Apple

F4Q26 Preview: Volume Indications Point to Different Seasonality on Account of New Launch Cadence; Trim NT Estimates for Dec-Q, but Remain Favorable on Cycle

Overweight

AAPL, AAPL US
Price (09 Oct 26):$336.64
▲**Price Target (Dec-27):$360.00**
Prior (Dec-27):$340.00

Software - Large Cap / Mid & Small Cap

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

Jaiden R Patel
(1-212) 270-6953
jaiden.patel@jpmchase.com

Brian Hyska
(1-212) 622-2883
brian.hyska@jpmchase.com

Mashu Nishi
(1-212) 622-0078
mashu.nishi@jpmorgan.com
J.P. Morgan Securities LLC

Quarterly Forecasts (FYE Sep)

Adj. EPS ($)	2025A	2026E	2027E
Q1	2.40	2.84A	2.81
Q2	1.65	2.01A	2.19
Q3	1.57	2.02A	2.28
Q4	1.85	1.96	2.23
FY	7.46	8.83	9.50

Style Exposure

Quant Factors	Current %Rank	Hist %Rank (1=Top) 6M	1Y	3Y	5Y
Value	83	80	76	78	66
Growth	64	70	76	76	75
Momentum	43	50	57	52	38
Quality	2	2	2	1	1
Low Vol	1	4	9	12	14
ESGQ	29	53	94	94	94

We are adjusting our estimates for the near-quarters as both we and investors align expectations to the new seasonality of iPhone revenues in the absence of the base SKUs in the fall, and instead helping revenue seasonality relative to historical trends in the spring time-frame. We have seen recent supplier indications of cuts to volume plans for the company, but we do not believe the cuts represent any concerns for expectations for the cycle over a longer time frame beyond adjustments required to near-term volumes on account of a new launch cadence and seasonality. We are trimming our volume expectations for the December quarter, with the reduction largely representing a change to near-term bullishness around the opportunity for the premium SKUs (Pro and Pro Max) to capture some of the volume attributable to base models in the prior years, while volume expectations specifically for iPhone 18 Pro/Pro Max are still modestly higher y/y. The volume shortfall relative to near-quarters will be more than offset by stronger seasonality helped by shipments of iPhone Duo starting in end-October (with a more disproportionate impact on revenue on account of higher ASP) as well as launch of the base SKUs in the Spring. As a result, despite the lower estimates for the Dec-Q which implies a 4% shortfall to consensus expectations, our updated FY27 and FY28E estimates reflect a greater confidence in multi-year durable growth for iPhone revenues on account of resilient volume and increases in price/mix such that our FY27E and FY28E estimates are only modestly (-1%) below consensus. While iPhone 18 Pro and 18 Pro Max volumes not presenting more upside in the near-term does limit the bull case for the shares in relation to the new launch cadence and the launch of the foldable phone driving more material upside on account of price/mix, at the same time it does not change our favorable long-term outlook for durable revenue and earnings growth, the visibility into which drives the premium valuation multiple the shares continue to command. In relation to investors fretting about recent supplier commentary around lower volumes, we would point out that it is important to keep the following in mind: **1)** cuts to supplier build plans are typical for this time in the product cycle following Apple typically preparing the supply chain for a volume that provided flex in relation to capacity were demand to track materially better; **2)** cuts to supplier plans from a relatively higher base of expectations for y/y increases don't necessarily imply the same magnitude of revisions to current investor expectations; **3)** lead times are pointing to demand for iPhone 18 Pro and 18 Pro Max remaining resilient to 17 Pro and 17 Pro Max, and the shortfall y/y is more on account of absence of base SKUs this fall, and iPhone Duo with high revenue contribution relative to volume is yet to launch; and **4)** with ~10% pricing across the premium iPhone SKUs y/y, the iPhone 18 cycle revenue drivers are expected to be more by ASP driven rather than volume driven (consensus iPhone shipments are flat y/y in 2027 over 2026).

- **F4Q26 (Sep-end) Results: Expect revenue modestly above the midpoint of guidance.** We forecast F4Q (Sep-end) revenues of $112.9B (+10% y/y), modestly above the midpoint of the guided range of $111.7-113.7B, although

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

See page 9 for analyst certification and important disclosures.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

J.P.Morgan

Price Performance



	YTD	1m	3m	12m
Abs	23.8%	6.8%	6.5%	32.5%
Rel	9.7%	4.5%	2.9%	16.5%

Company Data

Shares O/S (mn)	14,715
52-week range ($)	345.34-243.42
Market cap ($ mn)	4,953,549.00
Exchange rate	1.00
Free float (%)	98.0%
3M ADV (mn)	45.20
3M ADV ($ mn)	14,566.9
Volatility (90 Day)	30
Index	S&P 500
BBG ANR (Buy | Hold | Sell)	33|17|6

Key Metrics (FYE Sep)

$ in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	416,161	477,271	518,291	545,855
Adj. EBIT	133,050	156,774	163,800	179,407
Adj. EBITDA	144,748	170,134	179,361	196,178
Adj. net income	112,010	130,102	137,107	149,807
Adj. EPS	7.46	8.83	9.50	10.60
BBG EPS	7.39	8.82	9.59	10.69
Cashflow from operations	111,482	158,396	159,173	180,616
FCFF	98,767	147,645	141,032	161,511
Margins and Growth				
Revenue Growth Y/Y (%)	6.4%	14.7%	8.6%	5.3%
EBIT margin	32.0%	32.8%	31.6%	32.9%
EBIT Growth Y/Y (%)	8.0%	17.8%	4.5%	9.5%
EBITDA margin	34.8%	35.6%	34.6%	35.9%
EBITDA Growth Y/Y (%)	7.5%	17.5%	5.4%	9.4%
Net margin	26.9%	27.3%	26.5%	27.4%
Adj. EPS growth	10.6%	18.4%	7.6%	11.5%
Ratios				
Adj. tax rate	15.6%	17.5%	16.5%	16.7%
Interest cover	-	-	-	-
Net debt/Equity	0.9	0.3	0.1	NM
Net debt/EBITDA	0.4	0.2	0.1	NM
ROE	171.4%	143.8%	116.3%	103.0%
Valuation				
FCFF yield	2.0%	3.0%	2.9%	3.4%
Dividend yield	0.3%	0.3%	0.3%	0.3%
EV/Revenue	11.8	10.2	9.4	9.0
EV/EBITDA	33.8	28.8	27.3	24.9
Adj. P/E	45.1	38.1	35.4	31.8

Summary Investment Thesis and Valuation

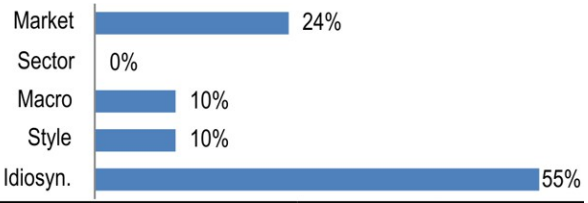
Investment Thesis

We rate shares of Apple Overweight with a robust iPhone 17 series cycle delivering upsides even as we await tailwinds from a key product cycle in iPhone 18, which will include the launch of the foldable iPhone. We expect execution to remain robust, overcoming the concerns in relation to gross margins as well as data points indicating a slowdown in App Store growth, delivering the combination of robust revenue growth, aggregate (including Services) margin expansion, and buybacks supporting earnings growth, driving visibility into the earnings compounding long-term which will drive investors to continue to value the shares at a premium valuation multiple.

