



Q3 FY04 Earnings

July 21, 2004

Launchpad Applications

BREWapi

BREW Distribution System

gpsOne

CDMA Chipsets

Homeland Security Initiatives

Fleet Management Solutions

CDMA2000 1X

CDMA2000 1xEV-DO

CDMA2000 1xEV-DV

WCDMA/UMTS

Application Solutions

Mobile Processors

Base Station Processors

Radio Processors

CDMA University

Network Optimization

Software Tools

Development Tools

QCTest Tools

Client Software

Digital Cinema

Advanced Security Solutions

Australia • Austria • Belarus • Brazil • Canada • Chile • China • Colombia • Denmark • Dominican Republic • Ecuador • Guatemala • India • Indonesia • Israel • Italy • Japan • Mexico • Moldova • New Zealand • Nicaragua • Panama • Romania • Russia • South Korea • Sweden • Taiwan • Thailand • United Kingdom • United States • Venezuela • Vietnam

QUALCOMM CDMA Technologies

QUALCOMM Technology Licensing

QUALCOMM Wireless and Internet Group

QUALCOMM Strategic Initiatives

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 potential market size, market shares, and other factors which inherently involve risks and uncertainties.

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 may include 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 posted on the company's Investor Relations web site at

<http://www.qualcomm.com/IR/>

Balance Sheet

(\$ Billions)	<u>June</u> <u>2004</u>	<u>March</u> <u>2004</u>
Cash & Marketable Securities	\$7.0	\$6.6
Fixed Assets & Goodwill	\$0.9	\$0.9
Deferred Tax Assets	\$0.8	\$0.8
Receivables, Inventory, & Other	\$1.5	\$1.3
Total Assets	\$10.2	\$9.6
<hr/>		
Total Liabilities	\$1.1	\$1.1
Stockholder Equity	\$9.1	\$8.5
Total Liabilities & Stockholder Equity	\$10.2	\$9.6

Strength & flexibility to support strong growth and shareholder returns

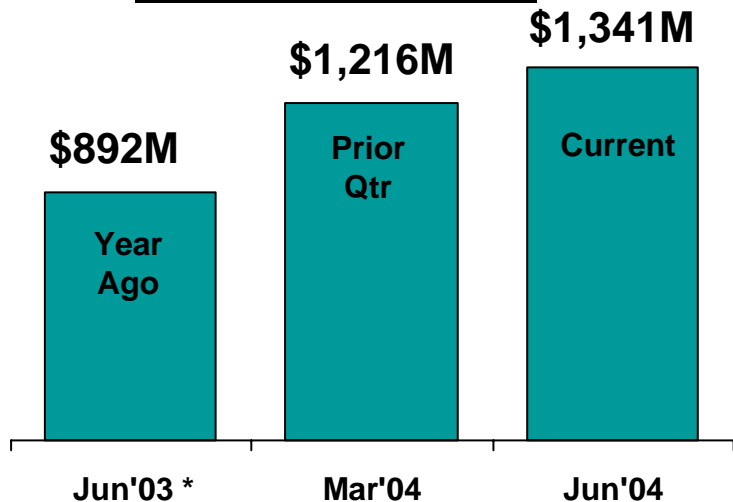
July 13, 2004 announced:

Two for one stock split effective August 13, 2004

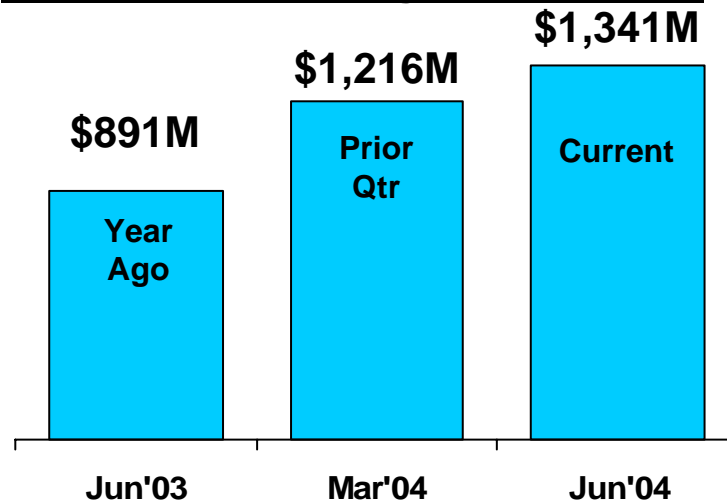
40% increase in quarterly dividend payable on September 24, 2004

