

Data Report on Financial Performance Indicators: Apple Inc. (AAPL)

Franco Hernandez

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1 Executive Summary

Apple Inc. (AAPL) is a global technology leader known for its innovative products such as the iPhone, iPad, Mac, and Apple Watch. This report evaluates Apple's financial performance between 2020 and 2024, focusing on the balance sheet, income statement, and cash flow statement. The analysis compares Apple's key financial ratios with major competitors such as Microsoft (MSFT). Apple demonstrates strong revenue growth, consistent profitability, and high returns on equity. The company maintains robust cash reserves and a solid liquidity position. However, challenges include supply chain risks and limited growth in mature smartphone markets. Revenue increased from \$274 billion in 2020 to \$391 billion in 2024, while net income rose from \$57 billion to \$94 billion, with a slight dip in 2024 due to market conditions. The report concludes that Apple remains financially healthy, with opportunities to expand its services segment and invest in emerging technologies like AI.

2 Company Overview

Apple Inc. (NASDAQ: AAPL) designs and sells consumer electronics, software, and services. It operates through five segments: iPhone, Mac, iPad, Wearables, Services, and Others. Founded in 1976, Apple is headquartered in Cupertino, California.

3 Financial Performance Analysis

3.1 Revenue and Profit Trends

Apple's total revenue rose from \$274 billion in 2020 to \$391 billion in 2024. Net income increased from \$57 billion in 2020 to \$94 billion in 2024, with peaks at approximately \$100 billion in 2022.

```
library(ggplot2)
library(dplyr)
library(tidyr)

# Data for revenue and net income (in billions)
financial_data <- data.frame(
  Year = c(2020, 2021, 2022, 2023, 2024),
  Revenue = c(274, 366, 394, 383, 391),
  Net_Income = c(57, 95, 100, 97, 94)
)

df_long <- tidyr::pivot_longer(
  financial_data,
  cols = c(Revenue, Net_Income),
  names_to = "Metric",
  values_to = "Value"
)

p_trends <- ggplot(df_long, aes(x = Year, y = Value, color = Metric, group = Metric)) +
  geom_line(linewidth = 1.2) +
  geom_point(size = 3) +
  labs(
    title = "Apple Revenue and Net Income Trends (2020-2024)",
    x = "Fiscal Year",
```

```

    y = "Amount (USD Billion)",
    color = "Metric"
) +
scale_color_manual(values = c("Revenue" = "darkgreen", "Net_Income" = "purple")) +
theme_minimal(base_size = 12) +
theme(
  plot.title = element_text(hjust = 0.5, face = "bold"),
  legend.position = "bottom"
)

ggsave("revenue_profit_trends.png", p_trends, width = 7, height = 4, dpi = 300)