Valuation

We are raising our December 2027 price target to $360 (previously $340). The PT is based on applying a P/E multiple of ~34x on our CY28 earnings estimate. We consider the multiple justified as it is towards the high end of the range in which the shares have traded in recent years, given improved visibility into durable revenue and earnings growth through the iPhone 18 cycle, led by price/mix, and continued expectations for robust growth in Services.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI US	0.43	0.45
Sect: Technology	-0.07	0.06
Ind: Tech Hard Equip	0.91	0.94
Macro:		
Economic Surprise	0.33	0.27
US 10yr yield	0.24	0.25
US Dollar	0.35	0.23
Quant Styles:		
LowVol	0.27	0.26
Growth	-0.29	-0.21
Value	0.25	0.19

Source: J.P. Morgan Global Markets Strategy for Performance Drivers; company data, Bloomberg Finance L.P. and J.P. Morgan estimates for all other tables. Note: Price history may not be complete or exact.

modestly below consensus of $113.5B. Our revenue forecast for F4Q26E is driven by iPhone revenue forecast of $56.0B (+14% y/y), in line with the mid-teens growth guide, on shipments of 56.0M units (-1% y/y) and blended ASPs of ~$1,000 (+15% y/y). We expect Services revenue of $31.5B (+9.5% y/y), in line with the implied guide for growth of ~9.5% y/y, and Mac revenues of $10.6B (+21% y/y) despite ongoing supply constraints. We forecast gross margins of 47.4%, near the midpoint of the 47-48% guide including ~100 bps of tariff refunds, which along with an operating expense forecast of $19.2B (vs. guide of $19.1-19.4B), is driving our EPS expectations of $1.96.

- **F1Q27 (Dec-end) Guidance: Expect outlook for low to mid-single digit growth, with iPhone ASPs offsetting lower volumes.** We forecast F1Q (Dec-end) revenue of $147.9B (+3% y/y), driven by iPhone revenues of $84.0B (-2% y/y), with shipments of 69M units (-18% y/y), reflecting the absence of a new base model in the holiday quarter, almost offset by blended ASPs +20% y/y, helped by the $100 price increase applied across the iPhone lineup as well as the contribution from the Duo, where we forecast ~8.5M units in the quarter. Additionally, we forecast Services revenue of $33.8B (+13% y/y) and Mac revenues of $11.0B (+31% y/y). We expect gross margins of 46.7%, down ~150 bps y/y which along with operating expenses of $20.3B drives EPS of $2.81 (vs. consensus of $2.92).
- **Raising FY27 estimates to reflect more durable growth, which are only slightly shy of consensus.** We are raising our FY27 revenue forecast to $518.3B (+9% y/y), driven by higher iPhone revenues of $273.2B (+8% y/y). On a calendar basis, we now forecast CY27 iPhone shipments of ~247M units and CY28 shipments of ~249M units, modestly higher than ~240M in CY26, with the updated forecasts representing a different timing of volumes relative to our prior forecast for CY26/CY27/CY28 volumes of 244M/240M/241M. Additionally, we now forecast FY27 and FY28 EPS of $9.50 and $10.60, both of which are only slightly shy of consensus estimates of $9.59 and $10.69 respectively.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

J.P.Morgan

Investment Thesis, Valuation and Risks

Apple *(Overweight; Price Target: $360.00)*

Investment Thesis

We rate shares of Apple Overweight with a robust iPhone 17 series cycle delivering upsides even as we await tailwinds from a key product cycle in iPhone 18, which will include the launch of the foldable iPhone. We expect execution to remain robust, overcoming the concerns in relation to gross margins as well as data points indicating a slowdown in App Store growth, delivering the combination of robust revenue growth, aggregate (including Services) margin expansion, and buybacks supporting earnings growth, driving visibility into the earnings compounding long-term which will drive investors to continue to value the shares at a premium valuation multiple.

Valuation

We are raising our December 2027 price target to $360 (previously $340). The PT is based on applying a P/E multiple of ~34x on our CY28 earnings estimate. We consider the multiple justified as it is towards the high end of the range in which the shares have traded in recent years, given improved visibility into durable revenue and earnings growth through the iPhone 18 cycle, led by price/mix, and continued expectations for robust growth in Services.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

AAPL P/E-Based Price Target Analysis

$ in Millions, except per share amounts

	NTM Qtrs 1-4	CY28E
JPM Net Income	**133,863**	**149,807**
JPM EPS	$9.23	$10.60
P/E Multiple	36x	
JPM P/E Multiple		34x
Total Equity Value	**4,953,549**	**5,093,438**
Average Diluted Share Count	14,714.7	14,133.6
Implied Share Price	**$336.6**	**$360.0**
Current Value per Share	$336.64	$336.64
Upside vs. Current		7%
Memo:		
(-) Net Cash/(Debt)	62,173	141,398
Enterprise Value	4,891,376	4,952,040
JPM EBITDA	175,375	196,178
Implied EV/EBITDA	*27.9x*	*25.2x*

Source: J.P. Morgan estimates.

Risks to Rating and Price Target

Industry Downside Risks

Deceleration or contraction in the handset and smartphone market. Economic conditions or shifting consumer demand could cause greater than expected deceleration or contraction in the handset and smartphone markets. This would negatively impact Apple's prospects for growth, and the shares might fail to achieve our price target as a result.

Increase in competitive pressures in international markets. Apple is increasingly participating in international markets, such as China and India, where local players, which are better situated, could leverage their position and pull on levers such as pricing to make the market more competitive. In addition, tariffs enacted by local governments may further hurt Apple's ability to compete effectively in international markets.

Company-Specific Downside Risks

Investment in new business strategies and acquisitions could be fruitless. Apple has historically invested in new business strategies and acquisitions. As such, success in these investments has low visibility at this time and could lead to greater than expected liabilities and expense. Additionally, new investments could have a negative impact on current operations by distracting management.

Risks around CEO transition. Apple has already announced a CEO transition with John Ternus set to replace Tim Cook on Sep 1st, 2026. With admirable execution under the long-

tenured leadership of Tim Cook, the benchmark remains high and implies modest risks in terms of continuation of robust execution.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

