

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☐ Filed by a Party other than the Registrant ☒

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☐ Definitive Proxy Statement
- ☒ Definitive Additional Materials
- ☐ Soliciting Material under § 240.14a-12

QUALCOMM INCORPORATED
(Name of Registrant as Specified in Its Charter)

BROADCOM LIMITED
BROADCOM CORPORATION
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1)	Title of each class of securities to which transaction applies:
(2)	Aggregate number of securities to which transaction applies:
(3)	Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
(4)	Proposed maximum aggregate value of transaction:
(5)	Total fee paid:

- ☐ Fee paid previously with preliminary materials.
- ☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Broadcom's Highly Compelling Proposal to Acquire Qualcomm

February 13, 2018



Important Information

Cautionary Note Regarding Forward-Looking and Similar Statements

This communication contains forward-looking statements (including within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended) concerning Broadcom. These statements include, but are not limited to, statements that address our expected future business and financial performance and statements about (i) the proposed transaction involving Broadcom and Qualcomm and the expected benefits of the proposed transaction, (ii) the expected benefits of acquisitions, (iii) our plans, objectives and intentions with respect to future operations and products, (iv) our competitive position and opportunities, (v) the impact of acquisitions on the market for our products, and (vi) other statements identified by words such as “will”, “expect”, “believe”, “anticipate”, “estimate”, “should”, “intend”, “plan”, “potential”, “predict”, “project”, “aim”, and similar words, phrases or expressions. These forward-looking statements are based on current expectations and beliefs of the management of Broadcom, as well as assumptions made by, and information currently available to, such management, current market trends and market conditions and involve risks and uncertainties, many of which are outside Broadcom’s and management’s control, and which may cause actual results to differ materially from those contained in forward-looking statements. Accordingly, you should not place undue reliance on such statements.

Particular uncertainties that could materially affect future results include risks associated with our proposal to acquire Qualcomm, including: (i) uncertainty regarding the ultimate outcome or terms of any possible transaction between Broadcom and Qualcomm, including as to whether Qualcomm will cooperate with us regarding the proposed transaction, (ii) the effects of the announcement of the proposed transaction on the ability of Broadcom and Qualcomm to retain customers, to retain and hire key personnel and to maintain favorable relationships with suppliers or customers, (iii) the timing of the proposed transaction, (iv) the ability to obtain regulatory approvals and satisfy other closing conditions to the completion of the proposed transaction (including shareholders approvals), and (v) other risks related to the completion of the proposed transaction and actions related thereto; any loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturing and outsourced supply chain; our dependency on a limited number of suppliers; any acquisitions we may make, such as delays, challenges and expenses associated with receiving governmental and regulatory approvals and satisfying other closing conditions, and with integrating acquired companies with our existing businesses and our ability to achieve the growth prospects and synergies expected by such acquisitions; our ability to accurately estimate customers’ demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; dependence on a small number of markets and the rate of growth in these markets; dependence on and risks associated with distributors of our products; dependence on senior management; quarterly and annual fluctuations in our operating results; global economic conditions and concerns; our proposed redomiciliation of our ultimate parent company to the United States; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of any design wins; prolonged disruptions of our or our contract manufacturers’ manufacturing facilities or other significant operations; our ability to improve our manufacturing efficiency and quality; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our overall cash tax costs, legislation that may impact our overall cash tax costs and our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product warranty and indemnification claims; cyclicality in the semiconductor industry or in our target markets; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature. Statements herein reflect the beliefs or expectations of Broadcom.

Our filings with the Securities and Exchange Commission (“SEC”), which you may obtain for free at the SEC’s website at <http://www.sec.gov>, discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no intent or obligation to publicly update or revise any of these forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Additional Information

This communication does not constitute an offer to buy or solicitation of an offer to sell any securities. This communication relates to a proposal which Broadcom has made for an acquisition of Qualcomm and Broadcom’s intention to solicit proxies for the election of Broadcom nominees to Qualcomm Board and certain other proposals at Qualcomm’s 2018 annual meeting of stockholders. Broadcom filed a definitive proxy statement with the SEC on January 5, 2018 in connection with the solicitation of proxies for Qualcomm’s 2018 annual meeting of stockholders and may file other proxy solicitation materials in connection therewith. Broadcom has also commenced mailing its definitive proxy statement to Qualcomm stockholders.

In addition, in furtherance of the acquisition proposal and subject to future developments, Broadcom (and, if a negotiated transaction is agreed, Qualcomm) may file one or more registration statements, proxy statements, tender offer statements or other documents with the SEC. This communication is not a substitute for any proxy statement, registration statement, tender offer statement, prospectus or other document Broadcom and/or Qualcomm may file with the SEC in connection with the proposed transaction.

Investors and security holders of Broadcom and Qualcomm are urged to read the proxy statement(s), registration statement(s), tender offer statement(s), prospectus(es) and/or other documents filed with the SEC carefully in their entirety if and when they become available as they will contain important information about the proposed transaction and solicitation. Any definitive proxy statement(s) or prospectus(es) (if and when available) will be mailed to stockholders of Broadcom and/or Qualcomm, as applicable. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents filed with the SEC by Broadcom through the web site maintained by the SEC at <http://www.sec.gov>.

This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

Participants in Solicitation

Broadcom, certain of its subsidiaries, its directors and executive officers, other members of management and employees and the nominees described above may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction, including with respect to Qualcomm’s 2018 annual meeting of stockholders. You can find information about Broadcom’s executive officers and directors in Broadcom’s definitive proxy statement filed with the SEC on February 17, 2017. Information about the Broadcom nominees is included in the definitive proxy statement that Broadcom has filed with the SEC. Additional information regarding the interests of such potential participants is included or will be included in one or more registration statements, proxy statements, tender offer statements or other documents filed or to be filed with the SEC if and when they become available. These documents (if and when available) may be obtained free of charge from the SEC’s website <http://www.sec.gov>. certain of its subsidiaries, its directors and executive officers, other members of management and employees and the nominees described above may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction, including with respect to Qualcomm’s 2018 annual meeting of stockholders. You can find information about Broadcom’s executive officers and directors in Broadcom’s definitive proxy statement filed with the SEC on February 17, 2017. Information about the Broadcom nominees is included in the definitive proxy statement that Broadcom has filed with the SEC. Additional information regarding the interests of such potential participants is included or will be included in one or more registration statements, proxy statements, tender offer statements or other documents filed or to be filed with the SEC if and when they become available. These documents (if and when available) may be obtained free of charge from the SEC’s website <http://www.sec.gov>.

Broadcom's Nominees Are Independent and Highly Qualified

- ✓ Independent
- ✓ CEO / CFO Experience
- ✓ Technology R&D / Experience
- ✓ M&A / Finance Experience
- ✓ International Supply Chain Experience
- ✓ Large Cap, Public Company Board Experience

- Broadcom has modified its slate to a simple majority to reflect Qualcomm stockholders' desire to accept \$82 per share offer and Broadcom's desire to ensure board continuity
- Broadcom urges Qualcomm stockholders to vote the entire **BLUE CARD** for six independent, highly qualified nominees, which is the minimum number required to support Broadcom's highly compelling proposal

Nominee		Experience
	Samih Elhage	Former President of Nokia Mobile Networks, CFO & COO of Nokia Siemens Networks and Nokia Networks Former Board Member of Alcatel-Lucent, Alcatel Shanghai Bell and Quickplay Media
	David Golden	Former Vice Chairman of TMT Banking at J.P. Morgan Board Member of Barnes & Noble Education Former Board Member of Blackbaud and Everyday Health Managing Partner of Revolution Ventures
	Veronica Hagen	Board Member of Newmont Mining, Southern Company and American WaterWorks Former CEO of Polymer and SappiFine Paper Former Board Member of AVINTIV, Jacuzzi Brands and Covanta
	Julie Hill	Board Member of Anthem & Trustee of Lord Abbett Family of Mutual Funds Former Board Member of WellPoint, Lend Lease and Holcim Owner of Hill Company
	John Kispert	Former President & CEO of Spansion Board Member of Gigamon and Barracuda Networks Former Board Member of Spansion, Cypress, TriNet and Extreme Networks Managing Partner of Black Diamond Ventures
	Harry You	Former CFO of Oracle and Accenture, CEO of BearingPoint and EVP of EMC Former Board Member of Korn/Ferry CFO of GTY Technology

