

Qualcomm

# Steve Mollenkopf

CEO, Qualcomm Incorporated

# Safe Harbor

In addition to the historical information contained herein, this presentation and the conference call that accompanies it contain forward-looking statements that are inherently subject to risks and uncertainties, including but not limited to statements regarding: our business, product, technology, financial and acquisition strategies, priorities, plans, drivers, opportunities, outlook, estimates and expectations; our growth opportunities and initiatives, including our core mobile business, 5G, RF front-end, and adjacencies such as automotive, including ADAS, IoT, security, networking, compute and cloud/edge AI, and our growth, revenues, design wins, share and investments therein and our positioning to take advantage of opportunities in these areas; 5G, including its rollout, features, benefits, performance, drivers for adoption, economic impact, the opportunities for growth it creates, including in other industries, our investments in, contributions to and innovations that enable/are at the core of 5G, and 5G's potential impact on our business and financial results; our technologies and technology leadership; our products, product performance, product leadership and product roadmap; market and industry trends, and their potential impact on our business, and our positioning to take advantage thereof; our capital structure; QTL's business, strategy, patent portfolio, R&D and standards leadership, foundational innovations and inventions, and being well-positioned for the future; the FTC lawsuit and our expectations regarding timing of key milestones; and our expectations, estimates, forecasts and guidance related to our financial results, other financial and business metrics, and our business, as well as the factors and assumptions underlying such expectations, estimates, forecasts 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: 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 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, which increasingly includes a small number of Chinese OEMs; our dependence on the premium-tier device segment; attacks on our licensing business model, including current and future legal proceedings and governmental investigations and proceedings, including potential adverse outcomes relating to the Federal Trade Commission lawsuit against us, and actions of quasi-governmental bodies and standards and industry organizations; potential changes in our patent licensing practices, whether due to governmental investigations, private legal proceedings challenging those practices, or otherwise; the difficulties in enforcing and protecting our intellectual property rights; our ability to extend our technologies, products and services into new and expanded product areas and adjacent industry segments and applications outside of traditional cellular industries; risks associated with the operation and control of our manufacturing facilities; the continued and future success of our licensing programs, which requires us to continue to evolve our patent portfolio, and the need to renew or renegotiate license agreements that are expiring; our dependence on a limited number of third-party suppliers; claims by third parties that we infringe their intellectual property; strategic acquisitions, transactions and investments and our ability to consummate planned strategic acquisitions; our compliance with laws, regulations, policies and standards; our use of open source software; the cyclical nature of the semiconductor industry, and our stock price and earnings volatility; our indebtedness and our significant stock repurchase program; security breaches of our information technology systems or other misappropriation of our intellectual property or proprietary or confidential information; potential tax liabilities; global, regional or local economic conditions or political actions that impact the industries in which we operate; our ability to attract and retain qualified employees; foreign currency fluctuations; 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 our Annual Report on Form 10-K for the fiscal year ended September 29, 2019 filed with the SEC. Our reports filed with the SEC are available on our website at [www.qualcomm.com](http://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. Further discussion regarding our use of non-GAAP financial measures, as well as the most directly comparable GAAP financial measures and information reconciling these non-GAAP financial measures to our financial results prepared in accordance with GAAP, are included at the end of this presentation. The Non-GAAP financial measures should not be considered a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

We refer to "Qualcomm" for ease of reference. However, in connection with our October 2012 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.



