

Apple manufactures smartphones, tablets, PCs, software, and peripherals for a worldwide customer base. Its products include Mac desktop and mobile PCs, iPhone, iPad, Apple Watch, and various consumer products, including AirPods, Beats headphones, and Apple TV. Apple services include App Store, iTunes, iCloud, Apple TV+, Apple Arcade, Apple Music, Apple Pay, and more.

Analyst's Notes

Analysis by Jim Kelleher, CFA, and Wallis Kelleher-Ferguson, June 24, 2025

ARGUS RATING: BUY

- Apple 'Liquid Glass' software redesign
- At its June 2025 worldwide developers conference (WWDC), Apple introduced a new visual design for iOS and other device software based on its 'Liquid Glass' concept offering more fluid and 3D elements.
- After focusing on 'Apple Intelligence' at WWDC 2024, Apple in 2025 deemphasized AI and announced just a few modest enhancements to Apple Intelligence.
- As a product perfector rather than new product disruptor, Apple evidently believes its AI offering needs further improvement before becoming central to Apple device architecture.
- The active installed base of Apple devices keeps setting new records, and Apple's perpetually refreshed roster of highly desirable products provides a unique advantage over industry rivals.

INVESTMENT THESIS

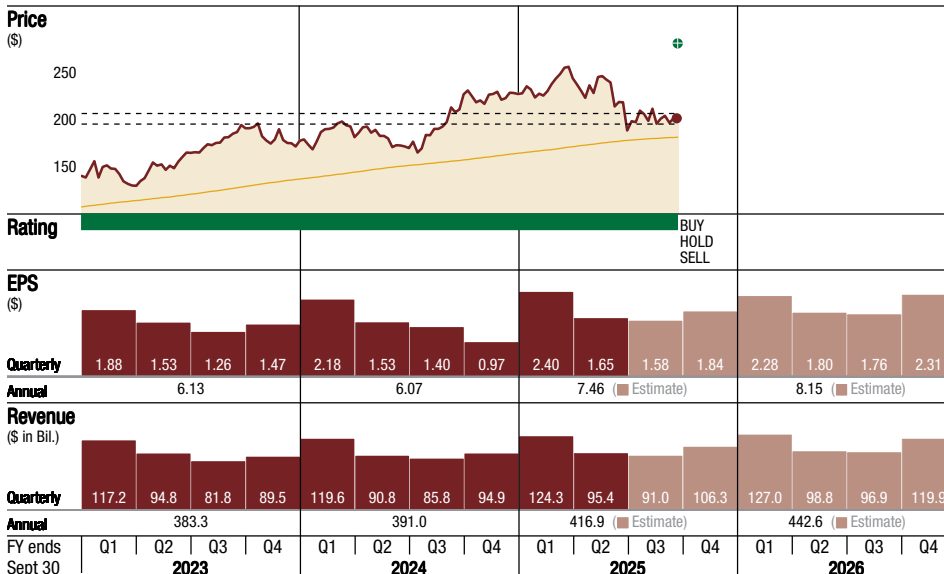
BUY-rated Apple Inc. (NGS: AAPL) sold off by 3% on 6/9/25 in the immediate aftermath of June 2025 WWDC. After focusing on Apple Intelligence at WDC 2024, Apple back-burnered AI this time around. We believe Apple, as a product protector rather than new product disruptor, is dissatisfied with the state of its current on-device AI capabilities and will await further improvement in its AI offering before Apple Intelligence becomes central to the company's device architecture.

The focus of WWDC 2025 was software, including a major redesign across its device software platforms called 'Liquid Glass.' Apple for the first time ever is offering a common design mode across iOS, iPadOS, MacOS, watchOS, tvOS, visionOS and CarPlay. Apple will also discontinue naming its OS systems after the device generation; instead, all device software will be named for the year of issuance. The current iOS 18 for iPhone will be succeeded by iOS 26, and iPadOS 16 will give way to iPadOS 26.