Why We Are Here: Broadcom Has Made a Highly Compelling, Best and Final Proposal

BROADCOM STANDS READY TO EXECUTE THE MERGER AGREEMENT IT HAS DELIVERED TO QUALCOMM

- I. Qualcomm Has Repeatedly Failed to Deliver Stockholder Value
- II. Qualcomm's Standalone Plan Rehashes 2015's Broken Promises and is Not Credible
- III. NXP Will Not Solve Qualcomm's Problems
- IV. Broadcom's Offer Provides Significantly More Value to Qualcomm Stockholders Than Any Other Alternative
- V. Broadcom's Offer Provides Substantial Deal Certainty and a Clear Path to Completion for Qualcomm Stockholders
- VI. Qualcomm Stockholders Deserve Directors Who Will Secure the Benefits of Broadcom's Highly Compelling, Best and Final Proposal

VOTE THE
ENTIRE BLUE
CARD TO
SUPPORT
BROADCOM'S
HIGHLY
COMPELLING
OFFER



Broadcom’s Highly Compelling Best and Final Proposal

Broadcom has provided a merger agreement highly favorable to Qualcomm and its stockholders

Highly Compelling Value	<ul style="list-style-type: none">• \$82 per Qualcomm share<ul style="list-style-type: none">– \$60 in cash and remainder in Broadcom shares– 56% premium to Qualcomm 30-day VWAP⁽¹⁾– 50% premium to Qualcomm unaffected price⁽²⁾
Substantial Regulatory Certainty	<ul style="list-style-type: none">• Merger agreement includes significant commitments to assuage all reasonable regulatory risks:<ul style="list-style-type: none">– Upfront commitment to divest Qualcomm’s Wi-Fi networking processors and RF Front End chips businesses– Additional commitment to take any other actions required by regulatory agencies with respect to Qualcomm’s other businesses and assets subject to the very high “Material Adverse Effect” standard.– Regulatory reverse termination fee of \$8 billion– 6% per annum ticking fee on the cash portion of the consideration (net of dividends) for the period commencing 12 months after signing until closing• Broadcom’s counsel has demonstrated that the reasonable areas of substantive regulatory inquiry are resolvable with reasonable remedies that Broadcom is prepared to agree to
Financing Certainty	<ul style="list-style-type: none">• No financing condition• Broadcom has entered into binding financing commitments with 12 financial institutions in an amount sufficient to fully fund the transaction and to fund post-closing working capital needs• Silver Lake, KKR and CVC have agreed to provide \$6 billion in convertible note financing
Board Seats	<ul style="list-style-type: none">• Paul Jacobs and one other Qualcomm director invited to join the combined company’s board

1)

30-day VWAP of \$52.71 calculated as of November 2, 2017, the last trading day prior to media speculation regarding a potential transaction

2)

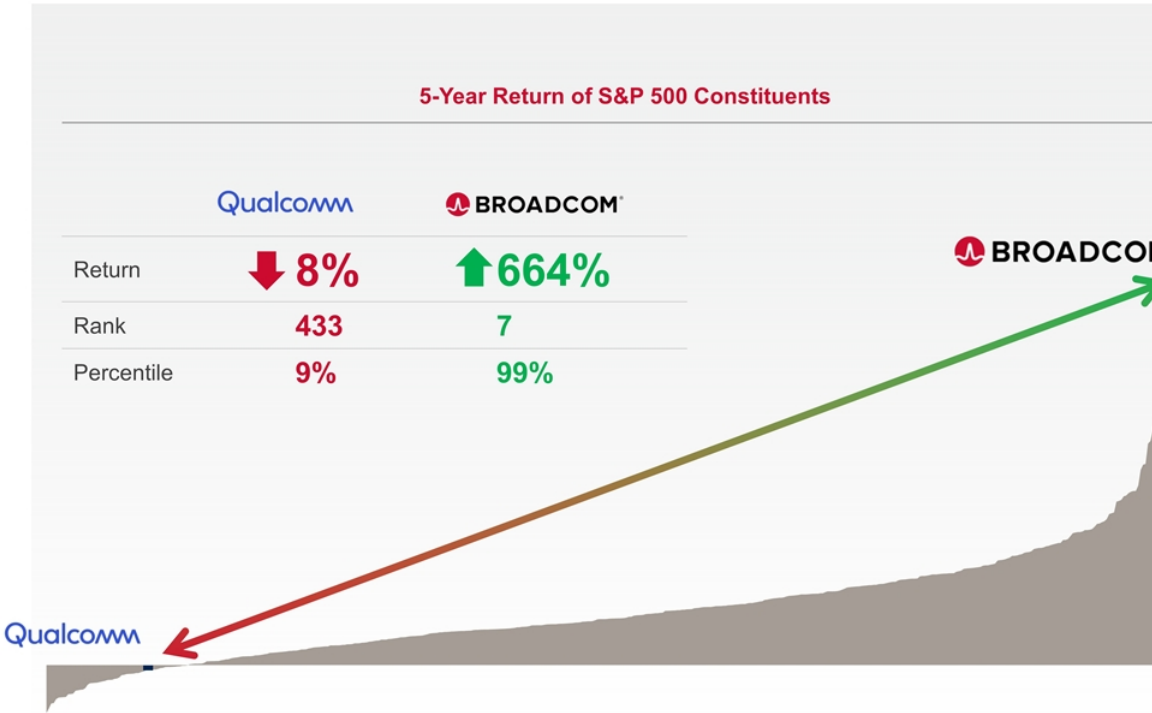
Unaffected price of \$54.84, the closing price of Qualcomm common stock on November 2, 2017, the last trading day prior to media speculation regarding a potential transaction

I. Qualcomm Has Repeatedly Failed to Deliver Stockholder Value



Qualcomm's Stock Price Has Significantly Underperformed

Qualcomm's Performance is in the **Bottom Decile** of the S&P 500



Note: Market data as of 11/2/2017, Qualcomm's last unaffected date

Qualcomm Failed to Turn 4G Leadership Into Stockholder Value

Qualcomm Failed to Monetize 4G Leadership...



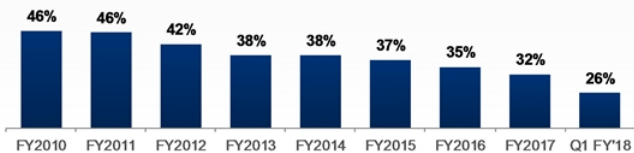
Paul Jacobs
Qualcomm CEO
March 2, 2010

"...we've been investing [in] LTE technology, and we really believe that we are in a product leadership position ... and because we are the leaders in the 3G technology, because [we've] been investing very heavily in this LTE technology, we believe strongly and our experience to date is that we will be the leaders [in] 4G as well. So really exciting opportunity there."

Stock Chart



EBT Margin



Note: Market data as of 11/2/2017, Qualcomm's last unaffected date; non-GAAP financials presented

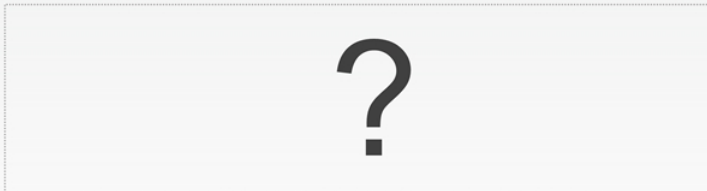
...Why Will 5G Be Any Different?



Steve Mollenkopf
Qualcomm CEO
July 19, 2017

"We are ramping investments necessary to extend our leadership position in 5G as operators and customers seek to accelerate their launch date.... The modem technology and complexity is increasing, and we believe we can continue to outperform our competitors with our level of 5G innovation. It is clear that our technology position and product road map are as strong as they have ever been."

