



Third Quarter Fiscal 2025 Earnings

July 30, 2025

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Note Regarding Forward-Looking Statements

In addition to historical information, this document and the conference call that it accompanies contain forward-looking statements that are inherently subject to risks and uncertainties, including but not limited to statements regarding: our growth and diversification initiatives and opportunities, including in automotive and IoT, and our planned expansion into the data center; the continued evolution and adoption of artificial intelligence (AI) technologies, the opportunities this creates for our business and the potential benefits to our business thereof; our business, product and technology strategies, including our diversification strategy; our technologies, technology leadership, technology differentiation and technology roadmap; our products, product performance, product leadership, product pipeline, product mix and product roadmap; new product releases, announcements and design wins; the benefits of our technologies, products and research and development efforts; our business and share trends, as well as market and industry trends, and their potential impact on our business and our positioning to take advantage thereof; acquisitions, collaborations or other strategic transactions, including the anticipated timing and benefits thereof; anticipated demand for our products and technologies; seasonal trends; our business outlook; our target to return 100% of free cash flow to stockholders in fiscal 2025; and our estimates, guidance, targets and financial planning assumptions related to revenues (including our various fiscal 2029 revenue targets), earnings per share (EPS), non-GAAP combined R&D and SG&A expenses (non-GAAP operating expenses), interest and investment and other expense (income) net, weighted average diluted share count, earnings before tax (EBT) margins and effective tax rates. Forward-looking statements are generally identified by words such as “estimates,” “guidance,” “forecast,” “target,” “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: our dependence on a small number of customers and licensees, and particularly from their sale of premium-tier handset devices; our customers vertically integrating; a significant portion of our business being concentrated in China, which is exacerbated by U.S./China trade and national security tensions; our ability to extend our technologies and products into new and expanded product areas, and industries and applications beyond mobile handsets; our strategic acquisitions, transactions and investments, and our ability to consummate strategic acquisitions; our dependence on a limited number of third-party suppliers; risks associated with the operation and control of our manufacturing facilities; security breaches of our information technology systems, or other misappropriation of our technology, intellectual property or other proprietary or confidential information; our ability to attract and retain qualified employees; the continued and future success of our licensing programs, which requires us to continue to evolve our patent portfolio and to renew or renegotiate license agreements that are expiring; efforts by some OEMs to avoid paying fair and reasonable royalties for the use of our intellectual property, and other attacks on our licensing business model; potential changes in our patent licensing practices, whether due to governmental investigations, legal challenges or otherwise; adverse rulings in governmental investigations or proceedings or other legal proceedings; our customers’ and licensees’ sales of products and services based on CDMA, OFDMA and other communications technologies, including 5G, and our customers’ demand for our products based on these technologies; competition in an environment of rapid technological change, and our ability to adapt to such change and compete effectively; failures in our products or in the products of our customers or licensees, including those resulting from security vulnerabilities, defects or errors; difficulties in enforcing and protecting our intellectual property rights; claims by third parties that we infringe their intellectual property; our use of open source software; the cyclical nature of the semiconductor industry, declines in global, regional or local economic conditions, or our stock price and earnings volatility; geopolitical conflicts, natural disasters, pandemics and other health crises, and other factors outside of our control; our ability to comply with laws, regulations, policies and standards; our indebtedness; and potential tax liabilities. These and other risks are set forth in our Annual Report on Form 10-Q for the fiscal quarter ended June 29, 2025 filed with the Securities and Exchange Commission (SEC). Our reports filed with the SEC are available on our website at 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 (accounting principles generally accepted in the United States) financial measures and information reconciling these Non-GAAP financial measures to our financial results prepared in accordance with GAAP, are included in this presentation.

References to “Qualcomm” refer to Qualcomm Incorporated and/or its subsidiaries, as applicable. Qualcomm Incorporated includes our licensing business, QTL, and the vast majority of our patent portfolio. Qualcomm Technologies, Inc., a subsidiary of Qualcomm Incorporated, operates, along with its subsidiaries, substantially all of our engineering and research and development functions and substantially all of our products and services businesses, including our QCT semiconductor business. Snapdragon and Qualcomm branded products are products of Qualcomm Technologies, Inc. and/or its subsidiaries. Qualcomm patents are licensed by Qualcomm Incorporated.

