November 4, 2015

Fourth Quarter and Fiscal 2015 Earnings

QUALCOMM®

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 customer reaction to our flagship Snapdragon 820; our being on track to deliver on our fiscal 2016 cost reduction targets; our expectation to exit fiscal 2016 on an improving financial trajectory; our updated guidance practices; our Strategic Realignment Plan initiatives and our progress vs. those initiatives; our capital return commitments; our 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 and financial results and guidance; business and growth opportunities and initiatives, and our positioning to take advantage thereof; our technology, products, product roadmap, innovation and investments, including in adjacent businesses; product mix; industry trends; operational performance; our business and financial drivers, outlook and expectations; and our estimates and guidance related to revenues, Non-GAAP diluted earnings per share, MSM chip shipments, revenue per MSM, margins, R&D and SG&A expenses, tax rates, interest expense and investment income, 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 Annual Report on Form 10-K for the fiscal year ended September 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 Fourth Quarter and Fiscal 2015 Earnings

Quarter ended September 27, 2015

- Our fiscal fourth quarter revenues and EPS were at the high end of our expectations, with stronger-than-expected MSM chipset shipments offsetting slower than expected progress concluding new license agreements in China.
- We executed a major increase in our capital return program in fiscal 2015, returning a record $14 billion of capital to stockholders.
- We are encouraged by customer reaction to our flagship Snapdragon 820, are on track to deliver on our fiscal 2016 cost reduction targets and expect to exit fiscal 2016 on an improving financial trajectory.

Strategic Realignment Plan on Track

SRP Initiative	Update
1. Aggressively right-size cost structure	• On track for ~$1.1 billion run rate reduction exiting FY'16 • On track to realize at least $600 million in savings in FY'16 • Reducing annual share-based compensation grants by ~$300 million • Significant cost action taken in Q4'15
2. Review alternatives to the Company's corporate and financial structure	• Board and management diligently conducting review with independent advisors • Process on track
3. Reaffirm intent to return significant capital to stockholders	• Returned a record $14 billion in FY'15; >300% of FCF • Repurchased $11.2 billion of common stock (including $5 billion delivered under the accelerated share repurchase agreements); reduced share count by 9% year-over-year • $2.9 billion of dividends paid; increased annualized dividend per share by 14% in March 2015

Strategic Realignment Plan on Track (cont.)

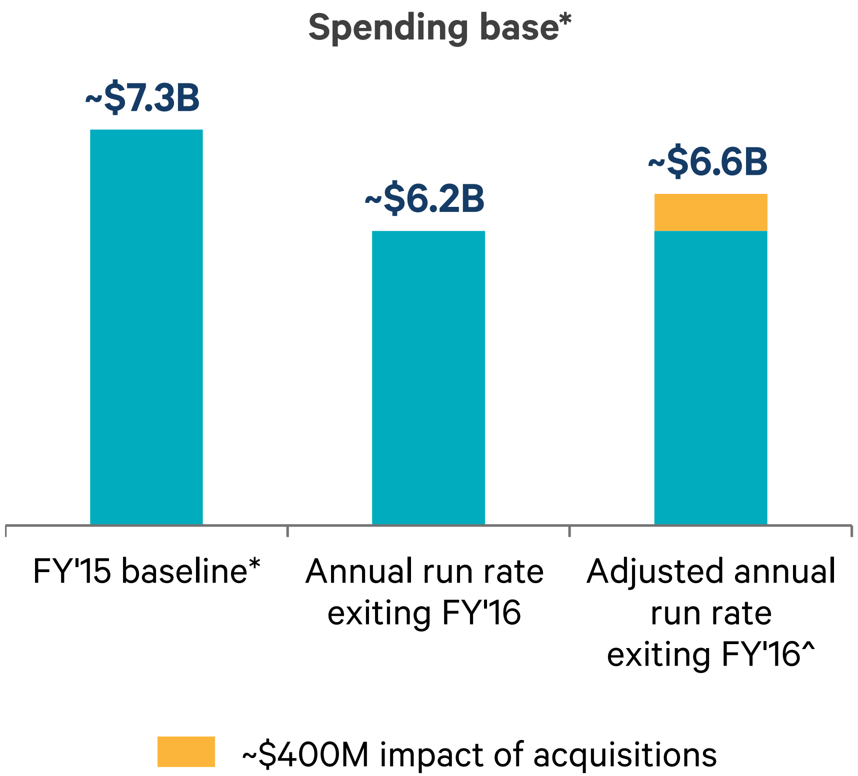
SRP Initiative	Update
4. Add new Directors with complementary skill sets while reducing the average tenure of the Board	• Director additions and retirements reduce average tenure by ~3 years to 6.5 years • Actively recruiting additional new director
5. Further align executive compensation with performance, 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 on 5G, Snapdragon leadership and server ecosystem • Completed CSR acquisition and exited or reduced investments in non-core areas

* Starting with fiscal 2016.

