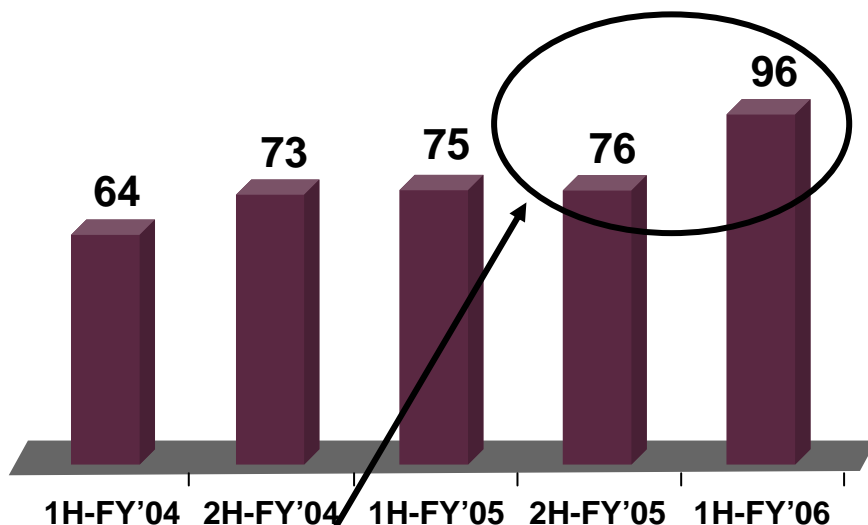
Dr. Sanjay K. Jha

Executive Vice President and President,
QUALCOMM CDMA Technologies Group



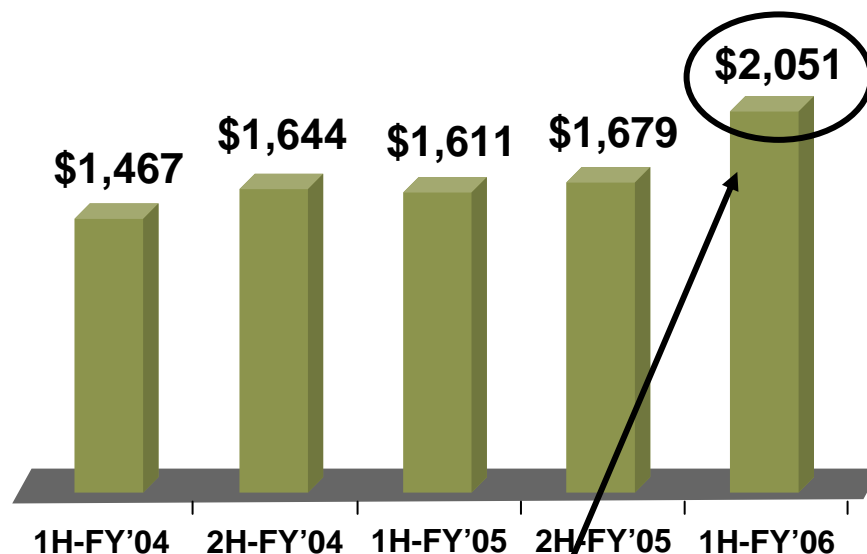
QUALCOMM Execution Continues to Generate Strong Results

Semi-Annual MSM Shipments (Millions)



Three consecutive quarters of record MSM shipments

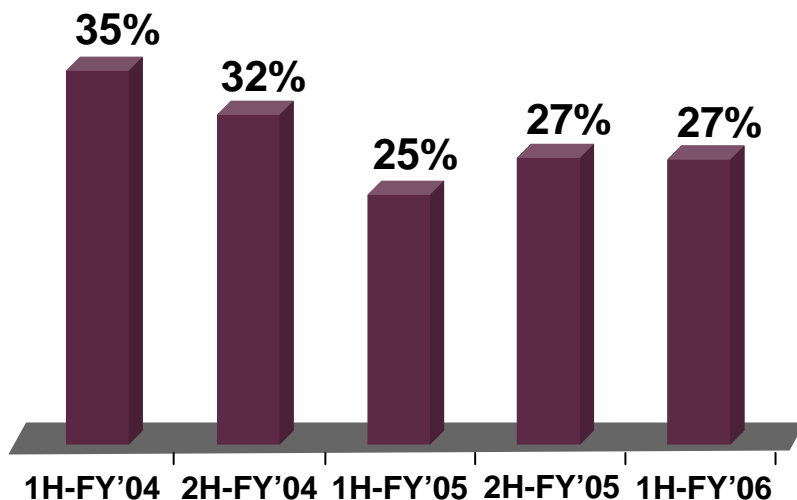
Semi-Annual QCT Revenue Trend (Millions)



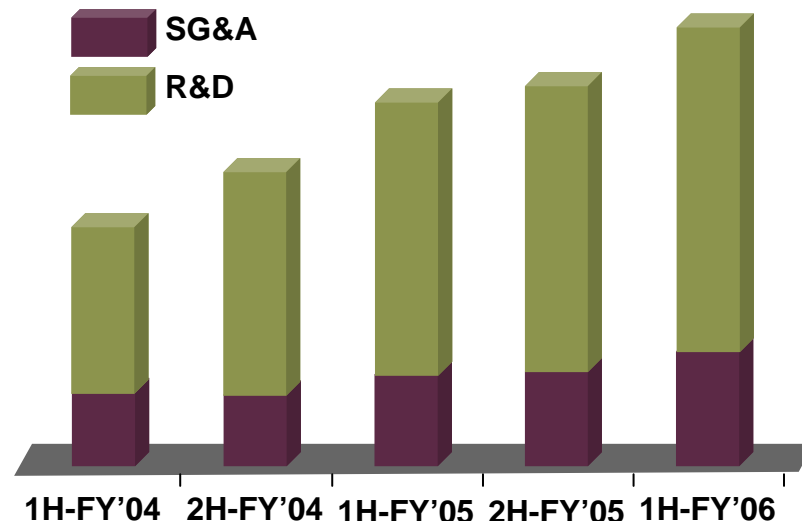
Two consecutive quarters of \$1B+ revenue

Operating Expenses Support Future Growth

Semi-Annual QCT
Operating Profit %



Semi-Annual QCT
Operating Expenses



- Strong traction in WCDMA
- EV-DO reaching mass market levels
- Growth of CDMA2000 in emerging markets

80+ WCDMA Devices Commercially Launched Using QUALCOMM Chips

First QCT phone
for H3G



LGE U880
MSM6250
18.2mm thin

Slimmest 3G phones
in the market



Samsung Z510
MSM6250A
14.9mm thin

Multiple markets;
Multiple carriers



Samsung Z500
MSM6250
Most widely sold

First with AGPS
for DoCoMo



Sanyo SA700iS
MSM6250
DoCoMo

Models with highest volume unit sales in last six months

34 WCDMA Customers to Date

“Launch of the U880 “Muse” handset was a significant accomplishment for H3G. Our cooperation with QUALCOMM helped us meet our aggressive schedule to bring this milestone model to the market.”

*Canning Fok,
Group Managing Director, H3G*

Leading WCDMA with Cost Effectiveness and Advanced Technology

First Commercial HSDPA Devices



HSDPA 7.2 Mbps



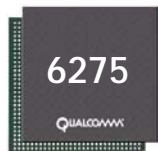
ZTE MF330
1st MSM6280



Sierra Wireless
AirCard 860

First
HSDPA
for Europe

First HSDPA
in US



HSDPA 1.8 Mbps



Option Wireless
Globe Trotter



Novatel
Merlin U740



Samsung Z560
16mm thin



LGE CU320
HEDGE Cingular



Samsung ZX20
HEDGE1.8 Cingular

Feature-Rich Devices

36 New Handsets Launched in March and April



WCDMA 90nm



WCDMA 130nm



Toshiba V903T
AGPS



Samsung Z150
9.8 mm thin



Huawei U636
Entry Level



LGE V900
UMTS + DVB-H



ZTE F608
Low Cost Leader



Sanyo SA800i
AGPS Kid Phone

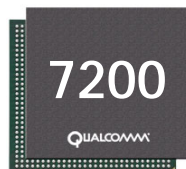
“QUALCOMM was an important driver in the rollout of HSDPA, helping Vodafone bring the technology to market almost 12 months ahead of initial expectations.”

*- Guido Arnone,
VP Handset Technology, Vodafone Global*

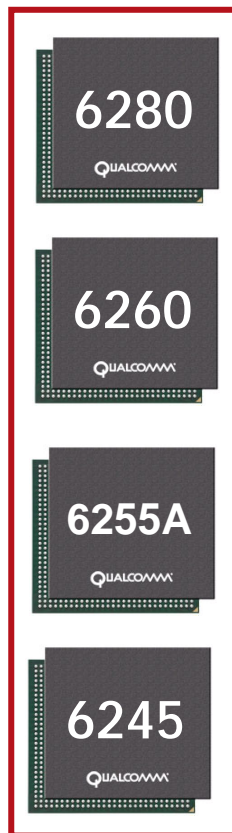
WCDMA Roadmap Continues to Expand

New Products Enhance Support for High End and Mass Market Segments

Industry leading investment in R&D



1st HSUPA on market
MBMS, VoIP
3rd Party OS



HEDGE
7.2 Mbps

HEDGE
3.6 Mbps

WEDGE
Multimedia

WEDGE
Entry level

65nm, RFCMOS, Pin, SW API Compatible

Right Products for the Right Market at the Right Time

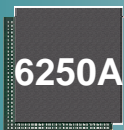
WCDMA Low Cost Roadmap and Evolution

• 90nm Process

• 65nm Process

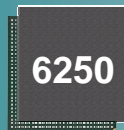
• 2 Chip SiGe RF

• Single Chip RF CMOS RTR6275

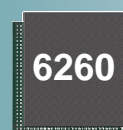


- 180 MHz ARM
- 1.3 MP Camera
- Bluetooth
- GPS

OR

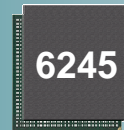


- 146 MHz ARM
- 1.3 MP Camera
- Bluetooth
- GPS



- 225 MHz ARM
- 2 MP Camera
- HEDGE
- GPS

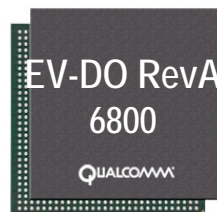
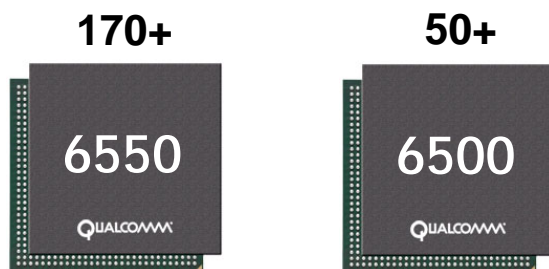
OR