# The world's leading wireless technology innovator



Qualcomm

# Qualcomm



Leading technology  
and intellectual property



Best products  
and roadmap in the  
company's history



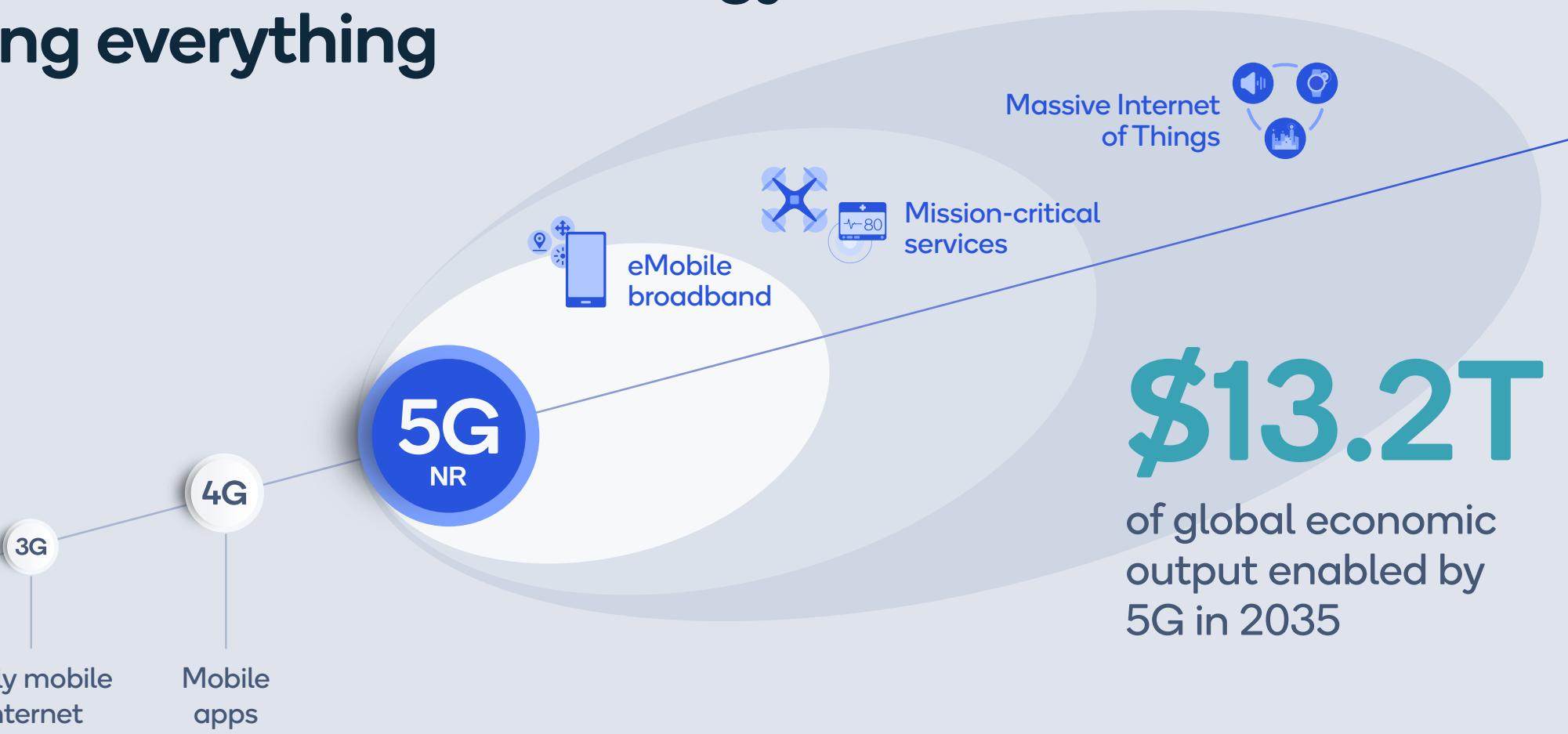
On the cusp of  
multi-decade 5G  
transformation



**With 5G, wireless becomes  
the superior network technology,  
disrupting everything**



With 5G, wireless becomes  
the superior network technology,  
disrupting everything



**\$13.2T**  
of global economic  
output enabled by  
5G in 2035

Based on ITU vision for IMT-2020 compared to IMT-advanced; URLLC: Ultra Reliable Low Latency Communications; IAB: Integrated Access & Backhaul  
Source: The 5G Economy, IHS Markit – commissioned by Qualcomm, October 2019