Quarterly Comparison

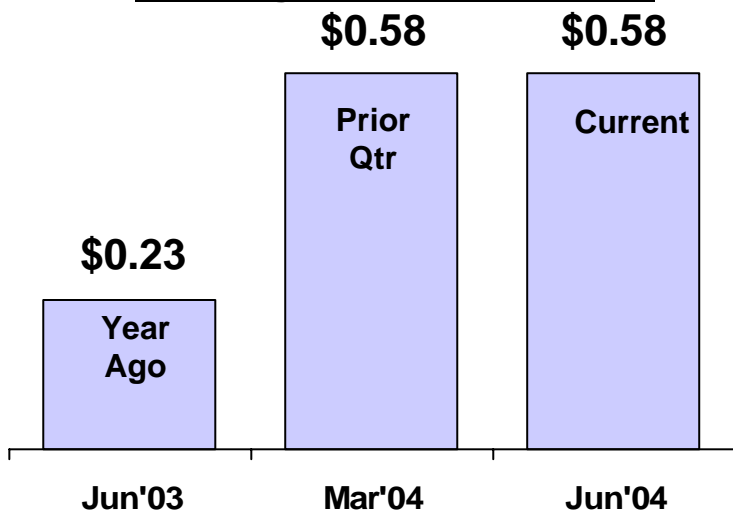
GAAP Revenues (Millions)



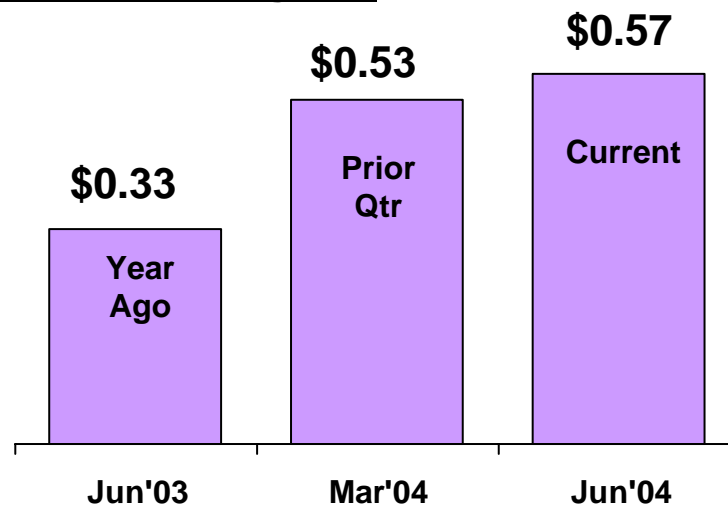
Revenues Excluding QSI (Millions)



GAAP Earnings Per Share (EPS)



EPS Excluding QSI

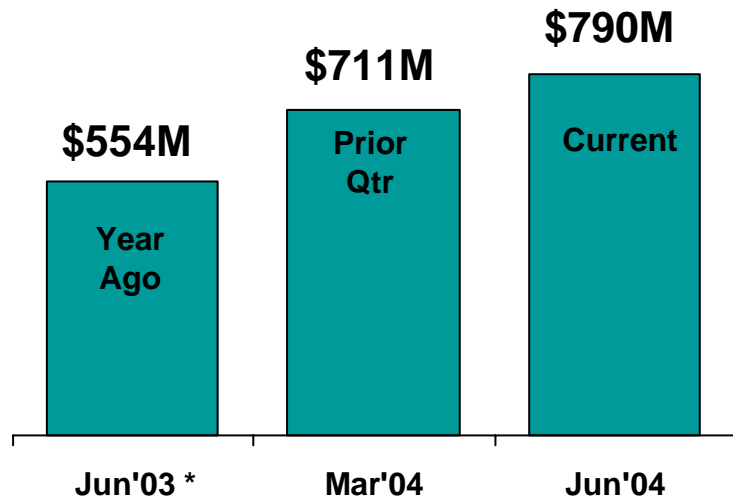


*As adjusted

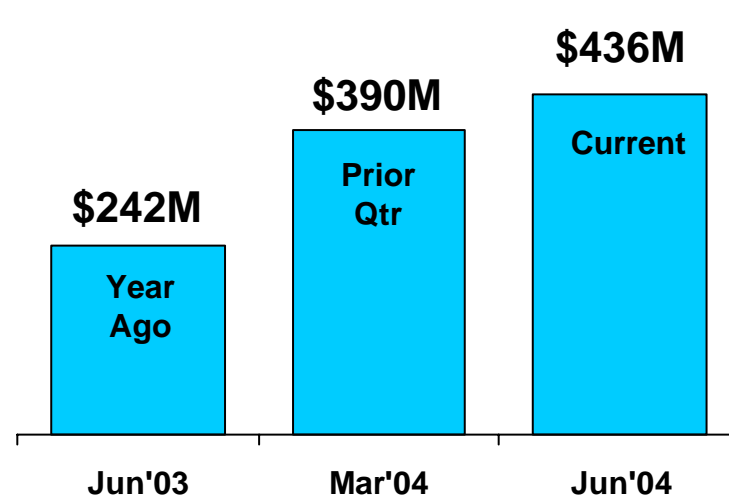
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

