



Q4 FY04 Earnings November 3, 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/>

Q4 FY04 Guidance Point Comparison

| | | <u>Previous Guidance</u> | <u>Actuals and Updated Guidance</u> |
|---------------------------------------|-------------------------------|---------------------------------------|--|
| MSM phone chips | Sep qtr '04 Fiscal yr | 38-39M 137-138M | 39M actual 137M actual* |
| CDMA handsets (Includes WCDMA) | Jun qtr Sep qtr Dec qtr | 41M est. 46M est. 48M ± 3M est. | 41M actual 41M est. 50M ± 2M est. |
| CDMA Handset ASPs (Includes WCDMA) | '04 Fiscal yr | \$209 est. | \$209 est. (Oct-Sep) \$205 est. (Jul-Jun) |
| Operating expense Excluding QSI | Sep qtr | "Fairly flat" QoQ | Flat at \$352M |
| QCT Operating margin | '04 Fiscal yr | 32% | 34% actual |
| QSI Investment | '04 Fiscal yr | \$120M net cash | \$169M net cash |

*Note: Rounding difference due to four quarters rounded to 32M, 32M, 35M, plus 39M equals 138M

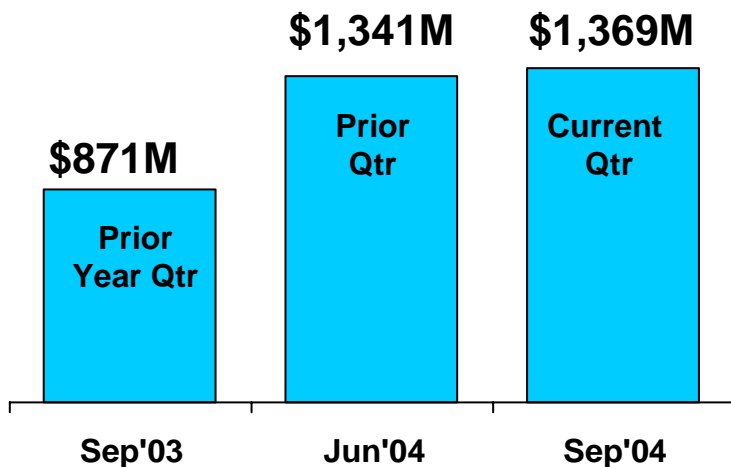
Q4 FY04 Guidance Point Comparison

| | | <u>Previous Guidance</u> | <u>Pro Forma Actuals*</u> |
|---------------|--------------------------|--------------------------------------|--------------------------------------|
| Revenues | Sep qtr '04 Fiscal yr | 4-5% QoQ growth 33-34% YOY growth | 2% QoQ growth 33% YOY growth |
| EPS Core | Sep qtr '04 Fiscal yr | \$0.28 - \$0.30 \$1.09 - \$1.10 | \$0.29 Pro Forma \$1.09 Pro Forma |
| Tax rate Core | '04 Fiscal yr | 30% est. | 29% Pro Forma |

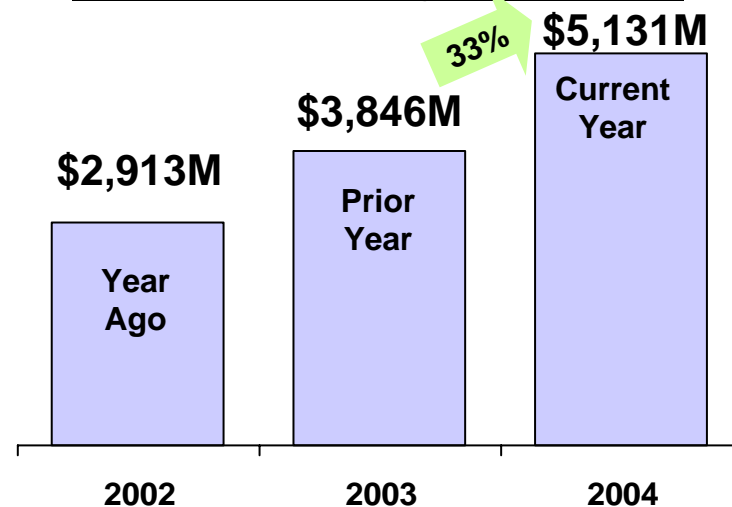
*Note: Pro Forma Actuals reflect the "prior method" of estimating royalties

“Prior Method” of Estimating Royalties*

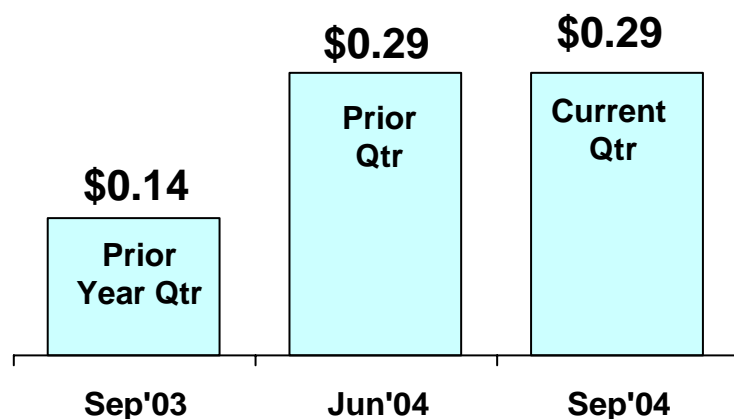
Quarterly Comparison
Revenues Excluding QSI (Millions)



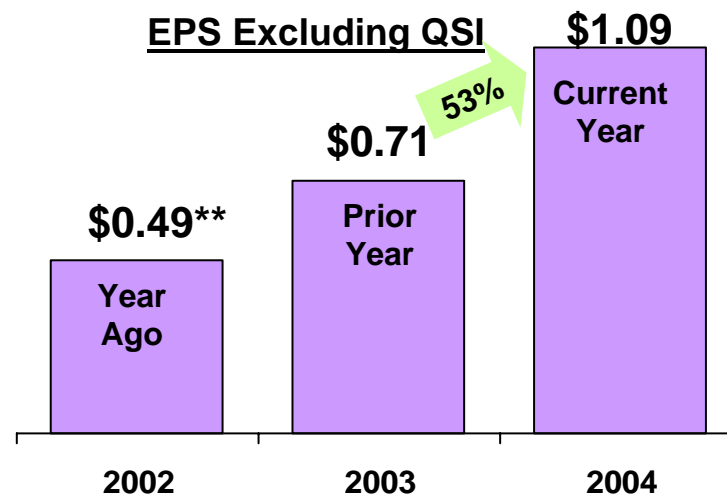
Fiscal Year Comparison
Revenues Excluding QSI (Millions)



EPS Excluding QSI



EPS Excluding QSI



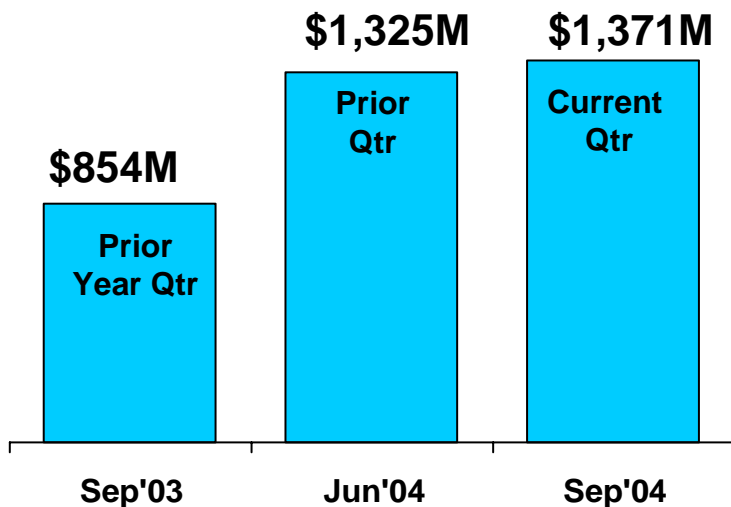
*Note: Results using the prior method of accruing estimated earned royalties

**Note: EPS excluding QSI for fiscal 2002 excludes goodwill amortization and other

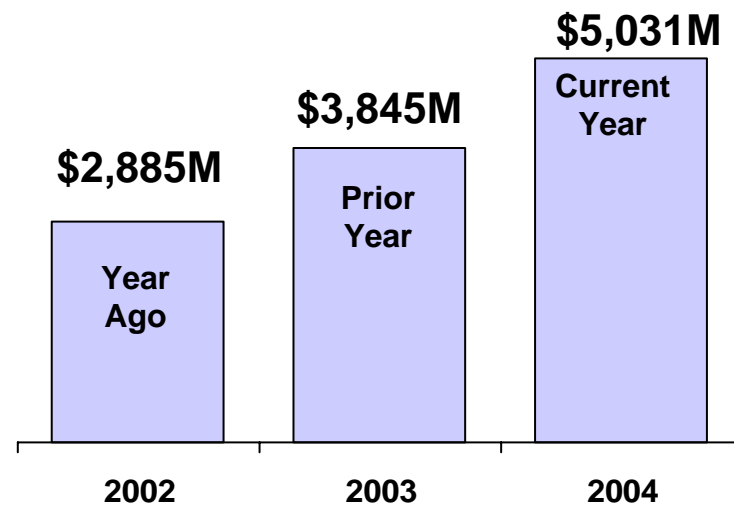
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

