



First Quarter Fiscal 2026 Earnings

February 4, 2026

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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; our expansion to new areas including data center and advanced robotics; the continued evolution and adoption of artificial intelligence (AI) technologies, including AI-native and agentic AI devices, 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; customer engagements and the timing and scale of commercialization of products and technologies; 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; letters of intent, intended agreements or other non-binding arrangements; anticipated demand for our products and technologies; global consumer demand for handsets or other devices; industry-wide supply constraints or disruptions, including the availability and pricing of memory, and the anticipated duration and impact of such constraints on customer purchasing patterns and inventory levels; seasonal trends; our business outlook; and our estimates, guidance, targets and financial planning assumptions related to revenues (including our various fiscal 2029 revenue targets and our positioning to achieve such targets), earnings per share (EPS), 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 “estimate,” “guidance,” “forecast,” “target,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “may,” “will,” “would” 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 cellular 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 Quarterly Report on Form 10-Q for the fiscal quarter ended December 28, 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.

Q1FY26 Highlights



Q1FY26 Highlights

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

- ❖ Revenues up 5% YoY to \$12.3B and Non-GAAP EPS up 3% YoY to \$3.50.
- ❖ QCT achieved record revenues of \$10.6B, including records for Handset and Automotive revenues.
- ❖ QCT Automotive delivered record quarterly revenues of \$1.1B, up 15% YoY.
- ❖ QCT IoT revenues up 9% YoY to \$1.7B, driven by demand across consumer and networking products.

Key Announcements

- ❖ Bytedance launched the first agentic AI smartphone powered by the Snapdragon® 8 Elite platform – a significant milestone in the transition toward AI-native smartphones and a precursor to the agentic experiences shaping the future of mobile.
- ❖ At CES, we debuted 18 Snapdragon-powered PCs from valued partners like Asus, HP, Lenovo and Microsoft. The Asus Zenbook A16, featuring the Snapdragon X2 Elite Extreme platform, was one of the standouts and is the fastest Snapdragon-powered laptop to date. We remain on track to commercialize ~150 Snapdragon X-powered PCs this year.
- ❖ Demand for our Snapdragon® Digital Chassis™ solutions remains strong: we signed a Letter of Intent for a long-term supply agreement with Volkswagen Group, and we also announced new and expanded collaborations with Hyundai Mobis, Leapmotor, Li Auto, Zeekr, GreatWall Motor, NIO, and Chery.
- ❖ In Industrial IoT, we continue to expand our portfolio of advanced computing, connectivity and AI solutions for an increasing number of verticals. We introduced two new Qualcomm Dragonwing™ processors, acquired Augentix to strengthen our Qualcomm Dragonwing vision portfolio and Qualcomm® Insight Platform, and launched our new Qualcomm Dragonwing IQ Series, making our entry in the industrial PC space.
- ❖ We formally announced our expansion into advanced robotics and introduced a full suite of robotics technologies and solutions, including the Qualcomm Dragonwing IQ10 Series. The physical AI and robotics space is experiencing rapid growth driven by advances in edge AI and sensor fusion, and Qualcomm is one of the best positioned companies to enable this next frontier of AI.
- ❖ We completed our acquisition of Alphawave Semi, adding high-speed wired connectivity technologies to further strengthen our platforms. We also acquired Ventana Micro Systems, reinforcing our leadership and commitment to the development of the RISC-V standard and ecosystem.

