APPLE INC. NDAQ-AAPL

**RECENT PRICE** 186.53 **PE RATIO** 16.4 **TRAILING 152** RELATIVE PE RATIO 0.95 **DIVIDEND YIELD** 1.7% **VALUE LINE**

<table>
<thead>
<tr>
<th>Fiscal Year Ends</th>
<th>QUARTERLY SALES ($mill) A</th>
<th>Fiscal Year Ends</th>
<th>EARNINGS PER SHARE A</th>
<th>Calendar</th>
<th>QUARTERLY DIVIDENDS PAID A</th>
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</thead>
<tbody>
<tr>
<td>2017</td>
<td>178572 50357 42358 46852 18737</td>
<td>2018</td>
<td>3.28 1.90 1.42 1.67 8.31</td>
<td>Mar.31</td>
<td>.47 .52 .52 .52 2.03</td>
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<td>20562 25848 52579 22924</td>
<td>2019</td>
<td>3.36 2.10 1.67 2.07 9.21</td>
<td>Jun.30</td>
<td>.52 .52 .57 2.37 2.37</td>
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<td>88223 6117 53285 62200</td>
<td>2020</td>
<td>3.89 2.73 2.34 2.91 11.91</td>
<td>Dec.31</td>
<td>.57 .57 .57 2.37 2.37</td>
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<td>89310 56890 52800 60000</td>
<td>2021</td>
<td>4.18 2.32 2.07 2.70 11.40</td>
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<td>.63 .73 .73 2.37 2.37</td>
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<td>86750 58550 54000 61800</td>
<td>2022</td>
<td>4.37 2.56 2.20 2.81 12.60</td>
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**Fiscal Yr. Ends**

- **SALES**

- **Sales**
  - 27.5%
  - 16.0%

- **Cash Flow**
  - 35.0%
  - 15.5%

- **Earnings**
  - 33.5%
  - 13.0%

- **Dividends**
  - 29.2%
  - 12.0%

- **Book Value**
  - 25.5%
  - 8.0%

**ANNUAL RATES**

- **Past 10 Yrs.**
  - 33.5%
  - 12.0%

- **Past 5 yrs. to 22-24**
  - 33.5%
  - 12.0%

**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 accessories like Apple Watch and Apple Pay, and a host of digital content from the popular iTunes store and other portals. Research and development: 5.4% of sales. Has approximately 132,000 employees. Off./dir. own less than 1.0% of common stock; Vanguard, 7.4%; BlackRock, 6.8% (1/19 Proxy).

**Recent results at Apple have been disappointing.** In fact, share earnings of $4.18 for the first quarter of fiscal 2019 (year ends September 28th) came in well below the $4.70 estimate contained in our last full-page report three months ago. The shortfall, which the technology behemoth had warned about in early January, was due to challenging operating conditions in China and softer-than-anticipated demand for new, high-priced iPhone models. Notably, sales in Greater China were down roughly 25% on a year-over-year basis during the December interval, as that region has been hard hit by trade-related headwinds. And iPhone revenue slumped 15%, reflecting, we think, a major shift in the global smartphone market and a move by consumers to hold on to their devices before upgrading.

**Valuation**

- **Price/Growth Persistence**
  - 15.0%

- **Dividend Payout**
  - 65%

- **Value Line Earnings**
  - 85%

- **Earnings Predictability**
  - 85%

**Analytical Findings**

- **FLT**
  - 12.5 x

**Information & Data**

- **Total Debt** $880 billion (Large Cap)
  - as of 1/18/19

- **Current Liabilities**
  - 100814 116866 108283

- **Debt Due**
  - 18473 20748 21741

- **Receivables**
  - 17874 23186 18077

- **Capital Structure**
  - 2017 2018 12/29/18

- **MARKET CAP:**
  - $880 billion (Large Cap)