Quarterly Comparison

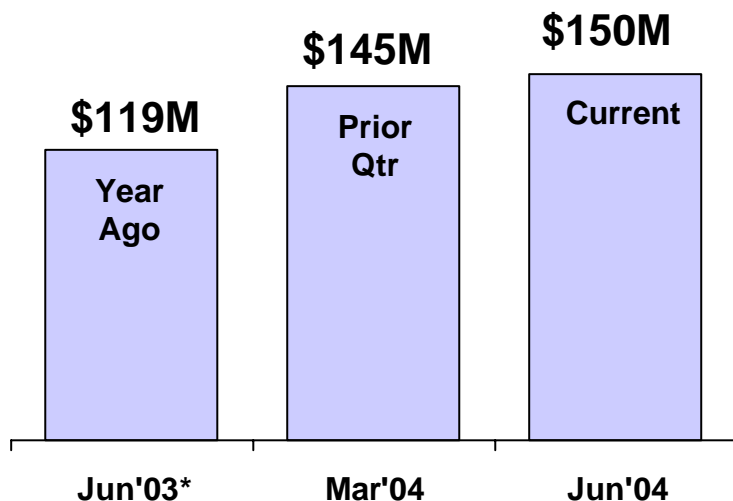
QCT Revenues (Millions)



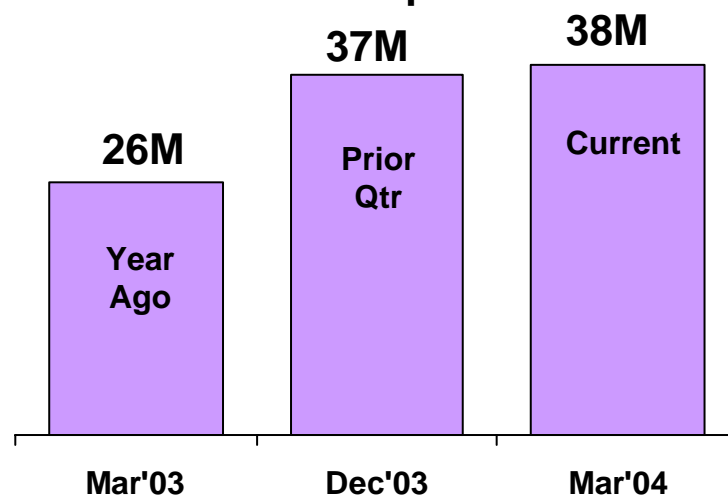
QTL Revenues (Millions)



QWI Revenues (Millions)



CDMA Handsets reported

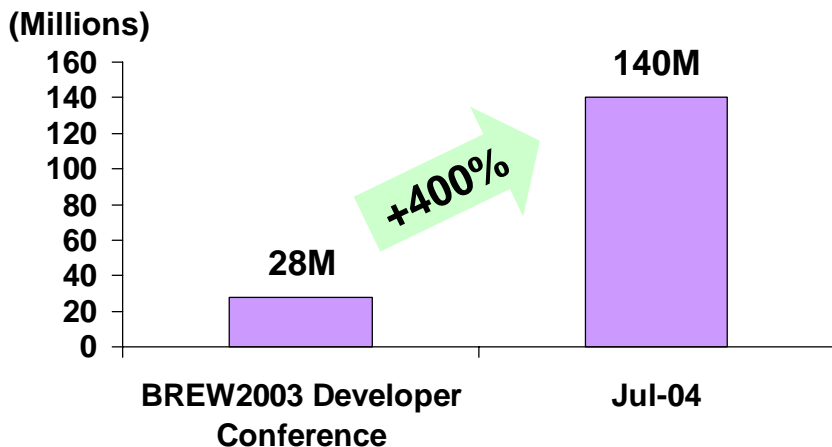


*As adjusted

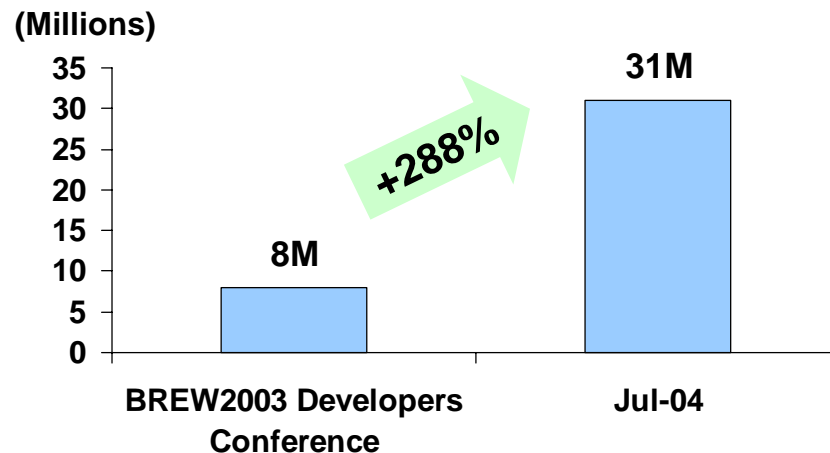
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