Q3FY25 Highlights



Q3FY25 Highlights

Delivered strong revenues and Non-GAAP⁽¹⁾ EPS⁽²⁾

- ❖ Revenues up 10% YoY to \$10.4B and Non-GAAP EPS up 19% YoY to \$2.77.
- ❖ QCT revenues up 11% YoY to \$9.0B and EBT up 22% to \$2.7B, driven by strength across Handsets, IoT, and Automotive.
- ❖ Combined QCT Automotive and IoT revenues up 23% YoY to \$2.7B.
- ❖ QCT Non-Apple YTD revenues up more than 15% YoY.
- ❖ On track to meet our accelerated buyback commitment in FY25.

Key Announcements

- ❖ Extended our Xiaomi collaboration with a multi-year agreement. Snapdragon® 8-series platforms will power multiple generations of Xiaomi's flagship devices, sold in China and global markets, with volume increasing each year of the agreement.
- ❖ BMW's upcoming Neue Klasse vehicles, which will launch globally with our new ISO safety-certified ADAS stack later this year, will include our Snapdragon Ride™ platforms and our jointly developed Driving Stack.
- ❖ At the Augmented World Expo USA, we conducted the world's first demonstration of a 1 billion parameter model running locally on smart glasses powered by our next-generation Snapdragon® AR Gen 1 platform which powers Meta's Oakley and Ray-Ban AI smart glasses.
- ❖ Announced a collaboration with Advantech to advance AI-driven IoT applications and accelerate the deployment of intelligent solutions across industries to help drive the future of edge intelligence and unlock the full potential of intelligent, autonomous systems at the edge.
- ❖ Recent strategic acquisitions of Edge Impulse & FocusAI enhance our offerings for developers, expanding our leadership in AI capabilities to power AI-enabled products and services across IoT.
- ❖ Multiple new PC devices using our Snapdragon® X Series platforms launched during the quarter from leading OEMs such as Acer, Dell, HP, Lenovo, Microsoft, and Samsung, and we remain on track for >100 designs to be commercialized through 2026.
- ❖ Reached an agreement to acquire Alphawave, a global leader in high-speed wired connectivity and compute technologies for data centers, AI, data networking, and data storage. The acquisition is expected to close during the first calendar quarter of 2026, subject to customary closing conditions.

Third Quarter Fiscal 2025 Results

Revenues

\$10.4B

GAAP EPS

\$2.43

Non-GAAP EPS

\$2.77

QCT

Revenues of

\$9.0B

at midpoint of guidance
range⁽¹⁾

\$2.7B ↑23% YoY

Combined Automotive
& IoT revenues

Record Automotive Revenues

EBT⁽²⁾ of

\$2.7B ↑22% YoY

with EBT
margin of

30%

at high end of
guidance range

QTL

Revenues of

\$1.3B

above midpoint of guidance
range

EBT margin of

71%

at high end of guidance range

OTHER

Returned

\$3.8B

to stockholders including

\$2.8B

of share repurchases &

\$1.0B

in dividends

Q3FY25 Financial Summary

<i>(in millions, except per share data and percentages)</i>	Q3FY25	Q3FY24	YoY Δ
Non-GAAP			
Revenues	\$10,365	\$9,391	+10%
EBT	\$3,544	\$3,034	+17%
EPS	\$2.77	\$2.33	+19%
QCT			
Revenues	\$8,993	\$8,069	+11%
Handsets	\$6,328	\$5,899	+7%
Automotive	\$984	\$811	+21%
IoT	\$1,681	\$1,359	+24%
EBT	\$2,671	\$2,181	+22%
EBT as a % of revenues	30%	27%	+3 points
QTL			
Revenues	\$1,318	\$1,273	+4%
EBT	\$942	\$894	+5%
EBT as a % of revenues	71%	70%	+1 point

