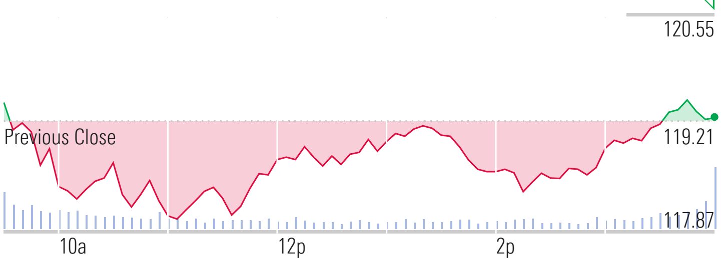
Apple Inc AAPL ★★ Nov 13, 2020

Show Full Chart

Market Closed

$119.26 | 0.05 | 0.04%



USD | NASDAQ | Last close prices updated as of Nov 13, 2020, 4:15 PM EST | BATS BZX Real-Time Price

Quote | Key Ratios | Short Interest | News

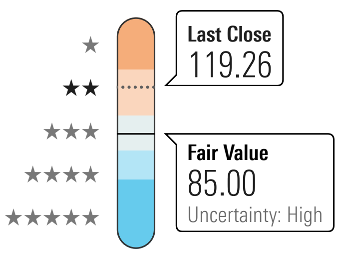
Bid/Size 119.10×3	**Ask/Size** 119.25×6	**Day Range** 117.87 – 119.67	**Volume / Avg** 81.7 Mil / 350,276.4
Year Range 53.15 – 137.98	**Forward Div Yield** 0.69%	**Market Cap** 2.0276 Tril	**Investment Style** Large Core
Price/Sales 7.61	**Beta (5-Year)** 1.36	**Consensus Forward P/E** 30.03	**Price/Book** 31.03

Morningstar's Analysis

Summary | Competitors | Bulls Say/Bears Say

Valuation Oct 30, 2020 Currency in USD

AAPL is Overvalued at a 40% Premium.



1-Star Price
> 131.75

Economic Moat
Narrow
Trend: Stable

5-Star Price
< 51.00

Stewardship
Standard

Apple’s Mac and iPad Sales Remain Bolstered by Work-From-Home Trend in Q4; Raising FVE to $85

Abhinav Davuluri
Sector Strategist

Analyst Note | by Abhinav Davuluri Updated Oct 29, 2020

Apple reported fiscal fourth-quarter results ahead of our expectations led by Mac and iPad segments. The firm did not provide guidance the last two quarters and again refrained from offering specific guidance due to uncertainty regarding COVID-19. CEO Tim Cook expects iPhone revenue to grow in the December quarter despite the new iPhone 12 being launched a couple of weeks later in the quarter, though he did not specify the magnitude of growth. Meanwhile, all other products and services are expected to grow in the double digits.

We are raising our fair value estimate for narrow-moat Apple to $85 per share from $71 as we incorporate a stronger near-term outlook for the Mac and iPad segments due to ongoing work- and learning-from-home dynamics. Nonetheless, we think shares are currently overvalued, as we think recent growth trends could be unsustainable as we enter 2021.

Fourth-quarter revenue was up 1% year over year thanks to growth in iPad (46%), Mac (29%), services (16%), and wearables, home, and accessories (21%). Management noted the iPad and Mac segments remained supply constrained, which bodes wel
December quarter. Apple’s iPhone sales were understandably
the iPhone 12 delay. Apple now has over 585 million paid subs

135 million from a year ago, and the firm expects 600 million s
Greater China was the region most impacted by the absence o
(total revenue down 29% year over year), non-iPhone sales gre
38.2% was up 20 basis points sequentially due to a higher mix

Management was optimistic revenue from Greater China woul
particularly as 5G is more mature in the region. We anticipate i
be up in the low teens, though the late launch may shift some
to the March quarter.