“New Method” of Estimating Royalties*

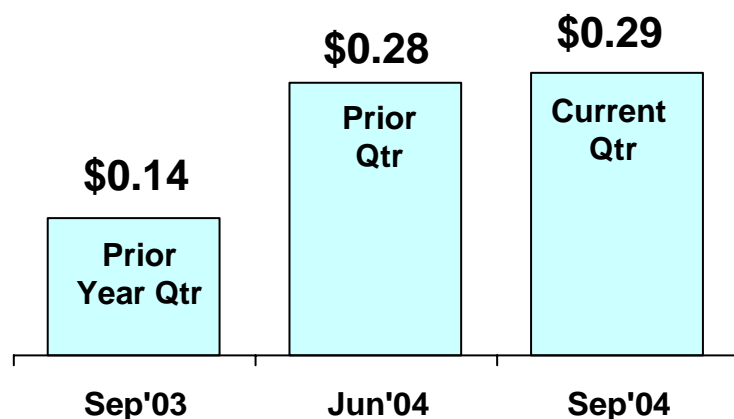
Quarterly Comparison
Revenues Excluding QSI (Millions)



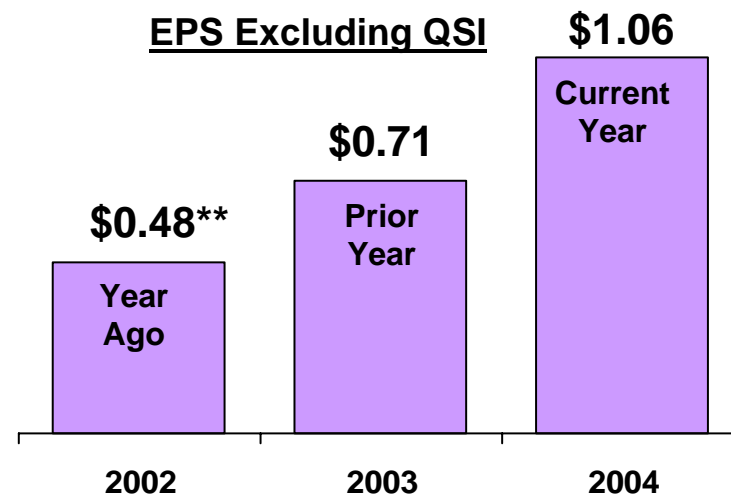
Fiscal Year Comparison
Revenues Excluding QSI (Millions)



EPS Excluding QSI



EPS Excluding QSI



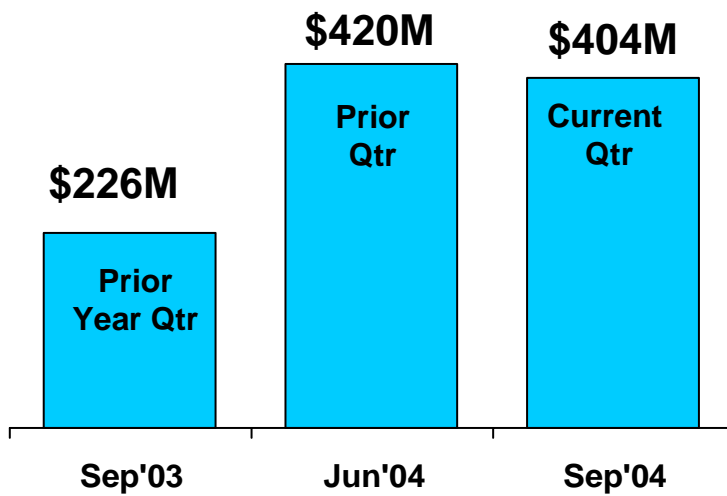
*Note: Results as if the “new method” of recording royalties, as reported by licensees, had been in effect for each quarter and fiscal year

**EPS excluding QSI for fiscal 2002 excludes goodwill amortization and other

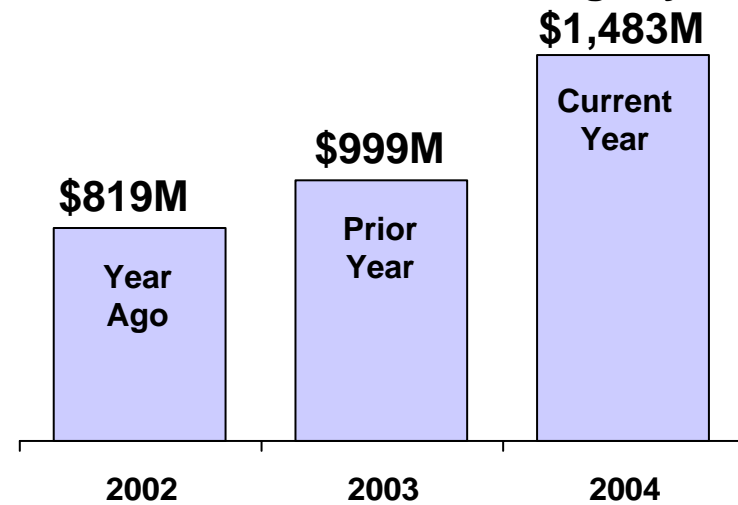
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

QTL Revenues (Millions)

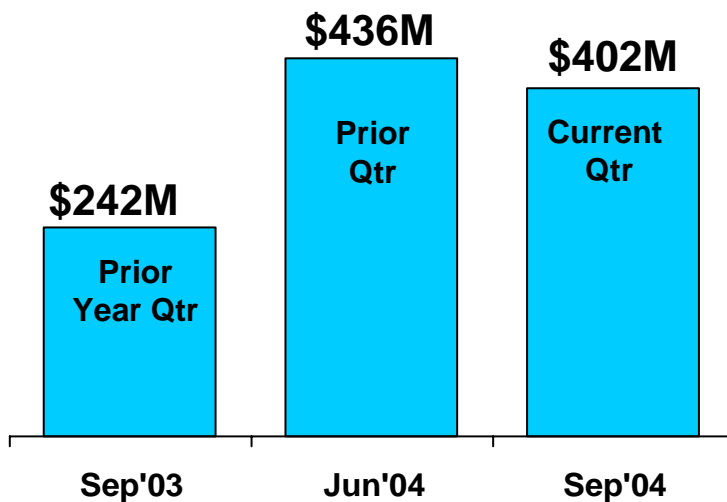
Quarterly Comparison
“New method” of estimating royalties



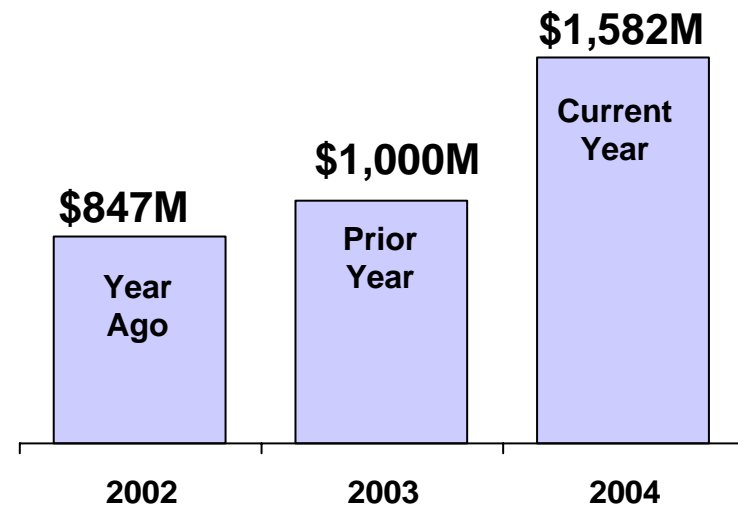
Fiscal Year Comparison
“New method” of estimating royalties



“Prior method” of estimating royalties



“Prior method” of estimating royalties



Comparison of Royalty Methodologies

FY04 Q4 Results and FY05 Q1 Guidance

| | FY04 Q4 Pro Forma Excluding QSI "Prior Method" | FY04 Q4 GAAP With Prospective Change** | FY04 Q4 Pro Forma Excluding QSI "New Method"*** | FY05 Q1 Guidance Excluding QSI "New Method"*** |
|--------------|---|--|--|---|
| Revenue | \$1,369M | \$1,118M | \$1,371M | \$1.3 - \$1.4B est. |
| Net Earnings | \$489M | \$393M | \$490M | - |
| EPS | - | \$.23 | - | - |
| QSI | - | \$.03 | - | - |
| Core EPS | \$.29 | \$.20 | \$.29 | \$.24 - \$.26 est. |

*Results excluding QSI using the "prior method" of accruing estimated earned royalties

**Prospective change from "prior method" to "new method", a portion of royalty revenue that would have been recognized in the fourth quarter will now be recognized in the first fiscal quarter of fiscal 2005 when the actual royalty reports are received from licensees