Aggressively Reducing Costs

$1.4 billion cost reduction plan on track

	Target	On Track
Reduction in spending* vs. FY'15 baseline	**~$1.1B**	✓
QCT spend	~$800M	✓
Non-QCT spend	~$300M	✓
FY'16 planned reduction	$600M+	✓
Timing of full run rate savings	Q4 FY'16	✓
Reduction in share-based compensation (SBC) grants vs. FY'15	**~$300M**	✓
Restructuring charges estimate**	**~$350M-$450M**	✓
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 is 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 as of Nov. 4, 2015.
Note: $1.4B cost reduction plan excludes impact of M&A activity.

$14.1B and >300% FCF Returned to Stockholders in Fiscal 2015

$11.2B in share repurchases completed
(including completion of **$5B** ASRs)
9% y-o-y reduction in share count

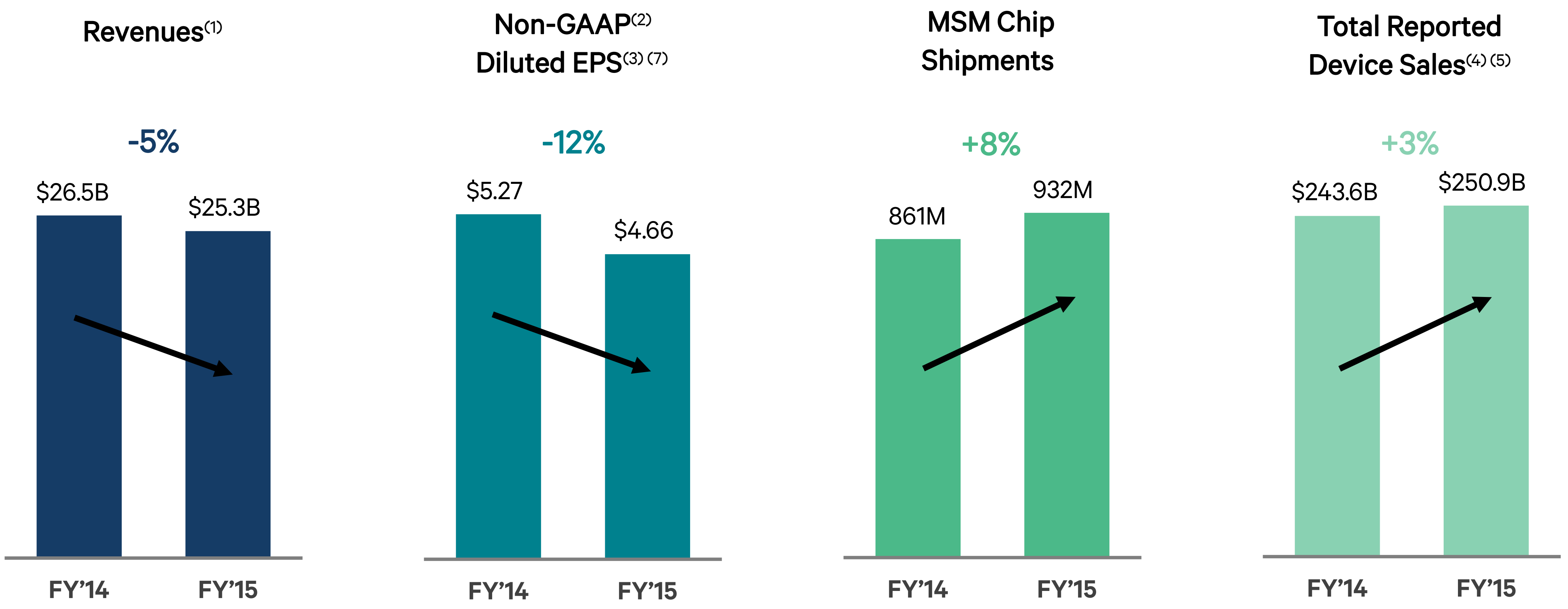
$2.9B in dividends paid
14% increase in annualized dividend per share (March 2015)

+$9.5B* of stock repurchases towards incremental target of $10B for March 2015 - March 2016**

~$48.6B* cumulative returned to stockholders,
~47% completed in last 2 years

* Repurchased through Nov. 4, 2015.
** Targeting incremental $10B of share repurchases from March 2015 through March 2016, in addition to our commitment to return 75% of free cash flow to stockholders through dividends and repurchases.

Fiscal 2015 Results vs. Last Year



(1), (2), (3), (4), (5) & (7) See Footnotes page at the end of the presentation.

