

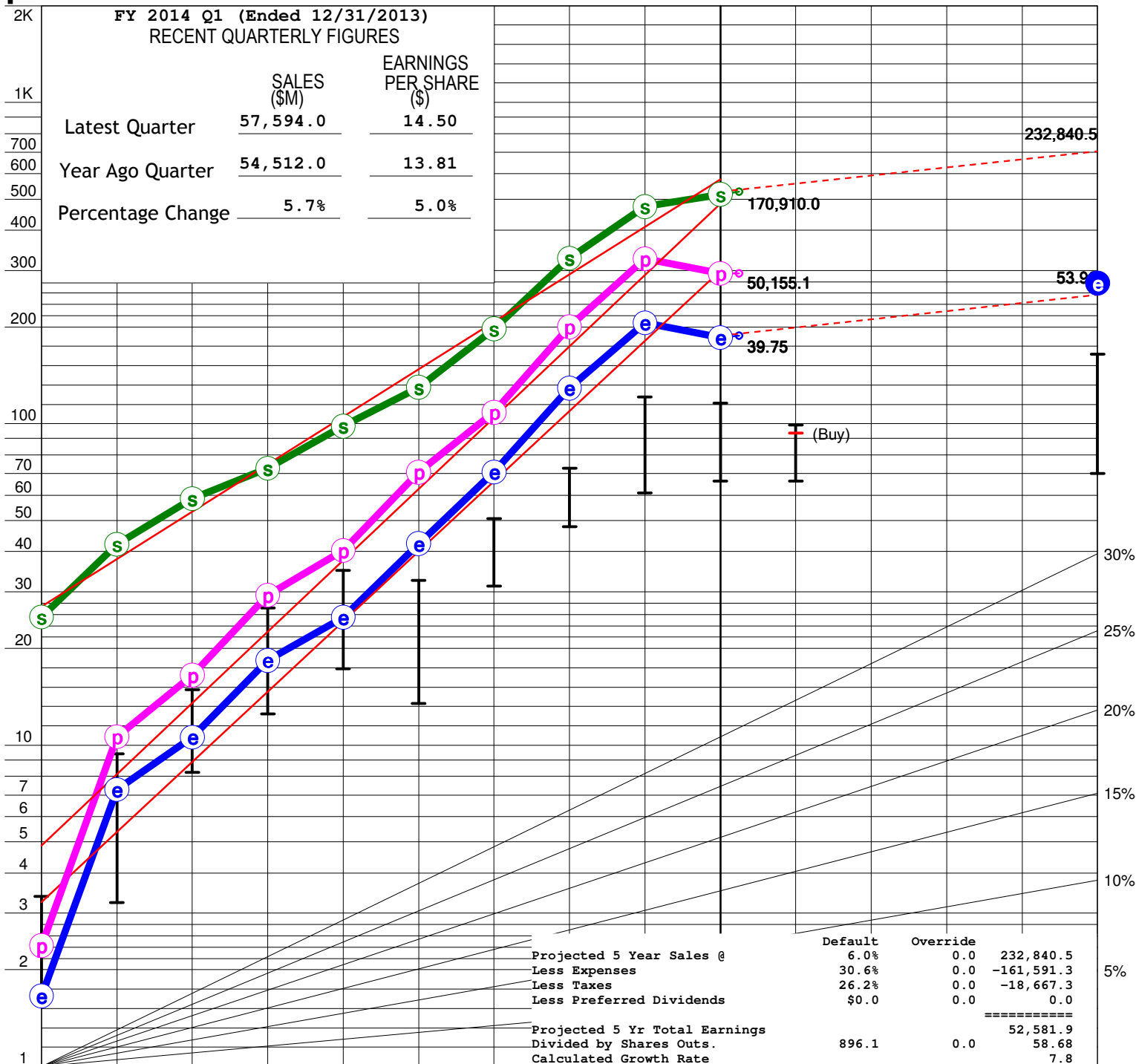


Stock Selection Guide

Company	Apple RCB 0217	Price Date	02/14/14
Study by	RCB	Data Date	02/14/14
Sector	Technology	Last Judgment	02/18/14
Industry	Consumer Electronics	Data Source	StkCntrl
Preferred(\$M)	0.0	Reference	Morningstar
Common(M Shares)	896.1	% Insiders	0.7
Debt(\$M)	16,961.0	% Institutions	62.2
% Debt to Tot.Cap.	12.1	Quality	2.1 (Take Stock)