## Not just another handset upgrade cycle

**10x**

Decrease in  
end-to-end latency

**10x**

Greater experienced  
throughput

**3x**

More spectrum  
efficiency

**100x**

Higher traffic  
capacity

**100x**

Greater network  
efficiency

**10x**

Increased  
connection density

# 5G commercialization a global success

40+ operators launched to date  
Significantly faster than 4G

Operators launching or announcing 5G commercial service

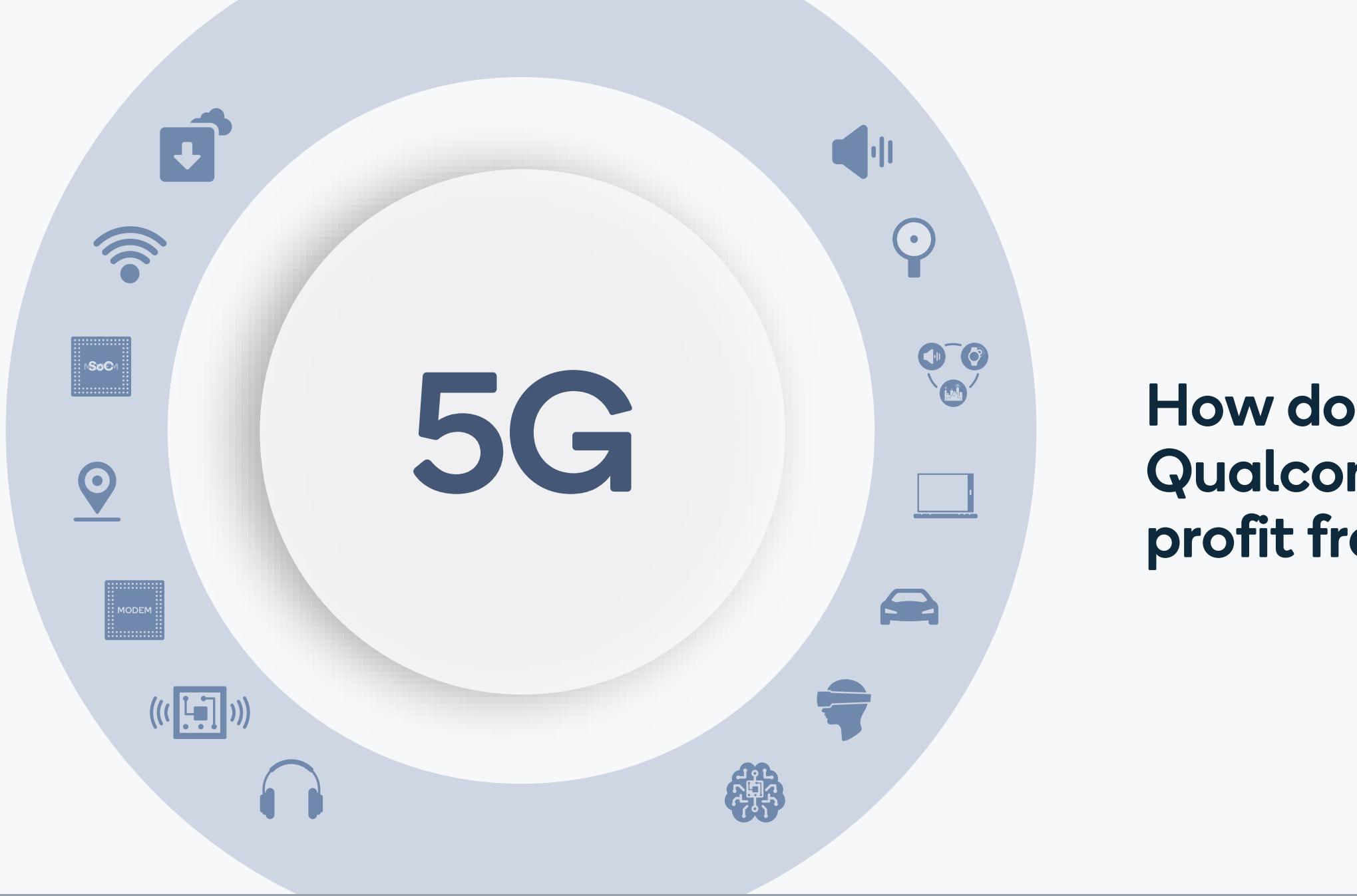


## Our strategy

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Invest in the fundamental technologies that enable industries to use cellular and then scale it worldwide



