

Product Performance

iPhone

The following table presents iPhone net sales and unit sales information for 2016, 2015 and 2014 (dollars in millions and units in thousands):

	2016	Change	2015	Change	2014
Net sales	\$ 136,700	(12)%	\$ 155,041	52%	\$ 101,991
Percentage of total net sales	63%		66%		56%
Unit sales	211,884	(8)%	231,218	37%	169,219

iPhone net sales and unit sales decreased during 2016 compared to 2015. The Company believes the sales decline is due primarily to a lower rate of iPhone upgrades during 2016 compared to 2015 and challenging macroeconomic conditions in a number of major markets in 2016. Average selling prices ("ASPs") for iPhone were lower year-over-year during 2016 due primarily to a different mix of iPhones, including the iPhone SE introduced in 2016, and the effect of weakness in most foreign currencies relative to the U.S. dollar.

The year-over-year growth in iPhone net sales and unit sales during 2015 primarily resulted from strong demand for iPhone 6 and 6 Plus during 2015. Overall ASPs for iPhone increased during 2015 compared to 2014, due primarily to the introduction of iPhone 6 and 6 Plus in September 2014, partially offset by the effect of weakness in most foreign currencies relative to the U.S. dollar.

iPad

The following table presents iPad net sales and unit sales information for 2016, 2015 and 2014 (dollars in millions and units in thousands):

	2016	Change	2015	Change	2014
Net sales	\$ 20,628	(11)%	\$ 23,227	(23)%	\$ 30,283
Percentage of total net sales	10%		10%		17%
Unit sales	45,590	(17)%	54,856	(19)%	67,977

iPad net sales decreased during 2016 compared to 2015 primarily due to lower unit sales and the effect of weakness in most foreign currencies relative to the U.S. dollar, partially offset by higher ASPs due to a shift in mix to higher-priced iPads. The Company believes the decline in iPad sales is due in part to a longer repurchase cycle for iPads and some level of cannibalization from the Company's other products.

Net sales and unit sales for iPad declined during 2015 compared to 2014. The Company believes the decline in iPad sales is due in part to a longer repurchase cycle for iPads and some level of cannibalization from the Company's other products. iPad ASPs declined during 2015 compared to 2014, primarily as a result of the effect of weakness in most foreign currencies relative to the U.S. dollar and a shift in mix to lower-priced iPads.

Mac

The following table presents Mac net sales and unit sales information for 2016, 2015 and 2014 (dollars in millions and units in thousands):

	2016	Change	2015	Change	2014
Net sales	\$ 22,831	(10)%	\$ 25,471	6%	\$ 24,079
Percentage of total net sales	11%		11%		13%
Unit sales	18,484	(10)%	20,587	9%	18,906

Mac net sales and unit sales decreased during 2016 compared to 2015. The year-over-year decline in Mac unit sales during 2016 was at rates similar to the overall market. The effect of weakness in most foreign currencies relative to the U.S. dollar also negatively impacted Mac net sales.

The year-over-year growth in Mac net sales and unit sales during 2015 was driven by strong demand for Mac portables. Mac ASPs declined during 2015 compared to 2014 largely due to the effect of weakness in most foreign currencies relative to the U.S. dollar.