

# A Wright Investors' Service Research Report:

## Apple Inc.



2 Corporate Drive, STE 770  
Shelton, CT 06484 U.S.A.

### COMPANY PROFILE

Figures in U.S. Dollars

Wright Quality Rating: ABA14

Apple Inc. designs, manufactures and markets mobile communication and media devices, personal computers and portable digital music players. The Company sells a range of related software, services, accessories, networking solutions, and third-party digital content and applications. The Company's segments include the Americas, Europe, Greater China, Japan and Rest of Asia Pacific. The Americas segment includes both North and South America. The Europe segment includes European countries, India, the Middle East and Africa. The Greater China segment includes China, Hong Kong and Taiwan. The Rest of Asia Pacific segment includes Australia and the Asian countries not included in the Company's other operating segments. Its products and services include iPhone, iPad, Mac, iPod, Apple Watch, Apple TV, a portfolio of consumer and professional software applications, iPhone OS (iOS), OS X and watchOS operating systems, iCloud, Apple Pay and a range of accessory, service and support offerings.

#### Key Data

Ticker:  
AAPL

2018 Sales:  
265,595,000,000

Major Industry:  
Computers & Peripherals

Sub Industry:  
Electronic Computers

Country:  
United States

Currency:  
U.S. Dollars

Fiscal Year Ends:  
September

Employees  
132,000

Exchanges:  
NAS FRA LON MXK

Share Type:  
Common

Market Capitalization:  
903,628,863,150

Total Shares  
Outstanding:  
4,729,803,000

Closely Held Shares:  
3,586,435

#### Stock Chart



Stock Price (3/22/2019): 191.05

#### Recent stock performance

1 Week	2.6%
4 Weeks	10.5%
13 Weeks	26.7%
52 Weeks	15.8%

#### Officers

Chairman  
Dr. Art D. Levinson

Chief Executive Officer  
Timothy D. Cook

Chief Operating Officer  
Jeffrey E. Williams

Senior Vice President &  
Chief Financial Officer  
Luca Maestri

Senior Vice President,  
Secretary & General  
Counsel  
Katherine Adams

### Earnings / Dividends (as of 12/29/2018)

	Earnings	Dividends
Most Recent Qtr	4.18	0.73
Last 12 Months	11.86	2.92

### Ratio Analysis

Price / Earnings Ratio	16.11	Dividend Yield	1.53%
Price / Sales Ratio	3.40	Payout Ratio	24.62%
Price / Book Ratio	7.66	% Held by Insiders	0.08%

### Address

1 Apple Park Way  
Cupertino, CALIFORNIA 95014-0642  
UNITED STATES

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

## A Wright Investors' Service Research Report:

Apple Inc.

Provided By CorporateInformation.com

**WRIGHT**  
 INVESTORS' SERVICE

 2 Corporate Drive, STE 770  
 Shelton, CT 06484 U.S.A.

## Wright Comparative Business Analysis Report

Report Date: 3/22/2019

## Company Description

Apple Inc. designs, manufactures and markets mobile communication and media devices, personal computers and portable digital music players. The Company sells a range of related software, services, accessories, networking solutions, and third-party digital content and applications. The Company's segments include the Americas, Europe, Greater China, Japan and Rest of Asia Pacific. The Americas segment includes both North and South America. The Europe segment includes European countries, India, the Middle East and Africa. The Greater China segment includes China, Hong Kong and Taiwan. The Rest of Asia Pacific segment includes Australia and the Asian countries not included in the Company's other operating segments. Its products and services include iPhone, iPad, Mac, iPod, Apple Watch, Apple TV, a portfolio of consumer and professional software applications, iPhone OS (iOS), OS X and watchOS operating systems, iCloud, Apple Pay and a range of accessory, service and support offerings.

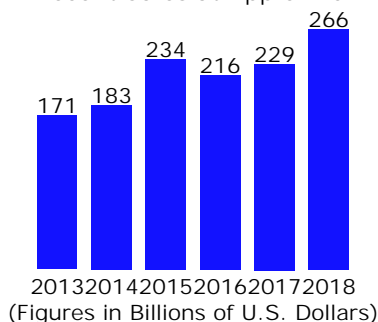
## Competitor Analysis

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: [Dell Technologies Inc](#) (2018 sales of \$91.32 billion ), [HP Inc](#) (\$58.47 billion of which 64% was Personal Systems Group), and [International Business Machines Corporation](#) (\$79.59 billion of which 43% was Technology services&Cloud Platforms).

## Sales Analysis

Apple Inc. reported sales of \$265.60 billion for the fiscal year ending September of 2018. This represents an increase of 15.9% versus 2017, when the company's sales were \$229.23 billion. Sales of Japan-Operating Segment saw an increase of 22.6% in 2018, from \$17.73 billion to \$21.73 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 \$98.06 billion which was only 36.9% of 2018's sales. In 2018, sales in the United States were up 16.3% to \$98.06 billion. During 2018, the company's sales increased at a faster rate than all three comparable companies. While Apple Inc. enjoyed a sales increase of 15.9%,

the other companies saw smaller increases: Dell Technologies Inc sales were up 14.3%, HP Inc increased 12.3%, and International Business Machines Corporation experienced growth of 0.6%. Apple Inc. currently has 132,000 employees. With sales of \$265.60 billion, this equates to sales of US\$2,012,083 per employee. This is much higher than the three comparable companies, which had sales between US\$227,014 and US\$1,193,306 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 2018)

Company	Year Ended	Sales (blns)	Sales Growth	Sales/ Emp (US\$)	Largest Region
Apple Inc.	Sep 2018	265.595	15.9%	2,012,083	Other Foreign (43.5%)
Dell Technologies Inc	Jan 2019	91.324	14.3%	629,821	N/A
HP Inc	Oct 2018	58.472	12.3%	1,193,306	Other countries (64.8%)
International Business Machines Corporation	Dec 2018	79.591	0.6%	227,014	the Americas (46.5%)

#### Recent Stock Performance

For the 52 weeks ending 3/22/2019, the stock of this company was up 15.8% to \$191.05. During the past 13 weeks, the stock has increased 26.7%. During the past 52 weeks, the stock of Apple Inc. has outperformed (by a large margin) the three comparable companies, which saw losses between 6.3% and 18.6%. During the 12 months ending 12/29/2018, earnings per share totalled \$11.86 per share. Thus, the Price / Earnings ratio is 16.11. Earnings per share rose 14.7% in 2018 from 2017. This company is currently trading at 3.40 times sales. This is at a higher ratio than all three comparable companies, which are trading between 0.50 and 1.56 times sales. Apple Inc. is trading at 7.66 times book value.