1 Growth Analysis

NAS: AAPL



(1) Historical Sales Growth	40.5 %	(3) Historical Earnings Per Share Growth	65.3 %	www.iclub.com
(2) Estimated Future Sales Growth	6.0 %	(4) Estimated Future Earnings Per Share Growth	6.0 %	
(5) Sales Growth R ²	0.99	(6) Earnings Per Share Growth R ²	0.96	

2 QUALITY ANALYSIS

Company Apple RCB 0217 (AAPL)

02/14/14

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	4.9	13.0	14.6	20.9	21.2	28.1	28.4	31.6	35.6	29.3	30.6	DOWN
B % ROE (Beginning Yr)	23.8	23.8	25.3	33.5	32.1	36.1	43.1	53.0	53.5	31.6	43.5	DOWN
C % Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.3	13.3	EVEN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 543.99 (13.5) 52-WEEK HIGH (P/E) 575.14 (14.3) 52-WEEK LOW (P/E) 385.10 (9.6)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2009	188.9	78.2	9.08	20.8	8.6	0.000	0.0	0.0
2 2010	294.7	181.4	15.15	19.4	12.0	0.000	0.0	0.0
3 2011	422.9	277.8	27.68	15.3	10.0	0.000	0.0	0.0
4 2012	705.1	354.2	44.15	16.0	8.0	2.650	6.0	0.7
5 2013	674.3	385.1	39.75	17.0	9.7	11.400	28.7	3.0
6 AVERAGE		255.3		16.9	9.7		17.4	
AVERAGE P/E RATIO	13.7	13.3	PROJECTED P/E RATIO	12.7	TTM EPS	40.32		
CURRENT P/E RATIO	13.5	PEG RATIO	2.1	FTM EPS	42.74			
RELATIVE VALUE	98.5%	101.4%	PROJ. RELATIVE VALUE	92.9%	95.7%	AVG TTM + FTM EPS	41.53	

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E 16.9 17.7 X Estimated High Earnings/Share 53.96 = Forecast High Price \$ 955.1

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E 9.7 X Estimated Low Earnings/Share 39.75 40.32 = \$ 391.1
(as adj.)

(b) Average 5-Year Low Price = 255.3

(c) Recent Severe Low Price = 354.2

(d) Price Dividend Will Support = Present Divd. + High Yield = 12.190 + 0.030 = 411.8

Selected Estimated Low Price = \$ 407.2

C PRICE RANGES

Forecast High Price 955.1 - Estimated Low Price 407.2 = Range 547.9 25% of Range = 137.0

BUY (Lower 25% of Range) = 407.2 to 544.2

MAYBE (Middle 50% of Range) = 544.2 to 818.1

SELL (Upper 25% of Range) = 818.1 to 955.1

Current Price 543.990 is in the Buy Range

D UPSIDE/DOWNSIDE ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 955.1 - Current Price 543.990) + (Current Price 543.990 - Estimated Low Price 407.2) = 3.0 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 12.190 ÷ Current Price of Stock \$ 543.990 = 2.2 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 17.4 ÷ Forecast High P/E 17.7 = Avg. Yield 1.0

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 17.4 ÷ Forecast Avg P/E 13.7 = Avg. Yield 1.3

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

Average Yield 1.0 % + Annual Appreciation 11.9 % = Compound Annual Total Return 12.9 %

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

Average Yield 1.3 % + Annual Appreciation 6.3 % = Projected Average Total Return 7.6 %



PERT-A Report

Company Apple RCB 0217 (AAPL)

