

Microsoft Corp NASDAQ: MSFT

Price Performance

| | |
|----------------------------|-------------------|
| Price on 1/31/25 | \$415.06 |
| 52-Week High/Low | \$468.35 / 385.58 |
| Volume on 1/31/25 | 34,223,388 |
| 10-Day Avg. Volume | 28,555,627 |
| Price 1 Month Ago | \$423.35 |
| 1 Month Price Performance | -2.0% |
| Price 3 Months Ago | \$410.37 |
| 3 Month Price Performance | 1.1% |
| Price 6 Months Ago | \$408.49 |
| 6 Month Price Performance | 1.6% |
| Price 12 Months Ago | \$397.58 |
| 12 Month Price Performance | 4.4% |
| Market Capitalization | \$3.1 Trillion |
| Beta | 0.89 |

Key Statistics (Latest 4 Quarters)*

| | |
|-------------------------------|-------|
| EPS Growth | 12.3% |
| EPS Growth 3 Year, annualized | 13.6% |
| EPS Growth 5 Year, annualized | 18.5% |
| Sales Growth | 12.3% |
| Asset Turnover | 0.5x |
| Inventory Turnover | 42.1x |
| Receivables Turnover | 4.6x |
| Effective Tax Rate | 18.4% |
| Total Debt to Equity | 32.2x |
| Interest Coverage | NA |
| Quick Ratio | 1.1x |
| Current Ratio | 1.3x |
| Payout Ratio | 26.7% |
| Debt to Capital | 0.2x |

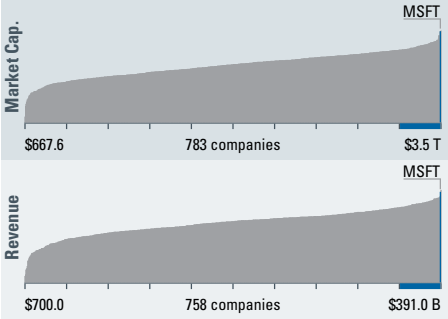
Business Description

Microsoft Corporation develops and supports software, services, devices and solutions worldwide.

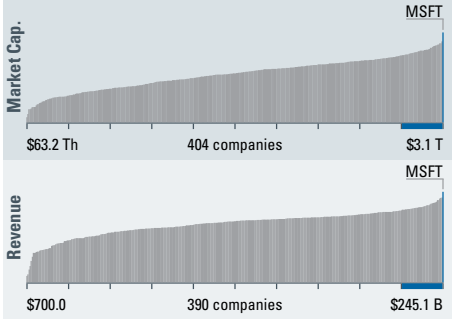
Microsoft Corp
One Microsoft Way
Redmond, WA 98052-6399
425 882 8080
www.microsoft.com

Company to Industry Comparisons (Using S&P GICS Groupings)

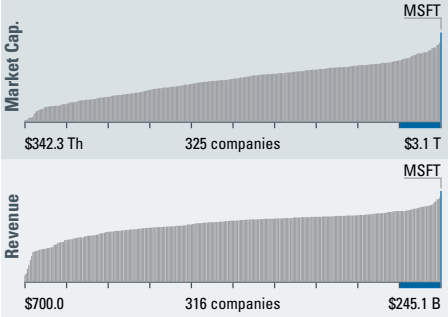
Sector: Information Technology



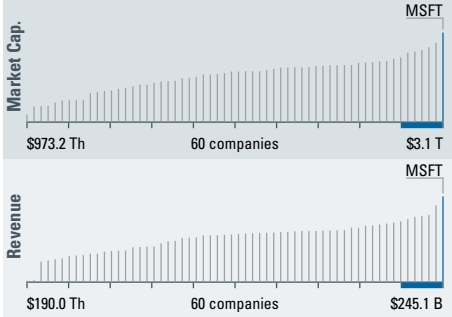
Industry Group: Software & Services



Industry: Software



Sub-Industry: Systems Software



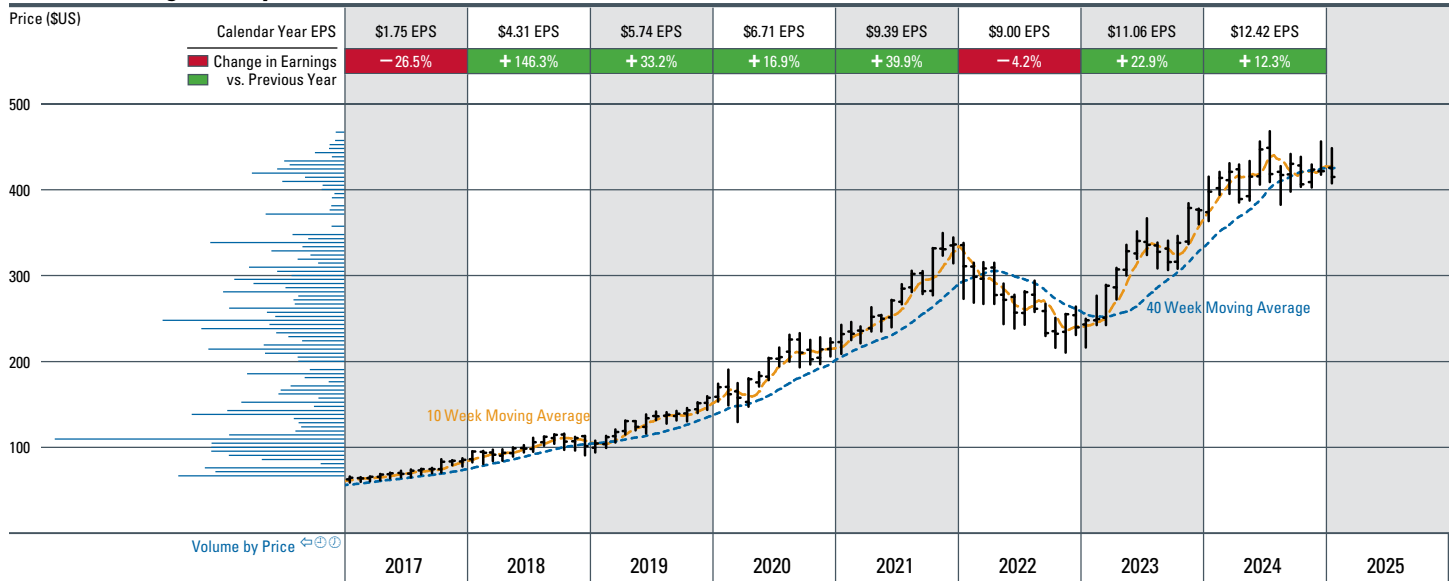
Benchmark Price Performance

| Duration | Industry Group | Sub-Industry |
|----------|----------------|--------------|
| 1 Month | 2.6% | -0.7% |
| 3 Month | 13.4% | 3.4% |
| 6 Month | 32.8% | 11.0% |
| 12 Month | 46.7% | 13.2% |

Table of Contents

| | |
|----------------------------|----|
| Overview | 1 |
| Historical Trend Data | 2 |
| Peer Analysis | 3 |
| Fundamental Ratios | 4 |
| Industry Overview | 5 |
| Earnings & Dividends | 6 |
| Annual Income Statement | 7 |
| Annual Balance Sheet | 9 |
| Annual Cash Flow | 11 |
| Quarterly Income Statement | 12 |
| Quarterly Balance Sheet | 13 |
| Quarterly Cash Flow | 14 |
| Glossary | 15 |

Price & Earnings History



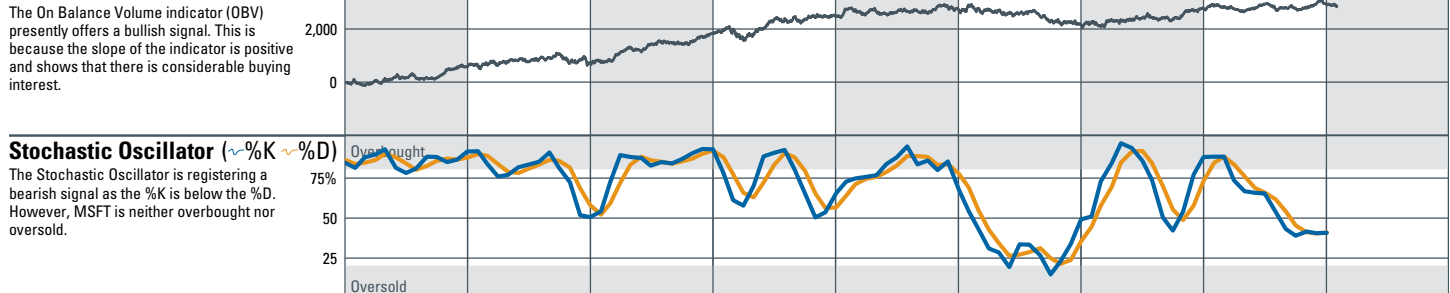
Moving Average Difference

The 10 and 40 Week moving averages indicate that MSFT may be in a bullish trend. This is because the 10 Week moving average is above the 40 Week moving average.



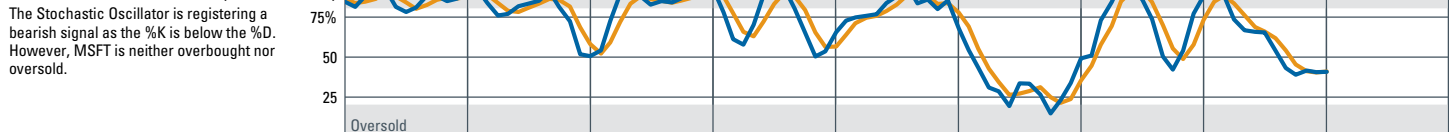
On Balance Volume (Millions)

The On Balance Volume indicator (OBV) presently offers a bullish signal. This is because the slope of the indicator is positive and shows that there is considerable buying interest.

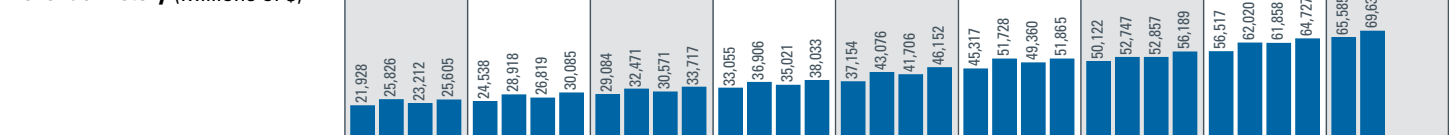


Stochastic Oscillator (%K %D)

The Stochastic Oscillator is registering a bearish signal as the %K is below the %D. However, MSFT is neither overbought nor oversold.



