南京审计大学

2019 - 2020 学年第 2 学期《Financial Statement Analysis》试卷

一、不定项选择,并说明理由（每题 3 分，其中，选择正确得 1 分,解析正确并且充分得 2 分;合计 10 题，共 30 分）

1. Information about management and director compensation would be found in the:
A. auditor’s report.
B. proxy statement.
C. notes to the financial statements
D. earnings guidance

2. Which of the following are required according to IAS No. 1?
A. Statement of financial position.
B. Statement of changes in income.
C. Statement of comprehensive income
D. Notes to financial statements

3. Which of the following statements about nonrecurring items are NOT accurate?
A. Discontinued operations are reported net of taxes at the bottom of the income statement before net income.
B. Unusual or infrequent items are reported before taxes above net income from continuing operations.
C. A change in accounting principle is reported in the income statement net of taxes after extraordinary items and before net income
D. Gain or loss from the sale of equipment used in a firm’s manufacturing operation would be reported below income from continuing operations, net of tax

5. Bright corporation, global manufacturing company, sold equipment and reported a loss of $2 million for the sale in 2019. Besides the referred loss, the company’s statement of comprehensive income shows depreciation expense of $8 million, and the cash flow statement shows capital expenditure of $10 million, all of which was for the purchase of new equipment. Using the following information from the comparative balance sheets, how much cash did the company receive from the equipment sale?

Balance Sheet Item	12/31/2018	12/31/2019	Change
Equipment	$100 million	$105 million	$5 million
Accumulated depreciation—equipment	$40 million	$46 million	$6 million

A. $1,000,000.
B. $2,000,000.
C. $3,000,000.
D. $4,000,000.

4. Which of the following statements about the unrealized gain and loss of different financial statements are right?
A. For financial assets classified as held-to-maturity securities, unrealized gain and loss are reported in income statement.
B. For financial assets classified as trading securities, unrealized gains and losses are reported on the

income statement and flow to shareholders' equity as part of retained earnings.

C. For financial assets classified as available for sale, unrealized gains and losses are not recorded on the income statement and instead are part of other comprehensive income. Accumulated other comprehensive income is a component of shareholders' equity.

D. The unrealized gain and loss of derivatives are reported in income statement.

6. A certified financial analyst gets the below financial data of two competitors in a industry:

	Firm M (￥)	Firm N (￥)
Revenue	9,000	12,000
Net income	100	2,000
Current assets	80,000	120,000
Total assets	200,000	1,400,000
Current liabilities	20,000	100,000
Total debt	120,000	300,000
Shareholders' equity	60,000	1,000,000

Which of the below statement **best** shows reasonable conclusions that the certified financial analyst perhaps make about the two firms' ability to pay their current and long-term obligations?

A. Firm M's current ratio of 4.0 indicates it is more liquid than Firm N, whose current ratio is only 1.2, but Firm N is more solvent, as indicated by its lower debt-to-equity ratio.

B. Firm M's current ratio of 0.25 indicates it is less liquid than Firm N, whose current ratio is 0.83, and Firm M is also less solvent, as indicated by a debt-to-equity ratio of 200 percent compared with Firm N's debt-to-equity ratio of only 30 percent.

C. Firm M's current ratio of 4.0 indicates it is more liquid than Firm N, whose current ratio is only 1.2, and Firm M is also more solvent, as indicated by a debt-to-equity ratio of 200 percent compared with Firm N's debt-to-equity ratio of only 30 percent.

D. Firm M's current ratio of 4.0 indicates it is more liquid than Firm N, whose current ratio is only 1.2.

7. Compared to a company that uses the FIFO method, during periods of decreasing prices a company that uses the LIFO method will most likely appear more:

A. liquid.

B. efficient.

C. profitable.

D. solvent

8. Which of the below statements about long-lived assets under IFRS or under U.S.GAAP are right?

A. The impairment of intangible assets with finite lives affects both the balance sheet and the income statement.

B. The gain or loss on a sale of a long-lived asset to which the revaluation model has been applied is most likely calculated using sales proceeds less carrying amount.