Apple's software leader Craig Federighi noted that Apple's silicon has become 'dramatically more powerful,' enabling multiple software enhancements. Apple Intelligence received some modest upgrades. Live Translation, which enables communication between users who do not share a common language, is now integrated across Messages, FaceTime,

Market Data Pricing reflects previous trading week's closing price.

— 200-Day Moving Average — Target Price: \$280.00 — 52 Week High: \$206.24 — 52 Week Low: \$195.07 — Closed at \$201.00 on 6/20



Please see important information about this report on page 6

Argus Recommendations

Twelve Month Rating	SELL	HOLD	BUY
Five Year Rating	SELL	HOLD	BUY
Sector Rating	Under Weight	Market Weight	Over Weight

Argus assigns a 12-month BUY, HOLD, or SELL rating to each stock under coverage.

- BUY-rated stocks are expected to outperform the market (the benchmark S&P 500 Index) on a risk-adjusted basis over the next year.
- HOLD-rated stocks are expected to perform in line with the market.
- SELL-rated stocks are expected to underperform the market on a risk-adjusted basis.

The distribution of ratings across Argus' entire company universe is: 72% Buy, 28% Hold.

Key Statistics

Key Statistics pricing data reflects previous trading day's closing price. Other applicable data are trailing 12-months unless otherwise specified

Market Overview

Price	\$200.30
Target Price	\$280.00
52 Week Price Range	\$169.21 to \$260.10
Shares Outstanding	14.94 Billion
Dividend	\$1.04

Sector Overview

Sector	Information Technology
Sector Rating	OVER WEIGHT
Total % of S&P 500 Market Cap.	31.60%

Financial Strength

Financial Strength Rating	HIGH
Debt/Capital Ratio	67.6%
Return on Equity	170.7%
Net Margin	24.3%
Payout Ratio	0.14
Current Ratio	0.87
Revenue	\$400.37 Billion
After-Tax Income	\$97.29 Billion

Valuation

Current FY P/E	26.85
Prior FY P/E	33.00
Price/Sales	7.47
Price/Book	44.81
Book Value/Share	\$4.47
Market Capitalization	\$2.99 Trillion

Forecasted Growth

1 Year EPS Growth Forecast	22.90%
5 Year EPS Growth Forecast	13.00%
1 Year Dividend Growth Forecast	6.12%

Risk

Beta	1.07
Institutional Ownership	62.67%

Analyst's Notes ...Continued

and Phone for real-time communication using on-device processing. A call screening feature in the Phone app gathers caller information to help users decide whether to answer. Visual Intelligence, which has been able to search and find photos based on a keyword, can now search all on-screen content across apps.

Amid the current AI frenzy, Nvidia GTC has completely displaced new iPhone launch day and WWDC as the biggest days on any tech investor's calendar. Amid the current AI frenzy and given Apple's AI lite approach this time, WWDC 2025 generated a tepid media and developer response. Increasing commonality across Apple's software platforms and simplifying what had been confusing software nomenclature are not giant steps for mankind, but they both make sense and will improve the user experience.

Apple in fiscal 2Q25 (calendar 1Q25) beat revenue and EPS expectations, grew its two most important categories (iPhone and Services), grew in every region outside China, and again reached a new record level exceeding 2.2 billion for the active installed base of Apple devices. Apple is on track for high-single-digit revenue and GAAP EPS growth over the next two years, reflecting a strong appetite for Apple's hardware. Apple brand loyalty in turn spurs demand for Apple's services, including App Store, iCloud, Music and much more.

The company, in our view, benefits from aggressive shareholder-return policies and from a perpetually refreshed roster of desirable products. We believe the current environment represents an opportunity to establish or dollar-average into

positions in AAPL. We are reiterating our BUY rating and our 12-month target price of \$280.

RECENT DEVELOPMENTS

AAPL is down 22% year-to-date in 2025, while peers are up less than 1%. AAPL rose 24% in 2024, while the peer group of computing, storage, and information-processing companies in Argus coverage was up 15%. AAPL rose 48% in 2023, while peers advanced 40%; fell 27% in 2022, slightly better than the 30% decline for peers; advanced 34% in 2021, in line with the 35% gain for peers; and rose 81% in 2020, compared to a 9% advance for peers.