Apple Summary Table

$ in Millions, except for per share data

Sep Fiscal Year End	2025	1Q26	2Q26	3Q26	4Q26E	2026E	1Q27E	2Q27E	3Q27E	4Q27E	2027E	1Q28E	2Q28E	3Q28E	4Q28E	2028E
iPhone Units	233	84	60	56	56	256	69	58	64	54	244	72	57	56	62	246
iPhone Revenue	209,586	85,269	56,994	54,252	56,028	252,543	83,957	63,357	66,462	59,444	273,220	83,361	61,383	59,154	70,058	273,957
iPad revenue	28,023	8,595	6,914	6,191	5,475	27,175	7,671	6,389	5,696	5,201	24,956	8,285	6,900	6,151	5,617	26,953
Mac revenue	33,708	8,386	8,399	10,352	10,592	37,729	11,007	9,701	11,413	11,121	43,242	11,337	9,992	12,343	12,028	45,700
Wearables Revenue	35,686	11,493	7,901	7,883	9,331	36,608	11,401	8,051	7,971	9,442	36,866	11,769	8,371	8,274	9,819	38,233
Services Revenue	109,158	30,013	30,976	30,739	31,489	123,217	33,832	35,243	35,039	35,893	140,007	38,908	40,531	40,296	41,279	161,013
Revenue	**416,161**	**143,756**	**111,184**	**109,417**	**112,914**	**477,271**	**147,868**	**122,742**	**126,580**	**121,102**	**518,291**	**153,659**	**127,176**	**126,219**	**138,801**	**545,855**
% chg y/y	*6.4%*	*15.7%*	*16.6%*	*16.4%*	*10.2%*	*14.7%*	*2.9%*	*10.4%*	*15.7%*	*7.3%*	*8.6%*	*3.9%*	*3.6%*	*-0.3%*	*14.6%*	*5.3%*
Product GM	*36.8%*	*40.7%*	*38.7%*	*40.1%*	*36.5%*	*39.1%*	*38.0%*	*35.6%*	*35.9%*	*36.4%*	*36.6%*	*39.5%*	*37.0%*	*35.1%*	*36.9%*	*37.3%*
Services GM	*75.4%*	*76.5%*	*76.7%*	*75.6%*	*75.6%*	*76.1%*	*75.7%*	*75.8%*	*76.0%*	*76.0%*	*75.9%*	*76.0%*	*76.0%*	*76.0%*	*76.0%*	*76.0%*
Gross Margin	*46.9%*	*48.2%*	*49.3%*	*50.1%*	*47.4%*	*48.7%*	*46.7%*	*47.2%*	*47.0%*	*48.1%*	*47.2%*	*48.8%*	*49.4%*	*48.2%*	*48.5%*	*48.7%*
Opex	**62,151**	**18,379**	**18,896**	**19,075**	**19,195**	**75,545**	**20,258**	**20,130**	**20,253**	**20,224**	**80,864**	**21,205**	**21,493**	**21,583**	**22,208**	**86,489**
Opex as % of sales	*14.9%*	*12.8%*	*17.0%*	*17.4%*	*17.0%*	*15.8%*	*13.7%*	*16.4%*	*16.0%*	*16.7%*	*15.6%*	*13.8%*	*16.9%*	*17.1%*	*16.0%*	*15.8%*
Operating Income (COI)	**133,050**	**50,852**	**35,885**	**35,695**	**34,342**	**156,774**	**48,723**	**37,770**	**39,224**	**38,082**	**163,800**	**53,718**	**41,341**	**39,211**	**45,136**	**179,407**
operating margin	*32.0%*	*35.4%*	*32.3%*	*32.6%*	*30.4%*	*32.8%*	*33.0%*	*30.8%*	*31.0%*	*31.4%*	*31.6%*	*35.0%*	*32.5%*	*31.1%*	*32.5%*	*32.9%*
Net Income	**112,010**	**42,097**	**29,578**	**29,789**	**28,638**	**130,102**	**40,767**	**31,621**	**32,836**	**31,882**	**137,107**	**44,878**	**34,417**	**32,786**	**37,725**	**149,807**
Diluted EPS	**$7.46**	**$2.84**	**$2.01**	**$2.02**	**$1.96**	**$8.83**	**$2.81**	**$2.19**	**$2.28**	**$2.23**	**$9.50**	**$3.15**	**$2.43**	**$2.33**	**$2.69**	**$10.60**
Diluted Shares (avg.)	15,016	14,810	14,726	14,715	14,615	14,726	14,534	14,458	14,384	14,310	14,428	14,236	14,164	14,092	14,021	14,134
Cash	132,420	144,795	146,595	146,517	155,035	155,035	170,674	180,532	184,432	180,270	180,270	195,402	207,230	208,268	225,742	225,742
Debt	98,657	90,509	84,711	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344	84,344
Net Debt	(33,763)	(54,286)	(61,884)	(62,173)	(70,691)	(70,691)	(86,330)	(96,188)	(100,088)	(95,926)	(95,926)	(111,058)	(122,886)	(123,924)	(141,398)	(141,398)
Net Leverage	-0.2x	-0.4x	-0.4x	-0.4x	-0.4x	-0.4x	-0.5x	-0.6x	-0.6x	-0.5x	-0.5x	-0.6x	-0.7x	-0.7x	-0.7x	-0.7x
Operating Cash Flow	111,482	53,925	28,702	34,369	41,400	158,396	49,723	43,042	37,342	29,066	159,173	49,481	45,228	34,526	51,381	180,616
Capital Expenditures	(12,715)	(2,373)	(1,971)	(2,455)	(3,952)	(10,751)	(5,175)	(4,296)	(4,430)	(4,239)	(18,140)	(5,378)	(4,451)	(4,418)	(4,858)	(19,105)
Free Cash Flow	98,767	51,552	26,731	31,914	37,448	147,645	44,547	38,746	32,911	24,828	141,032	44,103	40,777	30,108	46,523	161,511
Dividends	(15,421)	(3,921)	(3,822)	(4,035)	(3,930)	(15,708)	(3,908)	(3,888)	(4,011)	(3,990)	(15,797)	(3,970)	(3,950)	(4,070)	(4,049)	(16,038)
Share repurchases	(90,711)	(24,701)	(12,288)	(25,105)	(25,000)	(87,094)	(25,000)	(25,000)	(25,000)	(25,000)	(100,000)	(25,000)	(25,000)	(25,000)	(25,000)	(100,000)

Source: Company reports and J.P. Morgan estimates.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

J.P.Morgan

Apple: Summary of Financials

Income Statement - Annual	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	**391,035**	**416,161**	**477,271**	**518,291**	**545,855**
COGS	(210,352)	(220,960)	(244,952)	(273,627)	(279,959)
Gross profit	**180,683**	**195,201**	**232,319**	**244,664**	**265,896**
SG&A	(26,097)	(27,601)	(29,654)	(33,617)	(37,674)
Adj. EBITDA	**134,661**	**144,748**	**170,134**	**179,361**	**196,178**
D&A	(11,445)	(11,698)	(13,360)	(15,561)	(16,771)
Adj. EBIT	**123,216**	**133,050**	**156,774**	**163,800**	**179,407**
Net Interest	-	-	-	-	-
Adj. PBT	**123,485**	**132,729**	**157,794**	**164,200**	**179,907**
Tax	(19,503)	(20,719)	(27,692)	(27,093)	(30,100)
Minority Interest	-	-	-	-	-
Adj. Net Income	**103,982**	**112,010**	**130,102**	**137,107**	**149,807**
Reported EPS	6.74	7.46	8.83	9.50	10.60
Adj. EPS	**6.74**	**7.46**	**8.83**	**9.50**	**10.60**
DPS	**0.98**	**1.02**	**1.06**	**1.10**	**1.14**
Payout ratio	14.5%	13.7%	12.0%	11.6%	10.8%
Shares outstanding	15,423	15,016	14,726	14,428	14,134