C. According to IFRS, acquisition dates of property, plant, and equipment must be disclosed in a company's financial statements and footnotes.

D. Estimated amortization expense for the next five fiscal years is a required financial statement disclosure for long-lived intangible assets under US GAAP.

9. Which of the following statements about deferred taxes are right?

A. When accounting standards require recognition of an expense that is prohibited under tax laws, the result is a deferred tax liability.

B. When some expenditures result in tax credits that directly reduce taxes, the firm will most likely record a deferred tax asset.
C. When accounting standards require an asset to be expensed immediately but tax regulations require the item to be capitalized and amortized, the company will most likely record a deferred tax asset.
D. A company receives advance payments from customers that are immediately taxable but will not be recognized for accounting purposes until the company fulfills its obligation. The company will most likely record a deferred tax asset.

10. A corporation reports net income of ￥90 million. The corporation's financial statements disclose in MD&A that ￥60 million of net income is attributable to a gain on the sale of assets. Based only on this information, for this period, the firm is **best** described as having high quality of:
A. financial reporting only.
B. both earnings and financial reporting.
C. neither earnings nor financial reporting.
D. earnings only.

二、简答题（3 题，共 16 分）

1、Identify and describe information sources that analysts use in financial statement analysis besides annual financial statements and supplementary information（5'）.

2、Given the following example ,calculate the results of COGS and ending inventory with weighted average cost method under periodic system and perpetual system respectively. Then make a conclusion ON the difference of weighted average cost method under periodic system and perpetual system. （5'）

Under Periodic System

January 1 (beginning inventory)	2 units @ $2 per unit = $4
January 7 purchase	3 units @ $3 per unit = $9
January 19 purchase	5 units @ $5 per unit = $25
Cost of goods available	10 units $38
Units sold during January	7 units

Under Perpetual System

January 1 (beginning inventory)	2 units @ $2 per unit = $4
January 7 purchase	3 units @ $3 per unit = $9
January 12 sale	4 units
January 19 purchase	5 units @ $5 per unit = $25
January 29 sale	3units

3、Explain why the following examples show the presence of aggressive accounting, but not that of conservative accounting.（6'）.

Capitalizing current period costs
Longer estimates of the lives of depreciable assets
Higher estimates of salvage values
Delayed recognition of impairments
Less accrual of reserves for bad debt
Smaller valuation allowances on deferred tax assets

三、计算题（3 题，共 30 分）

1. During 2019, SUNSHINE Company reported net income of $120,000 and had 200,000 shares of common stock outstanding for the entire year. SUNSHINE had 1,000 shares of X%，$100 par convertible preferred stock, convertible into 40 shares each, outstanding for the entire year. SUNSHINE also had 600, Y%，$1,000 par value convertible bonds, convertible into 100 shares each, outstanding for the entire year. Finally, SUNSHINE had 10,000 stock options outstanding during the year. Each option is convertible into one share of stock at $15 per share. The average market price of the stock for the year was $20. What are SUNSHINE's basic and diluted EPS (Assume a 40% tax rate.) (8')

X%= (the strokes of your name in simple Chinese/1000)×100%

Y%=(the last number of your student ID/100) ×100%

If the last number of your student ID is zero, Y% is 10% for you.

2. On Dec. 31, 2019, a company issued a 3-year, 10% annual coupon bond with a face value of $100,000. Calculate the book value of the bond at year-end 2017, 2018, and 2019, the interest expense for 2017, 2018, and 2019, and the discount amortization or premium amortization for 2017, 2018, and 2019,assuming the bond was issued at a market rate of interest of (a) 10%, and (b) Z%. (10')

Z%=(|the strokes of your name in simple Chinese – the last two numbers of your student ID |/100) ×100%

If the strokes of your name in simple Chinese equals the last two numbers of your student ID, Z% is 8% for you.

