

QUALCOMM Incorporated
CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)

	September 29, 2019	September 30, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 11,839	\$ 11,777
Marketable securities	421	311
Accounts receivable, net	2,471	2,904
Inventories	1,400	1,693
Other current assets	634	699
Total current assets	16,765	17,384
Deferred tax assets	1,196	936
Property, plant and equipment, net	3,081	2,975
Goodwill	6,282	6,498
Other intangible assets, net	2,172	2,955
Other assets	3,461	1,970
Total assets	<u>\$ 32,957</u>	<u>\$ 32,718</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 1,368	\$ 1,825
Payroll and other benefits related liabilities	1,048	1,081
Unearned revenues	565	500
Short-term debt	2,496	1,005
Other current liabilities	3,458	6,978
Total current liabilities	8,935	11,389
Unearned revenues	1,160	1,620
Income taxes payable	2,088	2,312
Long-term debt	13,437	15,365
Other liabilities	2,428	1,225
Total liabilities	28,048	31,911
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Preferred stock, \$0.0001 par value; 8 shares authorized; none outstanding	—	—
Common stock and paid-in capital, \$0.0001 par value; 6,000 shares authorized; 1,145 and 1,219 shares issued and outstanding, respectively	343	—
Retained earnings	4,466	542
Accumulated other comprehensive income	100	265
Total stockholders' equity	4,909	807
Total liabilities and stockholders' equity	<u>\$ 32,957</u>	<u>\$ 32,718</u>

See accompanying notes.

QUALCOMM Incorporated
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)

	Year Ended		
	September 29, 2019	September 30, 2018	September 24, 2017
Revenues:			
Equipment and services	\$ 14,611	\$ 17,400	\$ 16,647
Licensing	9,662	5,211	5,611
Total revenues	24,273	22,611	22,258
Costs and expenses:			
Cost of revenues	8,599	10,244	9,792
Research and development	5,398	5,625	5,485
Selling, general and administrative	2,195	2,986	2,658
Other	414	3,135	1,742
Total costs and expenses	16,606	21,990	19,677
Operating income	7,667	621	2,581
Interest expense	(627)	(768)	(494)
Investment and other income, net	441	539	900
Income before income taxes	7,481	392	2,987
Income tax expense	(3,095)	(5,356)	(543)
Net income (loss)	4,386	(4,964)	2,444
Net loss attributable to noncontrolling interests	—	—	1
Net income (loss) attributable to Qualcomm	\$ 4,386	\$ (4,964)	\$ 2,445
Basic earnings (loss) per share attributable to Qualcomm	\$ 3.63	\$ (3.39)	\$ 1.66
Diluted earnings (loss) per share attributable to Qualcomm	\$ 3.59	\$ (3.39)	\$ 1.64
Shares used in per share calculations:			
Basic	1,210	1,463	1,477
Diluted	1,220	1,463	1,490

See accompanying notes.

QUALCOMM Incorporated
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended		
	September 29, 2019	September 30, 2018	September 24, 2017
Operating Activities:			
Net income (loss)	\$ 4,386	\$ (4,964)	\$ 2,444
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization expense	1,401	1,561	1,461
Income tax provision in excess of (less than) income tax payments	1,976	4,481	(412)
Non-cash portion of share-based compensation expense	1,037	883	914
Net gains on marketable securities and other investments	(356)	(124)	(530)
Indefinite and long-lived asset impairment charges	203	273	76
Impairment losses on marketable securities and other investments	135	75	177
Other items, net	(272)	(49)	(26)
Changes in assets and liabilities:			
Accounts receivable, net	1,373	734	(1,104)
Inventories	273	337	(200)
Other assets	78	24	136
Trade accounts payable	(443)	(94)	(45)
Payroll, benefits and other liabilities	(2,376)	1,005	2,341
Unearned revenues	(129)	(234)	(231)
Net cash provided by operating activities	7,286	3,908	5,001
Investing Activities:			
Capital expenditures	(887)	(784)	(690)
Purchases of debt and equity marketable securities	—	(5,936)	(19,062)
Proceeds from sales and maturities of debt and equity marketable securities	139	9,188	41,715
Purchases of other marketable securities	—	(49)	(2,010)
Proceeds from sales and maturities of other marketable securities	—	50	2,006
Acquisitions and other investments, net of cash acquired	(252)	(326)	(1,544)
Proceeds from other investments	68	222	23
Other items, net	126	16	25
Net cash (used) provided by investing activities	(806)	2,381	20,463
Financing Activities:			
Proceeds from short-term debt	5,989	11,131	8,558
Repayment of short-term debt	(6,492)	(11,127)	(9,309)
Proceeds from long-term debt	—	—	10,953
Repayment of long-term debt	—	(5,513)	—
Proceeds from issuance of common stock	414	603	497
Repurchases and retirements of common stock	(1,793)	(22,580)	(1,342)
Dividends paid	(2,968)	(3,466)	(3,252)
Payments of tax withholdings related to vesting of share-based awards	(266)	(280)	(268)
Payment of purchase consideration related to RF360 Holdings	(1,163)	(157)	(115)
Other items, net	(107)	(111)	(151)
Net cash (used) provided by financing activities	(6,386)	(31,500)	5,571
Effect of exchange rate changes on cash and cash equivalents	(32)	(41)	48
Net increase (decrease) in total cash and cash equivalents	62	(25,252)	31,083
Total cash and cash equivalents at beginning of period	11,777	37,029	5,946
Total cash and cash equivalents at end of period	\$ 11,839	\$ 11,777	\$ 37,029
Reconciliation to the consolidated balance sheets			
Cash and cash equivalents	\$ 11,839	\$ 11,777	\$ 35,029
Restricted cash and restricted cash equivalents included in other assets	—	—	2,000
Total cash and cash equivalents at end of period	\$ 11,839	\$ 11,777	\$ 37,029

See accompanying notes.