

FOR IMMEDIATE RELEASE

Qualcomm Contact:
John Gilbert, Investor Relations
Phone: 1-858-658-4813
Email: ir@qualcomm.com

Qualcomm Raises Financial Guidance for the First Fiscal Quarter of 2008

Increases First Quarter Fiscal 2008 Revenue and Earnings per Share Guidance

SAN DIEGO — December 20, 2007 — Qualcomm Incorporated (Nasdaq: QCOM) today updated its financial guidance for the first fiscal quarter ending December 30, 2007.

The following statements are forward looking and actual results may differ materially. Please see “Note Regarding Forward-Looking Statements” at the end of this news release for a description of certain risk factors and Qualcomm’s annual and quarterly reports on file with the Securities and Exchange Commission (SEC) for a more complete description of risks that may affect the forward looking statements.

Pro Forma Defined

Pro forma results and guidance exclude the Qualcomm Strategic Initiatives (QSI) segment, certain estimated share-based compensation, certain tax adjustments related to prior years and acquired in-process research and development (R&D) expense.

Business Outlook

Based on the current business outlook, we now anticipate first fiscal quarter Qualcomm pro forma revenues to be at the high end of the prior guidance of approximately \$2.3 to \$2.4 billion compared to \$2.02 billion in the year ago quarter. We now anticipate first fiscal quarter Qualcomm pro forma diluted earnings per share to be approximately \$0.52 to \$0.53 compared to \$0.43 in the year ago quarter. This estimate is based on the shipment of approximately 78 million Mobile Station Modem™ (MSM™) chips during the quarter as compared to our prior estimate of 74 to 78 million units. We previously anticipated first fiscal quarter Qualcomm pro forma diluted earnings per share of approximately \$0.50 to \$0.52.

The majority of our licensees have reported royalties in the first fiscal quarter for products shipped in the September quarter. Based on these reports and our own estimate of unreported activity, we anticipate September quarter estimated shipments of approximately 95 million CDMA units (CDMA2000® and WCDMA) for the total market at an estimated average selling price of approximately \$211, compared to our prior estimate of approximately 95 to 98 million units at an average selling price of approximately \$212. Approximately 74 million CDMA units were shipped in the year ago quarter.

“Demand for CDMA-based devices and services continues to accelerate at a rapid pace,” said Dr. Paul E. Jacobs, chief executive officer of Qualcomm. “Our updated guidance reflects stronger than anticipated demand across all tiers of CDMA2000 chipsets with particular strength in the low end as we continue to bridge the digital divide in emerging markets. September quarter handset shipment estimates indicate strong year-over-year growth across all major regions as well as sequential growth in North America, Europe and emerging markets. Even with this continued market growth, we believe the worldwide CDMA inventory channel remains at less than 20 weeks.”

“Together with our partners we continue to innovate and bring many new and exciting products and services to the global wireless marketplace. We will continue to execute and drive growth in 3G convergence and next generation wireless technologies.”

The following table summarizes total Qualcomm (GAAP) and Qualcomm pro forma guidance for the first fiscal quarter of 2008 based on the current business outlook. The pro forma business outlook provided below is presented consistent with the presentation of pro forma results elsewhere herein.

Due to their nature, certain income and expense items, such as realized investment gains or losses gains and losses on certain derivative instruments or asset impairments, cannot be accurately forecast. Accordingly, we exclude forecasts of such items from our business outlook, and actual results may vary materially from the business outlook if we incur any such income or expense items. In addition, our outlook does not include provisions for the consequences of injunctions or

significant possible damages related to litigation matters unless damages have been awarded by a court. The variability of our estimated quarterly CDMA device volumes and ASPs may widen due to the increased use of our own estimates of unreported activity. Royalty revenue is recognized based on royalties reported by our licensees; therefore, such estimates of unreported activity do not impact our ability to accurately report revenues.

Despite recent credit market volatility, our diversified cash investment portfolio returns are not expected to change our earnings guidance for the first fiscal quarter of 2008.