Analyst Note
Business Strategy and Outlook
Economic Moat
Fair Value and Profit Drivers
Risk and Uncertainty
Stewardship
Close Full Analysis

Business Strategy and Outlook | by Abhinav Davuluri Updated Oct 29, 2020

Apple's competitive advantage stems from its ability to package hardware, software, services, and third-party applications into sleek, intuitive, and appealing devices. This expertise enables the firm to capture a premium on its hardware, unlike most of its peers. Despite its admirable reputation, loyal customer base, and unique products, the consumer hardware space can be unforgiving to firms unable to consistently satiate the customer's appetite for more features. Given the short product cycles of Apple's products and army of firms targeting its dominance, we do not believe Apple has a wide economic moat.

Switching costs and intangible assets support Apple's narrow moat. The firm enjoys stellar returns on its devices by offering a unique user experience with its iOS ecosystem. Contrary to its peers in PCs and smartphones that rely on open operating systems, Windows and Android, respectively, Apple's walled garden approach for its popular iOS allows it to charge a premium for relatively commoditized hardware not too different from that sold by Samsung, Dell, and others. Customer switching costs are elevated for Apple users as a non-Apple iOS experience does not exist, unlike computing platforms for the Windows or Android ecosystems that boast PCs and smartphones from a multitude of firms.

We view the iPhone as a revolutionary product that created the smartphone ecosystem and transitioned computing habits away from the PC. The robust app store helped foster iPhone adoption and grow Apple's user base, with applications ranging from productivity, social media, gaming, music, and so on. We foresee Apple's ongoing business coming from existing customers versus new smartphone adopters. With hardware becoming increasingly commoditized and replacement cycles potentially elongating in the long term, we expect Apple to focus on newer software and services to augment the user experience and retain customers. The firm's additional products and services (Apple Watch, iCloud, Apple TV+, AirPods, Apple Pay) act as both supplemental revenue opportunities and, more importantly, critical enhancements to the iOS ecosystem that support Apple's crown jewel: the iPhone.

Economic Moat | by Abhinav Davuluri Updated Oct 29, 2020

We assign a narrow economic moat rating for Apple that stems from the combination of switching costs and intangible assets. We think the firm's primary moat source is customer switching costs, as Apple bolsters the user experience with a cohort of auxiliary products such as iPad, Apple TV, Apple Watch, AirPods, and so on, and services (iMessage, FaceTime, Apple Pay) that augment Apple's sphere of influence on the consumer. As current iPhone users are familiar with the iOS environment (Apple-centric apps, services, and so on), it may take multiple subpar product releases to warrant an exodus to an Android OS, as these customers are likely loath to leave Apple's seemingly superior walled garden. Regarding intangible assets, Apple's differentiated user experience via iOS coupled with its expertise in both hardware and software design allows the firm to more seamlessly build integrated products. We see no other technology titan with comparable expertise in both hardware and software. In turn, we believe this integration allows Apple to build industry-leading devices that command industry-leading average selling prices, most notably the firm’s crown jewel: the iPhone.

Recent survey data shows that iPhone customers are not even contemplating switching brands today. In a December 2018 survey by Kantar, 90% of U.S.-based iPhone users said they planned to remain loyal to future Apple devices. A recent survey (as of October 2020) from 451 Research indicates iPhone customer satisfaction of 98% for iPhone 11, 11 Pro, and 11 Pro Max combined. Also, users of ancillary products (especially the Watch and AirPods) lose significant functionality when paired with a smartphone other than the iPhone. Ultimately, we believe that existing iPhone users are relatively locked in to the iOS ecosystem and interface.

While the Android cohort has attempted to replicate a similar feel of apps, app stores, and integrated experience, the fragmentation of its key players will likely prevent many loyal iOS users from switching, at least over a few product cycles. Competitors such as Samsung (Galaxy smartphone) and Google (Android OS) specialize in hardware and software, respectively, with Samsung boasting leadership in mobile device units and Google’s Android OS serving as the pervasive smartphone OS. Although Apple’s low-double-digit market share in the smartphone space doesn’t seem excessive, the firm does enjoy the lion’s share of industry profits. Neither Samsung nor Google has been able to offer a comprehensive and integrated product like the iPhone, though both have attempted to develop software/operating systems (Samsung’s Tizen OS) and hardware (Google’s Pixel smartphone), with mixed results. We believe Apple's expertise in both hardware and software represents an intangible asset that even the strongest of tech firms have struggled to replicate.