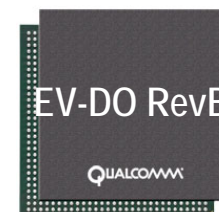
- 180 MHz ARM
- 1.3 MP Camera
- WEDGE

Global Demand for Multimedia Services is Driving EV-DO Growth

EV-DO Handset models launched globally

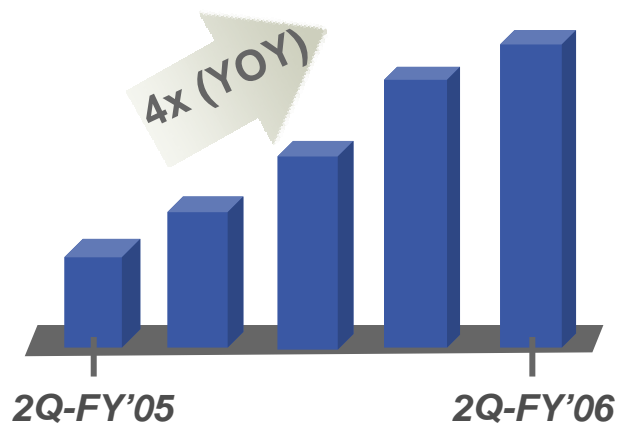


- First Product by Year End CY'06
- 1.8 Mbps Uplink
3.2 Mbps Downlink



- First Product by Year End CY'07
- 4.9 Mbps 1.25 MHz
14.7 Mbps 3 Channels

Qtr Shipments



- Wireless broadband type services are in mainstream mass markets
- PDA's, datacards, and embedded modules in laptops are all growth drivers



High Speed Multimedia Services Reaching Mass Market

GPS Navigation Video

CDMA2000 Global Roaming

CDMA2000 ↔ GSM/GPRS

- Introducing new low end chips with dual mode capability
- Focus on mass markets in US and Asia
- Sampling in third quarter of calendar 2006
- Future support for CDMA2000/EDGE/WCDMA



**Samsung
SCH-i830
(includes EV-DO)**



**Samsung
SCH-W379**



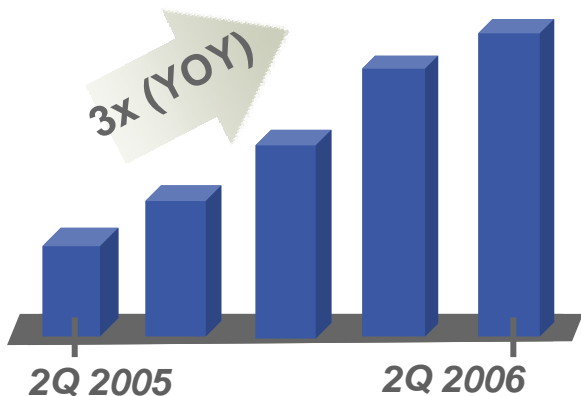
**Amoi
CMA8301/**



**LGE
KW-9200
(includes EV-DO)**

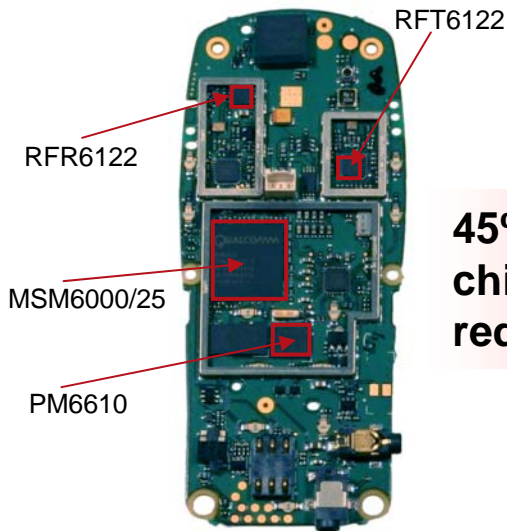
CDMA2000 Low Cost Products in Emerging Markets

Qtr Shipments



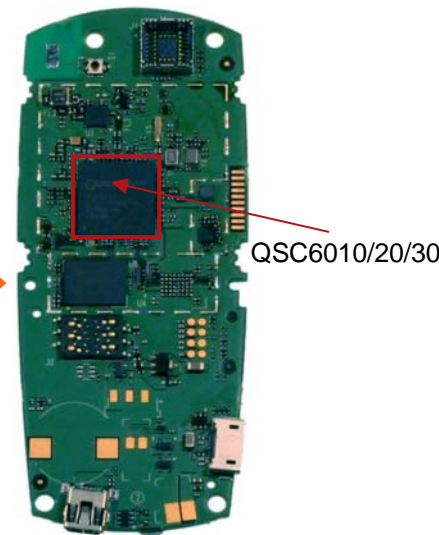
35+ new low cost handset models launched in India last 12 months

Traditional PCB Area



Single-Chip Architecture

45% direct chipset area reduction



- QUALCOMM Single Chip (QSC) products being developed by multiple customers
- Commercial handsets in Q4 CY'06
- CDMA handsets now in the \$40 range of wholesale prices

Single-Chip Cost and Size Reduction in the Higher End Tiers

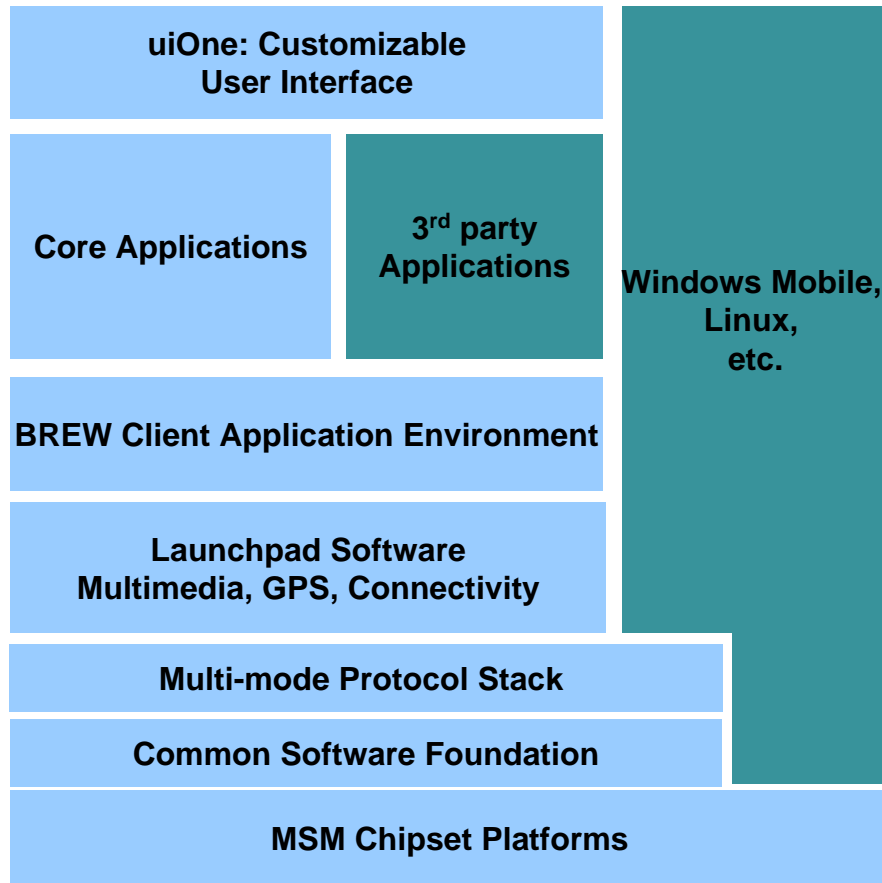


- 153 kbps data
- Stereo MP3/AAC/AAC+
- Simultaneous GPS
- BREW/Java support
- Interface to external BTv2.0Z



- Up to QCIF+ Video/Camcorder
- eAAC+
- Up to 3.0 MP Camera

QUALCOMM Mobile Software Environment



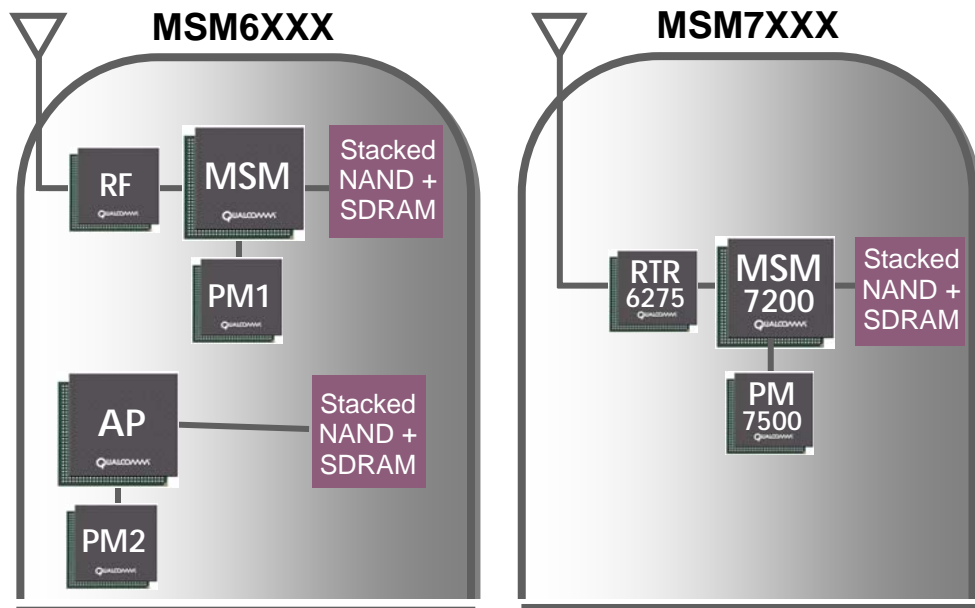
- **Pre-integrated** solutions reduce engineering cost and time to market for new devices
- **uiOne:** Customizable UI enables manufacturer and operator differentiation
- **BREW Client:** Consistent software environment spans all chipsets platforms
- **Support for 3rd party OS: Windows Mobile & Linux**