Financial Results and Guidance

As of July 30, 2025

Quarterly Results and Guidance	Q3FY25 Guidance ⁽¹⁾	Q3FY25 Results	Q4FY25 Guidance ⁽²⁾
Revenues	\$9.9B - \$10.7B	\$10.4B	\$10.3B - \$11.1B
Non-GAAP diluted EPS	\$2.60 - \$2.80	\$2.77	\$2.75 - \$2.95
Non-GAAP operating expenses ⁽³⁾	~\$2.25B	\$2.25B	~\$2.35B
GAAP interest and investment and other expense (income), net	\$15M	(\$190M)	\$40M
Non-GAAP effective tax rate	~14%	14%	~14%
Weighted average diluted share count	~1.10B	1.10B	~1.08B

Segment Results and Guidance

QCT revenues	\$8.7B - \$9.3B	\$9.0B	\$9.0B - \$9.6B
QCT EBT margin %	28% - 30%	30%	27% - 29%
QTL revenues	\$1.15B - \$1.35B	\$1.32B	\$1.25B - \$1.45B
QTL EBT margin %	67% - 71%	71%	69% - 73%

Annual Guidance

	FY25 Prior Guidance ⁽¹⁾	FY25 Guidance ⁽²⁾
Non-GAAP effective tax rate	~14%	~14%

1. Prior guidance as of April 30, 2025; 2. Our outlook does not include provisions for proposed tax law changes or for the recently enacted tax reform legislation included in the One Big Beautiful Bill Act, future asset impairments or for pending legal matters, other than future legal amounts that are probable and estimable. Further, due to their nature, certain income and expense items, such as certain investments, derivative and foreign currency transaction gains or losses, cannot be accurately forecast. Accordingly, we only include such items in our financial outlook to the extent they are reasonably certain. Our outlook includes the impact of any pending business combinations to the extent they are expected to close in the upcoming quarter. Actual results may differ materially from the outlook.; 3. Non-GAAP operating expenses = Non-GAAP combined R&D and SG&A expenses.

Snapdragon Ride™ ADAS/AD Platform

20+ global OEM programs, most launching in the next 18 months

New ISO safety-certified ADAS stack jointly developed with BMW to launch globally this year

Supports various highway and urban navigation functions

Portfolio of power-efficient SoCs and scalable software architecture to support ADAS across regions and tiers

Option to use Snapdragon Ride Computer Vision/Drive Policy stack and Snapdragon® Cockpit on the same SoC



Snapdragon Ride SoC

Safety compliant CPU, GPU, NPU

Open integration platform

Integrated driving, parking, in-cabin monitoring, and more

Cutting-edge performance per watt



Safety and robustness – meets applicable standards, including US and Europe

Examples include NCAP 5*, GSR and DCAS



Data & simulation factory

PB-scale high-speed pipeline

AI for ground truth data generation

Gen AI data augmentation + simulation

Bit-accurate cloud reprocessing



Global stack

60+ countries validated

8M+ unique scenarios by 2027

Building the Go-to-Market Channel for Industrial and Embedded IoT

Broad technology and product roadmap enabling vertical blueprints for industries including Retail, Home and Life, Mining, Oil and Gas, Energy and Utilities, Public Safety, Robotics and Drones

SAAS OFFERINGS & SOLUTIONS



Scene detect



Public safety



Wayfinding



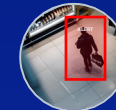
Frictionless retail



Measure and track



Dash camera



Threat alert



Video SaaS

OS/BSP/SDK TOOLS MICROSERVICES

Observability
Location
Device management



DEVELOPER-FRIENDLY WORKFLOWS



EDGE IMPULSE

ML Ops Model Training & Deployment

Qualcomm® AI Hub



Foundries.io

DEVELOPER SOLUTIONS FLOW

OS SOFTWARE
STACK
HARDWARE

QUALCOMM DRAGONWING™ PRODUCT CATEGORIES



INDUSTRIAL
CONNECTIVITY



CONSUMER & RETAIL
PROCESSORS



CAMERA
PROCESSORS



INDUSTRIAL PROCESSORS
& INDUSTRIAL PC



ROBOTICS
PROCESSORS

Key Announcements





Qualcomm and Xiaomi Expand Collaboration with Multi-Year Agreement – [link](#)

