

ModernGraham Valuation

Company Name:

QUALCOMM, Inc.

Company Ticker QCOM

Date of Analysis

3/9/2019



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$64,787,678,702	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.54	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-78.35%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	41.16	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	18.10	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.54	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.68	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.30
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$18.86
MG Value based on 0% Growth	\$11.06
Market Implied Growth Rate	16.33%

MG Opinion

Current Price	\$53.53
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

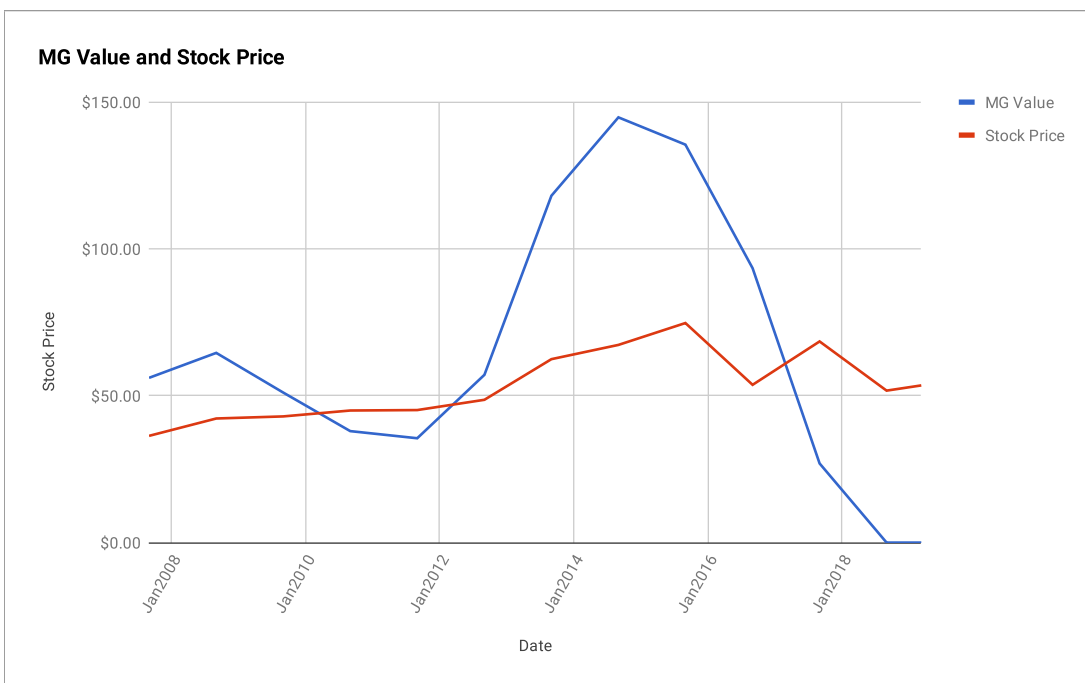
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$11.72
Graham Number	\$7.63
PEmg	41.16
Current Ratio	1.54
PB Ratio	18.10
Current Dividend	\$2.38
Dividend Yield	4.45%
Number of Consecutive Years of Dividend Growth	17

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.40	Next Fiscal Year Estimate	\$1.30
Sep2018	-\$3.32	Sep2018	\$0.83
Sep2017	\$1.65	Sep2017	\$3.09
Sep2016	\$3.81	Sep2016	\$3.81
Sep2015	\$3.22	Sep2015	\$3.73
Sep2014	\$4.65	Sep2014	\$3.76
Sep2013	\$3.91	Sep2013	\$3.07
Sep2012	\$3.51	Sep2012	\$2.49
Sep2011	\$2.52	Sep2011	\$1.94
Sep2010	\$1.96	Sep2010	\$1.64
Sep2009	\$0.95	Sep2009	\$1.49
Sep2008	\$1.90	Sep2008	\$1.68
Sep2007	\$1.95	Sep2007	\$1.46
Sep2006	\$1.44	Sep2006	\$1.10
Sep2005	\$1.26	Sep2005	\$0.80
Sep2004	\$1.03	Sep2004	\$0.50
Sep2003	\$0.51	Sep2003	\$0.22
Sep2002	\$0.22	Balance Sheet Information 12/1/2018	
Sep2001	-\$0.38	Total Current Assets	\$16,294,000,000
Sep2000	\$0.43	Total Current Liabilities	\$10,556,000,000
Sep1999	\$0.16	Long-Term Debt	\$15,388,000,000
		Total Assets	\$34,246,000,000
		Intangible Assets	\$9,041,000,000
		Total Liabilities	\$30,629,000,000
		Shares Outstanding (Diluted Average)	1,223,000,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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