Balance Sheet & Cash Flow Statement	FY24A	FY25A	FY26E	FY27E	FY28E
Cash and cash equivalents	29,943	35,934	48,062	73,297	118,769
Accounts receivable	33,410	39,777	43,911	45,750	52,436
Inventories	7,286	5,718	7,257	6,977	7,940
Other current assets	82,348	66,528	67,784	67,784	67,784
Current assets	**152,987**	**147,957**	**167,014**	**193,808**	**246,928**
PP&E	45,680	49,834	51,996	54,575	56,908
LT investments	91,479	77,723	84,118	84,118	84,118
Other non current assets	74,834	83,727	97,899	97,899	97,899
Total assets	**364,980**	**359,241**	**401,026**	**430,399**	**485,853**
Short term borrowings	20,879	20,329	13,004	13,004	13,004
Payables	68,960	69,860	72,572	80,239	91,305
Other short term liabilities	86,553	75,442	81,803	82,199	92,818
Current liabilities	**176,392**	**165,631**	**167,378**	**175,442**	**197,128**
Long-term debt	85,750	78,328	71,340	71,340	71,340
Other long term liabilities	45,888	41,549	55,080	55,080	55,080
Total liabilities	**308,030**	**285,508**	**293,798**	**301,862**	**323,548**
Shareholders' equity	56,950	73,733	107,228	128,537	162,306
Minority interests	-	-	-	-	-
Total liabilities & equity	**364,980**	**359,241**	**401,026**	**430,399**	**485,853**
BVPS	**3.69**	**4.91**	**7.28**	**8.91**	**11.48**
y/y Growth	*(6.0%)*	*33.0%*	*48.3%*	*22.3%*	*28.9%*
Net debt/(cash)	76,686	62,723	36,282	11,047	(34,425)
Cash flow from operating activities	**118,254**	**111,482**	**158,396**	**159,173**	**180,616**
o/w Depreciation & amortization	11,445	11,698	13,360	15,561	16,771
o/w Changes in working capital	3,651	(25,000)	6,447	6,505	14,037
Cash flow from investing activities	**2,935**	**15,195**	**(22,763)**	**(18,140)**	**(19,105)**
o/w Capital expenditure	(9,447)	(12,715)	(10,751)	(18,140)	(19,105)
as % of sales	*2.4%*	*3.1%*	*2.3%*	*3.5%*	*3.5%*
Cash flow from financing activities	**(121,983)**	**(120,686)**	**(123,505)**	**(115,797)**	**(116,038)**
o/w Dividends paid	(15,234)	(15,421)	(15,708)	(15,797)	(16,038)
o/w Net debt issued/(repaid)	(5,998)	(8,483)	(14,057)	0	0
Net change in cash	**(794)**	**5,991**	**12,128**	**25,235**	**45,472**
Adj. Free cash flow to firm	**108,807**	**98,767**	**147,645**	**141,032**	**161,511**
y/y Growth	*9.3%*	*(9.2%)*	*49.5%*	*(4.5%)*	*14.5%*

Income Statement - Quarterly	1Q26A	2Q26A	3Q26A	4Q26E
Revenue	**143,756A**	**111,184A**	**109,417A**	**112,914**
COGS	(74,525)A	(56,403)A	(54,647)A	(59,377)
Gross profit	**69,231A**	**54,781A**	**54,770A**	**53,537**
SG&A	(7,492)A	(7,477)A	(7,346)A	(7,339)
Adj. EBITDA	**54,066A**	**39,324A**	**39,015A**	**37,729**
D&A	(3,214)A	(3,439)A	(3,320)A	(3,387)
Adj. EBIT	**50,852A**	**35,885A**	**35,695A**	**34,342**
Net Interest	-	-	-	-
Adj. PBT	**51,002A**	**35,833A**	**36,267A**	**34,692**
Tax	(8,905)A	(6,255)A	(6,478)A	(6,054)
Minority Interest	-	-	-	-
Adj. Net Income	**42,097A**	**29,578A**	**29,789A**	**28,638**
Reported EPS	2.84A	2.01A	2.02A	1.96
Adj. EPS	**2.84A**	**2.01A**	**2.02A**	**1.96**
DPS	**0.26A**	**0.26A**	**0.27A**	**0.27**
Payout ratio	9.1%A	12.9%A	13.3%A	13.8%
Shares outstanding	14,810A	14,726A	14,715A	14,615

Ratio Analysis	FY24A	FY25A	FY26E	FY27E	FY28E
Gross margin	46.2%	46.9%	48.7%	47.2%	48.7%
EBITDA margin	34.4%	34.8%	35.6%	34.6%	35.9%
EBIT margin	31.5%	32.0%	32.8%	31.6%	32.9%
Net profit margin	26.6%	26.9%	27.3%	26.5%	27.4%
ROE	174.6%	171.4%	143.8%	116.3%	103.0%
ROA	29.0%	30.9%	34.2%	33.0%	32.7%
ROCE	61.6%	66.8%	71.0%	67.6%	65.0%
SG&A/Sales	6.7%	6.6%	6.2%	6.5%	6.9%
Net debt/equity	1.3	0.9	0.3	0.1	NM
P/E (x)	49.9	45.1	38.1	35.4	31.8
P/BV (x)	91.2	68.6	46.2	37.8	29.3
EV/EBITDA (x)	36.3	33.8	28.8	27.3	24.9
Dividend Yield	0.3%	0.3%	0.3%	0.3%	0.3%
Sales/Assets (x)	1.1	1.1	1.3	1.2	1.2
Interest cover (x)	-	-	-	-	-
Operating leverage	385.7%	124.2%	121.4%	52.1%	179.2%
Revenue y/y Growth	2.0%	6.4%	14.7%	8.6%	5.3%
EBITDA y/y Growth	7.0%	7.5%	17.5%	5.4%	9.4%
Tax rate	15.8%	15.6%	17.5%	16.5%	16.7%
Adj. Net Income y/y Growth	7.2%	7.7%	16.2%	5.4%	9.3%
EPS y/y Growth	10.0%	10.6%	18.4%	7.6%	11.5%
DPS y/y Growth	-	4.1%	3.9%	3.8%	3.6%

Source: Company reports and J.P. Morgan estimates.
Note: $ in millions (except per-share data).Fiscal year ends Sep. o/w - out of which

Analyst Certification: The Research Analyst(s) denoted by an "AC" on the cover of this report certifies (or, where multiple Research Analysts are primarily responsible for this report, the Research Analyst denoted by an "AC" on the cover or within the document individually certifies, with respect to each security or issuer that the Research Analyst covers in this research) that: (1) all of the views expressed in this report accurately reflect the Research Analyst's personal views about any and all of the subject securities or issuers; and (2) no part of any of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this report. For all Korea-based Research Analysts listed on the front cover, if applicable, they also certify, as per KOFIA requirements, that the Research Analyst's analysis was made in good faith and that the views reflect the Research Analyst's own opinion, without undue influence or intervention.

All authors named within this report are Research Analysts who produce independent research unless otherwise specified. In Europe, Sector Specialists (Sales and Trading) may be shown on this report as contacts but are not authors of the report or part of the Research Department.

