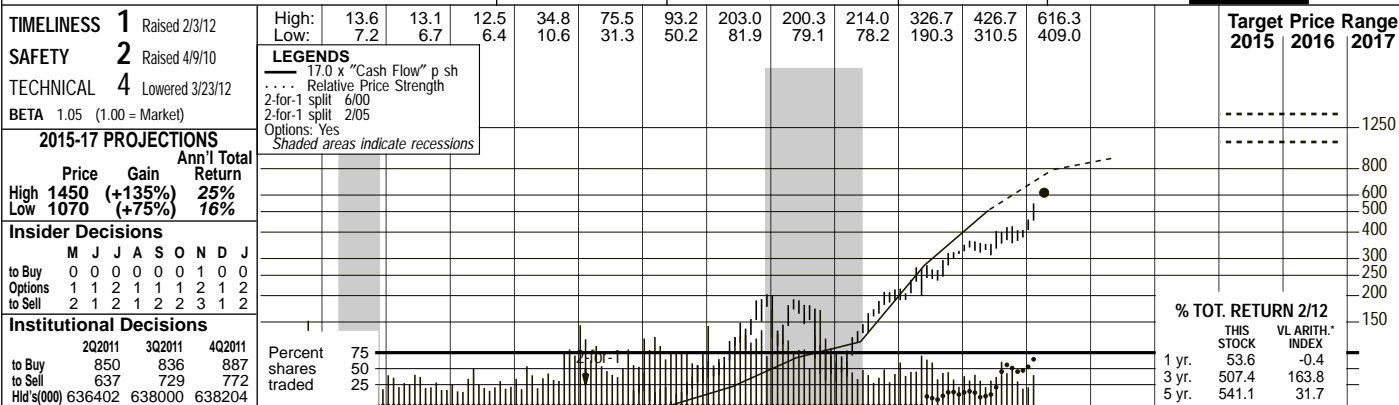


APPLE INC. NDAQ:AAPL

RECENT PRICE **614.48** P/E RATIO **14.0** (Trailing: 17.5; Median: 28.0) RELATIVE P/E RATIO **0.89** DIV'D YLD **1.7%** **VALUE LINE**



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
19.75	13.84	10.99	9.54	11.89	7.64	8.00	8.46	10.58	16.68	22.58	27.52	36.56	40.61	71.21	116.49	170.20	194.05	Sales per sh ^A	256.40
d1.18	d.51	.73	.79	1.04	.03	.33	.26	.54	1.72	2.59	4.37	5.97	7.12	16.42	29.85	46.50	53.15	"Cash Flow" per sh	74.15
d1.50	d.75	.49	.65	.85	d.14	.17	.10	.36	1.44	2.27	3.93	5.36	6.29	15.15	27.68	43.80	50.00	Earnings per sh ^B	70.00
.03	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2.65	10.60	Div'ds Decl'd per sh ^F	16.00
.13	.10	.09	.07	.16	.33	.24	.22	.31	.77	.84	1.23	1.27	2.19	4.58	5.65	6.00	Cap'l Spending per sh	7.00	
4.13	2.05	2.76	4.59	6.00	5.59	5.70	5.76	6.48	8.94	11.67	16.66	23.67	30.93	52.18	82.45	138.85	169.45	Book Value per sh ^E	280.00
497.99	511.80	540.77	643.20	671.35	701.84	717.92	733.45	782.89	835.02	855.26	872.33	888.33	899.81	915.97	929.28	940.00	950.00	Common Shs Outst'g ^C	975.00
--	--	13.3	17.3	30.8	--	NMF	NMF	37.9	26.2	29.1	26.3	30.4	19.2	15.2	12.4	10.60	10.60	Avg Ann'l P/E Ratio	18.0
.4%	--	.69	.99	2.00	--	NMF	NMF	2.00	1.40	1.57	1.40	1.83	1.28	.97	.78	10.60	10.60	Relative P/E Ratio	1.20
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	Avg Ann'l Div'd Yield	1.3%

CAPITAL STRUCTURE as of 12/31/11				2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC		15-17	
Total Debt None				5742.0	6207.0	8279.0	13931	19315	24006	32479	36537	
Leases, Uncapitalized Annual rentals \$338 mill.				2.9%	2.2%	5.7%	13.1%	13.9%	19.7%	20.8%	22.9%	
No Defined Benefit Pension Plan				118.0	113.0	150.0	179.0	225.0	317.0	473.0	703.0	
Pfd Stock None				117.0	76.0	276.0	1254.0	1989.0	3496.0	4834.0	5704.0	
Common Stock 932,370,000 shs. as of 1/13/12				25.9%	26.2%	27.9%	30.9%	29.4%	30.2%	29.9%	28.6%	
Market Cap: \$573 billion (Large Cap)				2.0%	1.2%	3.3%	9.0%	10.3%	14.6%	14.9%	15.6%	
CURRENT POSITION (SMILL.)				3730.0	3530.0	4375.0	6816.0	8038.0	12657	20598	16983	
Cash Assets				316.0	--	--	--	--	--	--	--	--
Receivables				4095.0	4223.0	5076.0	7466.0	9984.0	14532	21030	27832	
Inventory (FIFO)				2.8%	1.8%	5.4%	16.8%	19.9%	24.1%	23.0%	20.5%	
Other				2.9%	1.8%	5.4%	16.8%	19.9%	24.1%	23.0%	20.5%	
Current Assets				2.9%	1.8%	5.4%	16.8%	19.9%	24.1%	23.0%	20.5%	
Accts Payable				--	--	--	--	--	--	--	--	
Debt Due				--	--	--	--	--	--	--	--	
Other				2.9%	1.8%	5.4%	16.8%	19.9%	24.1%	23.0%	20.5%	
Current Liab.				--	--	--	--	--	--	--	--	