HIGHLIGHTS

- ❖ **Qualcomm Technologies** and Xiaomi extended their collaboration with a multi-year agreement to lead innovation with premium smartphones.
- ❖ Xiaomi's premium smartphones will continue to be powered by **Snapdragon® 8-series** platforms for multiple generations of products, with **volume increasing in each year** of the agreement.
- ❖ Xiaomi will be one of the first to adopt the next-generation premium **Snapdragon 8-series** to be announced later this year, in China and globally.
- ❖ Looking ahead, the companies intend to work together to drive advancements, including in on-device AI, across all edge devices, such as smartphones, automotive, AR/VR glasses, wearables, tablets, and more.

Qualcomm



Smartphones



Automotive



Wearables



Tablets



XR



HIGHLIGHTS

- ❖ **Qualcomm Technologies** and Samsung announced that the Galaxy Z Fold7 is powered by the **Snapdragon® 8 Elite** for Galaxy globally, joining the S25 series.
- ❖ **Snapdragon 8 Elite** for Galaxy is the most powerful and world's fastest mobile system-on-a-chip⁽¹⁾.
- ❖ **Snapdragon 8 Elite** for Galaxy and Samsung's Galaxy AI are transforming user experiences, making multimodal agents a reality on foldable devices.

Galaxy Z Fold7



CPU	GPU	NPU
+38%	+26%	+41%



Qualcomm and Advantech Collaborate to Accelerate Edge AI Innovation for IoT – [link](#)

HIGHLIGHTS

- ❖ At COMPUTEX 2025, **Qualcomm Technologies** announced a collaboration with Advantech to advance AI-driven IoT applications.
- ❖ Through this collaboration, Advantech is positioned as a key player in **Qualcomm Technologies'** IoT ecosystem, enabling deeper integration of **Qualcomm Technologies'** cutting-edge technologies into Advantech's edge computing and edge AI platforms – accelerating the deployment of intelligent solutions across industries.
- ❖ The companies aim to drive the future of edge intelligence, where AI, connectivity, and scalable ecosystems converge to empower industries, accelerate innovation, and unlock the full potential of intelligent, autonomous systems at the edge.





Qualcomm to Acquire Alphawave Semi – [link](#)

HIGHLIGHTS

- ❖ **Qualcomm** announced that it has reached an agreement to acquire Alphawave at an implied enterprise value of ~\$2.4B.
- ❖ Alphawave's high-speed wired connectivity and compute technologies complement **Qualcomm's** next gen custom **Qualcomm Oryon™ CPU** and **Qualcomm® Hexagon™ NPU** processors.
- ❖ AI inferencing growth is driving demand for **Qualcomm's** high-performance, energy-efficient compute solutions and this acquisition provides key assets for our expansion into data center.



HIGHLIGHTS

- ❖ **Qualcomm Technologies** has unveiled the **Snapdragon AR1+ Gen 1**, a compact and power-efficient chipset designed to power high-performance smart glasses with on-device AI processing — enabling use cases where you can access AI agents without a smartphone or cloud connectivity.
- ❖ The **AR1+ Gen 1** empowers smart glasses with real-time, on-device AI capabilities, allowing for seamless, autonomous AR experiences across consumer and enterprise applications.
- ❖ By showcasing prototypes and applications at AWE 2025, **Qualcomm Technologies** positioned itself as a leader in AR, highlighting how its technology is transforming smart glasses into practical, everyday tools for immersive interaction.



