

**Note 13 – Segment Information and Geographic Data**

The Company manages its business primarily on a geographic basis. The Company's reportable segments consist of the Americas, Europe, Greater China, Japan and Rest of Asia Pacific. Americas includes both North and South America. Europe includes European countries, as well as India, the Middle East and Africa. Greater China includes China mainland, Hong Kong and Taiwan. Rest of Asia Pacific includes Australia and those Asian countries not included in the Company's other reportable segments. Although the reportable segments provide similar hardware and software products and similar services, each one is managed separately to better align with the location of the Company's customers and distribution partners and the unique market dynamics of each geographic region.

The Company evaluates the performance of its reportable segments based on net sales and operating income. Net sales for geographic segments are generally based on the location of customers and sales through the Company's retail stores located in those geographic locations. Operating income for each segment consists of net sales to third parties, related cost of sales, and operating expenses directly attributable to the segment. The information provided to the Company's chief operating decision maker for purposes of making decisions and assessing segment performance excludes asset information.

The following table shows information by reportable segment for 2023, 2022 and 2021 (in millions):

	2023	2022	2021
<b>Americas:</b>			
Net sales	\$ 162,560	\$ 169,658	\$ 153,306
Operating income	\$ 60,508	\$ 62,683	\$ 53,382
<b>Europe:</b>			
Net sales	\$ 94,294	\$ 95,118	\$ 89,307
Operating income	\$ 36,098	\$ 35,233	\$ 32,505
<b>Greater China:</b>			
Net sales	\$ 72,559	\$ 74,200	\$ 68,366
Operating income	\$ 30,328	\$ 31,153	\$ 28,504
<b>Japan:</b>			
Net sales	\$ 24,257	\$ 25,977	\$ 28,482
Operating income	\$ 11,888	\$ 12,257	\$ 12,798
<b>Rest of Asia Pacific:</b>			
Net sales	\$ 29,615	\$ 29,375	\$ 26,356
Operating income	\$ 12,066	\$ 11,569	\$ 9,817

A reconciliation of the Company's segment operating income to the Consolidated Statements of Operations for 2023, 2022 and 2021 is as follows (in millions):

	2023	2022	2021
Segment operating income	\$ 150,888	\$ 152,895	\$ 137,006
Research and development expense	( 29,915 )	( 26,251 )	( 21,914 )
Other corporate expenses, net <sup>(1)</sup>	( 6,672 )	( 7,207 )	( 6,143 )
Total operating income	\$ 114,301	\$ 119,437	\$ 108,949

(1) Includes corporate marketing expenses, certain share-based compensation expenses, various nonrecurring charges, and other separately managed general and administrative costs.