If the result of the strokes of your name in simple Chinese minus the last two numbers of your student ID is less than 5, Z% is (2× | strokes of your name in simple Chinese – the last two numbers of your student ID |/100) ×100% for you. (5 excluded in this case)

If the result of the strokes of your name in simple Chinese minus the last two numbers of your student ID is 10, Z% is 7% for you.

If the result of the strokes of your name in simple Chinese minus the last two numbers of your student ID is 20, Z% is 12% for you.

If the result of the strokes of your name in simple Chinese minus the last two numbers of your student ID is over 20, Z% is (0.5× | strokes of your name in simple Chinese – the last two numbers of your student ID |/100) ×100% for you.

3. Calculate CFO (both in indirect method and direct method)，CFI, CFF and FCFE（12').

Warning: to do the calculation basing on the following table

You: Lady or gentleman?	*The strokes of your name in simple Chinese: odd or even?*	*the last number of your student ID: odd or even?*	The information you should use
Lady!	*odd*	*odd*	**Information 1**
		even	**Information 2**
	even	*odd*	**Information 3**

		even	**Information 4**
Gentleman!	*odd*	*odd*	**Information 5**
		even	**Information 6**
	even	*odd*	**Information 7**
		even	**Information 8**

Information 1

Balance sheet

Assets	**2019**	**2018**
cash	580	200
Accounts receivable	500	400
Inventory	1480	1600
Property, plant and equipment	1840	1800
Accumulated depreciation	-580	-500
Total assets	3820	3500
Liabilities and equity		
Accounts payable	940	900
Interest payable	30	20
Dividends payable	20	10
Mortgage	1070	1170
Bank note	200	0
Common stock	860	800
Retained earnings	700	600
Total liabilities and equity	3820	3500

Income statement for 2019

Sales	2850
COGS	2400
Depreciation	200
Interest expense	60
Gain on the sale of the old machine	20
Tax	90
Net income	120

Dividends declared to shareholders were $20.
New common shares were sold at par for $60.
Fixed assets were sold for $60. Original cost of these assets was $160, and $120 of accumulated depreciation has been charged to their original cost.
The firm borrowed $200 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $200 (accumulated depreciation up $80 and depreciation on sold assets $120).

Information 2

Balance sheet

Assets	**2019**	**2018**
cash	435	150
Accounts receivable	375	300
Inventory	1110	1200
Property, plant and equipment	1380	1350
Accumulated depreciation	-435	-375
Total assets	2865	2625

Liabilities and equity

Accounts payable	705	675
Interest payable	22.5	15
Dividends payable	15	7.5
Mortgage	802.5	877.5
Bank note	150	0
Common stock	645	600
Retained earnings	525	450
Total liabilities and equity	2865	2625

Income statement for 2019

ales	2137.5
COGS	1800
Depreciation	150
Interest expense	45
Gain on the sale of the old machine	15
Tax	67.5
Net income	90

Dividends declared to shareholders were $15.
New common shares were sold at par for $45.
Fixed assets were sold for $45. Original cost of these assets was $120, and $90 of accumulated depreciation has been charged to their original cost.
The firm borrowed $150 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $150 (accumulated depreciation up $60 and depreciation on sold assets $90).

Information 3

Balance sheet

Assets	**2019**	**2018**
cash	145	50
Accounts receivable	125	100
Inventory	370	400
Property, plant and equipment	460	450
Accumulated depreciation	-145	-125
Total assets	955	875
Liabilities and equity		
Accounts payable	235	225
Interest payable	7.5	5
Dividends payable	5	2.5
Mortgage	267.5	292.5
Bank note	50	0
Common stock	215	200
Retained earnings	175	150
Total liabilities and equity	955	875

Income statement for 2019

Sales	712.5
COGS	600
Depreciation	50
Interest expense	15
Gain on the sale of the old machine	5
Tax	22.5
Net income	30

Dividends declared to shareholders were $5.
New common shares were sold at par for $15.
Fixed assets were sold for $15. Original cost of these assets was $40, and $30 of accumulated depreciation has been charged to their original cost.
The firm borrowed $50 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $50 (accumulated depreciation up $20 and depreciation on sold assets $30).