First Quarter Fiscal 2026 Results

Record revenues and Non-GAAP EPS

Revenues

\$12.3B

GAAP EPS

\$2.78

Non-GAAP EPS

\$3.50

QCT

Record revenues of

\$10.6B

at midpoint of guidance range⁽¹⁾

\$2.8B ↑11% YoY

Combined Automotive & IoT revenues

EBT⁽²⁾ of

\$3.3B

with EBT margin of

31%

at midpoint of guidance range

Record Handset and Automotive Revenues

QTL

Revenues of

\$1.6B

at high end of guidance range

EBT margin of

77%

at high end of guidance range

OTHER

Returned

\$3.6B

to stockholders including

\$2.6B

of share repurchases &

\$0.9B

in dividends

Announced our upcoming

2026 Annual Meeting of Stockholders

March 17, 2026

*A webcast of the virtual event will be available through the **Investor Relations website***

Q1FY26 Financial Summary

<i>(in millions, except per share data and percentages)</i>	Q1FY26	Q1FY25	YoY Δ
Non-GAAP			
Revenues	\$12,252	\$11,669	+5%
EBT	\$4,372	\$4,427	-1%
EPS	\$3.50	\$3.41	+3%
QCT			
Revenues	\$10,613	\$10,084	+5%
Handsets	\$7,824	\$7,574	+3%
Automotive	\$1,101	\$961	+15%
IoT	\$1,688	\$1,549	+9%
EBT	\$3,302	\$3,246	+2%
EBT as a % of revenues	31%	32%	-1 point
QTL			
Revenues	\$1,592	\$1,535	+4%
EBT	\$1,231	\$1,158	+6%
EBT as a % of revenues	77%	75%	+2 points

Impact of Memory Industry Dynamics on Guidance

SUMMARY

- ❖ The **fundamentals of our handset business remain favorable** (stable global economic environment, total handset shipments exceeding expectations in the December quarter, especially in the premium and high tiers, and a strong design win pipeline for our Snapdragon chipsets).
- ❖ However, increasing demand for memory solutions in AI data centers is driving near-term uncertainty in memory supply and pricing for handset OEMs.
- ❖ As a result, handset OEMs are taking a cautious approach in planning their business. **We have seen several OEMs, especially in China, take actions to reduce their handset build plans and channel inventory.**
- ❖ **Our guidance for the upcoming quarter reflects the latest signals from these customers, which includes reduced chipset orders aligned with their scaled back expectations for handset build plans.**
- ❖ **The resulting industry-wide memory shortage and price increases are likely to define the overall scale of the handset industry through the fiscal year.**

Financial Results and Guidance

As of February 4, 2026

Quarterly Results and Guidance	Q1FY26 Guidance ⁽¹⁾	Q1FY26 Results	Q2FY26 Guidance ⁽²⁾
Revenues	\$11.8B - \$12.6B	\$12.3B	\$10.2B - \$11.0B
Non-GAAP diluted EPS	\$3.30 - \$3.50	\$3.50	\$2.45 - \$2.65
Non-GAAP operating expenses ⁽³⁾	~\$2.45B	\$2.35B	~\$2.60B
GAAP interest and investment and other expense (income), net	\$30M	(\$181M)	\$50M
Non-GAAP effective tax rate ⁽⁴⁾	13.5%	13.5%	13.5%
Weighted average diluted share count	~1.08B	1.08B	~1.08B

Segment Results and Guidance

QCT revenues	\$10.3B - \$10.9B	\$10.6B	\$8.8B - \$9.4B
QCT EBT margin %	30% - 32%	31%	26% - 28%
QTL revenues	\$1.4B - \$1.6B	\$1.6B	\$1.2B - \$1.4B
QTL EBT margin %	74% - 78%	77%	68% - 72%

Annual Guidance

	FY26 Prior Guidance ⁽¹⁾	FY26 Guidance ⁽²⁾
Non-GAAP effective tax rate ⁽⁴⁾	13.5%	13.5%

1. Prior guidance as of November 5, 2025; 2. Our guidance for the second quarter of fiscal 2026 includes the estimated impact of memory supply constraints and related pricing on demand from several handset customers. Additionally, our outlook includes our recent acquisition of Alphawave IP Group plc, which is included in our Data Center nonreportable segment. Our outlook does not include provisions for proposed tax law changes, 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; 4. Beginning in the first quarter of fiscal 2026, we are applying a fixed estimated Non-GAAP tax rate to determine our Non-GAAP provision for income taxes. See the Note Regarding Use of Non-GAAP Financial Measures in this presentation for additional details.

