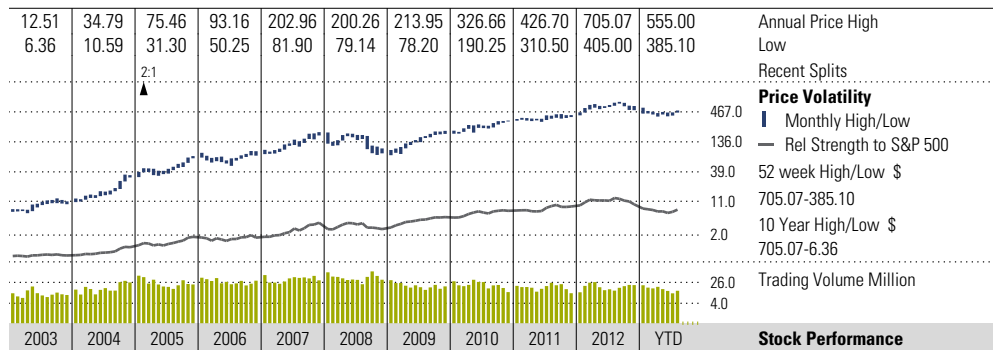


Apple Inc(USD) AAPL

Last Close \$ \$489.57
Sales \$Mil \$169,404
Mkt Cap \$Mil \$444,773
Industry Consumer Electronics
Currency USD

Apple Inc designs, manufactures, and markets personal computers, mobile communication devices, media devices and portable digital music and video players and sells a variety of related software, services, peripherals, and networking solutions.

Morningstar Rating ★★★★★
Fair Value Uncertainty High
Fair Value \$600.00
Economic Moat Narrow
Style Large Core
Sector Technology



1 Infinite Loop
 Cupertino, CA 95014
 Phone: +1 408 996-1010
 Website: <http://www.apple.com>

Growth Rates Compound Annual					
Grade: A	1 Yr	3 Yr	5 Yr	10 Yr	
Revenue %	44.6	53.9	45.5	39.2	
Operating Income %	63.5	67.6	65.8	124.5	
Earnings/Share %	59.5	69.4	62.2	85.8	
Dividends %	—	—	—	—	
Book Value/Share %	52.7	53.0	49.8	36.3	
Stock Total Return	-20.5	26.4	22.9	47.9	
+/- Industry	-57.7	28.7	27.0	46.1	
+/- Market	-43.9	7.7	14.9	40.1	

Profitability Analysis				
Grade: A	Current	5 Yr Avg	Ind	Mkt
Return on Equity %	32.1	36.7	21.6	19.7
Return on Assets %	20.8	23.6	9.3	8.0
Revenue/Employee \$K	2327.0	1482.9	—	1024.4
Fixed Asset Turns	12.6	16.2	7.5	7.0
Inventory Turns	74.2	69.1*	9.4	11.4
Gross Margin %	38.3	39.8	33.5	42.4
Operating Margin %	29.5	28.9	10.8	18.8
Net Margin %	22.3	21.5	11.8	13.4
Free Cash Flow/Rev %	25.2	24.6	13.4	11.7
R&D/Rev %	2.2	2.6	2.0	—

Financial Position (USD)			
Grade: B	09-12 \$Mil	06-13 \$Mil	
Cash	10746	11248	
Inventories	791	1697	
Receivables	18692	13453	
Current Assets	57653	68219	
Fixed Assets	15452	16327	
Intangibles	5359	5875	
Total Assets	176064	199856	
Payables	22710	16806	
Short-Term Debt	—	—	
Current Liabilities	38542	36319	
Long-Term Debt	—	16958	
Total Liabilities	57854	76502	
Total Equity	118210	123354	

Valuation Analysis				
	Current	5 Yr Avg	Ind	Mkt
Price/Earnings	12.2	15.6	12.7	17.2
Forward P/E	11.3	—	—	15.4
Price/Cash Flow	8.7	10.7	7.8	10.3
Price/Free Cash Flow	10.8	12.5	11.2	34.3
Dividend Yield %	2.3	—	2.2	2.2
Price/Book	3.6	4.4	2.7	2.4
Price/Sales	2.7	3.3	1.5	2.7
PEG Ratio	1.2	—	—	2.2

