

The Financial X-Ray

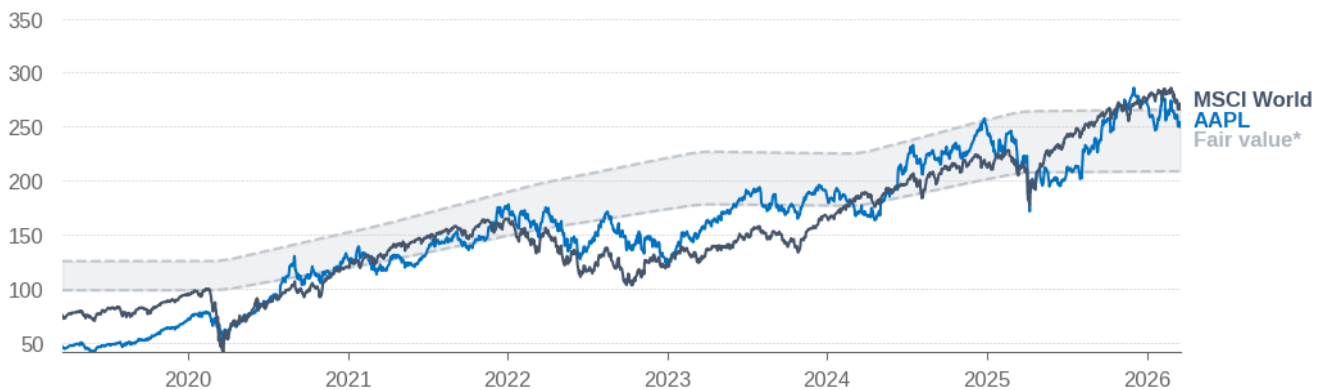
Page 1 - Executive summary

Apple Inc. (AAPL)

Share price: \$249.94	Market cap: \$3.67T	Perf 7y: +462.0%	Perf YTD: -7.7%
Volatility: Medium	Upside: High	Rating: Medium	Date: 19-Mar-2026

Stock price development

in USD



Stock price vs global equity index (scaled); * derived from valuation multiples and adjusted for financial health and growth.

Company assessment

Financial health: Medium — Strong cash generation and conservative debt support stability, but revenue growth lags sector peers.



Management quality: Strong — Disciplined acquisitions and buyback timing are strengths, though moderate dilution from stock-based compensation remains.



Growth outlook: Medium — Weak company growth limits the outlook, though clear forecasts and a supportive sector offer some reassurance.



Valuation: Strong — Valuation is attractive on growth-adjusted metrics with downside support, but overall pricing is fair within the sector.



Competitive position

Economic moat: Apple maintains strong margins, return on equity, and free cash flow, supported by consistent performance across its five product segments.

Risks: Apple faces structural geopolitical risk and revenue concentration in one product line, but regional and segment diversification help mitigate this.

Overall summary

Medium — Apple's strong cash generation and financial position are limited by modest revenue growth and reliance on a concentrated product lineup.

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 sells consumer electronics, software, and services worldwide, including iPhones, Macs, and wearables.

Business model: Apple's business model integrates hardware, software, and services, generating recurring revenue through subscriptions and various distribution channels.

Market environment: Apple operates in a competitive technology sector benefiting from ongoing digital adoption, though near-term smartphone and device market growth is slowing.

Business segments: iPhone accounts for 50% of revenue while Services contribute 26%, complemented by Macs, iPads, and Wearables that diversify the company's income streams.

Competitive position: **Strong** — Apple's strong margin, ROE, and free cash flow, supported by stable revenue growth and a diversified product structure, contribute to a competitive position that enhances resilience to sector and market challenges.

Concentration risk: **Medium** — Customer risk is limited by diversification, but over half of revenue comes from the iPhone, resulting in moderate dependency.

2. Quantitative dashboard

Financial year (Sep)	2019	2020	2021	2022	2023	2024	2025	TTM
in million USD	Act	Act	Act	Act	Act	Act	Act	
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	134,930	144,427	-
EBITDA margin	31.5%	29.5%	33.7%	33.8%	33.7%	34.5%	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 invested capital (ROIC)	19.6%	20.6%	28.0%	29.4%	29.0%	29.7%	32.1%	-
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	24.3x	24.8x	24.3x
Price-to-earnings ratio (P/E)	18.8x	34.3x	26.2x	24.6x	27.9x	37.4x	34.2x	32.8x
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	49.8x

Revenue quality: **Medium** — Revenue growth rates are weak compared to sector peers but remain highly stable, reflecting steady product demand and cyclical product upgrade patterns with minimal volatility.

EBITDA quality: **Medium** — EBITDA growth is moderate versus sector norms and has remained stable with consistent performance, supporting predictable cash flow generation.

Net margin quality: **Strong** — Margins stand out as sector-leading and have remained stable over recent periods, indicating good profitability and strong operational discipline.

Capital efficiency (RoE): **Medium** — Return on equity is high for the sector, underpinned by stable performance and a normal equity base, but shows moderate year-to-year variability.

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

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Cash generation: Medium — Free cash flow metrics remain strong and above sector averages with a stable trend, though there is some fluctuation in results across periods.

Balance sheet strength: Strong — Low leverage, a conservative debt profile, and declining net debt support balance sheet stability despite an adequate cash buffer.

Shareholder returns: Medium — Dividend yield is minimal and below sector norms, while buyback activity is aggressive and stable but overall capital return consistency is low.

Valuation²: Strong — Valuation is attractive on a growth-adjusted basis with strong downside and balance-sheet support, and is fairly positioned relative to sector levels, providing defensibility if execution is maintained.

3. Quality of management

Acquisition activity: Low — Acquisition activity is limited, reflecting disciplined capital deployment and a focus on organic development, which signals low risk for major deal setbacks.

Ownership dilution: Medium — Stock-based compensation is moderate relative to sector norms, contributing to some equity dilution, but the scale is not excessive for long-term shareholders.

Capital discipline: Strong — Share repurchases have been well timed and value-conscious, supporting per-share metrics and demonstrating effective capital allocation for shareholders.

Accounting cleanliness: Medium — Reporting is generally clean with moderate non-recurring adjustments, providing good but not exceptional earnings transparency for investors.

Forecast accuracy: Strong — Over recent years, results have consistently exceeded expectations, indicating that management guidance is highly credible and execution is reliable.

4. Outlook & assessment

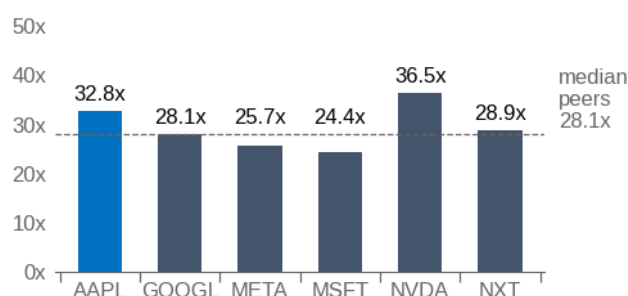
Opportunities: Growth in China smartphone sales and continued expansion of higher-margin services offer new avenues for sustained revenue and profit.

Risks: Geopolitical tensions and reliance on a single product line present ongoing risks to earnings stability and global market access.

Growth: Future revenue growth depends on successful product innovation and deeper services adoption in both developed and emerging regions.

Prospects: Expanding services support profitability, but sustained momentum depends on ongoing diversification and global execution.

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's financial strength and consistent capital allocation support long-term stability, but weak organic growth and concentrated product exposure limit potential for significant outperformance unless newer segments scale.

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

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