```

```

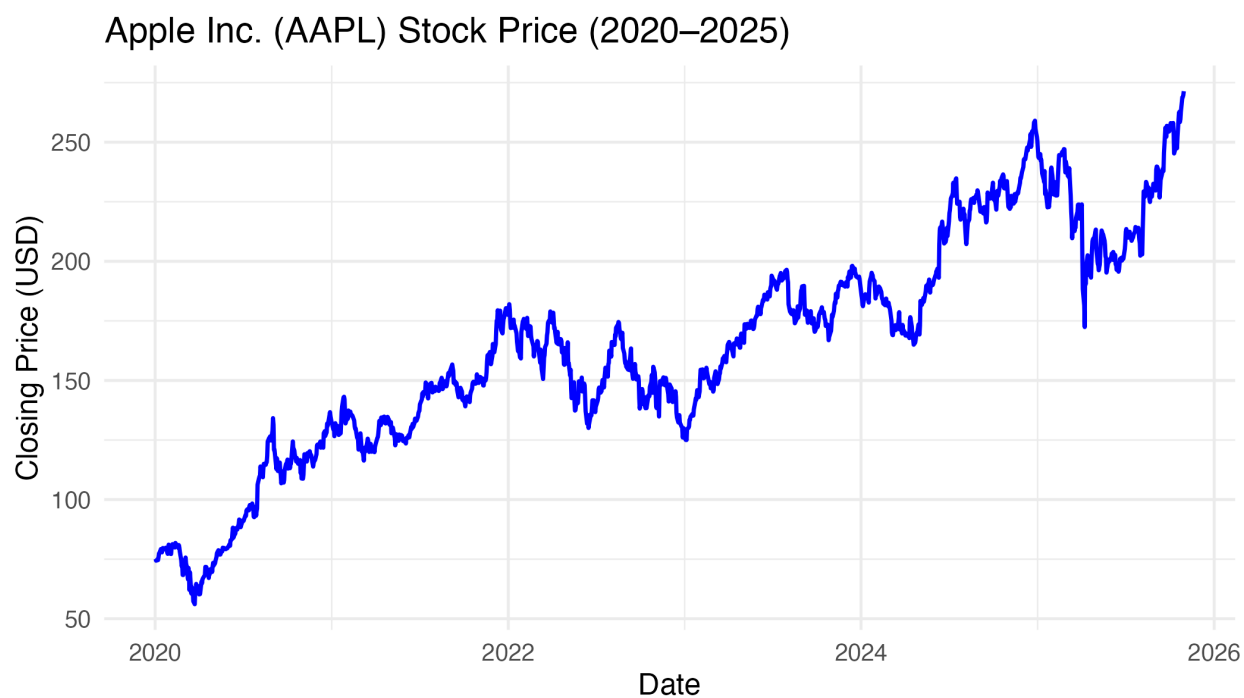
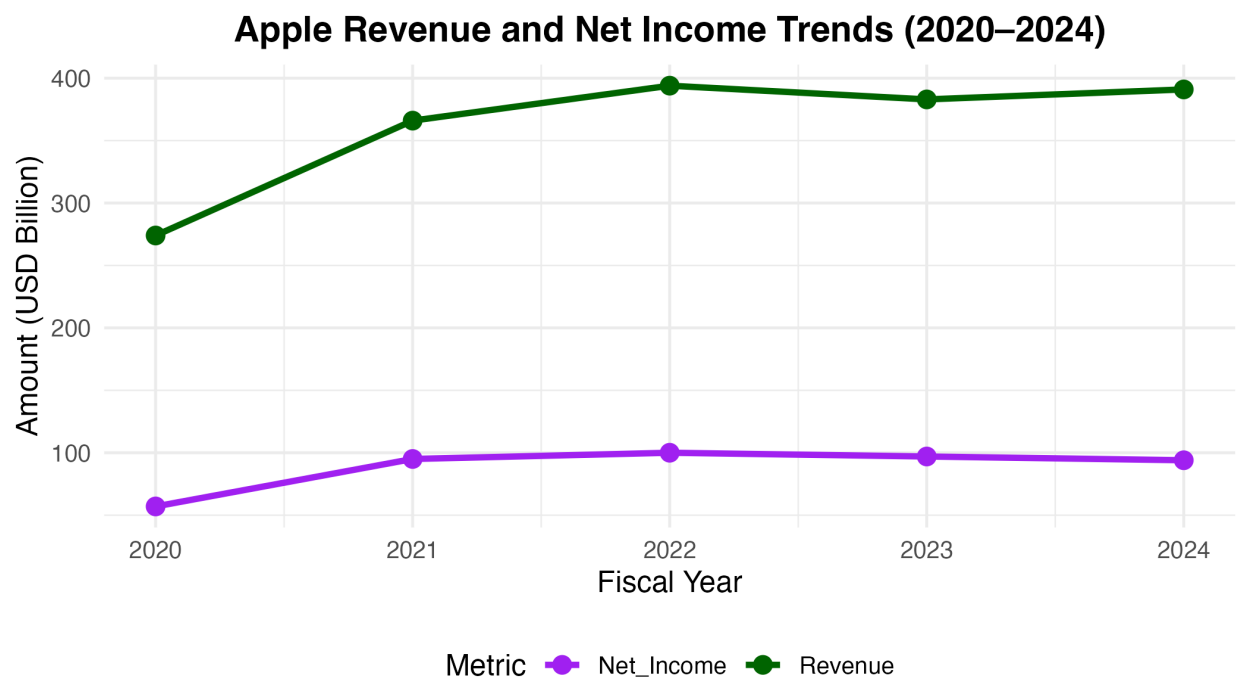
# Create and save Apple stock price chart
library(quantmod)
library(ggplot2)

# Get Apple stock data (from 2020 to now)
AAPL <- quantmod::getSymbols("AAPL", auto.assign = FALSE, from = "2020-01-01")
AAPL_df <- data.frame(date = index(AAPL), coredata(AAPL))

# Plot closing prices and save as PNG
p <- ggplot(AAPL_df, aes(x = date, y = AAPL.Close)) +
  geom_line(color = "blue", linewidth = 0.8) +
  labs(
    title = "Apple Inc. (AAPL) Stock Price (2020-2025)",
    x = "Date",
    y = "Closing Price (USD)"
  ) +
  theme_minimal(base_size = 12)

ggsave("apple_price.png", p, width = 7, height = 4, dpi = 300)