BREW by the Numbers - 27 Device Manufacturers, 22 Countries

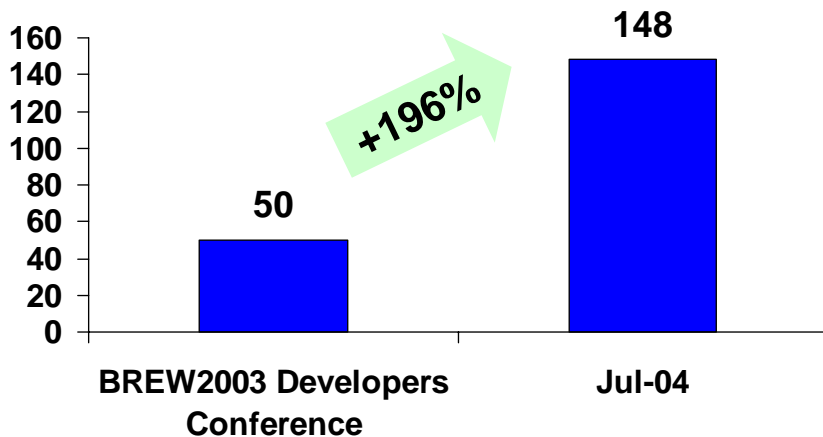
Worldwide App. Downloads



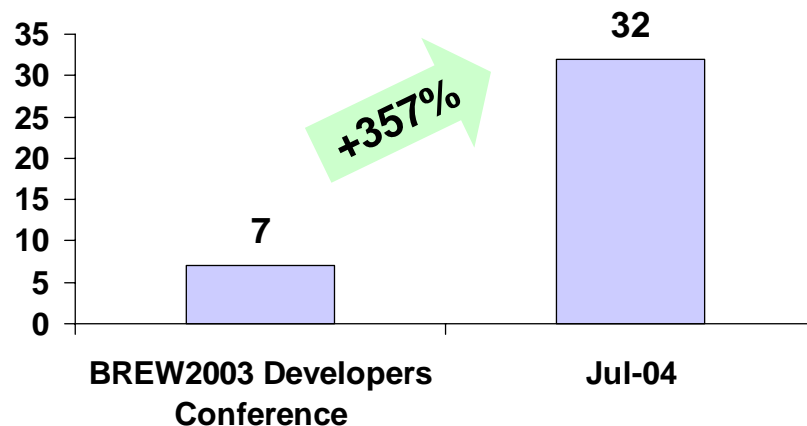
Devices in the Market



Commercial Device Models

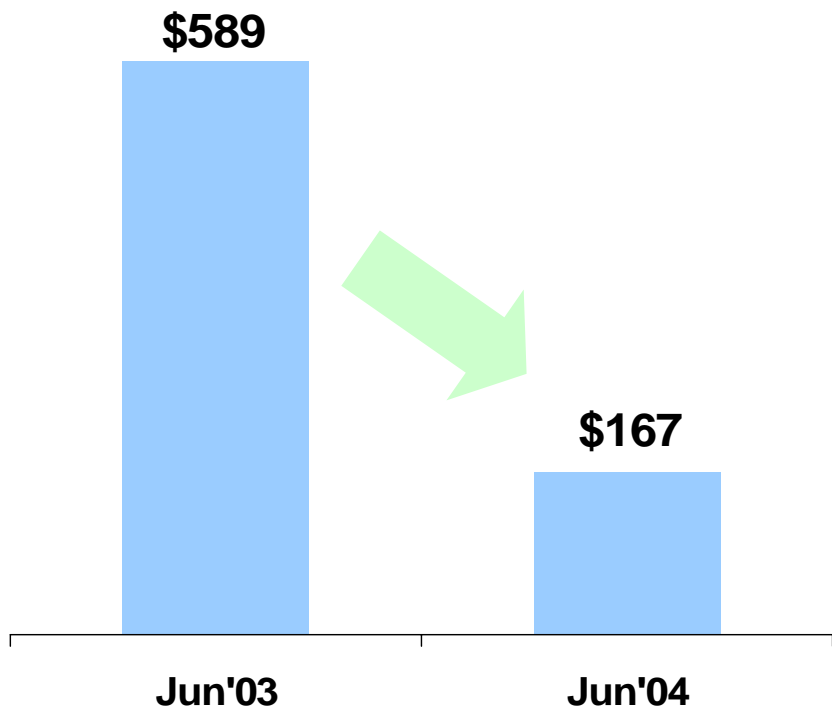


Commercial Operators

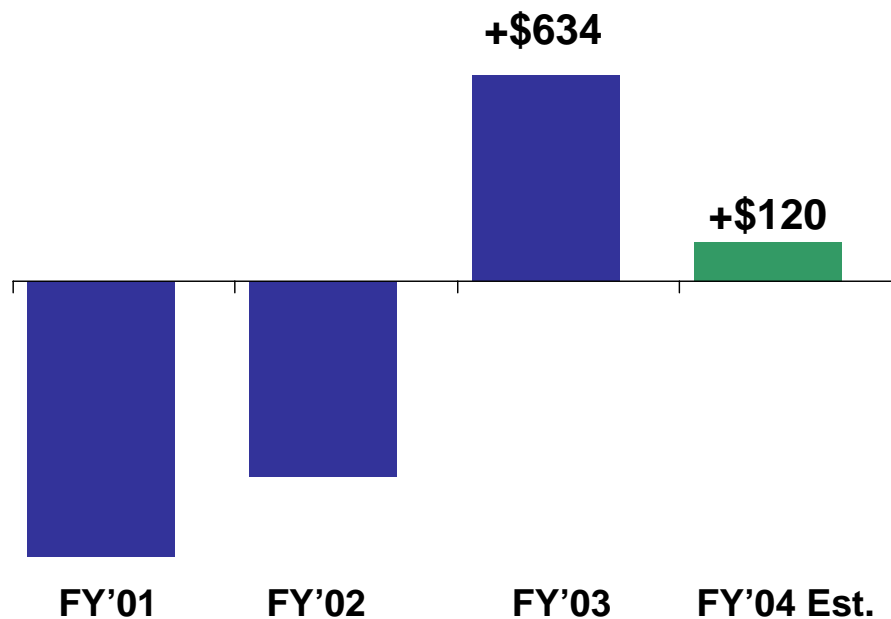


QUALCOMM Strategic Initiatives (QSI) Segment

**Outstanding Commitments
(Millions)**