#### Summary of company valuations (as of 3/22/2019).

Company	P/E	Price/ Book	Price/ Sales	52 Wk Pr Chg
Apple Inc.	16.1	7.66	3.40	15.80%
Dell Technologies Inc	N/A	N/A	0.50	-18.58%
HP Inc	10.1	N/A	0.51	-11.49%
International Business Machines Corporation	11.9	7.41	1.56	-6.34%

The market capitalization of this company is \$903.63 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 \$902.94 billion.

#### Dividend Analysis

During the 12 months ending 12/29/2018, Apple Inc. paid dividends totalling \$2.92 per share. Since the stock is currently trading at \$191.05, this implies a dividend yield of 1.5%. During the quarter ended 12/29/2018, the company paid dividends of \$0.73 per share. Apple Inc. has increased its dividend during each of the past 5 calendar years (in 2013, the dividends were \$1.69 per share). During the same 12 month period ended 12/29/2018, the Company reported earnings of \$11.86 per share. Thus, the company paid 24.6% of its profits as dividends.

#### Profitability Analysis

On the \$265.60 billion in sales reported by the company in 2018, the cost of goods sold totalled \$152.85

billion, or 57.6% of sales (i.e., the gross profit was 42.4% of sales). This gross profit margin is slightly lower than the company achieved in 2017, when cost of goods sold totalled 57.1% of sales. The gross margin in 2018 was the lowest of the previous five years (in 2015, the gross margin had been as high as 44.9%). The company's earnings before interest, taxes, depreciation and amortization (EBITDA) were \$81.80 billion, or 30.8% of sales. This EBITDA to sales ratio is roughly on par with what the company achieved in 2017, when the EBITDA ratio was 31.2% of sales. The three comparable companies had EBITDA margins that were all less (between 8.3% and 19.9%) than that achieved by Apple Inc.. In 2018, earnings before extraordinary items at Apple Inc. were \$61.05 billion, or 23.0% of sales. This profit margin is an improvement over the level the company achieved in 2017, when the profit margin was 21.1% of sales. The company's return on equity in 2018 was 45.5%. This was significantly better than the already high 37.7% return the company achieved in 2017. (Extraordinary items have been excluded).

#### Profitability Comparison

Company	Year	Gross Profit Margin	EBITDA Margin	Earnings before extra
Apple Inc.	2018	42.4%	30.8%	23.0%
Apple Inc.	2017	42.9%	31.2%	21.1%
Dell Technologies Inc	2019	31.6%	10.0%	-2.5%
HP Inc	2018	19.0%	8.3%	4.9%
International Business Machines Corporation	2018	51.6%	19.9%	13.5%

Apple Inc. reports profits by product line. During 2018, the itemized operating profits at all divisions were \$70.90 billion, which is equal to 26.7% of total sales. Of all the product lines, Japan-Operating Segment had the highest operating profits in 2018, with operating profits equal to 43.7% of sales. (However, Japan-Operating Segment only accounts for 8% of total sales at Apple Inc.). In fact, during each of the previous 5 years, Japan-Operating Segment has had the highest operating profits of all product lines at Apple Inc.. Americas- Operating Segment had the lowest operating profit margin in 2018, with the operating profit equal to only 31.1% of sales. However, in 2017, Europe-Operating Segment had the lowest profit margin (30.1% of sales versus 31.8% for Americas- Operating Segment).

#### Inventory Analysis

As of September 2018, the value of the company's inventory totalled \$3.96 billion. Since the cost of goods sold was \$152.85 billion for the year, the company had 9 days of inventory on hand (another way to look at this is to say that the company turned over its inventory 38.6 times per year). In terms of inventory turnover, this is an improvement over September 2017, when the company's inventory was \$4.86 billion, equivalent to 14 days in inventory. The 9 days in inventory is lower than the three comparable companies, which had inventories between 16 and 47 days at the end of 2018.

#### Research and Development

Research and Development Expenses at Apple Inc. in 2018 were \$14.24 billion, which is equivalent to 5.4% of sales. In 2018 R&D expenditures increased both as a percentage of sales and in actual amounts: In 2017, Apple Inc. spent \$11.58 billion on R&D, which was 5.1% of sales. This company's expenditure of \$14.24 billion were higher than at all three comparable companies combined. (The percentage of sales wasn't the highest, but in terms of actual amount spent, this company spent more than all three combined, since it is a larger company). During each of the previous 5 years, the company has increased the amount of money it has spent on Research and Development (in 2013, Apple Inc. spent \$4.48 billion versus \$14.24 billion in 2018).

#### Financial Position

As of September 2018, the company's long term debt was \$93.74 billion and total liabilities (i.e., all monies owed) were \$258.58 billion. The long term debt to equity ratio of the company is 0.87. As of September 2018, the accounts receivable for the company were \$49.00 billion, which is equivalent to 67 days of sales. This is slightly higher than at the end of 2017, when Apple Inc. had 57 days of sales in accounts receivable.

Financial Positions

Company	Year	LT Debt/ Equity	Days AR	Days Inv.	R&D/ Sales
Apple Inc.	2018	0.87	67	9	5.4%
Dell Technologies Inc	2019	N/A	67	21	5.0%
HP Inc	2018	N/A	50	47	2.4%
International Business Machines Corporation	2018	2.12	140	16	6.8%

**SUMMARY ANALYSIS: Apple Inc.***Per Share- U.S. Dollars*

<u>Year</u>	Price	Value Ratios			Equity Capital			Earnings		Dividends	
<u>Calendar Year</u>	<u>Market Price Last</u>	<u>Price/ Earnings Ratio</u>	<u>Price/ Book Ratio</u>	<u>Dividend Yield</u>	<u>% Earned Growth</u>	<u>% Profit Rate (ROE)</u>	<u>Book Value Begin Yr</u>	<u>12 Month Earnings Per Share</u>	<u>% Change</u>	<u>% Payout Ratio</u>	<u>12 Month Dividends Per Share</u>
2010	46.08	18.0	8.3	0.0%	46.2%	46.2%	5.54	2.56	75.0%	0.0%	0.00
2011	57.86	11.5	7.0	0.0%	60.3%	60.3%	8.31	5.01	95.9%	0.0%	0.00
2012	76.02	12.1	5.5	1.0%	40.2%	45.7%	13.80	6.30	25.6%	12.0%	0.76
2013	80.15	13.9	4.1	2.1%	21.1%	29.8%	19.37	5.77	-8.4%	29.2%	1.69
2014	110.38	14.9	5.3	1.7%	26.8%	35.7%	20.76	7.40	28.3%	24.9%	1.85
2015	105.26	11.1	5.0	1.9%	35.2%	44.8%	21.17	9.48	28.0%	21.4%	2.03
2016	115.82	13.9	5.0	1.9%	26.4%	36.0%	23.13	8.33	-12.1%	26.8%	2.23
2017	169.23	16.4	6.7	1.5%	31.3%	41.1%	25.19	10.34	24.1%	23.8%	2.46
2018	157.74	13.3	5.7	1.8%	32.8%	43.0%	27.59	11.86	14.7%	23.8%	2.82
3/22/2019	191.05	16.1	7.7	1.5%	n/a	n/a	24.93	11.86	n/c	24.6%	2.92