Information 4

Balance sheet

Assets	**2019**	**2018**
cash	870	300
Accounts receivable	750	600
Inventory	2220	2400
Property, plant and equipment	2760	2700
Accumulated depreciation	-870	-750
Total assets	5730	5250

Liabilities and equity		
Accounts payable	1410	1350
Interest payable	45	30
Dividends payable	30	15
Mortgage	1605	1755
Bank note	300	0
Common stock	1290	1200
Retained earnings	1050	900
Total liabilities and equity	5730	5250

Income statement for 2019

Sales	4275
COGS	3600
Depreciation	300
Interest expense	90
Gain on the sale of the old machine	30
Tax	135
Net income	180

Dividends declared to shareholders were $30.
New common shares were sold at par for $90.
Fixed assets were sold for $90. Original cost of these assets was $240, and $180 of accumulated depreciation has been charged to their original cost.
The firm borrowed $300 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $300 (accumulated depreciation up $120 and depreciation on sold assets $180)

Information 5

Balance sheet

Assets	**2019**	**2018**
cash	725	250
Accounts receivable	625	500
Inventory	1850	2000
Property, plant and equipment	2300	2250
Accumulated depreciation	-725	-625
Total assets	4775	4375
Liabilities and equity		
Accounts payable	1175	1125
Interest payable	37.5	25
Dividends payable	25	12.5
Mortgage	1337.5	1462.5
Bank note	250	0
Common stock	1075	1000
Retained earnings	875	750
Total liabilities and equity	4775	4375

Income statement for 2019

Sales	3562.5
COGS	3000
Depreciation	250
Interest expense	75
Gain on the sale of the old machine	25
Tax	112.5

Net income	150

Dividends declared to shareholders were $25.
New common shares were sold at par for $75
Fixed assets were sold for $75. Original cost of these assets was $200, and $150 of accumulated depreciation has been charged to their original cost.
The firm borrowed $250 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $250 (accumulated depreciation up $100 and depreciation on sold assets $150)

Information 6

Balance sheet

Assets	**2019**	**2018**
cash	1160	400
Accounts receivable	1000	800
Inventory	2960	3200
Property, plant and equipment	3680	3600
Accumulated depreciation	-1160	-1000
Total assets	7640	7000

Liabilities and equity		
Accounts payable	1880	1800
Interest payable	60	40
Dividends payable	40	20
Mortgage	2140	2340
Bank note	400	0
Common stock	1720	1600
Retained earnings	1400	1200
Total liabilities and equity	7640	7000

Income statement for 2019

Sales	5700
COGS	4800
Depreciation	400
Interest expense	120
Gain on the sale of the old machine	40
Tax	180

Net income	240

Dividends declared to shareholders were $40.
New common shares were sold at par for $120
Fixed assets were sold for $120. Original cost of these assets was $320, and $240 of accumulated depreciation has been charged to their original cost.
The firm borrowed $400 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $400 (accumulated depreciation up $160 and depreciation on sold assets $240)

Information 7

Balance sheet

Assets	**2019**	**2018**
cash	232	80
Accounts receivable	200	160
Inventory	592	640
Property, plant and equipment	736	720
Accumulated depreciation	-232	-200
Total assets	1528	1400
Liabilities and equity		
Accounts payable	376	360
Interest payable	12	8
Dividends payable	8	4
Mortgage	428	468
Bank note	80	0
Common stock	344	320
Retained earnings	280	240
Total liabilities and equity	1528	1400

Income statement for 2019

Sales	1140
COGS	960
Depreciation	80
Interest expense	24
Gain on the sale of the old machine	8