Although Apple’s brand tends to be associated with premium technology gadgets, we don’t think it can support an economic moat in isolation. Specifically, Apple’s brand strength is a consequence of its differentiated hardware and software design, not the cause. We don’t think Apple can charge twice the price of a similar set of hardware solely by sticking an Apple logo on it. Similarly, we suspect that Apple's brand equity will wane if the firm's products were technologically inferior to competitors over an extended period of time. As evidence, Nokia was the eighth-most-valuable brand in the world as recently as 2010, according to Interbrand, before succumbing to the rise of the smartphone.

The active installed base of Apple devices reached 1.5 billion at the end of 2019, up from 1.4 billion a year prior, showing the strong stickiness Apple has created. However, these switching costs are not insurmountable, illustrated by the rise and fall of former mobile device titans such as Nokia, Motorola, and BlackBerry, all of which failed to keep up with smartphone innovation. The short product cycles for phones and the inability of these firms to sufficiently innovate left each one struggling after the debut of Apple’s iPhone and its subsequent proliferation. Apple is not immune to these pitfalls, as consumer sentiment for technology gadgets can be unforgiving, with one buggy or subpar product potentially driving customers to other companies’ offerings, which have been increasingly competitive. We have often seen innovative features arise in the Android ecosystem before Apple, such as OLED screens and 3D sense. These industry dynamics prevent us from assigning a wide moat rating for Apple.

At this point, we do not consider network effects to be a key source of Apple's moat. We acknowledge that Apple’s iOS users gravitate to the App Store to purchase new applications, and the size of Apple's installed base attracts developers to build new apps for iOS. Apple's integration of hardware and software also supports its developer networks, as Apple knows that iOS will be loaded on to only a handful of screen sizes or iPhone models, versus the hundreds of devices and manufacturers that support Android. This leads to a more fragmented Android ecosystem, which we believe is relatively harder for developers to support. Apple consistently touts when the majority of its user base is on the latest operating system, which in turn allows developers to build for the latest version of iOS and know that their apps are optimized for most of Apple's user base. Nonetheless, the Google Play store that supports the Android user base also achieves a similar network effect. Ultimately, we view the hardware and software (device and iOS) as the key differentiators for Apple’s moat sources (switching costs and intangible assets), since the lion’s share of applications used by smartphone users are platform-agnostic, in our view. Even for apps built for iOS first before Android (with the popular video game Fortnite being one recent example), mobile apps are ultimately built for both platforms in short order.

Finally, Apple may boast some cost advantages associated with its supply chain, such as pressuring suppliers or making massive purchases of memory, flash storage, and other key components. However, these advantages are predicated on the immense forecast volume of Apple's products, and we surmise these advantages would evaporate if Apple's device production were to diminish. Apple likely could not build the lowest cost phone in the industry as it has to build iOS, rather than use Android for free. More important, this is likely a moot point as we think Apple will play at the high end of the market with best-of-breed components for the foreseeable future—it’s been doing so with the Mac for 40 years and counting.

Fair Value and Profit Drivers | by Abhinav Davuluri Updated Oct 29, 2020

We are raising our fair value estimate to $85 per share from $71 per share as we incorporate a stronger near-term outlook for the Mac and iPad segments due to the ongoing work- and learning-from-home dynamics. Our estimate implies a forward GAAP P/E ratio of 23 times. In fiscal 2021, we expect total revenue to be up 11% thanks to strength in Mac and iPad sales related to work- and learning-from-home trends and the 5G iPhone 12 launch. With the iPhone 12 coming out in October 2020 (fiscal first-quarter 2021) instead of September 2020 (fiscal fourth-quarter 2020), we think Apple is poised for strong iPhone sales in the first half of fiscal 2021. We expect services to grow at a 10% CAGR over the next five years, while wearables also maintains strong double-digit growth. Following a strong growth year in fiscal 2021, we believe iPhone sales will record modest growth, with double-digit services growth driving total revenue growth in the mid-single digits.