***Under the "new method", royalties are recognized as reported by licensees

Comparison of Royalty Methodologies

FY04 Results and FY05 Guidance

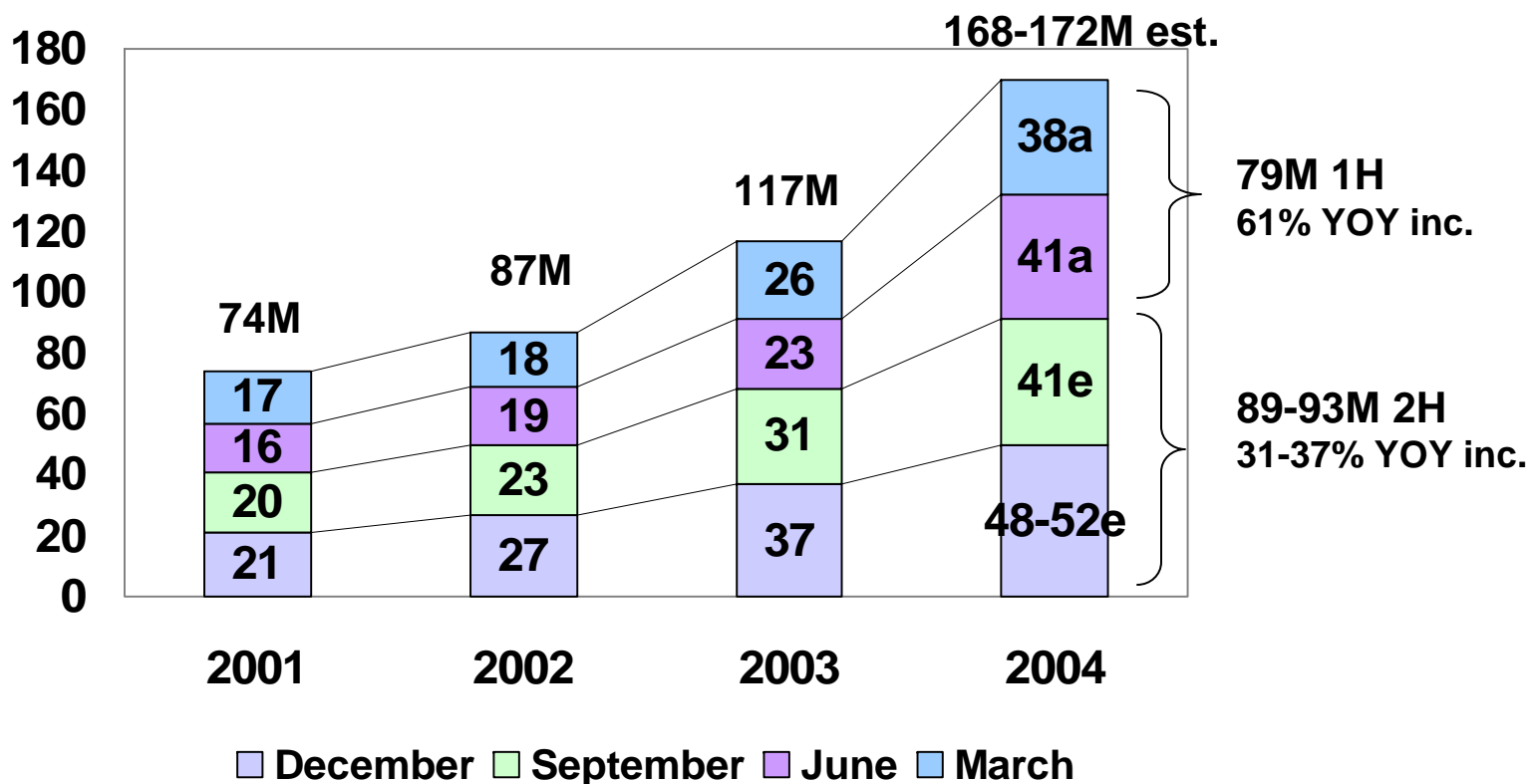
| | FY04 Pro Forma Excluding QSI Full Year, “Prior Method”* | FY04 GAAP 3 Qtrs Former, Q4 Prospective Change** | FY04 Pro Forma Excluding QSI Full Year “New Method”*** | FY05 Guidance Excluding QSI Full Year “New Method”*** |
|--------------|---|---|--|---|
| Revenue | \$5,131M | \$4,880M | \$5,031M | \$5.8 - \$6.3B est. |
| Net Earnings | \$1,833M | \$1,720M | \$1,772M | - |
| EPS | - | \$1.03 | - | - |
| QSI | - | \$0.02 | - | - |
| Core EPS | \$1.09 | \$1.00 | \$1.06 | \$1.15 - \$1.19 est. |

*Results excluding QSI using the “prior method” of accruing estimated earned royalties

**Prospective change from “prior method” to “new method”, a portion of royalty revenue that would have been recognized in the fourth quarter will now be recognized in the first fiscal quarter of fiscal 2005 when the actual royalty reports are received from licensees

***Under the “new method”, royalties are recognized as reported by licensees

Worldwide CDMA and WCDMA Phone Shipments by Calendar Quarter



Note: MSM units and handsets shipped per quarter will fluctuate due to various lead times for different operators, handset manufacturers and handset models. Inventory supply strategies will also impact quarterly trends.

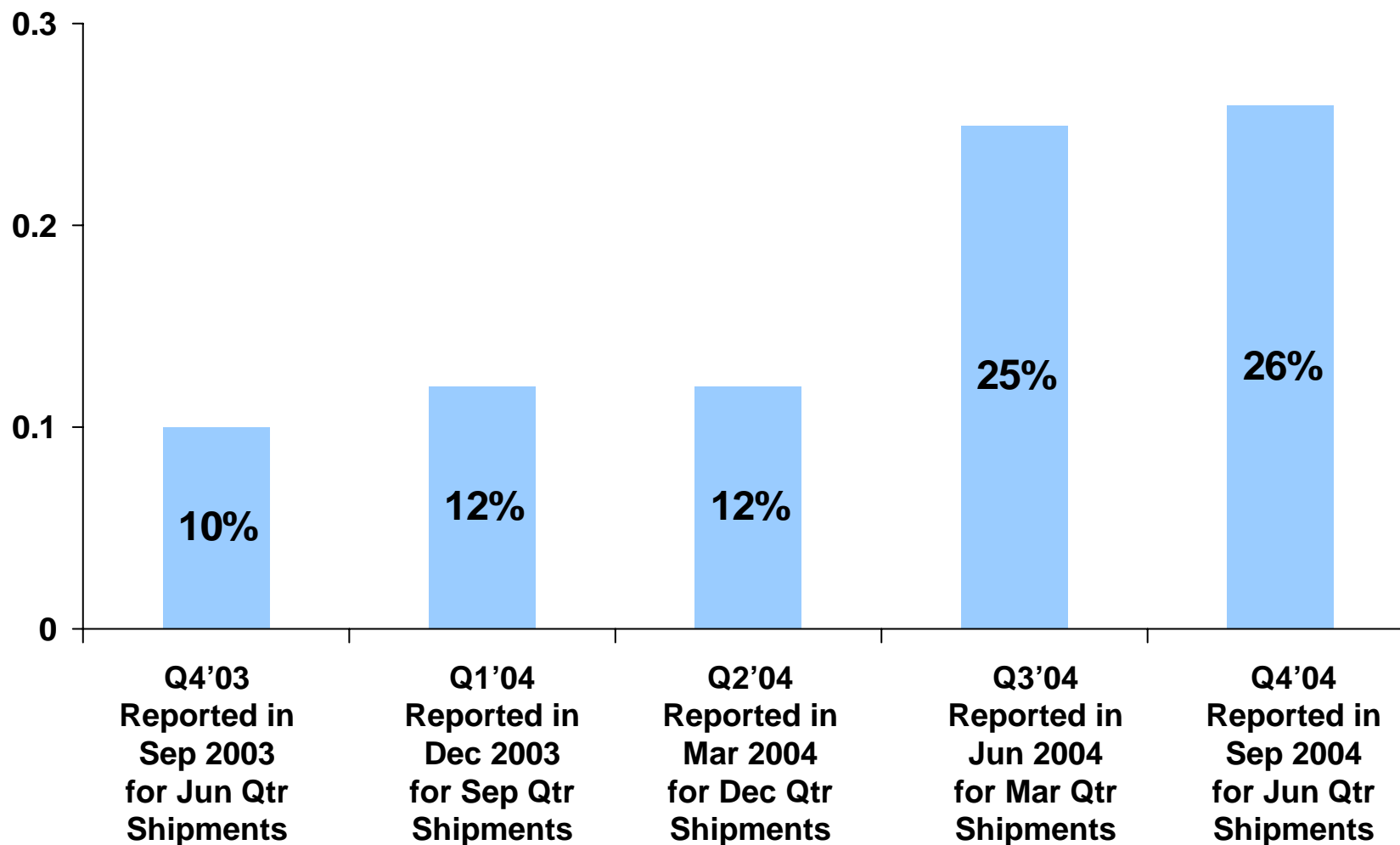
Quarterly CDMA Handset ASP Trend

Fiscal Year Shifts One Quarter, Concurrent With Revenue Recognition

| | Sep'01 | Dec'01 | Mar'02 | Jun'02 | Sep'02 | Dec'02 | Mar'03 | Jun'03 | Sep'03 | Dec'03 | Mar'04 | Jun'04 | Sep'04 |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Handsets | 20 | 21 | 18 | 19 | 23 | 27 | 26 | 23 | 31 | 37 | 38 | 41 | 41e |
| FY "New method" | | | | 78 | | | | 99 | | | | 147 | |
| FY "Prior method" | | | | | 81 | | | | 107 | | | | 157e |
| CY "Prior method" | | | | | | 87 | | | | 117 | | | |
| ASP | \$191 | \$182 | \$202 | \$202 | \$190 | \$197 | \$190 | \$193 | \$194 | \$188 | \$224 | \$211 | \$213e |
| FY "New method" | | | | \$194 | | | | \$192 | | | | \$205 | |
| FY "Prior method" | | | | | \$193 | | | | \$194 | | | | \$209e |
| CY "Prior method" | | | | | | \$197 | | | | \$191 | | | |

- Quarterly CDMA handset shipments (Millions of units)
- Quarterly Average Selling Price (ASP)