Key Updates





Qualcomm Drives the Future of Mobility with Strong Snapdragon Digital Chassis Momentum and Agentic AI for Major Global Automakers Worldwide – [link](#)



Snapdragon Digital Chassis

**Leading
Worldwide**

cockpit provider¹

**75M+
Vehicles**

with Snapdragon® Cockpit Platform

**1st Snapdragon Ride™ Flex
on the road**

First commercial automotive platform to combine mixed criticality ADAS workloads with In-Vehicle Infotainment functionality on the same chipset

Snapdragon Ride™ Flex Platform

Accelerating the shift to centralized compute by unifying digital cockpit and ADAS workloads

8

Design wins

Snapdragon® Elite Platform

Rapid market adoption enabling agentic AI on premium platforms

10

Design wins





Volkswagen Group and Qualcomm Sign Letter of Intent to Power Next Generation Driving Experiences – [link](#)

HIGHLIGHTS

- ❖ Volkswagen Group and **Qualcomm Technologies** announced a Letter of Intent for a long-term supply agreement to deliver advanced infotainment and connectivity capabilities powered by **Snapdragon® Digital Chassis™** solutions.
- ❖ **Qualcomm Technologies** would serve as Volkswagen Group's primary tech provider for the launch of its zonal Software-Defined Vehicle (SDV) architecture – developed for the Western hemisphere through Volkswagen Group's joint venture with Rivian Automotive, providing high-performance system-on-chips (SoCs) for infotainment capabilities starting in 2027.
- ❖ The current collaboration extends to the Automated Driving Alliance, the initiative led by CARIAD and Bosch, driving further development of automated driving technologies.

Qualcomm | **VOLKSWAGEN GROUP**



Qualcomm's Snapdragon Digital Chassis Powers New Toyota RAV4, Delivering Unbeatable In-Vehicle Experiences – [link](#)

HIGHLIGHTS

- ❖ Qualcomm Technologies announced that the newly launched Toyota RAV4 will be powered by cutting-edge **Snapdragon Digital Chassis** solutions.
- ❖ With the next-generation **Snapdragon Cockpit** platform, the RAV4 delivers advanced safety, convenience, and real-time connected features.
- ❖ The **Snapdragon Cockpit** platform, with advanced AI capabilities, enables high-resolution displays, intuitive touch interfaces, and responsive voice-activated controls—enhancing the overall user experience.

Qualcomm |  TOYOTA





Qualcomm Expands Decade-Long Collaboration with Google for Automotive Innovation and AI-Powered Mobility – [link](#)

HIGHLIGHTS

- ❖ **Qualcomm Technologies** and Google announced an expansion of their joint efforts, building on over a decade of successful collaboration in the automotive industry.
- ❖ This deepened collaboration helps simplify the development of SDVs and accelerate the adoption of in-vehicle, agentic AI experiences – establishing **Qualcomm** and Google's leadership in delivering these technologies at scale.
- ❖ Collaboration is designed to enable more personalized experiences powered by generative and agentic AI, while new initiatives speed innovation and reduce complexity and costs for automakers.

Qualcomm

Android 

10
**YEARS OF
INNOVATION**



Empowering Professionals and Aspiring Creators, Snapdragon X2 Plus Delivers Multi-Day Battery Life, Fast Performance and Advanced AI – [link](#)

HIGHLIGHTS

- ❖ At CES, Qualcomm Technologies announced the Snapdragon® X2 Plus platform, the newest entrant to the Snapdragon X Series.
- ❖ Snapdragon X2 Plus transforms every click and every moment for modern professionals, aspiring creators and everyday users, delivering speed, multi-day battery life, and built-in AI features.
- ❖ Representing a bold leap forward, the platform broadens access to the advanced performance and premium experiences consumers and businesses expect, expanding the growing Windows 11 Copilot+ PC community.
- ❖ Snapdragon X2 Plus harnesses the power of the 3rd Gen Qualcomm Oryon™ CPU and an 80 TOPS NPU, with select devices from leading OEMs available for purchase in 1H26.