Important Disclosures

- **Market Maker:** J.P. Morgan Securities LLC makes a market in the securities of Apple or related entities.
- **Market Maker/ Liquidity Provider:** J.P. Morgan is a market maker and/or liquidity provider in the financial instruments of/related to Apple or related entities.
- **Director:** An employee of J.P. Morgan or an executive officer or director of J.P. Morgan Chase & Co. is an officer, director or advisory board member of Apple or related entities.
- **Analyst Position:** An analyst on the Equity or Credit coverage team, non-fundamental analyst who may produce trade recommendations, or a member of their respective household(s) has a financial interest in the debt or equity securities of Apple or related entities.
- **Client:** J.P. Morgan currently has, or had within the past 12 months, the following entity(ies) as clients: Apple or related entities.
- **Client/Non-Investment Banking, Securities-Related:** J.P. Morgan currently has, or had within the past 12 months, the following entity(ies) as clients, and the services provided were non-investment-banking, securities-related: Apple or related entities.
- **Client/Non-Securities-Related:** J.P. Morgan currently has, or had within the past 12 months, the following entity(ies) as clients, and the services provided were non-securities-related: Apple or related entities.
- **Potential Investment Banking Compensation:** J.P. Morgan expects to receive, or intends to seek, compensation for investment banking services in the next three months from Apple or related entities.
- **Non-Investment Banking Compensation Received:** J.P. Morgan has received compensation in the past 12 months for products or services other than investment banking from Apple or related entities.
- **Debt Position:** J.P. Morgan may hold a position in the debt securities of Apple or related entities, if any.

Company-Specific Disclosures: J.P. Morgan does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. Important disclosures, including price charts and credit opinion history tables (if applicable), are available for compendium reports and all J.P. Morgan–covered companies, and certain non-covered companies, by visiting https://www.jpmm.com/research/disclosures, calling 1-800-477-0406, or e-mailing research.disclosure.inquiries@jpmorgan.com with your request.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

J.P.Morgan

Apple (AAPL, AAPL US) Price Chart



Source: Bloomberg Finance L.P. and J.P. Morgan; price data adjusted for stock splits and dividends.
Initiated coverage May 01, 1999. All share prices are as of market close on the previous business day.

Date	Rating	Price ($)	Price Target ($)
02-Nov-23	OW	173.97	225
01-Feb-24	OW	184.40	215
11-Apr-24	OW	167.78	210
02-May-24	OW	169.30	225
18-Jun-24	OW	216.67	245
24-Jul-24	OW	225.01	265
21-Jan-25	OW	229.98	260
30-Jan-25	OW	239.36	270
14-Apr-25	OW	198.15	245
01-May-25	OW	212.50	240
26-Jun-25	OW	201.56	230
17-Jul-25	OW	210.16	250
31-Jul-25	OW	209.05	255
19-Sep-25	OW	237.88	280
27-Oct-25	OW	262.82	290
30-Oct-25	OW	269.70	305
26-Jan-26	OW	248.04	315
29-Jan-26	OW	256.44	325
07-Jul-26	OW	312.66	345
30-Jul-26	OW	338.19	340

The chart(s) show J.P. Morgan's continuing coverage of the stocks; the current analysts may or may not have covered it over the entire period.
J.P. Morgan ratings or designations: OW = Overweight, N= Neutral, UW = Underweight, NR = Not Rated

Explanation of Equity Research Ratings, Designations and Analyst(s) Coverage Universe:
J.P. Morgan uses the following rating system: Overweight (over the duration of the price target indicated in this report, we expect this stock will outperform the average total return of the stocks in the Research Analyst's, or the Research Analyst's team's, coverage universe); Neutral (over the duration of the price target indicated in this report, we expect this stock will perform in line with the average total return of the stocks in the Research Analyst's, or the Research Analyst's team's, coverage universe); and Underweight (over the duration of the price target indicated in this report, we expect this stock will underperform the average total return of the stocks in the Research Analyst's, or the Research Analyst's team's, coverage universe. NR is Not Rated. In this case, J.P. Morgan has removed the rating and, if applicable, the price target, for this stock because of either a lack of a sufficient fundamental basis or for legal, regulatory or policy reasons. The previous rating and, if applicable, the price target, no longer should be relied upon. An NR designation is not a recommendation or a rating. Some stocks under coverage have a rating but no price target; in these cases, we expect the stock will outperform/perform in line/underperform the average total return of the stocks in the Research Analyst's, or the Research Analyst's team's, coverage universe of the relevant duration of the region. In our Asia (ex-Australia and ex-India) and U.K. small- and mid-cap Equity Research, each stock's expected total return is compared to the expected total return of a benchmark country market index, not to those Research Analysts' coverage universe. If it does not appear in the Important Disclosures section of this report, the certifying Research Analyst's coverage universe can be found on J.P. Morgan's Research website, https://www.jpmorganmarkets.com.

Coverage Universe: Chatterjee, Samik : Adobe Inc (ADBE), Akamai Technologies, Inc. (AKAM), Apple (AAPL), Cloudflare (NET), CoreWeave (CRWV), Datadog (DDOG), DocuSign (DOCU), DoubleVerify (DV), Dynatrace (DT), Figma (FIG), HubSpot (HUBS), Intuit (INTU), Microsoft (MSFT), Monday.com (MNDY), Oracle (ORCL), Paycom (PAYC), Roper Technologies (ROP), Salesforce Inc (CRM), ServiceNow (NOW), Snowflake (SNOW), Twilio (TWLO), Workday (WDAY), Zoom Communications (ZM)

J.P. Morgan Equity Research Ratings Distribution, as of October 03, 2026

	Overweight (buy)	Neutral (hold)	Underweight (sell)
J.P. Morgan Global Equity Research Coverage*	53%	35%	12%
IB clients**	83%	81%	72%
JPMS Equity Research Coverage*	51%	37%	12%
IB clients**	95%	93%	88%

***Please note that the percentages may not add to 100% because of rounding.**
****Percentage of subject companies within each of the "buy," "hold" and "sell" categories for which J.P. Morgan has provided investment banking services within the previous 12 months.**
For purposes of FINRA ratings distribution rules only, our Overweight rating falls into a buy rating category; our Neutral rating falls into a hold rating category; and our Underweight rating falls into a sell rating category. Please note that stocks with an NR designation are not included in the table above. This information is current as of the end of the most recent calendar quarter.

Equity Valuation and Risks: For valuation methodology and risks associated with covered companies or price targets for covered companies, please see the most recent company-specific research report at http://www.jpmorganmarkets.com, contact the primary analyst or your J.P. Morgan representative, or email research.disclosure.inquiries@jpmorgan.com. For material information about the proprietary models used, please see the Summary of Financials in company-specific research reports and the Company Tearsheets, which are available to download on the company pages of our client website, http://www.jpmorganmarkets.com. This report also sets out within it the material underlying assumptions used.

History of Investment Recommendations:
A history of J.P. Morgan investment recommendations disseminated during the preceding 12 months can be accessed on the Research & Commentary page of http://www.jpmorganmarkets.com where you can also search by analyst name, sector or financial instrument.

Analysts' Compensation: The research analysts responsible for the preparation of this report receive compensation based upon various factors, including the quality and accuracy of research, client feedback, competitive factors, and overall firm revenues.

Other Disclosures

J.P. Morgan is a marketing name for investment banking businesses of JPMorgan Chase & Co. and its subsidiaries and affiliates worldwide.

UK MIFID FICC research unbundling exemption: UK clients should refer to UK MIFID Research Unbundling exemption for details of J.P. Morgan's implementation of the FICC research exemption and guidance on relevant FICC research categorisation.

