



ARE YOU MORE BULLRIDER OR BEARFIGHTER? YAHOO! FANTASY FINANCE A STOCK TRADING GAME Play for a chance to win \$50,000 in cash. Play Now

# Apple sets dividend, stock buyback



Reuters – 46 minutes ago

Companies: [Apple Inc.](#)

## RELATED QUOTES

| Symbol | Price  | Change |
|--------|--------|--------|
| AAPL   | 591.37 | +5.80  |



## RELATED CONTENT



Video: Apple CEO: Dividend Will Not Impact Innovation  
CNBC 0:37 | 0 views



Video: Apple's Plans for Quarterly Dividends  
CNBC 7:37 | 0 views

(Reuters) - Apple Inc will start paying a regular quarterly dividend of \$2.65 a share in July and buy back up to \$10 billion of its stock beginning in the next fiscal year, the world's most valuable company said on Monday.

The company expects the share buyback program to run over three years, with the primary objective to offset the impact of employee stock options and equity grants.

Apple's annual dividend yield will come in around 1.8 percent. That is slightly lower than the average of 2 percent for companies in the Standard & Poor's 500 index.

"We have used some of our cash to make great investments in our business through increased research and development, acquisitions, new retail store openings, strategic prepayments and capital expenditures in our supply chain, and building out our infrastructure," Apple Chief Executive Office Tim Cook said in a statement. "You'll see more of all of these in the future."

The company will still maintain a "war chest" for other strategic opportunities, Cook said. "These decisions will not close any doors for us."

He told analysts on a conference call that product innovation remained the company's priority.

The maker of the iPhone, iPad and iPod has \$98 billion in cash and securities, equal to about \$104 a share, according to ISI Group analyst Brian Marshall.

The company said it anticipated using about \$45 billion of domestic cash in the first three years of its buyback and dividend programs.

## TOP STORIES »

- [Apple CEO Tim Cook: Product Innovation Remains Priority](#)  
Reuters  
Apple Inc Chief Executive Officer Tim Cook promised on Monday to periodically review the company's dividend and ...
- [Mets Owners to Pay \\$162 Million to Madoff Trustee](#)  
Reuters
- [UPS to Buy TNT for \\$6.85 Billion](#) Reuters
- [Surprise Increase in Rates Is Credited to Signs of Recovery](#) New York Times
- [Stocks Halt Rally Despite Apple Gains; Euro Down](#) Reuters

AdChoices

Recent Quotes

Portfolios

| Symbol | Price       | Change | % Chg  |
|--------|-------------|--------|--------|
| ^GSPC  | 1,406.15002 | +1.98  | +0.14% |
| VWEAX  | 5.86        | +0.00  | +0.00% |
| TRHYX  | 9.52        | -0.01  | -0.10% |
| JNK    | 39.595      | +0.03  | +0.06% |
| VIVAX  | 22.65       | +0.03  | +0.13% |
| NAESX  | 37.73       | -0.04  | -0.11% |
| VISVX  | 16.92       | -0.01  | -0.06% |

Save List to Portfolio »

When asked about Apple's substantial cash parked overseas, Chief Financial Official Peter Oppenheimer said the company had no plans to repatriate it at this time.

"We think that the current tax laws provide a considerable economic disincentive to U.S. companies that might otherwise repatriate the substantial amount of foreign cash that they have," he said.

"That's our view. And we've expressed it. "

TRADING CENTER

**E\*TRADE** Trade Free for 60 Days + Get up to \$500

**TD Ameritrade** Trade Free for 60 Days + Get up to \$600 cash.

**\$7 Scottrade** ONLINE TRADES Switch to Scottrade and Get \$100 Back\*

[Compare Brokers »](#)

FEATURED CONTENT

[PIMCO's Bill Gross: QE3, Inflation, Muted Growth on the Way](#)

Contrary Indicator - Fri, Mar 16, 2012 7:24 AM EDT

[In Sit-Down Restaurants, an Economic Indicator](#)

New York Times - Fri, Mar 16, 2012 1:41 PM EDT

[Does Wall Street Love Apple Stock Too Much?](#)

CNBC - Fri, Mar 16, 2012 1:41 PM EDT

AdChoices

Apple last paid a dividend in 1995, according to Thomson Reuters data. In 1996, the company posted a net loss of \$816 million. "Apple is an overcapitalized company, and it's probably better to have the cash in the shareholders' pockets than in Apple's pockets," said John Strand, CEO of Copenhagen-based Strand Consulting.