Revenue History (Millions of \$)



Fundamentals

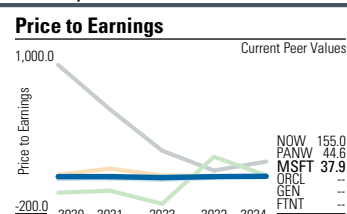
| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------|
| Price/Earnings | 25.4x | 46.3x | 26.5x | 35.3x | 33.7x | 26.6x | 35.2x | 37.9x | -- |
| Price/Sales | 5.9x | 6.9x | 8.1x | 10.8x | 12.1x | 9.7x | 11.9x | 13.6x | -- |
| Price/Book Value | 7.3x | 9.2x | 10.0x | 13.0x | 14.3x | 11.5x | 12.3x | 12.4x | -- |
| Price/Cash Flow | 18.3x | 28.6x | 20.1x | 27.2x | 28.2x | 21.9x | 29.5x | 30.7x | -- |
| Gross Margin | 70.6% | 74.2% | 75.1% | 76.4% | 75.4% | 75.8% | 75.4% | 77.9% | -- |
| Profit Margin | 23.6% | 15.0% | 31.2% | 31.0% | 36.5% | 36.7% | 34.1% | 36.0% | -- |
| Sales/Employee | \$725.4 Th | \$842.4 Th | \$873.9 Th | \$877.4 Th | \$928.7 Th | \$897.1 Th | \$958.9 Th | \$1.1 M | -- |
| Income/Employee | \$171.0 Th | \$126.5 Th | \$272.5 Th | \$271.7 Th | \$338.5 Th | \$329.1 Th | \$327.4 Th | \$386.6 Th | -- |
| Return on Equity | 29.3% | 20.0% | 38.3% | 37.4% | 43.2% | 43.7% | 35.1% | 32.8% | -- |
| Return on Assets | 8.8% | 6.4% | 13.7% | 14.7% | 18.4% | 19.9% | 17.6% | 17.2% | -- |
| PEG (Historical Growth) | 25.3x | 3.6x | 0.8x | 1.2x | 0.6x | 1.1x | 1.9x | 2.8x | -- |
| Beta | 1.0 | 1.0 | 1.2 | 0.9 | 0.8 | 0.9 | 0.9 | 0.9 | -- |
| Annual Dividend | \$1.56 | \$1.68 | \$1.85 | \$2.05 | \$2.24 | \$2.49 | \$2.72 | \$3.00 | -- |
| Dividend Yield | 2.2% | 1.7% | 1.3% | 1.0% | 0.8% | 0.9% | 0.8% | 0.7% | -- |

All values in the Fundamentals table are calculated using fiscal year data unless otherwise noted

Peer Comparison Ratios

All values are for the last fiscal year unless otherwise noted.

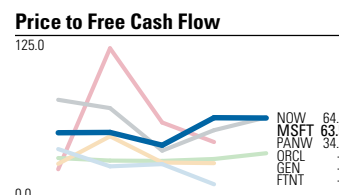
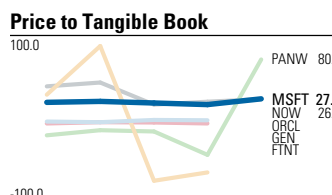
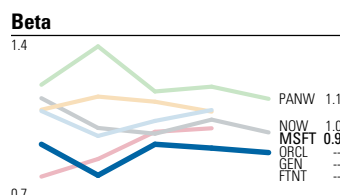
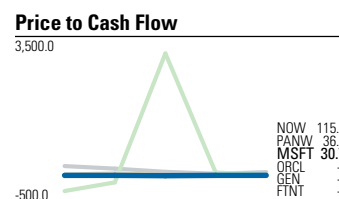
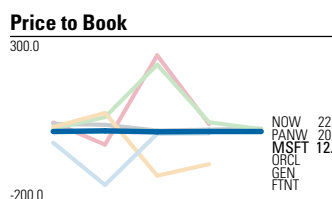
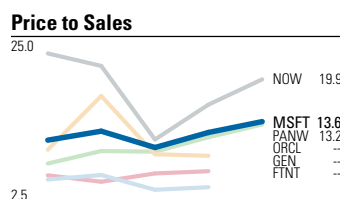
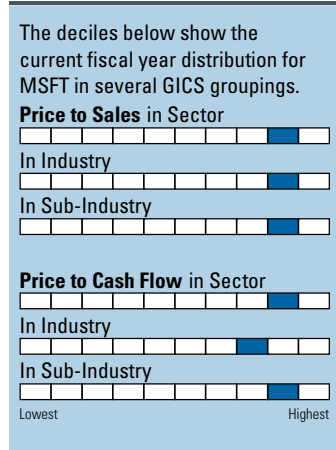
| Company Name (Ticker Symbol) | P/E (1/31/25) | High P/E | Low P/E | PEG Ratio |
|-------------------------------|---------------|--------------|--------------|-------------|
| Microsoft Corp (MSFT) | *33.4 | *37.7 | *31.0 | *2.8 |
| Oracle Corp (ORCL) | 41.6 | 48.5 | 26.0 | -4.8 |
| ServiceNow Inc (NOW) | 149.1 | 175.4 | 93.4 | 1.9 |
| Palo Alto Networks Inc (PANW) | 48.0 | 54.0 | 33.9 | 0.7 |
| Fortinet Inc (FTNT) | 50.9 | 52.0 | 27.6 | 1.1 |
| Gen Digital Inc (GEN) | 26.4 | 31.1 | 18.7 | -3.8 |



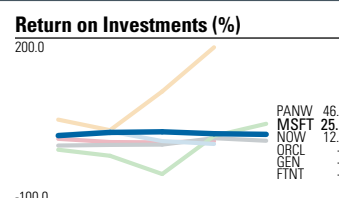
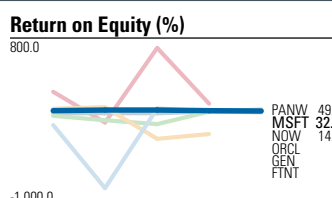
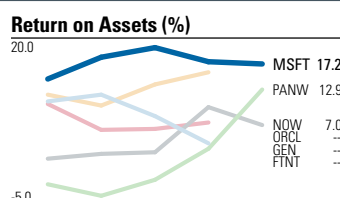
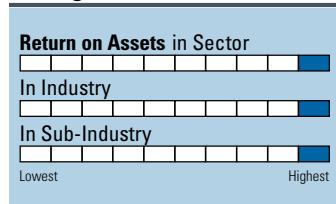
High and Low P/E are for trailing twelve months using diluted EPS excluding extraordinary items. PEG ratio is historical.

Valuation

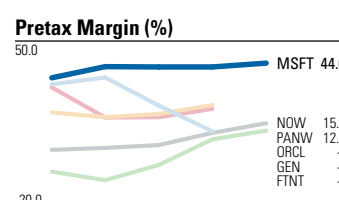
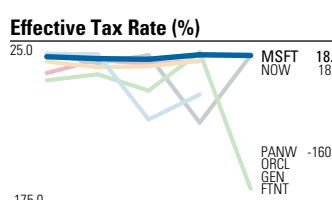
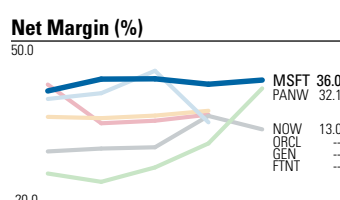
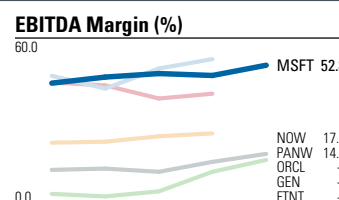
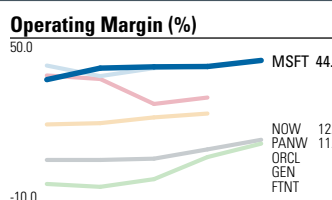
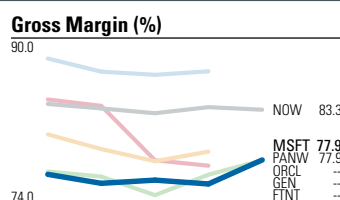
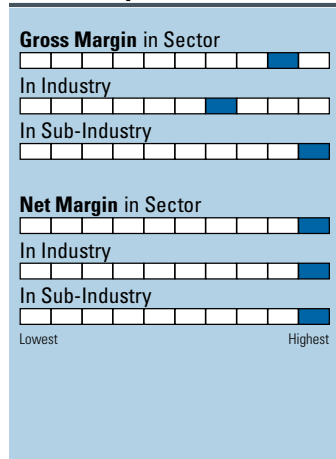
Line charts below give a 5 year history for MSFT and up to 5 peers.



Management Effectiveness

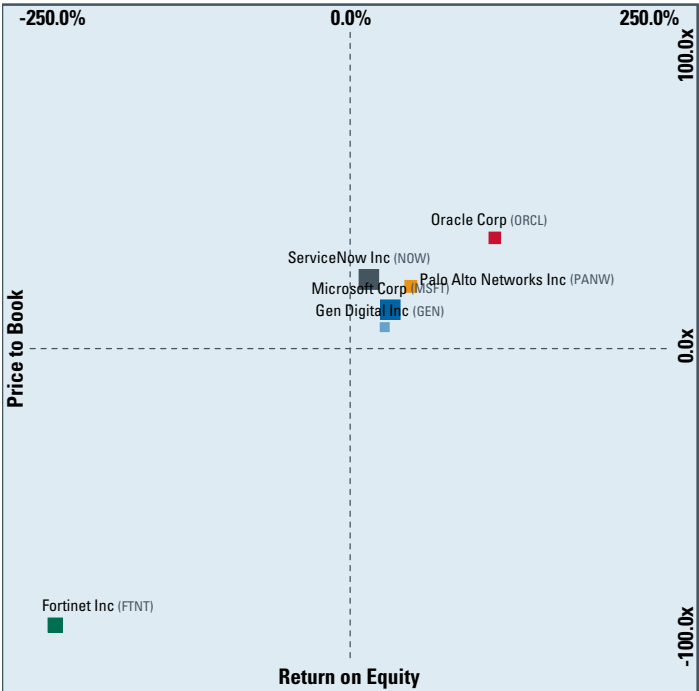


Profitability

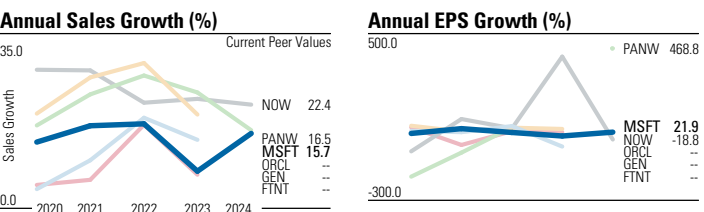


Peer Comparison

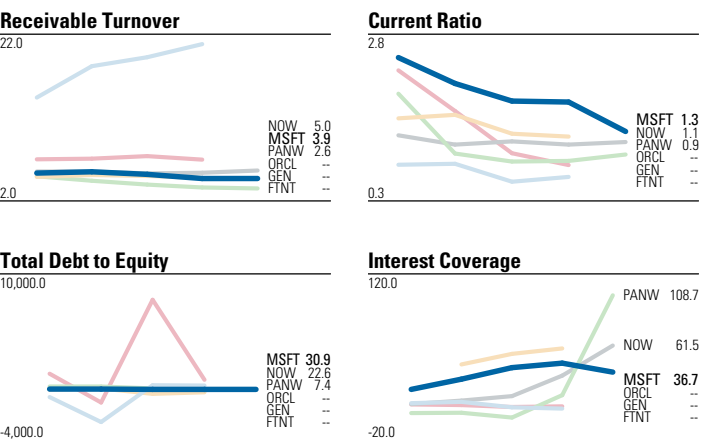
This peer comparison scatter shows a relative comparison of valuation, management effectiveness and risk for MSFT and several peers. Marker size = lower risk ■ ■ ■ ■ ■ Higher risk