**WORLD'S MOST
ADVANCED SOLUTION
FOR AI SMART GLASSES**



RING CONTROLLER FOR GLASSES



Gesture Control
Motion Tracking
Health Monitoring
3DoF Control

SMALLER PACKAGE

up to **20%**
Temple height reduction⁽¹⁾

BETTER POWER MANAGEMENT

up to **7%**
Power reduction for key use cases⁽²⁾

POWERFUL ON-GLASS AI

~1B Parameter (on-glass)
1.2s TTFT, 13 TPS⁽³⁾

1. Compared to Snapdragon AR1 Gen 1; 2. Compared to Snapdragon AR1 Gen 1 excluding external components such as speaker amp and speakers; 3. With speculative decoding.
TTFT = Time To First Token; TPS = Tokens Per Second.



Key Announcements

- Qualcomm President and CEO Cristiano Amon to Deliver Keynote Speech at COMPUTEX 2025, Revealing the Heart of the New PC Era – [link](#)
- Qualcomm’s Board of Directors Appoints Christopher Young to Board – [link](#)
- Qualcomm and HUMAIN to Develop State-of-the-Art AI Data Centers to Deliver Cloud-to-Edge Hybrid AI Services – [link](#)
- Qualcomm and Aramco Digital to Drive Industry Transformation Through Commercialization of Advanced Edge AI for Industrial IoT – [link](#)
- Qualcomm Unveils the Snapdragon 7 Gen 4 Mobile Platform: A Multimedia Powerhouse Fueling the Next Generation of Mobile Experiences – [link](#)
- Qualcomm Technologies Expands its Global Engineering Centers to Abu Dhabi To Spearhead Technological Innovation in AI, Data Centers, and Industrial IoT – [link](#)
- Qualcomm and e& Collaborate on AI at the Edge to Drive Transformation in the UAE – [link](#)
- Qualcomm and Advantech Collaborate to Accelerate Edge AI Innovation for IoT – [link](#)
- Qualcomm and Xiaomi Expand Collaboration with Multi-Year Agreement – [link](#)
- Qualcomm, Aetina, and Data Systems Team Up at COMPUTEX 2025 to Showcase AI Agent Integration Capabilities – [link](#)
- Qualcomm Acquires Autotalks to Boost V2X Deployments, Enhance Road Safety, and Improve Automated Driving and Traffic Efficiency – [link](#)
- Qualcomm to Acquire Alphawave Semi – [link](#)
- A World’s First On-Glass GenAI Demonstration: Qualcomm’s Vision for the Future of Smart Glasses - [link](#)
- Qualcomm Signs the Rome Call for AI Ethics – [link](#)
- Snapdragon Partners with Lewis Hamilton's Mission 44 to Expand Access to Technology for Students and Boost Storytelling Capacity – [link](#)
- Qualcomm and Two-time Major Champion Bryson DeChambeau with Crushers GC Announce Multi-Year Collaboration – [link](#)
- The Most Powerful Snapdragon Mobile Platform Fuels Samsung Galaxy Z Fold7 Globally – [link](#)
- Qualcomm Announces Quarterly Cash Dividend – [link](#)

Reconciliations



Note Regarding Use of Non-GAAP Financial Measures

The Non-GAAP financial measures 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, “Non-GAAP” is not a term defined by GAAP, and as a result, our Non-GAAP financial measures might be different than similarly titled measures used by other companies. Reconciliations between GAAP and Non-GAAP financial measures are presented herein.

We use Non-GAAP financial information: (i) to evaluate, assess and benchmark our operating results on a consistent and comparable basis; (ii) to measure the performance and efficiency of our ongoing core operating businesses, including our QCT (Qualcomm CDMA Technologies) and QTL (Qualcomm Technology Licensing) segments; and (iii) to compare the performance and efficiency of these segments against competitors. Non-GAAP measurements used by us include revenues, cost of revenues, research and development (R&D) expenses, selling, general and administrative (SG&A) expenses, other income or expenses, operating income, interest expense, net investment and other income, income or earnings before income taxes, effective tax rate, net income and diluted earnings per share. We are able to assess what we believe is a meaningful and comparable set of financial performance measures by using Non-GAAP information. In addition, the HR and Compensation Committee of our Board of Directors uses certain Non-GAAP financial measures in establishing portions of the performance-based incentive compensation programs for our executive officers. We present Non-GAAP financial information to provide greater transparency to investors with respect to our use of such information in financial and operational decision-making. This Non-GAAP financial information is also used by institutional investors and analysts in evaluating our business and assessing trends and future expectations.