We expect gross margins to remain in the high-30s, thanks to Apple’s exceptional premium pricing strategy and stable iPhone margins. The firm recently began disclosing product and services gross margins, and we anticipate product gross margins tracking in the low-30s and services gross margins hovering around 65%. Although we think higher-margin services segment will grow nicely, we foresee lower-margin other products, such as the Apple Watch, serving as an offset. However, these other products remain vital to Apple being able to lock in iPhone customers with the likes of AirPods, Watches, and other accessories that sell at a notable premium to non-Apple counterparts. The shift to internally designed ARM-based chips in lieu of chips from Intel for Apple's Mac PCs should help improve Mac margins. To remain king of the hill in the premium smartphone market, we model higher research and spending as Apple drives innovation and potentially ventures into new frontiers. We expect operating margins to remain in the mid-20s.

Risk and Uncertainty | by Abhinav Davuluri Updated Oct 29, 2020

As one of the largest firms in the world, Apple is susceptible to competitive threats from capable behemoths with significant resources. Over the course of its iPhone-fueled decade of dominance, Samsung, Microsoft, Google, and others have taken their best shots at Apple, with fleeting success. Consumer hardware is inherently prone to cutthroat competition as short-product cycles and customers hungry for greater features make market leadership difficult to sustain. Although Apple has done well with its walled garden approach with iOS, the firm competes with Chinese OEMs at the low and midtier as well as tech titans such as Samsung across the entire spectrum of smartphones.

Furthermore, we suspect that many customers are holding on to their phones longer as premium devices are more than good enough for today's needs (web browsing, media streaming, social media) and potentially tomorrow's (virtual/augmented reality). Analogous to the decline of PCs (with current PCs more than adequate for most applications), Apple faces the possibility of smartphone unit stagnation or even declines once emerging markets saturate or consumers gravitate to mid-tier devices. Should it be unable to innovate, the firm may lose its ability to charge premium prices for hardware that is no longer indistinguishable from many comparable devices.

Some competitors are willing to sell hardware at essentially cost to drive revenue or stickiness in other business segments. A notable example is Amazon with its multitude of products including its Echo smart speaker, Fire TV, Prime Music, Kindle Fire, and Prime Video to attract and retain Prime customers. Should these devices supersede their iOS counterparts, Apple's devices may be at risk. A recent focus on AI assistants such as Google Now and Amazon Alexa has also put pressure on Apple's Siri that has fallen behind its peers in efficacy. Herein lies another area Apple may face headwinds if consumers further prioritize voice-recognition capabilities.

Stewardship | by Abhinav Davuluri Updated Nov 04, 2020

We view Apple's stewardship rating as Standard. Tim Cook became CEO in August 2011 after cofounder, longtime CEO, and visionary Steve Jobs stepped down from the CEO role before passing away in October 2011. Cook was considered Jobs' right-hand man and served in various operations roles with Apple before becoming COO in 2005. Although Jobs' death was a blow to the firm, as he was a one-of-a-kind leader and creative mind, Apple is not lacking in capable leaders. Arthur Levinson, former chairman and CEO of Genentech, is chairman of Apple's board of directors. Jeff Williams serves as COO of Apple and would be our best bet to replace Cook as CEO.

We think Apple's recent level of technological innovation has been adequate, though it has likely faced an unreasonably high bar for expectations after the debut of the iPhone. Many of the firm's recent innovations have been in software and services within iOS such as Apple Pay, as well as under-the-hood improvements in semiconductors, rather than revolutionary, ubiquitous devices like the iPod or iPhone. We like how the firm designs its own chips for the CPU and artificial intelligence (A-series bionic neural engine), as this can create a better user experience since Apple also designs the operating system and can appropriately tailor the CPU or neural engine to its needs. Going forward, we expect the firm to also design its own GPU, which should enable performance differentiation.

