

## A Wright Investors' Service Research Report:

Apple Inc.

**WRIGHT**  
INVESTORS' SERVICE

440 Wheelers Farms Road  
Milford, CT 06461 U.S.A.

### COMPANY PROFILE

*Figures in U.S. Dollars*

Wright Quality Rating: **AAA20**

Apple Inc. (Apple) designs, manufactures and markets mobile communication and media devices, personal computers, and portable digital music players, and sells a variety of related software, services, peripherals, networking solutions, and third-party digital content and applications. The Company's products and services include iPhone, iPad, Mac, iPod, Apple TV, a portfolio of consumer and professional software applications, the iOS and OS X operating systems, iCloud, and a variety of accessory, service and support offerings. In February 2014, Apple Inc acquired Burstly Inc. Effective April 3, 2014, Apple Inc acquired Novauris Technologies Ltd. Effective August 1, 2014, Apple acquired Beats Electronics LLC (Beats).

#### Key Data

**Ticker:**

AAPL

**2014 Sales:**

182,795,000,000

**Major Industry:**

Computers & Peripherals

**Sub Industry:**

Electronic Computers

**Country:**

United States

**Currency:**

U.S. Dollars

**Fiscal Year Ends:**

September

**Employees**

92,600

**Exchanges:**

NAS FRA LON MXK

**Share Type:**

Common

**Market Capitalization:**

643,548,893,200

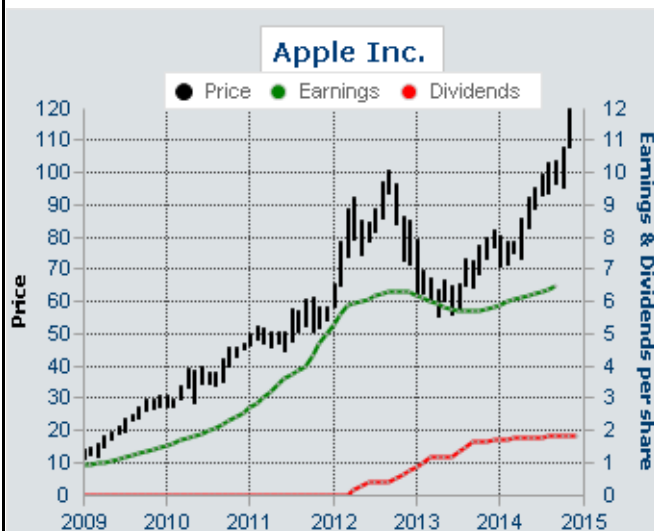
**Total Shares**

**Outstanding:**  
5,864,840,000

**Closely Held Shares:**

2,976,180

#### Stock Chart



**Stock Price (12/12/2014): 109.73**

#### Recent stock performance

1 Week	-4.6%
4 Weeks	-3.9%
13 Weeks	7.9%
52 Weeks	38.5%

#### Officers

**Chairman**

Dr. Arthur D. Levinson

**Chief Executive Officer**

Timothy D. Cook

**Senior Vice President,  
Chief Financial Officer &  
Chief Accounting Officer**

Luca Maestri

**Senior Vice President,  
Secretary & General  
Counsel**

D. Bruce Sewell

#### Earnings / Dividends (as of 9/27/2014)

	Earnings	Dividends
Most Recent Qtr	1.38	0.47
Last 12 Months	6.45	1.85

#### Ratio Analysis

Price / Earnings Ratio 17.01 Dividend Yield 1.69%

Price / Sales Ratio	3.52	Payout Ratio	28.68%
Price / Book Ratio	4.63	% Held by Insiders	0.05%

### Address

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Cupertino, CALIFORNIA 95014-2083  
UNITED STATES

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+1 408 996-1010  
**Home Page**  
<http://www.apple.com>

## A Wright Investors' Service Research Report:

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Provided By *CorporateInformation.com*

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### Wright Comparative Business Analysis Report

**Report Date:** 12/12/2014

#### Company Description

Apple Inc. (Apple) designs, manufactures and markets mobile communication and media devices, personal computers, and portable digital music players, and sells a variety of related software, services, peripherals, networking solutions, and third-party digital content and applications. The Company's products and services include iPhone, iPad, Mac, iPod, Apple TV, a portfolio of consumer and professional software applications, the iOS and OS X operating systems, iCloud, and a variety of accessory, service and support offerings. In February 2014, Apple Inc acquired Burstly Inc. Effective April 3, 2014, Apple Inc acquired Novauris Technologies Ltd. Effective August 1, 2014, Apple acquired Beats Electronics LLC (Beats).

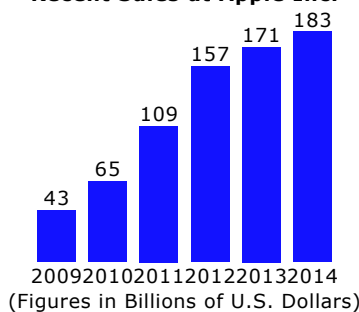
#### Competitor Analysis

Apple Inc. operates in the Electronic computers sector. This analysis compares Apple Inc. with three other manufacturers of computers and peripheral equipment in North America: [Hewlett-Packard Company](#) (2014 sales of \$111.45 billion ), [Western Digital Corporation](#) (\$15.13 billion of which 100% was Hard Drive Solutions), and [Hitachi Limited](#) (\$95.87 billion of which 18% was Information And Communication Systems).

#### Sales Analysis

Apple Inc. reported sales of \$182.80 billion for the fiscal year ending September of 2014. This represents an increase of 7.0% versus 2013, when the company's sales were \$170.91 billion. Sales at Apple Inc. have increased during each of the previous five years (and since 2009, sales have increased a total of 329%). Sales of Operating Segment - Greater China saw an increase that was more than double the company's growth rate: sales were up 17.4% in 2014, from \$25.42 billion to \$29.85 billion. Apple Inc. also saw significant increases in sales in Operating Segment - Japan (up 11.3% to \$14.98 billion) . Not all segments of Apple Inc. experienced an increase in sales in 2014: sales of Operating Segment - Asia Pacific fell 7.5% to \$10.34 billion.

**Recent Sales at Apple Inc.**



Although Apple Inc. is headquartered in the United States, it derives most of its sales outside of its home market: sales in the United States were \$68.91 billion which was only 37.7% of 2014's sales. In 2014, sales in China were up at a rate that was much higher than the company as a whole: in this region, sales increased 18.1% to \$30.64 billion. While the company's sales increased 7.0% in 2014, all three comparable companies experienced a decline in sales (between 0.8% and 12.1%). Apple Inc. currently has 92,600 employees. With sales of \$182.80 billion , this equates to sales of

US\$1,974,028 per employee. This is much higher than the three comparable companies, which had sales between US\$179,965 and US\$351,036 per employee. Note that some of the figures stated herein could be distorted based on exact classification of employees and subcontractors.

#### Sales Comparisons (Fiscal Year ending 2014)

Company	Year Ended	Sales (blns)	Sales Growth	Sales/Emp (US\$)	Largest Region
Apple Inc.	Sep 2014	182.795	7.0%	1,974,028	Other Foreign (45.5%)
Hewlett-Packard Company	Oct 2014	111.454	-0.8%	351,036	N/A
Western Digital Corporation	Jun 2014	15.130	-1.4%	179,965	Asia (31.4%)
Hitachi Limited	Mar 2014	95.874	-12.1%	298,928	Domestic Operation

#### Recent Stock Performance

During each of the previous 5 calendar years, this stock has increased in value (at the end of December 2008, the stock was at \$12.19). For the 52 weeks ending 12/12/2014, the stock of this company was up 38.5% to **\$109.73**. During the past 13 weeks, the stock has increased 7.9%. During the 12 months ending 9/27/2014, earnings per share totalled \$6.45 per share. Thus, the Price / Earnings ratio is 17.01. The 17.0 P/E ratio of this company is higher than the P/E ratio of all three comparable companies, which are currently trading between 12.0 and 16.5 times earnings. This company is currently trading at 3.52 times sales. This is at a higher ratio than all three comparable companies, which are trading between 0.38 and 1.62 times sales. Apple Inc. is trading at 4.63 times book value. The company's price to book ratio is higher than that of all three comparable companies, which are trading between 1.45 and 2.66 times book value. **Therefore, the market is valuing this company at higher book, sales and earnings multiples than the three comparable companies.**

Summary of company valuations (as of 12/12/2014).