Percentage of Royalties from WCDMA products

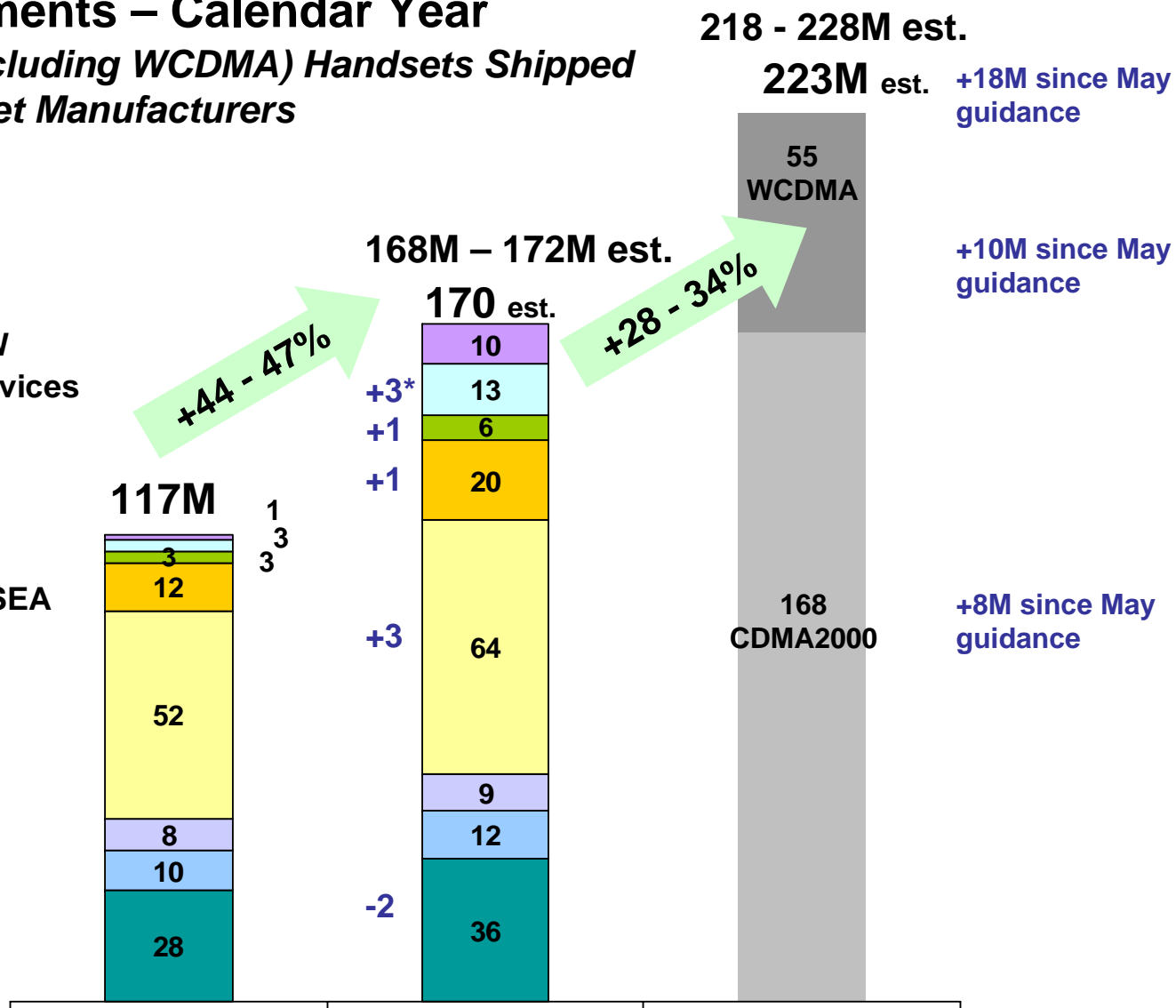


CDMA Handset Shipments – Calendar Year

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

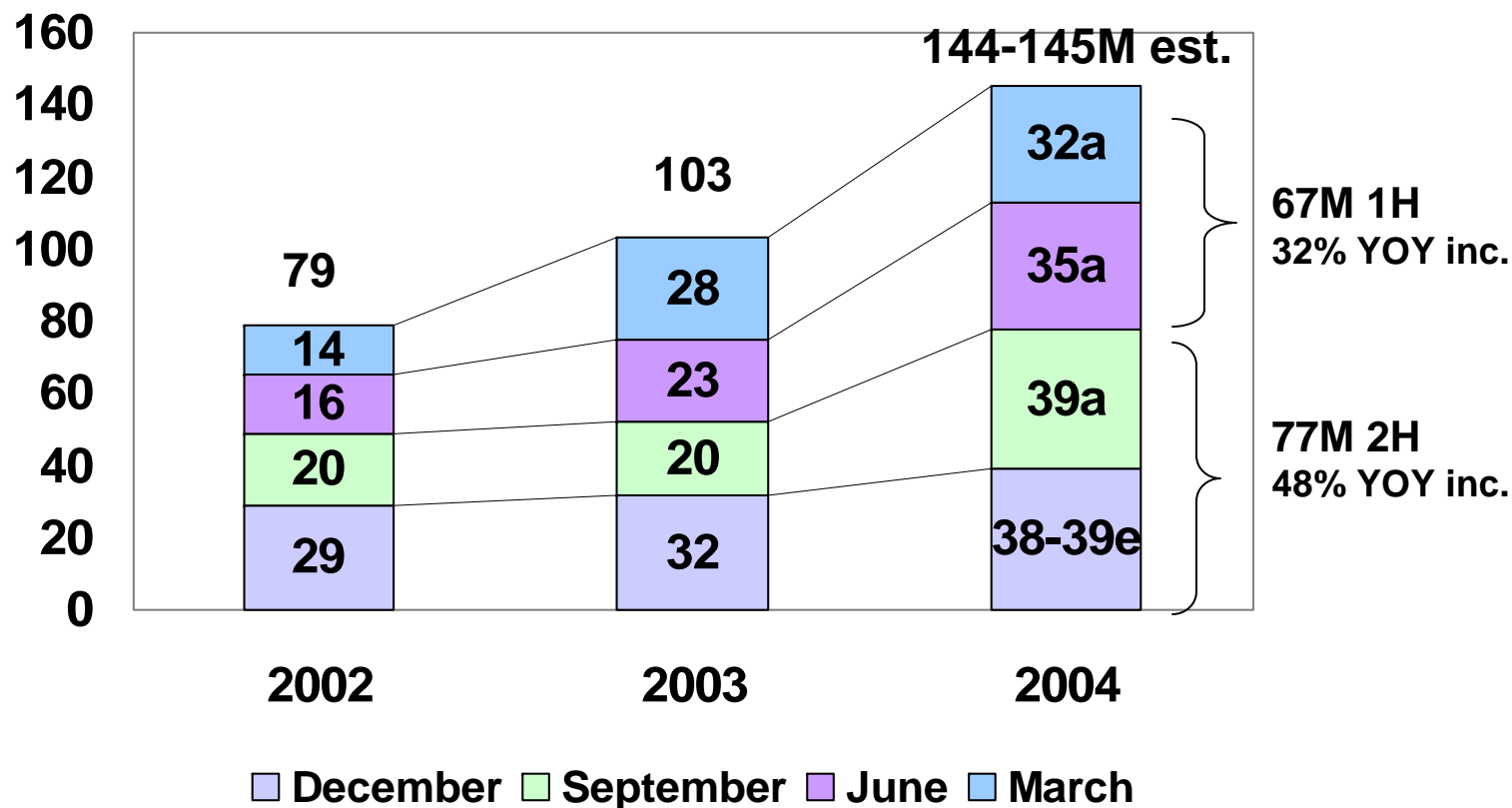
(Millions)

- WCDMA Europe
- WCDMA Japan & ROW
- ROW inc. data only devices
- Latin America
- North America
- India
- China
- South Korea, Japan, SEA



*Regional changes since July guidance 2003 actual 2004 midpoint 2005 midpoint
 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.

CDMA and WCDMA QUALCOMM MSM Units Shipped by Calendar Quarter



Note: MSM units and handsets shipped per quarter will fluctuate due to various lead times for different operators, handset manufacturers and handset models. Inventory supply strategies will also impact quarterly trends.

Quarterly Results and Guidance

As of November 3, 2004 Earnings Release

| | Q4'03* Sep 2003 <u>Results</u> | Q4'04 Sep 2004 <u>Results</u> | Q1'05 Dec 2004 <u>Sequential Guidance</u> |
|---|--------------------------------------|-------------------------------------|---|
| Total MSM phone chips | 20M | 39M | 38 – 39M est. |
| 3G MSM phone chips CDMA2000 1X, 1xEV-DO, WCDMA | 20M | 39M | 38 – 39M est. |
| Pro Forma QUALCOMM Excluding QSI** | | | |
| Prior Method Revenues | \$871 | \$1,369 | -- |
| Prior Method EPS | \$0.14 | \$0.29 | |
| QUALCOMM Excluding QSI | | | |
| New Method Revenues | \$854 | \$1,371 | Relatively flat |
| New Method EPS | \$0.14 | \$0.29 | \$0.24 - \$0.26 est. |
| Total QUALCOMM | | | |
| GAAP Revenues | \$871 | \$1,118 | Increase 15 – 26% est. |
| GAAP EPS | \$0.18 | \$0.23 | \$0.23 - \$0.25 est. |

*As adjusted

** Note: Pro Forma results reflect fourth fiscal quarter royalty using the “prior method” of estimation

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

Fiscal Year Results and Guidance

As of November 3, 2004 Earnings Release

| | <u>FY'03*</u> <u>Results</u> | <u>FY'04</u> <u>Results</u> | <u>FY'05</u> <u>Sequential Guidance</u> |
|---|---------------------------------|--------------------------------|--|
| Total MSM phone chips | 99M | 137M | Not provided |
| 3G MSM phone chips CDMA2000 1X, 1xEV-DO, WCDMA | 90M | 137M | Not provided |
| Pro Forma QUALCOMM Excluding QSI** | | | |
| Prior Method Revenues | \$3,846 | \$5,131M | -- |
| Prior Method EPS | \$0.71 | \$1.09 | |
| QUALCOMM Excluding QSI | | | |
| New Method Revenues | \$3,845M | \$5,031 | Increase 16 – 26% est. |
| New Method EPS | \$0.71 | \$1.06 | \$1.15 - \$1.19 |
| Total QUALCOMM | | | |
| GAAP Revenues | \$3,847M | \$4,880M | Increase 18 - 29% |
| GAAP EPS | \$0.51 | \$1.03 | \$1.12 - \$1.16 |