At its worldwide developers conference (WWDC) held in June 2025, Apple de-emphasized 'Apple Intelligence,' which had dominated WWDC 2024, and instead focused on upgrades and enhancements to its multiple device software systems. For years, WWDC in June and iPhone launch day in September were the biggest days on the technology investor calendar. Now, AI has pushed these events into the background, and Nvidia GTC Compute (typically in March), along with any Nvidia quarterly results release, have become the must-monitor events for tech investors.

Apple has focused is AI efforts on Gen AI on the device. But the company is not leading in AI or even in the narrow niche of on-device Gen AI. We regard Apple as a product perfector rather than a product pioneer. Apple in our view is prudent to step back

Growth & Valuation Analysis

GROWTH ANALYSIS

(\$ in Millions, except per share data)

	2020	2021	2022	2023	2024
Revenue	274,515	365,817	394,328	383,285	391,035
COGS	169,559	212,981	223,546	214,137	210,352
Gross Profit	104,956	152,836	170,782	169,148	180,683
SG&A	19,916	21,973	25,094	24,932	26,097
R&D	18,752	21,914	26,251	29,915	31,370
Operating Income	66,288	108,949	119,437	114,301	123,216
Interest Expense	-890	-198	106	183	—
Pretax Income	67,091	109,207	119,103	113,736	123,485
Income Taxes	9,680	14,527	19,300	16,741	29,749
Tax Rate (%)	14	13	16	15	24
Net Income	57,411	94,680	99,803	96,995	93,736
Diluted Shares Outstanding	17,528	16,865	16,326	15,813	15,408
EPS	3.28	5.61	6.11	6.13	6.08
Dividend	0.80	0.85	0.90	0.94	0.98

GROWTH RATES (%)

Revenue	5.5	33.3	7.8	-2.8	2.0
Operating Income	3.7	64.4	9.6	-4.3	7.8
Net Income	3.9	64.9	5.4	-2.8	-3.4
EPS	10.4	71.0	8.9	0.3	-0.8
Dividend	6.0	6.9	5.9	4.4	4.3
Sustainable Growth Rate	55.8	125.1	149.6	145.6	132.0

VALUATION ANALYSIS

Price: High	\$138.79	\$182.13	\$182.94	\$199.62	\$260.10
Price: Low	\$53.15	\$116.21	\$125.87	\$124.17	\$164.08
Price/Sales: High-Low	8.9 - 3.4	8.4 - 5.4	7.6 - 5.2	8.2 - 5.1	10.2 - 6.5
P/E: High-Low	42.3 - 16.2	32.5 - 20.7	29.9 - 20.6	32.6 - 20.3	42.8 - 27.0
Price/Cash Flow: High-Low	30.2 - 11.5	29.5 - 18.8	24.5 - 16.8	28.6 - 17.8	33.9 - 21.4

Financial & Risk Analysis

FINANCIAL STRENGTH

	2022	2023	2024
Cash (\$ in Millions)	23,646	29,965	29,943
Working Capital (\$ in Millions)	-18,577	-1,742	-23,405
Current Ratio	0.88	0.99	0.87
LT Debt/Equity Ratio (%)	216.5	153.3	150.6
Total Debt/Equity Ratio (%)	261.4	178.8	187.2

RATIOS (%)

Gross Profit Margin	43.3	44.1	46.2
Operating Margin	30.3	29.8	31.5
Net Margin	25.3	25.3	24.0
Return On Assets	28.4	27.5	26.1
Return On Equity	175.5	171.9	157.4

RISK ANALYSIS

Cash Cycle (days)	-62.4	-70.9	-73.0
Cash Flow/Cap Ex	11.4	10.1	12.5
Oper. Income/Int. Exp. (ratio)	41.6	29.9	—
Payout Ratio	15.2	14.7	15.3

Analyst's Notes ...Continued

from an emphasis on AI and to focus at present on aligning its multiple software operating systems around common elements.