# SALES ANALYSIS: **Apple Inc.**

Figures in millions of U.S. Dollars

<u>Year</u>	<u>Sales</u>		Cost of Goods Sold		<u>Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA)</u>		<u>After Tax Income before Extraordinary Charges and Credits</u>		<u>Employees</u>		After Tax Income Per Employee
	<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>	
2009	42,603	31.2%	24,949	58.6%	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
2015	233,715	27.9%	128,832	55.1%	84,505	36.2%	53,394	22.8%	110,000	2,124,682	485,400
2016	215,639	-7.7%	120,871	56.1%	73,333	34.0%	45,687	21.2%	116,000	1,858,957	393,853
2017	229,234	6.3%	130,891	57.1%	76,569	33.4%	48,351	21.1%	123,000	1,863,691	393,098
2018	265,595	15.9%	152,853	57.6%	87,046	32.8%	61,046	23.0%	132,000	2,012,083	462,470



# 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>
2010	Jan - Mar	33.926	27.179	33.571	n/a	n/a
	Apr - Jun	39.859	28.464	35.933	7.0%	n/a
	Jul - Sep	42.104	33.651	40.536	12.8%	n/a
	Oct - Dec	46.666	39.681	46.080	13.7%	n/a
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%
	Oct - Dec	119.750	95.180	110.380	9.6%	37.7%
2015	Jan - Mar	133.600	104.630	124.430	12.7%	62.3%
	Apr - Jun	134.540	123.100	125.425	0.8%	35.0%
	Jul - Sep	132.970	92.000	110.300	-12.1%	9.5%
	Oct - Dec	123.820	104.820	105.260	-4.6%	-4.6%
2016	Jan - Mar	110.420	92.390	108.990	3.5%	-12.4%

	Apr - Jun	112.390	89.470	95.600	-12.3%	-23.8%
	Jul - Sep	116.180	94.370	113.050	18.3%	2.5%
	Oct - Dec	118.690	104.080	115.820	2.5%	10.0%
2017	Jan - Mar	144.500	114.760	143.660	24.0%	31.8%
	Apr - Jun	156.650	140.060	144.020	0.3%	50.6%
	Jul - Sep	164.940	142.410	154.120	7.0%	36.3%
	Oct - Dec	177.200	152.460	169.230	9.8%	46.1%
2018	Jan - Mar	183.500	150.240	167.780	-0.9%	16.8%
	Apr - Jun	194.200	160.630	185.110	10.3%	28.5%
	Jul - Sep	229.670	183.420	225.740	21.9%	46.5%
	Oct - Dec	233.470	146.590	157.740	-30.1%	-6.8%
	3/22/2019			191.050	26.7%	15.8%

# 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				% Payout
	Earnings	% Change	Q4 Mar.	Q1 Jun.	Q2 Sep.	Q3 Dec.	Dividends	% Change	Q4 Mar.	Q1 Jun.	Q2 Sep.	Q3 Dec.	
2008	0.87	34.5%	0.17	0.17	0.18	0.36	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2009	1.46	67.3%	0.26	0.29	0.40	0.52	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2010	2.56	75.0%	0.48	0.50	0.66	0.92	0.00	n/c	0.00	0.00	0.00	0.00	0.0%
2011	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	6.30	25.6%	1.76	1.33	1.24	1.97	0.76	n/c	0.00	0.00	0.38	0.38	6.0%
2013	5.77	-8.4%	1.44	1.07	1.18	2.08	1.69	122.6%	0.38	0.44	0.44	0.44	28.5%
2014	7.40	28.3%	1.67	1.28	1.38	3.07	1.85	9.5%	0.44	0.47	0.47	0.47	28.2%
2015	9.48	28.0%	2.33	1.85	1.96	3.34	2.03	10.0%	0.47	0.52	0.52	0.52	21.7%
2016	8.33	-12.1%	1.91	1.42	1.64	3.37	2.23	9.9%	0.52	0.57	0.57	0.57	26.6%
2017	10.34	24.1%	2.10	1.67	2.04	4.53	2.46	10.3%	0.57	0.63	0.63	0.63	26.4%
2018	11.86	14.7%	2.76	2.30	2.61	4.18	2.82	14.6%	0.63	0.73	0.73	0.73	23.0%
2019	n/a	n/c	n/a	n/a	n/a	n/a	n/a	n/c	0.73	n/a	n/a	n/a	n/c

## 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	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
<b>Assets</b>					
<b>Total Assets</b>	<b>365,725.0</b>	<b>375,319.0</b>	<b>321,686.0</b>	<b>290,479.0</b>	<b>231,839.0</b>
Cash & Short Term Investments	18.1%	19.8%	21.3%	15.0%	11.5%
Cash	7.1%	5.4%	6.4%	7.3%	6.0%
Short Term Investments	11.0%	14.4%	14.9%	7.7%	5.6%
Receivables (Net)	13.4%	9.5%	9.1%	10.4%	11.7%
Inventories -Total	1.1%	1.3%	0.7%	0.8%	0.9%
Raw Materials					
Work in Process		0.8%			0.2%
Finished Goods		0.5%			0.7%
Progress Payments & Other					
Prepaid Expenses					
Other Current Assets	3.3%	3.7%	2.1%	4.5%	5.4%
Current Assets - Total	35.9%	34.3%	33.2%	30.8%	29.6%
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	46.7%	51.9%	53.0%	56.5%	56.1%
Property Plant and Equipment - Gross	24.7%	20.0%	19.0%	17.0%	16.8%
Accumulated	13.4%	11.0%	10.6%	9.2%	7.9%

