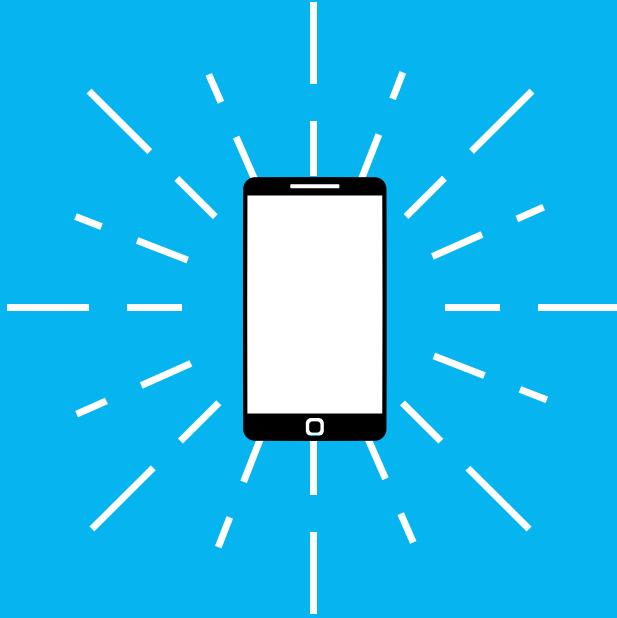


The background of the slide features a large, metallic Apple logo mounted on the side of a modern building with glass windows. The logo is silver and has a slight reflection. The building's facade is light-colored and shows some architectural details like cornices and decorative elements.

ANALYSIS OF A NYSE COMPANY

# APPLE

POLITECNICO DI TORINO  
ACADEMIC YEAR 2022 / 2023



# HISTORY OF THE COMPANY

Apple Inc. is an American multinational technology company headquartered in Cupertino, California, United States.

It is the world's biggest company by market capitalisation, the fourth-largest personal computer vendor by unit sales and second-largest mobile phone manufacturer.



# **THE PEOPLE WHO STARTED IT ALL**

Apple Computer Company was founded on April 1, 1976, by Steve Jobs, Steve Wozniak, and Ronald Wayne as a partnership.

In 1984, Apple launched the Macintosh.

At the Macworld Expo on January 9, 2007, Jobs announced that Apple Computer Inc. would thereafter be known as "Apple Inc.", because the company had shifted its emphasis from computers to consumer electronics.

# IPHONE

Apple's line of smartphones.  
Run the IOS-operating system.  
the first one was unveiled by  
Steve Jobs on January 9,  
2007.  
it has 15% market share, yet  
represents 50% of global  
smartphone revenues

# MAC AND MACBOOK

The Mac is Apple's family of personal computers.

are known for their ease of use and distinctive aluminum, minimalist designs

The current lineup consists of the MacBook Air and MacBook Pro laptops and the iMac, Mac mini, Mac Studio and Mac Pro desktop computers



# IPAD

IPad is Apple's line of tablets which run iPadOS. The first-generation iPad was announced on January 27, 2010. The iPad is mainly marketed for consuming multimedia, creating art, working on documents, videoconferencing, and playing games.

# IPOD

Unveiled a decade ago, the iPod is the one device that transformed Apple from a computer company into a mass-market electronics giant



# APPLE WATCH



Apple Watch is a smartwatch.

It was unveiled during the Keynote on  
September 9, 2014.

# AIRPODS



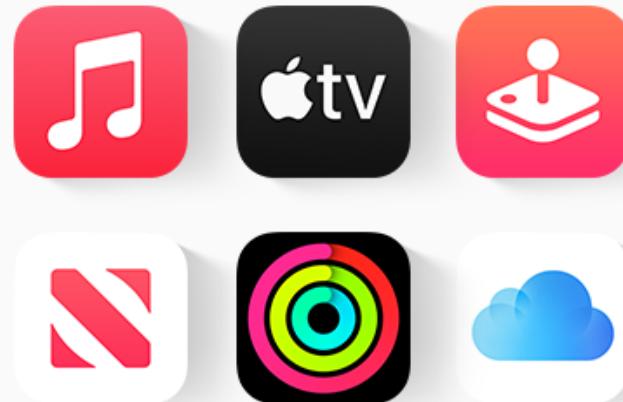
**AirPods are wireless Bluetooth earbuds. They were first announced on September 7, 2016. Within two years, they became Apple's most popular accessory.**

# SERVICES

**Apple also offers a broad line of services.**

**As of the end of 2021, they comprise about 19% of the company's revenue.**

**Apple One**





# COMPETITORS

The biggest competitor of Apple is Samsung, which is positioned as the largest smartphone company accounting 21.2% of the global market.

Microsoft is the software development company. It competes with Apple in the devices segment, in software and application development, on gaming platforms and in marketplaces. It is the world's third-largest tech company after Apple and Samsung.