NPU
up to **78%**
performance improvement⁽¹⁾

CPU
up to **35%**
single-core performance improvement⁽²⁾

GPU
up to **29%**
performance improvement⁽³⁾

Snapdragon X2 Plus 10-core performance values compared to Snapdragon X Plus 10-core.
1. Based on INT8 TOPS performance calculation; 2. Based on Geekbench v6.5.0 Single-Core;
3. Based on 3DMark Steel Nomad Light.



Qualcomm Introduces a Full Suite of Robotics Technologies, Powering Physical AI from Household Robots up to Full-Size Humanoids – [link](#)

HIGHLIGHTS

- ❖ At CES, **Qualcomm Technologies** introduced a next-gen robotics comprehensive-stack architecture that integrates hardware, software, and compound AI.
- ❖ **Qualcomm's** general-purpose robotics architecture delivers industry-leading power efficiency and scalability, enabling capabilities from personal service robots to next generation industrial autonomous mobile robots and full-size humanoids that can reason, adapt, and decide.
- ❖ The company also unveiled its latest high performance robotics processor for industrial advanced autonomous mobile robots and advanced full-size humanoids, the **Qualcomm Dragonwing™ IQ10 Series**, which expands **Qualcomm's** current robotics roadmap and delivers high performance, energy-efficient “**Brain of the Robot**” capabilities.

Engineered for the most advanced robotics applications





HIGHLIGHTS

- ❖ At CES, **Qualcomm Technologies** announced its expanded IoT product portfolio, including new **Qualcomm Dragonwing™ Q-series** processors.
- ❖ The new **Qualcomm Dragonwing Q-7790** and **Q-8750** processors power security-focused on-device AI across drones, smart cameras & industrial vision, AI TVs/media hubs, and video collaboration systems.
- ❖ Complemented by new services and developer offerings and fueled by strategic acquisitions, **Qualcomm** is positioned to meet edge computing and AI needs for customers across virtually all verticals.
- ❖ The recent acquisition of **Augentix**, a leader in mass-market image processors, extends **Qualcomm Technologies'** ability to provide SoCs tailored for intelligent IP cameras and vision systems.

Industrial IoT Ecosystem

Product Segments



Consumer Processors

Industrial Processors

Camera Processors

Robotics Processors

Industrial Connectivity

Strategic Acquisitions



ARDUINO



AUGENTIX



EDGE IMPULSE



Foundries.io

FOCUS AI



Qualcomm Completes Acquisition of Alphawave Semi – [link](#)

Qualcomm Acquires Ventana Micro Systems, Deepening RISC-V CPU Expertise – [link](#)

ALPHAWAVE HIGHLIGHTS

- ❖ **Qualcomm** announced that it has completed its acquisition of Alphawave IP Group, approximately one quarter ahead of schedule.
- ❖ Alphawave Semi's high-speed wired connectivity and compute technologies complement **Qualcomm's** next gen custom **Qualcomm Oryon™ CPU** and **Qualcomm® Hexagon™ NPU** processors.

VENTANA HIGHLIGHTS

- ❖ **Qualcomm Technologies** announced the acquisition of Ventana Micro Systems Inc., underscoring its commitment to advancing the RISC-V standard and ecosystem.
- ❖ Ventana's expertise in RISC-V instruction set development enhances **Qualcomm's** CPU engineering capabilities, complementing our existing efforts to develop custom **Qualcomm Oryon CPU** technology.