Stock Chart

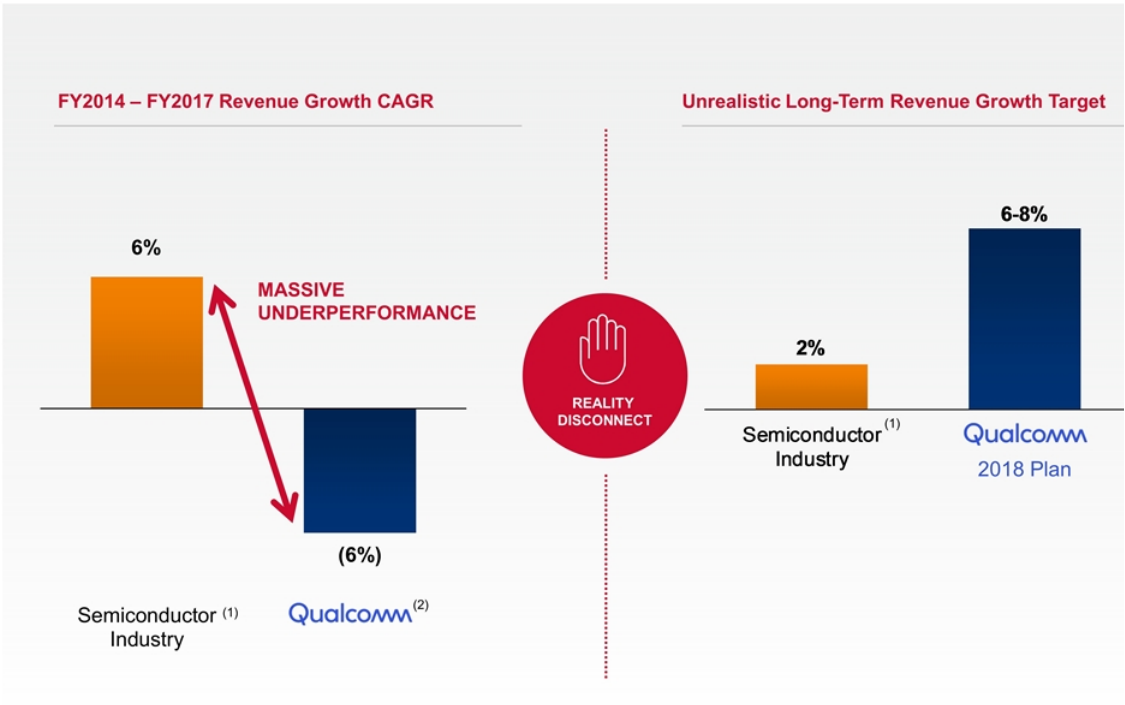


EBT Margin



Qualcomm is in Decline

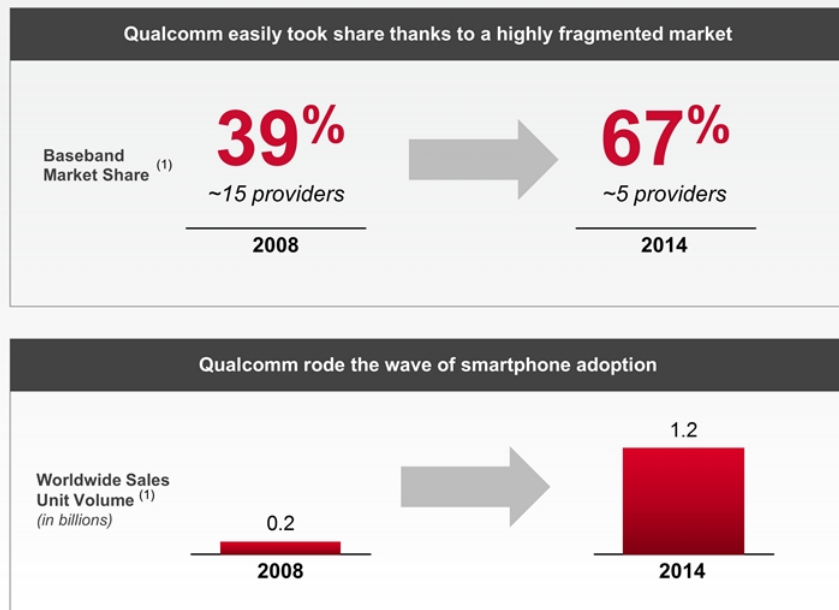
Qualcomm's Poor Execution Has Resulted in Significant Revenue Declines During a Period of Strong Industry Growth



1) Per Gartner
2) QCT and Qualcomm revenue pro forma for CSR acquisition in 2014 and excludes TDK JV revenue contribution based on filings and press releases

Qualcomm is Overstating its 5G Growth Opportunities

Qualcomm's 4G Growth Benefitted From a Unique Set of Tailwinds



1) Per Gartner

The 5G Transition Dynamics are Significantly Worse for Qualcomm

- ✗ Fewer baseband / app processor providers make share increases more difficult
- ✗ Smartphone market has matured
- ✗ Unclear which 5G "killer app" or device will drive initial growth

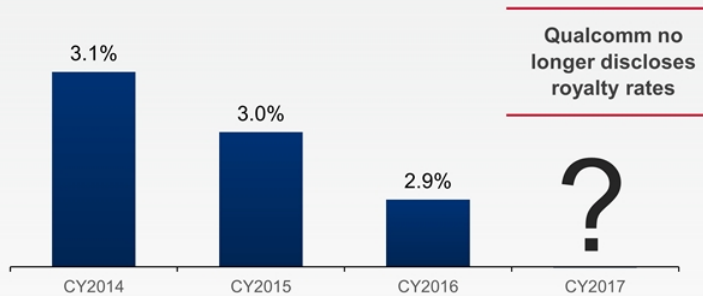
Qualcomm's Broken Business Model Impacts Results

Qualcomm Mobile Phone Application Specific Revenue is in Decline⁽¹⁾

(\$ in billions)



Downward Pressure on Implied QTL Royalty Rate⁽²⁾



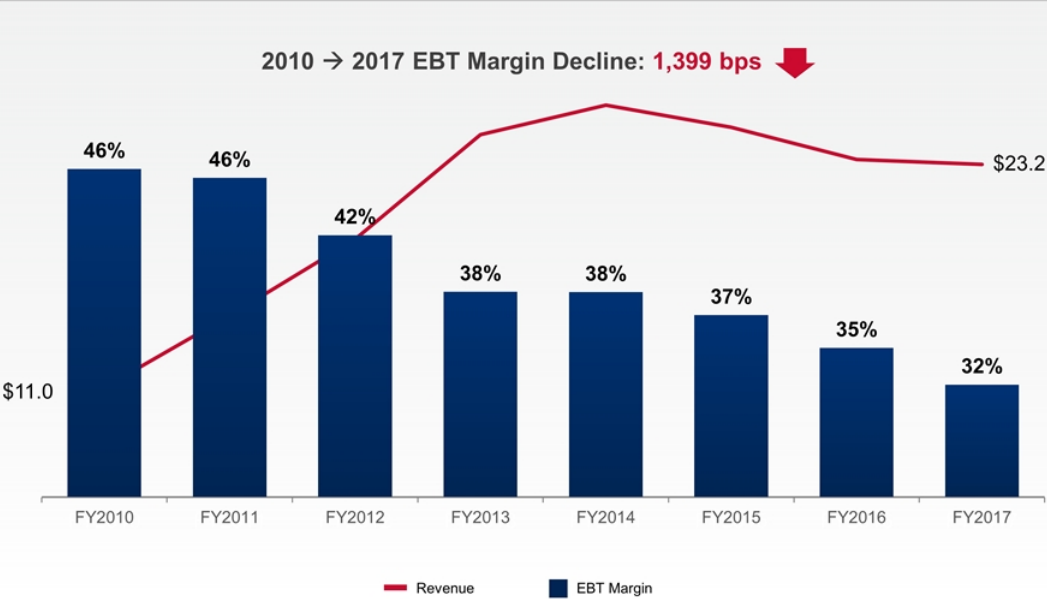
Qualcomm's Projected 6-8% Revenue Growth Rate is Unrealistic Given These Trends

1) Per Gartner
2) Calculated as QTL revenue divided by device shipments and divided by device ASP; data from Qualcomm Investor Presentation dated April 19, 2017

Qualcomm's Margins Have Declined Even When Revenue Has Grown...

