

# Apple's stock closes above \$600 for first time

March 19 2012

---



In this Oct. 4, 2011 file photo, Apple CEO Tim Cook gestures during the introduction of the iPhone 4S, at Apple headquarters in Cupertino, Calif. Apple Inc. is finally using its \$98 billion pile of cash to reward shareholders, saying it's instituting both a dividend and share buyback program. (AP Photo/Paul Sakuma, File)

Apple's stock closed above \$600 for the first time Monday, the same day the company announced plans to reward shareholders with a dividend and a share buyback program.

The stock rallied in the final minutes of trading to close at \$601.10, an increase of \$15.53, or 2.7 percent. On Thursday, the stock reached

\$600.01 briefly before falling to a closing price of \$585.56.

Apple is the world's most valuable company, with a market capitalization of nearly \$555 billion. It topped \$500 billion for the first time in late February, a market-value peak where few companies have ventured.

The company has been successful with what it calls "post-PC" products - smartphones and tablet computers that perform tasks people used to do on personal computers. In the U.S. and other industrialized markets, there's evidence consumers have delayed replacing PCs, hurting manufacturers such as Dell Inc. and Hewlett-Packard Co.

Apple has a healthy cash balance because of its success with those products. It had \$97.6 billion in cash and securities at the end of 2011. Apple said Monday that it will pay a quarterly dividend of \$2.65 per share, starting in its fiscal fourth quarter, which begins July 1. The company also said it plans to buy back up to \$10 billion in stock over three years starting Sept. 30.

The third version of the iPad went on sale Friday in the U.S. and nine other countries. Some customers camped outside stores overnight to be among the first to buy one. Upgrades in the new version include a sharper screen and a faster processor. Apple said late Monday that it had sold 3 million of the new iPads, which it said was the strongest iPad launch to date.

The iPad goes on sale in 25 additional markets, mostly in Europe, this Friday.

There were 15.4 million iPads shipped in Apple's most recent quarter, which included the critical holiday season. That amount was more than double the 7.3 million sold a year earlier. Researchers estimate that the iPad has more than 60 percent of the market for tablets.

iPhone sales have also been strong. Apple sold more than 37 million in the last three months of 2011, which was also more than double the 16.2 million sold in the same period a year earlier.

©2012 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Apple's stock closes above \$600 for first time (2012, March 19) retrieved 21 June 2024 from <https://phys.org/news/2012-03-apple-stock.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.