Apple shares were up 1.7 percent at \$595.84 on Nasdaq after being halted earlier in the morning.

"For a lot of people who own this stock," said BGC Partners analyst Colin Gillis, "some dividend is better than no dividend."

(Reporting by Yinka Adegoke in New York and Poornima Gupta in San Francisco; Additional reporting by Tarmo Virki in Helsinki and Sinead Carew in New York; Editing by John Wallace and Lisa Von Ahn)

[@yahoofinance](#) on Twitter, become a fan on [Facebook](#)

RELATED CONTENT

- Apple to decide on its \$98 billion cash pile
- Apple to decide fate of its \$98 bln cash moun ...
- Qualcomm announces \$4 billion share buyback plan, ...
- Covanta boosts share buyback by \$100 million
- Apple Shares Touch \$600 for First Time Ever CNBC
- Apple's New iPad Frenzy & Stock Price CNBC
- Apple Likely to Pay Dividend; Dow Average Falls Bloomberg

RELATED HEADLINES BY TICKER

YAHOO! FINANCE ON FACEBOOK

[Follow](#) YAHOO! FINANCE ON TWITTER

- [Sprint Drops 3% as Analyst Sees Rising Bankruptcy Risk](#) - @ Fox Business
- [Apple sets dividend, stock buyback](#) - @ Reuters
- [Who Should Replace Steve Ballmer?](#) - @ Forbes
- [U.S. Stocks Steady](#) - @ The Wall Street Journal
- [Apple to Pay Dividend, Plans \\$10 Billion Buyback](#) - @ The Wall Street Journal



All Comments

#### Top Locations

[Houston](#) [Seattle](#) [Springfield](#) [Brooklyn](#) [Los Angeles](#) [Austin](#) [Marshfield](#)  
[Fort Worth](#) [Dallas](#) [Las Vegas](#) [San Francisco](#) [Phoenix](#) [Tampa](#)

1,187 comments

Popular Now | [Newest](#) | [Oldest](#) | [Most Replied](#)

Bob • [Richmond, Virginia](#) • 30 minutes ago

I'm certain that one of the reasons to burn through the "retained earnings" (cash on hand) is to avoid the potential of being bought with your own money.

Bill • [Houston, Texas](#) • 22 minutes ago

Not surprised at the buyback and the dividend. They're trading at 35+ times earnings and they're sitting on a lot of cash. Cash doesn't do much just sitting there.

B • 11 minutes ago

The worlds richest company cannot even afford to pay a little MORE than the average dividend?

APEX-ROGUE • 2 minutes 40 seconds ago

\$98B shows their stuff costs to much

Concerned • [New Orleans, Louisiana](#) • 7 minutes ago

I hope that this helps people see what thier profit margin must be.

David • 5 minutes ago

Apple should be Nationalized.

All the jobs moved here.

Everyone in America recieves a free I-Pad, and an I-Phone, with free unlimited access and down-loads.

All the profits shall be spent only on R&D, to make the I-Pad LXXVIII the best it can be.

Wong Fei Hung • 9 minutes ago

They should do a split.

R\_P • 1 hour 14 minutes ago

Pay attention to the wording. "Domestic cash". Thats just money from US sales. If that much is here just how much is offshore because they didn't want to pay taxes on it?

---

Strict Discipline • 1 minute 55 seconds ago

the marketcrash is inevitable

---

First L • 1 minute 47 seconds ago

What a cheap as dividend!

---

My Clone Did It Not Me • 1 minute 17 seconds ago

If they have this much money in states. I wounder how much they did not pay in taxes in the states?

---

RGV • Denver, Colorado • 20 seconds ago

Don't buy Apple!!!!

---

Darryl • 21 seconds ago

Let me understand this - the company was created here, and US citizens pretty much put the thing on the map, and they've made a pile of cash off of US citizens, but they're keeping their money overseas because they don't want to pay US taxes? They're selling their products in the US too, which means that they receive income from here but they can move the money elsewhere to keep from paying US taxes on it?

Can I "move" all my income overseas so I don't have to pay US taxes too? What if we all could do that?

---

Stars\_and\_Stripes • 1 minute 2 seconds ago

A lot of Hugo Chavez lovers out here

---

Donald • 3 minutes 19 seconds ago

Al.. Talk about having that much cash on hand and I have yet to see an article about contributing to one cause or another unless it is to line their own pockets.... CONSUMERS WAKE UP AND SMELL THE COFFEE and find a less selfish company to support....