QUALCOMM Chips Support Consumer Electronics on a Mobile Handset

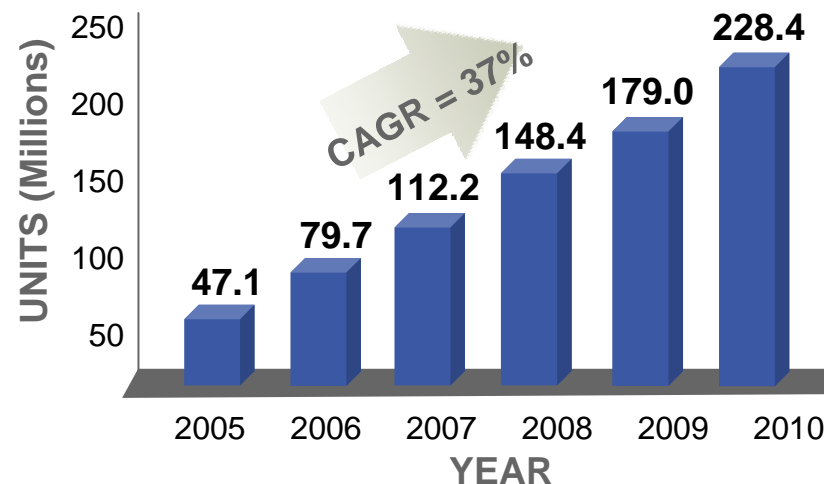
• MSM7XXX features

- Up to 8.0 megapixel camera
- 30 fps VGA video
- MP3, AAC+, 3-D sound
- Advanced 3D graphics (with ATI), TV-out
- Third party operating systems

41% Area Savings



Smartphones Units Shipped



Average as reported by: ABI, IDC, Strategy Analytics, Informa, Instat

QUALCOMM & Microsoft Revolutionize Smartphones

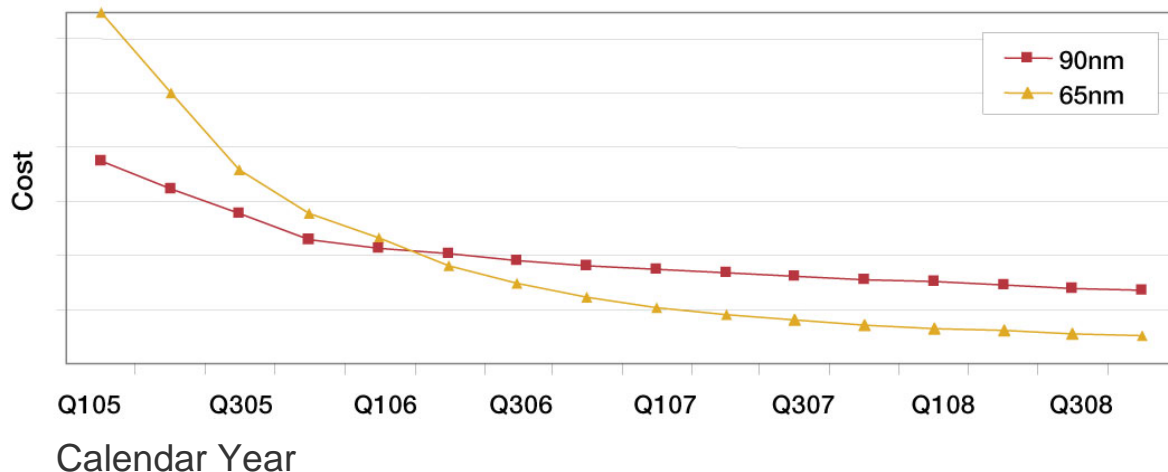
- Windows Mobile will run on 7XXX – series to enable slimmer, power efficient, affordable devices
- Provide consumers with familiar operating environment

3G Graphics Enabling Mobile Advanced Gaming Market

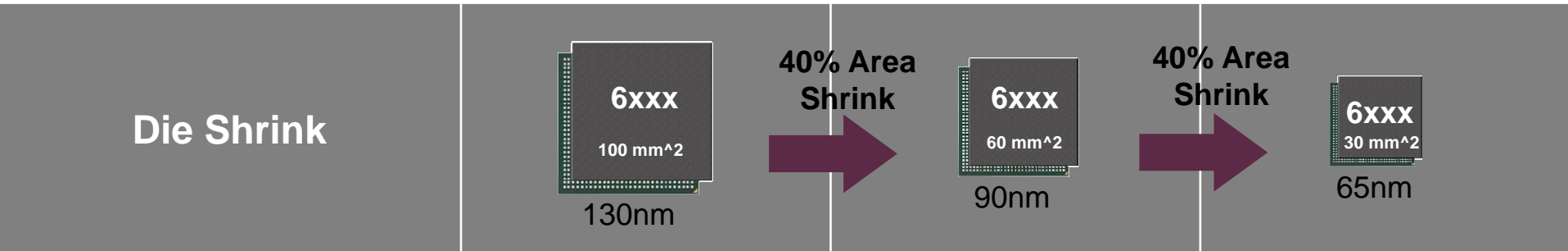
3D Graphics Flash Demo

Delivering Results - Cost Efficiencies With Smaller Chips

90nm - 65nm Crossover Analysis



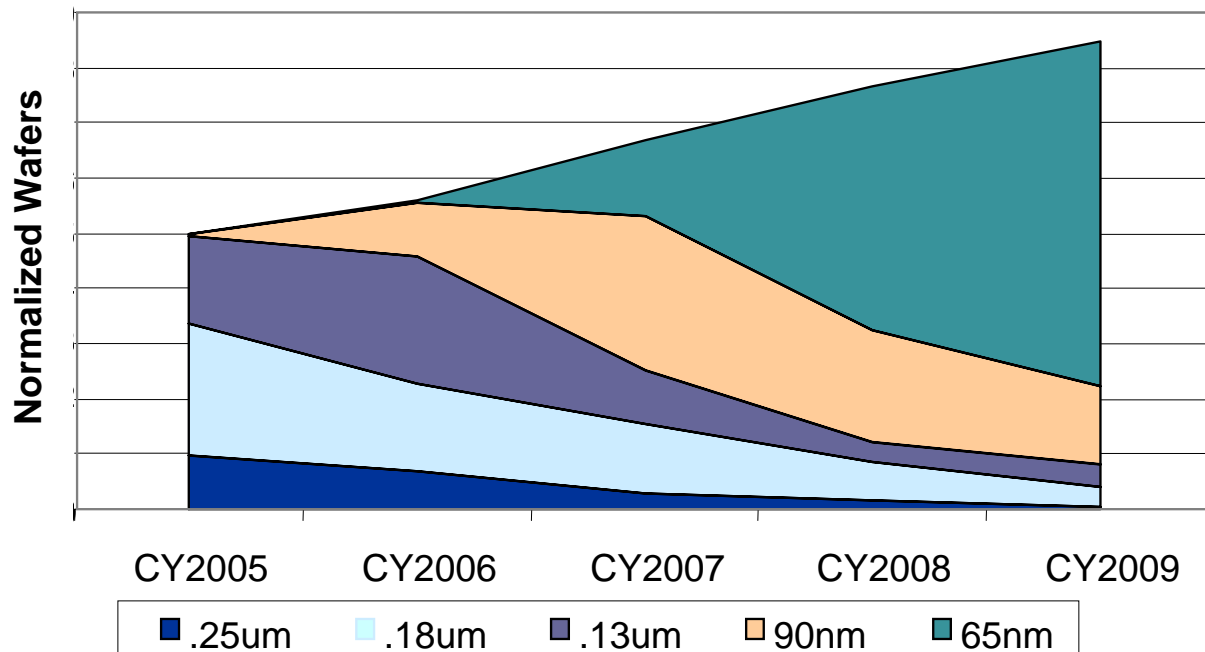
Allows QUALCOMM to integrate more features and capabilities to enhance value of our products to end customers



Sampled first 65nm chipsets – MSM6800 and MSM6245 – ahead of schedule
Commercial handsets expected Q4 2006/Q1 2007

Semiconductor Technology Advancements and Supply Partnerships

Process Technology Segmentation



Secured multiple sources for additional capacity and stabilized price while maintaining quality

Successfully qualified 90nm at multiple suppliers



Sampled 65nm and moving toward 45 nm processes

High volumes enable QUALCOMM to have similar leverage as IDM's and Fab-lite companies

Transition to 65nm will enable improved productivity (smaller die size), reduced wafer demand, and lower cost

QUALCOMM is Well Positioned to Meet Market Trends

Trend	QUALCOMM Position
Handset Segmentation <ul style="list-style-type: none">• Voice, imaging, video, music and data	Segmented roadmap to address breadth of consumer needs
Emerging Markets <ul style="list-style-type: none">• A significant source of the next 1 Billion wireless subscribers	Low cost CDMA devices with QSC and industry supply initiatives
Data <ul style="list-style-type: none">• Multimedia services and embedded modems	The most integrated HSDPA and EV-DO chipsets on the market
2G to 3G Migration <ul style="list-style-type: none">• UMTS in Japan and Europe; EV-DO and UMTS in the U.S.	Low-cost high feature WCDMA devices; unsurpassed relationship with carriers



Thank You.