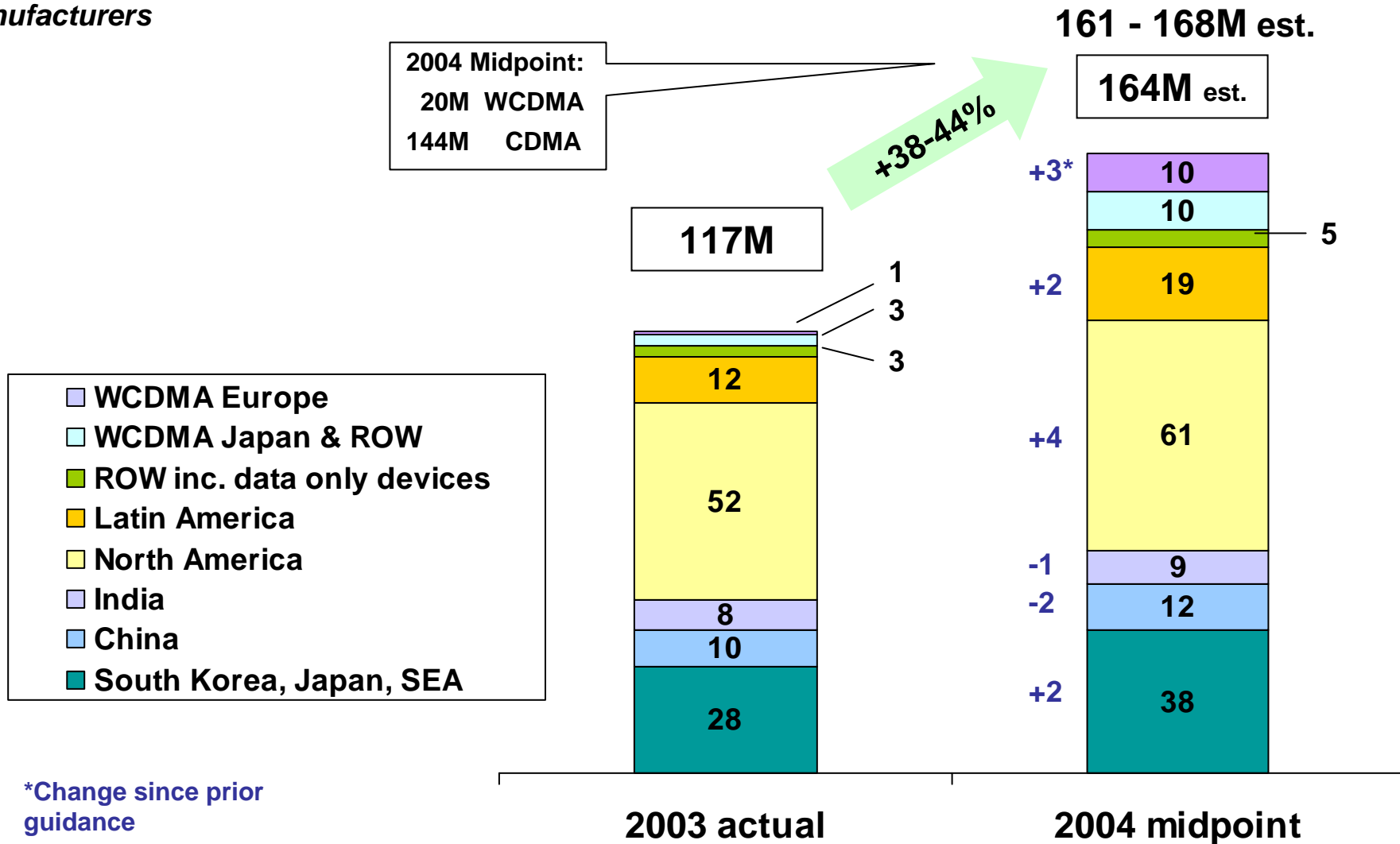


**Net Cash Investment
(Millions)**



CDMA Handset Shipments – Calendar Year (Millions)

Total Estimated CDMA (Including WCDMA) Handsets Shipped by Licensed CDMA Handset Manufacturers



Note: Regional handset shipment estimates include some quantity of channel inventory. ROW represents Israel, Russia and Eastern Europe, CDMA450, data devices, telematics and security devices.