Products like the Apple Watch, AppleTV, AirPods and HomePod don't move the needle in isolation, but should drive incremental earnings growth to Apple. More importantly, these products will make it more challenging for iPhone users to leave the iOS ecosystem, in our view. Although the Apple Watch has had mixed results at the outset, we don't view it as a miss just yet, given similar slow starts for the iPad and iPhone.

Although Apple maintains sterling brand recognition and has 1.5 billion active devices (as of December 2019), it has made a few missteps under Cook that skeptics would argue wouldn't have happened under Jobs. Apple made a poor decision to part ways with Google Maps in iOS 6 and launch Apple Maps with a bevy of bugs and errors, leading to a formal apology. More recently, Apple is being investigated by the U.S. government as the firm purposefully slowed down iOS on older devices. While the firm claims that it was to protect the user from sudden phone shutdowns, many fear that Apple was implementing planned obsolescence of their devices, in order to get customers to upgrade.

In terms of capital allocation, we applaud Cook's decision to initiate dividend and stock buyback programs, as well as take on debt in order to fund such programs when most of its cash was trapped overseas. As of September 2020, Apple was authorized to purchase up to $225 billion of stock through its share repurchase program, of which $168.6 billion had been utilized. Apple continues to strive to achieve a net cash neutral position over time.

Perhaps more important, we think Apple's frugality in terms of acquisitions is quite admirable. Apple's strategy of focusing on smaller, tuck-in deals and developing products in house, rather than splashy but questionable deals like Microsoft's purchase of Skype or Google's foray into hardware by acquiring Motorola Mobility and Nest, appears to have served investors quite well in recent years. Even Apple's $3.0 billion acquisition of Beats Music and Beats Electronics represented only a tiny portion of the firm's total cash balance.

Apple has also done a good job of attracting topnotch talent to the company, such as former Burberry CEO Angela Ahrendts to run Apple’s retail and online stores. However, we note Ahrendts recently stepped down with head of HR Deirdre O'Brien taking over the role. We are comfortable that these hires have strengthened Apple’s bench in the unlikely event of Cook departing the company, and each hire likely has aided in Apple’s efforts to build and deliver the Apple Watch and perhaps future products as well. All the while, Apple’s ongoing operations continue to generate operating margins and cash flow well above its peers in various hardware industries, which bodes well for future free cash flow for investors.

In July 2019, Intel announced it agreed to sell its 5G smartphone modem business to Apple for $1 billion. This is the second largest acquisition by Apple (after Beats for $3 billion in 2014). We had been expecting such a deal since Intel announced its plans to exit the 5G modem business following the resolution of the dispute between Apple and Qualcomm earlier in 2019. We believe this deal validates Apple’s strategy of trying to bring as much chip development in-house as feasible, though we don’t expect the firm to replace Qualcomm’s 5G modems in future iPhones for at least a few years.