William E. Keitel

Executive Vice President and Chief Financial Officer



QUALCOMM Accounting Quality and Transparency

High visibility with segment reporting and extensive disclosure

Early certified in 2004 for Sarbanes Oxley 404; successfully certified in 2005

Frequent visibility with quarterly pre-releases

One of the few U.S. companies to regularly file SEC reports (Forms 10-Q, 10-K) on the same day as earnings release

One of the first 10 U.S. companies to certify its financial reports (by CEO and CFO) in 2003

Financial Highlights – First Half Fiscal 2006

Driving Revenues and Cash Flow

- **Record six months revenues**
 - \$3.6 Billion, up 30% YOY
- **Record six months net income**
 - \$1.2 Billion, up 16% YOY
 - \$1.4 Billion, up 43% YOY (Pro forma*)
- **Record six months EPS**
 - \$0.71, up 16% YOY
 - \$0.80, up 43% YOY (Pro forma*)
- **Six months cash flow**
 - \$1.1 Billion free cash flow**
 - \$1.5 Billion operating cash flow
- **Announced an increase quarterly dividend to \$0.12**



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

**Free cash flow is calculated as net cash from operating activities less capital expenditures.

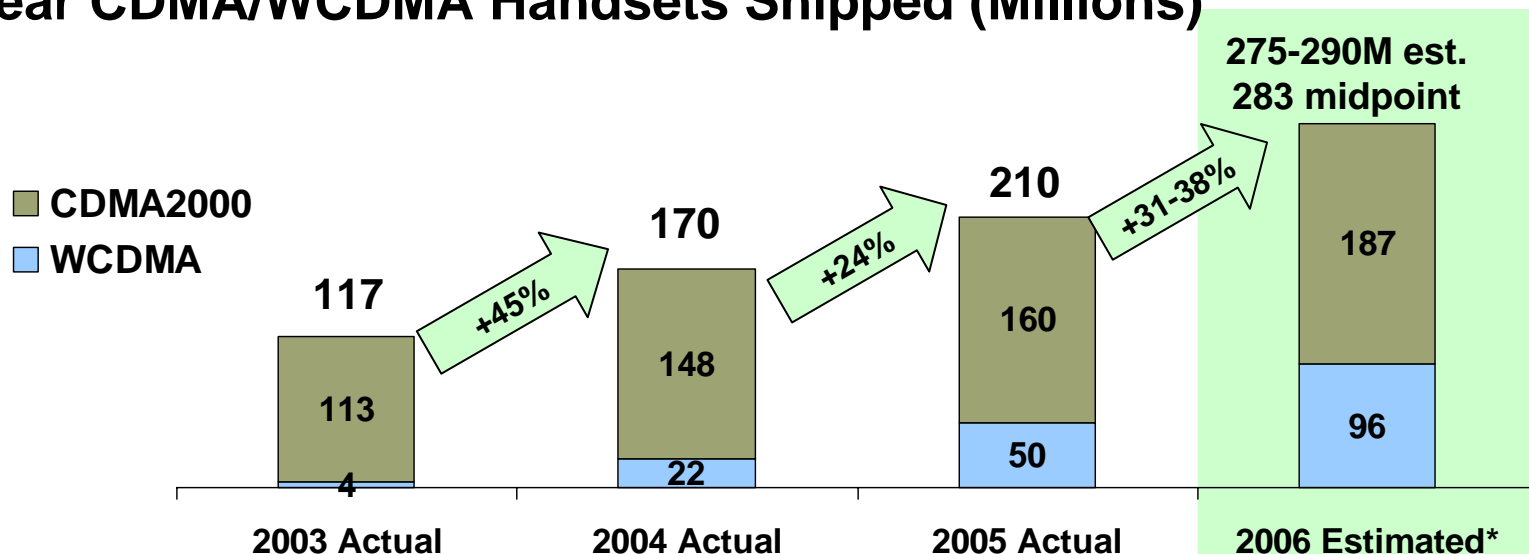
Financial Guidance – Q3 Fiscal 2006

Guidance Updated May 3, 2006

	<u>Estimated Guidance</u>	<u>Year-over-Year Comparison</u>
• Revenues	+/- \$1.87B*	up ~38%
• Diluted EPS	\$0.32 - \$0.34 GAAP \$0.38 - \$0.40 (pro forma)	down 3% - up 3% up 36% - 43%
• 3G MSM phone chips	53 – 56M	up 47% - 56%
• CDMA2000 and WCDMA Handsets Shipped	62 – 64M	up 44% - 49%
• ASP	approx. \$203	

*“At or slightly above the high end of prior guidance of \$1.77B - \$1.87B”

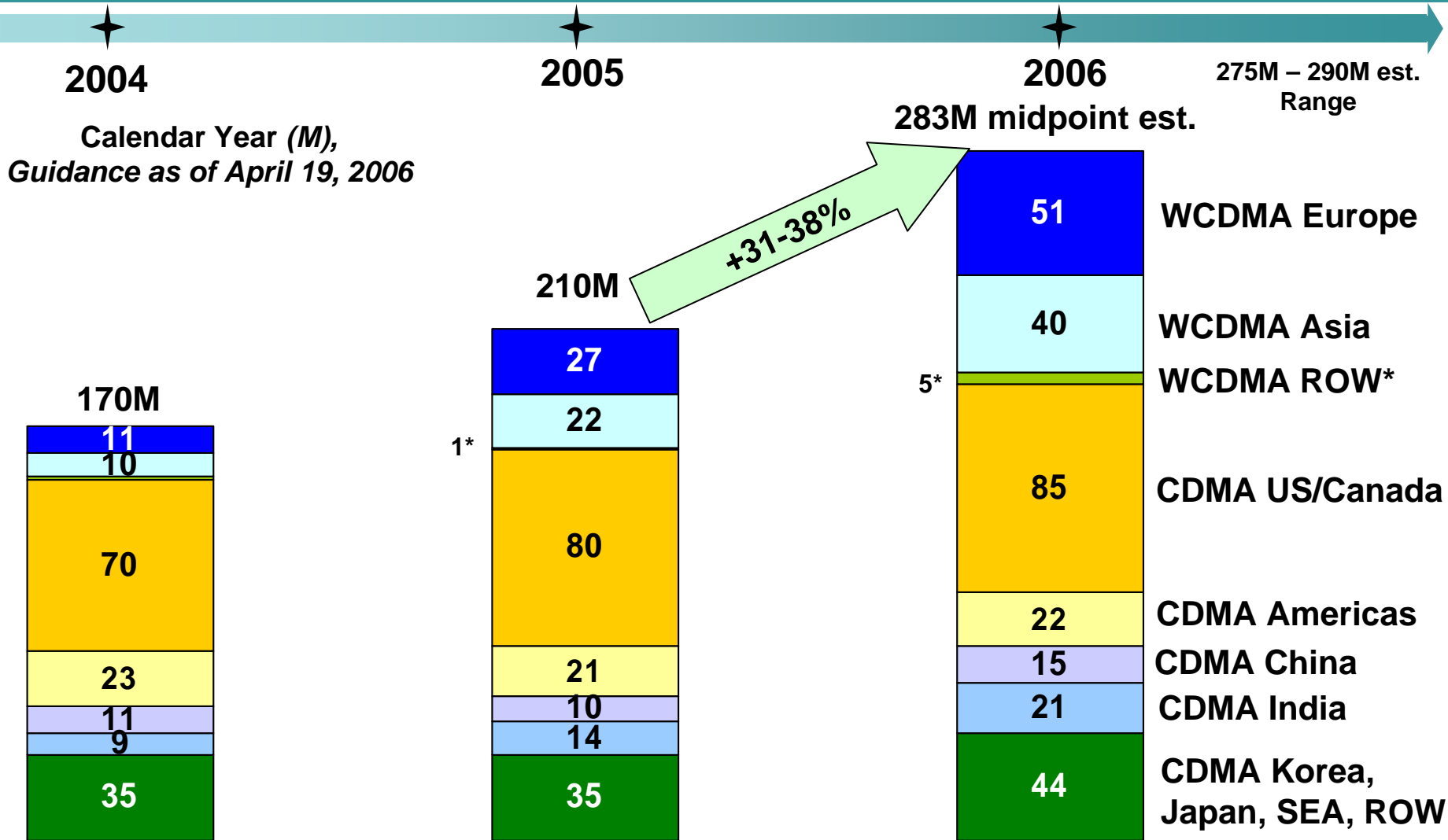
Calendar Year CDMA/WCDMA Handsets Shipped (Millions)



Year Over Year Growth

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006 est.</u>
CDMA Market (Calendar Year)	34%	45%	24%	31-38%
QUALCOMM Revenue (Fiscal Year)	32%	27%	16%	25-30%
QUALCOMM EPS (Pro forma, Fiscal Year)	48%	51%	8%	32-35%

*Guidance as of April 19, 2006; EPS percentage year over year growth on a GAAP basis for fiscal years 2003, 2004 and 2005, and were 132%, 102%, and 22%, respectively.