Growth Rates



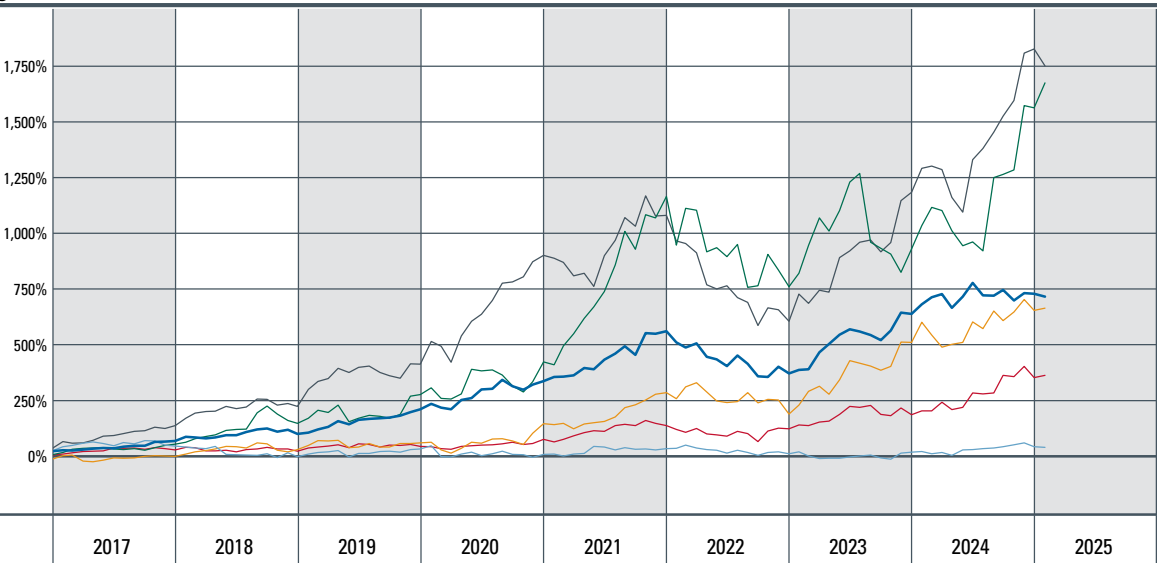
Financial Strength



Peer Group Relative Strength

Relative Price Performance for the following companies:

- Microsoft Corp
- Oracle Corp
- ServiceNow Inc
- Palo Alto Networks Inc
- Fortinet Inc
- Gen Digital Inc



Microsoft Corp NASDAQ: MSFT

Industry Comparison

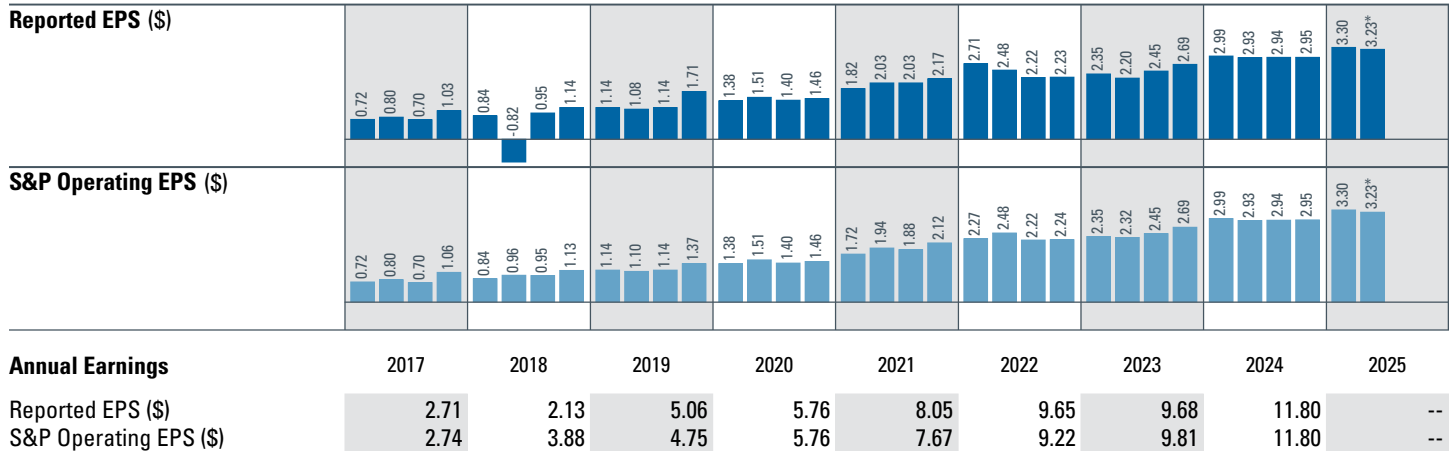
All values are for the last fiscal year unless otherwise noted.

This peer comparison table shows a list of the companies in the "Software" industry sorted by market capitalization.

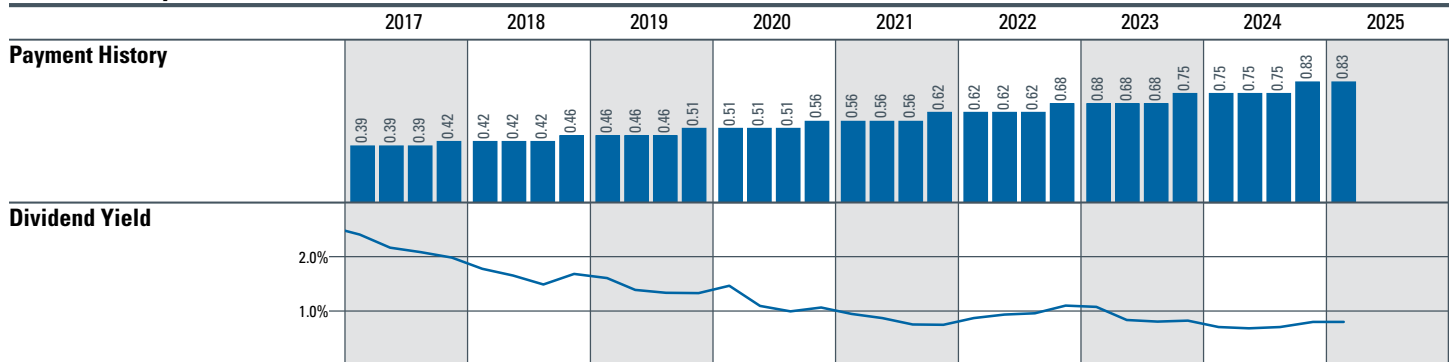
| Company Name (Ticker Symbol) | Current Market Cap. (Millions of \$) | Revenue (Millions of \$) | 1 Year % Revenue Growth | 1 Year % EPS Growth | Total Debt to Capital | Modified % Return on Capital | % Profit Margin |
|--|---|-----------------------------|-------------------------------|---------------------------|--------------------------|------------------------------------|--------------------|
| Microsoft Corp (MSFT) | 3,085,971.1 | 245,122.0 | 15.7 | 21.9 | 0.3 | 85.3 | 36.0 |
| Oracle Corp (ORCL) | 475,487.8 | 52,961.0 | 6.0 | 20.8 | 0.9 | 74.7 | 19.8 |
| ServiceNow Inc (NOW) | 210,282.2 | 10,984.0 | 22.4 | -18.8 | 0.2 | -59.4 | 13.0 |
| Palo Alto Networks Inc (PANW) | 120,868.9 | 8,027.5 | 16.5 | 468.8 | 0.2 | -54.8 | 32.1 |
| CrowdStrike Holdings Inc (CRWD) | 98,048.2 | 3,055.6 | 36.3 | -- | 0.3 | -1.4 | 2.9 |
| Fortinet Inc (FTNT) | 77,243.8 | 5,304.8 | 20.1 | 37.7 | 1.8 | -214.2 | 21.6 |
| Zscaler Inc (ZS) | 31,080.3 | 2,167.8 | 34.1 | 72.1 | 0.5 | 26.4 | -2.7 |
| Check Point Software Technologies Ltd (CHKP) | 24,615.8 | 2,565.0 | 6.2 | 5.1 | 0.0 | -85.2 | 33.0 |
| Gen Digital Inc (GEN) | 16,576.6 | 3,812.0 | 14.2 | -55.6 | 0.8 | -88.5 | 16.2 |
| CyberArk Software Ltd (CYBR) | 16,037.1 | 751.9 | 27.1 | 50.2 | 0.4 | 41.3 | -8.8 |
| Rubrik Inc (RBRK) | 13,569.2 | 627.9 | 4.7 | -27.2 | -0.8 | 102.6 | -56.4 |
| monday.com Ltd (MNDY) | 12,737.0 | 729.7 | 40.6 | 98.7 | 0.1 | 16.0 | -0.3 |
| GitLab Inc (GTLB) | 11,793.2 | 579.9 | 36.7 | -137.1 | 0.0 | 40.3 | -73.1 |
| Dolby Laboratories Inc (DLB) | 7,987.3 | 1,273.7 | -2.0 | 31.2 | 0.0 | 37.2 | 20.6 |
| UiPath Inc (PATH) | 7,816.2 | 1,308.1 | 23.6 | 73.3 | 0.0 | -210.9 | -6.9 |
| Trend Micro Inc (TMICY) | 7,805.7 | 1,764.3 | 4.0 | -65.4 | 0.0 | -19.3 | 4.3 |
| SentinelOne Inc (S) | 7,666.7 | 621.2 | 47.1 | 15.4 | 0.0 | 178.4 | -54.5 |
| Commvault Systems Inc (CVLT) | 6,965.9 | 839.2 | 7.0 | -- | 0.0 | -44.6 | 20.1 |
| Nebius Group N V (NBIS) | 6,510.4 | 8,901.1 | 24.3 | -47.8 | 0.4 | 16.3 | 2.5 |
| QXO Inc (QXO) | 5,441.3 | 54.5 | 21.2 | -300.0 | 0.3 | -44.9 | -2.0 |
| Tenable Holdings Inc (TENB) | 5,165.3 | 798.7 | 16.9 | 18.1 | 0.5 | 15.0 | -9.8 |
| Qualys Inc (QLYS) | 5,108.0 | 554.5 | 13.2 | 47.1 | 0.1 | -109.1 | 27.3 |
| Varonis Systems Inc (VRNS) | 5,099.5 | 499.2 | 5.4 | 19.3 | 0.4 | -520.6 | -20.2 |
| OneStream Inc (OS) | 4,775.1 | 374.9 | 34.2 | 57.1 | 0.2 | 95.7 | -7.7 |
| JFrog Ltd (FROG) | 3,877.7 | 349.9 | 24.9 | 35.2 | 0.0 | 54.8 | -17.5 |
| Teradata Corporation (TDC) | 3,063.4 | 1,833.0 | 2.1 | 96.8 | 0.8 | -75.5 | 3.4 |
| BlackBerry Ltd (BB) | 2,626.6 | 853.0 | 30.0 | 83.7 | 0.2 | 291.7 | -15.2 |
| Appian Corp (APPN) | 2,541.6 | 545.4 | 16.5 | 26.9 | 0.8 | -240.5 | -20.4 |
| SolarWinds Corp (SWI) | 2,537.7 | 758.7 | 5.5 | 99.0 | 0.5 | -68.6 | -1.2 |
| Progress Software Corp (PRGS) | 2,485.9 | 753.4 | 8.5 | -1.9 | 0.8 | -104.4 | 9.1 |
| Rapid7 Inc (RPD) | 2,433.6 | 777.7 | 13.5 | -15.5 | 1.1 | 11.3 | -19.2 |
| N-able Inc (NABL) | 1,799.9 | 421.9 | 13.5 | 44.4 | 0.3 | 104.6 | 5.5 |
| Zuora Inc (ZUO) | 1,534.1 | 431.7 | 9.0 | 67.5 | 0.7 | 93.0 | -15.8 |
| A10 Networks Inc (ATEN) | 1,446.9 | 251.7 | -10.2 | -11.7 | 0.1 | 89.5 | 15.9 |
| Adeia Inc (XPER) | 1,403.1 | 388.8 | -11.4 | -53.5 | 0.6 | 144.1 | 17.3 |
| Radware Ltd (RDWR) | 927.8 | 261.3 | -11.0 | -- | 0.1 | 44.1 | -8.3 |
| SecureWorks Corp (SCWX) | 756.5 | 365.9 | -21.1 | 26.5 | 0.0 | 78.8 | -23.5 |
| OneSpan Inc (OSPN) | 729.4 | 235.1 | 7.4 | -105.6 | 0.1 | -76.6 | -12.7 |
| Tecsys Inc (TCYSF) | 454.4 | 126.8 | 10.6 | -7.1 | 0.0 | -40.4 | 1.1 |
| Arteris Inc (AIP) | 426.1 | 53.7 | 6.5 | -22.6 | 0.3 | 216.1 | -68.7 |
| Xperi Inc (XPER) | 403.9 | 521.3 | 3.8 | 82.4 | 0.2 | -109.6 | -26.2 |
| Allot Ltd (ALLT) | 320.1 | 93.2 | -24.1 | -90.8 | 0.5 | -560.1 | -67.4 |
| Silvaco Group Inc (SVCO) | 227.4 | 54.2 | 16.7 | 94.4 | 0.3 | -35.0 | -0.6 |
| Telos Corp (TLS) | 225.1 | 145.4 | -33.0 | 36.7 | 0.1 | -287.2 | -23.7 |
| Sylogist Ltd (SYZLF) | 168.6 | 48.5 | -8.9 | -54.5 | 0.3 | -36.8 | 1.7 |
| Airship AI Holdings Inc (AISP) | 120.5 | 12.3 | -15.5 | -- | -0.3 | 127.9 | 133.1 |
| World Health Energy Holdings Inc (WHEN) | 105.2 | 0.2 | 128.6 | 0.0 | 0.4 | 2,421.1 | -3,355.3 |
| authID Inc (AUID) | 76.6 | 0.2 | -63.9 | 58.9 | 0.0 | 1,052.4 | -10,325.3 |
| Alarum Technologies Ltd (ALAR) | 67.8 | 26.5 | 41.2 | 67.5 | 0.1 | -212.9 | -21.1 |
| Intellinetics Inc (INLX) | 58.3 | 16.9 | 20.5 | 1,000.0 | 0.4 | 28.8 | 3.1 |
| Quorum Information Technologies Inc (QITTF) | 46.4 | 29.8 | 0.1 | -- | 0.3 | 62.0 | 0.6 |
| Datasea Inc (DTSS) | 14.1 | 24.0 | 240.3 | 17.5 | 1.2 | -6,415.3 | -50.9 |
| FalconStor Software Inc (FALC) | 13.8 | 11.6 | 15.4 | 80.9 | 0.7 | -64.5 | 8.4 |
| Intrusion Inc (INTZ) | 13.0 | 5.6 | -25.5 | 30.5 | 3.8 | -393.4 | -247.6 |
| X3 Holdings Co Ltd (XTKG) | 12.9 | 16.8 | 60.5 | 92.6 | 0.1 | -204.5 | -651.4 |

