

The following table reconciles the total “Net Fair Value” of assets above to the balance sheet presentation of these same assets in Note 4 – Investments.

(In millions)

June 30,	2017	2016
Net fair value of assets measured at fair value on a recurring basis	\$ 133,985	\$ 119,019
Cash	3,624	3,501
Common and preferred stock measured at fair value on a nonrecurring basis	1,073	767
Other investments measured at fair value on a nonrecurring basis	523	618
Less derivative net assets classified as other current and long-term assets	(202)	(246)
Other	1	12
Recorded basis of investment components	<u>\$ 139,004</u>	<u>\$ 123,671</u>

### Financial Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

During fiscal year 2017 and 2016, we did not record any material other-than-temporary impairments on financial assets required to be measured at fair value on a nonrecurring basis.

### NOTE 7 — INVENTORIES

The components of inventories were as follows:

(In millions)

June 30,	2017	2016
Raw materials	\$ 79	\$ 61
	7	2
Work in process	14	15
	5	8
Finished goods	1,23	1,48
	9	1
Total	<u>\$ 2,18</u>	<u>\$ 2,25</u>
	1	1

### NOTE 8 — PROPERTY AND EQUIPMENT

The components of property and equipment were as follows:

(In millions)

June 30,	2017	2016
Land	\$ 1,107	\$ 824
Buildings and improvements	16,284	12,393
Leasehold improvements	5,064	3,659
Computer equipment and software	21,414	17,391
Furniture and equipment	4,044	3,889
Total, at cost	<u>47,913</u>	<u>38,156</u>
Accumulated depreciation	<u>(24,179)</u>	<u>(19,800)</u>
Total, net	<u>\$ 23,734</u>	<u>\$ 18,356</u>

As of June 30, 2017 and 2016, assets recorded under capital leases were \$2.7 billion and \$865 million, respectively, and accumulated depreciation associated with capital leases was \$161 million and \$57 million, respectively. During fiscal years 2017 and 2016, property and equipment acquired under capital leases was \$1.8 billion and \$413 million, respectively.

During fiscal years 2017, 2016, and 2015, depreciation expense was \$6.1 billion, \$4.9 billion, and \$4.1 billion, respectively.