Fiscal 2015 Results vs. Guidance

	FY'15 guidance*	FY'15 results
Revenues(1)	$24.5B - $25.5B	**$25.3B**
Non-GAAP(2) diluted EPS(3)	$4.50 - $4.70	**$4.66**
MSM chip shipments	not provided	**932M**
Total reported device sales(4) (Sep - Jun. Qtr.(5))	$253.0B - $259.0B	**$250.9B**
Est. reported 3G/4G device shipments(4) (Sep - Jun. Qtr.(5))	not provided	**1,233M - 1,249M**
Est. reported 3G/4G device ASP(4) (Sep - Jun. Qtr.(5))	not provided	**$199 - $205**

* Prior guidance as of Jul. 22, 2015.
(1), (2), (3), (4) & (5) See Footnotes page at the end of the presentation.

Fourth Quarter Fiscal 2015 Results vs. Guidance

	Q4'15 guidance*	Q4'15 results
Revenues[1]	$4.7B - $5.7B	**$5.5B**
Non-GAAP[2] diluted EPS[3]	$0.75 - $0.95	**$0.91**
MSM chip shipments	170M - 190M	**203M**
Total reported device sales[4] (Jun. Qtr.[5])	$60.5B - $66.5B	**$58.3B**
Est. reported 3G/4G device shipments[4] (Jun. Qtr.[5])	not provided	**276M - 280M**
Est. reported 3G/4G device ASP[4] (Jun. Qtr.[5])	not provided	**$207 - $213**

* Prior guidance as of Jul. 22, 2015.
(1), (2), (3), (4) & (5) See Footnotes page at the end of the presentation.

Updating Guidance Practices

Modifying our approach to providing a financial outlook for our business

- Continuing to provide detailed quarterly guidance
- No longer providing annual revenue and EPS guidance
- Continuing to provide our outlook for 3G/4G adoption trends, including calendar year 3G/4G global device shipment estimates
- Providing certain supplemental guidance points for fiscal 2016 during transition to new practice
- Aligns practices more closely with our semiconductor and large cap tech peers

First Quarter Fiscal 2016 Guidance

As of November 4, 2015

	Q1'16 guidance
Revenues(1)	$5.2B - $6.0B
Non-GAAP(2) combined R&D and SG&A expenses	~ up 2 - 4% QoQ
Non-GAAP(2) diluted EPS(3)	$0.80 - $0.90
MSM chip shipments	225M - 245M
QCT operating margin	~ 10% or slightly better
Total reported device sales(4) (Sep. Qtr.(5))	$50.0B - $58.0B*

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

* Our guidance range for the first 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 November 4, 2015

	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 FY'16
QCT performance - EBT $	Improving 2nd half of FY'16
Non-GAAP(2) combined R&D and SG&A expenses	~ down 1% - 3% YoY
Combined interest expense and investment income	~ down $400M YoY
Non-GAAP(2) effective tax rate	~ 19% - 20%

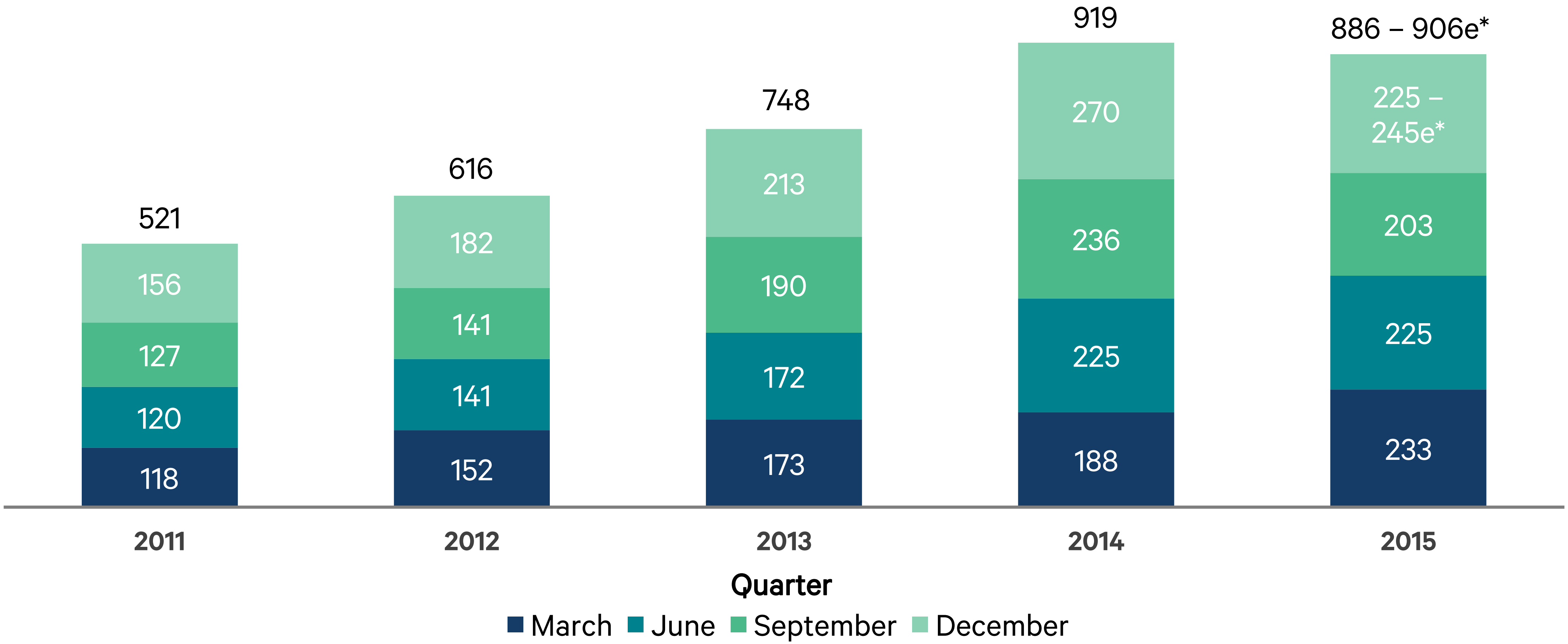
* The $7.3 billion low-end of the range assumes a meaningful year-over-year increase in the number of unreported devices by Chinese OEMs, little to no progress on signing new license agreements or amendments with Chinese OEMs, and no significant catch-up amounts related to prior periods or audit recoveries. 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.