Despite Rapid Revenue Growth During the 4G Transition, Qualcomm Failed to Create Positive Operating Leverage in its Business









Revenue and EBT Margin (\$ in billions)



Note: Non-GAAP financials presented

...And Qualcomm Has Significantly Underperformed its Peers

Qualcomm's Inability to Manage its Cost Structure Caused Profitability to Decline Precipitously

CAGR FY2014 – FY2017	Qualcomm	PEERS
Revenue	6% 	7% 
Gross Profit	5% 	10% 
EBT	10% 	17% 
Net Income	11% 	18% 

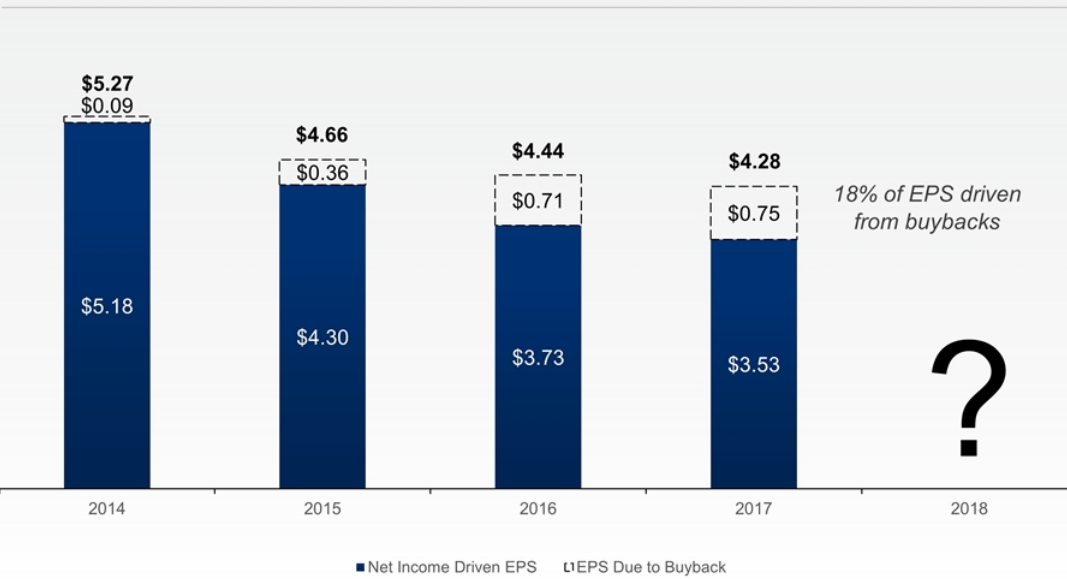
Note: EBT margin as reported; non-GAAP financials presented. Peer set consists of ADI, AVGO, INTC, MCHP, MXIM, NVDA, SWKS, TXN and XLNX. Financials pro forma for acquisitions

Share Repurchases Have Masked a Dramatic Earnings Decline

\$21B in Repurchases

Since FY2014 Mask
a 32% Decline In
Underlying EPS

Qualcomm EPS is Being Inflated by Stock Buybacks



Note: Non-GAAP financials presented; diluted EPS and shares presented

II. Qualcomm's Standalone Plan Rehashes 2015's Broken Promises and is Not Credible



Qualcomm's Broken Promises

- #1
Create Sustainable Value For Stockholders
- #2
QCT Growth
- #3
Cost Reductions
- #4
Operating Margins
- #5
Profitable Growth

2015 PLAN

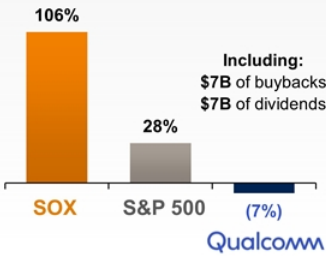


Steve Mollenkopf
CEO, July 22, 2015

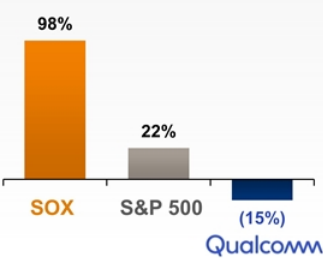
"We are committed to driving meaningful change to **improve our near-term performance** while preserving our ability to **create sustainable value over the long term...**"

BROKEN PROMISE

Total Returns Since 2015 Plan



Share Price Returns Since 2015 Plan



Note: Market data from 7/22/2015 to 11/2/2017

2018 PLAN



Steve Mollenkopf
CEO, Jan. 16, 2018

"We are **poised to excel** in an even larger market set of opportunities and to **deliver tremendous value** to Qualcomm stockholders"

?

Qualcomm's Broken Promises

- #1
Create Sustainable
Value For Stockholders
- #2
QCT Growth
- #3
Cost Reductions
- #4
Operating Margins
- #5
Profitable Growth

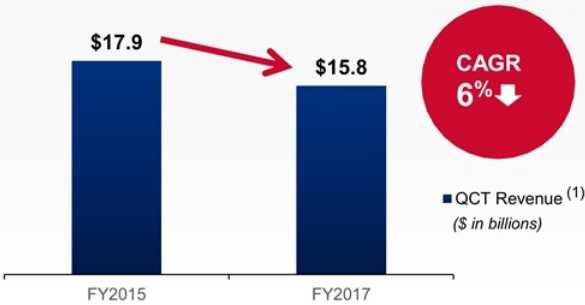
2015 PLAN



Steve Mollenkopf
CEO, July 22, 2015

"...we are investing in adjacent opportunities that are already delivering significant revenue for QCT today, and which will — which we **expect to drive meaningful growth for QCT in the coming years**"

BROKEN PROMISE



Note: Non-GAAP financials presented
1) Pro forma for ~\$780M CSR revenue before acquisition date of 8/13/2015; does not include reported revenue of \$676M from joint venture with TDK after transaction date of 2/3/2017

2018 PLAN



George Davis
CFO, Jan. 16, 2018

"Our ability to grow the business at **6%-8% annually over time** is underpinned by growth from the expansion of our service addressable market, or SAM, from \$23B in 2015 to \$150B in 2020"



Qualcomm's Broken Promises



2015 PLAN

Steve Mollenkopf
CEO, July 22, 2015

"...we are taking actions to substantially reduce costs, taking our fiscal 2015 spending base down by approximately **\$1.1 billion annually**"

BROKEN PROMISE

Fiscal Year	R&D	SG&A	Total OpEx
FY2015	~\$4.5	~\$2.5	\$7.0
FY2017	~\$4.0	~\$2.7	\$6.7

OpEx Decreases Only \$250M⁽¹⁾

■ SG&A
■ R&D
(\$ in billions)

Note: Non-GAAP financials presented

2018 PLAN

George Davis
CFO, Jan. 16, 2018

"Our estimate also reflects the benefits of a **new \$1 billion cost reduction program** we will be implementing immediately as we move to align our cost structure toward our long term margin targets"

?

Qualcomm's Broken Promises

- #1
Create Sustainable
Value For Stockholders
- #2
QCT Growth
- #3
Cost Reductions
- #4
Operating
Margins
- #5
Profitable Growth

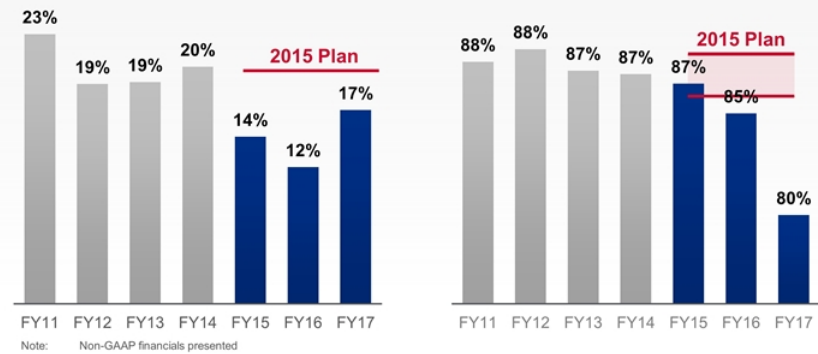
2015 PLAN


Steve Mollenkopf
CEO, July 22, 2015

"We are continuing to target a
QCT operating margin of at
least 20%"

"We continue to target longer
term QTL margins in the
range of 86% to 88%"

BROKEN PROMISE



2018 PLAN


Steve Mollenkopf
CEO, Jan. 16, 2018

"For the long run, we expect to be growing
revenues at a minimum of 6% on average
per year while **delivering operating
margins of 40%**"

?

Qualcomm's Broken Promises

- #1
Create Sustainable
Value For Stockholders
- #2
QCT Growth
- #3
Cost Reductions
- #4
Operating Margins
- #5
Profitable
Growth

2015 PLAN


Steve Mollenkopf
CEO, July 22, 2015

"Improve execution, enhance financial performance and drive more profitable growth across the company"

BROKEN PROMISE

	FY2015	FY2016	FY2017	Unrealistic 2018 Plan
Revenue Growth	(5%)	(7%)	(1%)	6% – 8%
Operating Margin	34%	33%	31%	40%
EPS Growth	(12%)	(5%)	(4%)	12% – 16% (2x rev growth)

2018 PLAN


Steve Mollenkopf, CEO
George Davis, CFO
Jan. 16, 2018

"Execution of our strategy over the next ye will make the company even more valuable.. and support our expectation of non-GAAP E growth of 2x revenue growth"

?

Qualcomm's FY2019 Projections Are Not Credible...

Given Qualcomm's Broken Promises, Should Investors Really Believe Qualcomm Can Accurately Project Two Years Forward?