Quarterly Results and Guidance

As of July 21, 2004 Earnings Release

	Q3'03 Jun 2003 <u>Results</u>	Q3'04 Jun 2004 <u>Results</u>	Q4'04 Sep 2004 <u>Sequential Guidance</u>
Total MSM phone chips	23M	35M	36-38M
3G MSM phone chips CDMA2000 1X, 1xEV-DO, WCDMA	22M	35M	36-38M
QUALCOMM Excluding QSI			
Revenues	\$891M	\$1,341M	Increase 2 – 7%
EPS	\$0.33	\$0.57	\$0.54 - \$0.57
Total QUALCOMM			
Revenues	\$892M *	\$1,341M	Increase 2 – 7%
EPS	\$0.23	\$0.58	\$0.53 - \$0.56

*As adjusted

Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

Fiscal Year Results and Guidance

As of July 21, 2004 Earnings Release

	<u>FY'02 Results</u>	<u>FY'03 Results</u>	<u>FY'04 Sequential Guidance</u>
Total MSM phone chips	65M	99M	135M-137M
3G MSM phone chips CDMA2000 1X, 1xEV-DO, WCDMA	40M	90M	135M-137M
QUALCOMM Excluding QSI			
Revenues	\$2,913M*	\$3,846M	Increase 33 - 35%
EPS	\$0.98	\$1.42	\$2.15 - \$2.18
Total QUALCOMM			
Revenues	\$2,915M**	\$3,848M**	Increase 33 - 35%
EPS	\$0.44	\$1.01	\$2.12 - \$2.15

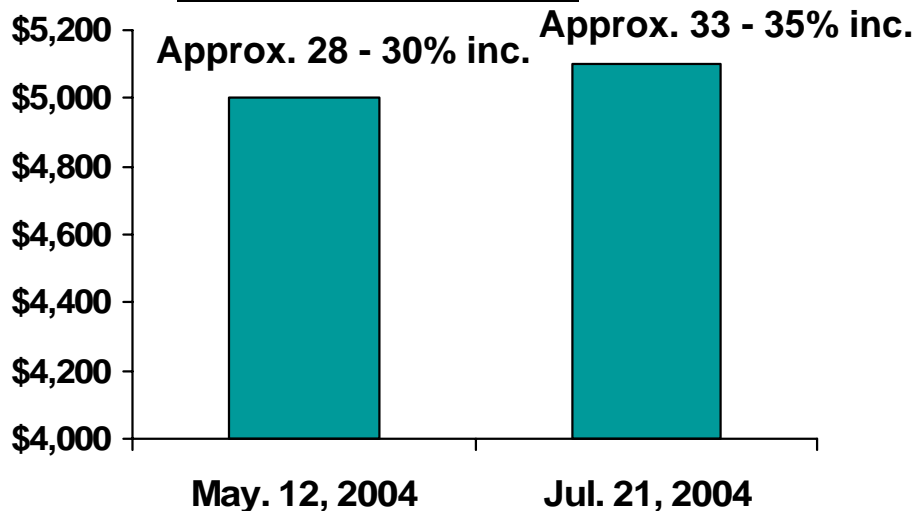
*FY'02 also excludes goodwill amortization and other

**As adjusted

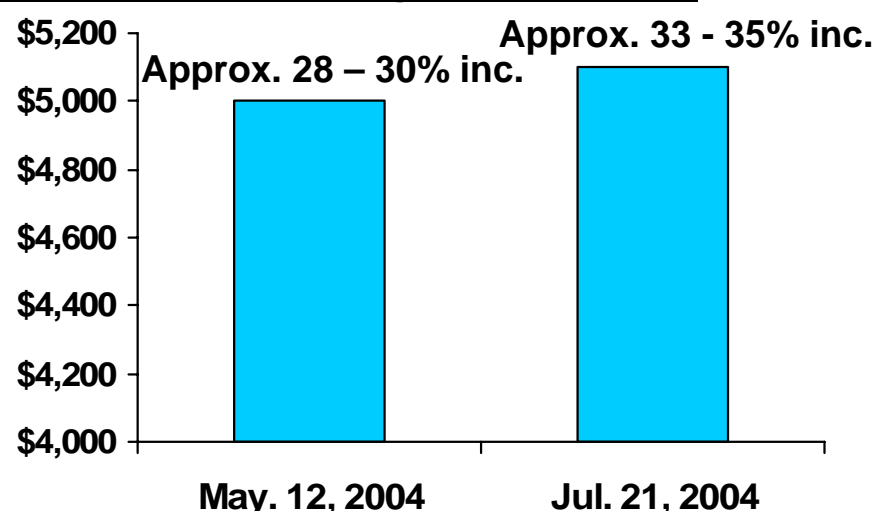
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