Close Full Analysis

View Report Archive

Price vs. Fair Value

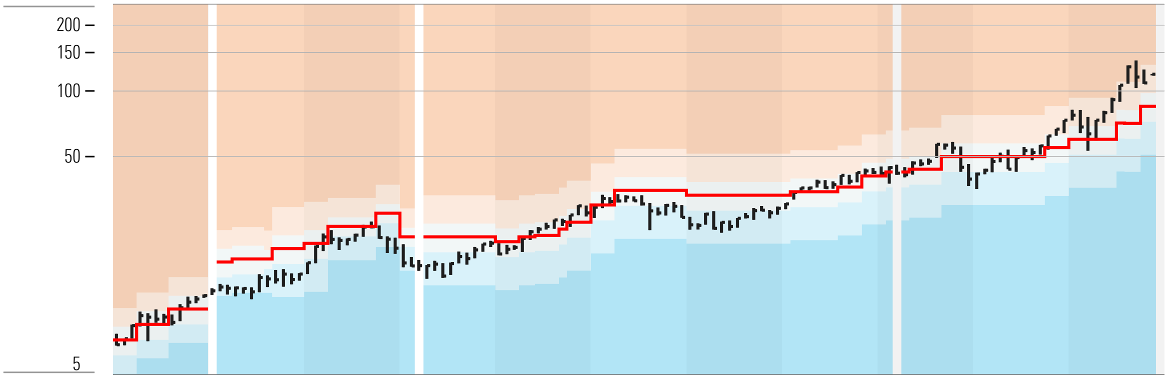
Advanced | Basic   Logarithmic | Linear

Last Close
119.26

Fair Value
85.00

Overvalued
Fairly Valued

Undervalued



2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	
1.15	0.76	0.69	0.94	1.10	0.75	0.87	1.04	0.79	1.33	1.40	Price/Fair Value
53.07	25.56	32.71	7.64	40.03	-2.80	12.15	48.24	-5.12	88.09	63.55	Total Return %
36.27	23.98	16.44	-25.49	27.17	-3.49	-0.29	26.76	-0.07	56.86	44.52	+/- Index

USD | As of Nov 13, 2020 | Index: Morningstar US Market TR USD

Trailing Returns

Daily | Monthly | Quarterly

Total Return %	1-Day	1-Week	1-Month	3-Month	YTD	1-Year	3-Year	5-Year	10-Year	15-Year
AAPL	0.04	0.48	-1.35	3.87	63.55	81.60	40.85	34.30	27.44	30.87
Consumer Electronics	0.20	0.46	-0.45	4.16	61.56	79.14	40.09	34.59	26.93	26.30
Morningstar US Market TR USD	1.35	2.07	2.27	7.38	13.63	18.93	13.69	14.34	13.82	9.80
+/-Consumer Electronics	-0.16	0.02	-0.90	-0.29	1.99	2.46	0.76	-0.29	0.50	4.56
+/-Morningstar US Market TR USD	-1.31	-1.59	-3.62	-3.51	49.92	62.67	27.16	19.96	13.62	21.07

As of Nov 13, 2020 | Sector: Consumer Electronics | Index: Morningstar US Market TR USD

Financials

Valuation

Price/Book	Price/Cash Flow	Price/Sales	Price/Earnings
31.06	25.91	7.62	36.36

As of Nov 12, 2020

Growth (3-Year Annualized)

Revenue %	Operating Income %	Net Income %	Diluted EPS %
6.19	2.62	5.89	12.52

As of Sep 29, 2020

Financial Health

Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity
1.22	1.36	24.35	1.72

As of Sep 29, 2020

Profitability

Return on Assets %	Return on Equity %	Return on Invested Capital %	Net Margin %
17.33	73.69	30.11	20.91