All research material made available to clients are simultaneously available on our client website, J.P. Morgan Markets, unless specifically permitted by relevant laws. Not all research content is redistributed, e-mailed or made available to third-party aggregators. For all research material available on a particular stock, please contact your sales representative.

Any long form nomenclature for references to China; Hong Kong; Taiwan; and Macau within this research material are Mainland China; Hong Kong SAR (China); Taiwan (China); and Macau SAR (China).

J.P. Morgan Research may, from time to time, write on issuers or securities targeted by economic or financial sanctions imposed or administered by the governmental authorities of the U.S., EU, UK or other relevant jurisdictions (Sanctioned Securities). Nothing in this report is intended to be read or construed as encouraging, facilitating, promoting or otherwise approving investment or dealing in such Sanctioned Securities. Clients should be aware of their own legal and compliance obligations when making investment decisions.

Digital assets, which may also be referred to as virtual or crypto assets or crypto currencies (e.g. bitcoin), discussed in this research report are subject to a rapidly changing regulatory landscape. The application of relevant laws in respect of such assets may be unsettled, and the legality of any digital asset investment may be unclear. Prior to making any investment decision regarding any digital asset, investors should seek their own legal advice and be aware of any legal considerations regarding the purchase, holding or selling of such an investment. For relevant regulatory advisories on digital assets, including bitcoin and ethereum, please see https://www.jpmorgan.com/disclosures/cryptoasset-disclosure.

The author(s) of this research report may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so.

Exchange-Traded Funds (ETFs): J.P. Morgan Securities LLC ("JPMS") acts as authorized participant for substantially all U.S.-listed ETFs. To the extent that any ETFs are mentioned in this report, JPMS may earn commissions and transaction-based compensation in connection with the distribution of those ETF shares and may earn fees for performing other trade-related services, such as securities lending to short sellers of the ETF shares. JPMS may also perform services for the ETFs themselves, including acting as a broker or dealer to the ETFs. In addition, affiliates of JPMS may perform services for the ETFs, including trust, custodial, administration, lending, index calculation and/or maintenance and other services.

Options and Futures related research: If the information contained herein regards options- or futures-related research, such information is available only to persons who have received the proper options or futures risk disclosure documents. Please contact your J.P. Morgan Representative or visit https://www.theocc.com/components/docs/riskstoc.pdf for a copy of the Option Clearing Corporation's Characteristics and Risks of Standardized Options or https://www.finra.org/sites/default/files/2020-08/Security_Futures_Risk_Disclosure_Statement_2020.pdf for a copy of the Security Futures Risk Disclosure Statement.

Changes to Interbank Offered Rates (IBORs) and other benchmark rates: Certain interest rate benchmarks are, or may in the future become, subject to ongoing international, national and other regulatory guidance, reform and proposals for reform. For more information, please consult: https://www.jpmorgan.com/global/disclosures/interbank_offered_rates

Private Bank Clients: Where you are receiving research as a client of the private banking businesses offered by JPMorgan Chase & Co. and its subsidiaries ("J.P. Morgan Private Bank"), research is provided to you by J.P. Morgan Private Bank and not by any other division of J.P. Morgan, including, but not limited to, the J.P. Morgan Corporate and Investment Bank and its Global Research division.

Legal entity responsible for the production and distribution of research: The legal entity identified below the name of the Reg AC Research

Analyst who authored this material is the legal entity responsible for the production of this research. Where multiple Reg AC Research Analysts authored this material with different legal entities identified below their names, these legal entities are jointly responsible for the production of this research. Where more than one legal entity is listed under an analyst's name, the first legal entity is responsible for the production unless stated otherwise. Research Analysts from various J.P. Morgan affiliates may have contributed to the production of this material but may not be licensed to carry out regulated activities in your jurisdiction (and do not hold themselves out as being able to do so). Unless otherwise stated below in the legal entity disclosures, this material has been distributed by the legal entity responsible for production, or where more than one legal entity is listed under the analyst's name, the first legal entity will be responsible for distribution. If you have any queries, please contact the relevant Research Analyst in your jurisdiction or the entity in your jurisdiction that has distributed this research material.

Legal Entities Disclosures and Country-/Region-Specific Disclosures:
Argentina: JPMorgan Chase Bank N.A Sucursal Buenos Aires is regulated by Banco Central de la República Argentina ("BCRA"- Central Bank of Argentina) and Comisión Nacional de Valores ("CNV"- Argentinian Securities Commission - ALYC y AN Integral N°51).

Australia: J.P. Morgan Securities Australia Limited ("JPMSAL") (ABN 61 003 245 234/AFS Licence No: 238066) is regulated by the Australian Securities and Investments Commission and is a Market Participant of ASX Limited, a Clearing and Settlement Participant of ASX Clear Pty Limited and a Clearing Participant of ASX Clear (Futures) Pty Limited. This material is issued and distributed in Australia by or on behalf of JPMSAL only to "wholesale clients" (as defined in section 761G of the Corporations Act 2001). A list of all financial products covered can be found by visiting https://www.jpmm.com/research/disclosures. J.P. Morgan seeks to cover companies of relevance to the domestic and international investor base across all Global Industry Classification Standard (GICS) sectors, as well as across a range of market capitalisation sizes. If applicable, in the course of conducting public side due diligence on the subject company(ies), the Research Analyst team may at times perform such diligence through corporate engagements such as site visits, discussions with company representatives, management presentations, etc. Research issued by JPMSAL has been prepared in accordance with J.P. Morgan Australia's Research Independence Policy which can be found at the following link: J.P. Morgan Australia - Research Independence Policy.

Brazil: Banco J.P. Morgan S.A. is regulated by the Comissao de Valores Mobiliarios (CVM) and by the Central Bank of Brazil. Ombudsman J.P. Morgan: 0800-7700847 / 0800-7700810 (For Hearing Impaired) / ouvidoria.jp.morgan@jpmchase.com.

Canada: J.P. Morgan Securities Canada Inc. is a registered investment dealer, regulated by the Canadian Investment Regulatory Organization and the Ontario Securities Commission and is the participating member on Canadian exchanges. This material is distributed in Canada by or on behalf of J.P.Morgan Securities Canada Inc.

Chile: Inversiones J.P. Morgan Limitada is an unregulated entity incorporated in Chile.

China: J.P. Morgan Securities (China) Company Limited has been approved by CSRC to conduct the securities investment consultancy business.

Colombia: Banco J.P. Morgan Colombia S.A. is supervised by the Superintendencia Financiera de Colombia (SFC). Any reference in this material to products or services offered abroad by entities other than the Bank in Colombia is included exclusively for descriptive purposes. Such references do not constitute, and should not be construed as, promotional activity or the provision of financial products or services within Colombian territory, as defined under applicable Colombian regulation.

Dubai International Financial Centre (DIFC): JPMorgan Chase Bank, N.A., Dubai Branch is regulated by the Dubai Financial Services Authority (DFSA) and its registered address is Dubai International Financial Centre - The Gate, West Wing, Level 3 and 9 PO Box 506551, Dubai, UAE. This material has been distributed by JP Morgan Chase Bank, N.A., Dubai Branch to persons regarded as professional clients or market counterparties as defined under the DFSA rules.

