

# Apple becomes first company worth over \$700 bn

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Shares rose 1.9 percent to close at \$122.02, lifting Apple's [market value](#)

to \$710 billion, and making it the first company to hit the \$700 billion milestone.

Apple chief executive Tim Cook, speaking at the Goldman Sachs Technology & Internet Conference, said Apple was hitting its stride.

"We've taken (the mobile operating system) iOS and extended it into your car, into your home, into your health. All of these are really critical parts of your life," Cook said.

"We want one seamless kind of life. And so, I think that is huge for our future...We also did a lot of things to further our global footprint. And so, if you look at what we've done in China, we've opened more stores there. We've opened a lot more distribution there. Through the world, we've opened almost 20,000 new points of sale. We've opened 27 new Apple Stores, lot of flagship stores."

Cook said Apple took some \$50 billion in revenue in emerging markets over the past calendar year.

## **Room to grow**

Brian White, analyst at Cantor Fitzgerald, said the leading tech company has even more room to grow.

"Given Apple's powerful iPhone cycle, a big 4G ramp in China and the upcoming launch of Apple Watch in April, we believe there is still plenty to look forward to at Apple during this transformational cycle," he said in a note to clients.

"At the same time, we believe Apple's valuation has room to expand from depressed levels."

Apple shares remain valued at reasonable levels, according to analysts, because of the whopping \$18 billion quarterly profit reported recently by the iPhone and iPad maker.

Using the price-earnings ratio favored by Wall Street, Apple is valued at around 16 times its annual earnings, but Fitzgerald said the value was only around 10 times the projected earnings for the next fiscal year.

Apple is far ahead in market value from the number two company, oil giant Exxon Mobil, worth some \$382 billion at the market close.

The record Apple quarterly profit—on unprecedented revenue of \$74.6 billion—was driven by the sale of 74.5 million iPhones, well ahead of most analysts' expectations.

Analysts are also seeing expanded adoption of the Apple Pay system that enables customers to purchase items with a tap of their iPhone, and many predict strong demand for the Apple Watch set for release in April.

Separately, Apple agreed to commit \$848 million for solar energy to power its data centers, according to a statement from First Solar, Inc.

Cook called the effort "our biggest, boldest, and most ambitious project ever" and said it was part of Apple's commitment on clean energy and corporate responsibility.

Apple will receive electricity from 130 megawatts under a 25-year power purchase agreement, "the largest agreement in the industry to provide clean energy to a commercial end user," the solar firm said.

The 2,900-acre California Flats Solar Project occupies part of a property owned by Hearst Corporation in Cholame, California, with construction

set to start this year.

Apple unveiled plans earlier this month to pump \$2 billion over the coming decade into a solar-powered data center "global command" facility in the southwest state of Arizona.

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