*3Yr Avg data is displayed in place of 5 Yr Avg

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD	Stock Performance
49.1	201.4	123.3	18.0	133.5	-56.9	146.9	53.1	25.6	32.7	-6.4	Total Return %
20.4	190.5	118.3	2.2	128.0	-19.9	120.4	38.0	23.4	16.7	-26.7	+/- Market
26.8	190.7	115.4	9.6	112.1	-3.3	99.3	41.9	63.2	31.7	-34.8	+/- Industry
—	—	—	—	—	—	—	—	—	1.0	2.3	Dividend Yield %
7858	25893	60587	72901	173427	75997	190983	297089	377547	499696	444773	Market Cap \$Mil

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	TTM	Financials (USD)
6207	8279	13931	19315	24006	37491	42905	65225	108249	156508	169404	Revenue \$Mil
27.5	27.3	29.0	29.0	34.0	35.2	40.1	39.4	40.5	43.9	38.3	Gross Margin %
-1	313	1643	2453	4409	8327	11740	18385	33790	55241	49913	Oper Income \$Mil
0.0	3.8	11.8	12.7	18.4	22.2	27.4	28.2	31.2	35.3	29.5	Operating Margin %
69	266	1328	1989	3496	6119	8235	14013	25922	41733	37748	Net Income \$Mil
0.10	0.36	1.56	2.27	3.93	5.36	9.08	15.15	27.68	44.15	40.10	Earnings Per Share \$
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.65	11.00	Dividends \$
727	775	857	878	889	902	907	925	937	945	941	Shares Mil
5.89	7.20	9.94	13.07	19.19	25.73	39.47	59.35	96.60	135.62	135.78	Book Value Per Share \$
289	934	2535	2220	5470	9596	10159	18595	37529	50856	52894	Oper Cash Flow \$Mil
-164	-176	-260	-657	-986	-1199	-1213	-2121	-7452	-9402	-10271	Cap Spending \$Mil
125	758	2275	1563	4484	8397	8946	16474	30077	41454	42623	Free Cash Flow \$Mil

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	TTM	Profitability
1.1	3.6	13.6	13.9	16.4	19.9	19.7	22.8	27.1	28.5	20.8	Return on Assets %
1.7	5.7	21.2	22.9	28.5	33.2	30.5	35.3	41.7	42.8	32.1	Return on Equity %
0.95	1.11	1.42	1.35	1.13	1.22	1.03	1.06	1.13	1.07	0.93	Asset Turnover
1.1	3.2	9.5	10.3	14.6	16.3	19.2	21.5	24.0	26.7	22.3	Net Margin %
1.6	1.6	1.6	1.7	1.7	1.6	1.5	1.6	1.5	1.5	1.6	Financial Leverage

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	Financial Health (USD)
—	—	—	—	—	—	—	—	—	—	16958	Long-Term Debt \$Mil
4223	5076	7428	9984	14532	22297	31640	47791	76615	118210	123354	Total Equity \$Mil
—	—	—	—	—	—	—	—	—	—	0.14	Debt/Equity
3530	4404	6813	8038	12657	18645	20049	20956	17018	19111	31900	Working Capital \$Mil

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	TTM	Valuation
57.5	50.5	38.8	30.8	43.5	15.8	20.5	18.0	11.5	12.1	12.2	Price/Earnings
0.0	0.0	—	—	0.0	0.0	0.0	0.0	—	0.0	0.7	P/E vs. Market
1.2	2.6	3.8	3.6	6.7	2.3	4.1	3.9	3.0	3.1	2.7	Price/Sales
1.8	4.5	7.2	6.5	10.3	3.3	5.3	5.4	4.2	3.9	3.6	Price/Book
19.7	17.2	30.5	19.9	27.5	7.2	16.0	13.2	8.4	8.9	8.7	Price/Cash Flow

Quarterly Results (USD)					
Revenue \$Mil	Sep	Dec	Mar	Jun	
Most Recent	35966.0	54512.0	43603.0	35323.0	
Previous	28270.0	46333.0	39186.0	35023.0	
Rev Growth %	Sep	Dec	Mar	Jun	
Most Recent	27.2	17.7	11.3	0.9	
Previous	39.0	73.3	58.9	22.6	
Earnings Per Share \$	Sep	Dec	Mar	Jun	
Most Recent	8.67	13.81	10.09	7.47	
Previous	7.05	13.87	12.30	9.32	

Close Competitors				
	Mkt Cap \$Mil	Rev \$Mil	P/E	ROE%
Google, Inc. Class A	293475	55797	26.2	16.2
Microsoft Corporation	268474	77849	12.5	30.1

Major Fund Holders		% of shares
Vanguard Total Stock Mkt Idx		1.39
Vanguard 500 Index Inv		0.95
Vanguard Institutional Index I		0.94