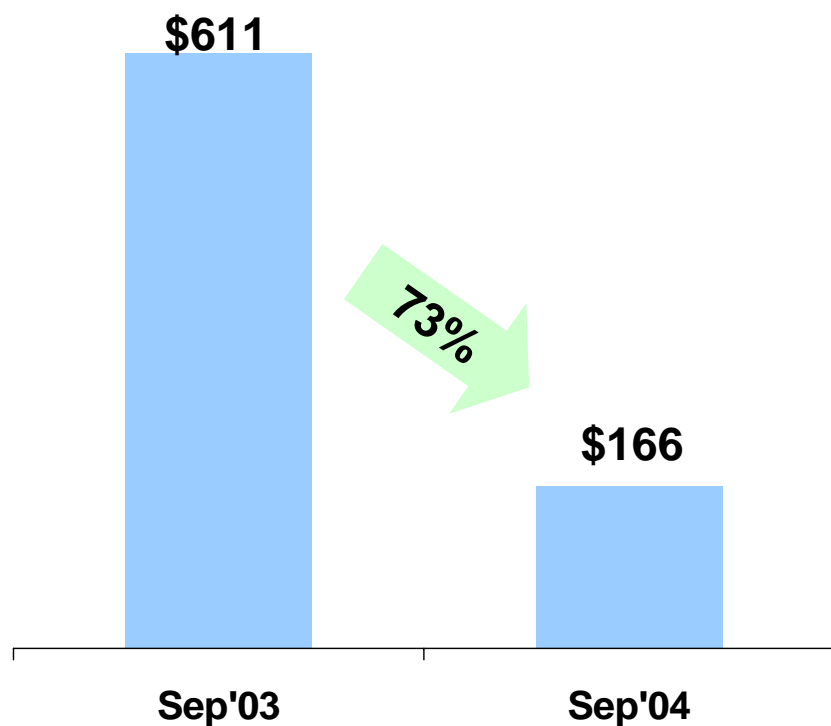
*As adjusted

** Note: Pro Forma results reflect fourth fiscal quarter royalty using the “prior method” of estimation

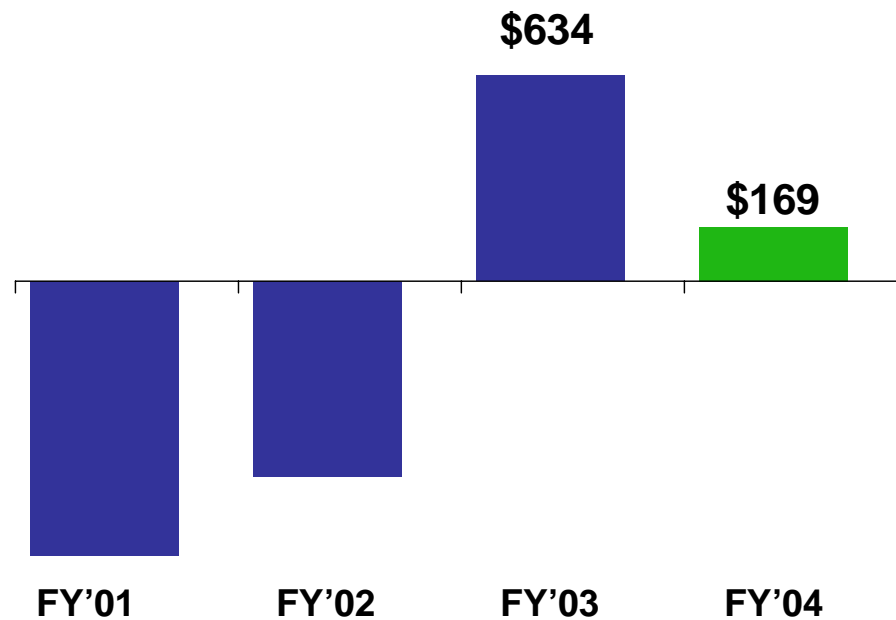
Please refer to <http://www.qualcomm.com/IR/ir67.html> for current and prior period reconciliations

QUALCOMM Strategic Initiatives (QSI) Segment

**Outstanding Commitments
(Millions)**



**Net Cash Investment
(Millions)**



Balance Sheet

Increased Operating Cash and Improvements in QSI

- Paid \$308 Million in cash dividends FY'04
- Q1'05 Strategic acquisitions: Iridigm, Trigenix, Spike Technologies

| (\$Billions) | <u>Sep 28, 2003</u> | <u>Sep 29, 2004</u> |
|--|-------------------------|-------------------------|
| Cash & Marketable Securities | \$5.4 | \$7.6 |
| Fixed Assets & Goodwill | \$1.0 | \$1.0 |
| Receivables, Inventory, Deferred Tax Assets & Other | \$2.4 | \$2.2 |
| Total Assets | \$8.8 | \$10.8 |
| Total Liabilities | \$1.2 | \$1.1 |
| Stockholder Equity | \$7.6 | \$9.7 |
| Total Liabilities & Stockholder Equity | \$8.8 | \$10.8 |

BREW by the Numbers – October 2004 vs. 2003

| Oct. 2004 | Oct. 2003 |
|------------------------------|-------------|
| 180M+ | 55M+ |
| Worldwide app. downloads | |
| 38M+ | 14M+ |
| Devices in the market | |
| 150+ | 90+ |
| Commercial device models | |
| 37 | 13 |
| Commercial operators | |
| 27 | 19 |
| Device manufacturers | |
| 24 | 9 |
| Countries with BREW services | |

www.brewtoday.com

| Commercial Operators | | | |
|--|--|--|--|
| Alaska Comm. USA | | Midwest Wireless USA (Minnesota) | |
| ALLTEL USA (Arkansas) | | Movilnet Venezuela | |
| BellSouth Latin America - 10 properties | | NTELOS USA (Virginia) | |
| Bermuda Digital Comm. Bermuda | | Telephone Comm. Ltd. Israel | |
| Cellular One USA (Washington) | | Pioneer USA (Oklahoma) | |
| Cellular South USA (Mississippi) | | RCC Wireless USA (Minnesota) | |
| China Unicom China | | Tata Indiacom India | |
| Cricket USA (San Diego) | | Telefónica Móviles Peru | |
| Hutch Thailand | | Telstra Australia | |
| Iusacell Mexico | | U.S. Cellular USA (Chicago) | |
| KDDI Japan | | Verizon Wireless USA | |
| KTF Korea | | VZI - Dominican Rep. Dominican Republic | |
| Metro PCS USA (Texas) | | VZI - Puerto Rico Puerto Rico | |
| | | Vivo Brazil | |
| | | Zapp Romania | |
| Coming Soon | | | |
| | | Delta Telecom Russia | |
| | | Reliance Infocomm India | |
| | | VIBO Telecom Taiwan | |

Third party publishers and developers have earned more than \$200M in sales of BREW-based apps



Q1'05 Acquisitions

- **Iridigm – Corporate reconciling items segment**
 - A privately held display technology company, which will become a wholly owned subsidiary of QUALCOMM upon completion of the transaction
 - QUALCOMM paid ~\$160 million in cash for ~86% of Iridigm that it does not already own
 - ~30-40 employees
- **Trigenix – QIS as part of QWI segment**
 - Combines with BREW client software
 - Substantial advantages to QUALCOMM's existing UI offerings
 - Enables flexible and customizable wireless device UIs for operators and device manufacturers
 - QUALCOMM paid ~\$33 million in cash for Trigenix
 - ~30-40 employees
- **Spike – QCT segment (pending regulatory approval)**
 - Engineering resources
 - Partners with design, sales and technical support around the world
 - QUALCOMM will pay ~\$19 million in cash for Spike Technologies, Inc. and affiliated companies
 - ~150 employees



Iridigm MEMS-based iMOD Lowers Display Power Consumption



Strengths vs. LCDs

- ✓ Much simpler technology
- ✓ Near zero power for static images
- ✓ Lower power for moving images
- ✓ Lower cost for similar quantities
- ✓ High contrast and visibility
- ✓ High response speed
- ✓ Operates over greater temperature range

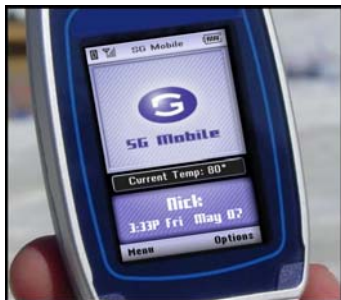
Power advantages range between 50% and 300% depending on lighting requirements and viewing mode

Trigenix Acquisition

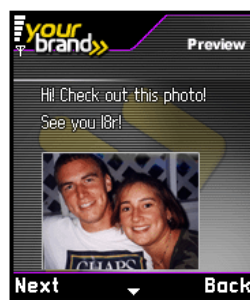
Operators Promote Their Services via UI Customization

- Minimize Button Presses to Access New Services
- Promotion New Services
- Segment Customer Base
- Co-Brand with Enterprise Customers

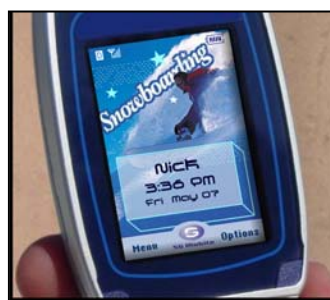
- Visual theme creation tools to be used by operators, device manufacturers and developers



