

Ticker: <b>QCom</b>		Reported by: <i>Cliff Turrell</i>		Date: <b>5/17/13</b>	Comments
	L/Review SSG Data <b>11/15/12 4<sup>th</sup> Q 12</b>	Current SSG Data <b>5/17/13 2<sup>nd</sup> Q 13</b>		2 Qtrs since buy. Prcd 12/12 - 25 @ \$61.23, 1/13 - 10 @ \$64.41, 2/19 - 15 @ \$65.49, 4/13 - 15 @ \$64.02, avg \$63.35	
Price G/L	\$61.30	\$65.67		Gain / (Loss)	\$149.17 + \$12.50 Div = 3.9%
Sales Projection	12.3%	15%		Missed, <b>Exceeded</b> or Met SSG Expectations	Exceeded SSG – up 24.6% prior 12 mths, < 30%+ in 2011
Earnings Projection	12.7%	15%		Missed, <b>Exceeded</b> or Met SSG Expectations	Exceeded SSG – 25% up prior 12 moths
Started Projection from <sup>i</sup>	TL	x	TL		
	LAD		LAD		
	LQD		LQD	x	
<b>Section 2</b>					
2A Pre Tax Pr on Sales % (U,D or E)	2012 34.3% Even Avg was 34.3%	2012 34.3% Even Avg was 34.3%		Significant Changes?	Trending up from 08/09, seems to be 35% or so “normalized”
2B, % return on Equity	2012 19.1%, Avg was 17.0%, UP	2012 19.1% Avg 17.0% so UP		Significant Changes?	Trending up
2C, % Debt /E	No debt	No Debt			N/A no change
<b>Section 3</b>					
Average P/E	High 30.3, Low 17.5	High 30.3 Low 17.5		Significant Changes?	UP with current PE
Current P/E	20.1	18.5 @ current price		Significant Changes?	Yes – DOWN
Relative Value	Appr 100 not in on-line study reports	77.4 (projected 67.3)		Significant Changes?	Shares appear “cheap” but are locked in narrow price band!
<b>Section 4</b>					
Selected High P/E	23	23		Significant Changes?	Similar to 2012 high PE of 22.5
Selected Low P/E	14.5	14.5		Significant Changes?	Left as original – 2012 low PE 15.2
Selected Low Price	\$44.30	\$47.10		Significant Changes?	Increase due to increased earnings
USDS Ratio	3.9 : 1	5.3 : 1		Significant Changes?	QCom seems stuck in “undervalued” situation
<b>Section 5</b>					
Total Return	PAR 13.0% incl 1.8% dividend	PAR 17.5% includes 2.2% dividend		QCom continues to look like a Buy. Suggest we HOLD as the stock just cannot break out of trading range	
<b>PERT-A or Quarter Trend Analysis Changes (Percent of Changes)</b>					
	Quarter year ago	Last Quarter		12 Pr Mth Yr ago	12 Pr Mths C/Year
Earnings	\$0.84	\$1.06 = +26.2%		\$2.95	\$3.55 = +25%
PreTaxProfit	\$1,734	\$2,136 = +23%		\$6,053	\$7,569 = +25%
Sales	\$4,943	\$6,124 = + 23.9%		\$17,364	\$21,638 = +24.6%
PERT-A Comments <i>Strong growth in past three years, continues in first 6 months of 2013. but price stuck!</i>					
Were the company’s own expectations met?					
Were there any significant judgment changes? <i>Some analysts see strong growth in next 24 months or so, then tapering down with new competition and 3G technology being dated. Stock is unable to break out from narrow trading band. S&amp;P has STRONG BUY and **** in Morningstar</i>					
Is the company currently an SSG BUY, SELL or HOLD? <i>Buy at present prices</i>					
What is your recommendation? <i>QCom is 4.8% of Portfolio, still a BUY but suggest we HOLD</i>					

<sup>1 1</sup> TL = Trend Line, LAD = Last Annual Data, LQD = Last Quarter Data

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