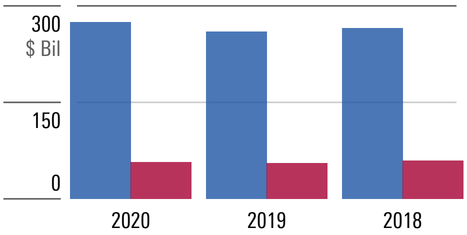
As of Sep 29, 2020

Annual | Quarterly   As Originally Reported | Restated

Income Statement

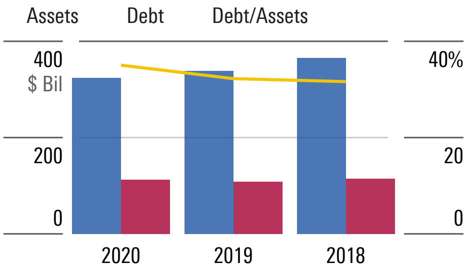
Revenue   Net Income

	TTM	2020	2019	2018	3-Yr Trend
	274.52	274.52	260.17	265.60	



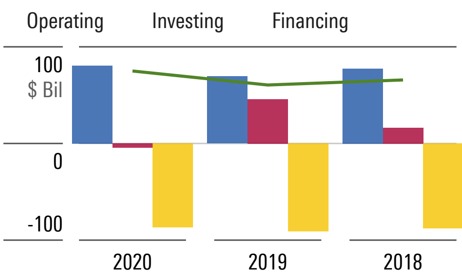
Revenue (Bil)					
Operating Income (Bil)	66.29	66.29	63.93	70.90	
Net Income (Bil)	57.41	57.41	55.26	59.53	
Diluted EPS	3.28	3.28	2.97	2.98	
Normalized Diluted EPS	3.28	3.28	2.97	2.98	

Balance Sheet



	Q4 2020	2020	2019	2018	3-Yr Trend
Total Assets (Bil)	323.89	323.89	338.52	365.73	
Total Liabilities (Bil)	258.55	258.55	248.03	258.58	
Total Debt (Bil)	112.44	112.44	108.05	114.48	
Total Equity (Bil)	65.34	65.34	90.49	107.15	
Cash, Cash Equivalents and Short Term Investments (Bil)	90.94	90.94	100.56	66.30	

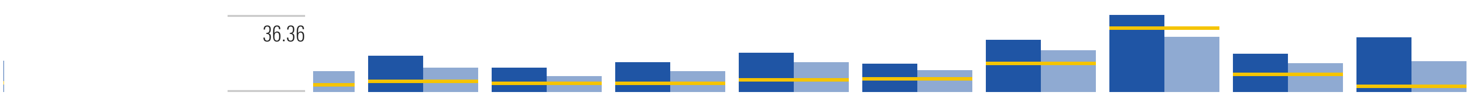
Cash Flow



	TTM	2020	2019	2018	3-Yr Trend
Operating (Bil)	80.67	80.67	69.39	77.43	
Investing (Bil)	-4.29	-4.29	45.90	16.07	
Financing (Bil)	-86.82	-86.82	-90.98	-87.88	
Free Cash Flow (Bil)	73.37	73.37	58.90	64.12	

Fiscal year ends in Sep 30 | USD in Bil except per share data

Valuation



Calendar	2013	2014	2015	2016	2017	2018	2019	Current	5-Yr	Index
Price/Sales	3.06	3.70	2.61	2.95	3.88	2.97	5.25	7.61	3.90	2.40
Price/Earnings	14.11	17.11	11.42	13.94	18.37	13.24	24.70	36.36	18.09	25.77
Price/Cash Flow	9.74	11.32	7.50	9.68	13.97	10.19	19.67	25.91	13.64	14.57
Price/Book	4.05	5.77	4.89	4.75	6.42	6.96	14.23	31.03	9.08	3.39

USD | As of Nov 14, 2020 | Index: Morningstar US Market TR USD

More Valuation Data

Operating Performance

Fiscal	2014	2015	2016	2017	2018	2019	2020	TTM	5-Yr	Index
Return on Assets %	18.01	20.45	14.93	13.87	16.07	15.69	17.33	17.33	15.97	7.61
Return on Equity %	33.61	46.25	36.90	36.87	49.36	55.92	73.69	73.69	46.79	23.30

Return on Invested Capital %	26.20	31.32	21.95	19.86	24.41	25.75	30.11	30.11	24.05	12.54

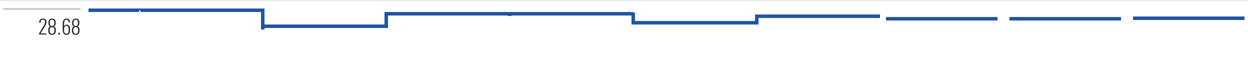
USD | Index: Morningstar US Market TR USD

