



# Second Quarter Fiscal 2026 Earnings

April 29, 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; the continued evolution and adoption of artificial intelligence (AI) technologies, including the emergence of agentic AI workloads across connected edge devices, the opportunities this creates for our business and the potential benefits to our business thereof; our expansion into the data center and our opportunities and early engagements in that space, including our custom silicon engagement with a leading hyperscaler, expected shipments thereunder and the timing thereof; our business, product and technology strategies; 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; anticipated demand for our products and technologies; global consumer demand for handsets or other devices; anticipated product renewal cycles; 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; the transition to 6G wireless technology, including the capabilities of 6G and our positioning to be a key architect and beneficiary of such transition; seasonal trends; our business outlook; and our estimates, guidance, targets and financial planning assumptions related to revenues (including our long-term 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 March 29, 2026 filed with the Securities and Exchange Commission (SEC). Our reports filed with the SEC are available on our website at [www.qualcomm.com](http://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.

# Q2FY26 Highlights



# Second Quarter Fiscal 2026 Results

“We are pleased to deliver results in line with our guidance, reflecting solid execution as we navigate a challenging memory environment. We are in a period of profound industry transformation — the rise of AI agents is reshaping our roadmap across every platform we develop. *We are equally excited by our entry into the data center, where a leading hyperscaler custom silicon engagement is on track for initial shipments later this calendar year.* We look forward to providing an update on our growth initiatives, including opportunities in Data Center and Physical AI, at our Investor Day on June 24.”

**Cristiano Amon**

President and CEO

Revenues	GAAP EPS <sup>(1)</sup>	Non-GAAP <sup>(2)</sup> EPS
<b>\$10.6B</b>	<b>\$6.88</b>	<b>\$2.65</b>

## QCT

Revenues of

**\$9.1B**

at midpoint of guidance range<sup>(3)</sup>

**\$3.1B** ↑20% YoY

Combined Automotive & IoT revenues

**Record Automotive Revenues**

EBT<sup>(4)</sup> of

**\$2.5B**

with EBT margin of

**27%**

at midpoint of guidance range

## QTL

Revenues of

**\$1.4B**

at high end of guidance range

EBT margin of

**72%**

at high end of guidance range

## OTHER

Returned

**\$3.7B**

to stockholders including

**\$2.8B**

of share repurchases &

**\$0.9B**

in dividends

Increased annualized dividend payout to

**\$3.68** ↑\$0.12 vs. prior

per share of common stock which marks the

**23<sup>rd</sup>**

consecutive year of annualized dividend increases



# Investor Day 2026

June 24, 2026

Ziegfield Ballroom, New York

Qualcomm's executive leadership will provide an update on our growth and diversification strategy, including opportunities in Data Center and Physical AI. The event will include live Q&A followed by a cocktail reception and product demos.

**Save the Date:** [Link](#)

# Update on Memory Environment

## SUMMARY

- ❖ Last quarter, we highlighted that increasing demand for memory in AI data centers was driving uncertainty in memory supply and price increases to handset OEMs, and as a result, handset OEMs, particularly in China, were taking a cautious approach by reducing handset build plans and drawing down channel inventory. These dynamics played out as expected during the second fiscal quarter and are also reflected in our third quarter guidance.
- ❖ As a result, in both quarters, our China QCT Android shipments are meaningfully below the scale of end-consumer handset demand. **We now estimate that QCT handset revenues from Chinese customers will reach a bottom in the third quarter and return to sequential growth in the following quarter.**

# Qualcomm Increases Quarterly Cash Dividend and Announces New \$20 Billion Stock Repurchase Authorization

March 2026 Press Release - [link](#)

## SUMMARY

- ❖ Qualcomm announced that its Board of Directors has approved an increase in the Company's quarterly cash dividend from \$0.89 to \$0.92 per share of common stock. This dividend increase is effective for quarterly dividends payable after March 26, 2026, and raises the annualized dividend payout to \$3.68 per share of common stock.
- ❖ Additionally, the Board of Directors has approved a new \$20B stock repurchase authorization. The new stock repurchase authorization is in addition to the Company's stock repurchase program announced in November 2024, which had approximately \$2.1B of repurchase authority remaining.