European Economic Area (EEA): Unless specified to the contrary, research is distributed in the EEA by J.P. Morgan SE ("JPM SE"), which is authorised as a credit institution by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and jointly supervised by the BaFin, the German Central Bank (Deutsche Bundesbank) and the European Central Bank (ECB). JPM SE is a company headquartered in Frankfurt with registered address at TaunusTurm, Taunustor 1, Frankfurt am Main, 60310, Germany. The material has been distributed in the EEA to persons regarded as professional investors (or equivalent) pursuant to Art. 4 para. 1 no. 10 and Annex II of MiFID II and its respective implementation in their home jurisdictions ("EEA professional investors"). This material must not be acted on or relied on by persons who are not EEA professional investors. Any investment or investment activity to which this material relates is only available to EEA relevant persons and will be engaged in only with EEA relevant persons.

Hong Kong: J.P. Morgan Securities (Asia Pacific) Limited (CE number AAJ321) is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission in Hong Kong, and J.P. Morgan Broking (Hong Kong) Limited (CE number AAB027) is regulated by the Securities and Futures Commission in Hong Kong. JP Morgan Chase Bank, N.A., Hong Kong Branch (CE Number AAL996) is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission, is organized under the laws of the United States with limited liability. Where the distribution of this material is a regulated activity in Hong Kong, the material is distributed in Hong Kong by or through J.P. Morgan Securities (Asia Pacific) Limited and/or J.P. Morgan Broking (Hong Kong) Limited.

India: J.P. Morgan India Private Limited (Corporate Identity Number - U67120MH1992FTC068724), having its registered office at J.P. Morgan Tower, Off. C.S.T. Road, Kalina, Santacruz - East, Mumbai – 400098, is registered with the Securities and Exchange Board of India (SEBI) as a 'Research Analyst' having registration number INH000001873. J.P. Morgan India Private Limited is also registered with SEBI as a member of the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited (SEBI Registration Number – INZ000239730) and as a

Merchant Banker (SEBI Registration Number - MB/INM000002970). Telephone: 91-22-6157 3000, Facsimile: 91-22-6157 3990 and Website: http://www.jpmipl.com. JPMorgan Chase Bank, N.A. - Mumbai Branch is licensed by the Reserve Bank of India (RBI) (Licence No. 53/ Licence No. BY.4/94; SEBI - IN/CUS/014/ CDSL : IN-DP-CDSL-444-2008/ IN-DP-NSDL-285-2008/ INBI00000984/ INE231311239) as a Scheduled Commercial Bank in India, which is its primary license allowing it to carry on Banking business in India and other activities, which a Bank branch in India are permitted to undertake. For non-local research material, this material is not distributed in India by J.P. Morgan India Private Limited. Compliance Officer: Ashutosh Sharma; ashutosh.j.sharma@jpmchase.com; +912261575002. Grievance Officer: Ramprasadh K, jpmipl.research.feedback@jpmorgan.com; +912261573000. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Please visit Terms and Conditions and Most Important Terms and Conditions (MITC). The annual Compliance audit report is available at http://www.jpmipl.com/#research.

Indonesia: PT J.P. Morgan Sekuritas Indonesia is a member of the Indonesia Stock Exchange and is registered and supervised by the Otoritas Jasa Keuangan (OJK).

Korea: J.P. Morgan Securities (Far East) Limited, Seoul Branch, is a member of the Korea Exchange (KRX). JPMorgan Chase Bank, N.A., Seoul Branch, is licensed as a branch office of foreign bank (JPMorgan Chase Bank, N.A.) in Korea. Both entities are regulated by the Financial Services Commission (FSC) and the Financial Supervisory Service (FSS). For non-macro research material, the material is distributed in Korea by or through J.P. Morgan Securities (Far East) Limited, Seoul Branch.

Japan: JPMorgan Securities Japan Co., Ltd. and JPMorgan Chase Bank, N.A., Tokyo Branch are regulated by the Financial Services Agency in Japan.

Malaysia: This material is issued and distributed in Malaysia by JPMorgan Securities (Malaysia) Sdn Bhd (18146-X), which is a Participating Organization of Bursa Malaysia Berhad and holds a Capital Markets Services License issued by the Securities Commission in Malaysia.

Mexico: J.P. Morgan Casa de Bolsa, S.A. de C.V., J.P. Morgan Grupo Financiero is member of the Mexican Stock Exchange ("Bolsa Mexicana de Valores") and the Institutional Stock Exchange ("Bolsa Institucional de Valores"), and it is authorized to act as a broker dealer by the National Banking and Securities Exchange Commission ("Comisión Nacional Bancaria y de Valores").

New Zealand: This material is issued and distributed by JPMSAL in New Zealand only to "wholesale clients" (as defined in the Financial Markets Conduct Act 2013). JPMSAL is registered as a Financial Service Provider under the Financial Service providers (Registration and Dispute Resolution) Act of 2008.

Nigeria: J.P. Morgan Chase Representative Office (Nigeria) Limited is regulated by the Central Bank of Nigeria.

Philippines: J.P. Morgan Securities Philippines Inc. is a Trading Participant of the Philippine Stock Exchange and a member of the Securities Clearing Corporation of the Philippines and the Securities Investor Protection Fund. It is regulated by the Securities and Exchange Commission.

Singapore: This material is issued and distributed in Singapore by or through J.P. Morgan Securities Singapore Private Limited (JPMSS) [MDDI (P) 070/08/2026 and Co. Reg. No.: 199405335R], which is a member of the Singapore Exchange Securities Trading Limited, and/or JPMorgan Chase Bank, N.A., Singapore branch (JPMCB Singapore), both of which are regulated by the Monetary Authority of Singapore. This material is issued and distributed in Singapore only to accredited investors, expert investors and institutional investors, as defined in Section 4A of the Securities and Futures Act, Cap. 289 (SFA). This material is not intended to be issued or distributed to any retail investors or any other investors that do not fall into the classes of "accredited investors," "expert investors" or "institutional investors," as defined under Section 4A of the SFA. Recipients of this material in Singapore are to contact JPMSS or JPMCB Singapore in respect of any matters arising from, or in connection with, the material.

South Africa: J.P. Morgan Equities South Africa Proprietary Limited and JPMorgan Chase Bank, N.A., Johannesburg Branch are members of the Johannesburg Securities Exchange and are regulated by the Financial Services Conduct Authority (FSCA).

Taiwan: J.P. Morgan Securities (Taiwan) Limited is a participant of the Taiwan Stock Exchange (company-type) and regulated by the Taiwan Securities and Futures Bureau. Material relating to equity securities is issued and distributed in Taiwan by J.P. Morgan Securities (Taiwan) Limited, subject to the license scope and the applicable laws and the regulations in Taiwan. **To the extent that J.P. Morgan Securities (Taiwan) Limited produces research materials on securities not listed on the Taiwan Stock Exchange or Taipei Exchange ("Non-Taiwan Listed Securities"), these materials shall not constitute securities recommendations for the purpose of applicable Taiwan regulations, and, for the avoidance of doubt, J.P. Morgan Securities (Taiwan) Limited does not act as broker for Non-Taiwan Listed Securities.** According to Paragraph 2, Article 7-1 of Operational Regulations Governing Securities Firms Recommending Trades in Securities to Customers (as amended or supplemented) and/or other applicable laws or regulations, please note that the recipient of this material is not permitted to engage in any activities in connection with the material that may give rise to conflicts of interests, unless otherwise disclosed in the "Important Disclosures" in this material.

