

FINANCIAL HIGHLIGHTS

(In millions, except per share data)

Year Ended June 30,	2017 ^(a)	2016	2015	2014 ^(h)	2013
Revenue	\$ 89,950 ^(b)	\$ 85,320 ^(d)	\$ 93,580	\$ 86,833	\$ 77,849
Gross margin	55,689 ^(b)	52,540 ^(d)	60,542	59,755	57,464
Operating income	22,326 ^{(b)(c)}	20,182 ^{(d)(e)}	18,161 ^(g)	27,759	26,764 ⁽ⁱ⁾
Net income	21,204 ^{(b)(c)}	16,798 ^{(d)(e)}	12,193 ^(g)	22,074	21,863 ⁽ⁱ⁾
Diluted earnings per share	2.71 ^{(b)(c)}	2.10 ^{(d)(e)}	1.48 ^(g)	2.63	2.58 ⁽ⁱ⁾
Cash dividends declared per share	1.56	1.44	1.24	1.12	0.92
Cash, cash equivalents, and short-term investments	132,981	113,240	96,526	85,709	77,022
Total assets	241,086	193,468 ^(f)	174,303 ^(f)	170,569 ^(f)	140,890 ^(f)
Long-term obligations	104,165	62,114 ^(f)	44,574 ^(f)	35,285 ^(f)	24,531 ^(f)
Stockholders' equity	72,394	71,997	80,083	89,784	78,944

- (a) On December 8, 2016, we acquired LinkedIn Corporation. LinkedIn has been included in our consolidated results of operations starting on the acquisition date.
- (b) Reflects the impact of the net revenue deferral from Windows 10 of \$6.7 billion, which decreased operating income, net income, and diluted earnings per share ("EPS") by \$6.7 billion, \$4.4 billion, and \$0.57, respectively.
- (c) Includes \$306 million of employee severance expenses primarily related to our sales and marketing restructuring plan, which decreased operating income, net income, and diluted EPS by \$306 million, \$243 million, and \$0.03, respectively.
- (d) Reflects the impact of the net revenue deferral from Windows 10 of \$6.6 billion, which decreased operating income, net income, and diluted EPS by \$6.6 billion, \$4.6 billion, and \$0.58, respectively.
- (e) Includes \$630 million of asset impairment charges related to our phone business, and \$480 million of restructuring charges associated with our phone business restructuring plans, which together decreased operating income, net income, and diluted EPS by \$1.1 billion, \$895 million, and \$0.11, respectively.
- (f) Reflects the impact of the adoption of the new accounting standard in fiscal year 2017 related to balance sheet classification of debt issuance costs. See Note 12 – Debt of the Notes to Financial Statements for further discussion.
- (g) Includes \$7.5 billion of goodwill and asset impairment charges related to our phone business, and \$2.5 billion of integration and restructuring expenses, primarily associated with our phone business restructuring plans, which together decreased operating income, net income, and diluted EPS by \$10.0 billion, \$9.5 billion, and \$1.15, respectively.
- (h) On April 25, 2014, we acquired substantially all of Nokia Corporation's Devices and Services business ("NDS"). NDS has been included in our consolidated results of operations starting on the acquisition date.
- (i) Includes a charge related to a fine imposed by the European Commission in March 2013 which decreased operating income and net income by \$733 million (€561 million) and diluted EPS by \$0.09. Also includes a charge for Surface RT inventory adjustments recorded in the fourth quarter of fiscal year 2013, which decreased operating income, net income, and diluted EPS by \$900 million, \$596 million, and \$0.07, respectively.

QUARTERLY STOCK PRICE INFORMATION, ISSUER PURCHASES OF EQUITY SECURITIES, DIVIDENDS, AND STOCK PERFORMANCE

QUARTERLY STOCK PRICE INFORMATION

Our common stock is traded on the NASDAQ Stock Market under the symbol MSFT. On July 31, 2017, there were 101,825 registered holders of record of our common stock. The high and low common stock sales prices per share were as follows:

Quarter Ended	September 30	December 31	March 31	June 30	Fiscal Year
Fiscal Year 2017					
High	\$ 58.70	\$ 64.10	\$ 66.19	\$ 72.89	\$ 72.89
Low	50.39	56.32	61.95	64.85	50.39
Fiscal Year 2016					
High	\$ 48.41	\$ 56.85	\$ 55.64	\$ 56.77	\$ 56.85
Low	39.72	43.75	48.19	48.04	39.72