

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

Apple Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

(In millions, except number of shares, which are reflected in thousands, and per-share amounts)

	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net sales:				
Products	\$ 61,564	\$ 60,584	\$ 224,908	\$ 230,901
Services	24,213	21,213	71,197	62,886
Total net sales	85,777	81,797	296,105	293,787
Cost of sales:				
Products	39,803	39,136	140,667	146,696
Services	6,296	6,248	18,634	18,370
Total cost of sales	46,099	45,384	159,301	165,066
Gross margin	39,678	36,413	136,804	128,721
Operating expenses:				
Research and development	8,006	7,442	23,605	22,608
Selling, general and administrative	6,320	5,973	19,574	18,781
Total operating expenses	14,326	13,415	43,179	41,389
Operating income	25,352	22,998	93,625	87,332
Other income/(expense), net	142	(265)	250	(594)
Income before provision for income taxes	25,494	22,733	93,875	86,738
Provision for income taxes	4,046	2,852	14,875	12,699
Net income	\$ 21,448	\$ 19,881	\$ 79,000	\$ 74,039
Earnings per share:				
Basic	\$ 1.40	\$ 1.27	\$ 5.13	\$ 4.69
Diluted	\$ 1.40	\$ 1.26	\$ 5.11	\$ 4.67
Shares used in computing earnings per share:				
Basic	15,287,521	15,697,614	15,401,047	15,792,497
Diluted	15,348,175	15,775,021	15,463,175	15,859,263

See accompanying Notes to Condensed Consolidated Financial Statements.

Apple Inc.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(In millions)

	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net income	\$ 21,448	\$ 19,881	\$ 79,000	\$ 74,039
Other comprehensive income/(loss):				
Change in foreign currency translation, net of tax	(73)	(385)	(87)	(494)
Change in unrealized gains/losses on derivative instruments, net of tax:				
Change in fair value of derivative instruments	406	509	331	(492)
Adjustment for net (gains)/losses realized and included in net income	(87)	103	(678)	(1,854)
Total change in unrealized gains/losses on derivative instruments	319	612	(347)	(2,346)
Change in unrealized gains/losses on marketable debt securities, net of tax:				
Change in fair value of marketable debt securities	268	(340)	3,306	1,963
Adjustment for net (gains)/losses realized and included in net income	30	58	164	185
Total change in unrealized gains/losses on marketable debt securities	298	(282)	3,470	2,148
Total other comprehensive income/(loss)	544	(55)	3,036	(692)
Total comprehensive income	\$ 21,992	\$ 19,826	\$ 82,036	\$ 73,347

See accompanying Notes to Condensed Consolidated Financial Statements.

Apple Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

(In millions, except number of shares, which are reflected in thousands, and par value)

	June 29, 2024	September 30, 2023
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 25,565	\$ 29,965
Marketable securities	36,236	31,590
Accounts receivable, net	22,795	29,508
Vendor non-trade receivables	20,377	31,477
Inventories	6,165	6,331
Other current assets	14,297	14,695
Total current assets	125,435	143,566
Non-current assets:		
Marketable securities	91,240	100,544
Property, plant and equipment, net	44,502	43,715
Other non-current assets	70,435	64,758
Total non-current assets	206,177	209,017
Total assets	\$ 331,612	\$ 352,583
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 47,574	\$ 62,611
Other current liabilities	60,889	58,829
Deferred revenue	8,053	8,061
Commercial paper	2,994	5,985
Term debt	12,114	9,822
Total current liabilities	131,624	145,308
Non-current liabilities:		
Term debt	86,196	95,281
Other non-current liabilities	47,084	49,848
Total non-current liabilities	133,280	145,129
Total liabilities	264,904	290,437
Commitments and contingencies		
Shareholders' equity:		
Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 15,222,259 and 15,550,061 shares issued and outstanding, respectively	79,850	73,812
Accumulated deficit	(4,726)	(214)
Accumulated other comprehensive loss	(8,416)	(11,452)
Total shareholders' equity	66,708	62,146
Total liabilities and shareholders' equity	\$ 331,612	\$ 352,583

See accompanying Notes to Condensed Consolidated Financial Statements.

Apple Inc.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (Unaudited)

(In millions, except per-share amounts)

	Three Months Ended		Nine Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Total shareholders' equity, beginning balances	\$ 74,194	\$ 62,158	\$ 62,146	\$ 50,672
Common stock and additional paid-in capital:				
Beginning balances	78,815	69,568	73,812	64,849
Common stock issued	—	—	752	690
Common stock withheld related to net share settlement of equity awards	(1,920)	(1,595)	(3,802)	(3,310)
Share-based compensation	2,955	2,694	9,088	8,438
Ending balances	79,850	70,667	79,850	70,667
Retained earnings/(Accumulated deficit):				
Beginning balances	4,339	4,336	(214)	(3,068)
Net income	21,448	19,881	79,000	74,039
Dividends and dividend equivalents declared	(3,864)	(3,811)	(11,384)	(11,207)
Common stock withheld related to net share settlement of equity awards	(428)	(858)	(1,517)	(1,988)
Common stock repurchased	(26,221)	(18,140)	(70,611)	(56,368)
Ending balances	(4,726)	1,408	(4,726)	1,408
Accumulated other comprehensive income/(loss):				
Beginning balances	(8,960)	(11,746)	(11,452)	(11,109)
Other comprehensive income/(loss)	544	(55)	3,036	(692)
Ending balances	(8,416)	(11,801)	(8,416)	(11,801)
Total shareholders' equity, ending balances	\$ 66,708	\$ 60,274	\$ 66,708	\$ 60,274
Dividends and dividend equivalents declared per share or RSU	\$ 0.25	\$ 0.24	\$ 0.73	\$ 0.70

See accompanying Notes to Condensed Consolidated Financial Statements.