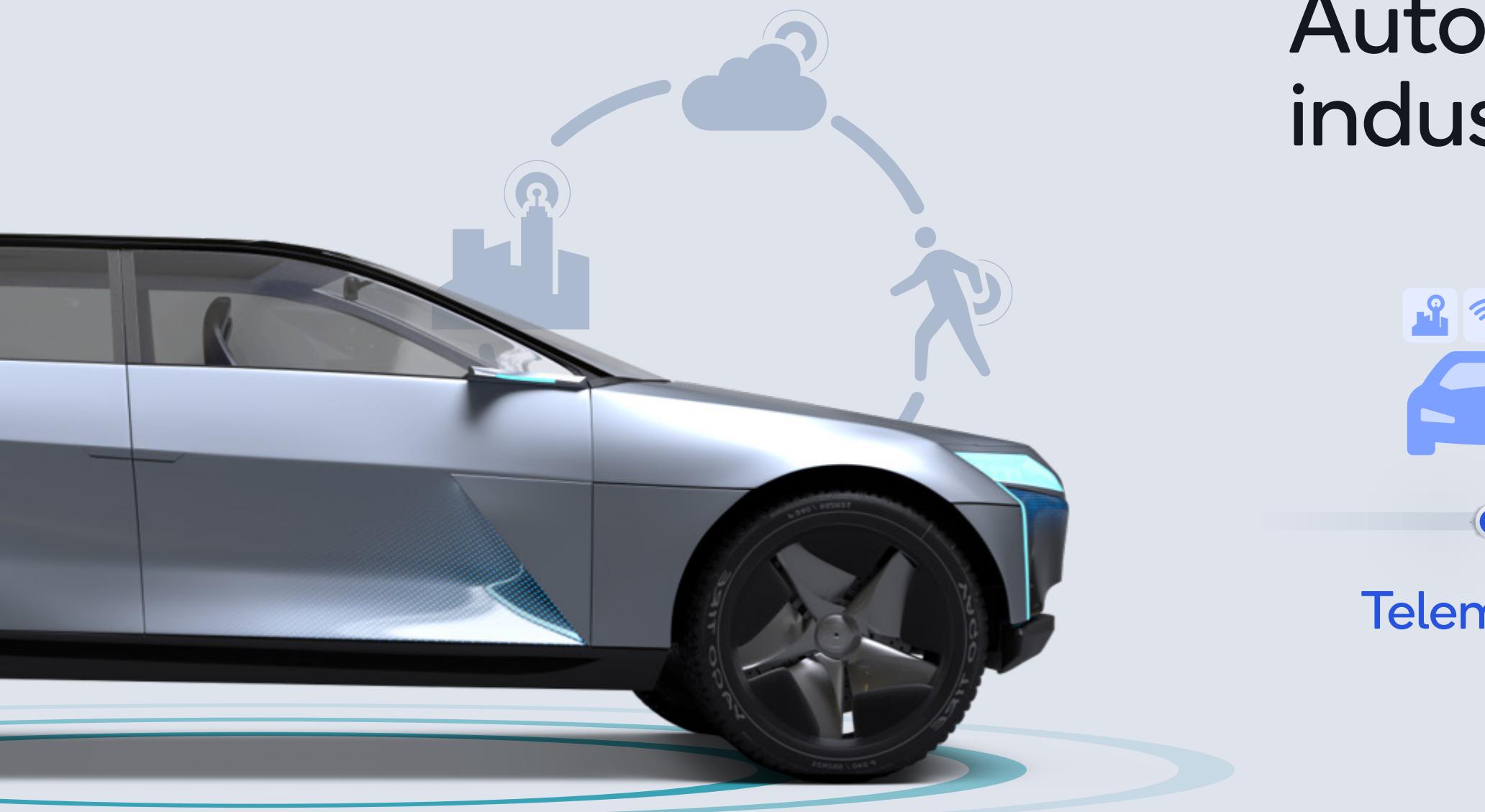


## How does Qualcomm profit from 5G?

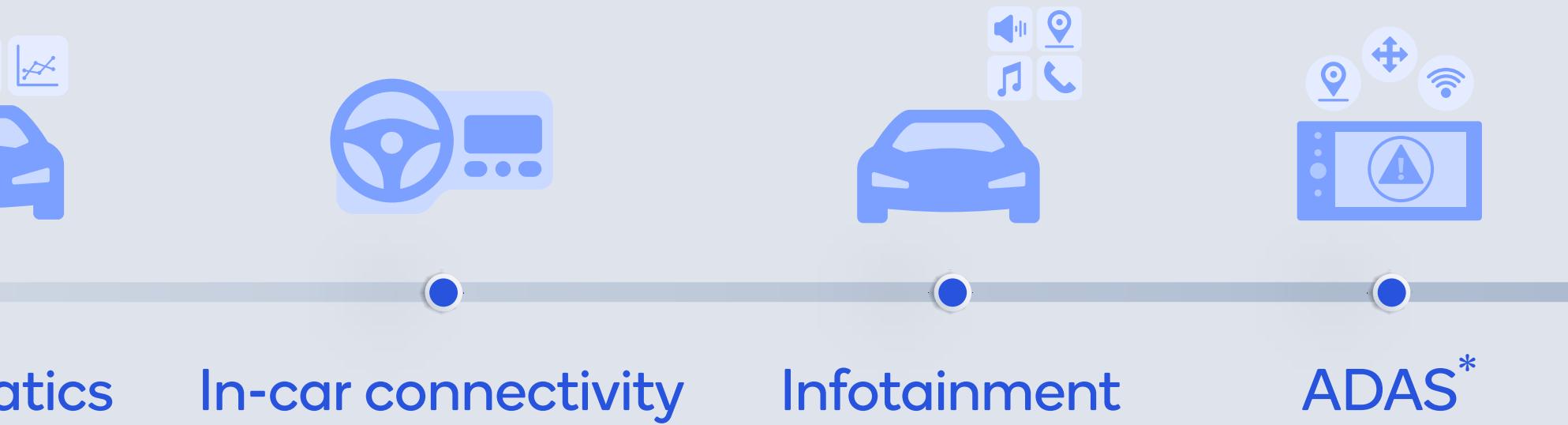


Growing opportunity as cellular roadmap intersects other industries

Future of cloud and AI strongly aligned with 5G



# Automotive is the first big industry disrupted by cellular



**Many more  
industries expected  
to follow**



Manufacturing



Retail



Healthcare



Energy