We are engaged in multiple disputes with Nokia Corp., including arbitration over Nokia's obligation to pay royalties for the use of certain of our patents. As a result, under generally accepted accounting principles, we are not recording royalty revenue attributable to Nokia's sales after April 9, 2007 until an arbitrator (or court) awards damages or the disputes are otherwise resolved by agreement with Nokia. We have excluded from our fiscal 2008 revenue and earnings guidance our estimate of royalties which we believe Nokia is required to report and pay to us under our existing license agreement in fiscal 2008 of approximately \$0.25-\$0.30 diluted earnings per share.

The following estimates are approximations and are based on the current business outlook:

Business Outlook Summary			
FIRST FISCAL QUARTER			
	Prior Year Q1'07 Results	Prior Guidance Q1'08 Estimates	Current Guidance Q1'08 Estimates
Qualcomm Pro Forma			
Revenues	\$2.02B	\$2.3B - \$2.4B	At the high end of prior guidance
Year-over-year change		increase 14% - 19%	
Diluted earnings per share (EPS)	\$0.43	\$0.50 - \$0.52	\$0.52 - \$0.53
Year-over-year change		increase 16% - 21%	increase 21% - 23%
Total Qualcomm (GAAP)			
Revenues	\$2.02B	\$2.3B - \$2.4B	At the high end of prior guidance
Year-over-year change		increase 14% - 19%	
Diluted earnings per share (EPS)	\$0.38	\$0.42 - \$0.44	\$0.45 - \$0.46
Year-over-year change		increase 11% - 16%	increase 18% - 21%
Diluted EPS attributable to QSI	(\$0.01)	(\$0.03)	(\$0.02)
Diluted EPS attributable to estimated share-based compensation	(\$0.05)	(\$0.05)	(\$0.05)
Diluted EPS attributable to tax items related to prior years	\$0.02	n/a	n/a
Metrics			
MSM Shipments	approx. 59M	approx. 74M - 78M	approx. 78M
CDMA/WCDMA handset units shipped (1)	approx. 74M* (2)	approx. 95M - 98M*	approx. 95M*
CDMA/WCDMA handset unit wholesale average selling price (1)	approx. \$208* (2)	approx. \$212*	approx. \$211*
*Shipments in Sept. quarter, reported in Dec. quarter			

(1) CDMA/WCDMA handset unit shipments and average selling prices are provided for the total market.

(2) We perform periodic audits of the royalties payable by our licensees. As a result of our audit process, we determined during the fourth quarter of fiscal 2007 that total CDMA-based handset unit shipments and average selling prices (ASPs) should be adjusted for certain periods. The adjustments related only to handset shipments and ASPs and did not impact the amount or timing of our revenue. Historical units presented herein for Q1'07 have been revised to reflect these adjustments.

Sums may not equal totals due to rounding.

Qualcomm Incorporated (www.qualcomm.com) is a leader in developing and delivering innovative digital wireless communications products and services based on CDMA and other advanced technologies. Headquartered in San Diego, Calif., Qualcomm is included in the S&P 500 Index and is a 2007 FORTUNE 500[®] company traded on The Nasdaq Stock Market[®] under the ticker symbol QCOM.

Note Regarding Use of Non-GAAP Financial Measures

The Company presents pro forma financial information that is used by management (i) to evaluate, assess and benchmark the Company's operating results on a consistent and comparable basis, (ii) to measure the performance and efficiency of the Company's ongoing core operating businesses, including the Qualcomm CDMA Technologies, Qualcomm Technology Licensing and Qualcomm Wireless & Internet segments, and (iii) to compare the performance and efficiency of these segments against each other and against competitors outside the Company.

Pro forma measurements of the following financial data are used by the Company's management: revenues, R&D expenses, SG&A expenses, total operating expenses, operating income, net investment income, income before income taxes, effective tax rate, net income, diluted earnings per share, operating cash flow and free cash flow. Management is able to assess what it believes is a more meaningful and comparable set of financial performance measures for the Company and its business segments by using pro forma information. As a result, management compensation decisions and the review of executive compensation by the Compensation Committee of the Board of Directors focus primarily on pro forma financial measures applicable to the Company and its business segments.