FY2004 Guidance Provided May 12, 2004 vs. July 21, 2004

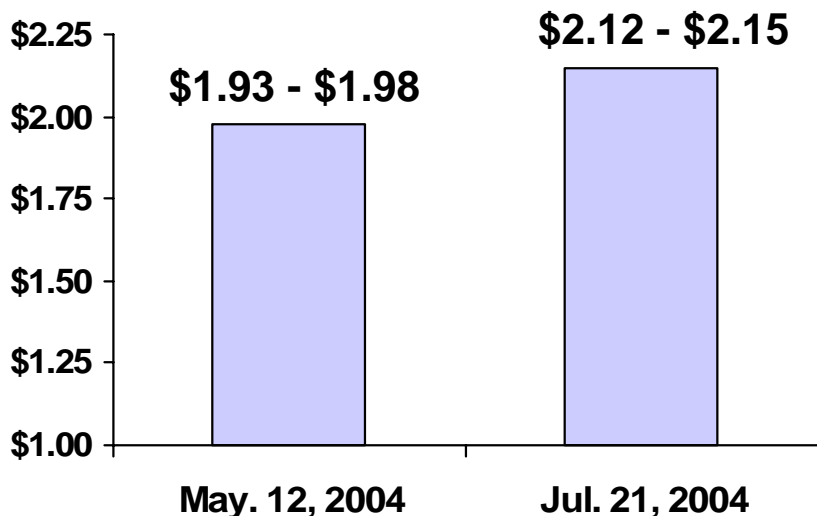
GAAP Revenues (Millions)



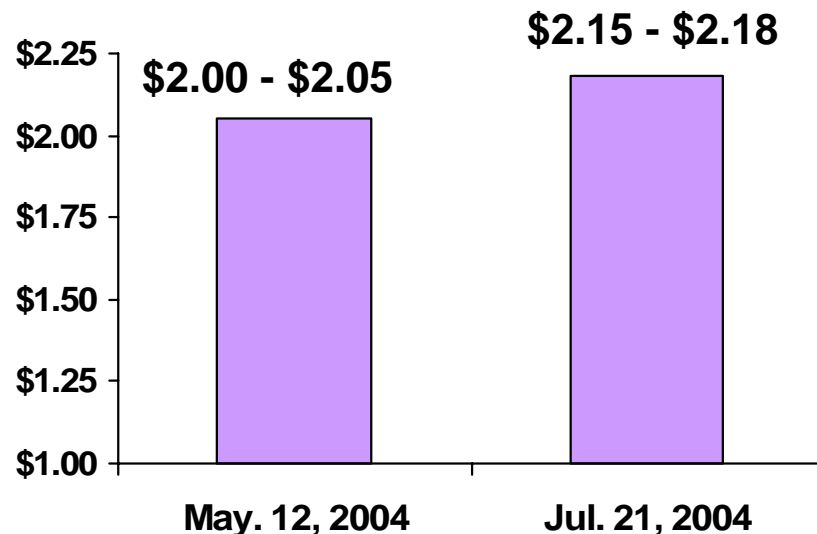
Revenues Excluding QSI (Millions)



GAAP Earnings Per Share (EPS)



EPS Excluding QSI



Reconciliations

Results of Business Segments

The following tables, which present segment information, have been adjusted to reflect the SnapTrack reorganization (Note 1) and discontinued operations (Note 3) (dollars in thousands, except per share data):

Third Quarter - Fiscal Year 2004

Segments	QCT(1)	QTL	QWI(1)	Reconciling Items (2)	QUALCOMM excluding QSI	QSI	Total QUALCOMM
Revenues	789,978	436,449	149,636	(35,537)	1,340,526	-	1,340,526
Net income					482,757	3,667	486,424
Diluted earnings per common share (5)					0.57	0.00	0.58

Second Quarter - Fiscal Year 2004

Segments	QCT	QTL	QWI	Reconciling Items (2)	QUALCOMM excluding QSI	QSI	Total QUALCOMM
Revenues	711,257	390,257	144,627	(30,522)	1,215,619	29	1,215,648
Net income					442,419	46,018	488,437
Diluted earnings per common share (5)					0.53	0.05	0.58

Third Quarter - Fiscal Year 2003

Segments	QCT(1) *	QTL	QWI(1) *	Reconciling Items (2) *	QUALCOMM excluding QSI	QSI * (3)	Total QUALCOMM *
Revenues	554,081	242,479	118,594	(23,887)	891,267	325	891,592
Net income (loss)					266,697	(75,008)	191,689
Diluted earnings (loss) per common share (5)					0.33	(0.09)	0.23

