

## Supplemental Results of Business Segments

The following tables provide supplemental information including our results of business segments and reconciles our Non-GAAP results to our GAAP results (\$ in millions, except per share data and percentages):

SEGMENTS	QCT	QTL	Non-GAAP Reconciling Items (a)	Non-GAAP Results	QSI	Share-Based Compensation	Other Items (b) (c)	GAAP Results
<b>Q2 FISCAL 2019</b>								
<b>Revenues</b>	\$3,722	\$1,122	\$40	\$4,884	\$98	\$—	\$—	\$4,982
<i>Change from prior year</i>	(4%)	(8%)	(46%)	(6%)	N/M		N/M	(5%)
<i>Change from prior quarter</i>	—%	10%	(31%)	1%	N/M		N/M	3%
<b>Operating income (loss)</b>				\$1,162	\$88	(\$221)	(\$89)	\$940
<i>Change from prior year</i>				(6%)	N/M	—%	86%	135%
<i>Change from prior quarter</i>				(2%)	N/M	4%	66%	32%
<b>EBT</b>	\$542	\$674	(\$125)	\$1,091	\$17	(\$221)	(\$81)	\$806
<i>Change from prior year</i>	(11%)	(17%)	44%	(9%)	(58%)	—%	88%	154%
<i>Change from prior quarter</i>	(9%)	14%	13%	5%	113%	4%	69%	44%
<b>EBT as % of revenues</b>	15%	60%	N/M	22%				16%
<b>Net income (loss)</b>				\$932	\$21	(\$191)	(\$99)	\$663
<i>Change from prior year</i>				(19%)	(30%)	1%	85%	101%
<i>Change from prior quarter</i>				(36%)	200%	(5%)	55%	(38%)
<b>Diluted EPS</b>				\$0.77	\$0.02	(\$0.16)	(\$0.08)	\$0.55
<i>Change from prior year</i>				(1%)	—%	(23%)	82%	150%
<i>Change from prior quarter</i>				(36%)	100%	(7%)	56%	(37%)
<b>Diluted shares</b>				1,217	1,217	1,217	1,217	1,217
<b>Q1 FISCAL 2019</b>								
<b>Revenues</b>	\$3,739	\$1,018	\$58	\$4,815	\$27	\$—	\$—	\$4,842
<b>Operating income (loss)</b>				1,187	13	(230)	(260)	710
<b>EBT</b>	598	590	(144)	1,044	8	(230)	(263)	559
<b>EBT as % of revenues</b>	16%	58%	N/M	22%				12%
<b>Net income (loss)</b>				1,464	7	(182)	(221)	1,068
<b>Diluted EPS</b>				\$1.20	\$0.01	(\$0.15)	(\$0.18)	\$0.87
<b>Diluted shares</b>				1,223	1,223	1,223	1,223	1,223
<b>Q2 FISCAL 2018</b>								
<b>Revenues</b>	\$3,897	\$1,219	\$74	\$5,190	\$30	\$—	\$—	\$5,220
<b>Operating income (loss)</b>				1,240	10	(222)	(628)	400
<b>EBT</b>	608	809	(222)	1,195	40	(222)	(696)	317
<b>EBT as % of revenues</b>	16%	66%	N/M	23%				6%
<b>Net income (loss)</b>				1,154	30	(193)	(661)	330
<b>Diluted EPS</b>				\$0.78	\$0.02	(\$0.13)	(\$0.44)	\$0.22
<b>Diluted shares</b>				1,494	1,494	1,494	1,494	1,494

- (a) Non-GAAP reconciling items related to revenues consisted primarily of nonreportable segment revenues less intersegment eliminations. Non-GAAP reconciling items related to earnings before taxes consisted primarily of certain research and development expenses, selling, general and administrative expenses, other expenses or income, interest expense and certain investment income that are not allocated to the segments for management reporting purposes; nonreportable segment results; and the elimination of intersegment profit.
- (b) 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. See the "Reconciliations of GAAP Tax Rates to Non-GAAP Tax Rates" included in the news release for the current period for further details.
- (c) Details of amounts included in the "Other Items" column for the current period are included in the news release for the current period. Details of amounts included in the "Other Items" column for prior periods are included in the news releases for those periods.

N/M - Not Meaningful

Sums may not equal totals due to rounding.