^ 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.

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

MSM Chip Shipments

Calendar year, millions

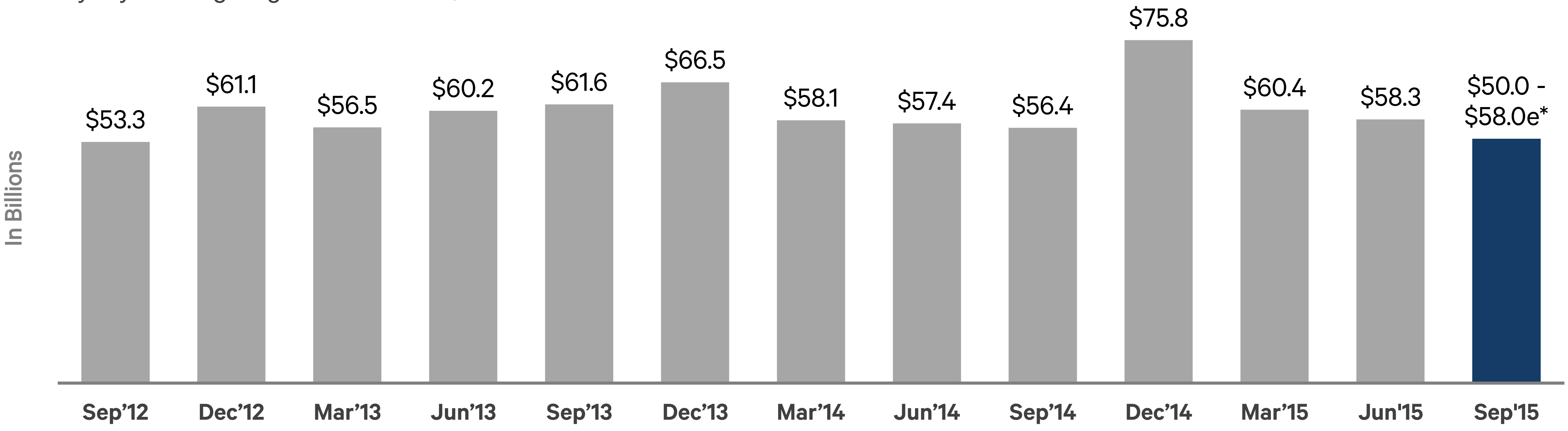


* Guidance as of Nov. 4, 2015.

Quarterly Total Reported Device Sales(4) (5)

Reported by Qualcomm licensees

- **285+** CDMA-based licensees; **240+** licensed for WCDMA
- **155+** royalty-bearing single-mode OFDM/OFDMA licensees