At WWDC 205, the company introduced a more fluid and 3D-capable visual interface called 'Liquid Glass,' built on technology first introduced in VisionOS (for its Vision Pro AR/VR headset) two years ago. Apple also for the first time significantly increased the 'run common' elements across the distinct software architectures for each device. And it simplified OS nomenclature, in an overdue move.

At WWDC, Apple previewed what it called a 'beautiful new software design' that makes apps and system experiences more expressive and delightful while being instantly familiar. The technology is 'crafted with a new material called Liquid Glass,' which strictly speaking is a software element rather than a physical material. Liquid Glass reflects and refracts its surroundings, while dynamically transforming to bring greater focus to content. The visual elements in Liquid Glass deliver a new level of 'vitality' across controls, navigation, app icons widgets, and more. And the design extends across the OS platforms for Apple's device families - iPhone, iPad, mac, watch, AppleTV, etc.- to establish harmony while maintaining the distinct qualities that make each OS unique.

Alan Dye, Apple's VP of Human Interface Design, called the technology 'our broadest software design update ever.' Inspired by the depth and dimensionality of visionOS, the new technology integrates Apple's advances in hardware, silicon, and graphics technologies. Additionally, the new software includes updates for

controls, toolbars, and navigation within apps. Controls are crafted out of Liquid Glass in a distinct functional layer that sits above apps.

In an example of this new fluidity, the time displayed on the lockscreen of your iPhone will scale to accommodate the photo that is your opening wallpaper. If the subject of the photo is large and fills much of the lockscreen, the time icon will shrink to accommodate full display of the subject. If the subject of the photo on your lock screen is small, the time icon will expand to fill empty space in the screen.

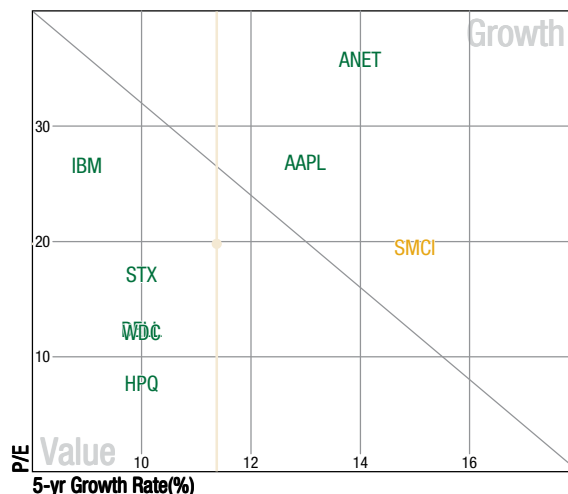
With Liquid Glass, Apple for the first time ever is offering a common design mode across iOS, iPadOS, MacOS, watchOS, tvOS, visionOS and CarPlay. Apple will also discontinue naming its OS systems after the device generation; instead, all device software will be named for the year of issuance. The current iOS 18 for iPhone will be succeeded by iOS 26, and iPadOS 16 will give way to iPadOS 26.

The company did announce some modest enhancements to Apple Intelligence, but Siri was once again left behind. Siri, Apple's voice assistant, had new features announced at WWDC 2024 but those features were pushed out to 2025; the company stated that all those announced features are now working. At WWDC 2025, hoped-for 'Siri AI' upgrades were pushed out to 2026. Software head Craig Federighi said Apple is 'continuing our work to deliver the features that make Siri even more personal.' The company 'looks forward to sharing more about it in the coming year.'

Peer & Industry Analysis

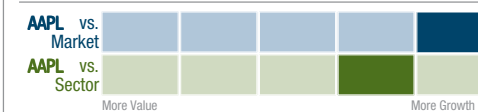
The graphics in this section are designed to allow investors to compare AAPL versus its industry peers, the broader sector, and the market as a whole, as defined by the Argus Universe of Coverage.