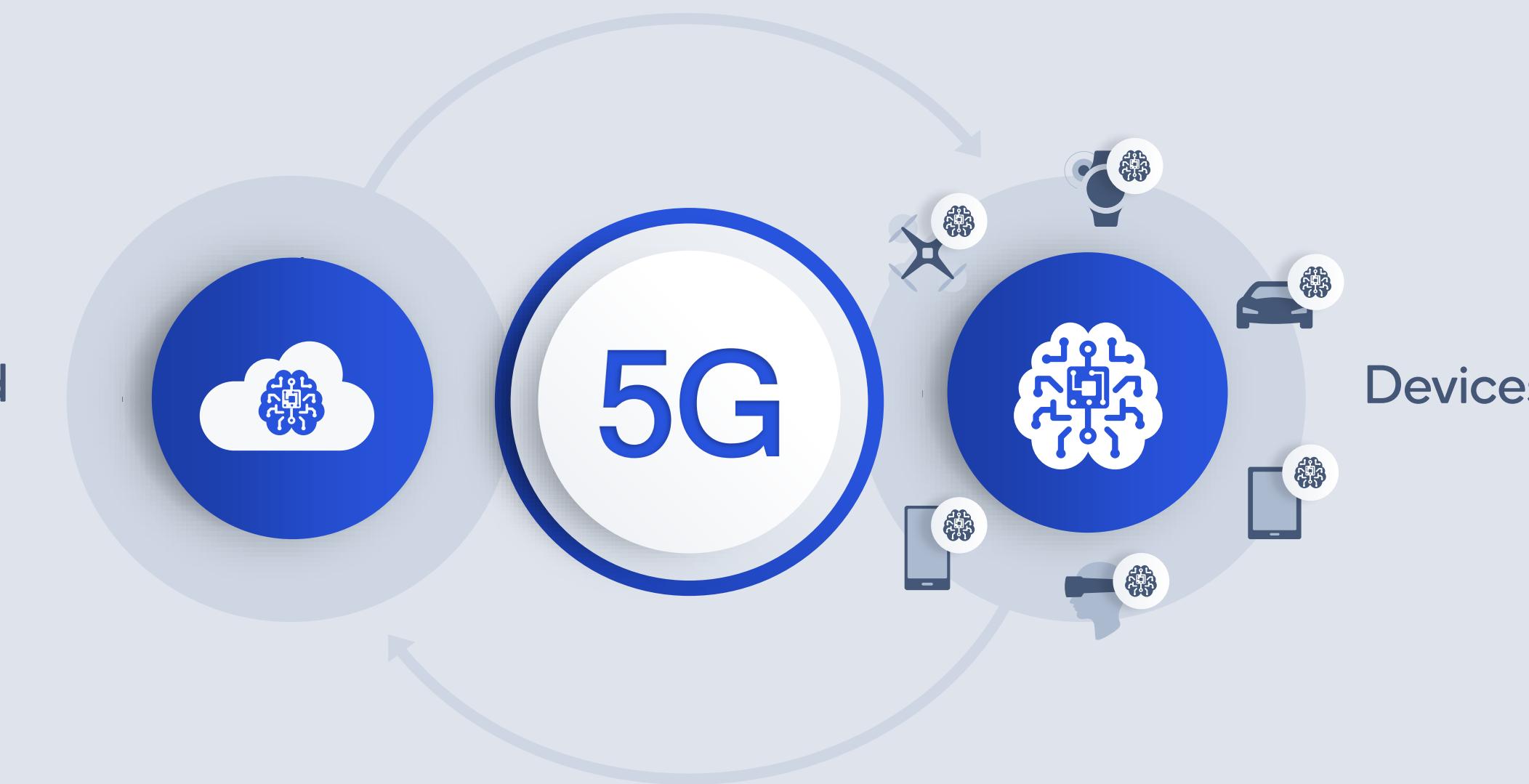


Logistics



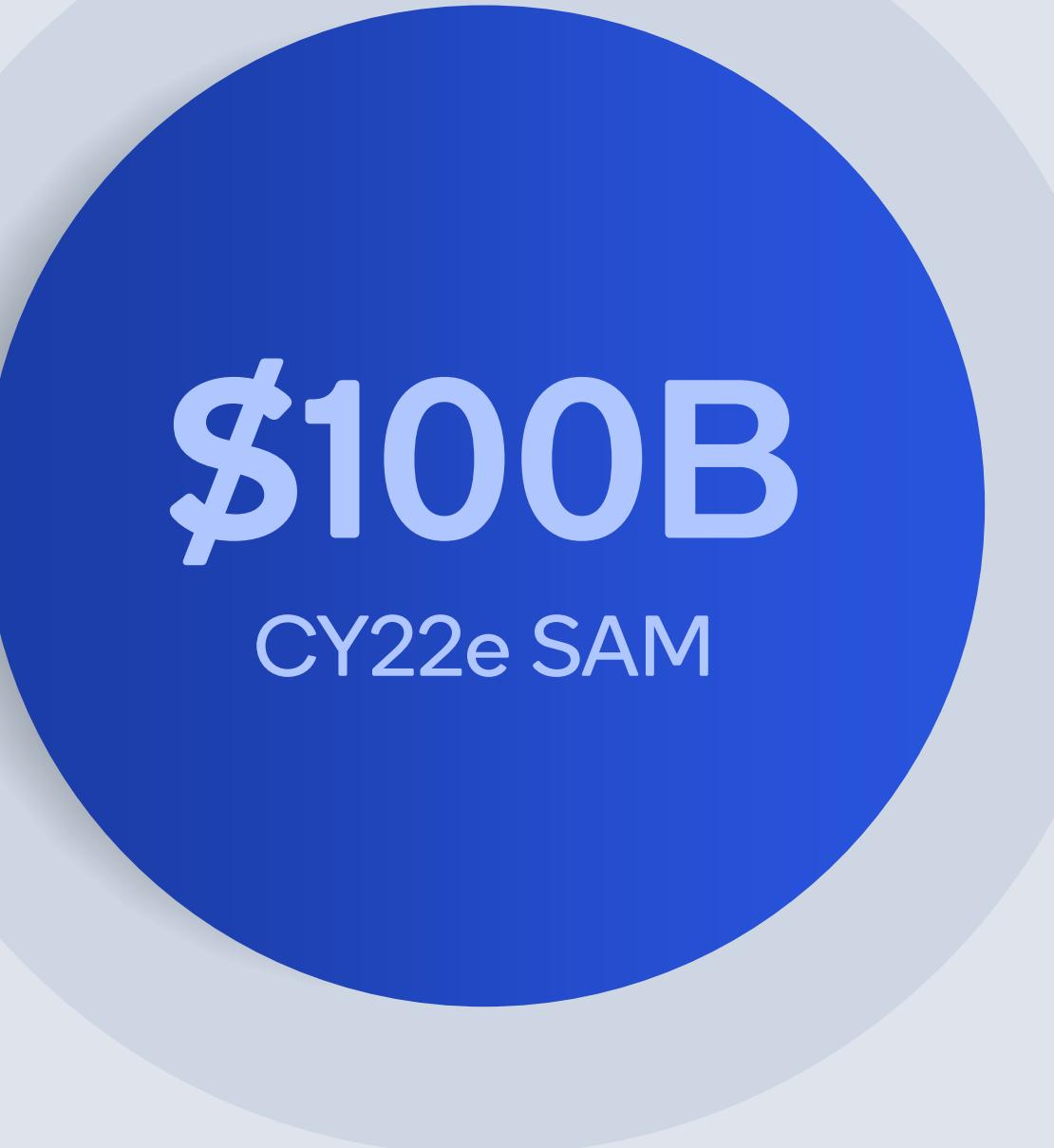
Gaming

Strong alignment between  
**5G and AI**





**A tremendous growth opportunity ahead**



**\$100B  
CY22e SAM**



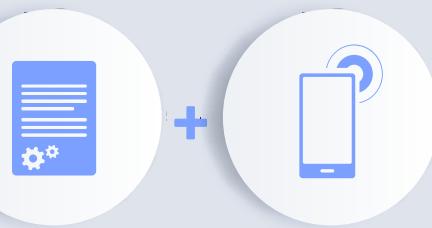
**\$65B  
CY19e SAM**

# World-leading wireless technology innovator

Well positioned to deliver  
strong stockholder returns



5G leadership driving  
