

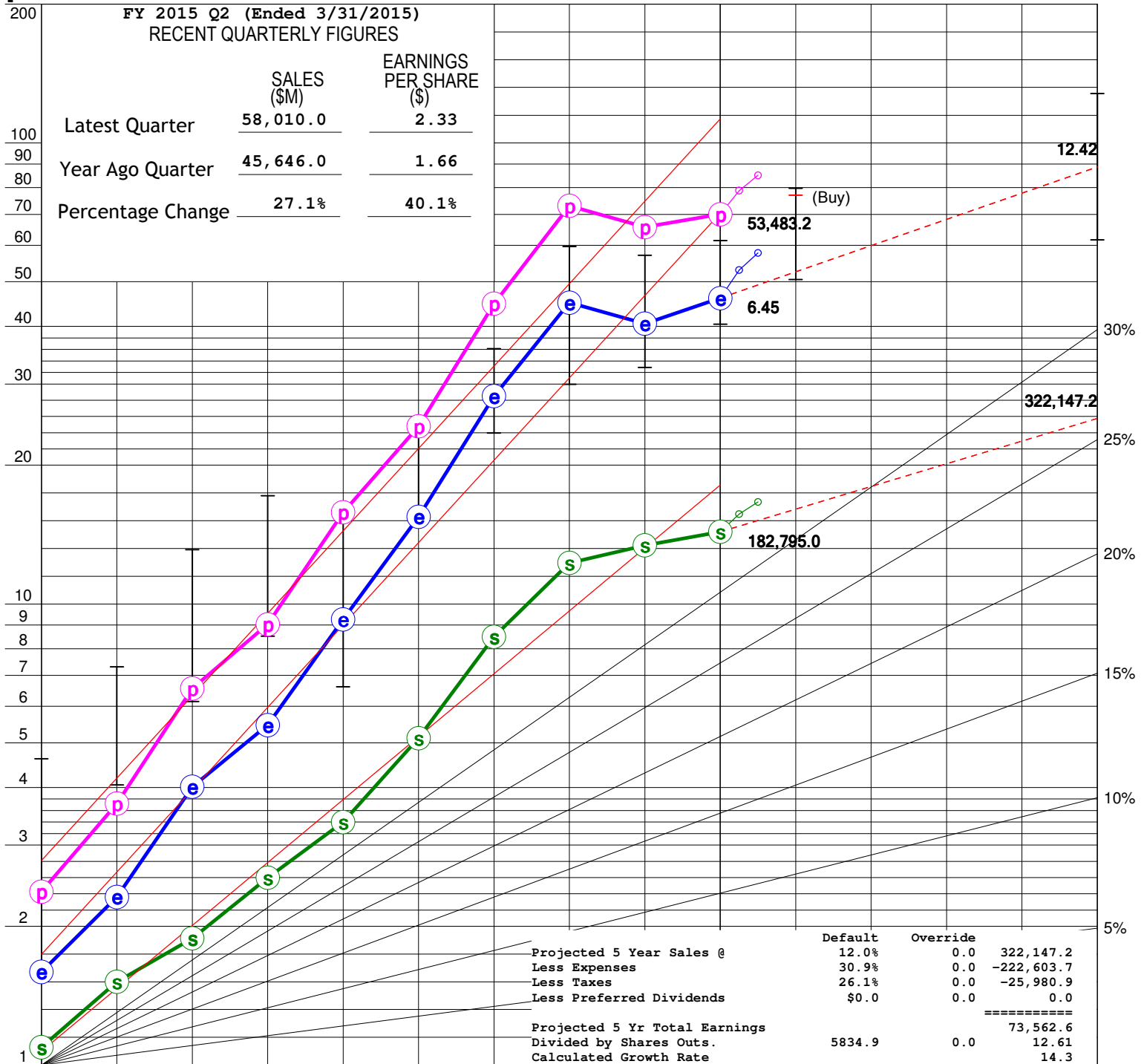


Stock Study

Company	Apple 19 May15	Price Date	05/19/15
Study by	I Clements	Data Date	05/19/15
Sector	Technology	Last Judgment	05/20/15
Industry	Consumer Electronics	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningstar
Diluted(M Shares)	5,834.9	% Insiders	0.2
Debt(\$M)	43,871.0	% Institutions	65.0
% Debt to Tot.Cap.	28.5	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	12.0 %	(4) Estimated Future Earnings Per Share Growth	14.0 %	
(5) Sales Growth R ²	0.98	(6) Earnings Per Share Growth R ²	0.97	

2 QUALITY ANALYSIS

Company Apple 19 May15 (AAPL)

05/19/15

	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)	13.0	25.5	33.7	32.1	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	13.2	24.9	19.1	UP

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 130.07 (16.1) 52-WEEK HIGH (P/E) 134.54 (16.6) 52-WEEK LOW (P/E) 85.33 (10.6)

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		14.1	TTM EPS		8.09
CURRENT P/E RATIO		16.1	PEG RATIO		1.0	FTM EPS		9.22
RELATIVE VALUE		83.8%	PROJ. RELATIVE VALUE		73.5% 102.6%	AVG TTM + FTM EPS		8.65

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 12.42 = Forecast High Price \$ 216.1

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 = \$ 65.2

(b) Average 5-Year Low Price = 28.5

(c) Recent Severe Low Price = 55.0

(d) Price Dividend Will Support = Present Divd. + High Yield = 2.080 + 0.030 = 70.2

Selected Estimated Low Price = \$ 104.1

C PRICE RANGES

Forecast High Price 216.1 - Estimated Low Price 104.1 = Range 112.0 25% of Range = 28.0

BUY (Lower 25% of Range) = 104.1 to 132.1

MAYBE (Middle 50% of Range) = 132.1 to 188.1

SELL (Upper 25% of Range) = 188.1 to 216.1

Current Price 130.070 is in the Buy Range

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

(Forecast High Price 216.1 - Current Price 130.070) ÷ (Current Price 130.070 - Estimated Low Price 104.1) = 3.3 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 2.080 ÷ Current Price of Stock \$ 130.070 = 1.6 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 20.9 ÷ Forecast High P/E 17.4 = Avg. Yield 1.2

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 20.9 ÷ Forecast Avg P/E 13.8 = Avg. Yield 1.5

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

Average Yield 1.2 % + Annual Appreciation 10.7 % = Compound Annual Total Return 11.9 %

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

Average Yield 1.5 % + Annual Appreciation 5.6 % = Projected Average Total Return 7.1 %