- The scatterplot shows how AAPL stacks up versus its peers on two key characteristics: long-term growth and value. In general, companies in the lower left-hand corner are more value-oriented, while those in the upper right-hand corner are more growth-oriented.
- The table builds on the scatterplot by displaying more financial information.
- The bar charts on the right take the analysis two steps further, by broadening the comparison groups into the sector level and the market as a whole. This tool is designed to help investors understand how AAPL might fit into or modify a diversified portfolio.

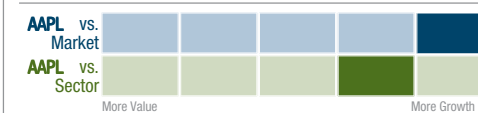


Ticker	Company	Market Cap (\$ in Millions)	5-yr Growth Rate (%)	Current FY P/E	Net Margin (%)	1-yr EPS Growth (%)	Argus Rating
AAPL	Apple Inc	2,991,646	13.0	26.8	24.3	9.2	BUY
IBM	International Business Machine	273,047	9.0	26.6	8.7	4.6	BUY
ANET	Arista Networks Inc	119,275	14.0	35.8	40.7	13.6	BUY
DELL	Dell Technologies Inc	40,967	10.0	12.4	4.6	14.5	BUY
STX	Seagate Tech Hldgs Pl	28,927	10.0	17.1	17.5	33.5	BUY
SMCI	Super Micro Computer Inc	25,568	15.0	19.5	5.3	36.4	HOLD
HPQ	HP Inc	23,050	10.0	7.7	4.6	10.7	BUY
WDC	Western Digital Corp.	21,655	10.0	12.1	13.0	10.2	BUY
Peer Average		440,517	11.4	19.8	14.9	16.6	

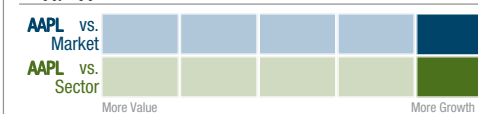
P/E



Price/Sales



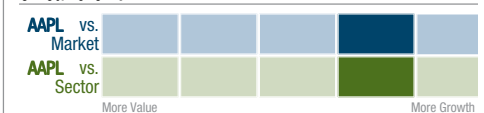
Price/Book



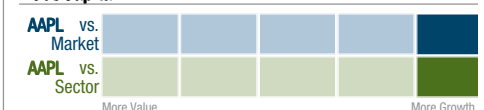
PEG



5 Year Growth



Debt/Capital



Analyst's Notes ...Continued

Apple anticipates up to \$900 million in tariff costs in the June quarter. CEO Cook stated it was 'very difficult to predict' beyond June due to tariff volatility. Service revenue set another record in fiscal 2Q25, rising 12% year over year while slightly lagging Street expectations. iPhone revenue was up 2% year over year and beat consensus expectations, with Apple in calendar 1Q25 growing unit shipments faster than any other major smartphone vendor. Apple posted revenue growth in all regions outside of China in 2Q25.

As of the end of fiscal 2Q25, the active installed base of Apple devices again reached a new record level, exceeding 2.2 billion. As it does each April, the company raised its dividend and expanded its share-repurchase authorization. Apple is on track for high-single-digit revenue and GAAP EPS growth over the next two years. This reflects a strong appetite for Apple's hardware, and its brand loyalty in turn spurs demand for Apple's services, including App Store, iCloud, and much more. The company, in our view, benefits from aggressive shareholder-return policies and from a perpetually refreshed roster of desirable products.

EARNINGS & GROWTH ANALYSIS

For fiscal 2Q25 (calendar 1Q25), Apple posted revenue of \$95.4 billion, which was up 5% year over year. Revenue topped the consensus forecast of \$94.6 billion by over \$800 million.

The GAAP gross margin was 47.1% in fiscal 2Q25 versus was 46.6% a year earlier. The GAAP operating margin was 31.0% in fiscal 2Q25, up from 30.7% in the prior-year quarter.

GAAP earnings totaled \$1.65 per diluted share, up 7% from a year earlier. EPS bested the consensus estimate of \$1.62. Apple did not guide on quarterly sales or EPS for fiscal 3Q25 or provide any annual FY25 guidance.