More Operating Performance Data

Dividends & Splits

Dividends | Splits

Calendar	2013	2014	2015	2016	2017	2018	2019	Current	TTM	5-Yr Avg
Dividend Per Share	0.42	0.46	0.51	0.56	0.62	0.71	0.76	0.82	0.82	0.68
Trailing Dividend Yield %	2.10	1.67	1.93	1.93	1.45	1.79	1.04	0.68	0.68	1.50
Buyback Yield %	4.46	6.88	5.95	4.80	3.76	9.66	5.13	3.53	3.53	5.63
Total Yield %	6.56	8.55	7.88	6.73	5.21	11.45	6.17	4.21	4.21	7.14



Payout Ratio %	28.68	28.08	21.48	26.23	26.06	22.84	25.23	24.24	24.24	24.54

Ex-Dividend Date	Record Date	Payable Date	Dividend Type	Amount
▼ 2020				
Nov 06, 2020	Nov 09, 2020	Nov 12, 2020	Cash Dividend	0.2050
Aug 07, 2020	Aug 10, 2020	Aug 13, 2020	Cash Dividend	0.2050
May 08, 2020	May 11, 2020	May 14, 2020	Cash Dividend	0.2050
Feb 07, 2020	Feb 10, 2020	Feb 13, 2020	Cash Dividend	0.1925
▶ 2019				
▶ 2018				
▶ 2017				
▶ 2016				

Dividend Yield (TTM)
0.68%

Div Reinvestment Plan
No

USD | As of Nov 14, 2020

Ownership

Major | Concentrated | Buying | Selling | Funds | Institutions

Name	Morningstar Rating	% Total Shares Held	% Total Assets	Total Ownership: Trend Prev. 8 Qtrs	Current Shares	Change Amount
Vanguard Total Stock Mkt Idx Inv	★★★★	2.54	5.36		431,418,305	1,327,477,111
Vanguard 500 Index Investor	★★★★	1.94	6.65		329,382,290	1,010,078,158
SPDR® S&P 500 ETF Trust	★★★★	0.97	6.45		164,748,434	308,992
Invesco QQQ Trust	★★★★★	0.91	13.14		155,516,597	0
Fidelity® 500 Index	★★★★	0.85	6.63		144,876,713	437,354,967
Total (for Top 5)		7.21			1,225,942,339	2,774,601,244

More Ownership Data

Executive Team

Key Executives | Board of Directors | Committees | Transaction History

Name	Title	Age	Compensation USD 2015	2016	2017	
► Timothy D. Cook	Director and Chief Executive Officer	59	10,281,327	8,747,719	12,825,066	15,6
► Luca Maestri	Senior Vice President and Chief Financial Officer	56	25,337,977	22,803,569	24,141,615	26,5
► Katherine L. Adams	Senior Vice President, General Counsel and Secretary	55	—	—	—	26,7
► Jeffery Williams	Chief Operating Officer	56	—	—	—	26,5
► Deirdre O'Brien	Senior Vice President, Retail + People	53	—	—	—	
► Compensation for all Key Executives			35,619,304	31,551,288	36,966,681	95,4

More Executive Team Data

Company Profile

Business Description
Apple designs a wide variety of consumer electronic devices, including smartphones (iPhone), tablets (iPad), PCs (Mac), smartwatches (Apple Watch), and TV boxes (Apple TV), among others. The iPhone makes up the majority of Apple’s total revenue. In addition, Apple offers its customers a variety of services such as Apple Music, iCloud, Apple Care, Apple TV+, Apple Arcade, Apple Card, and Apple Pay, among others. Apple's products run internally developed software and semiconductors, and the firm is well known for its integration of hardware, software and services. Apple's products are distributed online as well as through company-owned stores and third-party retailers. The company generates roughly 40% of its revenue from the Americas, with the remainder earned internationally.

Contact
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Sector
Technology

Industry
Consumer Electronics

Most Recent Earnings
Sep 30, 2020

Fiscal Year End
Sep 28, 2020

Stock Type
Cyclical

Employees
147,000.00
As of Sep 25, 2020