Non-GAAP information presented herein excludes our QSI (Qualcomm Strategic Initiatives) segment and certain share-based compensation, acquisition-related items, tax items and other items.

- QSI is excluded because we generally expect to exit our strategic investments in the foreseeable future, and the effects of fluctuations in the value of such investments and realized gains or losses are viewed as unrelated to our operational performance.
- Share-based compensation expense primarily relates to restricted stock units. We believe that excluding share-based compensation from Non-GAAP financial information allows us and investors to make additional comparisons of the operating activities of our ongoing core businesses over time and with respect to other companies.
- Certain other items are excluded because we view such items as unrelated to the operating activities of our ongoing core businesses, as follows:
 - Acquisition-related items include amortization of acquisition-related intangible assets, substantially all of which relate to the amortization of technology-based intangible assets that is recorded in cost of revenues and will recur in future periods until the related intangible assets have been fully amortized. We view acquisition-related intangible assets as items arising from pre-acquisition activities determined at the time of an acquisition. Acquisition-related intangible assets contribute to revenue generation that has not been excluded from our Non-GAAP financial information. Acquisition-related items also include recognition of the step-up of inventories and property, plant and equipment to fair value and the related tax effects of acquisition-related items, as well as any effects from restructuring the ownership of such acquired assets. We also exclude the operating results of acquired and/or consolidated businesses that, as of close, are expected or required to be sold. Additionally, we exclude certain other acquisition-related charges such as third-party acquisition and integration services costs and costs related to temporary debt facilities and letters of credit executed prior to the close of an acquisition.
 - We exclude certain other items that we view as unrelated to our ongoing businesses, such as major restructuring and restructuring-related costs, asset impairments and awards, settlements and/or damages arising from legal or regulatory matters. We exclude gains and losses driven by the revaluation of our deferred compensation plan liabilities recognized in operating expenses and the offsetting gains and losses on the related plan assets recognized in investment and other income (expense).
 - Certain tax items that are unrelated to the fiscal year in which they are recorded are excluded in order to provide a clearer understanding of our ongoing Non-GAAP tax rate and after-tax earnings. Beginning in the first quarter of fiscal 2023 and for the initial five-year period in which we are required to capitalize and amortize R&D expenditures for U.S. federal income tax purposes, we also exclude the favorable impact to our provision for income taxes and results of operations resulting from such change in treatment of R&D expenditures. The favorable tax provision impact will diminish in future years as capitalized research and development expenditures continue to amortize.

We use free cash flow to facilitate an understanding of the amount of cash flow generated that is available to grow our business, service debt and create long-term stockholder value. Accordingly, free cash flow does not represent the remaining cash flow available for discretionary expenditures. We define free cash flow as net cash provided by operating activities less capital expenditures.

Reconciliations of GAAP to Non-GAAP Financial Measures

Third Quarter Fiscal 2025 Results

<i>(in millions, except per share data)</i>	GAAP Results	Less QSI	Less Share- Based Compensation	Less Other Items⁽¹⁾	Non-GAAP Results
Revenues	\$10,365	\$—	\$—	\$—	\$10,365
EBT	\$2,952	\$149	(\$659)	(\$82)	\$3,544
Net income (loss)	\$2,666	\$118	(\$530)	\$38	\$3,040
Diluted EPS	\$2.43	\$0.11	(\$0.48)	\$0.03	\$2.77
Diluted shares	1,099	1,099	1,099	1,099	1,099