QUARTERLY DATA								LAST 12 MONTHS DATA									
PERIOD	EPS		PRE-TAX PROFIT			SALES		INCOME TAX RATE	EPS \$	PRE-TAX PROFIT		SALES MIL	INCOME TAX		% CHANGE		
	\$	% CHANGE	\$ MIL	% SALES	% CHANGE	\$ MIL	% CHANGE			\$ MIL	% SALES		\$ MIL	% RATE	EPS	PRE-TAX PROFIT	SALES
12/08								31.8						30.4			
03/09	1.33		1,730.00	21.2		8,163.00		30.4						30.5			
06/09	1.35		1,732.00	20.8		8,337.00		29.0						30.3			
09/09	4.59		6,320.00	38.9		16,238.00		33.6						31.2			
12/09	3.67		4,758.00	30.3		15,683.00		29.0	10.95	14,540.00	30.0	48,421.00	4,434.8	30.5			
03/10	3.33	149.7	4,029.00	29.8	132.9	13,499.00	65.4	23.7	12.95	16,839.00	31.3	53,757.00	4,855.3	28.8			
06/10	3.51	159.5	4,292.00	27.3	147.8	15,700.00	88.3	24.2	15.10	19,399.00	31.7	61,120.00	5,359.4	27.6			
09/10	4.64	1.1	5,461.00	26.8	-13.6	20,343.00	25.3	21.1	15.15	18,540.00	28.4	65,225.00	4,543.0	24.5			
12/10	6.43	75.2	7,963.00	29.8	67.4	26,741.00	70.5	24.6	17.91	21,745.00	28.5	76,283.00	5,089.5	23.4	63.6	49.6	57.5
03/11	6.40	92.0	7,900.00	32.0	96.1	24,667.00	82.7	24.2	20.98	25,616.00	29.3	87,451.00	6,028.3	23.5	62.0	52.1	62.7
06/11	7.79	122.1	9,551.00	33.4	122.5	28,571.00	82.0	23.5	25.26	30,875.00	30.8	100,322.00	7,210.1	23.4	67.3	59.2	64.1
09/11	7.05	52.0	8,791.00	31.1	61.0	28,270.00	39.0	24.7	27.67	34,205.00	31.6	108,249.00	8,291.4	24.2	82.7	84.5	66.0
12/11	13.88	115.7	17,477.00	37.7	119.5	46,333.00	73.3	25.2	35.11	43,719.00	34.2	127,841.00	10,668.3	24.4	96.0	101.1	67.6
03/12	12.30	92.3	15,532.00	39.6	96.6	39,186.00	58.9	25.2	41.02	51,351.00	36.1	142,360.00	12,654.0	24.6	95.5	100.5	62.8
06/12	9.32	19.6	11,861.00	33.9	24.2	35,023.00	22.6	25.6	42.54	53,661.00	36.1	148,812.00	13,508.5	25.2	68.4	73.8	48.3
09/12	8.67	23.0	10,893.00	30.3	23.9	35,966.00	27.2	24.5	44.17	55,763.00	35.6	156,508.00	14,016.2	25.1	59.6	63.0	44.6
12/12	13.81	-0.5	17,672.00	32.4	1.1	54,512.00	17.7	26.0	44.10	55,958.00	34.0	164,687.00	14,169.6	25.3	25.6	28.0	28.8
03/13	10.09	-18.0	12,905.00	29.6	-16.9	43,603.00	11.3	26.0	41.89	53,331.00	31.5	169,104.00	13,617.0	25.5	2.1	3.9	18.8
06/13	7.47	-19.9	9,435.00	26.7	-20.5	35,323.00	0.9	26.9	40.04	50,905.00	30.0	169,404.00	13,158.6	25.8	-5.9	-5.1	13.8
09/13	8.26	-4.7	10,143.00	27.1	-6.9	37,472.00	4.2	25.9	39.63	50,155.00	29.3	170,910.00	13,143.5	26.2	-10.3	-10.1	9.2
12/13	14.50	5.0	17,709.00	30.7	0.2	57,594.00	5.7	26.2	40.32	50,192.00	28.8	173,992.00	13,177.0	26.3	-8.6	-10.3	5.7
03/14								26.2						26.3			
06/14								26.2						26.1			
09/14								26.2						26.2			

A B C D E F G H I J K L M N O P Q R S T

PERT-A Graph

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