**We remain focused on stockholder returns and executing on our ongoing diversification opportunities while maintaining operating discipline**

# Q2FY26 Financial Summary

*(in millions, except per share data and percentages)*

	Q2FY26	Q2FY25	YoY Δ
<b>Non-GAAP</b>			
Revenues	\$10,599	\$10,836	-2%
EBT	\$3,246	\$3,694	-12%
EPS	\$2.65	\$2.85	-7%
<b>QCT</b>			
Revenues	\$9,076	\$9,469	-4%
Handsets	\$6,024	\$6,929	-13%
Automotive	\$1,326	\$959	+38%
IoT	\$1,726	\$1,581	+9%
EBT	\$2,465	\$2,857	-14%
EBT as a % of revenues	27%	30%	-3 points
<b>QTL</b>			
Revenues	\$1,382	\$1,319	+5%
EBT	\$994	\$929	+7%
EBT as a % of revenues	72%	70%	+2 points

# Financial Results and Guidance

As of April 29, 2026

Our guidance for the third quarter of fiscal 2026 includes the estimated impact of memory supply constraints and related pricing on demand from several handset OEMs. We now estimate that QCT handset revenues from Chinese customers will reach a bottom in the third quarter and return to sequential growth in the following quarter.

Quarterly Results and Guidance	Q2FY26 Guidance <sup>(1)</sup>	Q2FY26 Results	Q3FY26 Guidance <sup>(2)</sup>
Revenues	\$10.2B - \$11.0B	\$10.6B	\$9.2B - \$10.0B
Non-GAAP diluted EPS	\$2.45 - \$2.65	\$2.65	\$2.10 - \$2.30
Non-GAAP operating expenses <sup>(3)</sup>	~\$2.60B	\$2.51B	~\$2.60B
GAAP interest and investment and other expense, net	\$50M	\$77M	\$70M
Non-GAAP effective tax rate <sup>(4)</sup>	13.5%	12.5%	12.5%
Weighted average diluted share count	~1.08B	1.07B	~1.06B

## Segment Results and Guidance

QCT revenues	\$8.8B - \$9.4B	\$9.1B	\$7.9B - \$8.5B
QCT EBT margin %	26% - 28%	27%	25% - 27%
QTL revenues	\$1.2B - \$1.4B	\$1.4B	\$1.15B - \$1.35B
QTL EBT margin %	68% - 72%	72%	67% - 71%

## Annual Guidance

	FY26 Prior Guidance <sup>(1)</sup>	FY26 Guidance <sup>(2)</sup>
Non-GAAP effective tax rate <sup>(4)</sup>	13.5%	13.0%

1. Prior guidance as of February 4, 2026; 2. Our guidance for the third quarter of fiscal 2026 includes the estimated impact of memory supply constraints and related pricing on demand from several handset OEMs. We now estimate that QCT handset revenues from Chinese customers will reach a bottom in the third quarter and return to sequential growth in the following quarter. 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.

# U.S. Tax Legislation

## SUMMARY

- ❖ In Q4FY25, we recognized a \$5.7B non-cash charge to establish a valuation allowance against our U.S. federal deferred tax assets as a result of U.S. tax legislation in the One Big Beautiful Bill Act (OBBB).
- ❖ In Q2FY26, we recorded a \$5.7B non-cash GAAP tax benefit from the release of the valuation allowance established in Q4FY25, as we now expect to realize our existing federal deferred tax assets as a result of additional guidance issued on corporate alternative minimum tax by the IRS/Treasury. This was excluded from our Non-GAAP metrics but reflected in our GAAP results.