Twelve Months - Fiscal Year 2003

Segments	QCT(1) *	QTL	QWI(1) *	Reconciling Items (2) *	QUALCOMM excluding QSI	QSI * (3)	Total QUALCOMM *
Revenues	2,406,432	1,000,196	510,543	(70,795)	3,846,376	1,148	3,847,524
Net income (loss)					1,161,365	(333,924)	827,441
Diluted net earnings (loss) per common share (5)					1.42	(0.41)	1.01

Twelve Months - Fiscal Year 2002

Segments	QCT(1) *	QTL	QWI(1) *	Reconciling Items (2) *	QUALCOMM excluding QSI	QSI * (3)	Goodwill Amortization and Other (4)	Total QUALCOMM *
Revenues	1,574,921	847,092	459,650	31,277	2,912,940	1,662	143	2,914,745
Net income (loss)					793,725	(180,325)	(253,723)	359,677
Diluted net earnings (loss) per common share (5)					0.98	(0.22)	(0.31)	0.44

Reconciliations

- 1. During the second quarter of fiscal 2004, the Company reorganized its wholly-owned subsidiary, SnapTrack, Inc. (SnapTrack), a developer of wireless position location technology. The Company previously presented all of the revenues and operating results of SnapTrack in the QCT segment. As a result of the reorganization of SnapTrack, revenues and operating results related to SnapTrack's server software business (software for location-based services and applications) became part of the QIS division in the QWI segment. Revenues and operating results related to SnapTrack's client business (the gpsOne™ technology that is embedded within the integrated circuit products) remain with the QCT segment. Prior period segment information has been adjusted to conform to the new segment presentation.**
- 2. Reconciling items related to revenues consist primarily of other non-reportable segment revenues less intersegment eliminations. Reconciling items related to earnings before taxes consist primarily of corporate expenses, charges that are not allocated to the segments for management reporting purposes, unallocated net investment income, non-reportable segment results, interest expense and the elimination of intercompany profit.**
- 3. During fiscal 2004, the Company sold its consolidated subsidiaries, the Vesper Operating Companies and TowerCo, and returned personal mobile service (SMP) licenses to Anatel, the telecommunications regulatory agency in Brazil. The results of operations of the Vesper Operating Companies and TowerCo, including gains and losses realized on the sales transactions and the SMP licenses, are presented as discontinued operations. The Company's statements of operations and cash flows for all prior periods have been adjusted to present the discontinued operations.**
- 4. Starting in fiscal 2003, the Company no longer records goodwill amortization, in accordance with Financial Accounting Standards No. 142. In fiscal 2002, goodwill amortization and other adjustments included \$245.3 million of amortization of goodwill, \$13.3 million of amortization of intangible assets, \$5.9 million of payroll expenses on stock option exercises, offset by \$7.4 million of selling, general and administrative credits and \$0.1 million of revenue related to the sale of the terrestrial-based CDMA wireless infrastructure business and \$4.0 million of credits related to the reduction of reserves established in connection with the Globalstar business. With the adoption of FAS 142 in 2003 and given the immateriality of the other adjustments, the Company no longer makes these adjustments to its results excluding QSI.**
- 5. The sum of the earnings per share amounts may not equal total earnings per share due to rounding.**

* As adjusted as described in the notes above.

N/M – Not Meaningful

Reconciliations

QUARTERLY RESULTS AND GUIDANCE ⁽¹⁾ - As of July 21, 2004 Q3 Earnings Release

	Q4 FY 04 (September 2004) Guidance
Total MSM phone chips	Approx. 36-38M
3G CDMA2000 1X/1xEV-DO and WCDMA (UMTS) MSM phone chips	n/a
QUALCOMM Excluding QSI	
Revenues	2-7% sequential increase
EPS	\$0.54-\$0.57
Total QUALCOMM	
Revenues	2-7% sequential increase
EPS	\$0.53-\$0.56
QSI	
Revenues	
EPS	(\$0.01)

FISCAL YEAR RESULTS AND GUIDANCE ⁽¹⁾ - As of July 21, 2004 Q3 Earnings Release

	FY 04 Guidance
Total MSM phone chips	Approx. 135-137M
3G CDMA2000 1X/1xEV-DO and WCDMA (UMTS) MSM phone chips	Approx. 135-137M
QUALCOMM Excluding QSI	
Revenues	33-35% sequential increase
EPS	\$2.15-\$2.18
Total QUALCOMM	
Revenues	33-35% sequential increase
EPS	\$2.12-\$2.15
QSI	
Revenues	
EPS	(\$0.03)

(1) Due to their nature, certain income and expense items such as realized investment gains or losses, income related to the use of our FCC Auction Discount Voucher and asset impairments cannot be accurately forecast. Accordingly, the Company excludes such items from its business outlook, and actual results may vary materially from the business outlook if the Company incurs such income or expense items.

Thank You