

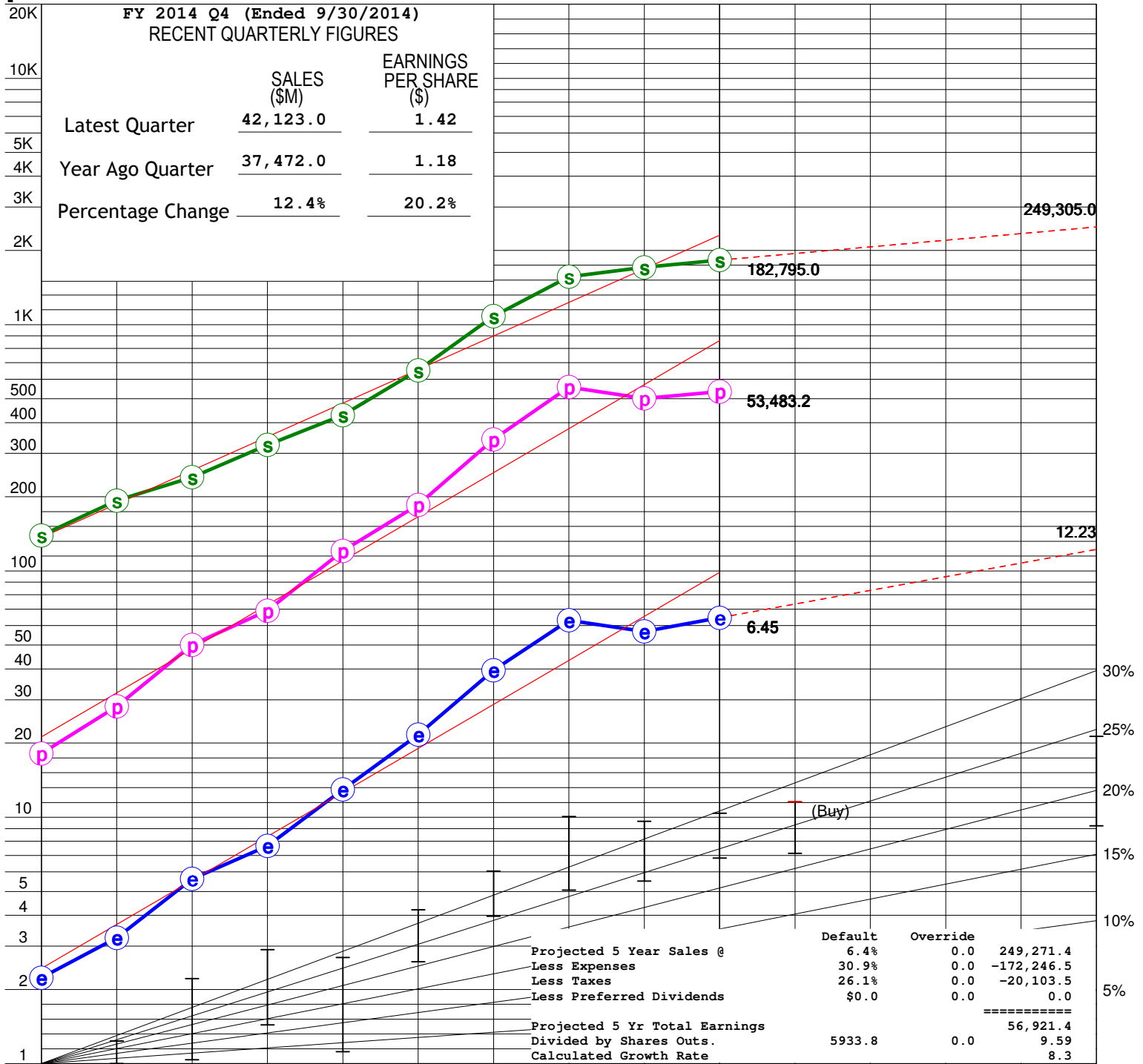


Stock Study

Company	AppleICCNov14	Price Date	11/18/14
Study by		Data Date	11/17/14
Sector	Technology	Last Judgment	11/18/14
Industry	Consumer Electronics	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningsta
Common(M Shares)	5,933.8	% Insiders	0.2
Debt(\$M)	35,295.0	% Institutions	64.5
% Debt to Tot.Cap.	23.8	Quality	