Thailand: This material is issued and distributed in Thailand by JPMorgan Securities (Thailand) Ltd., which is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. The registered address is 548 One City Center Building, 50th Floor, Ploenchit Road, Lumphini, Pathum Wan, Bangkok 10330.

UK: Research is produced in the UK by J.P. Morgan Securities plc ("JPMS plc") which is a member of the London Stock Exchange and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority or J.P. Morgan Markets Limited ("JPMML Ltd") which is authorised and regulated by the Financial Conduct Authority. Unless specified to the

contrary, this material is distributed in the UK by JPMS plc and is directed in the UK only to: (a) persons having professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) (Order) 2005 ("the FPO"); (b) persons outlined in article 49 of the FPO (high net worth companies, unincorporated associations or partnerships, the trustees of high value trusts, etc.); or (c) any persons to whom this communication may otherwise lawfully be made; all such persons being referred to as "UK relevant persons". This material must not be acted on or relied on by persons who are not UK relevant persons. Any investment or investment activity to which this material relates is only available to UK relevant persons and will be engaged in only with UK relevant persons. A description of J.P. Morgan EMEA's policy for prevention and avoidance of conflicts of interest related to the production of Research can be found at the following link: J.P. Morgan EMEA - Research Independence Policy.

U.S.: J.P. Morgan Securities LLC ("JPMS") is a member of the NYSE, FINRA, SIPC, and the NFA. JPMorgan Chase Bank, N.A. is a member of the FDIC. Material published by non-U.S. affiliates is distributed in the U.S. by JPMS who accepts responsibility for its content.

General: Additional information is available upon request. The information in this material has been obtained from sources believed to be reliable. While all reasonable care has been taken to ensure that the facts stated in this material are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable, JPMorgan Chase & Co. or its affiliates and/or subsidiaries (collectively J.P. Morgan) make no representations or warranties whatsoever to the completeness or accuracy of the material provided, except with respect to any disclosures relative to J.P. Morgan and the Research Analyst's involvement with the issuer that is the subject of the material. Accordingly, no reliance should be placed on the accuracy, fairness or completeness of the information contained in this material. There may be certain discrepancies with data and/or limited content in this material as a result of calculations, adjustments, translations to different languages, and/or local regulatory restrictions, as applicable. These discrepancies should not impact the overall investment analysis, views and/or recommendations of the subject company(ies) that may be discussed in the material. Artificial intelligence tools may have been used in the preparation of this material, including assisting in data analysis, pattern recognition, and content drafting for research material. J.P. Morgan accepts no liability whatsoever for any loss arising from any use of this material or its contents, and neither J.P. Morgan nor any of its respective directors, officers or employees, shall be in any way responsible for the contents hereof, apart from the liabilities and responsibilities that may be imposed on them by the relevant regulatory authority in the jurisdiction in question, or the regulatory regime thereunder. Opinions, forecasts or projections contained in this material represent J.P. Morgan's current opinions or judgment as of the date of the material only and are therefore subject to change without notice. Periodic updates may be provided on companies/industries based on company-specific developments or announcements, market conditions or any other publicly available information. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or projections, which represent only one possible outcome. Furthermore, such opinions, forecasts or projections are subject to certain risks, uncertainties and assumptions that have not been verified, and future actual results or events could differ materially. The value of, or income from, any investments referred to in this material may fluctuate and/or be affected by changes in exchange rates. All pricing is indicative as of the close of market for the securities discussed, unless otherwise stated. Past performance is not indicative of future results. Accordingly, investors may receive back less than originally invested. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The opinions and recommendations herein do not take into account individual client circumstances, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies to particular clients. This material may include views on structured securities, options, futures and other derivatives. These are complex instruments, may involve a high degree of risk and may be appropriate investments only for sophisticated investors who are capable of understanding and assuming the risks involved. The recipients of this material must make their own independent decisions regarding any securities or financial instruments mentioned herein and should seek advice from such independent financial, legal, tax or other adviser as they deem necessary. J.P. Morgan may trade as a principal on the basis of the Research Analysts' views and research, and it may also engage in transactions for its own account or for its clients' accounts in a manner inconsistent with the views taken in this material, and J.P. Morgan is under no obligation to ensure that such other communication is brought to the attention of any recipient of this material. Others within J.P. Morgan, including Strategists, Sales staff and other Research Analysts, may take views that are inconsistent with those taken in this material. Employees of J.P. Morgan not involved in the preparation of this material may have investments in the securities (or derivatives of such securities) mentioned in this material and may trade them in ways different from those discussed in this material. This material is not an advertisement for or marketing of any issuer, its products or services, or its securities in any jurisdiction.

Confidentiality and Security Notice: This transmission may contain information that is privileged, confidential, legally privileged, and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. Although this transmission and any attachments are believed to be free of any virus or other defect that might affect any computer system into which it is received and opened, it is the responsibility of the recipient to ensure that it is virus free and no responsibility is accepted by JPMorgan Chase & Co., its subsidiaries and affiliates, as applicable, for any loss or damage arising in any way from its use. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. This message is subject to electronic monitoring: https://www.jpmorgan.com/disclosures/email

MSCI: Certain information herein ("Information") is reproduced by permission of MSCI Inc., its affiliates and information providers ("MSCI") ©2026. No reproduction or dissemination of the Information is permitted without an appropriate license. MSCI MAKES NO EXPRESS OR IMPLIED WARRANTIES (INCLUDING MERCHANTABILITY OR FITNESS) AS TO THE INFORMATION AND DISCLAIMS ALL LIABILITY TO THE EXTENT PERMITTED BY LAW. No Information constitutes investment advice, except for any applicable Information from MSCI ESG Research. Subject also to msci.com/disclaimer

Any mentions of third-party trademarks, brand names, products, and services are for referential purposes only and any mention thereof is not meant to imply any sponsorship, endorsement, or affiliation.

Samik Chatterjee, CFA AC
(1-212) 622-0798
samik.x.chatterjee@jpmorgan.com

J.P.Morgan

Sustainalytics: Certain information, data, analyses and opinions contained herein are reproduced by permission of Sustainalytics and: (1) includes the proprietary information of Sustainalytics; (2) may not be copied or redistributed except as specifically authorized; (3) do not constitute investment advice nor an endorsement of any product or project; (4) are provided solely for informational purposes; and (5) are not warranted to be complete, accurate or timely. Sustainalytics is not responsible for any trading decisions, damages or other losses related to it or its use. The use of the data is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers. ©2026 Sustainalytics. All Rights Reserved.

"Other Disclosures" last revised October 03, 2026.

Copyright 2026 JPMorgan Chase & Co. All rights reserved. This material or any portion hereof may not be reprinted, sold or redistributed without the written consent of J.P. Morgan. It is strictly prohibited to use or share without prior written consent from J.P. Morgan any research material received from J.P. Morgan or an authorized third-party ("J.P. Morgan Data") in any third-party artificial intelligence ("AI") systems or models when such J.P. Morgan Data is accessible by a third-party.

Completed 12 Oct 2026 12:05 AM EDT

Disseminated 12 Oct 2026 06:00 AM EDT