Company	P/E	Price/Book	Price/Sales	52 Wk Pr Chg
Apple Inc.	17.0	4.63	3.52	38.50%
Hewlett-Packard Company	14.5	2.65	0.64	41.99%
Western Digital Corporation	16.5	2.66	1.62	33.62%
Hitachi Limited	12.0	1.45	0.38	2.00%

The market capitalization of this company is \$643.55 billion . Management, directors, and other insiders own less than 2% of the outstanding stock. The capitalization of the floating stock (i.e., that which is not closely held) is \$643.22 billion .

#### Dividend Analysis

During the 12 months ending 9/27/2014, Apple Inc. paid dividends totalling \$1.85 per share. Since the stock is currently trading at \$109.73, this implies a dividend yield of 1.7%. This company's dividend yield is higher than the three comparable companies (which are currently paying dividends between 1.4% and 1.6% of the stock price). During the quarter ended 9/27/2014, the company paid dividends of \$0.47 per share. The company has paid a dividend for 3 straight years. During the same 12 month period ended 9/27/2014, the Company reported earnings of \$6.45 per share. Thus, the company paid 28.7% of its profits as dividends.

#### Profitability Analysis

On the \$182.80 billion in sales reported by the company in 2014, the cost of goods sold totalled \$104.26 billion, or 57.0% of sales (i.e., the gross profit was 43.0% of sales). This gross profit margin is better than the company achieved in 2013, when cost of goods sold totalled 58.4% of sales. Apple Inc.'s 2014 gross profit margin of 43.0% was better than all three comparable companies (which had gross profits in 2014 between 26.9% and 37.0% of sales). The company's earnings before interest, taxes, depreciation and amortization (EBITDA) were \$60.50 billion, or 33.1% of sales. This EBITDA to sales ratio is roughly on par with what the company achieved in 2013, when the EBITDA ratio was 32.6% of sales. The three comparable companies had EBITDA margins that were all less (between 10.3% and 21.0%) than that achieved by Apple Inc.. In 2014, earnings before extraordinary items at

Apple Inc. were \$39.51 billion, or 21.6% of sales. This profit margin is lower than the level the company achieved in 2013, when the profit margin was 21.7% of sales. The company's return on equity in 2014 was 32.0%. This was an improvement over the already high 31.3% return the company achieved in 2013. (Extraordinary items have been excluded).

#### Profitability Comparison

Company	Year	Gross Profit Margin	EBITDA Margin	Earnings before extra
Apple Inc.	2014	43.0%	33.1%	21.6%
Apple Inc.	2013	41.6%	32.6%	21.7%
Hewlett-Packard Company	2014	26.9%	14.9%	4.5%
Western Digital Corporation	2014	37.0%	21.0%	10.7%
Hitachi Limited	2014	31.1%	10.3%	2.8%

Apple Inc. reports profits by product line. During 2014, the itemized operating profits at all divisions were \$52.50 billion, which is equal to 28.7% of total sales. Of all the product lines, Operating Segment - Japan had the highest operating profits in 2014, with operating profits equal to 47.9% of sales. (However, Operating Segment - Japan only accounts for 8% of total sales at Apple Inc.). This was also the case in the previous year: in 2013, Operating Segment - Japan had the highest operating profits as well. Operating Segment - Retail had the lowest operating profit margin in 2014, with the operating profit equal to only 21.3% of sales. In 2013, Operating Segment - Retail also was the product line with the lowest operating profit margin.

#### Inventory Analysis

As of September 2014, the value of the company's inventory totalled \$2.11 billion. Since the cost of goods sold was \$104.26 billion for the year, the company had 7 days of inventory on hand (another way to look at this is to say that the company turned over its inventory 49.4 times per year). This is an almost insignificant increase in days in inventory from September 2013, when the company had \$1.76 billion, which was 6 days of sales in inventory.

#### Research and Development

Research and Development Expenses at Apple Inc. in 2014 were \$6.04 billion, which is equivalent to 3.3% of sales. In 2014 R&D expenditures increased both as a percentage of sales and in actual amounts: In 2013, Apple Inc. spent \$4.48 billion on R&D, which was 2.6% of sales. During each of the previous 5 years, the company has increased the amount of money it has spent on Research and Development (in 2009, Apple Inc. spent \$1.33 billion versus \$6.04 billion in 2014).

#### Financial Position

As of September 2014, the company's long term debt was \$28.99 billion and total liabilities (i.e., all monies owed) were \$120.29 billion. The long term debt to equity ratio of the company is 0.26. As of September 2014, the accounts receivable for the company were \$27.22 billion, which is equivalent to 54 days of sales. This is slightly higher than at the end of 2013, when Apple Inc. had 44 days of sales in accounts receivable.

#### Financial Positions

Company	Year	LT Debt/Equity	Days AR	Days Inv.	R&D/Sales
Apple Inc.	2014	0.26	54	7	3.3%
Hewlett-Packard Company	2014	0.60	N/A	N/A	N/A
Western Digital Corporation	2014	0.26	48	47	N/A
Hitachi Limited	2014	0.63	103	75	N/A

# SUMMARY ANALYSIS: Apple Inc.

Per Share- U.S. Dollars

Year	Price	Value Ratios			Equity Capital			Earnings		Dividends	
		Market Price Last	Price/Earnings Ratio	Price/Book Ratio	Dividend Yield	% Earned Growth	% Profit Rate (ROE)	Book Value Begin Yr	12 Month Earnings Per Share	% Change	% Payout Ratio
2006 <sup>D</sup>	12.12	30.7	9.2	0.0%	29.8%	29.8%	1.32	<sup>E</sup> 0.39	49.2%	0.0%	0.00
2007	28.30	43.5	16.0	0.0%	36.7%	36.7%	1.77	<sup>E</sup> 0.65	64.9%	0.0%	0.00
2008	12.19	14.0	4.5	0.0%	31.9%	31.9%	2.73	<sup>CE</sup> 0.87	34.3%	0.0%	0.00
2009	30.10	20.6	8.4	0.0%	40.6%	40.6%	3.61	<sup>BCE</sup> 1.46	67.8%	0.0%	0.00
2010	46.08	18.0	8.3	0.0%	46.2%	46.2%	5.54	<sup>BE</sup> 2.56	74.8%	0.0%	0.00
2011	57.86	11.5	7.0	0.0%	60.3%	60.3%	8.31	<sup>B</sup> 5.01	95.9%	0.0%	0.00
2012	76.02	12.1	5.5	1.0%	40.2%	45.7%	13.80	<sup>BE</sup> 6.31	25.8%	12.0%	0.76
2013	80.15	13.7	4.1	2.1%	21.4%	30.1%	19.37	5.83	-7.6%	28.9%	1.69
12/12/2014	109.73	17.0	4.6	1.7%	n/a	n/a	n/a	6.45	n/c	28.7%	1.85

(A): ALL ITEMS ADJUSTED FOR STOCK SPLITS OR DIVIDENDS - 2:1 ON 02/28/2005

(B): INCLUDES OR EXCLUDES EXTRAORDINARY CHARGE OR CREDIT - INCLS NOM PRETAX CR & \$.69 PRETAX CHG IN FIS 2012 (INCLS NOM PRETAX CR, \$.43 PRETAX CHG SEP, NOM PRETAX CR, \$.04 PRETAX CHG JUN, \$.15 PRETAX CHG MAR & NOM PRETAX CR & \$.07 PRETAX CHG DEC), INCLUDES OR EXCLUDES EXTRAORDINARY CHARGE OR CREDIT, INCLS NOM PRETAX CR & \$.19 PRETAX CHG IN FIS 2010 (NOM PRETAX CR, \$.09 PRETAX CHG SEP, \$.05 PRETAX CHG JUN, \$.03 PRETAX CHG MAR & \$.02 PRETAX CHG DEC), INCLS \$.39 PRETAX CR & \$.08 PRETAX CHG IN FIS 2009 (\$.29 PRETAX CR SEP, \$.10 PRETAX CR JUN, \$.03 PRETAX CHG MAR & \$.04 PRETAX CHG DEC), INCLS NOM CR & \$.02 CHG IN FIS 2004 (\$.01 CHG RESTRUCT SEP, NOM CHG RESTRUCT JUN, \$.01 CHG RESTRUCT MAR & NOM CR DEC)