Native UIs



Customised Apps



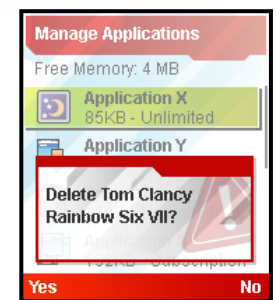
Theming



Channel UIs



Handset Portals



Mobile Shops

QUALCOMM to Acquire Chip Design Company Spike Technologies

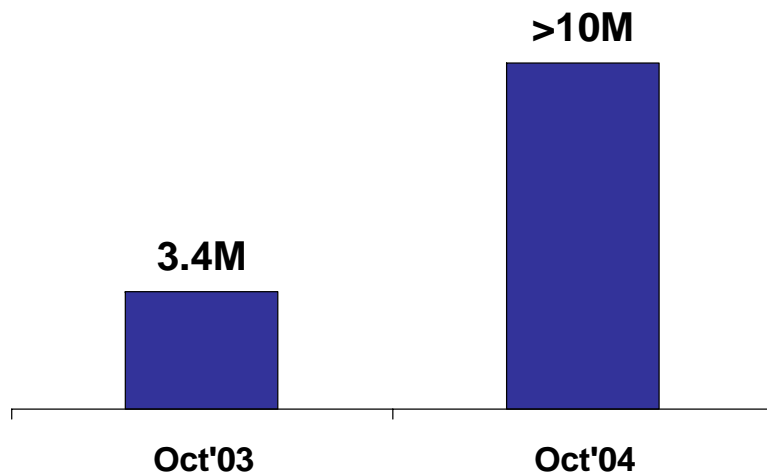


- Service expertise in physical design for deep submicron process technologies, circuit development, and design and verification engineering for pre-silicon design debug and analysis
- Spike Technologies will be integrated into QUALCOMM CDMA Technologies (QCT) and help address the increasing demand for faster time to market of more feature-rich products in 90 nanometer (nm) and below process technologies

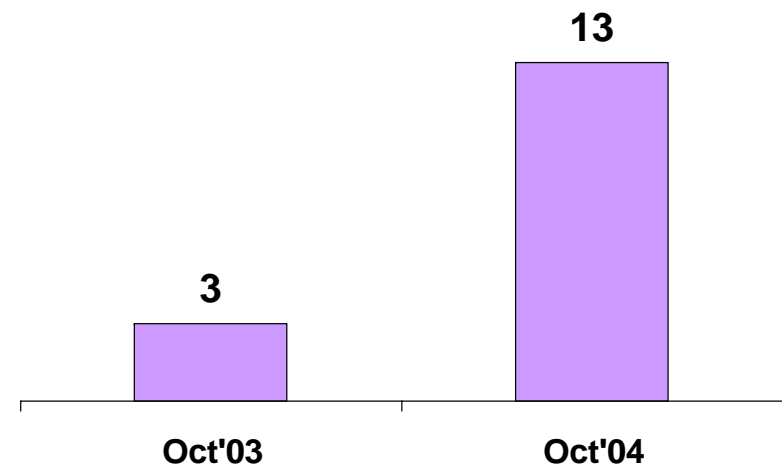


CDMA2000 1xEV-DO Leading Deployment of 3G Broadband Networks Worldwide

Subscribers (Millions)

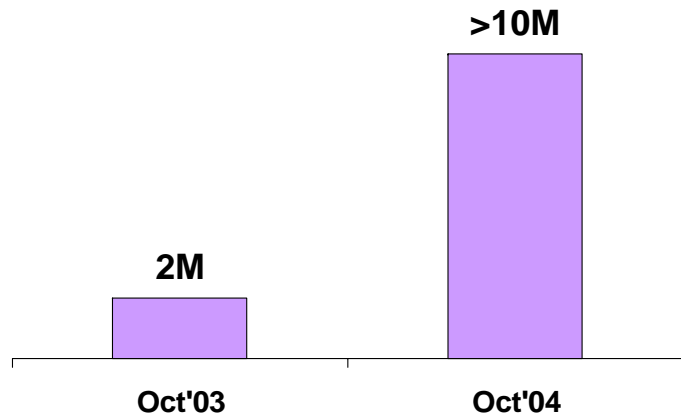


Networks Launched

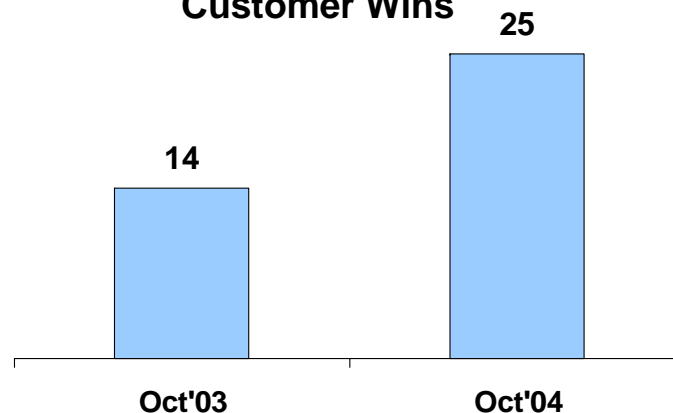


WCDMA Market Growing Rapidly

WCDMA Subscribers (Millions)



QUALCOMM WCDMA Chipset Customer Wins



3 of the top 6 vendors are QUALCOMM WCDMA customers

Top 6 Global Handset Vendors by Market Share

- Nokia
- Motorola
- Samsung
- Siemens
- Sony Ericsson
- LG



EV-DO

Gold Multicast

Software upgrade

- Rel. 0 or Rev. A
- Leverage DO capabilities
- One to many delivery of multimedia in wireless systems

EV-DO

Platinum Multicast

Evolution of EV-DO standard

- Uses CDMA and OFDM waveforms
- Increased throughput for one to many delivery of multimedia in wireless systems

EV-DO Rev A

Revision A of EV-DO Standard

- 3.1Mbps peak forward link
- 1.8Mbps peak reverse link
- Higher system capacity
- Increased support for low latency applications

MediaFLO MDS

MediaFLO Media Distribution System

- Air interface independent
- Client-Server mobile multimedia solution
- Supports network scheduled clip-casting and streaming media
- Distributes content securely across multiple networks (Unicast to Multicast evolution)
- Enables efficient use of off peak network capacity
- Integrated operator billing
- Content Protection

FLO Technology

New airlink technology

- Purpose built for mobile reception of multicast content
- Optimized power consumption and rapid channel acquisition times
- Drastically lower cost per bit vs. wireless networks
- Capacity for broad range of streaming and clip-cast content
- Wide area and local area content support
- Uses existing cellular network for reverse link
- Provides BREW or web interactivity

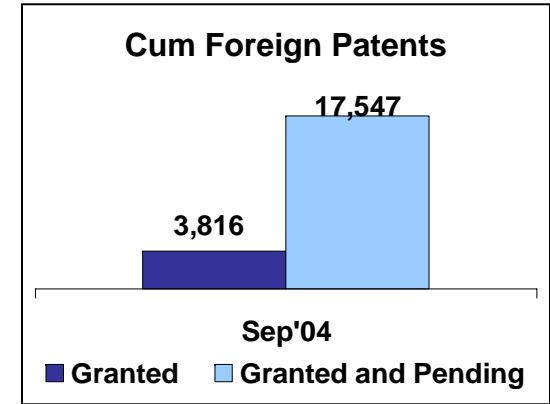
MediaFLO USA

Subsidiary of QUALCOMM

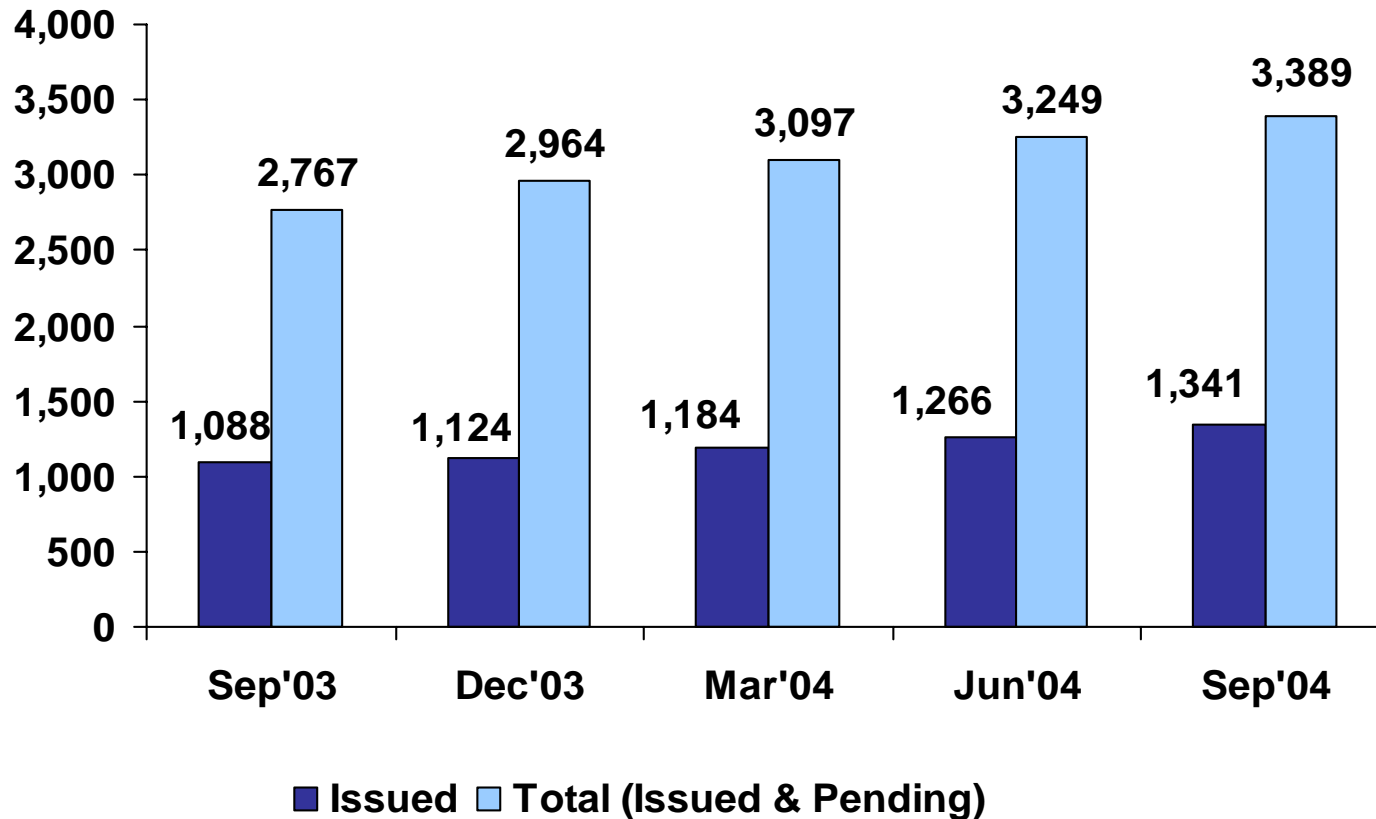
- Wireless multimedia network operator
- Nationwide 700MHz footprint
- Relatively low investment
- Complementary shared resource for existing wireless operators
- Procure and aggregate common content
- Superior efficiencies vs. traditional wireless networks