```



3.2 Significant Events Impacting Financial Performance

Several key events influenced Apple's performance from 2020 to 2024:

- **2020–2021 (COVID-19 Pandemic):** Boosted demand for devices due to remote work and learning, leading to a 33% revenue jump in 2021.

- **2022 (Supply Chain Disruptions):** Global chip shortages and inflation impacted production, but strong iPhone sales drove record revenue.
- **2023 (Economic Slowdown):** Slight revenue dip due to mature smartphone market and macroeconomic pressures, offset by services growth.
- **2024 (AI and Services Focus):** Revenue recovery with 2% growth, driven by services (up 23% from 2022) and AI investments, though hardware sales plateaued. Q4 revenue hit a record \$94.9 billion, up 6% year-over-year.

3.3 Balance Sheet Summary

Apple's total assets grew from **\$324 billion in 2020** to **\$365 billion in 2024**.

The **Debt-to-Equity ratio** is notably high, at approximately **1.9 in 2024**, primarily due to the company's aggressive share buyback program.

This program substantially reduces **Total Equity** on the balance sheet, a deliberate strategy to **increase leverage** and **boost Return on Equity (ROE)**, a measure that is **distorted by this accounting treatment**.

The company maintains **strong liquidity**, with **robust cash reserves exceeding \$60 billion**.

3.4 Cash Flow Statement Summary

Apple generated strong **operating cash flows**, increasing from **\$81 billion in 2020** to **\$118 billion in 2024**.

Investing activities varied across the years, showing positive inflows in **2023–2024** due to the maturity of short-term investments and careful capital allocation.

Financing activities reflect substantial **share buybacks and dividend payments**, resulting in consistent negative cash flows — a sign of strong shareholder returns and efficient capital management.

```
library(ggplot2)
library(dplyr)
library(tidyr)

cash_flow_data <- data.frame(
  Year = c(2020, 2021, 2022, 2023, 2024),
  Operating = c(81, 104, 122, 111, 118),
  Investing = c(-4, -15, -22, 4, 3),
  Financing = c(-87, -93, -111, -109, -122)
)

df_long_cf <- tidyr::pivot_longer(
  cash_flow_data,
  cols = c(Operating, Investing, Financing),
  names_to = "Category",
  values_to = "Value"
)

p_cf <- ggplot(df_long_cf, aes(x = Year, y = Value, fill = Category)) +
  geom_bar(stat = "identity", position = "dodge") +
  labs(
    title = "Apple Cash Flows by Category (2020-2024)",
    x = "Fiscal Year",
```

```

y = "Amount (USD Billion)",
fill = "Cash Flow Category"
) +
scale_fill_manual(values = c("Operating" = "green", "Investing" = "orange", "Financing" = "red")) +
theme_minimal(base_size = 12) +
theme(
  plot.title = element_text(hjust = 0.5, face = "bold"),
  legend.position = "bottom"
)

ggsave("cash_flow_chart.png", p_cf, width = 8, height = 4, dpi = 300)