Third Quarter Fiscal 2024 Results

<i>(in millions, except per share data)</i>	GAAP Results	Less QSI	Less Share- Based Compensation	Less Other Items⁽²⁾	Non-GAAP Results
Revenues	\$9,393	\$2	\$—	\$—	\$9,391
EBT	\$2,279	\$14	(\$644)	(\$125)	\$3,034
Net income (loss)	\$2,129	\$11	(\$456)	(\$74)	\$2,648
Diluted EPS	\$1.88	\$0.01	(\$0.40)	(\$0.07)	\$2.33
Diluted shares	1,134	1,134	1,134	1,134	1,134

1. Other items excluded from Non-GAAP results included \$65 million of acquisition-related charges, a \$13 million impairment loss on investments, \$2 million of restructuring and restructuring-related charges and \$1 million of interest expense related to a fine imposed on us by the European Commission in 2019. Other items excluded from Non-GAAP results also included \$85 million of losses driven by the revaluation of our deferred compensation plan liabilities, which increases operating expenses, partially offset by corresponding \$84 million of gains driven by the revaluation of the associated plan assets, which were included within investment and other income, net. Tax benefit in the "Other Items" column included a \$117 million foreign currency gain related to a noncurrent receivable resulting from our refund claim of Korean withholding taxes paid in prior periods, a \$93 million benefit from the foreign-derived intangible income deduction resulting from the requirement to capitalize and amortize R&D expenditures, a \$12 million benefit for the tax effect of acquisition-related charges, a \$2 million benefit from the combined effect of other items in EBT, and a \$1 million benefit to reconcile the tax provision of each column to the total GAAP tax provision for the quarter, partially offset by a \$105 million charge related to an increase in uncertain tax benefits for prior years.

2. Details of amounts included in the "Other Items" column for the third quarter of fiscal 2024 results are included in the Earnings Presentation for that period.

Sums may not equal totals due to rounding.

Business Outlook

	Q3FY25 Guidance ⁽¹⁾	Q4FY25 Guidance ⁽²⁾
Revenues	\$9.9B - \$10.7B	\$10.3B - \$11.1B
GAAP diluted EPS	\$2.14 - \$2.34	\$2.23 - \$2.43
Less diluted EPS attributable to QSI	\$—	\$—
Less diluted EPS attributable to share-based compensation	(\$0.50)	(\$0.53)
Less diluted EPS attributable to other items ⁽³⁾	\$0.04	\$0.01
Non-GAAP diluted EPS	\$2.60 - \$2.80	\$2.75 - \$2.95

Additional FY25 Guidance

	FY24 Results	FY25 Guidance Midpoint ⁽²⁾⁽⁴⁾	FY25 Guidance Midpoint vs. FY24 % Increase (Decrease)
GAAP diluted EPS	\$8.97	\$10.12	13%
Less diluted EPS attributable to QSI	\$0.07	\$0.13	1%
Less diluted EPS attributable to share-based compensation	(\$1.76)	(\$2.05)	(1%)
Less diluted EPS attributable to other items ⁽⁵⁾	\$0.44	\$0.16	(3%)
Non-GAAP diluted EPS	\$10.22	\$11.88	16%

1. Prior guidance as of April 30, 2025.

2. Guidance as of July 30, 2025. Our outlook does not include provisions for proposed tax law changes or for the recently enacted tax reform legislation included in the One Big Beautiful Bill Act, future asset impairments or for pending legal matters, other than future legal amounts that are probable and estimable. Further, due to their nature, certain income and expense items, such as certain investments, derivative and foreign currency transaction gains or losses, cannot be accurately forecast. Accordingly, we only include such items in our financial outlook to the extent they are reasonably certain. Our outlook includes the impact of any pending business combinations to the extent they are expected to close in the upcoming quarter. Actual results may differ materially from the outlook.

3. Our guidance for diluted EPS attributable to other items for the fourth quarter of fiscal 2025 is primarily related to the requirement to capitalize research and development expenditures under U.S. Federal income tax law, partially offset by acquisition-related items.

4. As of July 30, 2025, we reported that we are positioned to deliver 16% Non-GAAP EPS growth in fiscal 2025 relative to fiscal 2024.