For all of FY24, Apple posted revenue of \$391.0 billion, up 2% from \$383.3 billion in FY23. GAAP EPS totaled \$6.07 for FY24 (including the one-time charge), down 1% from the \$6.13 for FY23.

Given the ongoing overhang of tariffs on macro-economic activity, we have reduced our FY25 GAAP EPS forecast to \$7.46 per diluted share from \$7.63. We have reduced our FY26 GAAP EPS projection to \$8.15 per diluted share from \$8.52. We regard our estimates as fluid and subject to change. Our long-term EPS growth rate forecast for AAPL is 13%.

FINANCIAL STRENGTH & DIVIDEND

Our financial strength rating on Apple is High, the top point of our five-point scale. In the wake of the recent cut in the corporate tax rate and relaxed restrictions on repatriating overseas cash, Apple has stepped up its shareholder-return program with higher buybacks and an April 2023 dividend hike. It has also accelerated debt retirement.

Cash and short- and long-term investments were \$133.0 billion at the end of fiscal 2Q25. Cash was \$156.6 billion at the end of fiscal 2024, \$162.1 billion at the end of fiscal 2023, \$169.1 billion at the end of fiscal 2022, and \$196.3 billion at the end of fiscal 2021.

Debt was \$98.2 billion at the end of fiscal 2Q25. Debt was \$106.6 billion at the end of fiscal 2024, \$114.4 billion at the end of fiscal 2023, \$120.1 billion at the end of fiscal 2022, and \$124.7 billion at the end of fiscal 2021.

For fiscal 2024, cash flow from operations was \$118.2 billion. Cash flow from operations was \$110.5 billion in FY23, \$122.2 billion in FY22, \$104.0 billion in FY21, and \$80.7 billion in FY20.

Apple added \$100 billion to its buyback authorization in April 2025. Prior increases in the repurchase authorization were \$110 billion in April 2024, \$90 billion in April 2023, \$90 billion in April 2022, \$90 billion in April 2021, \$50 billion in April 2020, \$75 billion in April 2019, and \$100 billion in April 2018.

In April 2025, Apple raised its quarterly dividend by 4% to \$0.26 per share. Apple also raised its dividend by 4% to \$0.25 per share in April 2024; by 4% to \$0.24 per share in April 2023; by 5% to \$0.23 in April 2022; by 7% in April 2021; by 6.5% in April 2020; by 5% in April 2019; and by 16% in April 2018. Apple declared its first quarterly dividend in April 2012.

Our dividend forecasts are \$1.04 for FY25 and \$1.12 for FY26.

MANAGEMENT & RISKS

Timothy Cook has served as CEO since industry legend Steve Jobs passed away in 2011. Former Apple controller and former Xerox CFO Luca Maestri, who became CFO in September 2013, exited the CFO role in January 2025. He now leads the corporate services team. Former VP of Financial Planning Kevan Parekh is now CFO. Jeff Williams is COO, and James Wilson is chief technology officer. Another long-term Apple executive, Greg Joswiak, is the SVP of marketing. Longtime head of worldwide marketing Phil Schiller retired from that role and has become an Apple fellow.

A Department of Justice (DoJ) lawsuit alleging anti-competitive behavior is a real risk in that a successful outcome by the DoJ could disrupt Apple's business model and closed eco-system. Currently, we do not expect the outcome of the DoJ action to dissuade the multitude of satisfied Apple device owners to shift to other operating systems and devices.

Several top executives, including Design Leader Jony Ive and SVP of Retail Angela Ahrendts, have left the company in the past few years. However, Apple has a deep bench of executive, engineering, and marketing talent. We think the company will continue to attract high-quality talent, both from an engineering perspective as well as in the corporate leadership ranks.

Apple is in its familiar cadence of introducing new phones in the fall, just ahead of holiday spending, though that schedule was delayed slightly last year. The upcoming 5G cycle promises to be major. Apple is a product perfecter, not a product originator, and should eventually find a ready appetite for its iPhones whenever they are ready.