FY2019 EPS



2018 Plan

Unrealistic Assumptions

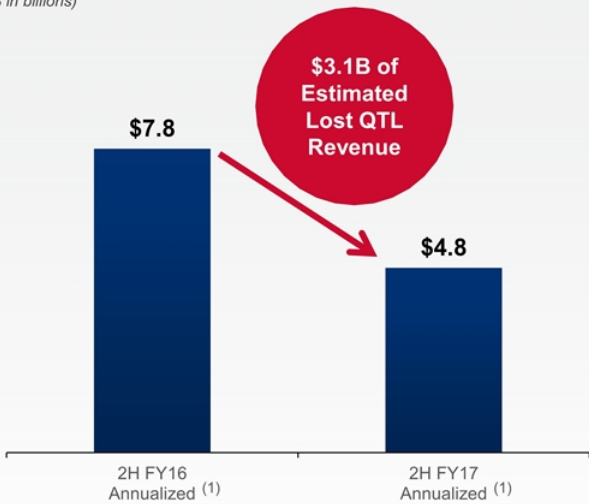
Revenue Growth 6 - 8%	3-4x semi industry estimates
EPS Growth 2x	Only grown EPS faster than revenue three times in 10 years
Cost Reductions	Unable to achieve previous commitments
Licensing Resolutions	Plan assumes more revenue recaptured than lost

Note: Consensus estimates as of 2/2/2018

... And Have Unrealistic Dispute Resolution Assumptions

Annualized QTL Revenue

(\$ in billions)



Midpoint of Qualcomm's FY2019 EPS target assumes restoration of

\$3.25B in lost revenue

from its licensing program, levels higher than when the disputes first arose

Qualcomm Plan Assumes Licensing Revenue Will Resume at Higher Levels Than Before

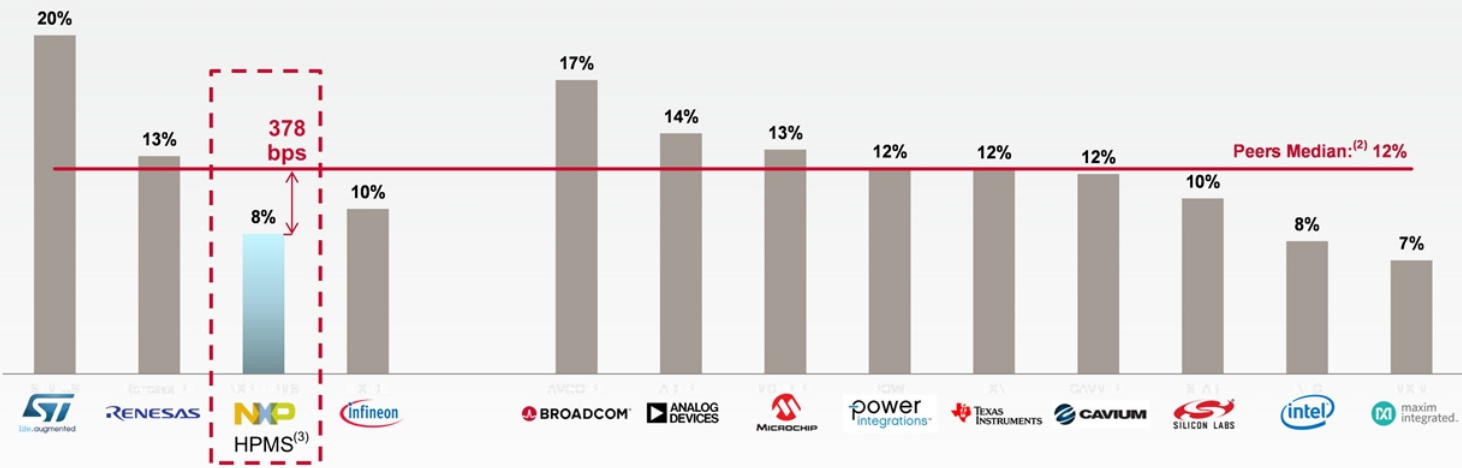
1) Last two quarters of fiscal year annualized

III. NXP Will Not Solve Qualcomm's Problems







NXP Has Failed to Keep Pace With Industry Growth and Severely Lagged its Peers in 2017

CY2017 YoY Average Revenue Growth⁽¹⁾



1) ADI revenue pro forma for the LLTC acquisition, AVGO revenue pro forma for the BRCD acquisition, CAVM revenue pro forma for the QLGC acquisition, Intel revenue is adjusted for the Mobileye acquisition and McAfee divestiture, MCHP revenue pro forma for the ATML acquisition, NXPI revenue pro forma for the Standard Products divestiture and Renesas revenue pro forma for the ISIL acquisition
2) Peers as defined by NXP in most recent annual filing or Form 20-F include Analog Devices, Broadcom, Cavium, Infineon, Intel, Maxim Integrated Products, Microchip, Power Integrations, Renesas, Silicon Laboratories, STMicroelectronics and Texas Instruments
3) NXP HPMS excludes Corporate & Other Revenue

NXP is a Savvy Seller

ANNOUNCED	BUYER	DEAL VALUE	TRANSACTION	OBSERVATIONS
April 2008	 life.augmented	\$1.6 Billion	Sale of 80% of Cellular Baseband business	<ul style="list-style-type: none"> ✗ Contributed to a Joint Venture with Ericsson in 2009 ✗ Subsequently dissolved in 2013
December 2010		\$855 Million	Sale of Sound Solutions business	<ul style="list-style-type: none"> ✗ In 2015, the speaker business lost \$272 million (on \$235 million of revenue) ✗ Sold in 2016 for \$45mm following large write downs and losses
May 2015		\$1.8 Billion	Sale of RF Power business	<ul style="list-style-type: none"> ✗ RF market downturn following sale
June 2016	 Wise Road Capital	\$2.8 Billion	Sale of Standard Products business	<ul style="list-style-type: none"> ✗ Buyers paid a rich multiple (2.3x LTM revenues, 65% above ON Semiconductor's multiple at the time and 35% above the ON/Fairchild acquisition multiple)

IV. Broadcom's Offer Provides Significantly More Value to Qualcomm Stockholders Than Any Other Alternative



Broadcom's Proposal Offers a Significant Premium

Broadcom's Highly Attractive Proposal Delivers Certainty of Value with Equity Upside Potential for Qualcomm Stockholders

Qualcomm Share Price Performance



Note: Market data as of 11/2/2017, Qualcomm's last unaffected date; VWAP based on trading days

Broadcom's Proposal is in Elite Territory

Broadcom's Substantial Premium Offers Qualcomm Stockholders Top-Performing Equity Returns

Premiums Paid in M&A Transactions Since 2001

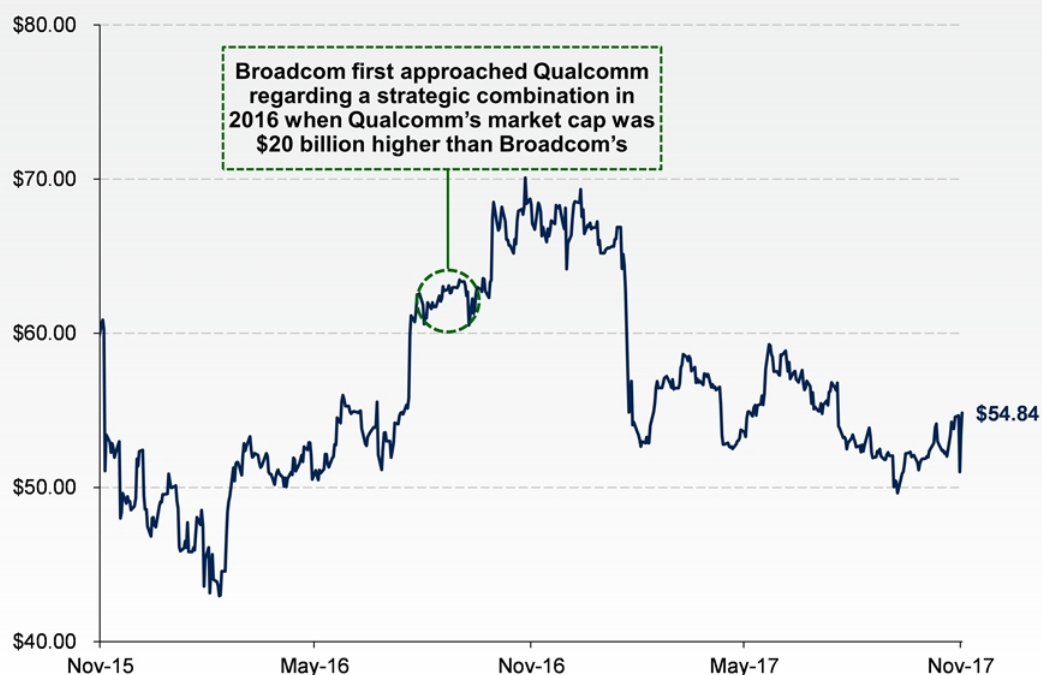


Source: Thomson One
Note: Announced transactions greater than \$25bn from 1/1/2001 to 2/2/2018, excluding transactions with financially distressed targets