CDMA and WCDMA (UMTS) Handset Shipments

Note: Midpoint estimates include data devices, telematics, security devices and some quantity of channel inventory.
*WCDMA Rest of World (ROW) includes North America

Business Model - Segment Reporting 1H FY2006 (Millions)

	QTL	QCT	QWI	Other	QSI*
	Technology Licensing	Semiconductor Business	Wireless Internet	Intersegment Elim/Other	Strategic Investments
Revenues	\$1,243	\$2,051	\$328	(\$47)	--
Revenues as % of Total	35%	57%	9%	(1%)	n/a
EBT	\$1,143	\$552	\$34	(\$124)	(\$84)
EBT as a % of Revenues	92%	27%	10%	n/m	n/m

*QSI valuation – non-operating activities, based on return on investments

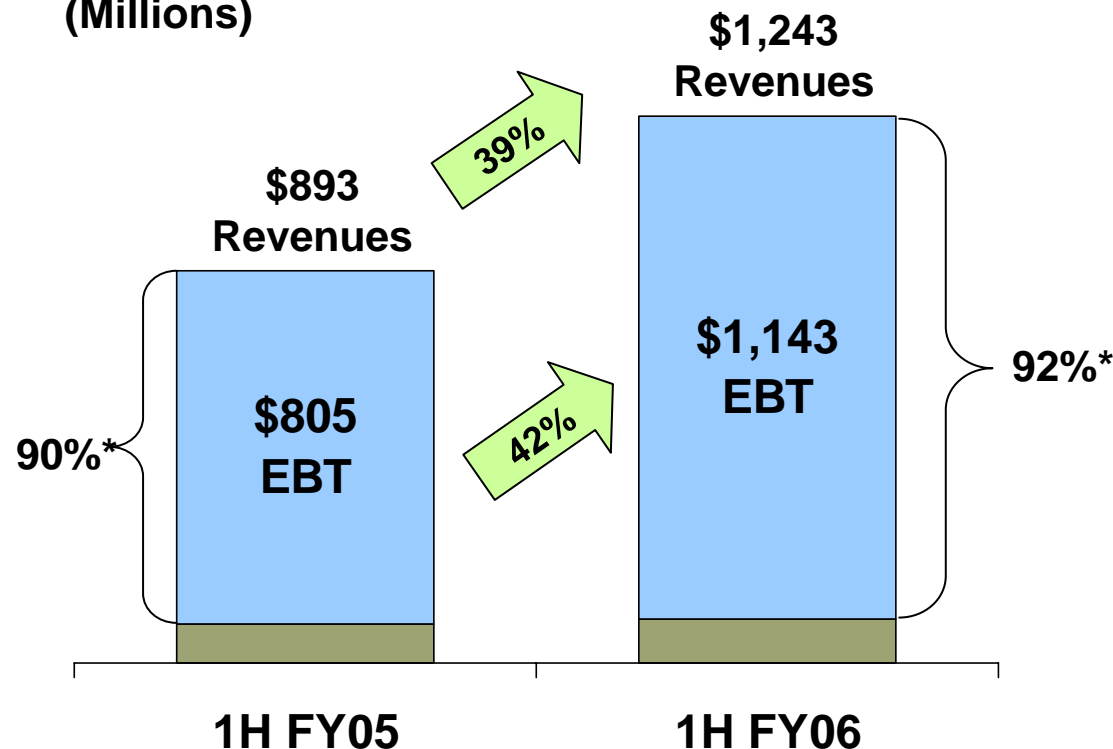
n/m=not meaningful

QUALCOMM Technology Licensing (QTL) Segment *License Fees and Royalties*

Highlights

- 3G technology and standards leadership
- Industry recognized patent portfolio essential for 3G CDMA standards
- Significant OFDM/OFDMA patent portfolio
- Continued strong CDMA2000 & WCDMA handset growth
- Wholesale handset ASP ~\$207e** in FY06

(Millions)

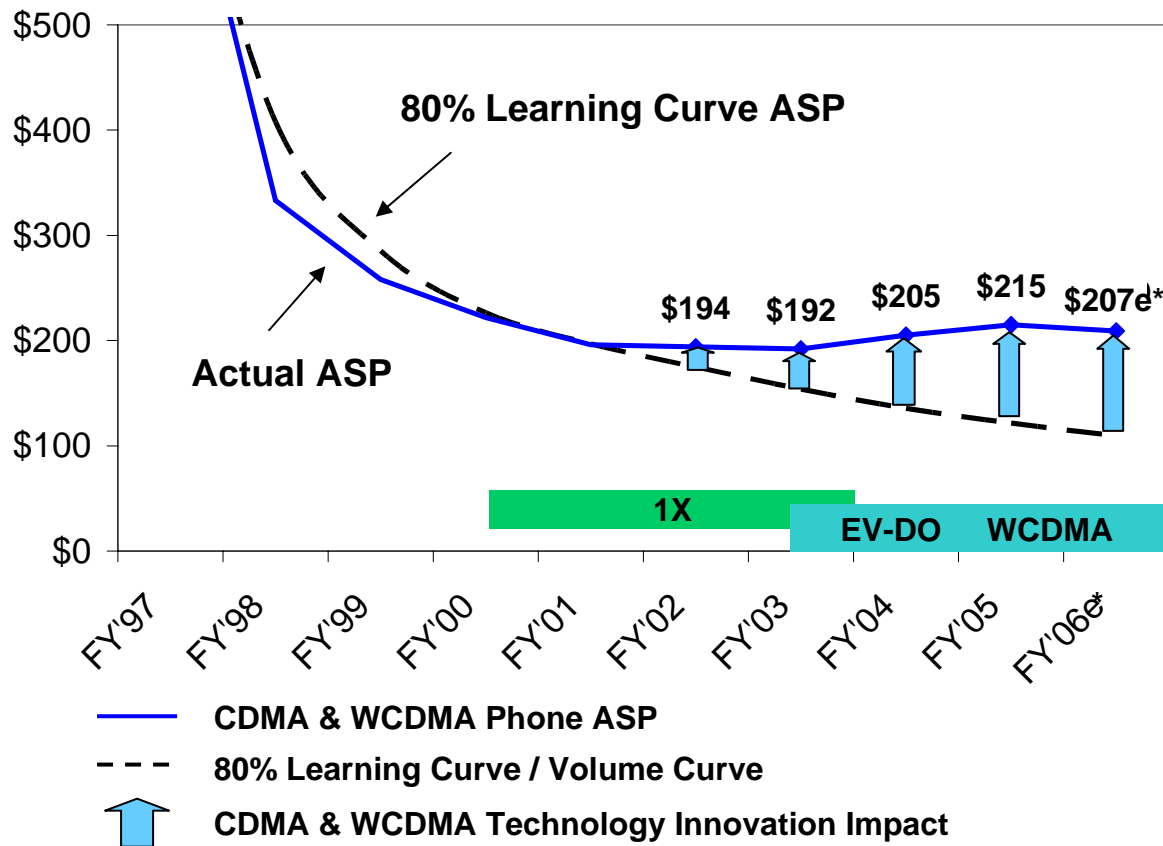


*EBT as percentage of revenue

**Guidance as of April 19, 2006

CDMA & WCDMA (UMTS) Wholesale Handset ASP Trend

Influence of Data Functionality

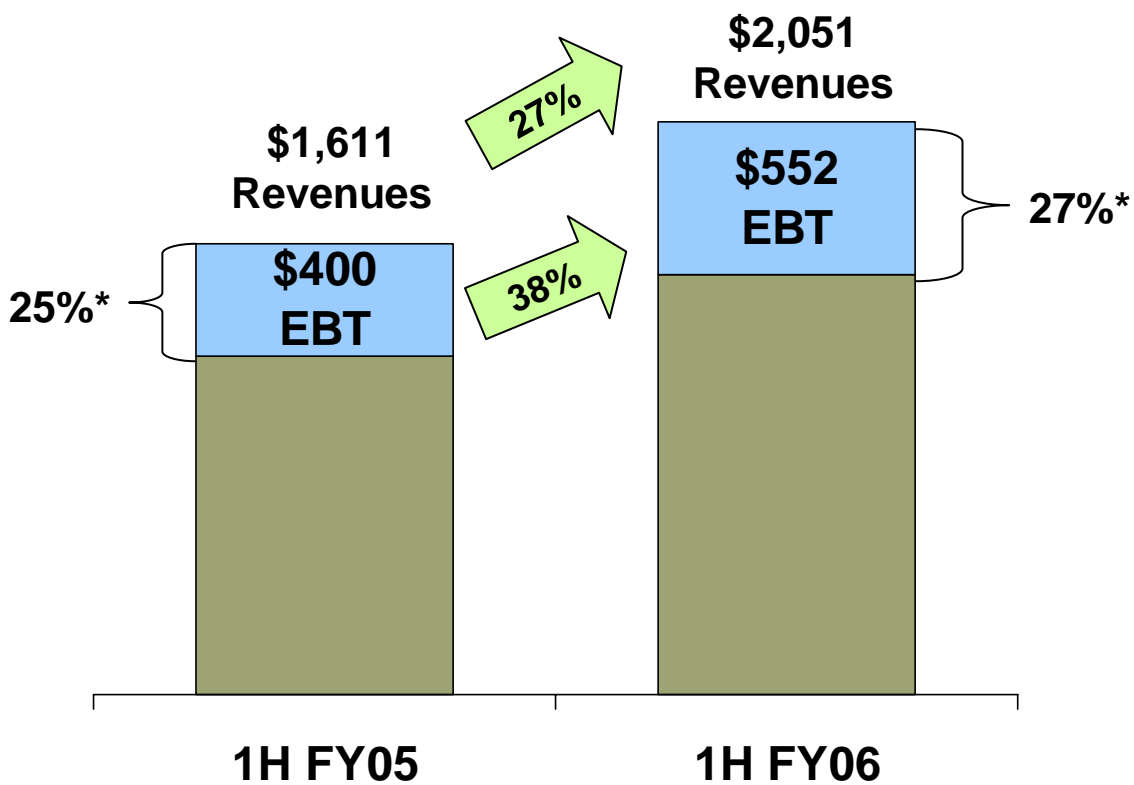


- **Wide and growing deviation around ASP**
 - 3G market demanding wide range of voice/data capabilities
 - HSDPA expected to drive increased technology in WCDMA handsets
- **CDMA2000 and WCDMA innovation continues at a high rate**