Depreciation					
Property Plant and Equipment – Net	11.3%	9.0%	8.4%	7.7%	8.9%
Other Assets	6.1%	4.8%	5.4%	5.0%	5.4%
Deferred Charges	0.0%	0.0%	0.0%	0.0%	0.0%
Tangible Other Assets	6.1%	2.7%	2.7%	1.9%	1.6%
Intangible Other Assets	0.0%	2.1%	2.7%	3.1%	3.8%
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>365,725.0</b>	<b>375,319.0</b>	<b>321,686.0</b>	<b>290,479.0</b>	<b>231,839.0</b>
Accounts Payable	15.3%	13.1%	11.6%	12.2%	13.0%
Short Term Debt & Current Portion of Long Term Debt	5.7%	4.9%	3.6%	3.8%	2.7%
Accrued Payroll					0.5%
Income Taxes Payable					0.5%
Dividends Payable					
Other Current Liabilities	11.0%	8.9%	9.4%	11.7%	10.6%
Current Liabilities - Total	32.0%	26.9%	24.6%	27.8%	27.4%
Long Term Debt	25.6%	25.9%	23.4%	18.4%	12.5%
Long Term Debt Excluding Capitalized Leases	25.6%	25.9%	23.4%	18.4%	12.5%
Capitalized Lease Obligations	0.0%	0.0%	0.0%	0.0%	0.0%
Provision for Risks and Charges					
Deferred Income	0.8%	0.8%	0.9%	1.2%	1.3%

Deferred Taxes	0.1%	8.4%	8.1%	8.3%	8.7%
Deferred Taxes - Credit	0.1%	8.4%	8.1%	8.3%	8.7%
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	12.2%	2.4%	3.1%	3.2%	2.0%
Total Liabilities	70.7%	64.3%	60.1%	58.9%	51.9%
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	29.3%	35.7%	39.9%	41.1%	48.1%
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	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
<b>Assets</b>					
<b>Total Assets</b>	<b>-2.6%</b>	<b>16.7%</b>	<b>10.7%</b>	<b>25.3%</b>	<b>12.0%</b>
Cash & Short Term Investments	-10.6%	8.2%	57.4%	63.0%	-34.5%
Cash	27.7%	-1.0%	-3.0%	52.6%	-2.9%
Short Term Investments	-25.1%	12.1%	114.3%	74.3%	-51.4%
Receivables (Net)	37.3%	21.8%	-3.4%	11.5%	31.9%
Inventories -Total	-18.5%	127.7%	-9.2%	11.3%	19.7%
Raw Materials					
Work in Process					-31.0%
Finished Goods					51.7%
Progress Payments & Other					
Prepaid Expenses					
Other Current Assets	-13.3%	102.4%	-47.6%	5.2%	23.4%
Current Assets - Total	2.1%	20.4%	19.6%	30.4%	-6.5%
Long Term Receivables					
Investment in Associated Companies					
Other Investments	-12.3%	14.2%	3.9%	26.0%	22.5%
Property Plant and Equipment - Gross	20.4%	22.6%	24.3%	26.3%	36.8%
Accumulated Depreciation	18.9%	20.6%	27.8%	45.6%	54.3%

Property Plant and Equipment – Net	22.3%	25.1%	20.2%	9.0%	24.3%
Other Assets	22.6%	4.6%	19.3%	16.3%	14.9%
Deferred Charges					
Tangible Other Assets	119.3%	16.0%	57.6%	47.6%	-26.9%
Intangible Other Assets	-100.0%	-7.0%	-4.3%	2.9%	52.2%
Total Assets	-2.6%	16.7%	10.7%	25.3%	12.0%
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>-2.6%</b>	<b>16.7%</b>	<b>10.7%</b>	<b>25.3%</b>	<b>12.0%</b>
Accounts Payable	13.9%	31.5%	5.1%	17.5%	35.0%
Short Term Debt & Current Portion of Long Term Debt	12.3%	59.2%	5.5%	74.4%	
Accrued Payroll					26.1%
Income Taxes Payable					0.8%
Dividends Payable					
Other Current Liabilities	20.8%	10.6%	-11.8%	39.1%	28.2%
Current Liabilities - Total	15.9%	27.6%	-2.0%	27.0%	45.3%
Long Term Debt	-3.6%	28.9%	41.1%	84.4%	70.9%
Long Term Debt Excluding Capitalized Leases	-3.6%	28.9%	41.1%	84.4%	70.9%
Capitalized Lease Obligations					
Provision for Risks and Charges					
Deferred Income	-1.4%	-3.2%	-19.2%	19.6%	15.5%
Deferred Taxes	-98.6%	21.1%	8.1%	18.8%	22.9%



Deferred Taxes - Credit	-98.6%	21.1%	8.1%	18.8%	22.9%
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	402.2%	-11.4%	7.4%	105.1%	22.8%
Total Liabilities	7.2%	24.7%	13.0%	42.3%	44.1%
Non-Equity Reserves					
Minority Interest					
Preferred Stock					
Preferred Stock Issued for ESOP					
ESOP Guarantees - Preferred Issued					
Common Equity	-20.1%	4.5%	7.5%	7.0%	-9.7%
Total Liabilities & Shareholders' Equity	-2.6%	16.7%	10.7%	25.3%	12.0%

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

Figures in millions of U.S. Dollars.

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
<b>Assets</b>					
<b>Total Assets</b>	<b>317,009.6</b>	<b>285,264.6</b>	<b>245,413.6</b>	<b>204,350.6</b>	<b>161,291.4</b>
Cash & Short Term Investments	55,858.8	50,750.6	41,770.2	33,353.0	29,789.2
Cash	20,330.0	17,999.2	14,563.2	11,047.0	7,161.0
Short Term Investments	35,528.8	32,751.4	27,207.0	22,306.0	22,628.2
Receivables (Net)	34,305.8	28,635.0	25,238.8	21,722.4	17,638.6
Inventories -Total	3,080.6	2,642.2	1,829.4	1,558.2	1,298.6
Raw Materials					
Work in Process					230.8
Finished Goods					1,067.8
Progress Payments & Other					
Prepaid Expenses					
Other Current Assets	11,707.2	11,314.0	10,065.0	9,748.0	8,083.8
Current Assets - Total	104,952.4	93,341.8	79,143.4	66,767.2	57,227.2
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	166,034.0	153,117.2	132,598.8	109,636.4	81,901.6
Property Plant and Equipment - Gross	62,999.2	50,622.4	39,984.6	30,089.2	21,684.6
Accumulated Depreciation	33,960.8	26,525.4	19,553.8	13,505.0	8,641.0