QUALCOMM's Unique Patent Position

Patent Portfolio is a Strong Asset Value



Cumulative U.S. Patents (Issued Patents & Filed Applications)
(Excludes non-U.S. filed applications and granted patents)



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 millions, except per share data):

- (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 Vésper 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 Vésper 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) The sum of the earnings per share amounts may not equal total earnings per share due to rounding.

(5) We effected a two-for-one stock split in August 2004. All references to number of shares and per share amounts reflect the stock split.

(6) QTL's results in the fourth quarter of fiscal 2004 reflect the Company's decision to cease accruing royalties that had been earned but were estimated by us before the actual amounts were reported by our licensees. The new royalty estimation method is made prospectively and has the one-time effect of significantly reducing royalty revenues in the fourth quarter of fiscal 2004. Therefore, GAAP results for fiscal 2004 do not reflect a full year of the economic performance of the Company's licensing business, as significant royalty revenue that would have been recognized in the fourth quarter of fiscal 2004 will now be recognized in the first quarter of fiscal 2005 when the actual royalty reports are received from licensees.

(7) Pro forma results assume the accrual of estimated earned royalties before they are reported by our licensees and are presented to assist investors with evaluation financial performance during this transition period.

(8) Revenues using the "As Reported by Licensees" method are presented to illustrate the differences between the former estimation method used for royalties prior to the fourth quarter of fiscal 2004 and the new "As Reported by Licensees" method implemented starting in the fourth quarter of fiscal 2004.

(9) 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 in fiscal 2003.

*** As adjusted as described in the notes above. N/M – Not Meaningful**

Fourth Quarter - Fiscal Year 2004

| Segments | QCT(1) | QTL (6) | QWI(1) | Reconciling Items (2) | QUALCOMM excluding QSI | QSI | Total QUALCOMM | Prior Method Pro forma QUALCOMM excluding QSI (7) | New Method "As Reported by Licensees" QUALCOMM excluding QSI (8) |
|---------------------------------------|--------|---------|--------|-----------------------|------------------------|------|----------------|---|--|
| Revenues | 845 | 151 | 163 | (41) | 1,118 | - | 1,118 | 1,369 | 1,371 |
| Earnings before taxes | 271 | 111 | 16 | 13 | 411 | 20 | 431 | 662 | |
| Net income | | | | | 336 | 57 | 393 | 489 | 488 |
| Diluted earnings per common share (4) | | | | | 0.20 | 0.03 | 0.23 | 0.29 | 0.29 |

Third Quarter - Fiscal Year 2004

| Segments | QCT(1) | QTL | QWI(1) | Reconciling Items (2) | QUALCOMM excluding QSI | QSI | Total QUALCOMM |
|---|--------|-----|--------|-----------------------|------------------------|------|----------------|
| Revenues | 790 | 436 | 150 | (35) | 1,341 | - | 1,341 |
| Earnings (loss) from continuing operations before taxes | 254 | 398 | 4 | 16 | 672 | (4) | 668 |
| Net income | | | | | 483 | 3 | 486 |
| Diluted earnings per common share (4) (5) | | | | | 0.29 | 0.00 | 0.29 |

Fourth Quarter - Fiscal Year 2003

| Segments | QCT(1) * | QTL | QWI(1) * | Reconciling Items (2) * | QUALCOMM excluding QSI | QSI * | Total QUALCOMM * |
|---|----------|-----|----------|-------------------------|------------------------|-------|------------------|
| Revenues | 502 | 242 | 148 | (21) | 871 | - | 871 |
| Earnings (loss) from continuing operations before taxes | 124 | 213 | 8 | 7 | 352 | (4) | 348 |
| Income from discontinued operations, net of tax (3) | | | | | - | 37 | 37 |
| Net income | | | | | 236 | 55 | 291 |
| Diluted earnings per common share (4) (5) | | | | | 0.14 | 0.03 | 0.18 |

Twelve Months - Fiscal Year 2004

| Segments | QCT(1) | QTL (6) | QWI(1) | Reconciling Items (2) | QUALCOMM excluding QSI | QSI | Total QUALCOMM | Prior Method Pro forma QUALCOMM excluding QSI (7) | New Method "As Reported by Licensees" QUALCOMM excluding QSI (8) |
|---|--------|---------|--------|-----------------------|------------------------|------|----------------|---|--|
| Revenues | 3,094 | 1,331 | 596 | (141) | 4,880 | - | 4,880 | 5,131 | 5,031 |
| Earnings (loss) from continuing operations before taxes | 1,043 | 1,195 | 30 | 48 | 2,316 | (3) | 2,313 | 2,566 | |
| Loss from discontinued operations, net of tax (3) | | | | | - | (5) | (5) | - | |
| Net income (loss) | | | | | 1,680 | 40 | 1,720 | 1,833 | 1,772 |
| Diluted earnings (loss) per common share (4) | | | | | 1.00 | 0.02 | 1.03 | 1.09 | 1.06 |

Twelve Months - Fiscal Year 2003

| Segments | QCT(1) * | QTL | QWI(1) * | Reconciling Items (2) * | QUALCOMM excluding QSI | QSI * | Total QUALCOMM * |
|---|----------|-------|----------|-------------------------|------------------------|--------|------------------|
| Revenues | 2,406 | 1,000 | 511 | (71) | 3,846 | 1 | 3,847 |
| Earnings (loss) from continuing operations before taxes | 797 | 897 | 27 | 12 | 1,733 | (168) | 1,565 |
| Loss from discontinued operations, net of tax (3) | | | | | - | (202) | (202) |
| Net income (loss) | | | | | 1,161 | (334) | 827 |
| Diluted earnings (loss) per common share (4) (5) | | | | | 0.71 | (0.20) | 0.51 |

Twelve Months - Fiscal Year 2002

| Segments | QUALCOMM excluding QSI | QSI | Goodwill Amortization and Other (9) | Total QUALCOMM |
|---|------------------------|--------|-------------------------------------|----------------|
| Revenues | 2,913 | 2 | - | 2,915 |
| Earnings (loss) from continuing operations before taxes | 1,221 | (346) | (253) | 622 |
| Net income (loss) | 794 | (180) | (254) | 360 |
| Diluted net earnings (loss) per common share (3) | 0.49 | (0.11) | (0.16) | 0.22 |

QUALCOMM Incorporated
Pro Forma Results Using the "Estimated When Earned" Method of Reporting QTL Revenue
 (\$ in millions, except per share data)

| | Q404 | FY04 |
|---|-----------------|-----------------|
| Total GAAP revenues | \$ 1,118 | \$ 4,880 |
| Plus: QTL royalty revenue estimate that would have been recorded | 251 | 251 |
| Pro forma revenues | <u>1,369</u> | <u>5,131</u> |
| Less: QSI revenues | - | - |
| Pro forma revenues excluding QSI | <u>\$ 1,369</u> | <u>\$ 5,131</u> |
| | | |
| Total GAAP income from continuing operations before income taxes | \$ 431 | \$ 2,313 |
| Plus: QTL royalty revenue estimate that would have been recorded | 251 | 251 |
| Pro forma income from continuing operations before income taxes | <u>682</u> | <u>2,564</u> |
| Less: QSI income from continuing operations before income taxes | 20 | (3) |
| Pro forma income from continuing operations before income taxes excluding QSI | <u>\$ 662</u> | <u>2,566</u> |
| | | |
| Total GAAP income tax expense | \$ 44 | \$ 588 |
| Plus: Income tax expense on QTL royalty revenue estimate | 98 | 98 |
| Pro forma income tax expense | <u>142</u> | <u>685</u> |
| Less: QSI income tax benefit | (31) | (48) |
| Pro forma income tax expense excluding QSI | <u>\$ 173</u> | <u>\$ 733</u> |
| | | |
| Total GAAP net income | \$ 393 | \$ 1,720 |
| Plus: QTL royalty revenue estimate, net of tax, that would have been recorded | 153 | 153 |
| Pro forma net income | <u>546</u> | <u>1,873</u> |
| Less: QSI net income | 57 | 40 |
| Pro forma net income excluding QSI | <u>\$ 489</u> | <u>\$ 1,833</u> |
| | | |
| Total GAAP diluted earnings per share | \$ 0.23 | \$ 1.03 |
| Plus: Incremental pro forma diluted earnings per share from QTL revenue | 0.09 | 0.09 |
| Pro forma diluted earnings per share | <u>0.32</u> | <u>1.12</u> |
| Less: QSI diluted earnings per share | 0.03 | 0.02 |
| Pro forma diluted earnings per share excluding QSI | <u>0.29</u> | <u>1.09</u> |
| | | |
| Number of shares used in the diluted earnings per share calculations | 1,692 | 1,675 |

Sums may not equal totals due to rounding.