Tax	36
Net income	48

Dividends declared to shareholders were $8.
New common shares were sold at par for $24
Fixed assets were sold for $24. Original cost of these assets was $64, and $48 of accumulated depreciation has been charged to their original cost.
The firm borrowed $80 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $80 (accumulated depreciation up $32 and depreciation on sold assets $48)

Information 8

Balance sheet

Assets	**2019**	**2018**
cash	1450	500
Accounts receivable	1250	1000
Inventory	3700	4000
Property, plant and equipment	4600	4500
Accumulated depreciation	-1450	-1250
Total assets	9550	8750
Liabilities and equity		
Accounts payable	2350	2250
Interest payable	75	50
Dividends payable	50	25
Mortgage	2675	2925
Bank note	500	0
Common stock	2150	2000
Retained earnings	1750	1500
Total liabilities and equity	9550	8750

Income statement for 2019

Sales	7125
COGS	6000
Depreciation	500
Interest expense	150

Gain on the sale of the old machine	50
Tax	225
Net income	300

Dividends declared to shareholders were $50.
New common shares were sold at par for $150
Fixed assets were sold for $150. Original cost of these assets was $400, and $300 of accumulated depreciation has been charged to their original cost.
The firm borrowed $500 on a 10-year bank note- -the proceeds of the loan were used to pay for new fixed assets.
Depreciation for the year was $500 (accumulated depreciation up $200 and depreciation on sold assets $300)

四、IFRS 和 U.S.GAAP 对比题（共 6 分）

Zita, Inc. sells diggers. Per-unit cost information pertaining to Zooms inventory is as follows:

Original cost	$2100
Estimated selling price	$2250
Estimated selling costs	X
Replacement cost	$1970
Normal profit margin	Y

What are the per-unit carrying values of Zita's inventory under IFRS and under U.S. GAAP?
X= the strokes of your name in simple Chinese ×10
Y= the last two numbers of your student ID ×10

五、综合分析题（共 18 分）

Please present your opinions on the influence of coronavirus pandemic on the operation of the company referred below and analyze the performance of the company on the perspectives of different segments. (The information is digested from the latest quarterly report of APPLE reported to SEC at May, 1ST, 2020)

Quarterly Highlights

Business Seasonality and Product Introductions

The Company has historically experienced higher net sales in its first quarter compared to other quarters in its fiscal year due in part to seasonal holiday demand. Additionally, new product and service introductions can significantly impact net sales, cost of sales and operating expenses. The timing of product introductions can also impact the Company's net sales to its indirect distribution channels as these channels are filled with new inventory following a product launch, and channel inventory of an older product often declines as the launch of a newer product approaches. Net sales can also be affected when consumers and distributors anticipate a product introduction.

COVID-19 Update

A novel strain of coronavirus ("COVID-19") has spread rapidly throughout the world, prompting governments and businesses to take unprecedented measures in response. Such measures have included restrictions on travel and business operations, temporary closures of businesses, and quarantines and shelter-in-place orders. The COVID-19 pandemic has significantly curtailed global economic activity and caused significant volatility and disruption in global financial markets. The COVID-19 pandemic and the measures taken by many countries in response have adversely affected and could in the future materially adversely impact the Company's business, results of operations, financial condition and stock price.

During February 2020, following the initial outbreak of the virus in China, the Company experienced disruptions to its manufacturing, supply chain and logistical services provided by outsourcing partners, resulting in temporary iPhone supply shortages that affected sales worldwide. Also, the Company's sales of its products in China were adversely affected as public health measures and other actions to curb the spread of the virus, including the temporary closure of the Company's retail stores and channel partner points of sale, were put in place.

The virus spread further around the world as the quarter progressed, and social distancing measures and shelter-in-place orders were introduced in many countries. Effective March 13, 2020, the Company temporarily closed all of its retail stores outside of China. The Company has also required substantially all of its employees in all of its offices outside of China to work remotely. Additionally, many of the Company's channel partner points of sale outside of China temporarily closed. As a result of the above factors, the Company also experienced weakened demand for its products and services outside of China during the last three weeks of the quarter.