Property Plant and Equipment – Net	29,038.4	24,097.0	20,430.8	16,584.2	13,043.6
Other Assets	16,984.8	14,708.6	13,240.6	11,362.8	9,119.0
Deferred Charges	0.0	0.0	600.0	920.0	1,079.8
Tangible Other Assets	10,104.4	6,677.0	5,140.2	3,780.0	2,961.6
Intangible Other Assets	6,880.4	8,031.6	7,500.4	6,662.8	5,077.6
Total Assets	317,009.6	285,264.6	245,413.6	204,350.6	161,291.4
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>317,009.6</b>	<b>285,264.6</b>	<b>245,413.6</b>	<b>204,350.6</b>	<b>161,291.4</b>
Accounts Payable	41,583.4	34,879.2	29,304.4	24,772.0	20,077.0
Short Term Debt & Current Portion of Long Term Debt	13,626.6	9,477.0	5,782.4	3,461.4	1,261.6
Accrued Payroll					785.8
Income Taxes Payable					1,058.8
Dividends Payable					
Other Current Liabilities	32,455.2	28,235.6	24,596.6	20,896.8	15,684.8
Current Liabilities - Total	88,148.8	73,507.2	61,052.8	50,845.6	38,868.0
Long Term Debt	69,763.8	54,408.8	34,967.4	19,882.0	9,189.4
Long Term Debt Excluding Capitalized Leases	69,763.8	54,408.8	34,967.4	19,882.0	9,189.4
Capitalized Lease Obligations	0.0	0.0	0.0	0.0	0.0
Provision for Risks and Charges					
Deferred Income	3,043.6	3,009.2	2,971.6	2,722.8	2,225.8
Deferred Taxes	20,454.0	23,666.6	20,135.2	16,563.2	12,610.8

Deferred Taxes - Credit	20,454.0	23,666.6	20,135.2	16,563.2	12,610.8
Deferred Taxes - Debit					
Deferred Tax Liability in Untaxed Reserves					
Other Liabilities	15,530.4	7,323.4	6,104.6	4,481.8	2,855.0
Total Liabilities	196,940.6	161,915.2	125,231.6	94,495.4	65,749.0
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	120,069.0	123,349.4	120,182.0	109,855.2	95,542.4
Total Liabilities & Shareholders' Equity	317,009.6	285,264.6	245,413.6	204,350.6	161,291.4

## 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	2018	2017	2016	2015	2014
<b>Net Sales or Revenues</b>	<b>265,595.0</b>	<b>229,234.0</b>	<b>215,639.0</b>	<b>233,715.0</b>	<b>182,795.0</b>
Cost of Goods Sold	57.6%	57.1%	56.1%	55.1%	57.0%
Depreciation, Depletion & Amortization	4.1%	4.4%	4.9%	4.8%	4.4%
Gross Income	38.3%	38.5%	39.1%	40.1%	38.6%
Selling, General & Administrative Expenses	11.6%	11.7%	11.2%	9.6%	9.9%
Other Operating Expenses	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenses - Total	73.3%	73.2%	72.2%	69.5%	71.3%
Operating Income	26.7%	26.8%	27.8%	30.5%	28.7%
Extraordinary Credit - Pretax	0.0%	0.0%	0.0%	0.0%	0.0%
Extraordinary Charge - Pretax	0.0%	0.0%	0.0%	0.0%	0.1%
Non-Operating Interest Income	2.1%	2.3%	1.9%	1.2%	1.0%
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%	-0.1%	-0.6%	-0.4%	-0.2%
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	32.8%	33.4%	34.0%	36.2%	33.8%
Earnings before Interest & Taxes(EBIT)	28.7%	29.0%	29.1%	31.3%	29.5%
Interest Expense on Debt	1.2%	1.0%	0.7%	0.3%	0.2%
Interest Capitalized	0.0%	0.0%	0.0%	0.0%	0.0%

Pretax Income	27.4%	28.0%	28.5%	31.0%	29.3%
Income Taxes	4.5%	6.9%	7.3%	8.2%	7.6%
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	23.0%	21.1%	21.2%	22.8%	21.6%
Extraordinary Items & Gain/Loss Sale of Assets	-0.6%	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	23.0%	21.1%	21.2%	22.8%	21.6%

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

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

Fiscal Year	2018	2017	2016	2015	2014
<b>Net Sales or Revenues</b>	<b>15.9%</b>	<b>6.3%</b>	<b>-7.7%</b>	<b>27.9%</b>	<b>7.0%</b>
Cost of Goods Sold	16.8%	8.3%	-6.2%	23.6%	4.4%
Depreciation, Depletion & Amortization	7.3%	-3.3%	-6.7%	40.7%	18.3%
Gross Income	15.5%	4.7%	-10.0%	32.7%	9.7%
Selling, General & Administrative Expenses	15.3%	10.7%	8.2%	24.2%	17.8%
Other Operating Expenses					
Operating Expenses - Total	16.0%	7.9%	-4.2%	24.7%	6.9%
Operating Income	15.6%	2.2%	-15.7%	35.7%	7.2%
Extraordinary Credit - Pretax					-100.0%
Extraordinary Charge - Pretax				-100.0%	-60.1%
Non-Operating Interest Income	9.3%	30.1%	36.9%	62.7%	11.1%
Reserves - Increase/Decrease					
Pretax Equity in Earnings					
Other Income/Expense - Net					
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	13.7%	4.4%	-13.2%	36.6%	8.4%
Earnings before Interest & Taxes(EBIT)	14.7%	5.7%	-14.2%	36.0%	7.1%
Interest Expense on Debt	39.5%	59.5%	98.6%	90.9%	182.4%
Interest Capitalized					
Pretax Income	13.8%	4.4%	-15.4%	35.6%	6.6%
Income Taxes	-24.7%	0.3%	-18.0%	36.8%	6.5%
Minority Interest					
Equity in Earnings					

After Tax Other Income/Expense					
Discontinued Operations					
Net Income before Extraordinary Items/Preferred Dividends	26.3%	5.8%	-14.4%	35.1%	6.7%
Extraordinary Items & Gain/Loss Sale of Assets					
Preferred Dividend Requirements					
Net Income after Preferred Dividends - available to Common	26.3%	5.8%	-14.4%	35.1%	6.7%



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

Figures in millions of U.S. Dollars.

