

APPLIED MATERIALS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

Fiscal Year	2018	2017	2016
Net sales	\$ 17,253	\$ 14,537	\$ 10,825
Cost of products sold	9,436	8,005	6,314
Gross profit	7,817	6,532	4,511
Operating expenses:			
Research, development and engineering	2,019	1,774	1,540
Marketing and selling	521	456	429
General and administrative	481	434	390
Total operating expenses	3,021	2,664	2,359
Income from operations	4,796	3,868	2,152
Interest expense	234	198	155
Interest and other income, net	132	61	16
Income before income taxes	4,694	3,731	2,013
Provision for income taxes	1,381	297	292
Net income	<u>\$ 3,313</u>	<u>\$ 3,434</u>	<u>\$ 1,721</u>
Earnings per share:			
Basic	\$ 3.27	\$ 3.20	\$ 1.56
Diluted	\$ 3.23	\$ 3.17	\$ 1.54
Weighted average number of shares:			
Basic	1,013	1,073	1,107
Diluted	1,026	1,084	1,116

See accompanying Notes to Consolidated Financial Statements.