**We now expect our Non-GAAP effective tax rate to be ~13%<sup>(1)</sup> going forward**

*Refer to our 10-Q filing for additional information*

# Key Announcements

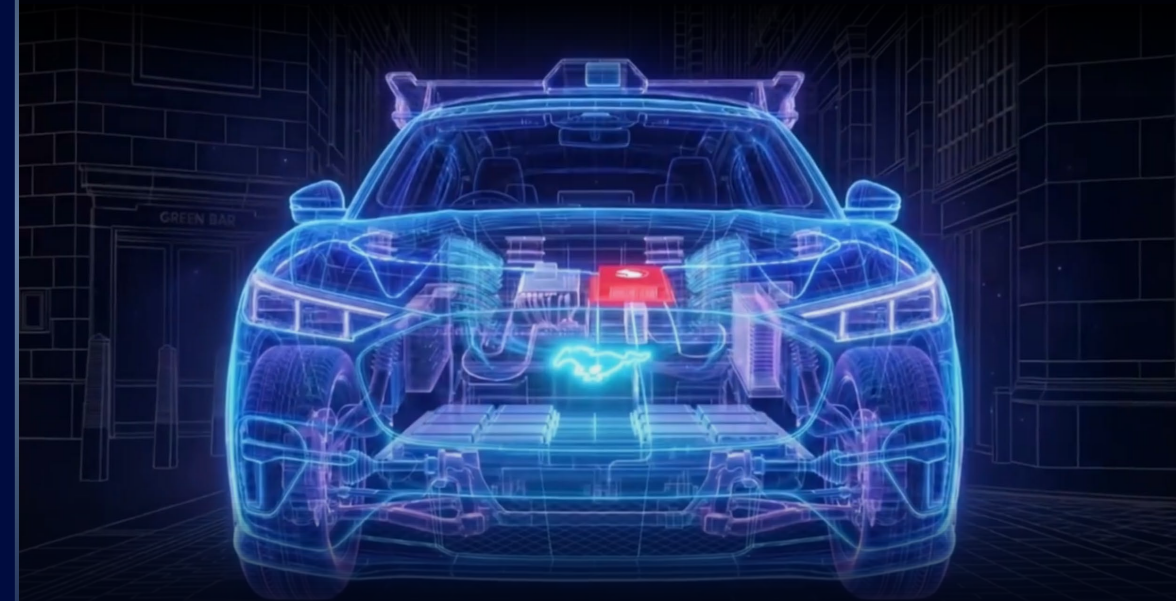




## HIGHLIGHTS

- ❖ Qualcomm and Wayve announced a collaboration to deliver a pre-integrated advanced driver assistance and automated driving system (ADAS/AD) for automakers, supporting entry-level hands-off driving assistance up to eyes-off automated driving.
- ❖ This collaboration introduces Wayve AI Driver as a new AI driving software option for customers using Qualcomm's Snapdragon Ride™ Platform and Active Safety software, which is already deployed across automotive programs worldwide and designed to meet global automotive standards.

**Qualcomm and Wayve intend to explore opportunities to leverage Snapdragon® SoCs for future Level 4 robotaxi applications.**





# Bosch and Qualcomm Expand Collaboration to Strategic ADAS Solutions – [link](#)

## HIGHLIGHTS

- ❖ Bosch and **Qualcomm** aim to make ADAS solutions for enhanced safety and comfort available to everyone. New programs leverage Bosch's vehicle computer architecture powered by the **Snapdragon Ride™ Platform**, including **Snapdragon Ride™ Flex SoCs** that uniquely enable combined cockpit and ADAS platforms on a single chip to support scalable, mixed-criticality ADAS deployments.
- ❖ Collaboration on ADAS-integrated vehicle computers has secured multiple global customer design wins in the East Asian market.
- ❖ Bosch delivered over 10 million cockpit computers powered by **Snapdragon® Cockpit Platforms**. Deliveries span all vehicle segments from entry to premium, serving both regional and global automakers.

**Qualcomm is building on its successful cockpit collaboration with Bosch by expanding into next-generation ADAS solutions.**

Qualcomm



**BOSCH**



**10 Million+ Cockpit Computers Delivered**



# Qualcomm Unveils the Snapdragon 8 Elite Gen 5 for Galaxy, Driving Unprecedented Performance in the Galaxy S26 Series – [link](#)

## HIGHLIGHTS

- ❖ Qualcomm and Samsung’s decades-long strategic partnership strengthens with **Snapdragon 8 Elite Gen 5 for Galaxy** powering the Galaxy S26 series.
- ❖ **Snapdragon 8 Elite Gen 5 for Galaxy**—the world’s fastest mobile system-on-a-chip—brings powerful on-device agentic AI for more personalized and intuitive Galaxy experiences.