- 80% Learning Curve: ~20% reduction in handset ASP for every doubling in cumulative volumes
- IS-95 from FY'97 to FY'00/01, ~80% learning curve

QUALCOMM CDMA Technologies (QCT) *Chipsets and Software*

(Millions)



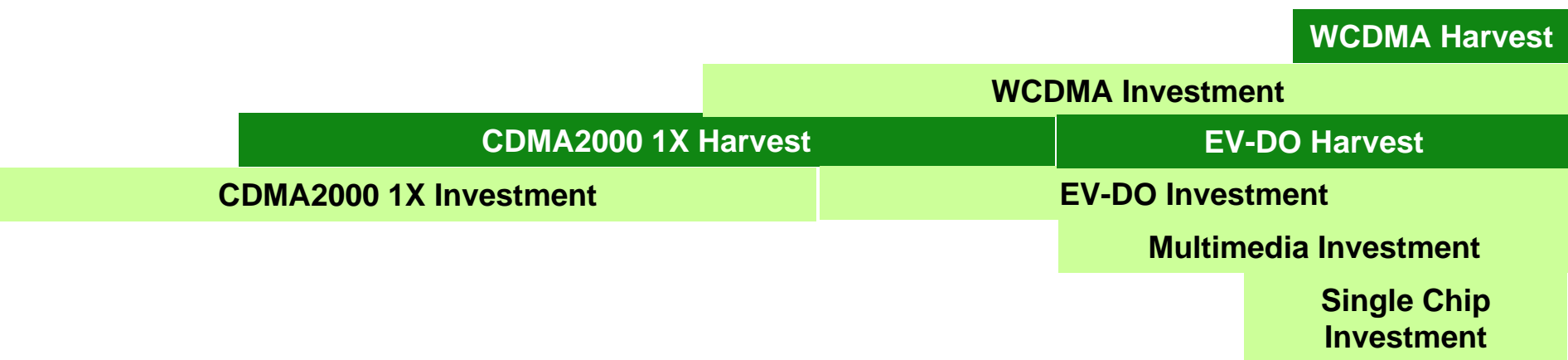
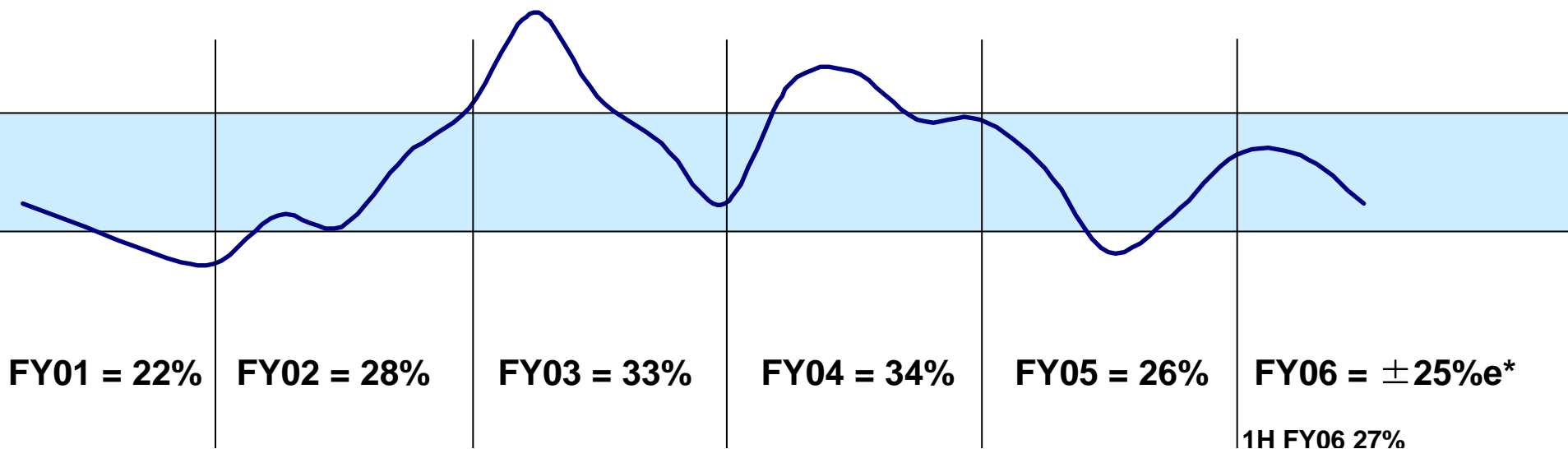
Highlights

- Executing on market needs
 - Wide variety of voice/data capabilities
 - Lowest total cost
 - High quality
 - Fast time to market
 - Predictable product schedules
 - Software capabilities
 - High integration

*EBT as percentage of revenue

QCT Operating Margin Trend

Segment Earnings as % of Segment Revenue



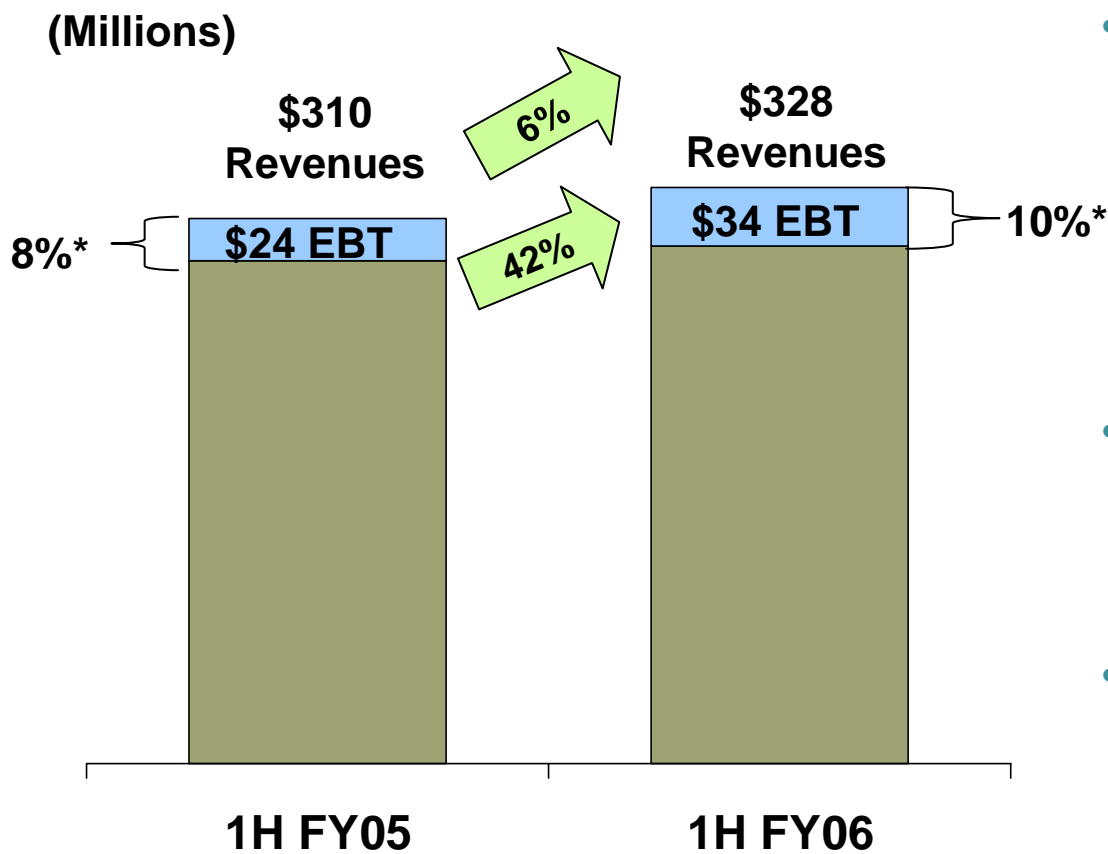
*Guidance as of November, 2005

QUALCOMM Wireless & Internet (QWI)

QIS, QWBS, QGOV

Highlights

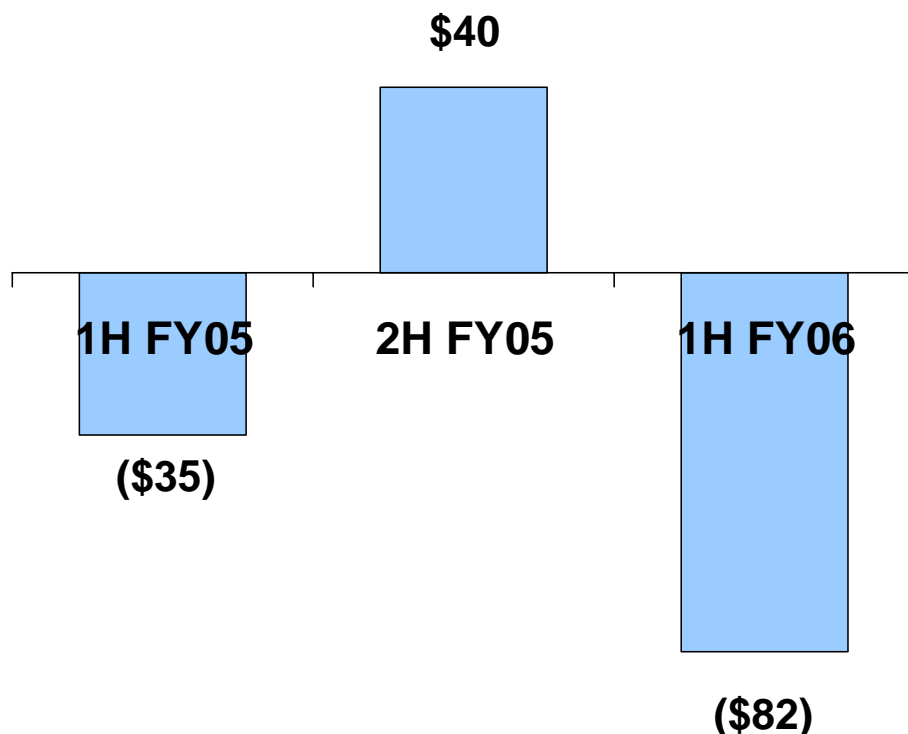
- **QIS**
 - Expanding BREW customer base
 - 66 customers in 31 countries
 - uiOne operator traction
 - Operator branding
 - Access to 3G features
- **QWBS**
 - Leveraging strengths into new markets
 - 2nd generation OmniTRACS
- **QGOV**
 - Providing secure, reliable wireless solutions