# **MARKET ANALYSIS**

PESTEL Analysis and SWOT Analysis

# PESTEL ANALYSIS

## Political

- Apple Computers figures at \$195.57 billion concerning cash balance.
- Apple outsources manufacturing to China, and the conflict ensuing between the USA and China has imposed restrictions on imports

## Technological

- Apple has to compete against Google, Samsung
- Currently, the firm is providing pricey accessories to its consumer

## Economic

- One should consider several aspects.
- The business owners can plan their selling strategies accordingly to ensure a good profit margin.

## Environmental

- Apple can face environmental challenges.
- Industrial emissions from manufacturing outlets in China are an issue because China is implementing stricter emission laws

## Social

- Consumers have accepted the use of smartphones.
- They are looking for cost-effective and functional solutions.

## Legal

- Apple's entry into the financial services industry is a lucrative choice.
- These entail insurance and compliance expenses for Apple.

# STRENGTHS

- most valuable brand
- globally iconic
- top technology
- proficient research
- sustainability made possible through Liam

# WEAKNESS

- high priced products
- limited advertisement and promotions
- incompatibility with other software
- allegations of tracking
- unfair business practices

# OPPORTUNITIES

- consistent consumer growth
- qualified professionals
- expansive distribution network
- lack of green technology
- smart wearable technology

# THREATS

- coronavirus outbreak
- supply chain disruption
- apple bullied by counterfeits
- increasing competition
- market penetration
- china tariffs