The COVID-19 pandemic has continued to adversely impact demand for certain of the Company's products and services through April 2020. The full extent of the impact of the COVID-19 pandemic on the Company's operational and financial performance is currently uncertain and will depend on many factors outside the Company's control, including, without limitation, the timing, extent, trajectory and duration of the pandemic, the development and availability of effective treatments and vaccines, the imposition of protective public safety measures, and the impact of the pandemic on the global economy and demand for consumer products. See "*The Company's business, results of operations, financial condition and stock price have been adversely affected and could in the future be materially adversely affected by the COVID-19 pandemic*" in Part II, Item 1A of this Form 10-Q under the heading "Risk Factors."

The Company believes its existing balances of cash, cash equivalents and marketable securities, along with commercial paper and other short-term liquidity arrangements, will be sufficient to satisfy its working capital needs, capital asset purchases, dividends, share repurchases, debt repayments and other liquidity requirements associated with its existing operations.

Second Quarter Fiscal 2020 Highlights

Total net sales increased 1% or $298 million during the second quarter of 2020 compared to the same quarter in 2019, primarily driven by higher Services and Wearables, Home and Accessories net sales, partially offset by lower iPhone net sales. The weakness in foreign currencies relative to the U.S. dollar had an unfavorable impact on net sales during the second quarter of 2020.

During the second quarter of 2020, the Company released an updated iPad Pro® and added trackpad support to iPadOS®. Additionally, the Company released an updated MacBook Air®.

The Company repurchased $18.5 billion of its common stock and paid dividends and dividend equivalents of $3.4 billion during the second quarter of 2020.

Products and Services Performance

The following table shows net sales by category for the three- and six-month periods ended March 28, 2020 and March 30, 2019 (dollars in millions):

	Three Months Ended			Six Months Ended		
	March 28, 2020	**March 30, 2019**	**Change**	**March 28, 2020**	**March 30, 2019**	**Change**
Net sales by category:						
iPhone (1)	$ 28,962	$ 31,051	(7)%	$ 84,919	$ 83,033	2 %

Mac (1)	5,351	5,513	(3)%	12,511	12,929	(3)%
iPad (1)	4,368	4,872	(10)%	10,345	11,601	(11)%
Wearables, Home and Accessories (1)(2)	6,284	5,129	23 %	16,294	12,437	31 %
Services (3)	13,348	11,450	17 %	26,063	22,325	17 %
Total net sales	$ 58,313	$ 58,015	1 %	$ 150,132	$ 142,325	5 %

(1)Products net sales include amortization of the deferred value of unspecified software upgrade rights, which are bundled in the sales price of the respective product.

(2)Wearables, Home and Accessories net sales include sales of AirPods, Apple TV, Apple Watch, Beats products, HomePod, iPod touch and Apple-branded and third-party accessories.

(3)Services net sales include sales from the Company's digital content stores and streaming services, AppleCare, licensing and other services. Services net sales also include amortization of the deferred value of Maps, Siri, and free iCloud storage and Apple TV+ services, which are bundled in the sales price of certain products.

iPhone

iPhone net sales decreased during the second quarter of 2020 compared to the second quarter of 2019 due primarily to the unfavorable impact of the COVID-19 pandemic. Year-over-year iPhone net sales increased during the first six months of 2020 due primarily to the successful launch of the Company's new iPhone models during the first quarter of 2020, partially offset by the unfavorable impact of the COVID-19 pandemic during the second quarter of 2020.

Mac

Mac net sales decreased during the second quarter and first six months of 2020 compared to the same periods in 2019 due primarily to lower net sales of Mac portable computers and the impact of the COVID-19 pandemic.

iPad

iPad net sales decreased during the second quarter and first six months of 2020 compared to the same periods in 2019 due primarily to lower net sales of iPad Pro and the impact of the COVID-19 pandemic.

