

Apple CEO Jobs favors flexibility of cash hoard

(AP) -- Apple Inc., buoyed by the success of the iPhones, iPods and computers it churns out to breathless buyers, could give some of its \$25 billion in cash back to shareholders. But CEO Steve Jobs said Thursday that he thinks Apple is better off keeping that money stockpiled.

At the company's annual meeting, one shareholder asked Jobs whether the company would use some of its hoard to pay a dividend. Jobs didn't seem keen on the idea, saying the cash gives Apple "tremendous security and flexibility."

If Apple decides to acquire another company, it can do so by writing a check instead of borrowing money, he said.

"Who knows what's around the next corner?" he said.

Apple executives also said they have ambitious plans to expand in China: They expect to open as many as 25 retail stores in the country in the next two years. Apple's first store in China opened in Beijing in 2008.

Jobs, a survivor of pancreatic cancer who was on medical leave during last year's annual meeting, was on stage at Apple headquarters Thursday in his standard uniform of a black turtleneck, blue jeans and wire-rimmed glasses. Looking thin and unshaven, he nodded appreciatively in response to shareholders who said they were glad he was back.

During the meeting Apple shareholders rejected two proposals that sought to force the company to do more to analyze its impact on the environment.

One proposal would have asked Apple to produce a detailed environmental sustainability report. The other called for a board committee focused on sustainability. Apple, which had opposed the measures, said investors rejected the proposals but did not give voting percentages.

Responding to shareholder questions about Apple's environmental record, Jobs pointed to several steps he said the company is taking, such as getting suppliers to make products with nontoxic materials and reducing waste by cutting down on extraneous packaging.

Apple shares rose \$1.34 to close at \$202. The shares have traded between \$82.33 and \$215.59 over the past year.

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