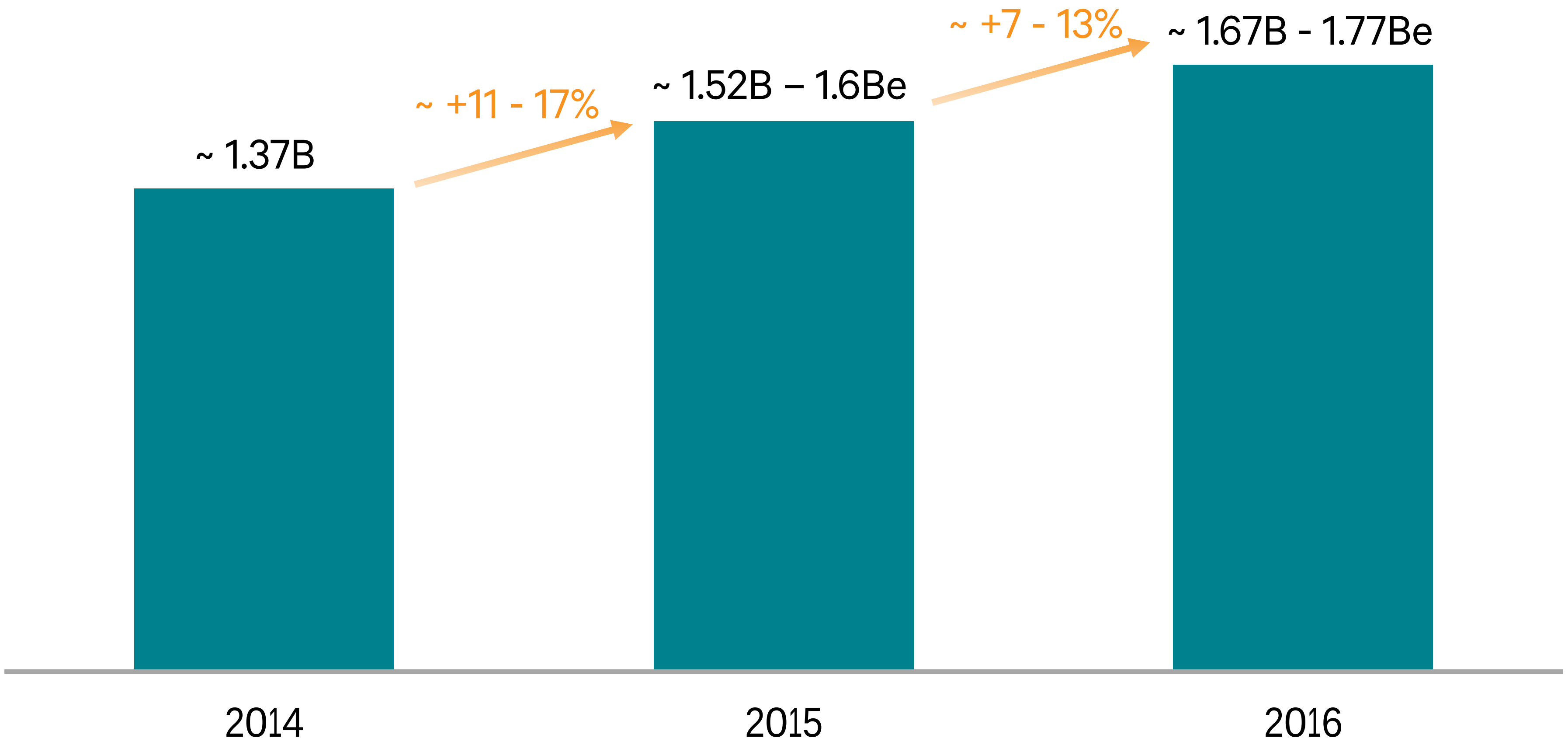
	Sep'12	Dec'12	Mar'13	Jun'13	Sep'13	Dec'13	Mar'14	Jun'14	Sep'14	Dec'14	Mar'15	Jun'15	Sep'15
Est. ASP	$224-$230	$214-$220	$227-$233	$227-$233	$219-$225	$221-$227	$228-$234	$220-$226	$194-$200	$193-$199	$205-$211	$207-$213	not provided
Est. Shipments	233-237M	279-283M	244-248M	260-264M	276-280M	295-299M	250-254M	256-260M	284-288M	384-388M	289-293M	276-280M	

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

* Guidance as of Nov. 4, 2015. Our guidance range for the first 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 November 4, 2015



* 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 November 4, 2015

		FY'15	FY'16	CY'15	CY'16
3G/4G Units	Global			~ 1.52B - 1.6B	~ 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.

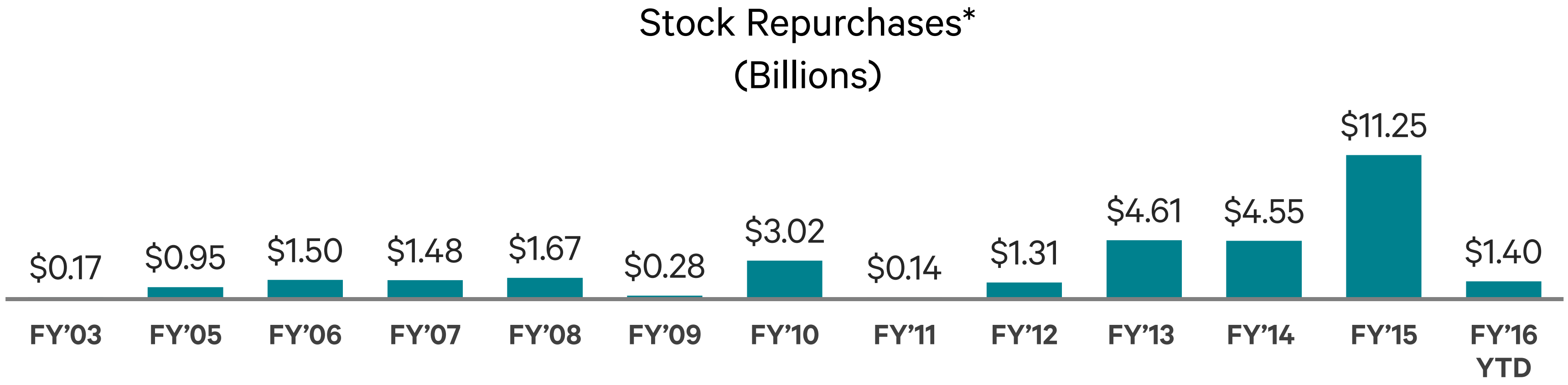
Quarterly Estimated 3G/4G Reported Device Shipments & ASP Trend[(4) (5)]

