



2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	© VALUE LINE PUB. LLC	26-28
.98	1.31	1.45	2.54	4.16	5.95	6.79	7.79	10.47	10.10	11.18	13.96	14.64	16.17	21.55	24.73	24.65	28.30	Sales per sh ^A	37.60
.16	.21	.25	.59	1.71	1.74	2.02	2.90	2.63	2.85	3.70	3.82	3.70	4.03	6.24	6.96	6.97	7.70	"Cash Flow" per sh	10.25
.14	.19	.22	.54	.99	1.58	1.42	1.61	2.31	2.08	2.30	2.98	2.97	3.28	5.61	6.11	6.13	6.50	Earnings per sh ^B	9.00
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.03	.04	.05	.08	.16	.32	.32	.41	.50	.60	.61	.70	.59	.43	.65	.67	.70	.80	Cap'l Spending per sh	1.00
.60	.85	1.10	1.86	2.94	4.50	4.91	4.75	5.35	6.01	6.54	5.63	5.09	3.85	3.72	3.18	4.00	4.45	Book Value per sh	4.65
24425	24873	25195	25647	26020	26298	25178	23465	22315	21345	20505	19020	17773	16977	16977	15943	15500	14000	Common Shs Outst'g ^C	12500
26.3	30.4	19.2	15.2	12.4	12.0	12.3	13.0	12.8	12.6	14.9	15.3	16.1	24.7	23.4	25.9	26.4		Avg Ann'l P/E Ratio	27.0
1.40	1.83	1.28	.97	.78	.76	.69	.68	.64	.66	.75	.83	.86	1.27	1.26	1.50	1.53		Relative P/E Ratio	1.50
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CAPITAL STRUCTURE as of 9/30/23		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	© VALUE LINE PUB. LLC	26-28
Total Debt \$105.1 bill. Due in 5 Yrs \$50.0 bill.		170910	182795	233715	215639	229234	265595	260174	274515	365817	394328	383285	396350	Sales (\$mill) ^A	470000						
LT Debt \$95.3 bill. LT Interest \$4.0 bill. (61% of Cap'l)		32.6%	33.1%	35.3%	32.7%	31.2%	30.8%	29.4%	28.2%	32.9%	33.1%	33.5%	32.5%	Operating Margin	33.0%						
Leases, Uncapitalized Annual rentals \$2.0 bill.		6757.0	7946.0	11257	10505	10157	10903	12547	11056	11284	11104	11519	11750	Depreciation (\$mill) ^D	12450						
No Defined Benefit Pension Plan		37037	39510	53394	45687	48351	59531	55256	57411	94680	99803	96854	96165	Net Profit (\$mill)	115640						
Pfd Stock None		26.2%	26.1%	26.4%	25.6%	24.8%	18.3%	15.9%	14.4%	13.3%	16.2%	14.7%	16.0%	Income Tax Rate	16.0%						
Common Stock 15,550 mill. shs.		21.7%	21.6%	22.8%	21.2%	21.1%	22.4%	21.2%	20.9%	25.9%	25.3%	25.3%	24.3%	Net Profit Margin	24.6%						
MARKET CAP: \$3.0 trillion (Large Cap)		29628	5083.0	8768.0	27863	27831	14473	57101	38321	9355.0	d28559	d1742	2200	Working Cap'l (\$mill)	13875						
CURRENT POSITION		16960	28987	53463	75427	97207	93735	91807	98667	109106	98959	95280	92000	Long-Term Debt (\$mill)	82000						
2021		123549	111547	119355	128249	134047	107147	90488	65339	63090	50672	62125	Shr. Equity (\$mill)	68050							
2022		26.5%	28.4%	31.3%	23.2%	21.8%	30.8%	31.5%	36.5%	55.8%	67.7%	63.0%	Return on Total Cap'l	79.0%							
2023		30.0%	35.4%	44.7%	35.6%	36.1%	55.6%	61.1%	87.9%	150.1%	197.0%	155.9%	155%	Return on Shr. Equity	170%						
9/30/23		21.4%	25.4%	35.0%	26.2%	26.5%	42.8%	45.5%	66.3%	127.1%	167.7%	131.7%	130%	Retained to Com Eq	141%						
(SMILL.)		29%	28%	22%	27%	26%	23%	26%	25%	15%	15%	16%	17%	All Div'ds to Net Prof	17%						

BUSINESS: Apple Inc., established in 1977, is one of the world's largest makers of PCs and peripheral and consumer products, such as the iPhone smartphone, the Apple Watch, the iPad tablet, and its Mac line of personal computers, for sale primarily to the business, creative, education, government, and consumer markets. It also sells operating systems, services like iCloud storage and Apple Pay, and a host of digital content from the popular iTunes store and other portals. Research and development: 7.8% of '23 sales. Has approximately 161,000 employees. Off./dir. own less than 1.0% of common stock; Vanguard, 8.0%; BlackRock, 6.4% (1/23 Proxy). CEO: Tim Cook. Inc.: CA. Addr.: One Apple Park Way, Cupertino, CA 95014. Tel.: 408-996-1010. Internet: www.apple.com.

Apple closed out fiscal 2023 on an up note (ended September 30th). Although fourth-period sales were down slightly versus the year before, they improved 9.4% on a sequential basis. Notably, the flagship iPhone set a quarterly record of \$43.8 billion (up 2.8%), fueled by strength in emerging markets. Meanwhile, Services revenue hit an all-time high of \$22.3 billion (+16.3%), with new records in every category. Altogether, these helped fuel a 13% rebound in profits, to \$1.46 a share. **We look for the positive momentum to carry into the current year.** To be sure, Apple heads into fiscal 2024 with a number of ongoing challenges, including an uneven macroeconomic environment, underscored by inflation and higher interest rates. On the plus side, the company had a strong product lineup heading into the key holiday season, which has historically accounted for about 30% of full-year sales. These included the iPhone 15 lineup, the new MacBook Pro, and the Apple Watch Series 9 and Ultra 2. Also, the company continues to win over more fans, with more than half of recent Apple Watch, iPad, and Mac computer sales going to customers new to the product. These positives, in addition to ongoing expansion growth in the Services segment (see below) support our call for mid-single-digit earnings growth in fiscal 2024, to a record \$6.50 a share. **Continued growth in higher-margin services revenues augurs well for the long-term profit outlook.** Apple's installed base of active devices clocks in at over two billion, with well over one billion in paid subscriptions, almost double the tally from three years ago. As noted, the company continues to set revenue records across a number of categories, including advertising, the App Store, AppleCare, iCloud, and Apple Music. Altogether, Services accounted for 25% of the top line in the September quarter, up from 21% the year before. **So what about Apple stock?** These shares have enjoyed an impressive run in 2023, rising nearly 50% for the year to date. As a result, appreciation potential out to 2026-2028 is considerably less compelling, and most investors will want to wait for a more appealing entry point. *Mario Ferro* December 22, 2023

(A) Fiscal year ends last Saturday in September. (B) Diluted earnings. Quarters may not add to total due to rounding/changes in the share count. Next earnings report due late Jan-uary. (C) In millions, adjusted for splits. (D) Depreciation on accelerated basis. (E) New dividend policy adopted 3/12. Payments typically made in February, May, August, and November.	Company's Financial Strength A++ Stock's Price Stability 80 Price Growth Persistence 95 Earnings Predictability 85
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