content uplift and core  
growth



Integrated portfolio  
of leading technologies  
and anchor  
license agreements

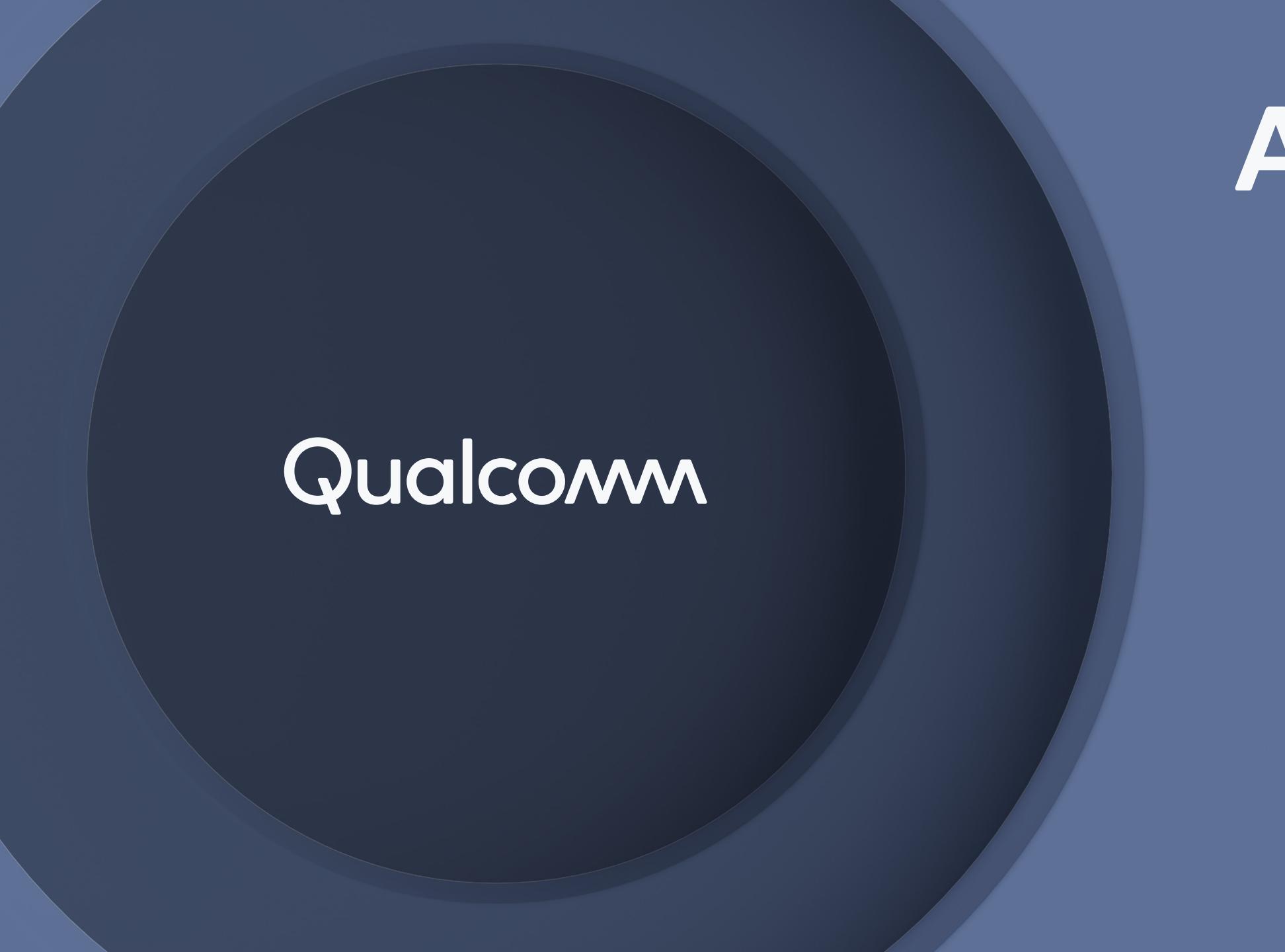


5G drives adjacent  
growth opportunities  
and revenue  
diversification



Attractive long-term  
financial profile with  
revenue growth and  
margin expansion

Driving long-term growth through continued  
R&D investment and execution

The Qualcomm logo is positioned in the bottom left corner of the slide. It consists of the word "Qualcomm" in a white, sans-serif font, enclosed within a circular graphic element. The circular element has a dark blue gradient background and features a thin white outline. The text is centered within this circle.

**Qualcomm**

# Agenda

**Dr. James Thompson**

EVP, Engineering, and CTO

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**Alex Rogers**

EVP and President, Qualcomm Technology Licensing

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**Cristiano Amon**

President

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**Akash Palkhiwala**

EVP and CFO

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**Q&A**



# Thank you

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