(C): INCLUDES THE EFFECTS OF A CHANGE IN ACCOUNTING POLICIES OR TAX LAWS - -ADOPTED FASB ASC 820, FAIR VALUE MEASUREMENTS AND DISCLOSURES, FASB 855, SUBSEQUENT EVENTS, & FASB ASC 815, DERIVATIVES AND HEDGING, EARNINGS IMPACT NOT SPECIFIED, - ADOPTED FIN 48 FOR CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE, EARNINGS IMPACT NOT SPECIFIED, - ADOPTED EITF 03-1 FOR THE MEANING OF OTHER-THAN-TEMPORARY IMPAIRMENT AND ITS APPLICATION TO CERTAIN INVESTMENTS, SAB 104 FOR REVENUE RECOGNITION & FIN 46R FOR CONSOLIDATION OF VARIABLE INTEREST ENTITIES IN FIS 2004, EARNINGS IMPACT IMMATERIAL IN ALL CASES

(D): NAME CHANGED FROM APPLE COMPUTER INC IN FIS 2007

(E): BASED ON FULLY DILUTED SHARES - (Q): BASED ON FULLY DILUTED SHARES OUTSTANDING .

# SALES ANALYSIS: Apple Inc.

Figures in millions of U.S. Dollars

Year	<u>Sales</u>		<u>Cost of Goods Sold</u>		<u>Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA)</u>		<u>After Tax Income before Extraordinary Charges and Credits</u>		<u>Employees</u>		
	<u>Amount in millions</u>	<u>Year-to-year Growth</u>	<u>Amount in millions</u>	<u>% of Sales</u>	<u>Amount in millions</u>	<u>% of Sales</u>	<u>Amount in millions</u>	<u>% of Sales</u>	<u>Number</u>	<u>Sales Per Employee</u>	<u>After Tax Income Per Employee</u>
2005	13,931	68.3%	9,709	69.7%	1,994	14.3%	1,335	9.6%	14,800	941,284	90,203
2006	19,315	38.6%	13,492	69.9%	3,043	15.8%	1,989	10.3%	17,787	1,085,905	111,823
2007	24,006	24.3%	15,535	64.7%	5,325	22.2%	3,496	14.6%	23,700	1,012,911	147,511
2008	32,479	35.3%	20,861	64.2%	7,368	22.7%	4,834	14.9%	35,100	925,328	137,721
2009	42,603	31.2%	25,017	58.7%	12,800	30.0%	8,235	19.3%	36,800	1,157,690	223,777
2010	65,067	52.7%	38,471	59.1%	19,567	30.1%	14,013	21.5%	49,400	1,317,146	283,664
2011	108,598	66.9%	62,262	57.3%	36,019	33.2%	25,922	23.9%	63,300	1,715,608	409,510
2012	156,508	44.1%	84,569	54.0%	59,040	37.7%	41,733	26.7%	76,100	2,056,610	548,397
2013	170,910	9.2%	99,846	58.4%	57,051	33.4%	37,037	21.7%	80,300	2,128,394	461,233
2014	182,795	7.0%	104,258	57.0%	61,867	33.8%	39,510	21.6%	92,600	1,974,028	426,674

# PRICE ANALYSIS: Apple Inc.

Per Share- U.S. Dollars

	<u>Quarter</u>	<u>High Price</u>	<u>Low Price</u>	<u>Closing Price</u>	<u>Quarterly %Change</u>	<u>12 months %Change</u>
2006	Jan - Mar	12.343	8.239	8.960	n/a	n/a
	Apr - Jun	10.543	7.916	8.181	-8.7%	n/a
	Jul - Sep	11.111	7.166	10.997	34.4%	n/a
	Oct - Dec	13.308	10.371	12.120	10.2%	n/a
2007	Jan - Mar	13.971	11.700	13.273	9.5%	48.1%
	Apr - Jun	18.230	12.800	17.434	31.4%	113.1%
	Jul - Sep	22.143	15.946	21.924	25.8%	99.4%
	Oct - Dec	28.994	21.519	28.297	29.1%	133.5%
2008	Jan - Mar	28.609	16.491	20.500	-27.6%	54.5%
	Apr - Jun	27.463	20.516	23.920	16.7%	37.2%
	Jul - Sep	25.844	14.370	16.237	-32.1%	-25.9%
	Oct - Dec	16.629	11.306	12.193	-24.9%	-56.9%
2009	Jan - Mar	15.711	11.171	15.017	23.2%	-26.7%
	Apr - Jun	20.914	14.841	20.347	35.5%	-14.9%
	Jul - Sep	26.986	19.203	26.479	30.1%	63.1%
	Oct - Dec	30.564	25.814	30.105	13.7%	146.9%
2010	Jan - Mar	33.926	27.179	33.571	11.5%	123.6%
	Apr - Jun	39.859	28.464	35.933	7.0%	76.6%
	Jul - Sep	42.104	33.651	40.536	12.8%	53.1%
	Oct - Dec	46.666	39.681	46.080	13.7%	53.1%
2011	Jan - Mar	52.129	46.405	49.787	8.0%	48.3%
	Apr - Jun	50.733	44.357	47.953	-3.7%	33.5%
	Jul - Sep	60.409	47.743	54.474	13.6%	34.4%
	Oct - Dec	60.957	50.606	57.857	6.2%	25.6%
2012	Jan - Mar	88.779	58.429	85.650	48.0%	72.0%
	Apr - Jun	92.000	74.597	83.429	-2.6%	74.0%
	Jul - Sep	100.724	81.429	95.301	14.2%	74.9%
	Oct - Dec	96.679	71.604	76.025	-20.2%	31.4%



2013	Jan - Mar	79.286	59.857	63.237	-16.8%	-26.2%
	Apr - Jun	66.536	55.014	56.647	-10.4%	-32.1%
	Jul - Sep	73.391	57.317	68.107	20.2%	-28.5%
	Oct - Dec	82.162	68.326	80.146	17.7%	5.4%
2014	Jan - Mar	80.029	70.507	76.677	-4.3%	21.3%
	Apr - Jun	95.050	73.047	92.930	21.2%	64.1%
	Jul - Sep	103.740	92.570	100.750	8.4%	47.9%
	12/12/2014			109.730	7.9%	38.5%

# EARNINGS AND DIVIDENDS ANALYSIS: Apple Inc.

Per Share- U.S. Dollars

Fiscal Year Ends in September

Calendar Years	Earnings Per Share						Dividends Per Share						
	12 Months		Quarterly Reported Earnings				12 Months		Quarterly Reported Dividends				
	Earnings	% Change	Q4 Mar.	Q1 Jun.	Q2 Sep.	Q3 Dec.	Dividends	% Change	Q4 Mar.	Q1 Jun.	Q2 Sep.	Q3 Dec.	% Payout
2003	0.03	516.1%	0.00	0.00	0.01	0.01	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2004	BCE 0.09	235.1%	0.01	0.01	0.02	0.05	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2005	E 0.26	198.4%	0.05	0.05	0.07	0.09	A 0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2006 D	E 0.39	49.2%	0.07	0.08	0.09	0.16	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2007	E 0.65	64.9%	0.12	0.13	0.14	0.25	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2008	CE 0.87	34.3%	0.17	0.17	0.18	0.36	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2009	BCE 1.46	67.8%	0.26	0.29	0.40	0.52	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2010	BE 2.56	74.8%	0.48	0.50	0.66	0.92	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2011	B 5.01	95.9%	0.91	1.11	1.01	1.98	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2012	BE 6.31	25.8%	1.76	1.33	1.24	1.98	0.76	n/c	0.00	0.38	0.00	0.38	6.0%
2013	5.83	-7.6%	1.45	1.07	1.18	2.14	1.69	122.6%	0.38	0.44	0.44	0.44	28.5%
2014	n/a	n/c	1.67	1.27	1.38	n/a	1.85	9.5%	0.44	0.47	0.47	0.47	28.2%
2015	n/a	n/c	n/a	n/a	n/a	n/a	n/a	n/c	n/a	n/a	n/a	n/a	n/c

