

QUALCOMM Incorporated
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Three Months Ended				Twelve
	September 28, 2003	June 29, 2003	March 30, 2003	December 29, 2002	Months Ended September 28, 2003
Operating Activities:					
Net income	\$ 291,402	\$ 191,689	\$ 103,016	\$ 241,334	\$ 827,441
Depreciation and amortization	47,125	43,043	46,349	43,177	179,694
Asset impairment charges	-	34,113	160,145	-	194,258
Net realized gains on marketable securities and other investments	(33,411)	(28,139)	(9,972)	(1,296)	(72,818)
Change in fair values of derivative investments	1,940	1,381	(106)	(14)	3,201
Other-than-temporary losses on marketable securities and other investments	26,801	21,105	23,967	66,583	138,456
Minority interest in loss of consolidated subsidiaries	(154)	(242)	(22,733)	(13,820)	(36,949)
Equity in losses of investees	15,751	21,038	56,526	32,700	126,015
Non-cash income tax expense	(27,666)	165,017	58,986	136,627	332,964
Other non-cash charges and credits	16,950	(11,939)	8,739	13,150	26,900
Increase (decrease) in cash resulting from changes in:					
Proceeds of trading securities	-	-	2,085	-	2,085
Accounts receivable, net	131,866	(74,894)	133,020	(129,674)	60,318
Inventories, net	13,044	29,854	(43,335)	(20,866)	(21,303)
Other assets	14,633	(14,123)	21,416	(14,624)	7,302
Trade accounts payable	22,524	(16,403)	(9,269)	(9,663)	(12,811)
Payroll, benefits, and other liabilities	30,863	(11,991)	23,278	(1,545)	40,605
Unearned revenue	(24,210)	(4,410)	26,732	(11,586)	(13,474)
Net cash provided by operating activities	<u>527,458</u>	<u>345,099</u>	<u>578,844</u>	<u>330,483</u>	<u>1,781,884</u>
Investing Activities:					
Capital expenditures	(44,616)	(55,035)	(49,410)	(81,561)	(230,622)
Purchases of wireless licenses	-	-	-	(8,247)	(8,247)
Purchases of available-for-sale securities	(1,582,288)	(1,453,247)	(608,886)	(840,036)	(4,484,457)
Proceeds from sale of available-for-sale securities	1,473,475	694,385	600,539	415,046	3,183,445
Purchases of held-to-maturity securities	(170,109)	(25,067)	(93,595)	(66,611)	(355,382)
Maturities of held-to-maturity securities	51,100	129,773	27,672	48,480	257,025
Issuance of finance receivables	(985)	(1,040)	(7,281)	(140,740)	(150,046)
Collection of finance receivables	2,260	283,829	1,001	526,032	813,122
Issuance of notes receivable	(10,995)	(16,061)	(511)	(666)	(28,233)
Collection of notes receivable	-	-	6	4,175	4,181
Proceeds from sale of other investments	4,131	-	-	-	4,131
Other investments and acquisitions	(3,656)	(2,062)	(7,747)	(23,991)	(37,456)
Other items, net	67	6,082	(4,019)	1,476	3,606
Net cash used by investing activities	<u>(281,616)</u>	<u>(438,443)</u>	<u>(142,231)</u>	<u>(166,643)</u>	<u>(1,028,933)</u>
Financing Activities:					
Net proceeds from issuance of common stock	58,797	19,980	56,823	55,873	191,473
Repurchase and retirement of common stock	-	(42,047)	(116,441)	-	(158,488)
Dividends	(55,769)	(79,007)	-	-	(134,776)
Proceeds from the issuance of long-term debt	1,231	1,036	3,856	1,764	7,887
Payments on long-term debt	(937)	(1,783)	(12,075)	(5,142)	(19,937)
Other items, net	-	(20)	-	20	-
Net cash (used) provided by financing activities	<u>3,322</u>	<u>(101,841)</u>	<u>(67,837)</u>	<u>52,515</u>	<u>(113,841)</u>
Effect of exchange rate changes on cash	1,105	169	772	(2,766)	(720)
Net (decrease) increase in cash and cash equivalents	<u>250,269</u>	<u>(195,016)</u>	<u>369,548</u>	<u>213,589</u>	<u>638,390</u>
Cash and cash equivalents at beginning of period	<u>1,794,825</u>	<u>1,989,841</u>	<u>1,620,293</u>	<u>1,406,704</u>	<u>1,406,704</u>
Cash and cash equivalents at end of period	<u><u>\$ 2,045,094</u></u>	<u><u>\$ 1,794,825</u></u>	<u><u>\$ 1,989,841</u></u>	<u><u>\$ 1,620,293</u></u>	<u><u>\$ 2,045,094</u></u>