# MARKET STRATEGY

MARKETING  
AND  
PRODUCTS  
SIMPLE

BUILD AN  
EXPERIENCE  
ECOSYSTEM

CREATE A  
COMMUNITY  
OF  
CUSTOMERS

ORGANISE  
SALES AND  
MARKETING BY  
CUSTOMERS

PREVENT  
PRICE WARS

THINK  
GLOBALLY,  
ACT LOCALLY

UTILISE  
CUSTOMER-  
BASED  
METRICS

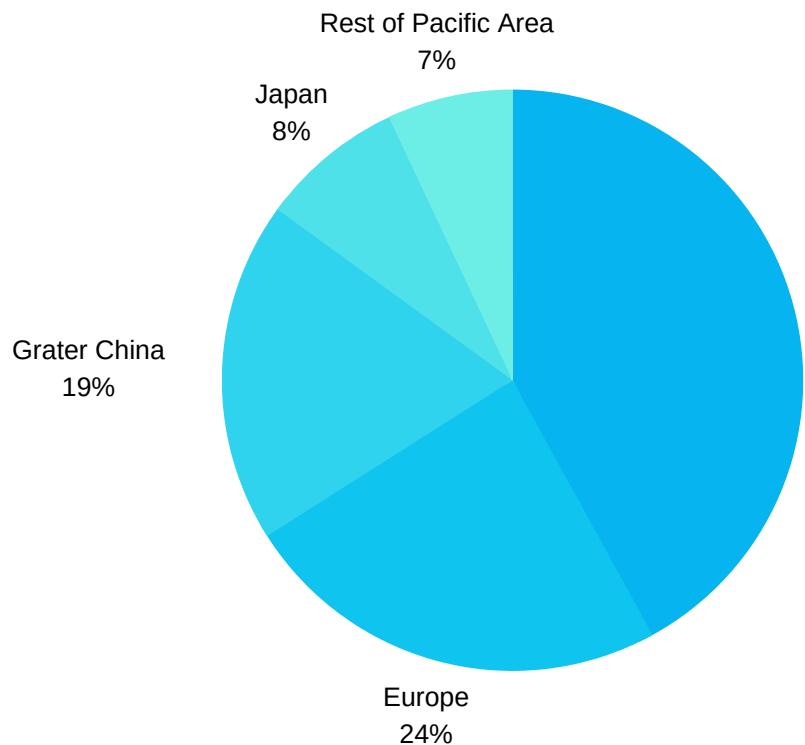
# BUSINESS SEGMENT

- Americas
- Europe
- Greater China
- Japan
- Rest of Pacific Area

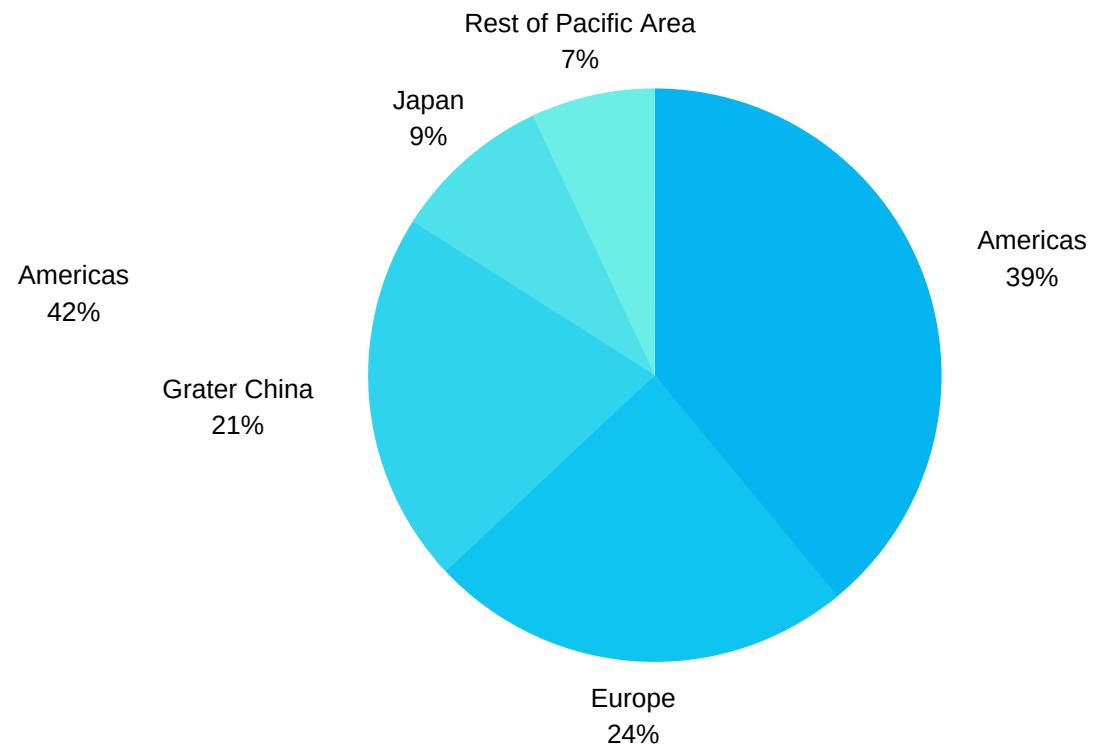


Each geographic region is managed separately to better align with the location of the Company's customers and distribution partners and the unique market dynamics.

## Net Sales



## Operating Income



A photograph showing a black calculator with red buttons and a gold-colored pen resting on a white surface. In the foreground, there's a large blue bar chart comparing four products (Product 1 to Product 4) across three time periods (2011, 2012, 2013). Below it is a pie chart divided into three segments, each labeled with a percentage: 45%, 35%, and 20%. The entire setup is on a light-colored desk.

# FINANCIAL ANALYSIS

1. Profitability ratios
2. Liquidity ratios
3. Solvency ratios
4. Comparisons

# **ROE**

Return on equity is the measure of a company's net income divided by its shareholders' equity. Apple's ROE is 147% which is good attracting investors.

# **ROA**

The term return on assets refers to a financial ratio that indicates how profitable a company is in relation to its total assets. Apple's ROA is 28%, this means that Apple is efficient and productive at managing its balance sheet to generate profits

# **ROS**

Return on sales (**ROS**) provides insight into how much profit is being produced per dollar of sales. It is 29,78% which is quite positive and indicates that Apple is operating efficiently.

# LIQUIDITY RATIOS

They measure the short ability of the company to repay its own obligations. Apple's Current Ratio is 1.07, which is an acceptable value. The Quick Ratio is 0.49. Normally, a quick ratio lower than 1 is considered worrying, but the management seems to be comfortable with this strategy, since the large backlog guarantees a reliable stream of future revenues. The receivable turnover is higher than the accounts payable turnover

# SOLVENCY RATIOS

It is a key metric used to measure an enterprise's ability to meet its debt and other obligations. Apple's Debt Ratio is 0.82, that is a good value. If the ratio is above 1, it shows that a company has more debts than assets. Apple's D/E ratio is 4.56, that is high. This suggests that the company is sourcing more of its business operations by borrowing money, which may subject the company to potential risks if debt levels are too high.

# INDICATORS COMPARISONS

The table below provides information about ROA, ROE and ROS for Apple, Huawei, Samsung and Microsoft. In the last two years these indices have grown for each company. Apple's ROE in 2021 is 147%, this is an outlier. Usually this depends either on exceptional operations or from very high and potentially dangerous financial leverage. Microsoft, instead, has the highest ROS.

For the three companies, the EPS increased from 2020 to 2021. Microsoft remains in the lead with an EPS of 8.05 in 2021.

2021	Apple	Samsung	Microsoft	Huawei
ROE	<b>1.4744</b>	<b>0.1374</b>	<b>0.4707</b>	<b>0.3082</b>
ROA	<b>0.2806</b>	<b>0.0991</b>	<b>0.1929</b>	<b>0.1236</b>
ROS	<b>0.2978</b>	<b>0.1908</b>	<b>0.4159</b>	<b>0.1907</b>
EPS	<b>6.08</b>	<b>4.86</b>	<b>8.05</b>	-

Accounting and Corporate System Course

Professor Ughetto Elisa

# THANKS FOR WATCHING

Team members

- Agnese Martina
- Barlgea Roxana Nicoleta
- Bellarmino Romina
- Conte Stefano
- Grasso Silvia
- Grosu Gabriela



**Politecnico  
di Torino**