(A): ALL ITEMS ADJUSTED FOR STOCK SPLITS OR DIVIDENDS - 2:1 ON 02/28/2005

(B): INCLUDES OR EXCLUDES EXTRAORDINARY CHARGE OR CREDIT - INCLS NOM PRETAX CR & \$.69 PRETAX CHG IN FIS 2012 (INCLS NOM PRETAX CR, \$.43 PRETAX CHG SEP, NOM PRETAX CR, \$.04 PRETAX CHG JUN, \$.15 PRETAX CHG MAR & NOM PRETAX CR & \$.07 PRETAX CHG DEC), INCLUDES OR EXCLUDES EXTRAORDINARY CHARGE OR CREDIT, INCLS NOM PRETAX CR & \$.19 PRETAX CHG IN FIS 2010 (NOM PRETAX CR, \$.09 PRETAX CHG SEP, \$.05 PRETAX CHG JUN, \$.03 PRETAX CHG MAR & \$.02 PRETAX CHG DEC), INCLS \$.39 PRETAX CR & \$.08 PRETAX CHG IN FIS 2009 (\$.29 PRETAX CR SEP, \$.10 PRETAX CR JUN, \$.03 PRETAX CHG MAR & \$.04 PRETAX CHG DEC), INCLS NOM CR & \$.02 CHG IN FIS 2004 (\$.01 CHG RESTRUCT SEP, NOM CHG RESTRUCT JUN, \$.01 CHG RESTRUCT MAR & NOM CR DEC)

(C): INCLUDES THE EFFECTS OF A CHANGE IN ACCOUNTING POLICIES OR TAX LAWS - -ADOPTED FASB ASC 820, FAIR VALUE MEASUREMENTS AND DISCLOSURES, FASB 855, SUBSEQUENT EVENTS, & FASB ASC 815, DERIVATIVES AND HEDGING, EARNINGS IMPACT NOT SPECIFIED, - ADOPTED FIN 48 FOR CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE, EARNINGS IMPACT NOT SPECIFIED, - ADOPTED EITF 03-1 FOR THE MEANING OF OTHER-THAN-TEMPORARY IMPAIRMENT AND ITS APPLICATION TO CERTAIN INVESTMENTS, SAB 104 FOR REVENUE RECOGNITION & FIN 46R FOR CONSOLIDATION OF VARIABLE INTEREST ENTITIES IN FIS 2004, EARNINGS IMPACT IMMATERIAL IN ALL CASES

(D): NAME CHANGED FROM APPLE COMPUTER INC IN FIS 2007

(E): BASED ON FULLY DILUTED SHARES - (Q): BASED ON FULLY DILUTED SHARES OUTSTANDING .

## Balance Sheet - (Common Size): Apple Inc.

Figures are expressed as Percent of Total Assets.

Total Assets are in millions of U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
<b>Assets</b>					
<b>Total Assets</b>	<b>231,839.0</b>	<b>207,000.0</b>	<b>176,064.0</b>	<b>116,371.0</b>	<b>75,183.0</b>
Cash & Short Term Investments	11.5%	19.7%	16.6%	22.7%	34.2%
Cash	6.0%	6.9%	1.8%	2.5%	2.2%
Short Term Investments	5.6%	12.8%	14.9%	20.2%	32.0%
Receivables (Net)	11.7%	10.0%	10.6%	10.1%	13.2%
Inventories -Total	0.9%	0.9%	0.4%	0.7%	1.4%
Raw Materials		0.0%	0.0%	0.0%	0.0%
Work in Process	0.2%	0.3%	0.0%	0.0%	0.0%
Finished Goods	0.7%	0.5%	0.4%	0.7%	1.4%
Progress Payments & Other		0.0%	0.0%	0.0%	0.0%
Prepaid Expenses			0.7%	0.6%	0.2%
Other Current Assets	5.4%	4.9%	4.4%	4.6%	6.4%
Current Assets - Total	29.6%	35.4%	32.7%	38.7%	55.4%
Long Term Receivables	0.0%	0.0%	0.0%	0.0%	0.0%
Investment in Associated Companies	0.0%	0.0%	0.0%	0.0%	0.0%
Other Investments	56.1%	51.3%	52.3%	47.8%	33.8%
Property Plant and Equipment - Gross	16.8%	13.8%	12.4%	10.1%	9.6%
Accumulated Depreciation	7.9%	5.8%	3.7%	3.4%	3.3%
Property Plant and Equipment – Net	8.9%	8.0%	8.8%	6.7%	6.3%
Other Assets	5.4%	5.3%	6.2%	6.9%	4.5%

Deferred Charges	0.0%	0.0%	1.7%	1.4%	1.1%
Tangible Other Assets	1.6%	2.5%	1.4%	1.7%	1.9%
Intangible Other Assets	3.8%	2.8%	3.0%	3.8%	1.4%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>231,839.0</b>	<b>207,000.0</b>	<b>176,064.0</b>	<b>116,371.0</b>	<b>75,183.0</b>
Accounts Payable	13.0%	10.8%	12.0%	12.6%	16.0%
Short Term Debt & Current Portion of Long Term Debt	2.7%	0.0%	0.0%	0.0%	0.0%
Accrued Payroll	0.5%	0.5%	0.4%	0.5%	0.6%
Income Taxes Payable	0.5%	0.6%	0.9%	1.0%	0.3%
Dividends Payable		0.0%		0.0%	0.0%
Other Current Liabilities	10.6%	9.2%	8.6%	10.0%	10.7%
Current Liabilities - Total	27.4%	21.1%	21.9%	24.0%	27.6%
Long Term Debt	12.5%	8.2%	0.0%	0.0%	0.0%
Long Term Debt Excluding Capitalized Leases	12.5%	8.2%	0.0%	0.0%	0.0%
Capitalized Lease Obligations	0.0%	0.0%	0.0%	0.0%	0.0%
Provision for Risks and Charges			0.0%	0.0%	0.0%
Deferred Income	1.3%	1.3%	1.5%	1.4%	1.5%
Deferred Taxes	8.7%	8.0%	7.9%	7.0%	5.7%
Deferred Taxes - Credit	8.7%	8.0%	7.9%	7.0%	5.7%
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	2.0%	1.8%	1.6%	1.7%	1.6%
Total Liabilities	51.9%	40.3%	32.9%	34.2%	36.4%

Non-Equity Reserves	0.0%	0.0%	0.0%	0.0%	0.0%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock Issued for ESOP					
ESOP Guarantees - Preferred Issued					
Common Equity	48.1%	59.7%	67.1%	65.8%	63.6%
Total Liabilities & Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%

## Balance Sheet - (Year to Year Percent Change): Apple Inc.

Figures are the Percent Changes from the Prior Year.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
<b>Assets</b>					
<b>Total Assets</b>	<b>12.0%</b>	<b>17.6%</b>	<b>51.3%</b>	<b>54.8%</b>	<b>58.8%</b>
Cash & Short Term Investments	-34.5%	39.2%	10.6%	2.9%	9.5%
Cash	-2.9%	358.6%	7.1%	71.8%	48.4%
Short Term Investments	-51.4%	1.3%	11.1%	-2.0%	7.5%
Receivables (Net)	31.9%	10.4%	59.5%	18.1%	96.2%
Inventories -Total	19.7%	123.0%	1.9%	-26.2%	131.0%
Raw Materials					
Work in Process	-31.0%				
Finished Goods	51.7%	36.7%	1.9%	-26.2%	131.0%
Progress Payments & Other					
Prepaid Expenses			64.8%	363.7%	-49.2%
Other Current Assets	23.4%	31.6%	45.1%	10.0%	115.8%
Current Assets - Total	-6.5%	27.1%	28.2%	7.9%	32.1%
Long Term Receivables					
Investment in Associated Companies					
Other Investments	22.5%	15.3%	65.6%	119.0%	141.2%
Property Plant and Equipment - Gross	36.8%	30.3%	86.0%	62.7%	55.0%
Accumulated Depreciation	54.3%	85.3%	61.2%	61.8%	44.0%
Property Plant and Equipment – Net	24.3%	7.4%	98.7%	63.1%	61.4%
Other Assets	14.9%	0.6%	35.7%	138.7%	45.4%

