

The Financial X-Ray

Page 1 - Executive summary

Apple Inc. (AAPL)

Share price: \$264.58	Market cap: \$3.89T	Perf 7y: +548.6%	Perf YTD: -2.3%
Volatility: Medium	Upside: High	Rating: Medium	Date: 21-Feb-2026

Stock price development

in USD



Stock price vs global equity index (scaled)

Company assessment

Financial health: **Medium** — The company has low leverage and strong free cash flow, but its revenue growth is subdued versus sector peers.



Management quality: **Strong** — Management maintains disciplined acquisitions and strong buyback timing, with moderate stock-based compensation and non-recurring items.



Growth outlook: **Medium** — Growth momentum is weak, despite clear visibility and low execution risk in a supportive sector.



Valuation: **Strong** — Valuation is supported by growth-adjusted metrics and downside protection, with pricing in line with sector norms.



Competitive position

Economic moat: Apple's strong margins, high returns on equity, and solid free cash flow indicate a competitive position supported by a diversified product base.

Risks: The company faces litigation and geopolitical risks that could affect operations, though its product and geographic diversification offers some mitigation.

Overall summary

Medium — Apple demonstrates financial strength and disciplined management, though its growth lags behind sector peers.

Appendix

Page 2-3 - Detailed analysis & quantitative metrics

Apple Inc. (AAPL)

Sector: Technology | **Industry:** Consumer Electronics | **Country:** US | **Volatility:**¹ 30.8%

1. Company overview

Company description: Apple designs, manufactures, and markets smartphones, computers, tablets, wearables, and provides digital and cloud services globally.

Business model: Apple offers consumer devices, subscription-based digital services, and software platforms through its retail, online, and partner distribution channels.

Market environment: Apple operates in the global technology market, where shifting consumer trends, device innovation, and regulatory environments shape competitive dynamics.

Business segments: The iPhone accounts for 50% of revenue, with Services at 26% by the most recent mix other segments include Mac, Wearables, and iPad.

Competitive position: **Strong** — Strong margins, high returns on equity, and robust free cash flow reinforce Apple's leadership within the sector, and revenue growth has exhibited high stability. The five-segment product model brings resilience and platform advantage.

Concentration risk: **Medium** — Apple has broad end-market reach, low product dependency, and diverse geographic exposure.

2. Quantitative dashboard

Financial year (Sep) in million USD	2019 Act	2020 Act	2021 Act	2022 Act	2023 Act	2024 Act	2025 Act	TTM
Revenue	260,174	274,515	365,817	394,328	383,285	391,035	416,161	-
Year-over-year growth	-	5.5%	33.3%	7.8%	(2.8%)	2.0%	6.4%	-
EBITDA	81,860	81,020	123,136	133,138	129,188	134,661	144,427	-
EBITDA margin	31.5%	29.5%	33.7%	33.8%	33.7%	34.4%	34.7%	-
Net income	55,256	57,411	94,680	99,803	96,995	93,736	112,010	-
Net margin	21.2%	20.9%	25.9%	25.3%	25.3%	24.0%	26.9%	-
Free cash flow (FCF)	58,272	71,841	92,920	111,137	99,584	108,807	98,767	-
Capex as % of revenue	4.0%	2.7%	3.0%	2.7%	2.9%	2.4%	3.1%	-
Net debt	59,203	84,262	101,582	108,834	93,965	89,116	76,443	-
Net debt / EBITDA	0.7x	1.0x	0.8x	0.8x	0.7x	0.7x	0.5x	-
Return on equity (RoE)	-	73.7%	147.4%	175.5%	171.9%	157.4%	171.4%	-
Share buyback / equity	73.1%	109.4%	134.5%	176.4%	124.8%	166.7%	123.0%	-
Dividend yield	1.4%	0.7%	0.6%	0.6%	0.6%	0.4%	0.4%	-
Free cash flow yield	6.4%	4.1%	4.0%	4.8%	3.9%	3.3%	2.8%	-
EV / EBITDA	11.1x	21.7x	18.9x	17.5x	19.7x	24.4x	24.8x	25.6x
Price-to-earnings ratio (P/E)	18.8x	34.3x	26.2x	24.6x	27.9x	37.4x	34.2x	34.2x
Price-to-3-year-earnings ratio	-	-	35.8x	29.2x	27.9x	36.2x	38.0x	-
Price-to-book ratio (P/B)	11.5x	30.1x	39.3x	48.5x	43.6x	61.6x	52.0x	-

Revenue quality: **Medium** — Revenue growth is weaker than sector peers but has been stable and highly consistent, supporting predictability even as top-line expansion remains modest.

