



2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
.38	.60	.81	.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	16.10	18.65	Sales per sh ^A	29.00
.02	.06	.09	.16	.21	.25	.59	1.07	1.71	1.74	2.02	2.90	2.63	2.85	3.70	3.82	4.05	4.80	"Cash Flow" per sh	7.70
.01	.05	.08	.14	.19	.22	.54	.99	1.58	1.42	1.61	2.31	2.08	2.30	2.98	2.97	3.25	3.90	Earnings per sh ^B	6.50
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.01	.01	.03	.03	.04	.05	.08	.16	.32	.32	.41	.50	.60	.61	.70	.59	.65	.70	Cap'l Spending per sh	.85
.23	.32	.42	.60	.85	1.10	1.86	2.94	4.50	4.91	4.75	5.35	6.01	6.54	5.63	5.09	4.25	5.45	Book Value per sh	10.85
21921	23381	23947	24425	24873	25195	25647	26020	26298	25178	23465	22315	21345	20505	19020	17773	17000	16500	Common Shs Outst'g ^C	15000
37.9	26.2	29.1	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	16.1	16.1	Avg Ann'l P/E Ratio	20.0
2.00	1.40	1.57	1.40	1.83	1.28	.97	.78	.76	.69	.68	.64	.66	.75	.83	.86	.86	.86	Relative P/E Ratio	1.10
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CAPITAL STRUCTURE as of 6/27/20		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Debt	\$112723 mill. Due in 5 Yrs \$60000 mill.	65225	108249	156508	170910	182795	233715	215639	229234	265595	260174	273500	308000	Sales (\$mill) ^A	435000				
LT Debt	\$94048 mill. LT Interest \$4000 mill. (57% of Cap'l)	29.8%	32.9%	37.4%	32.6%	33.1%	35.3%	32.7%	31.2%	30.8%	29.4%	28.5%	29.0%	Operating Margin	30.5%				
Leases, Uncapitalized	Annual rentals \$1306 mill.	1027.0	1814.0	3277.0	6757.0	7946.0	11257	10505	10157	10903	12547	13500	14500	Depreciation (\$mill) ^D	18000				
No Defined Benefit Pension Plan		14013	25922	41733	37037	39510	53394	45687	48351	59531	55256	55300	64400	Net Profit (\$mill)	97500				
Pfd Stock None		24.4%	24.2%	25.2%	26.2%	26.1%	26.4%	25.6%	24.6%	18.3%	15.9%	14.5%	16.0%	Income Tax Rate	16.0%				
Common Stock	17,103 mill. shs. as of 7/17/20 (adjusted for 4-for-1 split effective 8/31/20)	21.5%	23.9%	26.7%	21.7%	21.6%	22.8%	21.2%	21.1%	22.4%	21.2%	20.2%	20.9%	Net Profit Margin	22.4%				
MARKET CAP: \$2.0 trillion (Large Cap)		20956	17018	19111	29628	5083.0	8768.0	27863	27831	14473	57101	45000	50000	Working Cap'l (\$mill)	70000				
		47791	76615	118210	11547	119355	128249	134047	97207	93735	91807	94000	96000	Long-Term Debt (\$mill)	100000				
		29.3%	33.8%	35.3%	30.0%	35.4%	44.7%	35.6%	36.1%	55.6%	61.1%	76.5%	71.5%	Shr. Equity (\$mill)	162500				
		29.3%	33.8%	33.2%	21.4%	25.4%	35.0%	26.2%	26.5%	42.8%	45.5%	57.5%	56.0%	Return on Total Cap'l	38.0%				
		--	--	6%	29%	28%	22%	27%	26%	23%	26%	25%	25%	Return on Shr. Equity	60.0%				
														Retained to Com Eq	45.0%				
														All Div'ds to Net Prof	25%				

BUSINESS: Apple Inc., established in 1977, is one of the world's largest makers of PCs and peripheral and consumer products, such as the iPod digital music player, the iPad tablet, the iPhone smartphone, and the Apple Watch, 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: 6.2% of '19 sales. Has approximately 137,000 employees. Off./dir. own less than 1.0% of common stock; Vanguard, 7.7%; BlackRock, 6.8% (1/20 Proxy). CEO: Tim Cook. Inc.: CA. Addr.: One Apple Park Way, Cupertino, CA 95014. Tel.: 408-996-1010. Internet: www.apple.com.

Apple bulls have had plenty to cheer about lately. The Dow component has tacked on another roughly 35% in value since our June review, as tech stocks have handily outperformed the broader market amid the COVID-19 crisis (that has hammered large swaths of the economy). Moreover, recent results have been far better than anticipated, a testament to the company's excellent execution and the resiliency of its businesses. For the third quarter of fiscal 2020 (ended June 27th), share net clocked in at \$0.65, 18% above the year-earlier tally and well ahead of Wall Street's consensus view of \$0.51. (Note that all per-share data in this report have been adjusted for the 4-for-1 stock split effective on August 31st.) The bottom-line beat was a quality one, too, with Apple overcoming store closures and inventory shortages to generate double-digit revenue growth (sales approached \$60 billion) in what has historically been its slowest period of the year. **The company has benefited from new productivity initiatives and work-from-home trends that have swept the globe.** Sales of iPads, for instance, not typically a big growth category, surged over 30% during the third quarter, while the traditional Mac line recorded a 22% top-line advance. And the cash-cow smartphone franchise returned to a modest expansion mode, aided by the success of the inexpensive (\$399) iPhone SE model, which seemed to win over consumers that were previously aligned with the Android ecosystem. In the meantime... **The services and wearables segments have continued to fire on all cylinders.** And they are apt to be the primary growth drivers here going forward. The new Apple TV+ streaming platform should support further services gains, and heightened penetration of the Apple Watch collection ought to help sustain the impressive wearables momentum. All in all, despite the challenging operating environment, we still see share earnings rising 9% in fiscal 2020 (to \$3.25) and another 20% in the upcoming fiscal year (to \$3.90). **This issue is Average (3) for Timeliness, and the full valuation suggests that new long-term commitments are probably best deferred, for now.** Justin Hellman September 25, 2020

Fiscal Year Ends	Dec.	Mar.	Jun.	Per	Sep.	Per	Full Fiscal Year
2017	.84	.53	.42	.51			2.30
2018	.97	.68	.59	.74			2.98
2019	1.05	.62	.55	.75			2.97
2020	1.25	.64	.65	.71			3.25
2021	1.35	.80	.75	1.00			3.90

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