Deferred Charges		-100.0%	87.5%	100.3%	-5.3%
Tangible Other Assets	-26.9%	107.7%	26.7%	33.6%	63.0%
Intangible Other Assets	52.2%	7.4%	20.9%	309.2%	93.7%
Total Assets	12.0%	17.6%	51.3%	54.8%	58.8%
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>12.0%</b>	<b>17.6%</b>	<b>51.3%</b>	<b>54.8%</b>	<b>58.8%</b>
Accounts Payable	35.0%	5.6%	44.7%	21.8%	114.5%
Short Term Debt & Current Portion of Long Term Debt					
Accrued Payroll	26.1%	30.5%	24.6%	35.3%	22.1%
Income Taxes Payable	0.8%	-21.8%	34.6%	442.9%	-51.2%
Dividends Payable					
Other Current Liabilities	28.2%	26.7%	30.1%	44.0%	57.5%
Current Liabilities - Total	45.3%	13.3%	37.8%	35.0%	80.1%
Long Term Debt	70.9%				
Long Term Debt Excluding Capitalized Leases	70.9%				
Capitalized Lease Obligations					
Provision for Risks and Charges					
Deferred Income	15.5%	-0.9%	57.1%	48.0%	33.5%
Deferred Taxes	22.9%	19.1%	69.7%	89.7%	109.4%
Deferred Taxes - Credit	22.9%	19.1%	69.7%	89.7%	94.0%
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	22.8%	32.0%	45.1%	57.7%	-4.3%
Total Liabilities	44.1%	44.2%	45.5%	45.1%	74.5%

Non-Equity Reserves					
Minority Interest					
Preferred Stock					
Preferred Stock Issued for ESOP					
ESOP Guarantees - Preferred Issued					
Common Equity	-9.7%	4.5%	54.3%	60.3%	51.0%
Total Liabilities & Shareholders' Equity	12.0%	17.6%	51.3%	54.8%	58.8%



## Balance Sheet - (5 Year Averages): Apple Inc.

Figures in millions of U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
<b>Assets</b>					
<b>Total Assets</b>	<b>161,291.4</b>	<b>124,391.2</b>	<b>90,878.0</b>	<b>60,717.0</b>	<b>40,883.8</b>
Cash & Short Term Investments	29,789.2	29,147.0	25,893.0	23,114.4	19,842.8
Cash	7,161.0	4,620.0	1,841.8	1,271.2	730.6
Short Term Investments	22,628.2	24,527.0	24,051.2	21,843.2	19,112.2
Receivables (Net)	17,638.6	13,206.2	10,018.8	7,086.2	5,311.8
Inventories -Total	1,298.6	967.4	716.4	627.4	526.2
Raw Materials		0.0	0.0	0.0	0.0
Work in Process	230.8	136.6	0.0	0.0	0.0
Finished Goods	1,067.8	830.8	716.4	627.4	526.2
Progress Payments & Other		0.0	0.0	0.0	0.0
Prepaid Expenses			960.0	803.4	699.4
Other Current Assets	8,083.8	6,032.6	4,524.6	3,342.0	2,497.4
Current Assets - Total	57,227.2	49,832.0	42,112.8	34,973.4	28,877.6
Long Term Receivables	0.0	0.0	0.0	0.0	0.0
Investment in Associated Companies	0.0	0.0	0.0	0.0	0.0
Other Investments	81,901.6	57,974.8	36,731.8	18,307.4	7,183.8
Property Plant and Equipment - Gross	21,684.6	14,815.0	9,860.6	6,051.4	4,112.8
Accumulated Depreciation	8,641.0	5,305.4	3,179.4	2,094.2	1,454.8
Property Plant and Equipment – Net	13,043.6	9,509.6	6,681.2	3,957.2	2,658.0
Other Assets	9,119.0	7,074.8	5,352.2	3,479.0	2,164.4

Deferred Charges	1,079.8	1,248.6	1,508.0	1,033.0	921.4
Tangible Other Assets	2,961.6	2,388.4	1,445.8	1,035.4	679.2
Intangible Other Assets	5,077.6	3,437.8	2,398.4	1,410.6	563.8
Total Assets	161,291.4	124,391.2	90,878.0	60,717.0	40,883.8
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>161,291.4</b>	<b>124,391.2</b>	<b>90,878.0</b>	<b>60,717.0</b>	<b>40,883.8</b>
Accounts Payable	20,077.0	15,158.0	11,788.6	8,547.6	6,299.2
Short Term Debt & Current Portion of Long Term Debt	1,261.6	0.0	0.0	0.0	0.0
Accrued Payroll	785.8	615.4	487.6	391.4	317.6
Income Taxes Payable	1,058.8	903.0	683.0	473.6	323.2
Dividends Payable				0.0	0.0
Other Current Liabilities	15,684.8	11,803.2	9,607.2	7,305.2	5,478.0
Current Liabilities - Total	38,868.0	28,479.6	22,566.4	16,717.8	12,418.0
Long Term Debt	9,189.4	3,392.0	0.0	0.0	0.0
Long Term Debt Excluding Capitalized Leases	9,189.4	3,392.0	0.0	0.0	0.0
Capitalized Lease Obligations	0.0	0.0	0.0	0.0	0.0
Provision for Risks and Charges					
Deferred Income	2,225.8	1,790.2	1,871.0	1,507.4	1,241.2
Deferred Taxes	12,610.8	8,969.6	5,779.2	3,116.0	1,560.4
Deferred Taxes - Credit	12,610.8	9,002.2	5,839.4	3,193.8	1,638.2
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	2,855.0	2,198.8	1,604.2	1,054.2	668.8
Total Liabilities	65,749.0	44,830.2	31,820.8	22,395.4	15,888.4

Non-Equity Reserves	0.0	0.0	0.0	0.0	0.0
Minority Interest	0.0	0.0	0.0	0.0	0.0
Preferred Stock	0.0	0.0	0.0	0.0	0.0
Preferred Stock Issued for ESOP					
ESOP Guarantees - Preferred Issued					
Common Equity	95,542.4	79,561.0	59,057.2	38,321.6	24,995.4
Total Liabilities & Shareholders' Equity	161,291.4	124,391.2	90,878.0	60,717.0	40,883.8

## Income Statement - (Common Size): Apple Inc.

*Figures are expressed as Percent of Net Sales or Revenues.*

*Net Sales or Revenues are in millions of U.S. Dollars.*

Fiscal Year	2014	2013	2012	2011	2010
<b>Net Sales or Revenues</b>	<b>182,795.0</b>	<b>170,910.0</b>	<b>156,508.0</b>	<b>108,598.0</b>	<b>65,067.0</b>
Cost of Goods Sold	57.0%	58.4%	54.0%	57.3%	59.1%
Depreciation, Depletion & Amortization	4.4%	4.0%	2.1%	1.7%	1.6%
Gross Income	38.6%	37.6%	43.9%	41.0%	39.3%
Selling, General & Administrative Expenses	9.9%	9.0%	8.6%	9.2%	11.2%
Other Operating Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenses - Total	71.3%	71.3%	64.7%	68.2%	71.9%
Operating Income	28.7%	28.7%	35.3%	31.8%	28.1%
Extraordinary Credit - Pretax	0.0%	0.0%	0.0%	0.0%	0.0%
Extraordinary Charge - Pretax	0.1%	0.2%	0.4%	0.2%	0.3%
Non-Operating Interest Income	1.0%	0.9%	0.7%	0.5%	0.5%
Reserves - Increase/Decrease	0.0%	0.0%	0.0%	0.0%	0.0%
Pretax Equity in Earnings	0.0%	0.0%	0.0%	0.0%	0.0%
Other Income/Expense - Net	-0.2%	-0.0%	0.1%	-0.5%	0.2%
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	33.8%	33.4%	37.7%	33.2%	30.1%
Earnings before Interest & Taxes(EBIT)	29.5%	29.4%	35.6%	31.5%	28.5%
Interest Expense on Debt	0.2%	0.1%	0.0%	0.0%	0.0%
Interest Capitalized	0.0%	0.0%	0.0%	0.0%	0.0%
Pretax Income	29.3%	29.3%	35.6%	31.5%	28.5%
Income Taxes	7.6%	7.7%	9.0%	7.6%	7.0%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Equity in Earnings	0.0%	0.0%	0.0%	0.0%	0.0%

