

# Is Apple Inc. (AAPL) a Good Investment?

## Abstract

This article aims to evaluate the investment potential of Apple Inc. (AAPL), a leading multinational technology company. The analysis uses financial data from various sources to assess the company's performance, valuation, dividend payments, and recent stock splits. The findings suggest that AAPL stock exhibits promising signs of growth and profitability, making it a potential investment opportunity in the current financial market.

## Financial Performance

Apple Inc.'s financial performance has shown consistent growth over recent years. According to StockAnalysis.com, the company reported a revenue of \$394.33 billion in 2022, a 7.79% increase from the prior year (StockAnalysis.com, 2022). Additionally, earnings rose by 5.41% to \$99.80 billion, further demonstrating the company's financial stability. These figures, coupled with a "Buy" rating from 35 surveyed analysts and a forecasted 13.69% increase in the 12-month stock price, underscore the potential profitability of AAPL stock (StockAnalysis.com, 2022).

## Valuation Analysis

StockAnalysis.com's valuation analysis reveals that Apple's market capitalization stands at \$2.74 trillion, and its enterprise value is \$2.68 trillion (StockAnalysis.com, 2022). The company's trailing and forward P/E ratios are 29.41 and 26.66, respectively. These figures indicate a high market valuation, suggesting investor confidence in Apple's future growth. Furthermore, a ROIC of 38.90% and a WACC of 11.2% indicate that Apple effectively uses its capital to generate profits (StockAnalysis.com, 2022).

## Dividends and Stock Split

Apple pays an annual dividend of \$0.96 per share, yielding 0.55% (StockAnalysis.com, 2022). This yield, albeit lower than some competitors, signifies Apple's commitment to shareholder returns.

As for stock splits, Apple's last split occurred in 2020, when it divided each share into four (StockAnalysis.com, 2022). Stock splits can make shares more accessible to individual investors, increasing demand and potentially driving up the stock price.

## References

StockAnalysis.com. (2022). Apple Inc. (AAPL) Stock Analysis. Retrieved from <https://www.stockanalysis.com/stocks/aapl/>