2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC		15-17
170.20	194.05	Sales (\$mill) ^A	250000				
46.50	53.15	"Cash Flow" per sh	74.15				
43.80	50.00	Earnings per sh ^B	70.00				
2.65	10.60	Div'ds Decl'd per sh ^F	16.00				
5.65	6.00	Cap'l Spending per sh	7.00				
138.85	169.45	Book Value per sh ^E	280.00				
940.00	950.00	Common Shs Outst'g ^C	975.00				
10.60	10.60	Avg Ann'l P/E Ratio	18.0				
10.60	10.60	Relative P/E Ratio	1.20				
10.60	10.60	Avg Ann'l Div'd Yield	1.3%				

BUSINESS: Apple Inc. is one of the world's largest makers of personal computers and peripheral and consumer products, such as the iPod digital music player, the iPad tablet, and the iPhone smartphone, for sale primarily to the business, creative, education, government, and consumer markets. It also sells operating systems, utilities, languages, developer tools, and database software. As of September 24, 2011, Apple operated a total of 357 retail outlets, including 245 stores in the U.S. and 112 in international markets. R&D: 2.2% of '11 revenues. Has about 60,400 full-time employees. Officers & directors own less than 1.0% of common (1/12 Proxy). CEO: Tim Cook. Inc.: CA. Address: 1 Infinite Loop, Cupertino, CA 95014. Telephone: 408-996-1010. Internet: www.apple.com.

Apple shows no signs of losing its luster. In fact, recent results have only added to the bullish case for this top-ranked technology stock. Share net of \$13.87 for the first quarter of fiscal 2012 (ends September 29th) trounced our \$9.50 estimate, as consumers gobbled up the company's latest smartphone offering, the iPhone 4S. (A total of 37 million iPhones, including older versions of the device, were sold, 128% more than the year-earlier period.) iPad sales were also impressive, despite fears that demand for the tablet would wane as more Android-powered products hit the market and Amazon rolled out its new Kindle Fire reader. And the gross margin came in much higher than anticipated, thanks to heightened operating leverage, stable ASPs, favorable component pricing, and a mix shift toward the profitable smartphone category. **We believe that the momentum will persist through this year and into fiscal 2013,** as Apple launches its latest iPhone in new countries overseas (most notably China), penetrates the large enterprise market, and continues to gain ground in the traditional computing space with its Mac line. (Demand for MacBook Air and Pro laptops has been especially brisk of late.) Strong sales of the iPad 3, released in mid-March, should also bolster results in the coming periods and help the company maintain its tablet dominance. All told, we now see share earnings jumping 58% in fiscal 2012, to \$43.80, and another 14% next year, to the \$50.00 mark. **The company plans to return some of its near-\$100 billion cash hoard to shareholders.** (This tally includes about \$67 billion in long-term marketable securities.) Indeed, Apple has said that it will pay a quarterly dividend of \$2.65 a share (beginning in the September interim) and repurchase up to \$10 billion of stock (over a three-year stretch starting in fiscal 2013). It should still have ample cash for R&D and acquisitions, however. **We see no reason to sell these timely shares,** though investors may be tempted to take some profits off the table following the issue's meteoric rise in past months. Apple's future remains extremely bright, in our view, and the stock is still a bargain relative to the firm's earnings prospects. *Justin Hellman* April 6, 2012

Fiscal Year Ends	Dec.	Mar.	Jun.	Sep.	Per	Full Fiscal Year
2009	10167	8163	8337	9870		36537
2010	15683	13499	15700	20343		65225
2011	26741	24667	28571	28270		108249
2012	46333	35917	37750	40000		160000
2013	51950	39925	43325	49150		184350

Fiscal Year Ends	Dec.	Mar.	Jun.	Sep.	Per	Full Fiscal Year
2009	1.78	1.33	1.35	1.82		6.29
2010	3.67	3.33	3.51	4.64		15.15
2011	6.43	6.40	7.79	7.05		27.68
2012	13.87	9.73	9.80	10.40		43.80
2013	14.35	10.70	11.65	13.30		50.00

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	--	--	--	--	--
2009	--	--	--	--	--
2010	--	--	--	--	--
2011	--	--	--	--	--
2012	--	--	2.65	--	--

(A) Fiscal year ends last Saturday in September. (B) Primary earnings through fiscal '97, then diluted. Quarters may not add to total due to rounding. Excludes nonrecurring gains: '96, 11c; '98, 4c; '99, 26c; '00, 24c; '01, 8c; '05, 12c; losses: '96, 26c; '97, \$1.32; '02, 8c. Next earnings report due late April. (C) In mill., adjusted for splits. (D) Depreciation on accelerated basis. (E) Includes intangibles. In 2011, \$4432 mill., \$4.77 a share. (F) New dividend policy adopted 3/12. First quarterly payment likely to be made in September quarter. **Company's Financial Strength** A++ **Stock's Price Stability** 65 **Price Growth Persistence** 100 **Earnings Predictability** 75 **To subscribe call 1-800-833-0046.**