

Icahn snaps up Apple shares as price dips

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A man uses his phone as he walks past an Apple store in Hong Kong on December 25, 2013

Activist investor Carl Icahn fired off word on Tuesday that he beefed up his Apple stock holdings by a half-billion dollars as the share price dipped.

"Just bought \$500 mln more \$AAPL shares," Icahn said in a message on Twitter.

"My buying seems to be going neck-and-neck with Apple's buyback program, but hope they win that race."

The move came as Apple shares were down about eight percent in the wake of a [quarterly earnings report](#) that showed record iPhone and iPad sales but noted that weaker profits may be ahead in the fiercely competitive mobile gadgets market.

Apple shares fell to \$506.51 in trades Tuesday afternoon on the Nasdaq exchange.

Icahn revealed last week that he had invested some \$3 billion in Apple, and claimed the tech giant is "doing a disservice to shareholders" by not increasing its share buyback.

He made another purchase later in the week, so Tuesday's purchase would give him about \$4.1 billion worth of shares, or roughly 0.9 percent of the company's market value.

Icahn's comments suggest tensions rising with the iconic California maker of iPads and iPhones, after having met chief executive Tim Cook for dinner last year to press his case to do more for shareholders.

But the corporate raider, who unveiled his investment in Apple last August, is continuing to press for an increased stock buyback which could boost the value of shares.

Last year, Apple agreed to a plan to return some \$100 billion to shareholders including \$60 billion in buybacks.

The billionaire investor has a long history of taking positions in companies that give him the leverage to force changes in management or provide dividends to shareholders.

The California-based tech giant reported net income of \$13.1 billion on revenue of \$57.6 billion in the quarter that ended December 28, helped by selling 51 million iPhones.

The profit was the same as Apple reported in the same quarter a year earlier when its revenue was \$54.5 billion.

While Apple profit beat Wall Street expectations, shares were "trading down" largely due to "disappointing" guidance that revenue will drop in the current quarter despite the benefits of launching the iPhone last week on China's largest telecom network, RBC Capital Markets said in a note to investors.

Apple said it sold 26 million iPads during the quarter, also an all-time quarterly record, as well as 4.8 million Macs.

Apple profit topped Wall Street forecasts, but Apple's outlook for the [current quarter](#) is less than was expected at between \$42 billion and \$44 billion in revenue.

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