Earnings History

Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses.



Dividend Analysis



Dividend Details (All dividends are "Cash" unless otherwise noted)

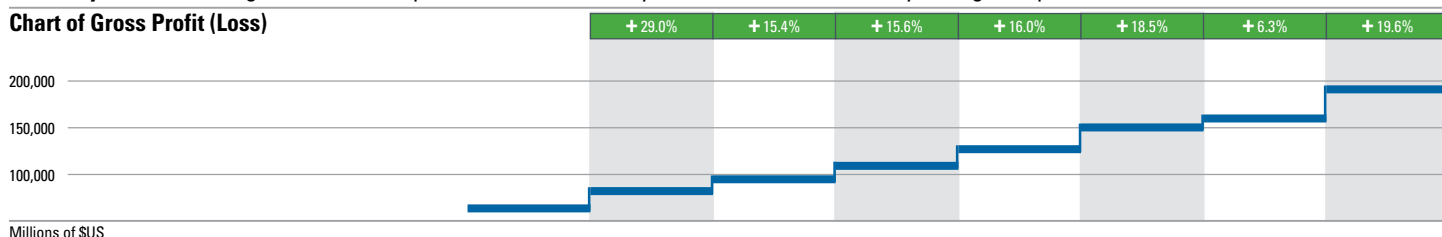
| Announce Date | Ex-Date | Record Date | Date Payable | Dividend Amount (\$) | Announce Date | Ex-Date | Record Date | Date Payable | Dividend Amount (\$) |
|---------------|----------|-------------|--------------|----------------------|---------------|----------|-------------|--------------|----------------------|
| 12/03/24 | 02/20/25 | 02/20/25 | 03/13/25 | 0.83 | 12/07/21 | 02/16/22 | 02/17/22 | 03/10/22 | 0.62 |
| 09/16/24 | 11/21/24 | 11/21/24 | 12/12/24 | 0.83 | 09/15/21 | 11/17/21 | 11/18/21 | 12/09/21 | 0.62 |
| 06/12/24 | 08/15/24 | 08/15/24 | 09/12/24 | 0.75 | 06/16/21 | 08/18/21 | 08/19/21 | 09/09/21 | 0.56 |
| 03/12/24 | 05/15/24 | 05/16/24 | 06/13/24 | 0.75 | 03/16/21 | 05/19/21 | 05/20/21 | 06/10/21 | 0.56 |
| 11/30/23 | 02/14/24 | 02/15/24 | 03/14/24 | 0.75 | 12/02/20 | 02/17/21 | 02/18/21 | 03/11/21 | 0.56 |
| 09/19/23 | 11/15/23 | 11/16/23 | 12/14/23 | 0.75 | 09/15/20 | 11/18/20 | 11/19/20 | 12/10/20 | 0.56 |
| 06/14/23 | 08/16/23 | 08/17/23 | 09/14/23 | 0.68 | 06/17/20 | 08/19/20 | 08/20/20 | 09/10/20 | 0.51 |
| 03/14/23 | 05/17/23 | 05/18/23 | 06/08/23 | 0.68 | 03/09/20 | 05/20/20 | 05/21/20 | 06/11/20 | 0.51 |
| 11/30/22 | 02/15/23 | 02/16/23 | 03/09/23 | 0.68 | 12/04/19 | 02/19/20 | 02/20/20 | 03/12/20 | 0.51 |
| 09/20/22 | 11/16/22 | 11/17/22 | 12/08/22 | 0.68 | 09/18/19 | 11/20/19 | 11/21/19 | 12/12/19 | 0.51 |
| 06/14/22 | 08/17/22 | 08/18/22 | 09/08/22 | 0.62 | 06/12/19 | 08/14/19 | 08/15/19 | 09/12/19 | 0.46 |
| 03/14/22 | 05/18/22 | 05/19/22 | 06/09/22 | 0.62 | 03/12/19 | 05/15/19 | 05/16/19 | 06/13/19 | 0.46 |

Annual Income Statement

Change vs. Previous Year

Summary: Annual earnings at MSFT were positive for the last five years and increased steadily through the period.

Chart of Gross Profit (Loss)



Millions of \$US

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|------------------------|----------------------|-------------------------|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Sales/Turnover (Net) | \$89,950 ^{AA} | \$110,360 | \$125,843 ^{AA} | \$143,015 | \$168,088 ^{AA} | \$198,270 ^{AA} | \$211,915 ^{AA} | \$245,122 ^{AA} |
| Cost of Goods Sold | 26,461 ^{BD} | 28,453 ^{BD} | 31,310 ^{BD} | 33,778 ^{BD} | 41,332 ^{BD} | 48,050 ^{BD} | 52,211 ^{BD} | 54,114 ^{BD} |
| Gross Profit (Loss) | 63,489 | 81,907 | 94,533 | 109,237 | 126,756 | 150,220 | 159,704 | 191,008 |
| Selling, General and Administrative Expenses | 33,057 | 36,949 | 39,974 | 43,978 | 45,940 | 52,111 | 56,510 | 61,575 |
| Operating Income Before Depreciation | 30,432 | 44,958 | 54,559 | 65,259 | 80,816 | 98,109 | 103,194 | 129,433 |
| Amortization of Intangibles | 1,700 | 2,200 | 1,900 | 1,600 | 1,600 | 2,000 | 2,500 | 4,800 |
| Depreciation and Amortization - Total | 7,800 | 9,900 | 11,600 | 12,300 | 10,900 | 14,600 | 13,500 | 20,000 |
| Operating Income After Depreciation | 22,632 | 35,058 | 42,959 | 52,959 | 69,916 | 83,509 | 89,694 | 109,433 |
| Interest and Related Expense | 2,303 | 2,733 | 2,686 | 2,591 | 2,330 | 2,047 | 1,995 | 2,983 |
| Interest Income - Total | CF | CF | CF | CF | CF | CF | CF | CF |
| Other Non-Operating Income | 3,126 | 4,149 | 3,415 | 2,668 | 3,516 | 2,380 | 2,783 | 1,337 |
| Nonoperating Income (Expense) - Total | 3,126 | 4,149 | 3,415 | 2,668 | 3,516 | 2,380 | 2,783 | 1,337 |
| Special Items | (306) | 0 | 0 | 0 | CF | (126) | (1,171) | 0 |
| Pretax Income | 23,149 | 36,474 | 43,688 | 53,036 | 71,102 | 83,716 | 89,311 | 107,787 |
| Income Taxes - Federal | 2,739 | 19,764 | 4,718 | 3,537 | 3,285 | 8,329 | 14,009 | 12,165 |
| Income Taxes - State | 30 | 934 | 662 | 763 | 1,229 | 1,679 | 2,322 | 2,366 |
| Income Taxes - Foreign | 2,472 | 4,348 | 5,531 | 4,444 | 5,467 | 6,672 | 6,678 | 9,858 |
| Deferred Taxes-Federal | -- | (4,292) | (5,647) | 58 | 25 | (4,815) | (6,146) | (4,791) |
| Deferred Taxes-State | -- | (458) | (1,010) | (6) | (204) | (1,062) | (477) | (379) |
| Deferred Taxes-Foreign | -- | (393) | 194 | (41) | 29 | 175 | 564 | 432 |
| Income Taxes - Deferred | (3,296) | (5,143) | (6,463) | 11 | (150) | (5,702) | (6,059) | (4,738) |
| Income Taxes - Total | 1,945 | 19,903 | 4,448 | 8,755 | 9,831 | 10,978 | 16,950 | 19,651 |
| Income Before Extraordinary Items | 21,204 | 16,571 | 39,240 | 44,281 | 61,271 | 72,738 | 72,361 | 88,136 |
| Net Income (Loss) | 21,204 | 16,571 | 39,240 | 44,281 | 61,271 | 72,738 | 72,361 | 88,136 |

EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Millions)

| | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| EPS - Basic Excluding Extraordinary Items | 2.74 ^{BJ} | 2.15 ^{BJ} | 5.11 ^{BJ} | 5.82 ^{BJ} | 8.12 ^{BJ} | 9.70 ^{BJ} | 9.72 ^{BJ} | 11.86 ^{BJ} |
| EPS - Basic Including Extraordinary Items | 2.74 ^{BJ} | 2.15 ^{BJ} | 5.11 ^{BJ} | 5.82 ^{BJ} | 8.12 ^{BJ} | 9.70 ^{BJ} | 9.72 ^{BJ} | 11.86 ^{BJ} |
| EPS - Diluted Excluding Extraordinary Items | 2.71 | 2.13 | 5.06 | 5.76 | 8.05 | 9.65 | 9.68 | 11.80 |
| EPS - Diluted Including Extraordinary Items | 2.71 | 2.13 | 5.06 | 5.76 | 8.05 | 9.65 | 9.68 | 11.80 |
| EPS from Operations - Basic | 2.77 ^{NC} | 3.93 ^{NC} | 4.80 ^{NC} | 5.82 | 7.74 ^{NC} | 9.28 ^{RC} | 9.85 ^{NC} | 11.86 |
| EPS from Operations - Diluted | 2.74 | 3.88 | 4.75 | 5.76 | 7.67 | 9.22 ^{RC} | 9.81 | 11.80 |
| Common Shares Used to Calculate EPS Basic | 7,746 | 7,700 | 7,673 | 7,610 | 7,547 | 7,496 | 7,446 | 7,431 |
| Common Shares Used to Calculate EPS Diluted | 7,832 | 7,794 | 7,753 | 7,683 | 7,608 | 7,540 | 7,472 | 7,469 |
| Dividends Common/Ordinary | 12,040 | 12,917 | 14,103 | 15,483 | 16,871 | 18,552 | 20,226 | 22,293 |

^{AA} Restated for/Reflects merger/acquisition

^{BD} Reduced by an amount of depreciation which should be allocated to SGA

^{BJ} Includes equity in unconsolidated subsidiaries

^{NC} S&P calculation and may disagree with company reports

^{RC} Earnings per Share is a calculation and may disagree with company reports.

Statutory rate used in calculation

CF Combined Figure

Annual Income Statement, continued

Change vs. Previous Year

Summary: MSFT has a Price to Book ratio of 12.4x, which is higher than nearly any other company in the Systems Software group. Additionally, its three- year revenue growth is typical for its surrounding peer group.

Chart of Interest Income - Total

| | NA | NA | NA | NA | NA | NA | NA |
|---|----|----|----|----|----|----|----|
| 1 | | | | | | | |
| 1 | | | | | | | |

Millions of \$US

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------------|------|------|------|------|------|------|------|------|
| SUPPLEMENTAL ITEMS | | | | | | | | |
| Interest Income - Total | CF | CF | CF | CF | CF | CF | CF | CF |
| Interest Capitalized | 81 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

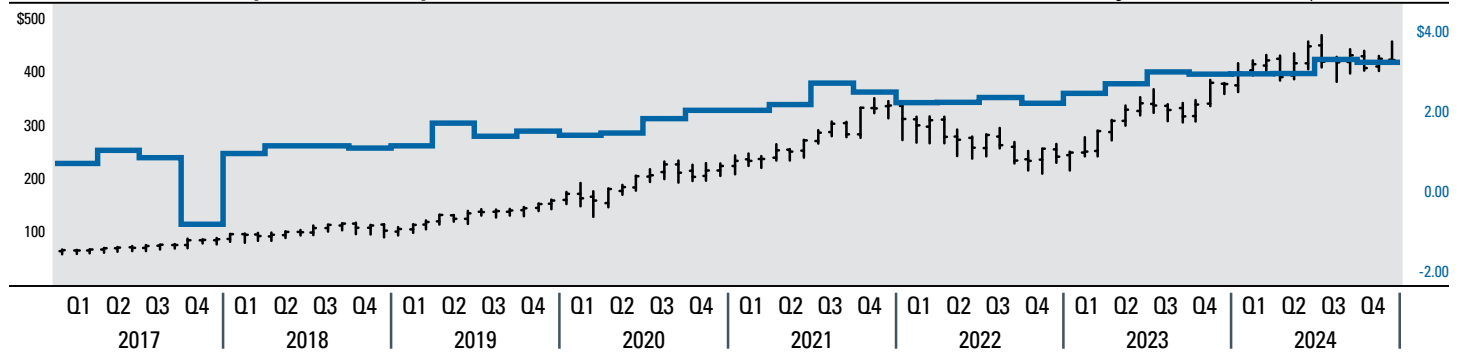
SPECIAL ITEMS - BREAKOUT

| | | | | | | | | |
|--|-------|----|----|----|-------|----|---------|----|
| Settlement (Litigation/Insurance) Pretax | CF | -- | -- | -- | -- | -- | -- | -- |
| Restructuring Costs Pretax | (306) | -- | -- | -- | -- | CF | (1,171) | -- |
| Writedowns Pretax | -- | -- | -- | -- | -- | CF | -- | -- |
| Special Items - Other Pretax | -- | -- | -- | -- | 2,700 | -- | -- | -- |

CF Combined Figure

Price Chart with Quarterly EPS (—) Overlay

Earnings data is shown on calendar quarters for this chart.



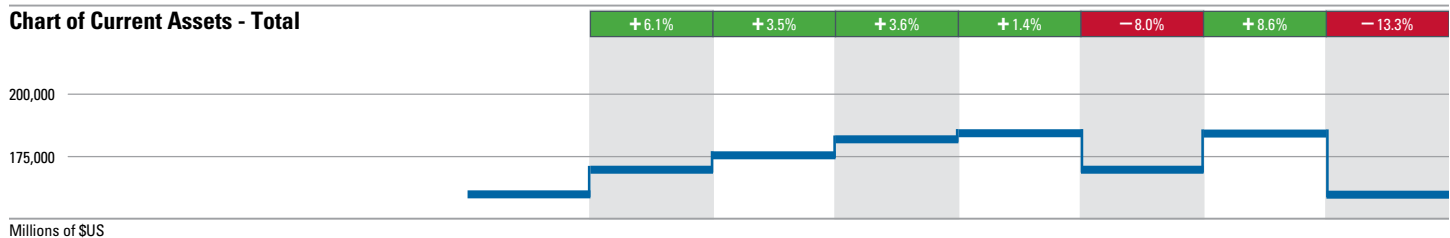
Additional Summary Items: Over the last year, MSFT's revenue grew at a rate that was in-line with the Systems Software group norm. During fiscal year 2025, they recorded \$245.1B as revenues which was a 15.7% improvement from the previous year.

Annual Balance Sheet

Change vs. Previous Year

Summary: MSFT employs a capital structure that appears to be appropriate for companies in the Systems Software group and has no problem servicing debt payments. Its capital resources total \$368.9B, of which +72.8% is equity and +26.5% is attributed to debt.

Chart of Current Assets - Total



CURRENT ASSETS

| | | | | | | | | |
|---------------------------------|---------|----------------------|---------|---------|---------|---------|---------|---------|
| Cash | 7,663 | 11,946 | 11,356 | 13,576 | 14,224 | 13,931 | 34,704 | 18,315 |
| Short-Term Investments | 125,318 | 121,822 | 122,463 | 122,951 | 116,110 | 90,826 | 76,558 | 57,228 |
| Cash and Short-Term Investments | 132,981 | 133,768 | 133,819 | 136,527 | 130,334 | 104,757 | 111,262 | 75,543 |
| Receivables - Trade | 19,792 | 26,481 ^{AC} | 29,524 | 32,011 | 38,043 | 44,261 | 48,688 | 56,924 |
| Receivables - Current - Other | 0 | 0 | 0 | 0 | 0 | 6,100 | 9,200 | 10,500 |
| Receivables - Total | 19,792 | 26,481 | 29,524 | 32,011 | 38,043 | 50,361 | 57,888 | 67,424 |
| Inventories - Raw Material | 797 | 655 | 399 | 700 | 1,190 | 1,144 | 709 | 394 |
| Inventories - Work in Process | 145 | 54 | 53 | 83 | 79 | 82 | 23 | 7 |
| Inventories - Finished Goods | 1,239 | 1,953 | 1,611 | 1,112 | 1,367 | 2,516 | 1,768 | 845 |
| Inventories - Total | 2,181 | 2,662 | 2,063 | 1,895 | 2,636 | 3,742 | 2,500 | 1,246 |
| Current Assets - Other (Sundry) | 4,897 | 6,751 | 10,146 | 11,482 | 13,393 | 10,824 | 12,607 | 15,521 |
| Current Assets - Other - Total | 4,897 | 6,751 | 10,146 | 11,482 | 13,393 | 10,824 | 12,607 | 15,521 |
| Current Assets - Total | 159,851 | 169,662 | 175,552 | 181,915 | 184,406 | 169,684 | 184,257 | 159,734 |

NON-CURRENT ASSETS

| | | | | | | | | |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Property Plant and Equipment - Total (Gross) | 47,913 | 65,369 | 79,186 | 96,101 | 122,154 | 147,206 | 178,238 | 230,973 |
| Depreciation, Depletion, and Amortization (Accumulated) | (24,179) ^{TS} | (29,223) ^{TS} | (35,330) ^{TS} | (43,197) ^{TS} | (51,351) ^{TS} | (59,660) ^{TS} | (68,251) ^{TS} | (76,421) ^{TS} |
| Property Plant and Equipment - Total (Net) | 23,734 | 36,146 ^{AC} | 43,856 | 52,904 | 70,803 | 87,546 | 109,987 | 154,552 |
| Investment and Advances - Equity | CF | CF | CF | CF | CF | CF | CF | CF |
| Investment and Advances - Other | 6,023 | 3,662 | 4,849 | 5,665 | 9,384 | 10,691 | 14,379 | 19,500 |
| Goodwill | 35,122 | 35,683 | 42,026 | 43,351 | 49,711 | 67,524 | 67,886 | 119,220 |
| Intangibles - Other | 10,106 | 8,053 | 7,750 | 7,038 | 7,800 | 11,298 | 9,366 | 27,597 |
| Intangible Assets - Total | 45,228 | 43,736 | 49,776 | 50,389 | 57,511 | 78,822 | 77,252 | 146,817 |
| Assets - Other (Sundry) | 6,250 | 5,642 | 12,523 | 10,438 | 11,675 | 18,097 | 26,101 | 31,560 |
| Assets - Other - Total | 6,250 | 5,642 | 12,523 | 10,438 | 11,675 | 18,097 | 26,101 | 31,560 |
| Assets - Total | 241,086 | 258,848 | 286,556 | 301,311 | 333,779 | 364,840 | 411,976 | 512,163 |

CURRENT LIABILITIES

| | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|---------|---------|
| Long-Term Debt Due In One Year | 1,162 | 5,573 | 7,348 | 5,905 | 10,825 | 6,037 | 8,853 | 8,178 |
| Notes Payable (Short-Term Borrowings) | 9,072 | 0 | 0 | 0 | 0 | 0 | 0 | 6,693 |
| Debt in Current Liabilities | 10,234 | 5,573 | 7,348 | 5,905 | 10,825 | 6,037 | 8,853 | 14,871 |
| Account Payable/Creditors - Trade | 7,390 | 8,617 | 9,382 | 12,530 | 15,163 | 19,000 | 18,095 | 21,996 |
| Income Taxes Payable | 718 | 2,121 | 5,665 | 2,130 | 2,174 | 4,067 | 4,152 | 5,017 |
| Accrued Expenses | 5,819 | 6,103 | 6,830 | 7,874 | 10,057 | 10,661 | 11,009 | 12,564 |
| Current Liabilities - Other (Sundry) | 40,366 | 36,074 | 40,195 | 43,871 | 50,438 | 55,317 | 62,040 | 70,838 |
| Current Liabilities - Other | 46,185 | 42,177 | 47,025 | 51,745 | 60,495 | 65,978 | 73,049 | 83,402 |
| Current Liabilities - Total | 64,527 | 58,488 | 69,420 | 72,310 | 88,657 | 95,082 | 104,149 | 125,286 |

^{AC} Restated for/reflects an accounting change

^{TS} Computed using straight-line method

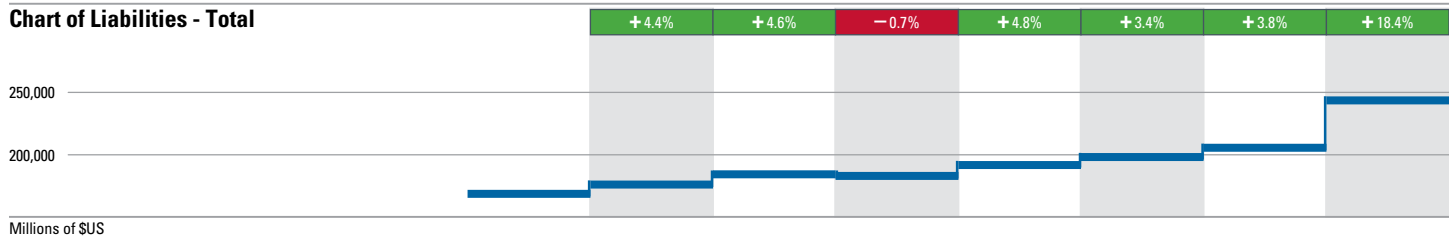
CF Combined Figure

Annual Balance Sheet, continued

Change vs. Previous Year

Summary: MSFT has a debt level that is typical for companies in the Systems Software group.