Broadcom's Offer is Clearly Not Opportunistic

Qualcomm is Trading Well Below Peak Value Because of its Own Poor Decisions:

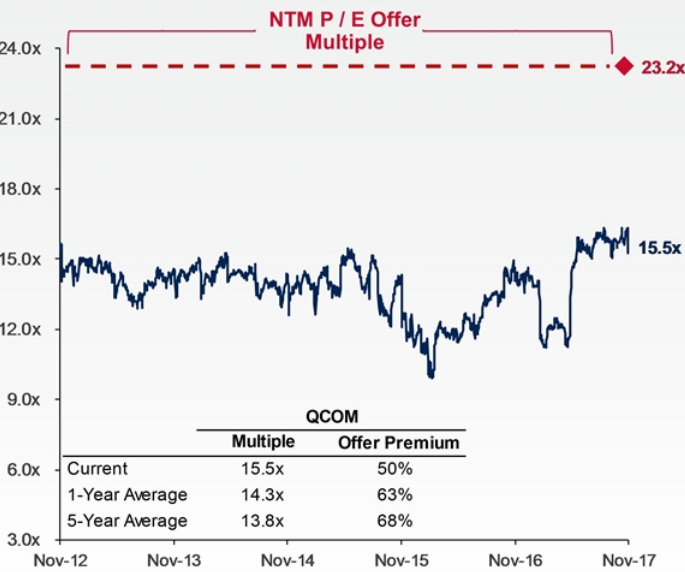
- Major customer disputes
- Combative regulatory relationships
- Diminishing market position
- Declining profit margins



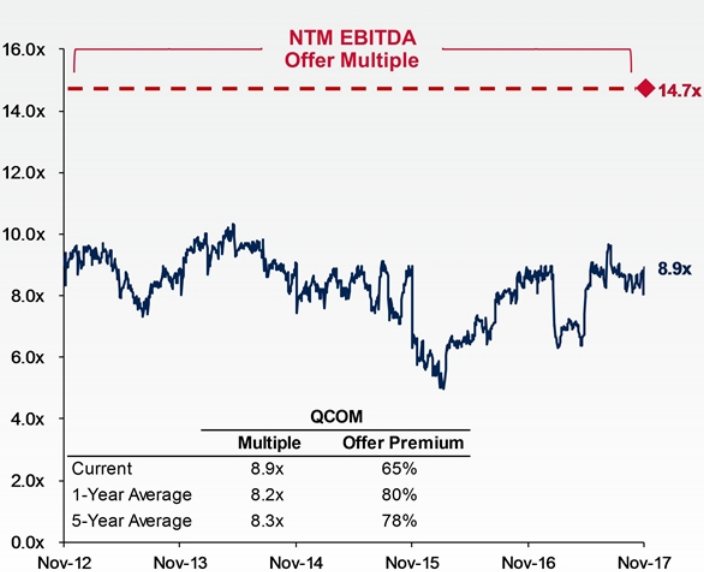
Note: Market data as of 11/2/2017, Qualcomm's last unaffected date

Broadcom's Offer Ascribes a Premium Multiple to Qualcomm

Qualcomm Historical NTM P / E Multiple⁽¹⁾

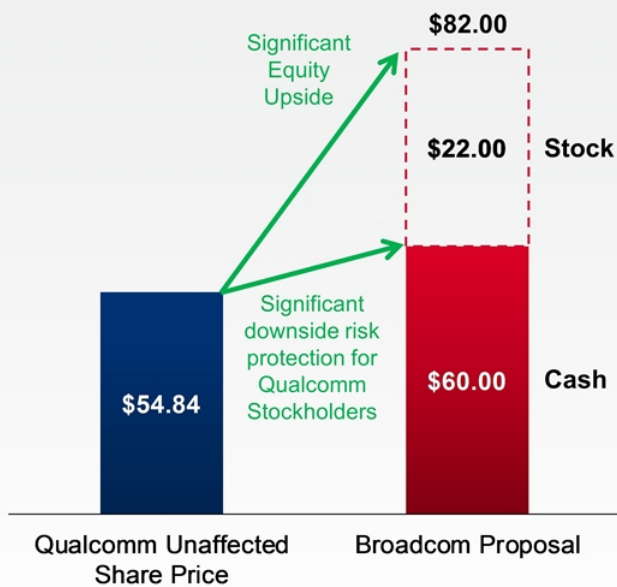


Qualcomm Historical NTM EBITDA Multiple⁽¹⁾



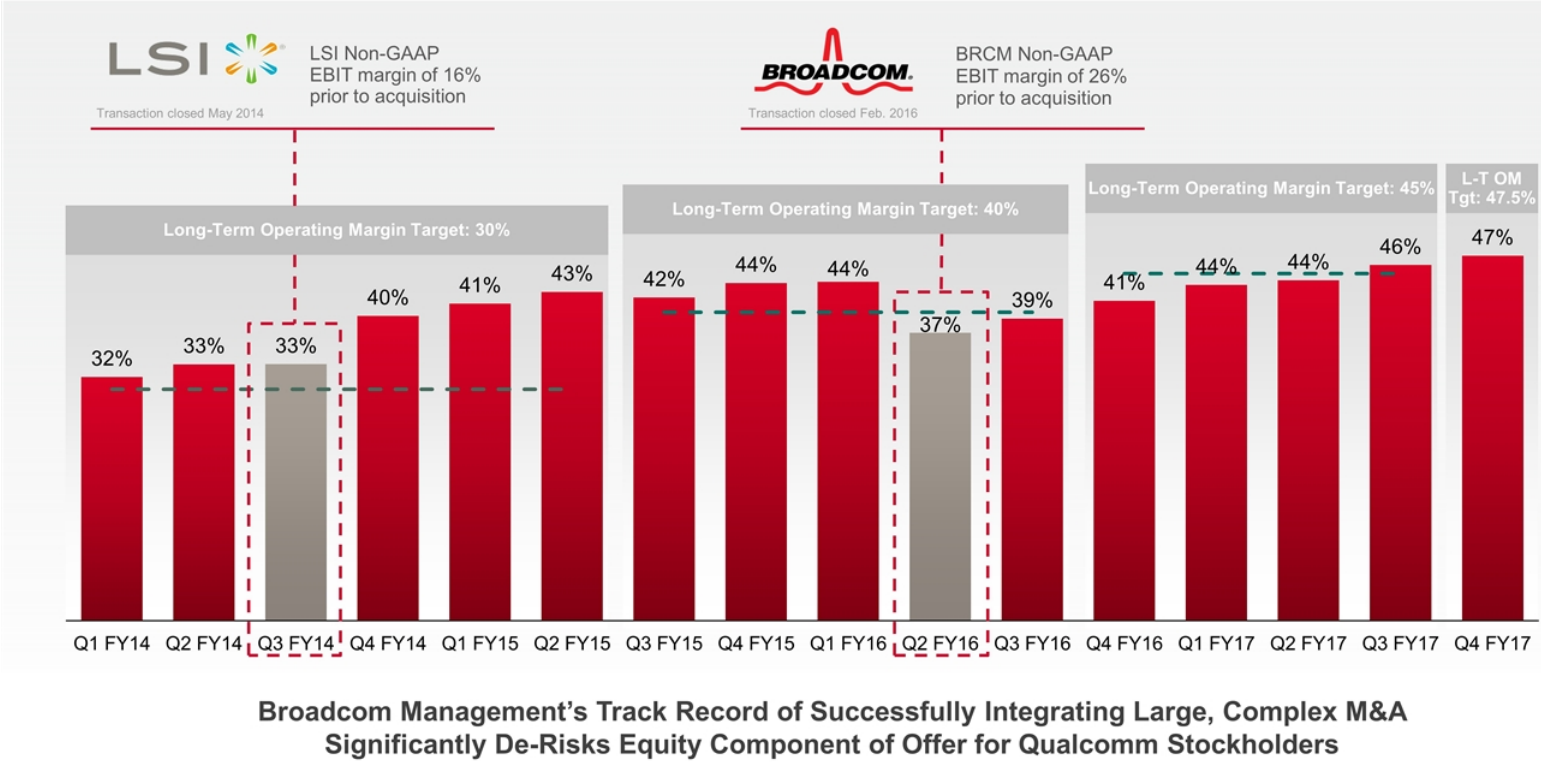
1) Market data as of 11/2/2017, Qualcomm's last unaffected date; based on consensus estimates, not pro forma for NXP acquisition

