

Analyst B

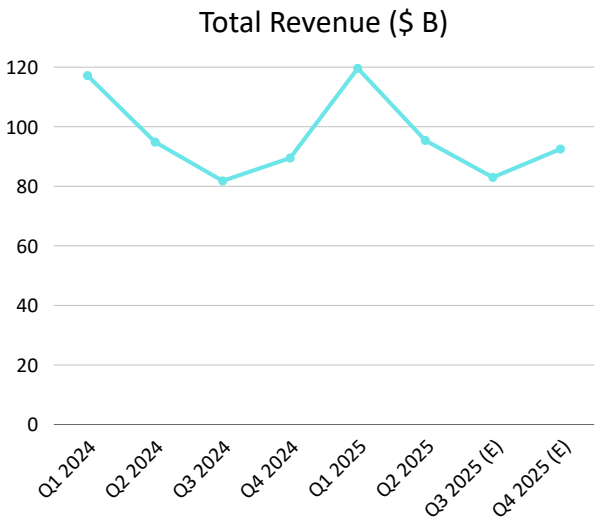
Apple Inc.

Announcement date: 30/07/2025

Market Profile	
Closing Price	\$214.05
52-Week High/Low	\$169/260
Market Cap	\$ 3.4 T
Inst. Holdings	64.69%
Insider Holdings	0.11%
Dividend Yield	0.4%

Valuation		
	DCF	Multiples
Est. Price	\$205.0	\$225.0
Weights	50%	50%
Target Price	\$215.0	

Key Financials and Ratios	
Total Revenue	\$400.0 B
EBITDA Margin %	33.0
EBIT Margin %	29.0
Earning per Share	\$6.42
Net Income	\$97.3 B
Net Profit Margin	24.3%
Dividend Rate	0.4%
Cost of Revenue	\$213.8 B
Avg Shares Outs.	\$15.06 B



Investment Summary

We issue a BUY recommendation on Apple Inc. (AAPL) with a one-year target price of \$215.00, representing a modest upside from the current price of \$214.05. Our view is supported by resilient iPhone demand, strong double-digit Services growth, and disciplined capital returns through dividends and share repurchases. Apple's ability to generate over \$100 billion in annual free cash flow provides significant flexibility for innovation, M&A, and shareholder value enhancement.

Overview

In the trailing twelve months (TTM) ending Q2 FY2025, Apple generated \$400.4 billion in revenue and \$97.3 billion in net income, reflecting a net margin of 24.3%. Q2 FY2025 revenue was \$95.4 billion, up ~5% YoY, driven by 2% iPhone growth, 15% iPad growth, and 12% Services growth. The company continues to diversify its revenue mix, with Services now contributing ~27% of total sales.

Valuation

Our \$215.00 target price is based on an equal weighting of a 5-year Discounted Cash Flow (DCF) analysis (\$205.00 per share) and a Relative Multiple valuation using peer comparisons (\$225.00 per share).

Investment Risks

Key risks include rising costs from global tariffs, legal and regulatory challenges around App Store policies, and delays in AI-related product enhancements such as Siri. Moreover, the shift of manufacturing to India and Vietnam may result in margin pressure due to higher production costs.

Business Description

Apple Inc. (NASDAQ: AAPL) is a leading global technology company that designs, manufactures, and markets consumer electronics, software, and services. Its flagship product lines include the iPhone, Mac, iPad, and Accessories, complemented by fast-growing Services such as Apple Music, iCloud, App Store, and Apple TV+.