Apple sells phones around the globe; smartphones are now ubiquitous and in need of constant upgrades; and consumers are anxious to remain within the Apple ecosystem. For these reasons, we expect Apple's long-cycle demand to smooth any near-term demand bumps. Tariffs also represent a difficult-to-quantify risk, but all parties have a long-term interest in facilitating global trade flows.

Investors have criticized Apple for its closed ecosystem. That system, however, has the effect of prompting consumers to buy iPads and Macs for system compatibility. Even more compelling for brand loyalty are Apple's services, including iTunes, App Store, and iCloud, as consumers do not want the cost and complexity of pulling their media libraries out of the comfortable arms of Apple.

The shares are always at risk from the perception that growth could slow as the law of large numbers catches up with Apple. The company has mitigated that risk, in our view, with aggressive shareholder-return policies, which likely will remain paramount. Despite the company's growing largesse, we expect institutional

Analyst's Notes ...Continued

investors to continue to demand aggressive dividend growth and a larger share-repurchase plan.

COMPANY DESCRIPTION

Apple manufactures smartphones, tablets, PCs, software, and peripherals for a worldwide customer base. Its products include Mac desktop and mobile PCs, iPhone, iPad, Apple Watch, and various consumer products, including Air Pods, Beats headphones, and Apple TV. Apple services include App Store, iTunes, iCloud, Apple TV+, Apple Arcade, Apple Music, Apple Pay, and more.

VALUATION

AAPL trades at 27.0-times our FY25 EPS estimate and at 24.7-times our FY26 forecast; the two-year average P/E of 25.9 is below the five-year (FY20-FY24) trailing multiple of 27.4. Apple is trading at a two-year forward relative P/E of 1.16, below its historical relative multiple of 1.37 over the past five years. We believe Apple deserves to trade at premiums to its historical comparable valuation, as it sets itself further apart as a provider of premium electronic consumer devices and high-margined digital services, and notably as the age of on-device generative AI gets underway. On all comparable valuation, we calculate a value in the \$210s, in a stable trend and above current prices.

AAPL trades at premiums to the technology hardware peer group on absolute and relative P/E, EV/EBITDA, P/S, and PEGY. Peer-indicated value has stabilized around \$140 amid the tech sector selloff and partial recovery in 2025. We believe that AAPL warrants a significant premium to peers given the company's ability to expand globally and generate healthy demand for its products seemingly in every kind of economy. Apple also trades on GAAP results while peers trade on non-GAAP results.

Our more forward-looking two- and three-stage discounted free cash flow model renders a value around \$310 per share, stable and well above current levels. Our blended fundamental valuation model points to a price of \$300, also well above current prices.

Appreciation to our 12-month target price of \$280, along with the dividend yield of about 0.5%, implies a risk-adjusted total return in excess of our forecast for the broad market and is thus consistent with a BUY rating.

On June 24, BUY-rated AAPL closed at \$200.30, down \$1.20.

About Argus

Argus Research, founded by Economist Harold Dorsey in 1934, has built a top-down, fundamental system that is used by Argus analysts. This six-point system includes Industry Analysis, Growth Analysis, Financial Strength Analysis, Management Assessment, Risk Analysis and Valuation Analysis.

Utilizing forecasts from Argus' Economist, the Industry Analysis identifies industries expected to perform well over the next one-to-two years.

The Growth Analysis generates proprietary estimates for companies under coverage.

In the Financial Strength Analysis, analysts study ratios to understand profitability, liquidity and capital structure.

During the Management Assessment, analysts meet with and familiarize themselves with the processes of corporate management teams.

Quantitative trends and qualitative threats are assessed under the Risk Analysis.

And finally, Argus' Valuation Analysis model integrates a historical ratio matrix, discounted cash flow modeling, and peer comparison.

THE ARGUS RESEARCH RATING SYSTEM

Argus uses three ratings for stocks: BUY, HOLD, and SELL. Stocks are rated relative to a benchmark, the S&P 500.