Fiscal Year	2018	2017	2016	2015	2014
<b>Net Sales or Revenues</b>	<b>225,395.6</b>	<b>206,458.6</b>	<b>191,913.4</b>	<b>170,505.2</b>	<b>136,775.6</b>
Cost of Goods Sold	127,541.0	116,939.6	107,675.2	95,953.4	77,881.2
Depreciation, Depletion & Amortization	10,164.4	9,335.8	7,959.8	6,221.6	4,175.6
Gross Income	87,690.2	80,183.2	76,278.4	68,330.2	54,718.8
Selling, General & Administrative Expenses	24,490.4	21,363.2	18,679.0	15,836.8	12,817.4
Other Operating Expenses	0.0	0.0	0.0	0.0	0.0
Operating Expenses - Total	162,195.8	147,638.6	134,314.0	118,011.8	94,874.2
Operating Income	63,199.8	58,820.0	57,599.4	52,493.4	41,901.4
Extraordinary Credit - Pretax	0.0	0.2	0.8	1.0	1.2
Extraordinary Charge - Pretax	24.0	84.2	215.8	258.4	293.4
Non-Operating Interest Income	3,920.4	3,106.4	2,283.8	1,587.8	1,065.8
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	-596.6	-513.2	-468.8	-349.0	-141.8
Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	76,664.0	70,665.0	67,159.2	59,696.4	46,708.8
Earnings before Interest & Taxes(EBIT)	66,499.6	61,329.2	59,199.4	53,474.8	42,533.2
Interest Expense on Debt	1,627.2	1,006.4	541.8	250.6	104.0
Interest Capitalized	0.0	0.0	0.0	0.0	0.0

Pretax Income	64,872.4	60,322.8	58,657.6	53,224.2	42,429.2
Income Taxes	15,274.8	15,527.0	15,185.4	13,705.0	10,786.2
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	49,597.6	44,795.8	43,472.2	39,519.2	31,643.0
Extraordinary Items & Gain/Loss Sale of Assets	-303.0	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	49,597.6	44,795.8	43,472.2	39,519.2	31,643.0

## Sources of Capital: Apple Inc.

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

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

<b>Fiscal Year</b>	2018	2017	2016	2015	2014
<b>Fiscal Year End Date</b>	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
<b>Total Capital</b>	<b>200,882.0</b>	<b>231,254.0</b>	<b>203,676.0</b>	<b>172,818.0</b>	<b>140,534.0</b>
<b>Percent of Total Capital</b>					
Short Term Debt	10.3%	8.0%	5.7%	6.4%	4.5%
Long Term Debt	46.7%	42.0%	37.0%	30.9%	20.6%
Other Liabilities	22.3%	3.9%	4.9%	5.4%	3.2%
Total Liabilities	128.7%	104.3%	95.0%	99.0%	85.6%
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	35.0%	42.5%	47.3%	53.4%	62.0%
Common Equity	53.3%	58.0%	63.0%	69.1%	79.4%
Total Capital	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Year to Year Net Changes</b>					
Short Term Debt	227.5	686.8	60.6	469.1	630.8
Long Term Debt	-347.2	2,178.0	2,196.4	2,447.6	1,202.7
Other Liabilities	3,584.3	-114.4	69.0	479.8	84.8
Total Liabilities	1,730.6	4,783.5	2,231.3	5,083.2	3,684.1
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	-2,793.0	196.6	408.0	513.2	-1,710.4
Common Equity	-2,690.0	579.8	889.4	780.8	-1,200.2
Total Capital	-3,037.2	2,757.8	3,085.8	3,228.4	2.5

<b>Year to Year Percent Changes</b>					
Short Term Debt	12.3%	59.2%	5.5%	74.4%	
Long Term Debt	-3.6%	28.9%	41.1%	84.4%	70.9%
Other Liabilities	402.2%	-11.4%	7.4%	105.1%	22.8%
Total Liabilities	7.2%	24.7%	13.0%	42.3%	44.1%
Minority Interest					
Preferred Stock					
Retained Earnings	-28.4%	2.0%	4.4%	5.9%	-16.4%
Common Equity	-20.1%	4.5%	7.5%	7.0%	-9.7%
Total Capital	-13.1%	13.5%	17.9%	23.0%	0.0%
<b>Total Liabilities &amp; Common Equity</b>					
Total Liabilities	258,578.0	241,272.0	193,437.0	171,124.0	120,292.0
Net Change in Liabilities as % of Total Liabilities	6.7%	19.8%	11.5%	29.7%	30.6%
Common Equity	107,147.0	134,047.0	128,249.0	119,355.0	111,547.0
Net Change in Common Equity as % of Common Equity	-25.1%	4.3%	6.9%	6.5%	-10.8%
<b>Cash Flow</b>					
Operating Activities	77,434.0	63,598.0	65,824.0	81,266.0	59,713.0
Financing Activities	-87,876.0	-17,347.0	-20,483.0	-17,716.0	-37,549.0
Investing Activities	-16,066.0	46,446.0	45,977.0	56,274.0	22,579.0

## Accounting Ratios: Apple Inc.

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
Receivables Turnover	5.4	6.4	7.4	7.7	6.7
Receivables - Number of Days	58.2	51.7	50.5	44.9	47.8
Inventory Turnover	34.7	37.5	53.9	57.8	53.8
Inventory - Number of Days	10.5	9.7	6.8	6.3	6.8
Gross Property, Plant & Equipment Turnover	2.9	3.1	3.5	4.7	4.7
Net Property, Plant & Equipment Turnover	6.4	6.8	8.0	10.4	8.9
Depreciation, Depletion & Amortization % of Gross Property, Plant & Equipment	12.1%	13.5%	17.2%	22.9%	20.5%
Depreciation, Depletion & Amortization Year to Year Change	74.6	-34.8	-75.2	325.7	124.0
Depreciation, Depletion & Amortization Year to Year % Change	7.3%	-3.3%	-6.7%	40.7%	18.3%

## Asset Utilization: Apple Inc.

Figures are expressed as the ratio of Net Sales.

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

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
Net Sales	265,595.0	229,234.0	215,639.0	233,715.0	182,795.0
Cash & Cash Equivalents	25.0%	32.4%	31.8%	18.6%	14.6%
Short-Term Investments	15.2%	23.5%	22.3%	9.6%	7.0%
Accounts Receivable	18.4%	15.6%	13.6%	13.0%	14.9%
Inventories	1.5%	2.1%	1.0%	1.0%	1.2%
Other Current Assets	4.6%	6.1%	3.2%	5.6%	6.8%
Total Current Assets	49.5%	56.1%	49.6%	38.2%	37.5%
Total Long Term Receivables & Investments	64.3%	84.9%	79.0%	70.2%	71.2%
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	64.3%	84.9%	79.0%	70.2%	71.2%
Property, Plant & Equipment - Gross	34.0%	32.8%	28.4%	21.1%	21.3%
Accumulated Depreciation	18.5%	18.0%	15.9%	11.5%	10.1%
Property Plant & Equipment - Net	15.6%	14.7%	12.5%	9.6%	11.3%
Other Assets	8.4%	7.9%	8.1%	6.2%	6.9%
Total Assets	137.7%	163.7%	149.2%	124.3%	126.8%

## Employee Efficiency: Apple Inc.

Values per Employee are in U.S. Dollars.