**Maintaining our target flagship position at Samsung, with global share of the Samsung Galaxy S26 Ultra.**

## SAMSUNG Galaxy S26 | S26+ | S26 Ultra





# Qualcomm Powers the Rise of Personal AI with New Snapdragon Wear Elite Platform – [link](#)

## HIGHLIGHTS

- ❖ **Snapdragon Wear™ Elite** platform powers Personal AI experiences - enabling personalized interactions and insights across diverse form factors including watches, pins, pendants, and much more.
- ❖ It features an industry-first NPU-powered wearable solution, enabling high-performance AI processing directly on the device.
- ❖ **Snapdragon Wear Elite** is supported by a wide range of partners, including Google, Motorola and Samsung.

**This marks the beginning of our substantial portfolio refresh for the Agentic AI era, enabling multiple wearable form factors.**

## Powering Personal AI



Watch





Pendant



Pin



Hub

**CPU**

up to **5x**

increase in single-thread performance<sup>(1)</sup>

**GPU**

up to **7x**

improvement in max FPS performance<sup>(1)</sup>

**Power**

up to **30%**

longer DOU<sup>(2)</sup>

1. Snapdragon Wear Elite compared to Snapdragon W5+ Gen 2; 2. Based on Qualcomm internal measurements and projections on typical DoU scenarios Snapdragon W5+ vs Snapdragon Wear Elite.

## HIGHLIGHTS

- ❖ Ahead of Embedded World, Arduino announced the upcoming launch of its newest platform to democratize edge AI, Arduino® VENTUNO™ Q.
- ❖ This board builds upon a dual-brain architecture leveraging the **Qualcomm Dragonwing™ IQ8 Series** for both traditional and generative AI workloads, supported by NPU acceleration delivering up to 40 dense TOPS, as well as a dedicated STM32H5 microcontroller for low-latency actuation and motor control.
- ❖ VENTUNO Q natively supports popular AI frameworks and runtimes.

**Offering a world-class prototyping engine for both robotics and industrial AI developers as we expand our ecosystem across key verticals.**

Qualcomm



## HIGHLIGHTS

- ❖ At MWC Barcelona, **Qualcomm Technologies** demonstrated the use of AI in industrial applications based on a Siemens Autonomous Production model showcasing integration edge AI and private 5G networks for next generation industrial automation.
- ❖ The showcase demonstrates coordinated autonomous guided vehicles and robot-arm operations over Siemens' Industrial 5G network powered by **Qualcomm®** technology, enabling real-time, on-premises decision-making.
- ❖ A Siemens industrial PC equipped with the **Qualcomm® Cloud AI 100 Accelerator Card** can deliver local AI for worker assistance, diagnostics, quality inspection, and safer, smarter factory workflows.

**Showcasing how our technology gets deployed in a key industrial AI setting with a leading global OEM.**



**Featuring Qualcomm Cloud AI 100 Ultra**



# NEURA Robotics and Qualcomm Enter Strategic Collaboration to Advance Physical AI and Cognitive Robotics – [link](#)

## HIGHLIGHTS

- ❖ NEURA Robotics and Qualcomm formed a long-term strategic collaboration to advance next-generation robotics and physical AI and to work jointly on “Brain + Nervous System” reference architectures.
- ❖ The collaboration combines Qualcomm Dragonwing™ Robotics processors with NEURA’s full-stack robotics systems and embodied AI to enable safe, scalable robots across industrial and everyday environments.
- ❖ This engagement spans across reference architectures, developer platforms, and open ecosystems to help accelerate commercialization of humanoid and general-purpose robotics.

**This collaboration aims to create a leading ecosystem for physical AI with full-stack innovation.**





# Qualcomm and Other Industry Leaders Commit to 6G Trajectory Towards Commercialization Starting from 2029 Onwards – [link](#)

## HIGHLIGHTS

- ❖ Qualcomm announced a new strategic coalition with leading industry partners to accelerate the development and global deployment of 6G. Revealed at MWC Barcelona 2026, the collaboration establishes a clear, milestone-driven roadmap focused on delivering 6G commercial systems starting from 2029 onwards.
- ❖ 6G is being designed as an AI-native system that builds upon three key pillars: connectivity, wide-area sensing, and high-performance compute.

