

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
Q4 FISCAL 2019								
Revenues	\$3,611	\$1,158	\$35	\$4,804	\$10	\$—	\$—	\$4,814
<i>Change from prior year</i>	<i>(22%)</i>	<i>4%</i>	<i>(27%)</i>	<i>(17%)</i>	<i>(50%)</i>	<i>N/M</i>	<i>N/M</i>	<i>(17%)</i>
<i>Change from prior quarter</i>	<i>1%</i>	<i>(10%)</i>	<i>—%</i>	<i>(2%)</i>	<i>(44%)</i>	<i>N/M</i>	<i>N/M</i>	<i>(50%)</i>
Operating income (loss)				\$1,137	\$3	(\$339)	(\$100)	\$701
<i>Change from prior year</i>				<i>(9%)</i>	<i>50%</i>	<i>(51%)</i>	<i>N/M</i>	<i>N/M</i>
<i>Change from prior quarter</i>				<i>(6%)</i>	<i>(70%)</i>	<i>(38%)</i>	<i>N/M</i>	<i>N/M</i>
EBT	\$499	\$792	(\$242)	\$1,049	\$7	(\$339)	(\$102)	\$615
<i>Change from prior year</i>	<i>(37%)</i>	<i>11%</i>	<i>9%</i>	<i>(16%)</i>	<i>N/M</i>	<i>(51%)</i>	<i>N/M</i>	<i>N/M</i>
<i>Change from prior quarter</i>	<i>(1%)</i>	<i>(12%)</i>	<i>20%</i>	<i>(5%)</i>	<i>N/M</i>	<i>(38%)</i>	<i>N/M</i>	<i>N/M</i>
EBT as % of revenues	14%	68%	N/M	22%				13%
Net income (loss)				\$947	\$5	(\$282)	(\$164)	\$506
<i>Change from prior year</i>				<i>(25%)</i>	<i>N/M</i>	<i>(45%)</i>	<i>N/M</i>	<i>N/M</i>
<i>Change from prior quarter</i>				<i>(4%)</i>	<i>N/M</i>	<i>(42%)</i>	<i>N/M</i>	<i>N/M</i>
Diluted EPS				\$0.78	\$0.00	(\$0.23)	(\$0.14)	\$0.42
<i>Change from prior year</i>				<i>(12%)</i>	<i>N/M</i>	<i>(64%)</i>	<i>N/M</i>	<i>N/M</i>
<i>Change from prior quarter</i>				<i>(3%)</i>	<i>N/M</i>	<i>(44%)</i>	<i>N/M</i>	<i>N/M</i>
Diluted shares				1,211	1,211	1,211	1,211	1,211
Q3 FISCAL 2019								
Revenues	\$3,567	\$1,292	\$35	\$4,894	\$18	\$—	\$4,723	\$9,635
Operating income (loss)				1,214	10	(246)	4,339	5,317
EBT	504	898	(301)	1,101	312	(246)	4,334	5,501
EBT as % of revenues	14%	70%	N/M	22%				57%
Net income (loss)				982	237	(198)	1,128	2,149
Diluted EPS				\$0.80	\$0.19	(\$0.16)	\$0.92	\$1.75
Diluted shares				1,231	1,231	1,231	1,231	1,231
Q4 FISCAL 2018								
Revenues	\$4,647	\$1,113	\$48	\$5,808	\$20	\$—	(\$50)	\$5,778
Operating income (loss)				1,255	2	(224)	(1,712)	(679)
EBT	796	714	(266)	1,244	(20)	(224)	(1,800)	(800)
EBT as % of revenues	17%	64%	N/M	21%				N/M
Net income (loss)				1,260	(11)	(195)	(1,567)	(513)
Diluted EPS				\$0.89	(\$0.01)	(\$0.14)	(\$1.10)	(\$0.36)
Diluted shares				1,429	1,429	1,429	1,429	1,417

- (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 as well as other notes related to prior periods are included in the news releases for those periods.

N/M - Not Meaningful

Sums may not equal totals due to rounding.

SEGMENTS	QCT	QTL	Non-GAAP Reconciling Items (a)	Non-GAAP Results	QSI	Share-Based Compensation	Other Items (b)	GAAP Results
FISCAL 2019								
Revenues	\$14,639	\$4,591	\$168	\$19,398	\$152	\$—	\$4,723	\$24,273
<i>Change from prior year</i>	(15%)	(9%)	(41%)	(14%)	52%	N/M	N/M	7%
Operating income (loss)				\$4,700	\$113	(\$1,037)	\$3,891	\$7,667
<i>Change from prior year</i>				(15%)	N/M	(17%)	N/M	N/M
EBT	\$2,143	\$2,954	(\$812)	\$4,285	\$344	(\$1,037)	\$3,889	\$7,481
<i>Change from prior year</i>	(28%)	(13%)	18%	(20%)	N/M	(17%)	N/M	N/M
EBT as % of revenues	15%	64%	N/M	22%				31%
Net income (loss)				\$4,323	\$271	(\$853)	\$645	\$4,386
<i>Change from prior year</i>				(19%)	N/M	(15%)	N/M	N/M
Diluted EPS				\$3.54	\$0.22	(\$0.70)	\$0.53	\$3.59
<i>Change from prior year</i>				(2%)	N/M	(40%)	N/M	N/M
Diluted shares				1,220	1,220	1,220	1,220	1,220
FISCAL 2018								
Revenues	\$17,282	\$5,042	\$287	\$22,611	\$100	\$—	(\$100)	\$22,611
Operating income (loss)				5,499	23	(883)	(4,018)	621
EBT	2,966	3,404	(987)	5,383	24	(883)	(4,132)	392
EBT as % of revenues	17%	68%	N/M	24%				2%
Net income (loss)				5,343	22	(743)	(9,586)	\$(4,964)
Diluted EPS				\$3.62	\$0.01	(\$0.50)	(\$6.53)	\$(3.39)
Diluted shares				1,475	1,475	1,475	1,475	1,463

- (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) 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 as well as other notes related to prior periods are included in the news releases for those periods.

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