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
Employees	132,000	123,000	116,000	110,000	92,600
Values per Employee					
Sales	2,012,083	1,863,691	1,858,957	2,124,682	1,974,028
Net Income	462,470	393,098	393,853	485,400	426,674
Cash Earnings	323,788	562,179	563,276	632,900	568,747
Working Capital	109,644	226,268	240,198	79,709	54,892
Total Debt	867,295	940,488	750,276	586,018	381,156
Total Capital	1,521,833	1,880,114	1,755,828	1,571,073	1,517,646
Total Assets	2,770,644	3,051,374	2,773,155	2,640,718	2,503,661
Year to Year % Change per Employee					
Employees	7.3%	6.0%	5.5%	18.8%	15.3%
Sales	8.0%	0.3%	-12.5%	7.6%	-7.3%
Net Income	17.6%	-0.2%	-18.9%	13.8%	-7.5%
Cash Earnings	-42.4%	-0.2%	-11.0%	11.3%	-3.2%
Working Capital	-51.5%	-5.8%	201.3%	45.2%	-85.1%
Total Debt	-7.8%	25.4%	28.0%	53.7%	80.5%
Total Capital	-19.1%	7.1%	11.8%	3.5%	-13.3%
Total Assets	-9.2%	10.0%	5.0%	5.5%	-2.9%

## Fixed Charges Coverage: Apple Inc.

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
EBIT/Total Interest Expense	23.5	28.6	43.2	99.9	140.3
EBIT/Net Interest					
EBIT/(Total Interest Exp + Pfd Div)	23.5	28.6	43.2	99.9	140.3
EBIT/Dividends on Common Shares	5.6	5.2	5.2	6.3	4.8
EBIT/(Dividends on Common + Pfd)	5.6	5.2	5.2	6.3	4.8
EBITDA/Total Interest Expense	26.9	33.0	50.4	115.3	161.1
EBITDA/Net Interest					
EBITDA/(Total Interest Exp + Pfd Div)	26.9	33.0	50.4	115.3	161.1
EBITDA/Dividends on Com Shares	6.3	6.0	6.0	7.3	5.6
EBITDA/(Dividends on Com + Pfd)	6.3	6.0	6.0	7.3	5.6



## Leverage Analysis: Apple Inc.

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Fiscal Year End Date</b>	<b>9/29/2018</b>	<b>9/30/2017</b>	<b>9/24/2016</b>	<b>9/26/2015</b>	<b>9/27/2014</b>
Long Term Debt % of EBIT	123.1%	146.4%	120.1%	73.0%	53.8%
Long Term Debt % of EBITDA	107.7%	127.0%	102.9%	63.3%	46.9%
Long Term Debt % of Total Assets	25.6%	25.9%	23.4%	18.4%	12.5%
Long Term Debt % of Total Capital	46.7%	42.0%	37.0%	30.9%	20.6%
Long Term Debt % of Com Equity	87.5%	72.5%	58.8%	44.8%	26.0%
Total Debt % of EBIT	150.4%	174.2%	138.5%	88.0%	65.5%
Total Debt % of EBITDA	131.5%	151.1%	118.7%	76.3%	57.0%
Total Debt % of Total Assets	31.3%	30.8%	27.1%	22.2%	15.2%
Total Debt % of Total Capital	57.0%	50.0%	42.7%	37.3%	25.1%
Total Debt % of Total Capital & Short Term Debt	51.7%	46.3%	40.4%	35.1%	24.0%
Total Debt % of Common Equity	106.8%	86.3%	67.9%	54.0%	31.6%
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 EDITDA	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	29.3%	35.7%	39.9%	41.1%	48.1%
Common Equity % of Total Capital	53.3%	58.0%	63.0%	69.1%	79.4%
Total Capital % of Total Assets	54.9%	61.6%	63.3%	59.5%	60.6%
Capital Expenditure % of Sales	5.0%	5.4%	5.9%	4.8%	5.2%
Fixed Assets % of Common Equity	38.5%	25.2%	21.1%	18.8%	18.5%
Working Capital % of Total Capital	7.2%	12.0%	13.7%	5.1%	3.6%
Dividend Payout	23.0%	26.4%	26.6%	21.7%	28.2%
Funds From Operations % of Total Debt	37.3%	59.8%	75.1%	108.0%	149.2%

## Liquidity Analysis: Apple Inc.

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Fiscal Year End Date</b>	<b>9/29/2018</b>	<b>9/30/2017</b>	<b>9/24/2016</b>	<b>9/26/2015</b>	<b>9/27/2014</b>
Total Current Assets % Net Sales	49.5%	56.1%	49.6%	38.2%	37.5%
Cash % of Current Assets	19.7%	15.8%	19.2%	23.6%	20.2%
Cash & Equivalents % of Current Assets	50.5%	57.7%	64.1%	48.7%	39.0%
Quick Ratio	1.0	1.1	1.2	0.9	0.9
Receivables % of Current Assets	37.3%	27.7%	27.4%	33.9%	39.7%
Receivable Turnover - number of days	58.2	51.7	50.5	44.9	47.8
Inventories % of Current Assets	3.0%	3.8%	2.0%	2.6%	3.1%
Inventory Turnover - number of days	10.5	9.7	6.8	6.3	6.8
Inventory to Cash & Equivalents - number of days	6,033.5	5,500.5	11,575.7	6,673.7	4,555.3
Receivables % of Total Assets	13.4%	9.5%	9.1%	10.4%	11.7%
Current Ratio	1.1	1.3	1.4	1.1	1.1
Total Debt % of Total Capital	51.7%	46.3%	40.4%	35.1%	24.0%
Funds from Operations % of Current Liabilities	36.6%	68.6%	82.7%	86.4%	83.0%
Funds from Operations % of Long Term Debt	45.6%	71.1%	86.6%	130.2%	181.7%
Funds from Operations % of Total Debt	37.3%	59.8%	75.1%	108.0%	149.2%

Funds from Operations % of Total Capital	21.3%	29.9%	32.1%	40.3%	37.5%
<b>Cash Flow (in millions of U.S. Dollars)</b>					
Operating Activities	77,434.0	63,598.0	65,824.0	81,266.0	59,713.0
Financing Activities	-87,876.0	-17,347.0	-20,483.0	-17,716.0	-37,549.0
Investing Activities	-16,066.0	46,446.0	45,977.0	56,274.0	22,579.0

