

Analyst A

Apple Inc.

Q2 2025 Earnings Update (FY-end 31 December 2025)

Announcement date: 01/08/2025

Holdings Information

Original Book Cost (USD)	3,250,000
MTM vs Ori (% / USD)	+18.2% / +591,500
MTM vs Imp	+11.0%
YTD Price Performance	+10.5%
Dividend Yield (Cost)	0.6%

Current Price (22 July 2025)

Internal Analyst PT (Price Target)	\$219.00
<i>Upside</i>	+5.0%
External PT (Bloomberg)	\$227.00
<i>Upside</i>	+3.7%

Results Review

Apple reported Q2 FY2025 revenue of \$97.8 billion, marking a +3.2% year-over-year growth. While growth moderated compared to Q1, results were broadly in line with expectations and reflected the strength of Apple's ecosystem-led strategy.

Key Financial Metrics:

Metric	Q2 FY2025	Q3 FY2025 (E)	Q4 FY2025 (E)
Total Revenue	\$97.8 billion	\$83.0 billion	\$92.5 billion
Revenue Growth (YoY)	+3.2%	+3.5%	+4.0%
EBITDA	\$31.1 billion	\$27.0 billion	\$29.5 billion
EBITDA Margin	31.8%	32.5%	31.9%
Net Income	\$24.4 billion	\$21.0 billion	\$22.8 billion
Profit Margin	25.0%	25.3%	24.6%
Operating Margin	28.4%	28.5%	28.0%
Basic EPS	\$1.49	\$1.46	\$1.58
Basic Avg Shares Outstanding	16.4 billion	15.06 billion	15.4 billion
Dividend Rate	\$0.96 annualized	\$1.04 annualized	\$1.04 annualized
Dividend Yield	0.6%	0.4%	0.4%

Margins remained robust, reflecting the high contribution of Services and ongoing cost discipline. Gross margin moderated slightly from Q1 but remained strong at 44.8%, while operating margin held steady at 28.4%, indicating effective expense management and favorable revenue mix.

EPS grew +6.4% YoY, buoyed by Apple's continued buyback program and rising Services profitability.

Despite seasonal moderation, both top-line and bottom-line performance highlighted Apple's ability to scale earnings even in a slower macro environment.