

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

(In millions)

June 30,	2016	2015
Net fair value of assets measured at fair value on a recurring basis	\$ 119,019	\$ 104,369
Cash	3,501	3,679
Common and preferred stock measured at fair value on a nonrecurring basis	767	561
Other investments measured at fair value on a nonrecurring basis	593	589
Less derivative net assets classified as other current assets	(246)	(648)
Other	12	4
Recorded basis of investment components	<u>\$ 123,646</u>	<u>\$ 108,554</u>

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

During fiscal year 2016 and 2015, 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,	2016	2015
Raw materials	\$ 612	\$ 1,100
Work in process	158	202
Finished goods	1,481	1,600
Total	<u>\$ 2,251</u>	<u>\$ 2,902</u>

### NOTE 8 — PROPERTY AND EQUIPMENT

The components of property and equipment were as follows:

(In millions)

June 30,	2016	2015
Land	\$ 824	\$ 769
Buildings and improvements	12,393	10,800
Leasehold improvements	3,659	3,577
Computer equipment and software	17,391	13,612
Furniture and equipment	3,889	3,579
Total, at cost	38,156	32,337
Accumulated depreciation	(19,800)	(17,606)
Total, net	<u>\$ 18,356</u>	<u>\$ 14,731</u>

During fiscal years 2016, 2015, and 2014, depreciation expense was \$4.9 billion, \$4.1 billion, and \$3.4 billion, respectively.