	FY'14				FY'15				FY'16
	Sep '13	Dec '13	Mar '14	Jun '14	Sep '14	Dec '14	Mar '15	Jun '15	Sep '15**
Qtr. total reported device sales ($B)	$61.6	$66.5	$58.1	$57.4	$56.4	$75.8	$60.4	$58.3	**$50.0 - $58.0e**
FY total reported device sales ($B)				$243.6				$250.9	
Qtr. device shipments* (M)	278	297	252	258	286	386	291	278	
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	
FY device ASP*				$225				$202	

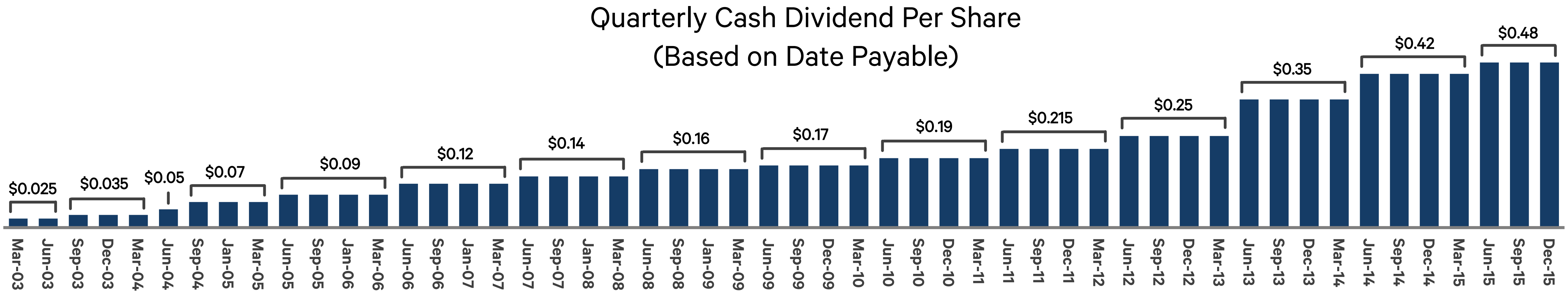
(4) & (5) See Footnotes page at the end of the presentation.
* Midpoints, see note (6) on the Footnotes page at the end of the presentation.
** Guidance as of Nov. 4, 2015. Our guidance range for the first quarter of fiscal 2016 total reported device sales reflects estimated 3G/4G total reported device 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 $48.6 Billion Returned to Stockholders

As of November 4, 2015



$5.5 billion remained authorized for repurchase under our stock repurchase program.



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	Sep'14	Sep'15	
Domestic	*$5.8*	***$5.3***	Cash resources and operating/ stock repurchase flexibility
Offshore	*$26.2*	***$25.6***	
Total cash & marketable securities	$32.0	**$30.9**	
Total assets	$48.6	**$50.8**	Solid balance sheet
Stockholders' equity	$39.2	**$31.4**	
Debt*	$0.0	**$11.0**	
EBITDA** (7)	$9.3	**$7.3**	Cash flow to support future growth and dividends
Free cash flow***	$7.7	**$4.5**	

* Including short-term and long-term debt.
** EBITDA is defined as income from continuing operations 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 and discontinued operations), 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. Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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 and discontinued operations), 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 fiscal 2015 GAAP results included:
     - $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 in the second quarter of fiscal 2015;
     - $142 million of charges, or $0.08 per share, that resulted from an impairment of goodwill and long-lived assets related to one of our display businesses in the third quarter of fiscal 2015;
     - $190 million of charges, or $0.09 per share, that resulted from restructuring and restructuring-related charges related to our Strategic Realignment Plan in the fourth quarter of fiscal 2015; and
     - Operating cash flow also was impacted by the prepayment of $950 million to secure long-term capacity commitments at a supplier of our integrated circuit products in the second quarter of fiscal 2015.
   - The fiscal 2014 Non-GAAP and GAAP results included:
     - $665 million gain, or $0.25 per share, in discontinued operations associated with the sale of substantially all of the operations of our Omnitracs division in the first quarter of fiscal 2014;
     - $444 million charge, or $0.20 per share, that resulted from an impairment on long-lived assets related to one of our display businesses in the first quarter of fiscal 2014;
     - $208 million of income, or $0.12 per share, of which $184 million was recorded in other income, due to the reversal of accruals related to our litigation with ParkerVision in the third quarter of fiscal 2014; and
     - $164 million of charges, or $0.08 per share, that resulted from an impairment of goodwill and long-lived assets related to one of our display businesses in the third quarter of fiscal 2014.