*EBT as percentage of revenue

QUALCOMM Strategic Initiatives (QSI) Segment

Net cash (to)/from QSI (Millions)

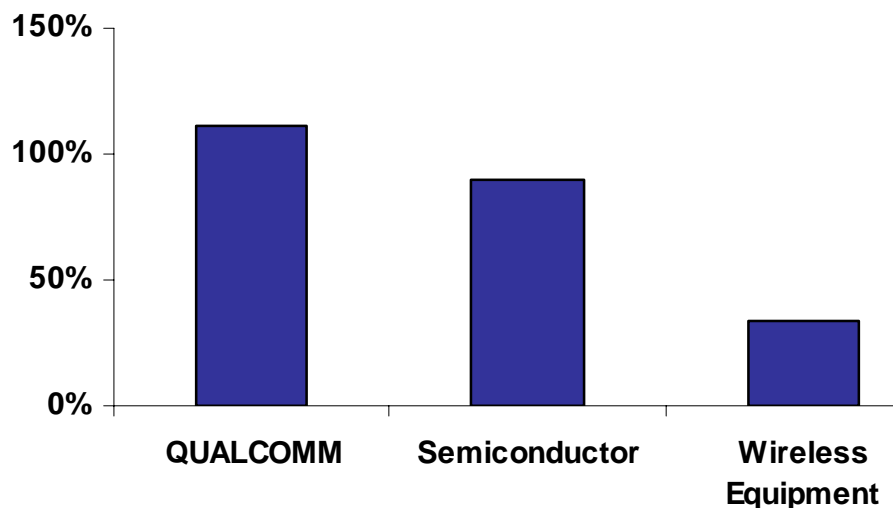


Highlights

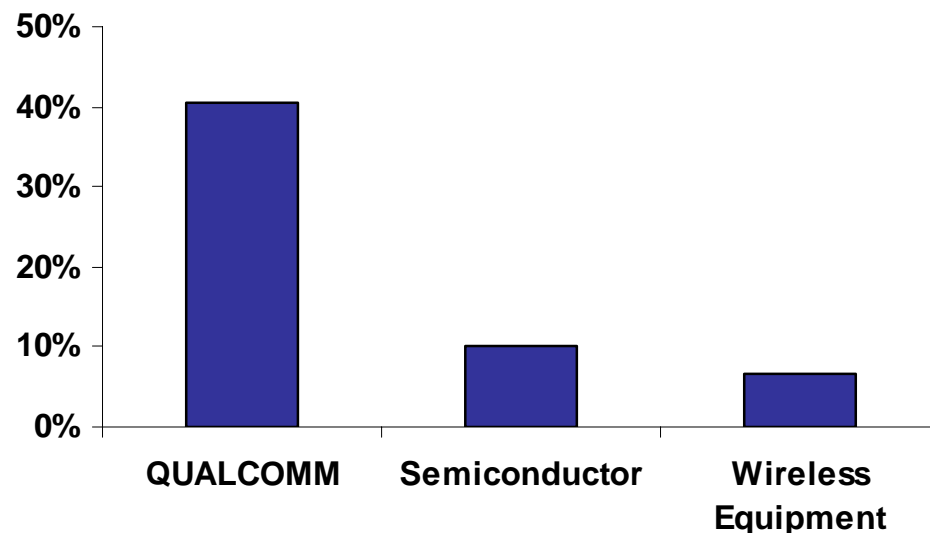
- **MediaFLO USA**
 - Spectrum purchase 1H FY05
 - Network build-out FY06
 - City-wide live demos at CTIA2006
 - On track for commercial launch
- **Venture Investments**
 - Strategic investments to promote 3G adoption and explore new technologies
 - FY05 harvested selected investments

Free Cash Flow Perspective

Free Cash Flow / Reported Net Income
(Median of FY'04 and FY'05)



Free Cash Flow / Revenue
(Median of FY'04 and FY'05)



Free cash flow calculated from operating activities presented in statement of cash flows under GAAP less capital expenditures (as defined by Bloomberg). Semiconductor companies include Intel, Texas Instruments, STMicroelectronics, AMD, Broadcom and Nvidia. Wireless equipment companies include Nokia, Motorola, Ericsson, Lucent and Alcatel. Median of all comparable companies used for comparison purposes. Sources for data include comparable companies earnings reports, SEC filings and Bloomberg.

Q206 Results and Q306 Guidance Update

	Q206 Results	Q306 Guidance as of Apr 19, 2006	Q306 Guidance as of May 3, 2006
3G MSM phone chips - CDMA2000 1X, 1xEV-DO, WCDMA	49M	50 - 53M est.	53 - 56M est.
CDMA2000/WCDMA handsets shipped	67M (Dec'05*)	62 - 64M est. (Mar'06*)	62 - 64M est. (Mar'06*)
CDMA2000/WCDMA handset ASP	\$208 (Dec'05*)	\$203 (Mar'06*)	\$203 (Mar'06*)
QUALCOMM Pro Forma**			
Revenues	\$1,834M	\$1.77 - \$1.87B est.	At or slightly above the high-end of prior guidance
Operating Expense (R&D and SG&A)	\$490M	Increase 6 - 8% seq. est.	Not provided
EPS	\$0.41	\$0.36 - \$0.38 est.	\$0.38 - \$0.40 est.
Total QUALCOMM			
GAAP Revenues	\$1,834M	\$1.77 - \$1.87B est.	At or slightly above the high-end of prior guidance
GAAP EPS	\$0.34	\$0.30 - \$0.32 est.	\$0.32 - \$0.34 est.
Includes QSI EPS	(\$0.01)	(\$0.01)	(\$0.01)
Includes share-based compensation EPS	(\$0.05)	(\$0.05)	(\$0.05)
Includes tax benefits related to prior yrs	n/a	n/a	n/a
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.

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:			
CDMA2000/WCDMA handsets shipped	146M (Jul'03-Jun'04)	182M	n/a
CDMA2000/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.

Balance Sheet

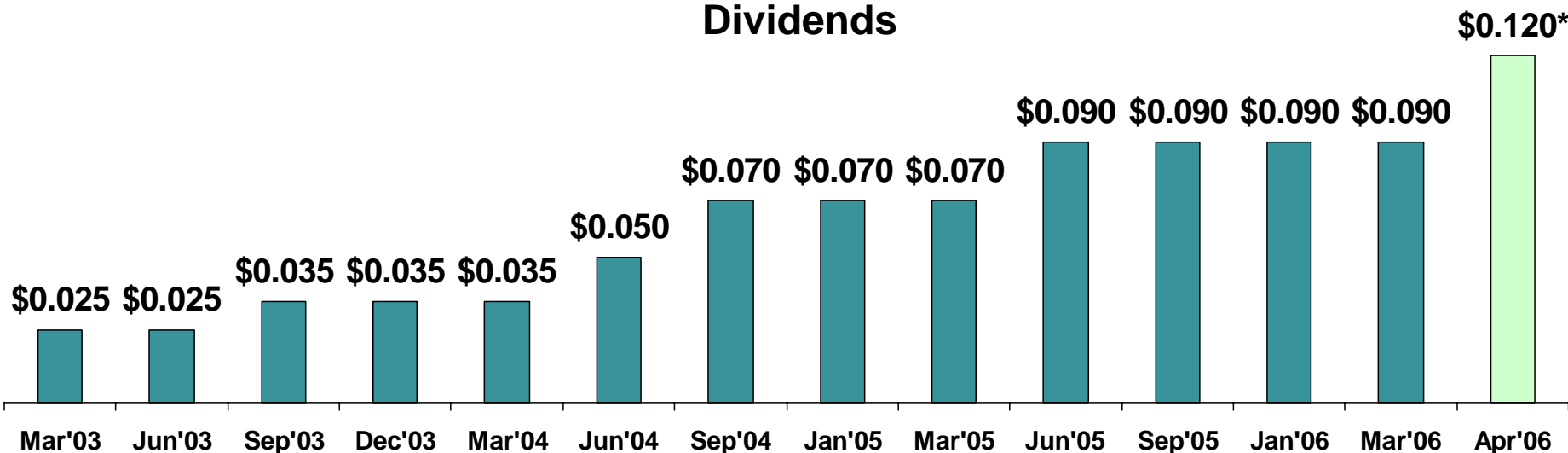
(\$Billions)	Mar <u>2005</u>	Mar <u>2006</u>
Cash & Marketable Securities	\$8.3	\$10.2
Receivables, Inventory	\$0.7	\$0.8
Fixed Assets & Goodwill	\$1.3	\$2.3
Deferred Tax Assets & Other	\$1.5	\$1.6
Total Assets	\$11.8	\$14.9
Total Liabilities	\$1.3	\$1.5
Stockholder Equity	\$10.5	\$13.4
Total Liabilities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

Cash as a % of Enterprise Value	
QUALCOMM	12.1%
Hi-tech basket*	
Mean	13.4 %
Median	12.2 %