Wearables, Home and Accessories

Wearables, Home and Accessories net sales increased during the second quarter and first six months of 2020 compared to the same periods in 2019, despite the impact of the COVID-19 pandemic, due to higher net sales of Wearables, primarily AirPods.

Services

Services net sales increased during the second quarter of 2020 compared to the second quarter of 2019, despite the impact of the COVID-19 pandemic, due primarily to higher net sales from the App Store, licensing and Cloud Services. Year-over-year Services net sales increased during the first six months of 2020 due primarily to higher net sales from the App Store, licensing and AppleCare.

Segment Operating Performance

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, 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. Further information regarding the Company's reportable segments can be found in Part I, Item 1 of this Form 10-Q in the Notes to Condensed Consolidated Financial Statements in Note 11, "Segment Information and Geographic Data."

The following table shows net sales by reportable segment for the three- and six-month periods ended March 28, 2020 and March 30, 2019 (dollars in millions):

	Three Months Ended			Six Months Ended		
	March 28, 2020	March 30, 2019	Change	March 28, 2020	March 30, 2019	Change
Net sales by reportable segment:						
Americas	$ 25,473	$ 25,596	— %	$ 66,840	$ 62,536	7 %
Europe	14,294	13,054	9 %	37,567	33,417	12 %
Greater China	9,455	10,218	(7)%	23,033	23,387	(2)%
Japan	5,206	5,532	(6)%	11,429	12,442	(8)%
Rest of Asia Pacific	3,885	3,615	7 %	11,263	10,543	7 %
Total net sales	$ 58,313	$ 58,015	1 %	$ 150,132	$ 142,325	5 %

Americas

Americas net sales were flat during the second quarter of 2020 compared to the second quarter of 2019 due primarily to lower iPhone net sales as a result of the COVID-19 pandemic, largely offset by higher Services and Wearables, Home and Accessories net sales. Year-over-year Americas net sales increased during the first six months of 2020 due primarily to higher Services, Wearables, Home and Accessories and iPhone net sales. The weakness in foreign currencies relative to the U.S. dollar had an unfavorable impact on Americas net sales during the second quarter and first six months of 2020.

Europe

Europe net sales increased during the second quarter and first six months of 2020 compared to the same periods in 2019, despite the impact of the COVID-19 pandemic, due primarily to higher iPhone and Wearables, Home and Accessories net sales, partially offset by lower iPad net sales. The weakness in foreign currencies relative to the U.S. dollar had an unfavorable impact on Europe net sales during the second quarter and first six months of 2020.

Greater China

Greater China net sales decreased during the second quarter and first six months of 2020 compared to the same periods in 2019 due primarily to lower iPhone net sales as a result of the COVID-19 pandemic, partially offset by higher Services net sales. The weakness in foreign currencies relative to the U.S. dollar had an unfavorable impact on Greater China net sales during the second quarter and first six months of 2020.

Japan

Japan net sales decreased during the second quarter and first six months of 2020 compared to the same periods in 2019 due primarily to lower iPhone net sales attributable to lower carrier subsidies and as a result of the COVID-19 pandemic, partially offset by higher Services net sales. The strength of the Japanese Yen relative to the U.S. dollar had a favorable impact on Japan net sales during the second quarter and first six months of 2020.

Rest of Asia Pacific

Rest of Asia Pacific net sales increased during the second quarter of 2020 compared to the second quarter of 2019, despite the impact of the COVID-19 pandemic, due primarily to higher Wearables, Home and Accessories and iPhone net sales, partially offset by lower iPad net sales. Year-over-year Rest of Asia Pacific net sales increased during the first six months of 2020 due primarily to higher Wearables, Home and Accessories and Services net sales. The weakness in foreign currencies relative to the U.S. dollar had an unfavorable impact on Rest of Asia Pacific net sales during the second quarter and first six months of 2020.