## 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>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Fiscal Year End Date</b>	<b>9/29/2018</b>	<b>9/30/2017</b>	<b>9/24/2016</b>	<b>9/26/2015</b>	<b>9/27/2014</b>
Sales	55.86	44.72	40.41	41.89	31.16
Operating Income	14.91	11.97	11.25	12.77	8.95
Pre-tax Income	15.33	12.50	11.50	13.00	9.12
Net Income (Continuing Operations)	12.52	9.43	8.56	9.57	6.74
Net Income Before Extra Items	12.84	9.43	8.56	9.57	6.74
Extraordinary Items		0.00	0.00	0.00	0.00
Net Income After Extraordinary Items	12.52	9.43	8.56	9.57	6.74
Net Income Available to Common Shares	12.21	9.21	8.31	9.22	6.45
Fully Diluted Earnings	11.86	10.34	8.33	9.48	7.40
Common Dividends	2.82	2.46	2.23	2.03	1.85
Cash Earnings	8.47	11.48	11.92	12.78	9.78
Book Value	24.93	27.59	25.19	23.13	21.17
Retained Earnings	14.81	19.18	18.06	16.54	14.86
Assets	76.91	73.22	60.28	52.07	39.52

## Profitability Analysis: Apple Inc.

Currency figures are in U.S. Dollars.

Fiscal Year	2018	2017	2016	2015	2014
Fiscal Year End Date	9/29/2018	9/30/2017	9/24/2016	9/26/2015	9/27/2014
Gross Income Margin	38.3%	38.5%	39.1%	40.1%	38.6%
Operating Income Margin	26.7%	26.8%	27.8%	30.5%	28.7%
Pretax Income Margin	27.4%	28.0%	28.5%	31.0%	29.3%
EBIT Margin	28.7%	29.0%	29.1%	31.3%	29.5%
Net Income Margin	22.4%	21.1%	21.2%	22.8%	21.6%
Return on Equity - Total	49.4%	36.9%	36.9%	46.2%	33.6%
Return on Invested Capital	26.3%	21.4%	23.4%	32.6%	27.7%
Return on Assets	16.7%	14.3%	15.2%	20.6%	18.1%
Asset Turnover	0.7	0.6	0.7	0.8	0.8
Financial Leverage	106.8%	86.3%	67.9%	54.0%	31.6%
Interest Expense on Debt	3,240,000,000	2,323,000,000	1,456,000,000	733,000,000	384,000,000
Effective Tax Rate	16.3%	24.6%	25.6%	26.4%	26.1%

Cash Flow % Sales	16.1%	30.2%	30.3%	29.8%	28.8%
Selling, General & Administrative Expenses % of Sales	11.6%	11.7%	11.2%	9.6%	9.9%
Research & Development Expense	5.4%	5.1%	4.7%	3.5%	3.3%
Operating Income Return On Total Capital	-13.1%	13.5%	17.9%	23.0%	0.0%

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

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

<u>Wright Quality Rating</u>	<b>A</b> BA14
<b>Investment Acceptance Rating</b>	<b>A</b>
Total Market Value of Shares Outstanding - Three Year Average	717,708
- Current Year	903,629
Public Market Value (Excludes Closely Held) - Three Year Average	717,164
- Current Year	902,944
Trading Volume - Three Year Average	1,241,480
- Current Year	1,394,070
Turnover Rate - Three Year Average	173.0%
- Current Year	154.3%
Stock Exchange Listings	NAS FRA LON MXK
Number of Institutional Investors	3,307
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>A</b> <b>B</b> A14
<b>Financial Strength Rating</b>	<b>B</b>
Total Shareholders' Equity (Millions of U.S. Dollars)	117,892
Total Shareholders' Equity as % Total Capital	50.7%
Preferred Stock as % of Total Capital	0.0%
Long Term Debt as % of Total Capital	40.0%
Long Term Debt (Millions of U.S. Dollars)	92,989
Lease Obligations (Millions of U.S. Dollars)	0
Long Term Debt including Leases (Millions of U.S. Dollars)	92,989
Total Debt as % of Total Capital	49.3%
Fixed Charge Coverage Ratio: Pretax Income to Interest Expense & Preferred Dividends	23.5
Fixed Charge Coverage Ratio: Pretax Income to Net Interest Income & Preferred Dividends	-31.1
Quick Ratio (Cash & Receivables / Current Liabilities)	1.1
Current Ratio (Current Assets / Current Liabilities)	1.3

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

<b>Wright Quality Rating</b>	<b>ABA<sup>14</sup></b>
<b>Profitability &amp; Stability Rating</b>	<b>A</b>
Profit Rate of Earnings on Equity Capital - Time-Weighted Normal	40.0%
- Basic Trend	2.4%
Cash Earnings Return on Equity - Time-Weighted Average	44.7%
- Basic Trend	-0.1%
Cash Earnings Return on Equity - Stability Index	44.3%
Return On Assets (Time-Weighted Average)	18.4%
Pre-Tax Income as % of Total Assets (Time-Weighted Average)	20.9%
Operating Income as % of Total Assets (Time-Weighted Average)	20.3%
Operating Income as % of Total Capital (Adjusted Rate)	34.9%
Pre-Tax Income as % of Total Assets (Time-Weighted Average)	20.9%
Operating Income as % of Total Assets (Time-Weighted Average)	20.3%
Operating Income as % of Total Capital (Adjusted Rate)	34.9%

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

Figures are expressed on a Per Share Basis.

<b>Wright Quality Rating</b>	<b>ABA 14</b>
<b>Growth Rating</b>	<b>14</b>
Normal Earnings Growth	15.6%
Cash Earnings Growth	5.6%
Cash Earnings Stability Index	51.1%
Earned Equity Growth	25.0%
Dividend Growth	11.0%
Operating Income Growth	10.9%
Assets Growth	16.8%
Sales/Revenues Growth	12.9%

### Copyright Notice

Copyright ©2000-2013 Distributed by Wright Investors' Service, Inc. All Rights Reserved. Except for quotations by established news media, no pages in this report may be reproduced, stored in a retrieval system, or transmitted for commercial purposes, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without prior written permission. Information is believed reliable, but accuracy, completeness and opinions are not guaranteed.

This report is provided for general information only. This report is not to be considered as investment advice and should not be relied upon for investment decisions. This report is provided "as is", without warranty of any kind, express or implied, including but not limited to warranties of merchantability, fitness for a particular purpose or non-infringement.