**Designed for the age of AI, we believe 6G will present one of the most significant transitions for the wireless industry. Beyond connectivity, 6G will be an AI-native network, becoming critical infrastructure and enabling completely new businesses and economic models.**

## Qualcomm





## Key Announcements

- Qualcomm Appoints Brett Simpson as Senior Vice President of Investor Relations – [Link](#)
- Qualcomm Commits Up To \$150 Million for Strategic AI Venture Fund in India – [Link](#)
- Qualcomm Unveils the Snapdragon 8 Elite Gen 5 for Galaxy, Driving Unprecedented Performance in the Galaxy S26 Series – [Link](#)
- Qualcomm Appoints Kevin O’Buckley as Executive Vice President, Global Operations and Supply Chain – [Link](#)
- Qualcomm and Ericsson move 6G from concept to proof, setting a clear path to commercialization – [Link](#)
- Qualcomm Powers the Rise of Personal AI with New Snapdragon Wear Elite Platform – [Link](#)
- Qualcomm Announces 5G-Advanced Leap with Qualcomm X105 5G Modem-RF – World’s First R19-Ready Modem, Laying the Foundation for 6G – [Link](#)
- Qualcomm Debuts AI-Native Wi-Fi 8 Portfolio Unifying Client and Network Connectivity for AI Era Performance – [Link](#)
- Qualcomm and Other Industry Leaders Commit to 6G Trajectory Towards Commercialization Starting from 2029 Onwards – [Link](#)
- Qualcomm Launches Agentic RAN Management Service and AI Enhancements for Commercial RAN Platforms to Accelerate Value for Telcos on the path to 6G – [Link](#)
- Qualcomm Brings On-Premises Industrial AI and Connectivity to a Siemens Factory Model at MWC Barcelona – [Link](#)
- Qualcomm and T-Mobile Deepen Strategic Collaboration to Accelerate the Industry’s Evolution from 5G Advanced to 6G – [Link](#)
- NEURA Robotics and Qualcomm Enter Strategic Collaboration to Advance Physical AI and Cognitive Robotics – [Link](#)
- Arduino Announces Arduino VENTUNO Q, Powered by Qualcomm Dragonwing IQ8 Series – [Link](#)
- Qualcomm and Wayve Advance Production-Ready End-to-End AI for ADAS and Automated Driving – [Link](#)
- Qualcomm Increases Quarterly Cash Dividend and Announces New \$20 Billion Stock Repurchase Authorization – [Link](#)
- Bosch and Qualcomm Expand Collaboration to Strategic ADAS Solutions – [Link](#)
- Qualcomm and Snap Expand Strategic Collaboration to Advance Intelligent Computing Experiences on Specs – [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

## Second Quarter Fiscal 2026 Results

*(in millions, except per share data)*

	GAAP Results	Less QSI	Less Share-Based Compensation	Less Other Items <sup>(1)</sup>	Non-GAAP Results
Revenues	\$10,599	\$—	\$—	\$—	\$10,599
EBT	\$2,232	(\$30)	(\$860)	(\$124)	\$3,246
Net income (loss)	\$7,370	(\$23)	(\$757)	\$5,310	\$2,840
Diluted EPS	\$6.88	(\$0.02)	(\$0.71)	\$4.95	\$2.65
Diluted shares	1,072	1,072	1,072	1,072	1,072

## Second Quarter Fiscal 2025 Results

*(in millions, except per share data)*

	GAAP Results	Less QSI	Less Share-Based Compensation	Less Other Items <sup>(2)</sup>	Non-GAAP Results
Revenues	\$10,979	\$—	\$—	\$143	\$10,836
EBT	\$3,105	\$10	(\$703)	\$104	\$3,694
Net income (loss)	\$2,812	\$8	(\$551)	\$183	\$3,172
Diluted EPS	\$2.52	\$0.01	(\$0.49)	\$0.16	\$2.85
Diluted shares	1,115	1,115	1,115	1,115	1,115

1. Other items excluded from Non-GAAP results included \$88 million of acquisition-related charges (net of a \$37 million gain on settlement of debt of an acquired company), \$34 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 \$55 million of gains driven by the revaluation of our deferred compensation plan liabilities, which decreases operating expenses, offset by a corresponding \$56 million of losses driven by the revaluation of the associated plan assets, which were included within investment and other income (expense), net. Tax benefit in the "Other Items" column represents an adjustment to arrive at our fixed estimated Non-GAAP tax rate of 12.5% for the second quarter of fiscal 2026. This adjustment is primarily related to a \$5.7 billion income tax benefit from the release of a valuation allowance as we now expect to realize our existing federal deferred tax assets, partially offset by the impact of the amortization of previously capitalized domestic research and development expenditures for U.S. federal income tax purposes (for which the initial benefit was previously excluded from our Non-GAAP results).