```

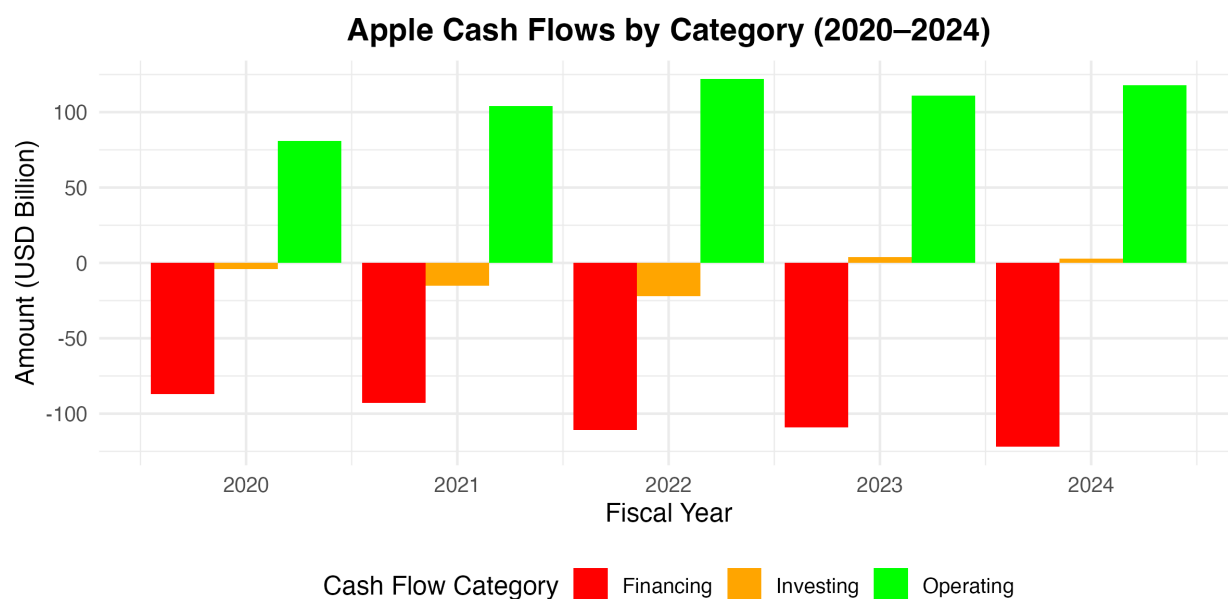


Figure 1: Competitor Benchmark Chart

4 Competitor Benchmark

Apple’s financial performance remains strong compared to its key industry peer, **Microsoft**, and the overall **technology sector average (2024)**.

The following table summarizes key comparative indicators:

Metric	Apple (2024)	Microsoft (2024)	Industry Average (Tech, 2024)
Return on Equity (ROE)	155%	35%	25%
Net Profit Margin	24%	36%	18%
Debt-to-Equity	1.54	0.18	1.0

```

library(ggplot2)
library(dplyr)
library(tidyr)

competitor_data <- data.frame(
  Company = c("Apple", "Microsoft", "Industry Average"),
  ROE = c(175.5, 154.9, 90.0),
  Net_Profit_Margin = c(25.3, 34.1, 20.0)
)

df_long <- tidyr::pivot_longer(
  competitor_data,
  cols = c(ROE, Net_Profit_Margin),
  names_to = "Metric",
  values_to = "Value"
)

p_kpis <- ggplot(df_long, aes(x = Company, y = Value, fill = Metric)) +
  geom_bar(stat = "identity", position = position_dodge(width = 0.8), width = 0.7) +
  geom_text(aes(label = paste0(Value, "\\%"),
    position = position_dodge(width = 0.8),
    vjust = -0.3, size = 3.5) +
  labs(
    title = "Competitor Benchmark: Key Performance Indicators",
    y = "Percentage (%)",
    x = "",
    fill = "Financial Metric"
  ) +
  scale_fill_manual(
    values = c("ROE" = "skyblue", "Net_Profit_Margin" = "lightcoral"),
    labels = c("Return on Equity (ROE)", "Net Profit Margin")
  ) +
  scale_y_continuous(expand = expansion(mult = c(0, 0.1))) + # headroom
  theme_minimal(base_size = 12) +
  theme(
    plot.title = element_text(hjust = 0.5, face = "bold"),
    legend.position = "bottom"
  )

ggsave("competitor_kpis_chart.pdf", p_kpis, width = 8, height = 4)