After Tax Other Income/Expense	0.0%	0.0%	0.0%	0.0%	0.0%
Discontinued Operations	0.0%	0.0%	0.0%	0.0%	0.0%
Net Income before Extraordinary Items/Preferred Dividends	21.6%	21.7%	26.7%	23.9%	21.5%
Extraordinary Items & Gain/Loss Sale of Assets	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Dividend Requirements	0.0%	0.0%	0.0%	0.0%	0.0%
Net Income after Preferred Dividends - available to Common	21.6%	21.7%	26.7%	23.9%	21.5%

## Income Statement - (Year to Year Percent Change): Apple Inc.

*Figures are the Percent Changes from the Prior Year.*

Fiscal Year	2014	2013	2012	2011	2010
<b>Net Sales or Revenues</b>	<b>7.0%</b>	<b>9.2%</b>	<b>44.1%</b>	<b>66.9%</b>	<b>52.7%</b>
Cost of Goods Sold	4.4%	18.1%	35.8%	61.8%	53.8%
Depreciation, Depletion & Amortization	18.3%	106.3%	80.7%	76.6%	39.9%
Gross Income	9.7%	-6.3%	54.2%	74.1%	51.7%
Selling, General & Administrative Expenses	17.8%	14.0%	33.8%	37.4%	33.1%
Other Operating Expenses					
Operating Expenses - Total	6.9%	20.4%	36.7%	58.4%	49.8%
Operating Income	7.2%	-11.3%	60.1%	88.8%	60.7%
Extraordinary Credit - Pretax	-100.0%	-66.7%	200.0%	0.0%	-66.7%
Extraordinary Charge - Pretax	-60.1%	-54.3%	208.9%	21.7%	80.4%
Non-Operating Interest Income	11.1%	48.5%	109.6%	66.9%	-23.6%
Reserves - Increase/Decrease					
Pretax Equity in Earnings					
Other Income/Expense - Net		-127.0%		-548.1%	-65.3%
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	8.4%	-3.4%	63.9%	84.1%	52.9%
Earnings before Interest & Taxes(EBIT)	7.1%	-9.8%	63.0%	84.5%	53.7%
Interest Expense on Debt	182.4%				
Interest Capitalized					
Pretax Income	6.6%	-10.1%	63.0%	84.5%	53.7%
Income Taxes	6.5%	-6.5%	69.4%	83.0%	18.2%
Minority Interest					
Equity in Earnings					
After Tax Other Income/Expense					
Discontinued Operations					

Net Income before Extraordinary Items/Preferred Dividends	6.7%	-11.3%	61.0%	85.0%	70.2%
Extraordinary Items & Gain/Loss Sale of Assets					
Preferred Dividend Requirements					
Net Income after Preferred Dividends - available to Common	6.7%	-11.3%	61.0%	85.0%	70.2%

## Income Statement - (5 Year Averages): Apple Inc.

Figures in millions of U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
<b>Net Sales or Revenues</b>	<b>136,775.6</b>	<b>108,737.2</b>	<b>81,051.0</b>	<b>54,550.6</b>	<b>36,694.0</b>
Cost of Goods Sold	77,881.2	62,033.0	46,236.0	32,429.2	22,675.2
Depreciation, Depletion & Amortization	4,175.6	2,722.4	1,465.0	873.0	555.2
Gross Income	54,718.8	43,981.8	33,350.0	21,248.4	13,463.6
Selling, General & Administrative Expenses	12,817.4	10,307.0	8,220.0	6,284.8	4,908.2
Other Operating Expenses	0.0	0.0	0.0	0.0	0.0
Operating Expenses - Total	94,874.2	75,062.4	55,921.0	39,587.0	28,138.6
Operating Income	41,901.4	33,674.8	25,130.0	14,963.6	8,555.4
Extraordinary Credit - Pretax	1.2	1.8	1.6	1.0	0.8
Extraordinary Charge - Pretax	293.4	288.8	228.6	97.0	54.4
Non-Operating Interest Income	1,065.8	788.2	595.6	507.4	482.4
Reserves - Increase/Decrease	0.0	0.0	0.0	0.0	0.0
Pretax Equity in Earnings	0.0	0.0	0.0	0.0	0.0
Other Income/Expense - Net	-141.8	-3.0	-4.8	-32.2	81.2
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	46,708.8	36,895.4	26,958.8	16,215.8	9,620.6
Earnings before Interest & Taxes(EBIT)	42,533.2	34,173.0	25,493.8	15,342.8	9,065.4
Interest Expense on Debt	104.0	27.2	0.0	0.0	0.0
Interest Capitalized	0.0	0.0	0.0	0.0	0.0
Pretax Income	42,429.2	34,145.8	25,493.8	15,342.8	9,065.4
Income Taxes	10,786.2	8,757.8	6,546.4	4,042.8	2,552.0
Minority Interest	0.0	0.0	0.0	0.0	0.0
Equity in Earnings	0.0	0.0	0.0	0.0	0.0



After Tax Other Income/Expense	0.0	0.0	0.0	0.0	0.0
Discontinued Operations	0.0	0.0	0.0	0.0	0.0
Net Income before Extraordinary Items/Preferred Dividends	31,643.0	25,388.0	18,947.4	11,300.0	6,513.4
Extraordinary Items & Gain/Loss Sale of Assets	0.0	0.0	0.0	0.0	0.0
Preferred Dividend Requirements	0.0	0.0	0.0	0.0	0.0
Net Income after Preferred Dividends - available to Common	31,643.0	25,388.0	18,947.4	11,300.0	6,513.4

## Sources of Capital: Apple Inc.

*Currency figures are in millions of U.S. Dollars.*

*Year to year % changes pertain to reported Balance Sheet values.*

Fiscal Year	2014	2013	2012	2011	2010
<b>Fiscal Year End Date</b>	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
<b>Total Capital</b>	<b>140,534.0</b>	<b>140,509.0</b>	<b>118,210.0</b>	<b>76,615.0</b>	<b>47,791.0</b>
<b>Percent of Total Capital</b>					
Short Term Debt	4.5%	0.0%	0.0%	0.0%	0.0%
Long Term Debt	20.6%	12.1%	0.0%	0.0%	0.0%
Other Liabilities	3.2%	2.6%	2.4%	2.5%	2.6%
Total Liabilities	85.6%	59.4%	48.9%	51.9%	57.3%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%
Retained Earnings	62.0%	74.2%	85.7%	82.0%	77.8%
Common Equity	79.4%	87.9%	100.0%	100.0%	100.0%
Total Capital	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Year to Year Net Changes</b>					
Short Term Debt	630.8	0.0	0.0	0.0	0.0
Long Term Debt	1,202.7	1,696.0	0.0	0.0	0.0
Other Liabilities	84.8	90.2	87.6	71.0	-5.5
Total Liabilities	3,684.1	2,559.7	1,809.8	1,236.4	1,169.4
Minority Interest	0.0	0.0	0.0	0.0	0.0
Preferred Stock	0.0	0.0	0.0	0.0	0.0
Retained Earnings	-1,710.4	296.7	3,844.8	2,567.2	1,381.6
Common Equity	-1,200.2	533.9	4,159.5	2,882.4	1,615.1
Total Capital	2.5	2,229.9	4,159.5	2,882.4	1,615.1
<b>Year to Year Percent Changes</b>					
Short Term Debt					