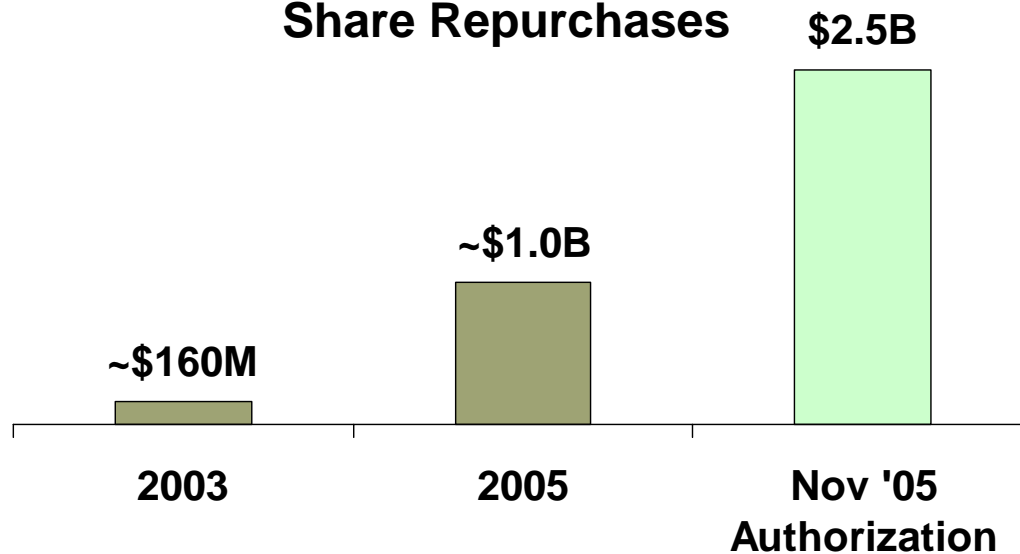
Strength & flexibility to support strong growth and shareholder returns

*Motorola, Nokia, Microsoft, HP, Dell, Cisco, Intel, TI, Google, Oracle, eBay, IBM as of April 26, 2006, most recent publicly available information.

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



Reconciliations.

RECONCILIATION OF NON-GAAP CASH FLOW METRICS

Reconciliation of Operating Cash Flow to Free Cash Flow

	<u>FY 2004</u>	<u>FY 2005</u>	
Net cash provided by operations* (OCF)	\$ 2,481	\$ 2,686	GAAP equivalent
less capital expenditures	(332)	(576)	
Free Cash Flow (FCF)	<u>\$ 2,149</u>	<u>\$ 2,110</u>	presented herein

Cash Flow/Reported Net Income

	<u>FY 2004</u>	<u>FY 2005</u>	<u>Median of FY '04 and '05</u>	
OCF	\$ 2,481	\$ 2,686		
Reported Net Income	\$ 1,720	\$ 2,143		
OCF/Reported Net Income	144%	125%	135%	GAAP equivalent
FCF**	\$ 2,149	\$ 2,110		
Reported Net Income	\$ 1,720	\$ 2,143		
FCF/ Reported Net Income	125%	98%	112%	presented herein

Cash Flow/Revenue

	<u>FY 2004</u>	<u>FY 2005</u>	<u>Median of FY '04 and '05</u>	
OCF	\$ 2,481	\$ 2,686		
Revenue	\$ 4,880	\$ 5,673		
OCF/Revenue	51%	47%	49%	GAAP equivalent
FCF**	\$ 2,149	\$ 2,110		
Revenue	\$ 4,880	\$ 5,673		
FCF/Revenue	44%	37%	41%	presented herein

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

**Refer to reconciliation of FCF to OCF (GAAP equivalent) presented above.

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

(\$ in millions, except per share data)	<u>Year ended</u> <u>September 29,</u> <u>2002</u>	<u>Year ended</u> <u>September 28,</u> <u>2003</u>	<u>Year ended</u> <u>September 26,</u> <u>2004</u>
Prior Method of Recording Royalties			
Estimate of estimated licensees for prior period	\$ 122	\$ 150	\$ 151
Royalties reported by estimated licensees for prior period	146	167	208
Prior period variance included in reporting period	24	17	57
Other royalties reported in reporting period	551	670	1,084
Estimate for estimated licensees for current period	150	151	-
Total QTL royalty revenues from external licensees	725	838	1,141
Intercompany revenue	67	103	132
License revenue	55	59	59
Total QTL GAAP revenue using Prior Method	\$ 847	\$ 1,000	
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)	\$ 697	\$ 837	\$ 1,292
Intercompany revenue	67	103	132
License revenue	55	59	59
Total QTL revenue using New Method	\$ 819	\$ 999	\$ 1,483
Difference between the methods	\$ 28	\$ 1	\$ (151)
<hr/>			
Total QCOM revenues as reported under GAAP	\$ 2,915	\$ 3,847	\$ 4,880
Less: Difference between the royalty methods	28	1	(151)
Total QCOM revenues using New Method	2,887	3,846	5,031
Total QCOM revenues and QCOM pro forma revenues	\$ 2,885	\$ 3,845	\$ 5,031
<hr/>			
TOTAL QCOM net income as reported under GAAP	\$ 360	\$ 827	\$ 1,720
Less: Net income attributed to difference between the royalty methods (b)	17	1	(92)
Total QCOM net income using New Method	343	826	1,812
Less: QSI net income (loss) (c)	(180)	(334)	12
Less: Goodwill amortization and other	\$ (254)	-	-
QCOM pro forma net income (c)	\$ 777	\$ 1,160	\$ 1,800
<hr/>			
QCOM diluted EPS as reported under GAAP	\$ 0.22	\$ 0.51	\$ 1.03
EPS attributed to difference between the royalty methods	\$ 0.01	\$ 0.00	\$ (0.06)
Total QCOM diluted EPS using New Method	\$ 0.21	\$ 0.51	\$ 1.08
EPS attributed to QSI (c)	\$ (0.11)	\$ (0.20)	\$ 0.01
EPS attributed to goodwill amortization and other	\$ (0.16)	\$ -	\$ -
QCOM pro forma diluted EPS (c)	\$ 0.48	\$ 0.71	\$ 1.07
<hr/>			
Shares previously used for diluted EPS	809	818	n/a
Adjusted for stock split	1,618	1,636	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 and 40% in fiscal 2003 and 2002.
- (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.

All EPS amounts have been adjusted to reflect the 2:1 stock split that was effected during the fourth quarter of fiscal 2004.

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.

Sums may not equal totals due to rounding.

Business Outlook Summary (as of April 19, 2006)

<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 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)

	Q2 FY2005	Q1 FY2006	Q2 FY2006	Fiscal Q3 - 2006 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

Business Outlook Summary (as of May 3, 2006)

THIRD QUARTER

	Prior Guidance Q3'06 Estimates	Current Guidance Q3'06 Estimates
<i>QUALCOMM Pro Forma</i>		
Revenues	\$1.77B - \$1.87B	At or slightly above the high end of prior guidance
Year-over-year change	increase 30% - 38%	
Diluted earnings per share (EPS)	\$0.36- \$0.38	\$0.38- \$0.40
Year-over-year change	increase 29% - 36%	increase 36% - 43%
<i>Total QUALCOMM (GAAP)</i>		
Revenues	\$1.77B - \$1.87B	At or slightly above the high end of prior guidance
Year-over-year change	increase 30% - 38%	
Diluted earnings per share (EPS)	\$0.30- \$0.32	\$0.32- \$0.34
Year-over-year change	decrease 3% - 9%	decrease 3% - increase 3%
Diluted EPS attributable to QSI	(\$0.01)	(\$0.01)
Diluted EPS attributable to estimated share-based compensation	(\$0.05)	(\$0.05)
EPS attributable to tax benefit related to prior years	n/a	n/a

Sums may not equal totals due to rounding.

RECONCILIATION OF NON-GAAP CASH FLOW METRICS

(\$ in millions)

**Six Months Ended
March 26, 2006**

Net cash provided by operating activities	\$ 1,485
Less: capital expenditures	(374)
Free cash flow (Net cash provided by operating activities less capital expenditures)	<u>\$ 1,111</u>

Pro Forma Reconciliations

Second Quarter - Fiscal Year 2006

	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

First Quarter - Fiscal Year 2006

	QUALCOMM Pro Forma	Estimated Share- Based Compensation (1)	Tax Adjusment (4)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 1,741	\$ -	\$ -	\$ -	\$ 1,741
EBT	906	(122)	-	(48)	\$ 736
Net income (loss)	667	(82)	56	(21)	620
Diluted EPS	\$ 0.39	\$ (0.05)	\$ 0.03	\$ (0.01)	\$ 0.36
Diluted shares used	1,702	1,702	1,702	1,702	1,702

Second Quarter - Fiscal Year 2005

	QUALCOMM Pro Forma	Tax Adjustments (5)	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

	QUALCOMM Pro Forma	Tax Adjustments (6)	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

	QUALCOMM Pro Forma	Tax Adjustments (5)(6)	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

Six Months - Fiscal Year 2006

	QUALCOMM Pro Forma	Estimated Share- Based Compensation (1)	Tax Adjusment (4)	In-Process R&D (2)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 3,575	\$ -	\$ -	\$ -	\$ -	\$ 3,575
EBT	1,868	(242)	-	(21)	(84)	1,521
Net income (loss)	1,373	(160)	56	(21)	(35)	1,213
Diluted EPS	\$ 0.80	\$ (0.09)	\$ 0.03	\$ (0.01)	\$ (0.02)	\$ 0.71
Diluted shares used	1,711	1,711	1,711	1,711	1,711	1,711

Six Months - Fiscal Year 2005

	QUALCOMM Pro Forma	Tax Adjusment (5)	QSI (3)	Total QUALCOMM (GAAP)
Revenues	\$ 2,754	\$ -	\$ -	\$ 2,754
EBT	1,329	-	8	1,337
Net income	961	55	29	1,045
Diluted EPS	\$ 0.56	\$ 0.03	\$ 0.02	\$ 0.61
Diluted shares used	1,704	1,704	1,704	1,704

(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 first quarter of fiscal 2006, the Company recorded a \$56 million tax benefit, or \$0.03 per share, related to the expected impact of prior year tax audits completed during the quarter. For fiscal 2006 pro forma presentation, results have been adjusted to exclude this tax benefit attributable to prior years.

(5) 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.

(6) 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.

N/M – Not Meaningful

Sums may not equal totals due to rounding.



Thank You.