Proposal Provides Qualcomm Stockholders With Substantial Upside Potential and Downside Protection



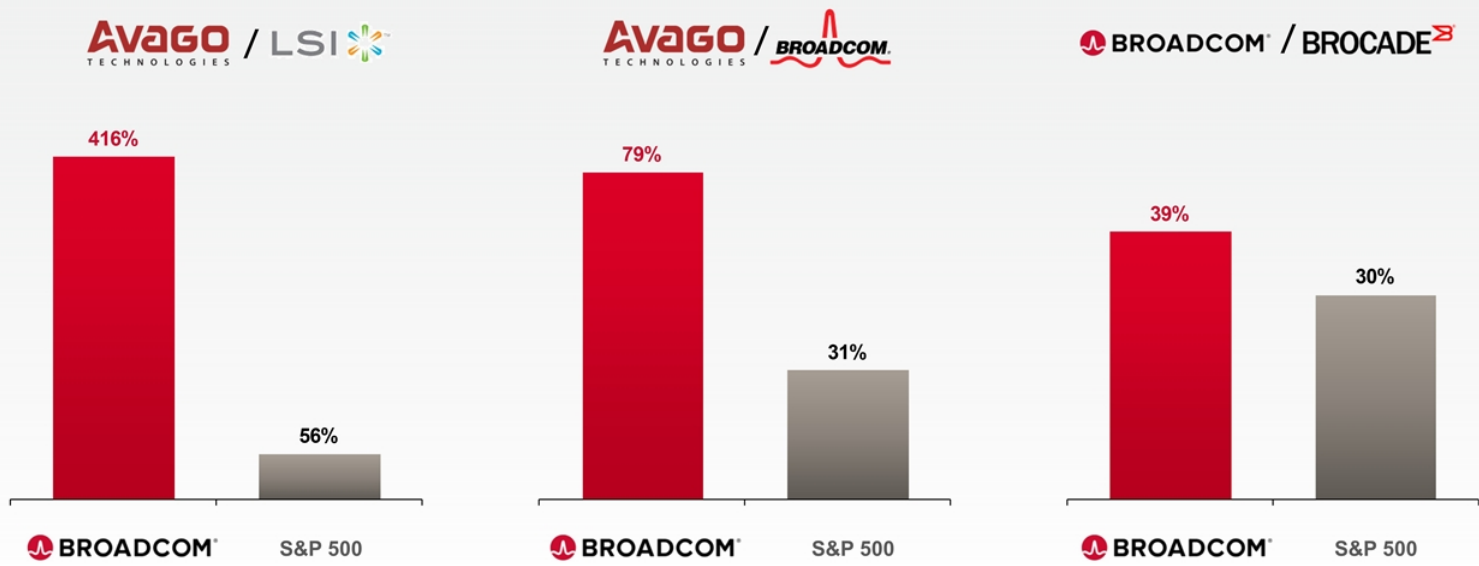
- **Cash component crystallizes \$60 in value** – on its own a premium to Qualcomm's unaffected share price
- Stock component affords participation in combined company's significant upside potential
 - Broadcom has an unmatched track record of execution and price appreciation following M&A transactions

Broadcom Has a Proven Track Record of Successful Integrations...



...And Post-Announcement Value Creation

Broadcom Returns Following Transaction Announcement / Rumor⁽¹⁾



Broadcom Has a Proven Track Record of Considerable Share Price Appreciation Following Acquisitions

¹⁾ Broadcom returns from day prior to announcement or rumor (12/13/2013, 5/26/2015 and 10/28/2016) to 2/2/2018

V. Broadcom's Offer Provides Substantial
Deal Certainty and a Clear Path to
Completion for Qualcomm Stockholders



Broadcom Successfully Closes Transactions in a Timely Manner



\$36.1B

Months to Antitrust Approval	6
Months to Close	8
Asset Divestitures	2
Asset	Buyer
Wireless IoT Business	
uWave	



\$6.6B

Months to Antitrust Approval	4
Months to Close	5
Asset Divestitures	2
Asset	Buyer
Axxia Networking Business	
Flash Businesses	



\$5.9B

Months to Antitrust Approval	10
Months to Close	12
Asset Divestitures	6
Asset	Buyer
IP Networking / Ruckus	
Data Center Business	
Brocade Vyatta Software	
Brocade vEPC Assets	
Brocade vADC Assets	
Brocade SDN Controller	

Broadcom Has Fully Addressed Qualcomm's Regulatory Concerns

Broadcom is Confident
its Divestiture Plan and
Regulatory
Commitments Will
Enable Regulatory
Approval Within 12
Months

- Excellent M&A-related
divestiture track record

- **Product categories with significant overlap have already been addressed**
 - Broadcom's proposed merger agreement requires Broadcom to divest Qualcomm's Wi-Fi networking processor and RF Front End businesses
- **Other areas Qualcomm claims are issues, simply are not**
 - NFC: Broadcom divested its NFC business in August 2016
 - Wi-Fi/Bluetooth: These chips will be divested with the Wi-Fi networking segment
- **Broadcom has proposed a compelling package of antitrust provisions that reinforce Broadcom's commitment to gaining regulatory approvals**
 - Planned divestitures of businesses with overlap will significantly expedite regulatory approval process
 - Additional commitment to take any other actions required by regulatory agencies with respect to Qualcomm's other businesses and assets subject to the very high "Material Adverse Effect" standard
 - Generous ticking fee if the transaction closes later than 12 months post agreement
 - Highest ever regulatory reverse termination fee of \$8 billion

No Financing Condition: Broadcom Has Signed Binding Agreements to Fully Fund the Transaction and to Fund Post-Closing Working Capital Needs

\$100 Billion of Commitments

- 12 financial institutions have agreed to provide up to \$100 billion, including a \$5 billion revolving credit facility, and bridge financing
- Financial institutions include: BofA Merrill Lynch, Citigroup, affiliates of Deutsche Bank AG, J.P. Morgan, Mizuho, MUFG, SMBC, Wells Fargo, Scotiabank, BMO Capital Markets, RBC Capital Markets and Morgan Stanley

\$6 Billion in Convertible Notes

- Silver Lake, KKR and CVC have agreed to provide \$6 billion in convertible note financing


VI. Qualcomm Stockholders Deserve
Directors Who Will Secure the
Benefits of Broadcom's Highly
Compelling, Best and Final Proposal



Qualcomm's Response to Broadcom's Best and Final Offer is a Key Test of the Qualcomm Board's Judgment

- Recent History of Interactions with Qualcomm Following Broadcom's Public Proposal:

- Nov 13, 2017: Broadcom CEO contacted Qualcomm CEO to suggest a discussion between the companies ➡ **Qualcomm CEO: "Our press release speaks for itself"**
- Nov 17, 2017: Broadcom CEO contacted Qualcomm CEO requesting engagement ➡ **No response**
- Feb. 2, 2018: Broadcom CFO contacted Qualcomm's financial advisor to provide terms of an improved proposal, in hopes of engagement ➡ **No response**
- Feb 2, 2018: Broadcom's financial advisor contacted Qualcomm's financial advisor to provide terms of an improved proposal ➡ **Qualcomm's financial advisor: "Let me speak with my client today." No response thereafter**
- Feb 2, 2018: Broadcom's legal advisor contacted Qualcomm's legal advisor to provide terms of an improved proposal ➡ **No response**
- Feb 5, 2018: Broadcom publicly discloses \$82 per share best and final offer
- Feb 8, 2018: Qualcomm Board rejects \$82 per share offer but offers to meet with Broadcom
- Feb 8, 2018: Broadcom attempts to schedule meeting for Feb 9, 10, 11 ➡ **Qualcomm unwilling to meet until after ISS and Glass Lewis meetings**
- Feb 8, 2018: Broadcom publicly delivers signable, merger agreement highly favorable to Qualcomm and reiterates request for immediate meeting ➡ **Qualcomm remains unwilling to meet until after ISS and Glass Lewis meetings**
- Feb 14, 2018: Qualcomm to meet with Broadcom ➡ **Outcome: ?**



Having received a highly compelling, best and final offer, with clear and favorable deal terms and substantial deal certainty, in the form of a signable merger agreement...

Will the Qualcomm Board do what its stockholders desire and secure for them Broadcom's value-maximizing opportunity

?