Chart of Liabilities - Total



Millions of \$US

LONG-TERM LIABILITIES

| | | | | | | | | |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
| Long-Term Debt - Total | \$78,473 | \$81,935 | \$79,107 | \$76,205 | \$71,453 | \$72,363 | \$70,588 | \$82,981 |
| Deferred Taxes - Balance Sheet | 531 | 541 | 233 | 204 | 198 | 230 | 433 | 2,618 |
| Deferred Taxes and Investment Tax Credit | 531 | 541 | 233 | 204 | 198 | 230 | 433 | 2,618 |
| Liabilities - Other - Total | 25,161 | 35,166 | 35,466 | 34,288 | 31,483 | 30,623 | 30,583 | 32,801 |
| Liabilities - Total | 168,692 | 176,130 | 184,226 | 183,007 | 191,791 | 198,298 | 205,753 | 243,686 |

SHAREHOLDERS' EQUITY

| | | | | | | | | |
|---------------------------------------|--------|--------|---------|---------|---------|---------|---------|---------|
| Common/Ordinary Stock (Capital) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Surplus/Share Premium Reserve | 69,315 | 71,223 | 78,520 | 80,552 | 83,111 | 86,939 | 93,718 | 100,923 |
| Retained Earnings | 3,079 | 11,495 | 23,810 | 37,752 | 58,877 | 79,603 | 112,505 | 167,554 |
| Common/Ordinary Equity - Total | 72,394 | 82,718 | 102,330 | 118,304 | 141,988 | 166,542 | 206,223 | 268,477 |
| Stockholders' Equity - Total | 72,394 | 82,718 | 102,330 | 118,304 | 141,988 | 166,542 | 206,223 | 268,477 |

| | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Liabilities and Stockholders' Equity - Total | 241,086 | 258,848 | 286,556 | 301,311 | 333,779 | 364,840 | 411,976 | 512,163 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|

| | | | | | | | | |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Common Shares Outstanding (Millions) | 7,708 | 7,677 | 7,643 | 7,571 | 7,519 | 7,464 | 7,432 | 7,434 |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|

DEBT COMPONENTS

| | | | | | | | | |
|--------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Debt - Capitalized Lease Obligations | 2,400 | 4,125 | 6,257 | 8,956 | 11,750 | 13,842 | 15,870 | 24,796 |
| Debt - Notes | 76,073 | 72,242 | 66,662 | 0 | 0 | 0 | 0 | 0 |
| Other Long-Term Debt | 0 | 5,568 | 6,188 | 67,249 | 59,703 | 58,521 | 54,718 | 58,185 |

DEBT MATURITY TABLE

| | | | | | | | | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Debt - Maturing 1st Year | 1,162 | 5,573 | 7,348 | 5,905 | 10,825 | 6,037 | 8,853 | 8,178 |
| Debt - Maturing 2nd Year | 4,217 ^{EA} | 5,911 ^{EA} | 4,366 ^{EA} | 8,860 ^{EA} | 3,948 ^{EA} | 6,737 ^{EA} | 4,337 ^{EA} | 6,021 ^{EA} |
| Debt - Maturing 3rd Year | 5,740 ^{EA} | 4,151 ^{EA} | 8,620 ^{EA} | 3,653 ^{EA} | 6,461 ^{EA} | 4,051 ^{EA} | 4,771 ^{EA} | 12,287 ^{EA} |
| Debt - Maturing 4th Year | 3,977 ^{EA} | 8,452 ^{EA} | 3,381 ^{EA} | 6,166 ^{EA} | 3,787 ^{EA} | 4,483 ^{EA} | 9,780 ^{EA} | 3,026 ^{EA} |
| Debt - Maturing 5th Year | 8,228 ^{EA} | 3,160 ^{EA} | 5,891 ^{EA} | 3,486 ^{EA} | 4,220 ^{EA} | 9,489 ^{EA} | 1,787 ^{EA} | 4,514 ^{EA} |

SUPPLEMENTAL

| | | | | | | | | |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Deferred Revenue - Current | 34,102 | 28,905 | 32,676 | 36,000 | 41,525 | 45,538 | 50,901 | 57,582 |
| Deferred Revenue - Long-Term | 10,377 | 3,815 | 4,530 | 3,180 | 2,616 | 2,870 | 2,912 | 2,602 |
| Debt - Mortgages and Other Secured | 2,400 | 4,125 | 6,257 | 8,956 | 11,750 | 13,842 | 15,870 | 24,796 |

RENTAL COMMITMENTS

| | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|--------|--------|
| Rental Commitments - Minimum - 1st Year | 1,292 | 1,492 | 1,678 | 1,807 | 2,125 | 2,456 | 2,784 | 4,124 |
| Rental Commitments - Minimum - 2nd Year | 1,220 | 1,347 | 1,438 | 1,652 | 1,954 | 2,278 | 2,508 | 3,549 |
| Rental Commitments - Minimum - 3rd Year | 1,115 | 1,086 | 1,235 | 1,474 | 1,751 | 1,985 | 2,142 | 2,981 |
| Rental Commitments - Minimum - 4th Year | 908 | 902 | 1,036 | 1,262 | 1,463 | 1,625 | 1,757 | 2,405 |
| Rental Commitments - Minimum - 5th Year | 749 | 721 | 839 | 1,000 | 1,133 | 1,328 | 1,582 | 1,924 |
| Rental Commitments - Minimum - 5-Year Total | 5,284 | 5,548 | 6,226 | 7,195 | 8,426 | 9,672 | 10,773 | 14,983 |
| Thereafter Leases | 2,588 | 2,157 | 2,438 | 3,122 | 4,111 | 5,332 | 6,327 | 6,587 |

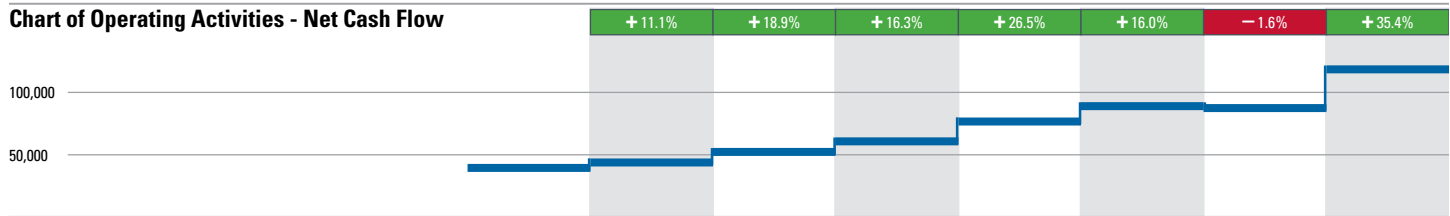
^{EA} Debt commitments include interest on Capitalized Lease Obligations.

Annual Cash Flow

Change vs. Previous Year

Summary: During 2025, MSFT earned \$108.1B from its investing activities. This was more than any other company in the Systems Software group.

Chart of Operating Activities - Net Cash Flow



Millions of \$US

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
| OPERATING ACTIVITIES | | | | | | | | |
| Income Before Extraordinary Items | \$21,204 | \$16,571 | \$39,240 | \$44,281 | \$61,271 | \$72,738 | \$72,361 | \$88,136 |
| Depreciation and Amortization | 8,778 | 10,261 | 11,682 | 12,796 | 11,686 | 14,460 | 13,861 | 22,287 |
| Deferred Taxes | (3,296) | (5,143) | (6,463) | 11 | (150) | (5,702) | (6,059) | (4,738) |
| Equity in Net Loss (Earnings) | CF | CF | CF | CF | CF | CF | CF | CF |
| Sale of PP&E and Investments - (Gain) Loss | CF | CF | CF | CF | CF | CF | CF | CF |
| Funds from Operations - Other excluding Option Tax Benefit | 11,169 | 1,728 | 3,860 | 5,070 | 4,869 | 7,093 | 9,807 | 11,039 |
| Funds from Operations - Other | 11,169 | 1,728 | 3,860 | 5,070 | 4,869 | 7,093 | 9,807 | 11,039 |
| Accounts Receivable - Decrease (Increase) | (925) | (3,862) | (2,812) | (2,577) | (6,481) | (6,834) | (4,087) | (7,191) |
| Inventory - Decrease (Increase) | 50 | (465) | 597 | 168 | (737) | (1,123) | 1,242 | 1,284 |
| Accounts Payable and Accrued Liabilities - Increase (Decrease) | 81 | 1,148 | 232 | 3,018 | 2,798 | 2,943 | (2,721) | 3,545 |
| Income Taxes - Accrued - Increase (Decrease) | CF | 18,183 | 2,929 | CF | CF | CF | CF | CF |
| Assets and Liabilities - Other (Net Change) | 2,446 | 5,463 | 2,920 | (2,092) | 3,484 | 5,460 | 3,178 | 4,186 |
| Operating Activities - Net Cash Flow | 39,507 | 43,884 | 52,185 | 60,675 | 76,740 | 89,035 | 87,582 | 118,548 |
| INVESTING ACTIVITIES | | | | | | | | |
| Increase in Investments | 176,905 | 137,380 | 57,697 | 77,190 | 62,924 | 26,456 | 37,651 | 17,732 |
| Sale of Investments | 164,394 | 143,937 | 58,237 | 84,170 | 65,800 | 44,894 | 47,864 | 35,669 |
| Short-Term Investments - Change | CF | CF | CF | CF | CF | CF | CF | CF |
| Capital Expenditures | 8,129 | 11,632 | 13,925 | 15,441 | 20,622 | 23,886 | 28,107 | 44,477 |
| Acquisitions | CF | CF | CF | CF | CF | CF | CF | CF |
| Investing Activities - Other | (26,141) | (986) | (2,388) | (3,762) | (9,831) | (24,863) | (4,786) | (70,430) |
| Investing Activities - Net Cash Flow | (46,781) | (6,061) | (15,773) | (12,223) | (27,577) | (30,311) | (22,680) | (96,970) |
| FINANCING ACTIVITIES | | | | | | | | |
| Sale of Common and Preferred Stock | 772 | 1,002 | 1,142 | 1,343 | 1,693 | 1,841 | 1,866 | 2,002 |
| Purchase of Common and Preferred Stock | 11,788 | 10,721 | 19,543 | 22,968 | 27,385 | 32,696 | 22,245 | 17,254 |
| Cash Dividends | 11,845 | 12,699 | 13,811 | 15,137 | 16,521 | 18,135 | 19,800 | 21,771 |
| Long-Term Debt - Issuance | 44,344 | 7,183 | 0 | 0 | 0 | 0 | 0 | 24,395 |
| Long-Term Debt - Reduction | 7,922 | 10,060 | 4,000 | 5,518 | 3,750 | 9,023 | 2,750 | 29,070 |
| Changes in Current Debt | (4,963) | (7,324) | CF | CF | CF | CF | CF | 5,250 |
| Financing Activities - Other | (190) | (971) | (675) | (3,751) | (2,523) | (863) | (1,006) | (1,309) |
| Financing Activities - Net Cash Flow | 8,408 | (33,590) | (36,887) | (46,031) | (48,486) | (58,876) | (43,935) | (37,757) |
| Exchange Rate Effect | 19 | 50 | (115) | (201) | (29) | (141) | (194) | (210) |
| CHANGE IN CASH AND CASH EQUIVALENTS | | | | | | | | |
| Cash and Cash Equivalents - Increase (Decrease) | 1,153 | 4,283 | (590) | 2,220 | 648 | (293) | 20,773 | (16,389) |
| SUPPLEMENTAL ITEMS | | | | | | | | |
| Interest Paid - Net | 1,600 | 2,400 | 2,400 | 2,400 | 2,000 | 1,900 | 1,700 | 1,700 |
| Income Taxes Paid | 2,400 | 5,500 | 8,400 | 12,500 | 13,400 | 16,000 | 23,100 | 23,400 |