Pro forma results using the estimation method used for royalties prior to the fourth quarter of fiscal 2004 (the former method of estimating royalties) are provided to illustrate the effect of the change in estimation method related to QTL royalty revenues to enable comparisons of fourth quarter results to previous guidance.

QUALCOMM Incorporated
A Comparison of the "Prior Method of Estimating Royalties" and the "New Method of of Estimating Royalties"
 (\$ in millions)

Pro Forma*
 using "prior method
 of estimating royalties"

| | FY02 | Q403 | FY03 | Q304 | Q404 | FY04 | Q404 | FY04 |
|--|---------------|---------------|-----------------|---------------|---------------|-----------------|---------------|-----------------|
| Prior Method of Estimating Royalties | | | | | | | | |
| Estimate of estimated licensees for prior period | \$ 122 | \$ 135 | \$ 150 | \$ 237 | \$ 253 | \$ 151 | \$ 253 | \$ 151 |
| Royalties reported by estimated licensees for prior period | 146 | 154 | 167 | 264 | 255 | 208 | 255 | 208 |
| Prior period variance included in reporting period | 24 | 19 | 17 | 27 | 2 | 57 | 2 | 57 |
| Other royalties reported in reporting period | 551 | 37 | 670 | 109 | 99 | 1,084 | 99 | 1,084 |
| Estimate for estimated licensees for current period | 150 | 151 | 151 | 253 | - | - | 251 | 251 |
| Total QTL royalty revenues from external licensees | 725 | 207 | 838 | 389 | 101 | 1,141 | 352 | 1,392 |
| Intercompany revenue | 67 | 20 | 103 | 33 | 36 | 132 | 36 | 132 |
| License revenue | 55 | 15 | 59 | 15 | 14 | 59 | 14 | 59 |
| Total QTL revenue using prior method | \$ 847 | \$ 242 | \$ 1,000 | \$ 436 | | | \$ 402 | \$ 1,582 |
| Total QTL revenue including prospective change to new method in Q4 '04 | | | | | \$ 151 | \$ 1,331 | | |
| New Method of Estimating Royalties | | | | | | | | |
| Total royalties reported by external licensees (a) | \$ 697 | \$ 191 | \$ 837 | \$ 373 | \$ 354 | \$ 1,292 | \$ 354 | \$ 1,292 |
| Intercompany revenue | 67 | 20 | 103 | 33 | 36 | 132 | 36 | 132 |
| License revenue | 55 | 15 | 59 | 15 | 14 | 59 | 14 | 59 |
| Total QTL Revenue using new method | \$ 819 | \$ 226 | \$ 999 | \$ 420 | \$ 404 | \$ 1,483 | \$ 404 | \$ 1,483 |
| Difference between the estimation methods | \$ 28 | \$ 16 | \$ 1 | \$ 16 | \$ (253) | \$ (151) | \$ (2) | \$ 100 |

| | | | | | | | | |
|--|-----------------|----------------|-----------------|-----------------|------------------|------------------|-------------|-------------|
| Total QCOM revenues as reported under GAAP (b) | \$ 2,915 | \$ 871 | \$ 3,847 | \$ 1,341 | \$ 1,118 | \$ 4,880 | \$ 1,118 | \$ 4,880 |
| Add: QTL royalty revenue estimate that would have been recorded | | | | | | | \$ 251 | \$ 251 |
| Less: Difference between the estimation methods | 28 | 16 | 1 | 16 | (253) | (151) | - | - |
| Total QCOM revenues using new method | 2,887 | 855 | 3,846 | 1,325 | 1,371 | 5,031 | - | - |
| Pro forma total QCOM revenues using prior method | | | | | | | 1,369 | 5,131 |
| Less: QSI revenue (b) | 2 | - | 1 | - | - | - | - | - |
| QCOM revenues excluding QSI and goodwill amortization using new method | \$ 2,885 | \$ 854 | \$ 3,845 | \$ 1,325 | \$ 1,371 | \$ 5,031 | | |
| Pro forma QCOM revenues excluding QSI using prior method | | | | | | | \$ 1,369 | \$ 5,131 |
| | | | | | | | | |
| TOTAL QCOM net income as reported under GAAP | \$ 360 | \$ 291 | \$ 827 | \$ 486 | \$ 393 | \$ 1,720 | \$ 393 | \$ 1,720 |
| Add: QTL royalty revenue estimate, net of tax, that would have been recorded | | | | | | | 153 | 153 |
| Less: Net income attributed to difference between the estimation methods (c) | 17 | 10 | 1 | 10 | (154) | (92) | - | - |
| Total QCOM net income using new method | 343 | 281 | 826 | 476 | 547 | 1,812 | - | - |
| Pro forma total QCOM net income using prior method | | | | | | | 546 | 1,873 |
| Less: QSI net income (loss) | (180) | 55 | (334) | 4 | 57 | 40 | 57 | 40 |
| Less: Goodwill amortization and other (d) | (254) | - | - | - | - | - | - | - |
| QCOM net income excluding QSI and goodwill amortization using new method | \$ 777 | \$ 226 | \$ 1,160 | \$ 473 | \$ 490 | \$ 1,772 | | |
| Pro forma QCOM net income excluding QSI using prior method | | | | | | | \$ 489 | \$ 1,833 |
| | | | | | | | | |
| QCOM diluted EPS as reported under GAAP | \$ 0.22 | \$ 0.18 | \$ 0.51 | \$ 0.29 | \$ 0.23 | \$ 1.03 | \$ 0.23 | \$ 1.03 |
| Incremental pro forma diluted earnings per share from QTL royalty revenue | | | | | | | \$ 0.09 | \$ 0.09 |
| | | | | | | | | |
| EPS attributed to difference between the estimation methods | \$ 0.01 | \$ 0.01 | \$ 0.00 | \$ 0.01 | \$ (0.09) | \$ (0.06) | \$ - | \$ - |
| Total QCOM diluted EPS using new method | \$ 0.21 | \$ 0.17 | \$ 0.51 | \$ 0.28 | \$ 0.32 | \$ 1.08 | | |
| Pro forma total QCOM diluted EPS using prior method | | | | | | | \$ 0.32 | \$ 1.12 |
| EPS attributed to QSI | \$ (0.11) | \$ 0.03 | \$ (0.20) | \$ 0.00 | \$ 0.03 | \$ 0.02 | \$ 0.03 | \$ 0.02 |
| EPS attributed to goodwill amortization and other (d) | \$ (0.16) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| QCOM diluted EPS excluding QSI and goodwill amortization using new method | \$ 0.48 | \$ 0.14 | \$ 0.71 | \$ 0.28 | \$ 0.29 | \$ 1.06 | | |
| Pro forma QCOM diluted EPS excluding QSI using prior method | | | | | | | \$ 0.29 | \$ 1.09 |
| | | | | | | | | |
| Shares previously used for diluted EPS | 809 | 821 | 818 | 841 | n/a | n/a | n/a | n/a |
| Adjusted for stock split | 1,618 | 1,643 | 1,636 | 1,682 | 1,692 | 1,675 | 1,692 | 1,675 |

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.

* Pro forma results using the estimation method used for royalties prior to the fourth quarter of fiscal 2004 (the prior method of estimating royalties) are provided to illustrate the effect of the change in estimation method related to Q1 royalty revenues to enable comparisons of fourth quarter results to previous guidance.

QUALCOMM Incorporated
Quarterly Guidance Provided on November 3, 2004

QUARTERLY GUIDANCE ⁽¹⁾ - As of November 3, 2004

| | Q1 FY 05 (November 2004) Guidance |
|------------------------------------|---|
| QUALCOMM Excluding QSI Revenues | flat sequential increase |
| EPS | \$0.24-\$0.26 |
| Total QUALCOMM Revenues | flat sequential increase |
| EPS | \$0.23-\$0.25 |
| QSI Revenues | - |
| EPS | (\$0.01) |

FISCAL YEAR GUIDANCE ⁽¹⁾ - As of November 3, 2004

| | FY 05 Guidance |
|---|---|
| QUALCOMM Excluding QSI Revenues | \$5.8B- \$6.3B 16%-26% increase compared to prior year new "new method" |
| EPS | \$1.15-\$1.19 |
| Total QUALCOMM Revenues | \$5.8B- \$6.3B 16%-26% increase compared to prior year new "new method" |
| EPS | \$1.12-\$1.16 |
| 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.

QUALCOMM Incorporated
Quarterly Guidance Provided on September 17, 2004

QUARTERLY GUIDANCE ⁽¹⁾ - As of September 17, 2004

| | Q4 FY 04 (September 2004) Guidance |
|------------------------|--|
| <hr/> | |
| QUALCOMM Excluding QSI | |
| Revenues | 4-5% sequential increase 60-62% year-over-year increase |
| EPS | \$0.28-\$0.30 |
| | |
| Total QUALCOMM | |
| Revenues | 4-5% sequential increase 60-62% year-over-year increase |
| EPS | \$0.28-\$0.30 |
| | |
| QSI | |
| Revenues | |
| EPS | \$0.00 |

FISCAL YEAR GUIDANCE ⁽¹⁾ - As of September 17, 2004

| | FY 04 Guidance |
|------------------------|----------------------------|
| <hr/> | |
| QUALCOMM Excluding QSI | |
| Revenues | 33-34% sequential increase |
| EPS | \$1.09-\$1.10 |
| | |
| Total QUALCOMM | |
| Revenues | 33-34% sequential increase |
| EPS | \$1.08-\$1.09 |
| | |
| QSI | |
| Revenues | |
| EPS | (\$0.01) |

(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.

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Thank You