Long Term Debt	70.9%				
Other Liabilities	22.8%	32.0%	45.1%	57.7%	-4.3%
Total Liabilities	44.1%	44.2%	45.5%	45.1%	74.5%
Minority Interest					
Preferred Stock					
Retained Earnings	-16.4%	2.9%	61.2%	69.1%	59.2%
Common Equity	-9.7%	4.5%	54.3%	60.3%	51.0%
Total Capital	0.0%	18.9%	54.3%	60.3%	51.0%
<b>Total Liabilities &amp; Common Equity</b>					
Total Liabilities	120,292.0	83,451.0	57,854.0	39,756.0	27,392.0
Net Change in Liabilities as % of Total Liabilities	30.6%	30.7%	31.3%	31.1%	42.7%
Common Equity	111,547.0	123,549.0	118,210.0	76,615.0	47,791.0
Net Change in Common Equity as % of Common Equity	-10.8%	4.3%	35.2%	37.6%	33.8%
<b>Cash Flow</b>					
Operating Activities	59,713.0	53,666.0	50,856.0	37,529.0	18,595.0
Financing Activities	-37,549.0	-16,379.0	-1,698.0	1,444.0	1,257.0
Investing Activities	22,579.0	33,774.0	48,227.0	40,419.0	13,854.0

## Accounting Ratios: Apple Inc.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
Receivables Turnover	6.7	8.3	8.4	9.3	6.6
Receivables - Number of Days	47.8	42.0	35.5	36.4	42.0
Inventory Turnover	53.8	78.2	107.9	68.2	51.1
Inventory - Number of Days	6.8	4.7	3.4	5.4	7.1
Gross Property, Plant & Equipment Turnover	4.7	6.0	7.2	9.2	9.0
Net Property, Plant & Equipment Turnover	8.9	10.3	10.1	14.0	13.6
Depreciation, Depletion & Amortization % of Gross Property, Plant & Equipment	20.5%	23.7%	15.0%	15.4%	14.2%
Depreciation, Depletion & Amortization Year to Year Change	124.0	348.3	146.3	78.7	29.3
Depreciation, Depletion & Amortization Year to Year % Change	18.3%	106.3%	80.7%	76.6%	39.9%

## Asset Utilization: Apple Inc.

Figures are expressed as the ratio of Net Sales.

Net Sales are in millions of U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
Net Sales	182,795.0	170,910.0	156,508.0	108,598.0	65,067.0
Cash & Cash Equivalents	14.6%	23.8%	18.7%	24.4%	39.5%
Short-Term Investments	7.0%	15.5%	16.7%	21.7%	36.9%
Accounts Receivable	14.9%	12.1%	11.9%	10.8%	15.3%
Inventories	1.2%	1.0%	0.5%	0.7%	1.6%
Other Current Assets	6.8%	5.9%	4.9%	4.9%	7.4%
Total Current Assets	37.5%	42.9%	36.8%	41.4%	64.1%
Total Long Term Receivables & Investments	71.2%	62.1%	58.9%	51.2%	39.0%
Long Term Receivables	0.0%	0.0%	0.0%	0.0%	0.0%
Investments in Associated Companies	0.0%	0.0%	0.0%	0.0%	0.0%
Other Investments	71.2%	62.1%	58.9%	51.2%	39.0%
Property, Plant & Equipment - Gross	21.3%	16.7%	14.0%	10.8%	11.1%
Accumulated Depreciation	10.1%	7.0%	4.1%	3.7%	3.8%
Property Plant & Equipment - Net	11.3%	9.7%	9.9%	7.2%	7.3%
Other Assets	6.9%	6.4%	6.9%	7.4%	5.1%
Total Assets	126.8%	121.1%	112.5%	107.2%	115.5%

## Employee Efficiency: Apple Inc.

Values per Employee are in U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
Employees	92,600	80,300	76,100	63,300	49,400
Values per Employee					
Sales	1,974,028	2,128,394	2,056,610	1,715,608	1,317,146
Net Income	426,674	461,233	548,397	409,510	283,664
Cash Earnings	568,747	587,646	672,208	501,927	351,883
Working Capital	54,892	368,966	251,130	268,847	424,211
Total Debt	381,156	211,208	0	0	0
Total Capital	1,517,646	1,749,801	1,553,351	1,210,348	967,429
Total Assets	2,503,661	2,577,833	2,313,587	1,838,404	1,521,923
Year to Year % Change per Employee					
Employees	15.3%	5.5%	20.2%	28.1%	34.2%
Sales	-7.3%	3.5%	19.9%	30.3%	13.8%
Net Income	-7.5%	-15.9%	33.9%	44.4%	26.8%
Cash Earnings	-3.2%	-12.6%	33.9%	42.6%	20.5%
Working Capital	-85.1%	46.9%	-6.6%	-36.6%	-22.1%
Total Debt	80.5%				
Total Capital	-13.3%	12.6%	28.3%	25.1%	12.5%
Total Assets	-2.9%	11.4%	25.8%	20.8%	18.3%

## Fixed Charges Coverage: Apple Inc.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
EBIT/Total Interest Expense	140.3	369.8			
EBIT/Net Interest					
EBIT/(Total Interest Exp + Pfd Div)	140.3	369.8			
EBIT/Dividends on Common Shares	4.8	4.8	22.4		
EBIT/(Dividends on Common + Pfd)	4.8	4.8	22.4		
EBITDA/Total Interest Expense	161.1	419.5			
EBITDA/Net Interest					
EBITDA/(Total Interest Exp + Pfd Div)	161.1	419.5			
EBITDA/Dividends on Com Shares	5.6	5.4	23.7		
EBITDA/(Dividends on Com + Pfd)	5.6	5.4	23.7		

## Leverage Analysis: Apple Inc.

<b>Fiscal Year</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Fiscal Year End Date</b>	<b>9/27/2014</b>	<b>9/28/2013</b>	<b>9/29/2012</b>	<b>9/24/2011</b>	<b>9/25/2010</b>
Long Term Debt % of EBIT	53.8%	33.7%	0.0%	0.0%	0.0%
Long Term Debt % of EBITDA	46.9%	29.7%	0.0%	0.0%	0.0%
Long Term Debt % of Total Assets	12.5%	8.2%	0.0%	0.0%	0.0%
Long Term Debt % of Total Capital	20.6%	12.1%	0.0%	0.0%	0.0%
Long Term Debt % of Com Equity	26.0%	13.7%	0.0%	0.0%	0.0%
Total Debt % of EBIT	65.5%	33.7%	0.0%	0.0%	0.0%
Total Debt % of EBITDA	57.0%	29.7%	0.0%	0.0%	0.0%
Total Debt % of Total Assets	15.2%	8.2%	0.0%	0.0%	0.0%
Total Debt % of Total Capital	25.1%	12.1%	0.0%	0.0%	0.0%
Total Debt % of Total Capital & Short Term Debt	24.0%	12.1%	0.0%	0.0%	0.0%
Total Debt % of Common Equity	31.6%	13.7%	0.0%	0.0%	0.0%
Minority Interest % of EBIT	0.0%	0.0%	0.0%	0.0%	0.0%
Minority Interest % of EBITDA	0.0%	0.0%	0.0%	0.0%	0.0%
Minority Interest % of Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%
Minority Interest % of Total Capital	0.0%	0.0%	0.0%	0.0%	0.0%
Minority Interest % of Com Equity	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock % of EBIT	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock % of EBITDA	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock % of Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%



Preferred Stock % of Total Capital	0.0%	0.0%	0.0%	0.0%	0.0%
Preferred Stock % of Total Equity	0.0%	0.0%	0.0%	0.0%	0.0%
Common Equity % of Total Assets	48.1%	59.7%	67.1%	65.8%	63.6%
Common Equity % of Total Capital	79.4%	87.9%	100.0%	100.0%	100.0%
Total Capital % of Total Assets	60.6%	67.9%	67.1%	65.8%	63.6%
Capital Expenditure % of Sales	5.2%	4.8%	5.3%	3.9%	3.1%
Fixed Assets % of Common Equity	18.5%	13.4%	13.1%	10.2%	10.0%
Working Capital % of Total Capital	3.6%	21.1%	16.2%	22.2%	43.8%
Dividend Payout	28.2%	28.5%	6.0%	0.0%	0.0%
Funds From Operations % of Total Debt	149.2%	278.2%			