5. Details of amounts included in the diluted EPS attributable to other items in fiscal 2024 results are included in the Earnings Presentation for that period. Our guidance for diluted EPS attributable to other items in fiscal 2025 primarily includes the benefit from the foreign-derived intangible income deduction resulting from the requirement to capitalize and amortize R&D expenditures and licensing revenues resulting from a recent settlement of a licensing dispute, partially offset by acquisition-related charges and a charge related to an increase in uncertain tax benefits for prior years.

Operating Expenses

<i>(in millions)</i>	Q3FY25 Guidance⁽¹⁾	Q3FY25 Results	Q4FY25 Guidance⁽²⁾
GAAP combined R&D and SG&A expenses	~\$2,900	\$2,997	~\$3,050
Less QSI	N/P	\$3	N/P
Less share-based compensation	N/P	\$639	N/P
Less other items ⁽³⁾	N/P	\$107	N/P
Non-GAAP operating expenses (Non-GAAP combined R&D and SG&A expenses)	~\$2,250	\$2,248	~\$2,350

Effective Tax Rates

	GAAP Results/Guidance	Less QSI⁽⁴⁾	Less Share-Based Compensation⁽⁴⁾	Less Other Items⁽⁴⁾⁽⁵⁾	Non-GAAP Results/Guidance
Estimated ⁽¹⁾ Q3FY25 tax rate	9%	—	(2%)	(3%)	14%
Q3FY25 tax rate	10%	1%	(2%)	(3%)	14%
Estimated ⁽⁶⁾ Q4FY25 tax rate	10%	—	(2%)	(2%)	14%
Previous estimated ⁽¹⁾ FY25 annual tax rate	10%	—	(2%)	(2%)	14%
Estimated ⁽⁶⁾ FY25 annual tax rate	10%	—	(2%)	(2%)	14%

1. Prior guidance as of April 30, 2025. Details of amounts included in the "Other Items" column for the previous estimated third quarter of fiscal 2025 and fiscal 2025 annual tax rates are included in the Earnings Presentation for the third quarter of fiscal 2025.
2. Guidance as of July 30, 2025. Substantially all of the amounts excluded from our estimated Non-GAAP operating expenses for the fourth quarter of fiscal 2025 relate to share-based compensation.
3. Other items in the third quarter of fiscal 2025 consisted of \$83 million of losses driven by the revaluation of our deferred compensation plan liabilities, \$22 million of acquisition-related charges and \$2 million of restructuring and restructuring-related charges.
4. The incremental effect of our adjustments to the Non-GAAP tax rate is calculated by allocating the difference between (i) the tax expense (benefit) calculated based on the GAAP tax rate and (ii) the actual or estimated tax expense (benefit) for each column.
5. Tax benefits in the "Other Items" column for the third quarter of fiscal 2025 are included in the "Third Quarter Fiscal 2025 Results" section herein. Our estimated tax guidance for the "Other Items" in the fourth quarter of fiscal 2025 and fiscal 2025 includes the tax benefits resulting from the impact of the requirement to capitalize and amortize R&D expenditures under U.S. Federal income tax law.
6. Guidance as of July 30, 2025. Our estimated tax rate guidance for the fourth quarter of fiscal 2025 and fiscal 2025 includes an estimate of the discrete tax impacts for excess tax benefits associated with share-based awards that vest within the fourth quarter of fiscal 2025 and does not include the recently enacted tax reform legislation included in the One Big Beautiful Bill Act.

Capital Return of Our Free Cash Flow to Stockholders

	FY25 Estimates ⁽¹⁾
Total return of capital to stockholders ⁽²⁾ as a percentage of net cash provided by operating activities (GAAP)	~90%
Impact from capital expenditures	N/P
Total return of capital to stockholders as a percentage of free cash flow (Non-GAAP)	~100%

1. Guidance as of July 30, 2025.

2. We define our total return of capital stockholders as the total cash paid to repurchase shares of our common stock and cash dividends paid.

N/P - Not provided