1 Growth Analysis

NAS: AAPL



(1) Historical Sales Growth	36.9 %	(3) Historical Earnings Per Share Growth	50.9 %	www.iclub.com
(2) Estimated Future Sales Growth	6.4 %	(4) Estimated Future Earnings Per Share Growth	13.6 %	
(5) Sales Growth R ²	0.98	(6) Earnings Per Share Growth R ²	0.97	

2 QUALITY ANALYSIS

Company AppleICCNov14 (AAPL)

11/18/14

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	13.0	14.6	20.9	21.2	28.1	28.4	31.6	35.6	29.3	29.3	30.9	DOWN
B % ROE (Beginning Yr)	NMF	25.3	33.5	32.0	36.1	43.1	53.0	53.5	31.6	32.9	42.8	DOWN
C % Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	EVEN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 115.47 (18.0) 52-WEEK HIGH (P/E) 115.47 (18.0) 52-WEEK LOW (P/E) 71.40 (11.1)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2010	42.1	25.9	2.17	19.4	12.0	0.000	0.0	0.0
2 2011	60.4	39.7	3.95	15.3	10.0	0.000	0.0	0.0
3 2012	100.7	50.6	6.31	16.0	8.0	0.379	6.0	0.7
4 2013	96.3	55.0	5.68	17.0	9.7	1.629	28.7	3.0
5 2014	103.7	68.3	6.45	16.1	10.6	1.811	28.1	2.7
6 AVERAGE (10 Years) :		28.5		25.5	12.9		20.9	
AVERAGE P/E RATIO		19.2	PROJECTED P/E RATIO		15.8	TTM EPS		6.43
CURRENT P/E RATIO		18.0	PEG RATIO		1.2	FTM EPS		7.31
RELATIVE VALUE		93.7% 93.8%	PROJ. RELATIVE VALUE		82.3	AVG TTM + FTM EPS		6.87

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~25.5~~ 17.4 X Estimated High Earnings/Share 12.23 = Forecast High Price \$ 212.8

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E ~~12.9~~ 10.1 (as adj.) X Estimated Low Earnings/Share ~~6.45~~ 41.89 = \$ 423.1

(b) Average 5-Year Low Price = 28.5

(c) Recent Severe Low Price = 55.0

(d) Price Dividend Will Support = Present Divd. ÷ High Yield = 1.880 ÷ 0.030 = 63.5

Selected Estimated Low Price = \$ 92.4

C PRICE RANGES

Forecast High Price 212.8 - Estimated Low Price 92.4 = Range 120.4 25% of Range = 30.1

BUY (Lower 25% of Range) = 92.4 to 122.5

MAYBE (Middle 50% of Range) = 122.5 to 182.7

SELL (Upper 25% of Range) = 182.7 to 212.8

Current Price 115.470 is in the Buy Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 212.8 - Current Price 115.470) ÷ (Current Price 115.470 - Estimated Low Price 92.4) = 4.2 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 1.880 ÷ Current Price of Stock \$ 115.470 = 1.6 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout ~~20.9~~ 6.0 ÷ Forecast High P/E 17.4 = Avg. Yield 0.3

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout ~~20.9~~ 6.0 ÷ Forecast Avg P/E 13.8 = Avg. Yield 0.4

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 0.3 % + Annual Appreciation 13.0 % = Compound Annual Total Return 13.4 %

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield 0.4 % + Annual Appreciation 7.8 % = Projected Average Total Return 8.2 %