Key Updates

- Qualcomm Launches Dragonwing IQ-X Series: Transforming Industrial PCs and Edge Intelligence – [Link](#)
- Qualcomm to Establish AI Engineering Center at HUMAIN – [Link](#)
- The 8-Series Reimagined: Snapdragon 8 Gen 5 Delivers Premium Performance and Experiences – [Link](#)
- Qualcomm Appoints Spencer Kim as Vice President and President of Qualcomm Korea – [Link](#)
- Qualcomm Acquires Ventana Micro Systems, Deepening RISC-V CPU Expertise – [Link](#)
- Qualcomm and CP Plus Announce First-of-Its-Kind Collaboration to Usher in a New Era of AI-Enabled Video Intelligence in India – [Link](#)
- Qualcomm Completes Acquisition of Alphawave Semi – [Link](#)
- Qualcomm’s Snapdragon Digital Chassis Powers New Toyota RAV4, Delivering Unbeatable In-Vehicle Experiences – [Link](#)
- Empowering Professionals and Aspiring Creators, Snapdragon X2 Plus Delivers Multi-day Battery Life, Fast Performance and Advanced AI – [Link](#)
- Qualcomm’s IE-IoT Expansion Is Complete: Edge AI Unleashed for Developers, Enterprises & OEMs – [Link](#)
- Qualcomm Introduces a Full Suite of Robotics Technologies, Powering Physical AI from Household Robots up to Full-Size Humanoids – [Link](#)
- Qualcomm Expands Decade-Long Collaboration with Google for Automotive Innovation and AI-Powered Mobility – [Link](#)
- Leapmotor and Qualcomm Debuts World's First Automotive Central Computer Powered by Snapdragon Cockpit Elite and Snapdragon Ride Elite Platforms – [Link](#)
- ZF and Qualcomm Collaborate to Deliver Scalable ADAS Solution Powered by New ZF ProAI Supercomputer and Snapdragon Ride Platform – [Link](#)
- Qualcomm Drives the Future of Mobility with Strong Snapdragon Digital Chassis Momentum and Agentic AI for Major Global Automakers Worldwide – [Link](#)
- Hyundai Mobis and Qualcomm Sign Comprehensive Agreement to Collaborate on SDV Architecture for ADAS – [Link](#)
- Volkswagen Group and Qualcomm Sign Letter of Intent to Power Next Generation Driving Experiences – [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).
 - Beginning in the first quarter of fiscal 2026, we are applying a fixed estimated Non-GAAP tax rate to determine our Non-GAAP provision for income taxes. Our Non-GAAP tax rate is determined annually based on our estimated annual GAAP income tax forecast (computed inclusive of both current and deferred income taxes), adjusted to account for items excluded from our Non-GAAP earnings before taxes as well as certain tax items that are unrelated to the fiscal year in which they are recorded. We will periodically re-evaluate the appropriateness of our Non-GAAP tax rate and may adjust for significant changes, including significant changes in our geographic earnings mix, our corporate structure or tax laws. Prior periods have not been updated for this change as the effect would not be material.

Reconciliations of GAAP to Non-GAAP Financial Measures

First Quarter Fiscal 2026 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	\$12,252	\$—	\$—	\$—	\$12,252
EBT	\$3,547	\$179	(\$892)	(\$112)	\$4,372
Net income (loss)	\$3,004	\$152	(\$758)	(\$171)	\$3,781
Diluted EPS	\$2.78	\$0.14	(\$0.70)	(\$0.16)	\$3.50
Diluted shares	1,079	1,079	1,079	1,079	1,079

First Quarter Fiscal 2025 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	\$11,669	\$—	\$—	\$—	\$11,669
EBT	\$3,635	\$19	(\$758)	(\$53)	\$4,427
Net income (loss)	\$3,180	\$15	(\$611)	(\$54)	\$3,830
Diluted EPS	\$2.83	\$0.01	(\$0.54)	(\$0.05)	\$3.41
Diluted shares	1,122	1,122	1,122	1,122	1,122

1. Other items excluded from Non-GAAP results included \$105 million of acquisition-related charges, \$6 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 \$42 million of losses driven by the revaluation of our deferred compensation plan liabilities, which increases operating expenses, offset by a corresponding \$42 million of gains driven by the revaluation of the associated plan assets, which were included within investment and other income, net. Tax expense included in the "Other Items" column represents an adjustment to arrive at our fixed estimated Non-GAAP tax rate of 13.5% for fiscal 2026.