Qualcomm Has Massively Underperformed the S&P 500 During the Tenure of Each Independent Director

Qualcomm Board
Has No Excuse if it
Fails to Secure
Broadcom's Value-
Maximizing Proposal



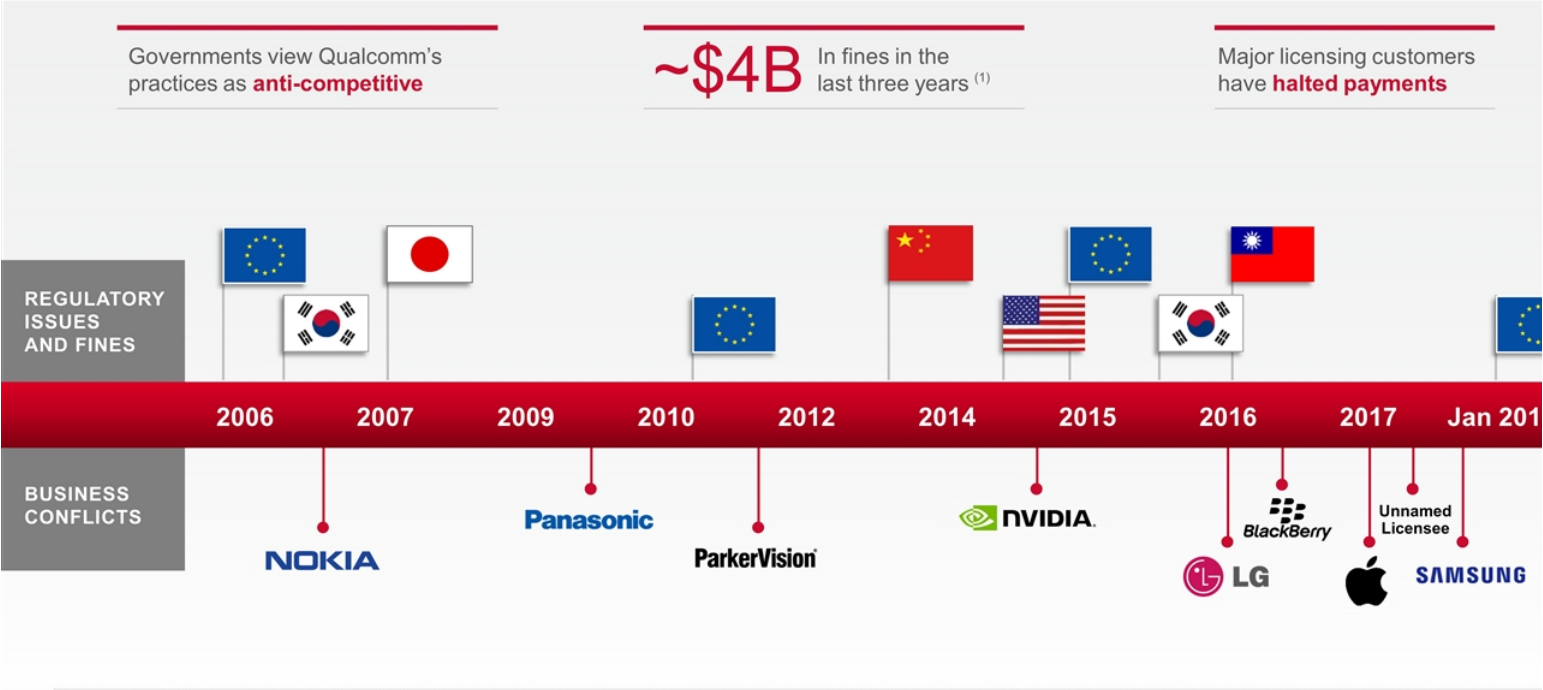
Steve Mollenkopf
CEO, Dec 7, 2017

"...world-class Board that has a strong resume not only outside of
Qualcomm, but **directly as to what they've done at Qualcomm**"

	Date Joined	Underperformance to S&P Since Joining
Barbara Alexander	7/31/2006	(47%) ↓
Thomas Horton	12/8/2008	(120%) ↓
Francisco Ros	12/6/2010	(97%) ↓
Clark Randt	10/6/2013	(72%) ↓
Harish Manwani	5/4/2014	(68%) ↓
Mark McLaughlin	7/22/2015	(37%) ↓
Tony Vinciguerra	7/22/2015	(37%) ↓
Jeffrey Henderson	1/12/2016	(15%) ↓
Ann Livermore	10/9/2016	(38%) ↓
Strategic Realignment Plan Announcement	7/22/2015	(37%) ↓

Note: Market data as of 11/2/2017, Qualcomm's last unaffected date






Qualcomm's Business Model Has Been Broken for a Long Time



1) Includes NDRC fine of \$975M, KFTC fine of \$927M, TFTC fine of \$778M and European Commission fine of \$1.2B

Qualcomm Board's Failed Supervision Has Resulted in Repeated Regulator Violations and Unfair Business Practices

Qualcomm's Board
Has Shown a Lack of
Leadership,
Maintaining the Status
Quo Despite Repeated
Regulatory Censure

 EU Commission	\$1.2B EU Fine	<i>"Qualcomm illegally shut out rivals from the market for LTE baseband chipsets for over five years, thereby cementing its market dominance. Qualcomm's behavior denied consumers and other companies more choice and innovation..."</i> European Commissioner of Competition, Margrethe Vestager, 1/24/18
 Taiwan - FTC	\$773M Taiwan Fine	<i>"It is supported by clear evidence that Qualcomm's conduct involved in its overall business model had damaged the competition in the baseband chip markets in order to secure, maintain and reinforce Qualcomm's dominant position in the baseband chip markets."</i> Taiwan Fair Trade Commission, 10/11/17
 US - FTC		<i>"Qualcomm's conduct has harmed competition and the competitive process."</i> Federal Trade Commission Complaint, 1/17/18
 Fair Trade Commission Korea - FTC	\$853M South Korea Fine	<i>"Qualcomm has forced unilateral, unfair terms on licensing contracts without going through a fair calculation process."</i> Director Shin Young-Sun at the Korea Fair Trade Commission, 12/27/16
 PRC - NDRC	\$975M China Fine	<i>"Qualcomm is actually forcing Chinese licensees to accept its additional unfair and unreasonable licensing conditions in the sales of baseband chips."</i> NDRC of PRC, 2/10/18

Despite All of Its Execution Challenges and Issues, Qualcomm’s Board Has Not Brought in External Perspectives

		Title	Tenure
Business Leadership	Paul Jacobs	• Executive Chairman and Board Chairman, Qualcomm	27 years
	Steve Mollenkopf	• CEO, Qualcomm	24 years
	Cristiano Amon	• President, Qualcomm	23 years
	Matthew Grob	• EVP, Technology Qualcomm Technologies	27 years
	James Thompson	• EVP, Engineering Qualcomm Technologies and CTO	26 years
	Alexander Rogers	• EVP and President, Qualcomm Technology Licensing	17 years
Average Tenure			24 years
Operational Executives	Donald Rosenberg	• EVP, General Counsel and Corporate Secretary	11 years
	George Davis	• EVP and CFO, Qualcomm	5 years
	Brian Modoff	• EVP, Strategy and M&A, Qualcomm	3 years
	Michelle Sterling	• EVP, Human Resources, Qualcomm	14 years
Average Tenure			8 years

Qualcomm's Existing Directors Have Taken Defensive Actions

Instead of Transacting with Broadcom, Qualcomm has Taken Defensive and Value Destructive Actions

- New severance plan implemented by incumbent Qualcomm Board and management is the **epitome of entrenchment**
 - If the current Qualcomm Board terminates employees, there is no penalty, but if a new Qualcomm Board takes the exact same action, it results in **additional and significant costs to shareholders**
 - This new severance plan raises even more questions given Qualcomm's \$1 billion cost reduction plan and purported \$500 million of synergies from NXP both of which undoubtedly will include employee layoffs
- **Amended the definition of “change of control”** for purposes of double-trigger equity award acceleration for all employees, including executive officers, to include losing a proxy fight

How Should You Vote?



BLUE CARD

- ✓ Vote for **independent nominees** who are committed to **maximizing value** for all Qualcomm stockholders
- ✓ Vote for **independent nominees** to give Qualcomm stockholders the opportunity to obtain **significant benefits** of Broadcom's **value-maximizing proposal**



WHITE CARD

- ✗ Vote for existing directors who have **failed** to secure for Qualcomm stockholders Broadcom's value maximizing proposal
- ✗ Vote to give current leadership more time to **underperform** while watching peers continue to execute



VOTE THE ENTIRE BLUE CARD