---

James • Denver, Colorado • 4 minutes 0 seconds ago

Finally some payback, about time

---

Simi • Albuquerque, New Mexico • 7 minutes ago

They owe more to China than to US crooks !

---

Sickofitinca • 8 hours ago

Apple has more cash on hand than the Federal Government.

---

HELLO GOODBYE • 5 seconds ago

i would have been happier if they had reinvested in research. Steve Jobs would have done that. Give Apple five years they will be just like dell, Microsoft, and acer. Just another tech company.

---

S • Phoenix, Arizona • 2 minutes 40 seconds ago

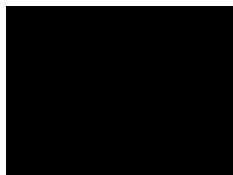
Apple's success and use of overseas labor isnt their fault. They are actually being very smart it's call the law of comparable advantage (econ 101). This is what happens when you have an overly regulated business environment that punishes companies. If you want this to continue vote Blue in November!!!!

▶ More

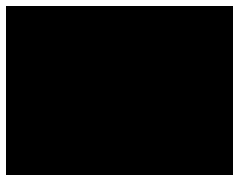
Post a comment

TODAY ON YAHOO!

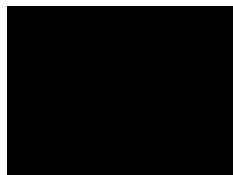
1 - 6 of 48



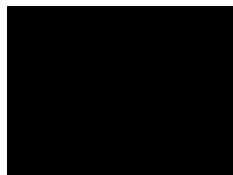
Model accused as drug kingpin captured



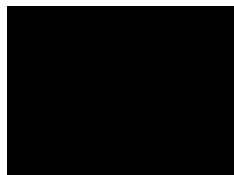
Rihanna reveals brand new tattoo



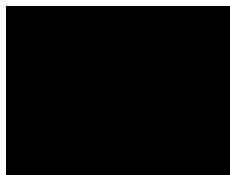
Female genes boost male sex drive



Couple's agony: 'There's nothing else le ...



Easy dinner recipes for the week



Pro basketball player's unbelievable pas ...

ON THIS SITE

- HOME
- MY PORTFOLIOS
- INVESTING
- EXCLUSIVES
- NEWS
- Fantasy Finance
- PERSONAL FINANCE

ALSO ON YAHOO!

- Autos
- Movies
- Travel
- Finance
- Music
- TV
- Games
- omg!
- Y! News RSS
- Groups
- Shine
- Y! News Alert
- Health
- Shopping
- Maps
- Sports

All Yahoo! »

TRENDING NOW

1. Heidi Klum
2. Sidney Crosby
3. Bobbi Kristina Brown
4. Kendall Marshall
5. Walking Dead
6. Alex Smith
7. Frozen Planet
8. Bankruptcy
9. Michelle Obama
10. Gold prices

YAHOO! FINANCE WORLDWIDE

- Argentina
- Australia
- Brazil
- Canada
- China
- Chinese
- France
- French Canada
- Germany
- Hong Kong
- India
- Italy
- Japan
- Korea
- Mexico
- New Zealand
- Singapore
- Spain
- Spanish
- Taiwan
- UK & Ireland
- USA



Copyright © 2012 Reuters Limited. All rights reserved. Republication or redistribution of Reuters content is expressly prohibited without the prior written consent of Reuters. Reuters shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Copyright © 2012 Yahoo! Inc. All rights reserved. [Help / Suggestions](#) [Privacy Policy](#) [About Our Ads](#) [Terms of Service](#) [Copyright/IP Policy](#)

Quotes delayed, except where indicated otherwise. Delay times are 15 mins for NASDAQ, NYSE and Amex. See also delay times for other exchanges. Quotes and other information supplied by independent providers identified on the Yahoo! Finance partner page. Quotes are updated automatically, but will be turned off after 25 minutes of inactivity. Quotes are delayed at least 15 minutes. All information provided "as is" for informational purposes only, not intended for trading purposes or advice. Neither Yahoo! nor any of independent providers is liable for any informational errors, incompleteness, or delays, or for any actions taken in reliance on information contained herein. By accessing the Yahoo! site, you agree not to redistribute the information found therein.

Fundamental company data provided by Capital IQ. Historical chart data and daily updates provided by Commodity Systems, Inc. (CSI). International historical chart data and daily updates provided by Morningstar, Inc.

Yahoo! - ABC News Network