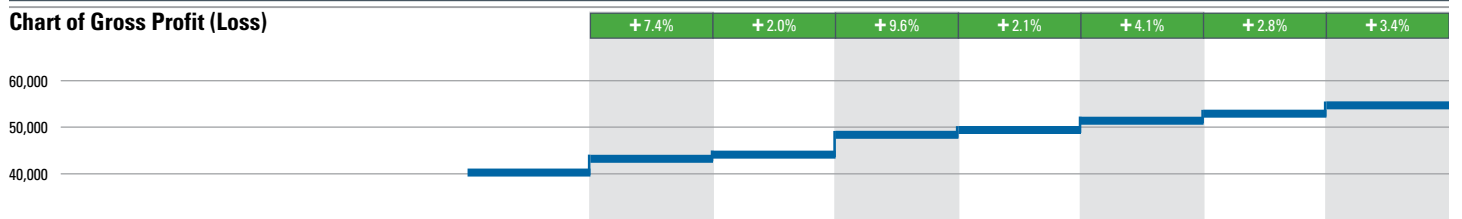
CF Combined Figure

Additional Summary Items: During Fiscal Year 2025, MSFT spent \$44.5B on capital expenditures. As a percent of sales, this was the highest in the Systems Software Sub-industry group and represented a steady increase in spending over the last four years.

MSFT's ability to collect its accounts receivable is in-line with the Systems Software group norm. In 2025, the average number of days its accounts receivable were outstanding was 100. However, this was 0.7 days slower than the accounts receivables collection during the previous year.

Quarterly Income Statement

Change vs. Previous Year



Millions of \$US

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|
| Sales/Turnover (Net) | \$52,857 | \$56,189 | \$56,517 | \$62,020 | \$61,858 | \$64,727 | \$65,585 | \$69,632 |
| Cost of Goods Sold | 12,579 ^{BD} | 12,921 ^{BD} | 12,381 ^{BD} | 13,664 ^{BD} | 12,478 ^{BD} | 13,304 ^{BD} | 12,716 ^{BD} | 14,972 ^{BD} |
| Gross Profit (Loss) | 40,278 | 43,268 | 44,136 | 48,356 | 49,380 | 51,423 | 52,869 | 54,660 |
| Selling, General and Administrative Expenses | 14,377 | 15,140 | 13,320 | 15,365 | 15,772 | 17,118 | 14,934 | 16,180 |
| Operating Income Before Depreciation | 25,901 | 28,128 | 30,816 | 32,991 | 33,608 | 34,305 | 37,935 | 38,480 |
| Depreciation and Amortization - Total | 3,549 | 3,874 | 3,921 ^{ER} | 5,959 ^{ER} | 6,027 ^{ER} | 6,380 ^{ER} | 7,383 ^{ER} | 6,827 ^{ER} |
| Operating Income After Depreciation | 22,352 | 24,254 | 26,895 | 27,032 | 27,581 | 27,925 | 30,552 | 31,653 |
| Interest and Related Expense | 510 | 492 | 538 | 921 | 811 | 713 | 594 | -- |
| Nonoperating Income (Expense) - Total | 831 | 965 | 927 | 415 | (43) | 38 | 311 | -- |
| Pretax Income | 22,673 | 24,727 | 27,284 | 26,526 | 26,727 | 27,250 | 30,269 | 29,365 |
| Income Taxes - Deferred | AF | (6,059) | AF | AF | AF | (4,738) | AF | -- |
| Income Taxes - Total | 4,374 | 4,646 | 4,993 | 4,656 | 4,788 | 5,214 | 5,602 | 5,257 |
| Income Before Extraordinary Items | 18,299 | 20,081 | 22,291 | 21,870 | 21,939 | 22,036 | 24,667 | 24,108 |
| Net Income (Loss) | 18,299 | 20,081 | 22,291 | 21,870 | 21,939 | 22,036 | 24,667 | 24,108 |

EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Millions)

| | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| EPS - Basic Excluding Extraordinary Items | 2.46 | 2.70 | 3.00 | 2.94 | 2.95 | 2.96 | 3.32 | 3.24 |
| EPS - Basic Including Extraordinary Items | 2.46 | 2.70 | 3.00 | 2.94 | 2.95 | 2.96 | 3.32 | 3.24 |
| EPS - Diluted Excluding Extraordinary Items | 2.45 | 2.69 | 2.99 | 2.93 | 2.94 | 2.95 | 3.30 | 3.23 |
| EPS - Diluted Including Extraordinary Items | 2.45 | 2.69 | 2.99 | 2.93 | 2.94 | 2.95 | 3.30 | 3.23 |
| EPS from Operations - Basic | 2.46 | 2.70 | 3.00 | 2.94 | 2.95 | 2.96 | 3.32 | 3.24 |
| EPS from Operations - Diluted | 2.45 | 2.69 | 2.99 | 2.93 | 2.94 | 2.95 | 3.30 | 3.23 |
| Common Shares Used to Calculate EPS Basic | 7,441 ^{ZR} | 7,434 ^{ZR} | 7,429 ^{ZR} | 7,432 ^{ZR} | 7,431 ^{ZR} | 7,433 ^{ZR} | 7,433 ^{ZR} | 7,435 ^{ZR} |
| Common Shares Used to Calculate EPS Diluted | 7,464 ^{ZR} | 7,467 ^{ZR} | 7,462 ^{ZR} | 7,468 ^{ZR} | 7,472 ^{ZR} | 7,472 ^{ZR} | 7,470 ^{ZR} | 7,468 ^{ZR} |

12 MONTH MOVING EPS

| | | | | | | | | |
|---------------------------------------|------|------|-------|-------|-------|-------|-------|-------|
| EPS Basic Excl. Extraordinary Items | 9.26 | 9.72 | 10.36 | 11.10 | 11.60 | 11.86 | 12.17 | 12.47 |
| EPS Diluted Excl. Extraordinary Items | 9.22 | 9.68 | 10.33 | 11.06 | 11.54 | 11.80 | 12.12 | 12.42 |
| EPS from Operations | 9.39 | 9.85 | 10.49 | 11.10 | 11.60 | 11.86 | 12.17 | 12.47 |
| EPS from Operations - Diluted | 9.36 | 9.81 | 10.45 | 11.06 | 11.54 | 11.80 | 12.12 | 12.42 |

^{BD} Reduced by an amount of depreciation which should be allocated to SGA

^{ER} Does not reflect exact amount of depreciation and amortization

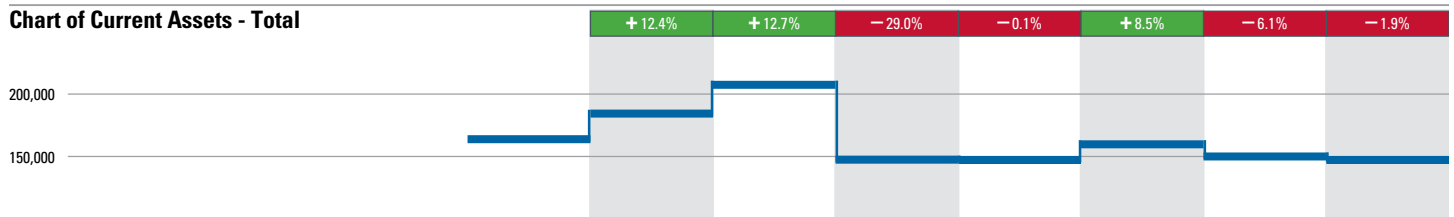
^{ZR} Weighted Average Shares are Reported

AF Annual Figure

Quarterly Balance Sheet

Change vs. Previous Year

Chart of Current Assets - Total



Millions of \$US

CURRENT ASSETS

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|---------------------------------|-----------|-----------|-----------|----------|----------|----------|----------|----------------------|
| Cash and Short-Term Investments | \$104,427 | \$111,262 | \$143,951 | \$81,017 | \$80,021 | \$75,543 | \$78,428 | \$71,555 |
| Receivables - Total | 37,420 | 57,888 | 47,153 | 51,631 | 54,129 | 67,424 | 55,548 | 48,188 |
| Inventories - Total | 2,877 | 2,500 | 3,000 | 1,615 | 1,304 | 1,246 | 1,626 | 909 |
| Current Assets - Other - Total | 19,165 | 12,607 | 13,482 | 13,130 | 11,726 | 15,521 | 14,324 | 26,428 |
| Current Assets - Total | 163,889 | 184,257 | 207,586 | 147,393 | 147,180 | 159,734 | 149,926 | 147,080 |

NON-CURRENT ASSETS

| | | | | | | | | |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| Property Plant and Equipment - Total (Gross) | 168,009 | 178,238 | 187,423 | 201,655 | 213,691 | 230,973 | 253,908 | 272,538 |
| Depreciation, Depletion, and Amortization (Accumulated) | (65,998) | (68,251) | (69,486) | (72,949) | (74,945) | (76,421) | (80,517) | (82,820) |
| Property Plant and Equipment - Total (Net) | 102,011 | 109,987 | 117,937 | 128,706 | 138,746 | 154,552 | 173,391 | 189,718 |
| Goodwill | 67,940 | 67,886 | 67,790 | 118,931 | 119,163 | 119,220 | 119,374 | 119,191 |
| Intangibles - Other | 9,879 | 9,366 | 8,895 | 29,896 | 28,828 | 27,597 | 26,751 | 25,385 |
| Intangible Assets - Total | 77,819 | 77,252 | 76,685 | 148,827 | 147,991 | 146,817 | 146,125 | 144,576 |
| Assets - Other - Total | 114,188 | 117,732 | 120,262 | 194,459 | 198,349 | 197,877 | 199,696 | 197,100 |
| Assets - Total | 380,088 | 411,976 | 445,785 | 470,558 | 484,275 | 512,163 | 523,013 | 533,898 |