Reconciliations

Non-GAAP Results

In millions, except per share data

	Non-GAAP	QSI	Share-Based Compensation	Other Items (1) (2) (3)	GAAP
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 used	1,573	1,573	1,573	1,573	1,573
Q3 - FISCAL 2015					
Net income (loss)	$1,611	($26)	($213)	($188)	$1,184
Diluted EPS	$0.99	($0.02)	($0.13)	($0.12)	$0.73
Diluted shares used	1,629	1,629	1,629	1,629	1,629
Q4 - FISCAL 2014					
Net income (loss)	$2,143	$28	($199)	($78)	$1,894
Diluted EPS	$1.26	$0.02	($0.12)	($0.05)	$1.11
Diluted shares used	1,701	1,701	1,701	1,701	1,701
12 MONTHS - FISCAL 2015					
Net income (loss)	$7,641	($44)	($836)	($1,490)	$5,271
Diluted EPS	$4.66	($0.03)	($0.51)	($0.91)	$3.22
Diluted shares used	1,639	1,639	1,639	1,639	1,639
12 MONTHS - FISCAL 2014					
Net income (loss)	$9,032	$15	($856)	($224)	$7,967
Diluted EPS	$5.27	$0.01	($0.50)	($0.13)	$4.65
Diluted shares used	1,714	1,714	1,714	1,714	1,714

Non-GAAP Results (cont.)

In millions, except per share data

(1) Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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.

In the fourth quarter of fiscal 2015, other items excluded from Non-GAAP EBT included $190 million of restructuring and restructuring-related charges related to our Strategic Realignment Plan, $119 million of acquisition-related items and $5 million of other severance costs and asset impairment charges, partially offset by a $78 million gain on the sale of certain assets. In the fourth quarter of fiscal 2015, the tax benefit in the other items column included a $33 million tax benefit for the tax effect of other items in EBT, a $11 million tax benefit for the tax effect of acquisition-related items and a $6 million tax benefit to reconcile the tax provision for each column to the total GAAP tax provision for the quarter.

In fiscal 2015, other items excluded from Non-GAAP EBT included $975 million related to the resolution reached with the NDRC, $358 million of acquisition-related items, $235 million related to goodwill impairment charges, $190 million of restructuring and restructuring-related charges related to our Strategic Realignment Plan, $48 million of other severance costs and $40 million in asset impairment charges, partially offset by $123 million in gains on the sale of certain assets. In fiscal 2015, the tax benefit in the other items column included a $101 million tax benefit related to fiscal 2014 as a result of the retroactive reinstatement of the federal R&D tax credit, a $61 million tax benefit as a result of an agreement reached with the Internal Revenue Service related to Atheros' pre-acquisition tax returns, a $58 million tax benefit for the tax effect of other items in EBT, a $10 million tax benefit for the tax effect of acquisition-related items and a $3 million tax benefit related to fiscal 2014 as a result of the retroactive reinstatement of other tax laws.

(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. In interim quarters of prior fiscal years, this difference was allocated to the tax provisions (benefits) among the columns.

(3) Details of amounts included in the "Other Items" column for prior periods are included in the slides for those periods.

Sums may not equal totals due to rounding.

EBITDA[1]

In millions

	FY'14	FY'15
Income from continuing operations	$ 7,534	$ 5,268
Plus: Income tax expense	1,244	1,219
Plus: Depreciation and amortization expense	1,150	1,214
Plus: Interest expense	5	104
Less: Interest and dividend income	(586)	(527)
EBITDA	$ 9,347	$ 7,278

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

Free Cash Flow (a)

In millions

	Fiscal Year Ended September 27, 2015				
	Non-GAAP	QSI	Share-Based Compensation	Other Items (b)	GAAP
Net cash provided (used) by operating activities	$ 6,700	$ (25)	$ (103) (c)	$ (1,066)	$ 5,506
Less: capital expenditures	(994)	-	-	-	(994)
Free cash flow	$ 5,706	$ (25)	$ (103)	$ (1,066)	$ 4,512
Revenues	$ 25,277	$ 4	$ -	$ -	$ 25,281
Net cash provided by operating activities as % of revenues	27%	N/A	N/A	N/A	22%
Free cash flow as % of revenues	23%	N/A	N/A	N/A	18%
Total return of capital to stockholders					$ 14,125
Total return of capital to stockholders as a percentage of net cash provided by operating activities					257%
Total return of capital to stockholders as a percentage of free cash flow					313%