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

Sums may not equal totals due to rounding.

## Business Outlook

	<b>Q2FY26 Guidance<sup>(1)</sup></b>	<b>Q3FY26 Guidance<sup>(2)</sup></b>
Revenues	\$10.2B - \$11.0B	\$9.2B - \$10.0B
GAAP diluted EPS	\$1.69 - \$1.89	\$1.26 - \$1.46
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 <sup>(3)</sup>	(\$0.08)	(\$0.16)
Non-GAAP diluted EPS	\$2.45 - \$2.65	\$2.10 - \$2.30

1. Prior guidance as of February 4, 2026.

2. Guidance as of April 29, 2026. Our guidance for the third quarter of fiscal 2026 includes the estimated impact of memory supply constraints and related pricing on demand from several handset OEMs. We now estimate that QCT handset revenues from Chinese customers will reach a bottom in the third quarter and return to sequential growth in the following quarter. 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 third quarter of fiscal 2026 is primarily related to acquisition-related items and the tax impact from amortization of previously capitalized domestic research and development expenditures for U.S. federal income tax purposes. Details of amounts included in the diluted EPS attributable to other items in the second quarter of fiscal 2026 guidance are included in the Earnings Presentation for the first quarter of fiscal 2026.

## Operating Expenses

<i>(in millions)</i>	<b>Q2FY26 Guidance<sup>(1)</sup></b>	<b>Q2FY26 Results</b>	<b>Q3FY26 Guidance<sup>(2)</sup></b>
GAAP combined R&D and SG&A expenses	~\$3,450	\$3,361	~\$3,450
Less QSI	N/P	\$3	N/P
Less share-based compensation	N/P	\$836	N/P
Less other items <sup>(3)</sup>	N/P	\$8	N/P
Non-GAAP operating expenses (Non-GAAP combined R&D and SG&A expenses)	~\$2,600	\$2,514	~\$2,600

## Effective Tax Rates

	<b>GAAP Results/Guidance</b>	<b>Less QSI<sup>(4)</sup></b>	<b>Less Share-Based Compensation<sup>(4)</sup></b>	<b>Less Other Items<sup>(4)(5)</sup></b>	<b>Non-GAAP Results/Guidance</b>
Estimated <sup>(1)</sup> Q2FY26 tax rate	13%	—	(0.5%)	—	13.5%
Q2FY26 tax rate	(230%)	(2.5%)	(64%)	(176%)	12.5%
Estimated <sup>(6)</sup> Q3FY26 tax rate	17%	—	1.5%	3%	12.5%
Previous estimated <sup>(1)</sup> FY26 annual tax rate	14%	—	—	0.5%	13.5%
Estimated <sup>(6)</sup> FY26 annual tax rate	(40%)	0.5%	(13.5%)	(40%)	13%
Projected future tax rate <sup>(7)</sup>	~13% - 17%	N/P	N/P	N/P	~13%

1. Prior guidance as of February 4, 2026.

2. Guidance as of April 29, 2026. Substantially all of the amounts excluded from our estimated Non-GAAP operating expenses for the third quarter of fiscal 2026 relate to share-based compensation.

3. Other items in the second quarter of fiscal 2026 consisted of \$62 million of acquisition-related charges, partially offset by \$54 million of gains driven by the revaluation of our deferred compensation plan liabilities.

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. This adjustment includes the impact of the amortization of previously capitalized domestic research and development expenditures for U.S. federal income tax purposes (for which the initial benefit was previously excluded from our Non-GAAP results). Additionally, the tax benefits in the "Other Items" column for the second quarter of fiscal 2026 and fiscal 2026 includes a \$5.7 billion income tax benefit from the release of a valuation allowance as we now expect to realize our existing federal deferred tax assets.

6. Guidance as of April 29, 2026.

7. Guidance as of April 29, 2026. With the enactment of U.S. tax legislation in the One Big Beautiful Bill and the result of additional guidance recently issued on corporate alternative minimum tax by the U.S. Department of Treasury and the Internal Revenue Service, we now expect our projected future Non-GAAP tax rate to be ~13%. We expect our projected future GAAP tax rate to be ~13% - 17%, subject to variability of future discrete items that may arise.