EBITDA quality: **Medium** — EBITDA growth has been at a medium sector level with highly predictable results, indicating balanced profitability expansion.

Net margin quality: **Strong** — Net margin performance is strong for the sector and has remained stable and consistent, reinforcing healthy bottom-line conversion.

Capital efficiency (RoE): **Medium** — Return on equity is strong and has maintained a stable trend, though some variability exists due to normal sector dynamics.

1) Volatility: Measured as annualised standard deviation of daily returns. 20th percentile among peers.

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Cash generation: Medium — Free cash flow is strong relative to peers with stable trend, though year-to-year stability has shown moderate fluctuations.

Balance sheet strength: Strong — Net debt to EBITDA is low and declining, and the company maintains a conservative debt position and adequate cash buffer.

Shareholder returns: Medium — Dividend yields are minimal and unattractive versus sector norms, while buybacks have been aggressive but capital returns are less stable.

Valuation²: Strong — Valuation is attractive on a growth-adjusted basis with strong balance-sheet support and high defensibility, though overall pricing aligns with sector averages.

3. Quality of management

Acquisition discipline: Low — Management has pursued limited acquisition activity, showing a focus on internal growth and disciplined capital allocation over external expansion.

Ownership dilution: Medium — Stock-based compensation practices have been moderate, resulting in some dilution but do not create excessive alignment concerns for shareholders.

Capital discipline: Strong — Share buyback timing has generally been value-disciplined, supporting shareholder returns through effective repurchases over recent periods.

Accounting cleanliness: Medium — Non-recurring expenses are moderate, meaning adjusted figures are mostly transparent but some adjustments occur in typical reporting cycles.

Forecast accuracy: Strong — Results have consistently exceeded expectations over recent years, providing a strong basis for confidence in management guidance stability.

4. Outlook & assessment

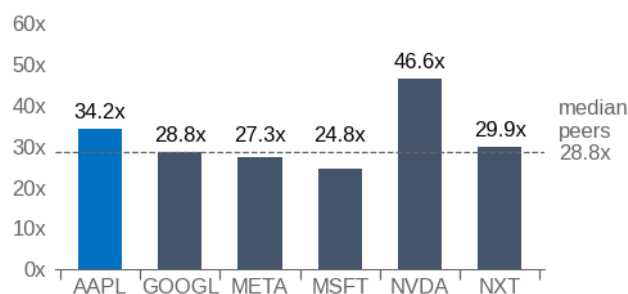
Opportunities: Opportunities include growth in digital services, further device ecosystem integration, and potential expansion in emerging markets.

Risks: Key risks are litigation, geopolitical tensions, and product cycle dependence that can affect demand and regional performance.

Growth: Current growth rate is modest but stable, with sector growth supportive and clarity on execution providing visibility ahead.

Prospects: Prospects depend on sustaining innovation and demand for new products, as well as navigating regulatory and global market shifts.

Price-to-earnings ratio comparison



AAPL = Apple Inc., GOOGL = Alphabet Inc., META = Meta Platforms, Inc., MSFT = Microsoft Corporation, NVDA = NVIDIA Corporation, NXT = Nextpower Inc.

5. Summary

Apple combines solid financial health and effective capital allocation with persistent slow revenue growth, so long-term performance will hinge on the ability to accelerate top-line expansion and effectively manage external risks.

² Valuation metrics: FCF yield, Enterprise Value (EV) / EBITDA, P/E and P/B ratios.

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