	Fiscal Year Ended September 28, 2014				
	Non-GAAP	QSI	Share-Based Compensation	Other Items (b)	GAAP
Net cash provided (used) by operating activities	$ 9,195	$ (28)	$ (280) (c)	$ -	$ 8,887
Less: capital expenditures	(1,185)	-	-	-	(1,185)
Free cash flow	$ 8,010	$ (28)	$ (280)	$ -	$ 7,702
Revenues	$ 26,487	$ -	$ -	$ -	$ 26,487
Net cash provided by operating activities as % of revenues	35%	N/A	N/A	N/A	34%
Free cash flow as % of revenues	30%	N/A	N/A	N/A	29%

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

(b) Other items excluded from Non-GAAP include certain acquisition-related items, tax items and other items. Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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. In the twelve months ended September 27, 2015, net cash used by operating activities in the other items column primarily consisted of the payment of $975 million resulting from the fine imposed by the NDRC, acquisition-related activities and severance costs related to restructuring activities.

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

N/A – Not Applicable

Q4 FY’15 Combined R&D and SG&A Expenses

In millions

	Q3'15 Results (1)	Q4'15 Results	% Increase / (Decrease)
Non-GAAP combined R&D and SG&A expenses	$ 1,717	$ 1,684	(2%)
QSI	21	8	(62%)
Other Items (2)	29	36	24%
Share-based compensation allocated to R&D and SG&A	261	224	(14%)
Total GAAP combined R&D and SG&A expenses	$ 2,028	$ 1,952	(4%)

(1) Certain prior period amounts have been reclassified to conform to the current period presentation

(2) Other items excluded from Non-GAAP include certain acquisition-related items and other items. Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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. Other items in Q3'15 primarily consisted of $23 million in acquisition-related items and $6 million of severance costs relating to restructurings. Other items in Q4'15 consisted of $31 million in acquisition-related items and $5 million of severance costs.

Business Outlook

As of November 4, 2015

FIRST FISCAL QUARTER	Q4'15 Results	Current Guidance Q1'16 Estimates
Revenues	**$5.5B**	**$5.2B - $6.0B**
Sequential change		*decrease 5% - increase 10%*
Non-GAAP diluted EPS	**$0.91**	**$0.80 - $0.90**
Sequential change		*decrease 1% - 12%*
Diluted EPS attributable to QSI (1)	$0.01	$0.28
Diluted EPS attributable to share-based compensation	($0.12)	($0.12)
Diluted EPS attributable to other items (2)	($0.12)	($0.16)
GAAP diluted EPS	**$0.67**	**$0.80 - $0.90**
Sequential change		*increase 19% - 34%*

FISCAL YEAR	Current Guidance FY 2016 Estimates
Non-GAAP effective income tax rate	**19% - 20%**
GAAP effective income tax rate	**18%**

(1) Our guidance for diluted EPS attributable to QSI for the first quarter of fiscal 2016 includes earnings per share of $0.25 related to an estimated gain of approximately $380 million associated with completing the sale of our L-Band spectrum in the United Kingdom.

(2) Our guidance for diluted EPS attributable to other items for the first quarter of fiscal 2016 includes a loss per share of $0.10 for acquisition-related items.

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

Sums may not equal totals due to rounding.

Q1 FY'16 Combined R&D and SG&A Expenses Guidance

In millions

	Q4'15 Results	Q1'16 Guidance* (est.)
Non-GAAP combined R&D and SG&A expenses	$ 1,684	Approx. increase 2% - 4%
QSI	8	Not provided
Other Items (1)	36	Not provided
Total combined R&D and SG&A expenses excluding certain share-based compensation	1,728	Approx. increase 2% - 4%
Share-based compensation allocated to R&D and SG&A	224	Not provided
Total GAAP combined R&D and SG&A expenses (2)	$ 1,952	Approx. increase 2% - 4%

(1) Other items excluded from Non-GAAP include certain acquisition-related items and other items. Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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. Other items in Q4'15 consisted of $31 million in acquisition-related items and $5 million in severance costs.

(2) Q1 FY16 total GAAP combined R&D and SG&A expenses guidance includes an estimate of the share-based compensation expense allocated to R&D and SG&A.

* Guidance as of Nov. 4, 2015

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

In millions

		Fiscal 2015 Results	Fiscal 2016 Guidance* (est.)
Non-GAAP combined R&D and SG&A expenses excluding the effects of certain acquisitions	$	6,606	Approx. decrease 6% - 8%
Certain acquisitions (1)		42	Not provided
Non-GAAP combined R&D and SG&A expenses	$	6,648	Approx. decrease 1% - 3%
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 1% - 3%
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 1% - 3%

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

(2) Other items excluded from Non-GAAP include certain acquisition-related items and other items. Beginning in the first quarter of fiscal 2015, we changed our methodology for reporting Non-GAAP results to exclude 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. Other items in fiscal 2015 consisted of $87 million in acquisition-related items, $46 million of 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 the share-based compensation expense allocated to R&D and SG&A.

* Guidance as of Nov. 4, 2015

Thank you

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