- A BUY-rated stock is expected to outperform the S&P 500 on a risk-adjusted basis over a 12-month period. To make this determination, Argus Analysts set target prices, use beta as the measure of risk, and compare expected risk-adjusted stock returns to the S&P 500 forecasts set by the Argus Market Strategist.
- A HOLD-rated stock is expected to perform in line with the S&P 500.
- A SELL-rated stock is expected to underperform the S&P 500.

Argus Research Disclaimer

Argus Research Co. (ARC) is an independent investment research provider whose parent company, Argus Investors' Counsel, Inc. (AIC), is registered with the U.S. Securities and Exchange Commission. Argus Investors' Counsel is a subsidiary of The Argus Research Group, Inc. Neither The Argus Research Group nor any affiliate is a member of the FINRA or the SIPC. Argus Research is not a registered broker dealer and does not have investment banking operations. The Argus trademark, service mark and logo are the intellectual property of The Argus Research Group, Inc. The information contained in this research report is produced and copyrighted by Argus Research Co., and any unauthorized use, duplication, redistribution or disclosure is prohibited by law and can result in prosecution. The content of this report may be derived from Argus research reports, notes, or analyses. The opinions and information contained herein have been obtained or derived from sources believed to be reliable, but Argus Research makes no representation as to their timeliness, accuracy or completeness or for their fitness for any particular purpose. The historical Growth & Valuation and Financial & Risk financial information included in this report has been provided by Morningstar, Inc. (© Morningstar, Inc. All Rights Reserved). This data is proprietary to Morningstar and/or its content providers; may not be copied or distributed; is not warranted to be accurate, complete or timely; and is set forth herein for historical reference only and is not necessarily used in Argus' analysis of the stock set forth in the pages of this report or any other stock or other security. This report is not an offer to sell or a solicitation of an offer to buy any security. The information and material presented in this report are for general information only and do not specifically address individual investment objectives, financial situations or the particular needs of any specific person who may receive this report. Investing in any security or investment strategies discussed may not be suitable for you and it is recommended that you consult an independent investment advisor. Nothing in this report constitutes individual investment, legal or tax advice. Argus Research may issue or may have issued other reports that are inconsistent with or may reach different conclusions than those represented in this report, and all opinions are reflective of judgments made on the original date of publication. Argus is under no obligation to ensure that other reports are brought to the attention of any recipient of this report. Argus and its content providers shall accept no liability for any loss arising from the use of this report, nor shall Argus treat all recipients of this report as customers simply by virtue of their receipt of this material. Investments involve risk and an investor may incur either profits or losses. Past performance should not be taken as an indication or guarantee of future performance. Argus has provided independent research since 1934. Argus officers, employees, agents and/or affiliates may have positions in stocks discussed in this report. No Argus officers, employees, agents and/or affiliates may serve as officers or directors of covered companies, or may own more than one percent of a covered company's stock. AIC is a customer of ARC. AIC pays ARC for research used in the management of the AIC core equity strategy and model portfolio and unit investment trust products, and has the same access to ARC content as other customers. However, clients and prospective clients should note that AIC and ARC, as units of The Argus Research Group, have certain employees in common, including those with both research and portfolio management responsibilities, and that ARC employees participate in the management and marketing of the AIC core equity strategy and UIT and model portfolio products. Recipients of the Research reports in Singapore should contact the Intermediary of the Research Reports in respect to any matters arising from, or in connection with, the analysis of the report. When reports are distributed by Intermediaries in Singapore, the Intermediary, and not Argus Research, is solely responsible for ensuring that the recipients of the Research Reports are accredited, expert or institutional investors as defined by the Securities and Futures Act. The Intermediary is also solely responsible for ensuring that the recipients understand the information contained in the Research Reports and that such information is suitable based on the recipient's profile and investment objectives. Laws and regulations of other countries may also restrict the distribution of this report. Persons in possession of this document should inform themselves about possible legal restrictions and observe them accordingly. This content is not prepared subject to Canadian disclosure requirements.