Pro forma information used by management excludes the Qualcomm Strategic Initiatives (QSI) segment, certain estimated share-based compensation, certain tax items related to prior years and acquired in-process R&D. The QSI segment is excluded because the Company expects to exit its strategic investments at various times and the effects of fluctuations in the value of such investments are viewed by management as unrelated to the Company's operational performance. Estimated share-based compensation, other than amounts related to share-based awards granted under the executive bonus program, is excluded because management views the valuation of options and other share-based compensation as theoretical and unrelated to the Company's operational performance. Further, share-based compensation is affected by factors that are subject to change, including the Company's stock price, stock market volatility, expected option life, risk-free interest rates and expected dividend payouts in future years. Moreover, it is generally not an expense that requires or will require cash payment by the Company. Certain tax items related to prior years are excluded in order to provide a clearer understanding of the Company's ongoing tax rate and after tax earnings. Acquired in-process R&D is excluded because such expense is viewed by management as unrelated to the operating activities of the Company's ongoing core businesses.

The non-GAAP pro forma financial information presented herein should be considered in addition to, not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. In addition, "pro forma" is not a term defined by GAAP, and, as a result, the Company's measure of pro forma results might be different than similarly titled measures used by other companies. Reconciliations between total Qualcomm (GAAP) results and Qualcomm pro forma results and

between total Qualcomm (GAAP) cash flow and Qualcomm pro forma cash flow are presented herein.

Note Regarding Forward-Looking Statements

In addition to the historical information contained herein, this news release contains forward-looking statements that are subject to risks and uncertainties. Actual results may differ substantially from those referred to herein due to a number of factors, including but not limited to risks associated with: the rate of deployment of our technologies in wireless networks and of 3G wireless communications, equipment and services, including CDMA2000 1X, 1xEV-DO, WCDMA, HSPA and OFDMA both domestically and internationally; our dependence on major customers and licensees; attacks on our business model, including results of current and future litigation and arbitration proceedings as well as actions of governmental or quasi-governmental bodies, and the costs we incur in connection therewith, including potentially damaged relationships with customers and operators who may be impacted by the results of these proceedings; fluctuations in the demand for products, services or applications based on our technologies; foreign currency fluctuations; strategic loans, investments and transactions the Company has or may pursue; our dependence on third party manufacturers and suppliers; our ability to maintain and improve operational efficiencies and profitability; the development, deployment and commercial acceptance of the MediaFLO™ USA network and FLO™ technology; as well as the other risks detailed from time-to-time in the Company's SEC reports.

###

© 2007 Qualcomm Incorporated. All rights reserved. Qualcomm is a registered trademark of Qualcomm Incorporated. CDMA2000® is a registered trademark of the Telecommunications Industry Association. All other trademarks are the property of their respective owners.

Reconciliation of Non-GAAP Financial Measure Related to Prior Periods

(In millions, except per share data)

First Quarter - Fiscal Year 2007

Segments	Qualcomm Pro Forma	Estimated Share-Based Compensation (1)	Tax Items	QSI (2)	Total Qualcomm (GAAP)
Revenues	\$ 2,019	\$ -	\$ -	\$ -	\$ 2,019
EBT	952	(130)	-	(43)	779
Net income (loss)	722	(86)	33	(21)	648
Diluted EPS	\$ 0.43	\$ (0.05)	\$ 0.02	\$ (0.01)	\$ 0.38
Diluted shares used	1,685	1,685	1,685	1,685	1,685

- (1) Certain share-based compensation is included in operating expenses as part of employee-related costs but is not allocated to the Company's segments as such costs are not considered relevant by management in evaluating segment performance.
- (2) At fiscal year-end, the sum of the quarterly tax provisions for each column, including QSI, equals the annual tax provisions for each column computed in accordance with GAAP. In interim quarters, the tax provision for the QSI operating segment is computed by subtracting the tax provision for Qualcomm pro forma, the tax items column and the tax provisions related to estimated share-based compensation and in-process R&D from the tax provision for total Qualcomm (GAAP).

N/M – Not Meaningful

Sums may not equal totals due to rounding.