

Apple Inc.

Q1 2025 Earnings Update (FY-end 31 December 2024)

**Announcement date: 17/04/2025**

Holdings Information	
Original Book Cost (USD)	3,250,000
MTM vs Ori (% / USD)	+15.4% / +500,500
MTM vs Imp	+9.2%
YTD Price Performance	+6.8%
Dividend Yield (Cost)	0.6%

Current Price (18 June 2025)	\$212.40
Internal Analyst PT (Price Target)	\$230.00
<i>Upside</i>	+8.3%
External PT (Bloomberg)	\$225.00
<i>Upside</i>	+5.9%

#### RESULTS REVIEW:

Apple posted Q1 FY2025 revenue of \$102.3 billion (+4.8% YoY), beating consensus by 2%. EPS came in at \$1.58 (vs \$1.47 YoY), helped by strong margin control and Services growth. iPhone revenue grew 3% YoY, while Mac declined 5%.

The standout was the Services segment (+12% YoY), driven by App Store and Apple One bundles. Wearables grew 8%, rebounding after a flat 2024. Gross margin expanded to 45.1% (+90bps), aided by favorable product mix and FX tailwinds

#### ASSESSMENT:

Solid performance with positive trends in recurring revenue. Hardware results were mixed, but Services remain the key driver of margin expansion. Management noted optimism around AI integration across devices, with Vision Pro 2 launching in H2.

We remain overweight given resilient earnings, strong buybacks, and upside to monetization from AI and ecosystem services. Risk remains in China macro exposure, but valuation at 26x forward P/E still offers room for growth.