## Liquidity Analysis: Apple Inc.

<b>Fiscal Year</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Fiscal Year End Date</b>	<b>9/27/2014</b>	<b>9/28/2013</b>	<b>9/29/2012</b>	<b>9/24/2011</b>	<b>9/25/2010</b>
Total Current Assets % Net Sales	37.5%	42.9%	36.8%	41.4%	64.1%
Cash % of Current Assets	20.2%	19.5%	5.4%	6.5%	4.1%
Cash & Equivalents % of Current Assets	39.0%	55.6%	50.8%	58.8%	61.7%
Quick Ratio	0.9	1.4	1.2	1.4	1.7
Receivables % of Current Assets	39.7%	28.2%	32.4%	26.0%	23.8%
Receivable Turnover - number of days	47.8	42.0	35.5	36.4	42.0
Inventories % of Current Assets	3.1%	2.4%	1.4%	1.7%	2.5%
Inventory Turnover - number of days	6.8	4.7	3.4	5.4	7.1
Inventory to Cash & Equivalents - number of days	4,555.3	8,318.4	13,325.5	12,279.0	8,812.3
Receivables % of Total Assets	11.7%	10.0%	10.6%	10.1%	13.2%
Current Ratio	1.1	1.7	1.5	1.6	2.0
Total Debt % of Total Capital	24.0%	12.1%	0.0%	0.0%	0.0%
Funds from Operations % of Current Liabilities	83.0%	108.1%	132.7%	113.6%	83.9%
Funds from Operations % of Long Term Debt	181.7%	278.2%			
Funds from Operations % of Total Debt	149.2%	278.2%			
Funds from Operations % of Total Capital	37.5%	33.6%	43.3%	41.5%	36.4%
<b>Cash Flow (in millions of U.S. Dollars)</b>					

Operating Activities	59,713.0	53,666.0	50,856.0	37,529.0	18,595.0
Financing Activities	-37,549.0	-16,379.0	-1,698.0	1,444.0	1,257.0
Investing Activities	22,579.0	33,774.0	48,227.0	40,419.0	13,854.0

## Per Share Data: Apple Inc.

*Figures are expressed as per unit of respective shares.*

*Figures are in U.S. Dollars.*

<b>Fiscal Year</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Fiscal Year End Date</b>	<b>9/27/2014</b>	<b>9/28/2013</b>	<b>9/29/2012</b>	<b>9/24/2011</b>	<b>9/25/2010</b>
Sales	31.16	27.15	23.81	16.69	10.15
Operating Income	8.95	7.78	8.40	5.30	2.85
Pre-tax Income	9.12	7.97	8.48	5.26	2.89
Net Income (Continuing Operations)	6.74	5.88	6.35	3.98	2.19
Net Income Before Extra Items	6.74	5.88	6.35	3.98	2.19
Extraordinary Items	0.00	0.00	0.00	0.00	0.00
Net Income After Extraordinary Items	6.74	5.88	6.35	3.98	2.19
Net Income Available to Common Shares	6.45	5.68	6.31	3.95	2.16
Fully Diluted Earnings		5.83	6.31	5.01	2.56
Common Dividends	1.85	1.69	0.76	0.00	0.00
Cash Earnings		7.56	7.83	6.15	3.16
Book Value		20.76	19.37	13.80	8.31
Retained Earnings	14.86	16.56	15.41	9.66	5.80
Assets	39.52	32.89	26.78	17.89	11.73

## Profitability Analysis: Apple Inc.

Currency figures are in U.S. Dollars.

Fiscal Year	2014	2013	2012	2011	2010
Fiscal Year End Date	9/27/2014	9/28/2013	9/29/2012	9/24/2011	9/25/2010
Gross Income Margin	38.6%	37.6%	43.9%	41.0%	39.3%
Operating Income Margin	28.7%	28.7%	35.3%	31.8%	28.1%
Pretax Income Margin	29.3%	29.3%	35.6%	31.5%	28.5%
EBIT Margin	29.5%	29.4%	35.6%	31.5%	28.5%
Net Income Margin	21.6%	21.7%	26.7%	23.9%	21.5%
Return on Equity - Total	33.6%	30.6%	42.8%	41.7%	35.3%
Return on Invested Capital	27.7%	28.7%	42.8%	41.7%	35.3%
Return on Assets	18.1%	19.4%	28.5%	27.1%	22.9%
Asset Turnover	0.8	0.8	0.9	0.9	0.9
Financial Leverage	31.6%	13.7%	0.0%	0.0%	0.0%
Interest Expense on Debt	384,000,000	136,000,000	0	0	0
Effective Tax Rate	26.1%	26.2%	25.2%	24.2%	24.4%
Cash Flow % Sales	28.8%	27.6%	32.7%	29.3%	26.7%
Selling, General & Administrative Expenses % of Sales	9.9%	9.0%	8.6%	9.2%	11.2%
Research & Development Expense	3.3%	2.6%	2.2%	2.2%	2.7%
Operating Income Return On Total Capital	0.0%	18.9%	54.3%	60.3%	51.0%

## Wright Quality Rating - Investment Acceptance: **Apple Inc.**

*Currency figures are in millions of U.S. Dollars.*

<u>Wright Quality Rating</u>	<b>AA20</b>
<b>Investment Acceptance Rating</b>	<b>A</b>
Total Market Value of Shares Outstanding - Three Year Average	471,531
- Current Year	643,549
Public Market Value (Excludes Closely Held) - Three Year Average	471,291
- Current Year	643,222
Trading Volume - Three Year Average	1,985,180
- Current Year	1,786,670
Turnover Rate - Three Year Average	421.0%
- Current Year	277.6%
Stock Exchange Listings	NAS FRA LON MXK
Number of Institutional Investors	2,771
Number of Shareholders	29,405
Closely Held Shares as % of Total Shares Outstanding	0.1%

## Wright Quality Rating - Financial Strength: **Apple Inc.**

<b>Wright Quality Rating</b>	<b>AA20</b>
<b>Financial Strength Rating</b>	<b>A</b>
Total Shareholders' Equity (Millions of U.S. Dollars)	111,547
Total Shareholders' Equity as % Total Capital	79.4%
Preferred Stock as % of Total Capital	0.0%
Long Term Debt as % of Total Capital	20.6%
Long Term Debt (Millions of U.S. Dollars)	28,987
Lease Obligations (Millions of U.S. Dollars)	0
Long Term Debt including Leases (Millions of U.S. Dollars)	28,987
Total Debt as % of Total Capital	24.0%
Fixed Charge Coverage Ratio: Pretax Income to Interest Expense & Preferred Dividends	140.6
Fixed Charge Coverage Ratio: Pretax Income to Net Interest Income & Preferred Dividends	-38.3
Quick Ratio (Cash & Receivables / Current Liabilities)	0.9
Current Ratio (Current Assets / Current Liabilities)	1.1

## Wright Quality Rating - Profitability & Stability: Apple Inc.

<b>Wright Quality Rating</b>	<b>AA</b> A20
<b>Profitability &amp; Stability Rating</b>	<b>A</b>
Profit Rate of Earnings on Equity Capital - Time-Weighted Normal	43.0%
- Basic Trend	-2.8%
Cash Earnings Return on Equity - Time-Weighted Average	44.6%
- Basic Trend	0.3%
Cash Earnings Return on Equity - Stability Index	46.7%
Return On Assets (Time-Weighted Average)	26.6%
Pre-Tax Income as % of Total Assets (Time-Weighted Average)	26.4%
Operating Income as % of Total Assets (Time-Weighted Average)	25.8%
Operating Income as % of Total Capital (Adjusted Rate)	54.1%
Pre-Tax Income as % of Total Assets (Time-Weighted Average)	26.4%
Operating Income as % of Total Assets (Time-Weighted Average)	25.8%
Operating Income as % of Total Capital (Adjusted Rate)	54.1%



## Wright Quality Rating - Corporate Growth: Apple Inc.

Figures are expressed on a Per Share Basis.

Wright Quality Rating	AAA <b>20</b>
Growth Rating	<b>20</b>
Normal Earnings Growth	17.4%
Cash Earnings Growth	25.0%
Cash Earnings Stability Index	91.1%
Earned Equity Growth	25.0%
Dividend Growth	25.0%
Operating Income Growth	25.0%
Assets Growth	25.0%
Sales/Revenues Growth	25.0%

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