CURRENT LIABILITIES

| | | | | | | | | |
|-----------------------------------|--------|---------|---------|---------|---------|---------|---------|---------|
| Debt in Current Liabilities | 9,725 | 8,853 | 33,671 | 33,769 | 28,066 | 14,871 | 8,762 | -- |
| Account Payable/Creditors - Trade | 15,305 | 18,095 | 19,307 | 17,695 | 18,087 | 21,996 | 22,768 | 22,608 |
| Income Taxes Payable | 4,163 | 4,152 | 8,035 | 5,787 | 7,311 | 5,017 | 9,717 | 6,056 |
| Current Liabilities - Other | 56,498 | 73,049 | 63,779 | 63,765 | 65,061 | 83,402 | 73,953 | 54,684 |
| Current Liabilities - Total | 85,691 | 104,149 | 124,792 | 121,016 | 118,525 | 125,286 | 115,200 | 108,882 |

LONG-TERM LIABILITIES

| | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Long-Term Debt - Total | 69,587 | 70,588 | 72,010 | 77,589 | 78,163 | 82,981 | 88,076 | 56,976 |
| Deferred Taxes and Investment Tax Credit | 302 | 433 | 470 | 2,548 | 2,469 | 2,618 | 2,581 | 2,513 |
| Liabilities - Other - Total | 29,825 | 30,583 | 27,799 | 31,137 | 31,966 | 32,801 | 29,433 | 62,832 |
| Liabilities - Total | 185,405 | 205,753 | 225,071 | 232,290 | 231,123 | 243,686 | 235,290 | 231,203 |

SHAREHOLDERS' EQUITY

| | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Common/Ordinary Stock (Capital) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Surplus/Share Premium Reserve | 92,093 | 93,718 | 95,508 | 97,480 | 99,193 | 100,923 | 102,976 | 104,829 |
| Retained Earnings | 102,590 | 112,505 | 125,206 | 140,788 | 153,959 | 167,554 | 184,747 | 197,866 |
| Common/Ordinary Equity - Total | 194,683 | 206,223 | 220,714 | 238,268 | 253,152 | 268,477 | 287,723 | 302,695 |
| Stockholders' Equity - Total | 194,683 | 206,223 | 220,714 | 238,268 | 253,152 | 268,477 | 287,723 | 302,695 |
| Liabilities and Stockholders' Equity - Total | 380,088 | 411,976 | 445,785 | 470,558 | 484,275 | 512,163 | 523,013 | 533,898 |
| Common Shares Outstanding (Millions) | 7,437 | 7,432 | 7,431 | 7,432 | 7,433 | 7,434 | 7,436 | 7,435 |

SUPPLEMENTAL

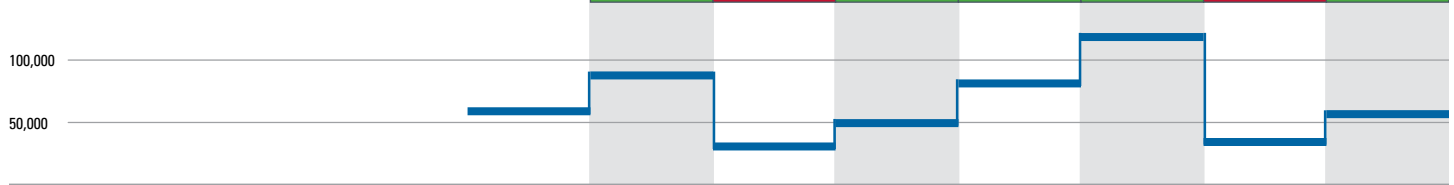
| | | | | | | | | |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Pension Expense | AF | -- | AF | AF | AF | -- | AF | -- |
| Deferred Revenue - Current | 36,903 | 50,901 | 46,429 | 43,068 | 41,888 | 57,582 | 53,026 | 45,508 |
| Deferred Revenue - Long-Term | 2,698 | 2,912 | 2,759 | 2,966 | 2,945 | 2,602 | 2,663 | 2,537 |

AF Annual Figure

Quarterly Cash Flow

Change vs. Previous Year

Chart of Operating Activities - Net Cash Flow



Millions of \$US

OPERATING ACTIVITIES

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|--|----------|----------|----------|----------|----------|----------|----------|----------------------|
| Income Before Extraordinary Items | \$18,299 | \$20,081 | \$22,291 | \$21,870 | \$21,939 | \$22,036 | \$24,667 | \$24,108 |
| Depreciation and Amortization | 9,987 | 13,861 | 3,921 | 9,880 | 15,907 | 22,287 | 7,383 | 14,210 |
| Deferred Taxes | (4,171) | (6,059) | (568) | (2,270) | (3,593) | (4,738) | (1,433) | (2,591) |
| Equity in Net Loss (Earnings) | CF | CF | CF | CF | CF | CF | CF | CF |
| Sale of PP&E and Investments - (Gain) Loss | CF | CF | CF | CF | CF | CF | CF | CF |
| Funds from Operations - Other excluding Option Tax Benefit | 7,347 | 9,807 | 2,521 | 5,547 | 8,299 | 11,039 | 2,707 | 6,772 |
| Funds from Operations - Other | 7,347 | 9,807 | 2,521 | 5,547 | 8,299 | 11,039 | 2,707 | 6,772 |
| Accounts Receivable - Decrease (Increase) | 7,157 | (4,087) | 11,034 | 8,083 | 6,055 | (7,191) | 14,037 | 8,059 |
| Inventory - Decrease (Increase) | 868 | 1,242 | (505) | 969 | 1,229 | 1,284 | (373) | 338 |
| Accounts Payable and Accrued Liabilities - Increase (Decrease) | (4,032) | (2,721) | 1,214 | (1,307) | (659) | 3,545 | (916) | 42 |
| Income Taxes - Accrued - Increase (Decrease) | CF | CF | CF | CF | CF | CF | CF | CF |
| Assets and Liabilities - Other (Net Change) | (10,624) | 3,178 | (9,325) | (15,627) | (11,985) | 4,186 | (11,892) | (19,134) |
| Operating Activities - Net Cash Flow | 58,812 | 87,582 | 30,583 | 49,436 | 81,353 | 118,548 | 34,180 | 56,471 |

INVESTING ACTIVITIES

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|--------------------------------------|----------|----------|---------|----------|----------|----------|----------|----------------------|
| Increase in Investments | 25,675 | 37,651 | 8,460 | 12,718 | 14,901 | 17,732 | 1,620 | 3,670 |
| Sale of Investments | 35,469 | 47,864 | 21,048 | 26,798 | 32,089 | 35,669 | 4,104 | 9,267 |
| Short-Term Investments - Change | CF | CF | CF | CF | CF | CF | CF | CF |
| Capital Expenditures | 19,164 | 28,107 | 9,917 | 19,652 | 30,604 | 44,477 | 14,923 | 30,727 |
| Acquisitions | CF | CF | CF | CF | CF | CF | CF | CF |
| Investing Activities - Other | (4,176) | (4,786) | (2,168) | (65,850) | (68,706) | (70,430) | (2,762) | (4,183) |
| Investing Activities - Net Cash Flow | (13,546) | (22,680) | 503 | (71,422) | (82,122) | (96,970) | (15,201) | (29,313) |

FINANCING ACTIVITIES

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|--|----------|----------|---------|----------|----------|----------|----------|----------------------|
| Sale of Common and Preferred Stock | 1,354 | 1,866 | 685 | 946 | 1,468 | 2,002 | 706 | 962 |
| Purchase of Common and Preferred Stock | 16,541 | 22,245 | 4,831 | 8,831 | 13,044 | 17,254 | 4,107 | 9,093 |
| Cash Dividends | 14,746 | 19,800 | 5,051 | 10,625 | 16,197 | 21,771 | 5,574 | 11,744 |
| Long-Term Debt - Issuance | 0 | 0 | 7,073 | 17,846 | 24,198 | 24,395 | 0 | 0 |
| Long-Term Debt - Reduction | 1,750 | 2,750 | 1,500 | 4,416 | 16,005 | 29,070 | 966 | 966 |
| Changes in Current Debt | CF | CF | 18,692 | 10,202 | 6,392 | 5,250 | (5,746) | (5,746) |
| Financing Activities - Other | (839) | (1,006) | (307) | (508) | (1,006) | (1,309) | (889) | (1,232) |
| Financing Activities - Net Cash Flow | (32,522) | (43,935) | 14,761 | 4,614 | (14,194) | (37,757) | (16,576) | (27,819) |

Exchange Rate Effect

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|----------------------|---------|---------|---------|----------|---------|---------|---------|----------------------|
| Exchange Rate Effect | (113) | (194) | (99) | (27) | (107) | (210) | 122 | (172) |

CHANGE IN CASH AND CASH EQUIVALENTS

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|---|---------|---------|---------|----------|----------|----------|---------|----------------------|
| Cash and Cash Equivalents - Increase (Decrease) | 12,631 | 20,773 | 45,748 | (17,399) | (15,070) | (16,389) | 2,525 | (833) |

SUPPLEMENTAL ITEMS

| Quarter Ending on | 3/31/23 | 6/30/23 | 9/30/23 | 12/31/23 | 3/31/24 | 6/30/24 | 9/30/24 | 12/31/24 Preliminary |
|---------------------|---------|---------|---------|----------|---------|---------|---------|----------------------|
| Interest Paid - Net | -- | 1,700 | -- | -- | -- | 1,700 | -- | -- |
| Income Taxes Paid | -- | 23,100 | -- | -- | -- | 23,400 | -- | -- |

CF Combined Figure

Glossary

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). A company is assigned to a single GICS sub-industry according to the definition of its principal business activity as determined by Standard & Poor's and MSCI. Revenues are a significant factor in defining principal business activity; however, earnings analysis and market perception are also important criteria.

S&P Core Earnings - Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses. Included in the definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, writedowns of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

Preliminary Data - Preliminary update indicates that the company has been updated from a source with limited financial data, but the data is expected to become available or has been available historically. Final update (not indicated) means that the company has been updated from a complete source (usually the Form 10-K or 10-Q), and no further data will be available.

Dividends - Values for dividends in this report are not split adjusted.

Modified Return on Capital - This value from page 5 is calculated using a formula that equally weights return on capital, defined as the trailing twelve months' earnings before interest and taxes, and earnings yield, defined as earnings before interest and taxes divided by market value plus net debt.

S&P Operating EPS - Earnings from Operations represents earnings per share that excludes the effect of all nonrecurring events. EPS is adjusted to remove the effect of all special or one-time items from the calculation.

Value Scales - Abbreviations for scale are as follows: Th = Thousand, M = Million, B = Billion, and T = Trillion.

Company to Industry Comparison - The Market Capitalization and Revenue charts on page 1 are displayed using a logarithmic scale to accommodate the large range of values that are shown.

Balance Sheet Debt Components - The sum of the Debt Components below the Balance Sheet may not equal "Long-Term Debt - Total" due to the fact that, for some companies, the debt component can include "Long-Term Debt Due in One Year," which is a short-term liability.

PEG Ratio - The computation of PEG (on pages 2 and 3) includes 3 years of compounded earnings growth.