



SUMMARY OF INVESTMENT ANALYSIS

Name of the company: Apple Inc.

Ticker (Exchange)/Price of share: AAPL (NASDAQ)/ 201.44 USD

Sector: Technology

Industry: Computers

Description:

Apple is one of the most famous world manufacturers of PCs, laptops, software and hardware. Besides computer technologies and Apple is orientated towards portable digital players and digital music. The last hit of the company is the mobile phone iPhone. The company is well known thanks to its products Macintosh, iPod, iMac, eMac, thanks to its software applications: the operating system Mac OS X, the operating system SnowLeopard and iTunes Store. Besides U.S. markets the company is active in Europe, Japan and Asia. Apple offers its products in retail shops, and using the best online stores. Since 2001 Apple has sold more than 50 million iPod-a.

Commentary:

- Apple announced profit for the fiscal quarter amounted to 1.67 billion dollars or 1.82 dollars per share. The results are 44% higher than of 1.26 dollars earnings per share, reported for the same period last year. Analysts' forecasts of 1.42 dollars were 28% lower than the actual profit.
- Total sales of Apple for the quarter ended the end of September 2009 were 9.87 billion, an increase of 25% compared to the reported 7.9 billion dollars for the same period last year and 7% more than 9.2 billion expected by analysts.
- The iPhone continues to be the decisive winner in the market. The company said it sold 7.37 million phones, 5% more than 7 million expected by the market and 7% more than the same period last year. According to Admob agency iPhone is holding 50% of the world smart phone's market at the moment as Symbian and Palm are losing progressively market share.
- Apple plans to open two stores in Shanghai as last year it opened it's first store in Beijing. For the next year the company plans to open 40-50 new stores in China.
- Apple CEO, Steve Jobs said: "We are thrilled to have sold more Macs and iPhones than in any previous quarter. "We've got a very strong lineup for the holiday season and some really great new products in the pipeline for 2010." Expectations for the last quarter of the year for company's sales are between 11.3 and 11.6 billion dollars, about 17.5 % higher than current.

Graph:

1 year Graph AAPL



Short-term target price, defined using both technical and fundamental analysis*: \$ 240

* A potential risk for the company and for the stock price could be the following: slowing economy, decreasing revenues, lower cash flows, decreasing recommendations of analysts and others. Due to a great number of factors reaching the target price is not guaranteed, all data are based on the expectations for the company development. In case of short-term speculations and abrupt changes, we recommend selling in order to minimize the loss to 10%.



Basic fundamental data:

Market Capitalization:	184.13 bln. USD	P/E (price/earnings) TTM:	32.52
Beta:	1.62	P/B (price/book value) MRQ:	5.04
EPS:	1.82 USD	P/S (price/sales) TTM:	6.61
Profit:	1.67 bln. USD	Net profit margin TTM:	15.62
Sales:	9.87 bln. USD	Beta: 1.50	

Main competitors and related companies:

Dell Inc.
Microsoft Corp

Updated at: 25.11.2009

Information sources: www.apple.com; www.bloomberg.com. www.reuters.com, www.yahoo.com; www.bigcharts.com; www.businessinsider.com

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