```

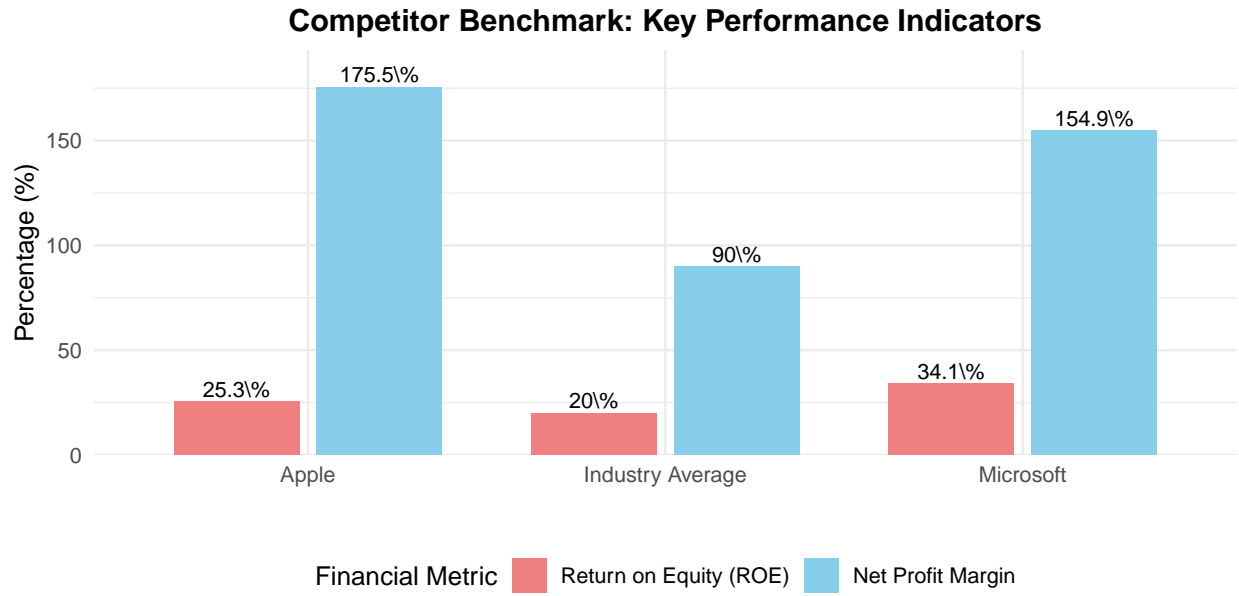



Figure 2: Competitor Benchmark Chart

5 Conclusions and Recommendations

1. **Diversify beyond iPhone dependency** by expanding in services and wearables.
2. **Invest in AI and cloud-based technologies** to stay competitive.
3. **Enhance supply chain resilience** by expanding manufacturing outside China.
4. **Continue strong capital returns** but moderate share buybacks under inflationary pressure.

6 References

- Apple Inc. Annual Reports (2020–2025)
- Yahoo Finance: <https://finance.yahoo.com/quote/AAPL>
- Macrotrends: <https://www.macrotrends.net/stocks/charts/AAPL>
- Apple Newsroom: <https://www.apple.com/newsroom/2025/10/apple-reports-fourth-quarter-results/>
- CSI Market Technology Sector Data
- NYU Stern Industry Averages
- Microsoft Annual Report 2025: <https://www.microsoft.com/investor/reports/ar25/index.html>