2. Details of amounts included in the "Other Items" column for the first quarter of 2025 results are included in the Earnings Presentation for that period.

Sums may not equal totals due to rounding.

Business Outlook

	Q1FY26 Guidance⁽¹⁾	Q2FY26 Guidance⁽²⁾
Revenues	\$11.8B - \$12.6B	\$10.2B - \$11.0B
GAAP diluted EPS	\$2.55 - \$2.75	\$1.69 - \$1.89
Less diluted EPS attributable to QSI	\$—	\$—
Less diluted EPS attributable to share-based compensation	(\$0.68)	(\$0.68)
Less diluted EPS attributable to other items ⁽³⁾	(\$0.07)	(\$0.08)
Non-GAAP diluted EPS	\$3.30 - \$3.50	\$2.45 - \$2.65

1. Prior guidance as of November 5, 2025.

2. Guidance as of February 4, 2026. Our guidance for the second quarter of fiscal 2026 includes the estimated impact of memory supply constraints and related pricing on demand from several handset customers. Additionally, our outlook includes our recent acquisition of Alphawave IP Group plc, which is included in our Data Center nonreportable segment. Our outlook does not include provisions for proposed tax law changes, 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 second quarter of fiscal 2026 is primarily related to acquisition-related items. Details of amounts included in the diluted EPS attributable to other items in the first quarter of fiscal 2026 guidance are included in the Earnings Presentation for the fourth quarter of fiscal 2025.

Operating Expenses

<i>(in millions)</i>	Q1FY26 Guidance⁽¹⁾	Q1FY26 Results	Q2FY26 Guidance⁽²⁾
GAAP combined R&D and SG&A expenses	~\$3,300	\$3,318	~\$3,450
Less QSI	N/P	\$3	N/P
Less share-based compensation	N/P	\$868	N/P
Less other items ⁽³⁾	N/P	\$94	N/P
Non-GAAP operating expenses (Non-GAAP combined R&D and SG&A expenses)	~\$2,450	\$2,353	~\$2,600

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⁾ Q1FY26 tax rate	13.5%	—	—	—	13.5%
Q1FY26 tax rate	15%	—	—	1.5%	13.5%
Estimated ⁽⁶⁾ Q2FY26 tax rate	13%	—	(0.5%)	—	13.5%
Previous estimated ⁽¹⁾ FY26 annual tax rate	13.5%	—	—	—	13.5%
Estimated ⁽⁶⁾ FY26 annual tax rate	14%	—	—	0.5%	13.5%

1. Prior guidance as of November 5, 2025.

2. Guidance as of February 4, 2026. Substantially all of the amounts excluded from our estimated Non-GAAP operating expenses for the second quarter of fiscal 2026 relate to share-based compensation.

3. Other items in the first quarter of fiscal 2026 consisted of \$56 million of acquisition-related charges and \$42 million of losses driven by the revaluation of our deferred compensation plan liabilities, partially offset by \$4 million of net restructuring and restructuring-related benefits.

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 expense in the “Other Items” column represents an adjustment to arrive at our fixed estimated Non-GAAP tax rate of 13.5% for fiscal 2026.

6. Guidance as of February 4, 2026. Our estimated tax rate guidance for the second quarter of fiscal 2026 and fiscal 2026 includes an estimate of the discrete tax impacts for excess tax benefits associated with share-based awards that vest within the second quarter of fiscal 2026.